Legislation Details (With Text)

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Title: Authorizing the issuance and sale of industrial development bonds, in a maximum aggregate principal amount of $3,750,000, for the purpose of refunding for debt service cost savings a portion of the City's outstanding Taxable Industrial Development Bonds, Series 2006 (Marina District Project), dated as of July 6, 2006, that are stated to mature on December 1, 2032, authorizing and directing the call for redemption of all of the refunded bonds; authorizing the execution and delivery of a Bond Registrar Agreement and a Bond Purchase Agreement with respect to the refunding bonds and an Escrow Agreement with respect to the refunding of the refunded bonds; and declaring an emergency.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Bond Registrar Agreement, 2. Escrow Agreement, 3. Audio: Agenda Review 8/13/2019, 4. Audio: Budget Oversight 8/14/2019, 5. Audio: City Council 8/20/2019, 6. Audio: Agenda Review 8/27/2019, 7. Audio: City Council Meeting 9/3/2019

Date	Ver.	Action By	Action	Result
9/3/2019	1	City Council		
9/3/2019	1	City Council		
8/20/2019	1	City Council	First Reading	Pass

NontaxBondsRefMarina2006
Finance
Bryan Benner x1194/Jamie Takacs x1468
Revised

Authorizing the issuance and sale of industrial development bonds, in a maximum aggregate principal amount of $3,750,000, for the purpose of refunding for debt service cost savings a portion of the City's outstanding Taxable Industrial Development Bonds, Series 2006 (Marina District Project), dated as of July 6, 2006, that are stated to mature on December 1, 2032, authorizing and directing the call for redemption of all of the refunded bonds; authorizing the execution and delivery of a Bond Registrar Agreement and a Bond Purchase Agreement with respect to the refunding bonds and an Escrow Agreement with respect to the refunding of the refunded bonds; and declaring an emergency.

SUMMARY & BACKGROUND:
This is one of a series of ordinances that authorize the issuance of special obligation nontax revenue bonds that the City plans to sell in fall 2019.

This ordinance authorizes the sale of up to $3,750,000 of bonds to refund outstanding special obligation nontax revenue industrial development bonds that were issued in 2006 to pay costs of acquiring parcels of property in the Marina District. With the issuance of the bonds authorized by this ordinance and the retirement of the prior

bonds, the City's outstanding nontax revenue debt may be increased by up to $280,000 in order to pay for issuance costs and other expenses incurred in connection with the redemption of the prior bonds; however, the bonds authorized by this ordinance will be sold only if interest rates available on the sale date will provide satisfactory debt service cost savings to the City, over and above all additional expenses of sale of the bonds and the refunding of the prior bonds and will be exempt from the City's statutory and Constitutional debt limitations.

The City is authorized and empowered by virtue of the laws of the State of Ohio, including, without limitation, Section 13 of Article VIII of the Ohio Constitution and Chapter 165 of the Ohio Revised Code, among other things, (a) to issue bond anticipation notes and bonds to acquire, construct, reconstruct, equip, or improve a "project" as defined in Section 165.01 of the Ohio Revised Code, comprising an industrial, commercial or research facility, located within the boundaries of the City, for the purpose of creating or preserving jobs and employment opportunities and improving the economic welfare of the people of the City and of the State; (b) to secure such notes and bonds by a pledge of nontax revenues, as provided herein; and (c) to enact this Ordinance and enter into related agreements, upon the terms and conditions provided herein.

Pursuant to Ordinance No. 185-06 passed by this Council on April 11, 2006 and the related final terms certificate dated June 21, 2006 (collectively, Prior Bond Legislation), the City issued its $5,120,000 Special Obligation (Nontax Revenue) Taxable Industrial Development Bonds, Series 2006 (Marina District Project), dated July 6, 2006 (the Prior Bonds), to provide funds necessary to pay costs of (i) acquiring certain parcels in support of the anticipated future redevelopment of those parcels, a portion of which were expected to be sold or leased for commercial developments and thereby to create and preserve jobs and employment opportunities, and (ii) retiring bond anticipation notes that had been issued in anticipation of the Prior Bonds for that purpose, the Lucas County Community Improvement Corporation, pursuant to its designation as the City's agent pursuant to Revised Code Section 1724.10, having certified to the City that the such improvements were in accordance with the City's plan and agreement with that Corporation for industrial, commercial, distribution and research development.

This Council finds and determines that, if interest rates available on the sale date will provide satisfactory savings to the City, the City should (i) refund for debt service cost savings a portion of the Prior Bonds that remain outstanding and are stated to mature on December 1, 2032 (those Prior Bonds to be refunded, to be finally determined and specified by the Director of Finance at the time of the sale of the Bonds as set forth in Section 3, being hereinafter collectively referred to as the "Refunded Bonds"), (ii) exercise the City's option to call those Refunded Bonds for optional redemption on a date not more than 90 days after the Closing Date that is determined and specified by the Director of Finance at the time of the sale of the Bonds as set forth in Section 8 and (iii) issue and sell the Bonds described in Section 3 to provide for that refunding and call.

The fiscal impact of this ordinance is as follows:

- The amount of funds requested: $0
- The expenditure budget line item: 5040-14800-1135001STDSTD
- New revenue generated (operational revenue, grants, if any): None.
- Revenue budget line item (if any):
- Are funds budgeted in the current fiscal year (yes/no)?: Yes. This is a refunding of a pervious borrowing.
- Is this a capital project (yes/no)? Yes.
- If yes, is it new or existing (new/existing)? Existing.
- What section of the City's Strategic Plan does this support:
    - Excellence in Basic Services (yes/no) No.

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- Quality Community Investment (Livable City, Development) (yes/no) Yes.
- Workplace Culture & Customer Service (yes/no) No.
- Environment (yes/no) Yes.

NOW, THEREFORE, Be it ordained by the Council of the City of Toledo:

SECTION 1. Definitions. In addition to the words and terms defined elsewhere in this Ordinance or by reference to the Act, unless the context or use clearly indicates another meaning or intent:

"Act" means Chapter 165, Ohio Revised Code, as enacted and amended pursuant to Section 13 of Article VIII, Ohio Constitution.

"Authorized Denominations" means the denomination of $5,000 or any whole multiple thereof.

"Bond Fund" means the Bond Fund described in Section 12 of this Ordinance.

"Bond proceedings" means, collectively, this Ordinance, the Final Terms Certificate, the Continuing Disclosure Agreement, the Bond Registrar Agreement and such other proceedings of the City, including the Bonds, that provide collectively for, among other things, the rights of holders and beneficial owners of the Bonds.

"Bond Register" means all books and records necessary for the registration, exchange and transfer of Bonds as provided in Section 6.

"Bond Registrar" means The Bank of New York Mellon Trust Company, N.A., as the initial authenticating agent, bond registrar, transfer agent and paying agent for the Bonds under the Bond Registrar Agreement and until a successor Bond Registrar shall have become such under the provisions of the Bond Registrar Agreement and, thereafter, "Bond Registrar" shall mean the successor Bond Registrar.

"Bond Registrar Agreement" means the Bond Registrar Agreement between the City and the Bond Registrar, as it may be modified from the form on file with the Clerk of Council and signed by the Director of Finance in accordance with Section 5.

"Bond Service Charges" means, for any period of time, the principal of and interest required to be paid by the City on the Bonds for such time period.

"Bonds" means the industrial development bonds of the City authorized in Section 3 hereof.

"Book entry form" or "Book entry system" means a form or system under which (a) the ownership of book entry interests in the Bonds and the principal of and interest on the Bonds may be transferred only through a book entry and (b) physical Bond certificates in fully registered form are issued only to a Depository or its nominee, with the physical Bond certificates deposited with and maintained in the custody of the Depository or its agent. The book entry system is maintained by and is the responsibility of the Depository and not the City. The book entry maintained by others than the City is the record that identifies the owners of book entry interests in those Bonds and that principal and interest.

"Closing Date" means the date of delivery of, and payment of the purchase price for, the Bonds.

"Continuing Disclosure Agreement" means the continuing disclosure agreement to be signed by the

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Mayor and the Director of Finance pursuant to subsection (c) of Section 7, to be substantially in the form on file with the Clerk of Council, and which, together with the agreements of the City in that subsection and the Bonds, shall constitute the continuing disclosure agreement made by the City for the benefit of holders and beneficial owners of the Bonds in accordance with the Rule.

"Depository" means any securities depository that is a clearing agency under federal law operating and maintaining, with its Participants or otherwise, a book entry system to record ownership of book entry interests in Bonds or the principal of and interest on the Bonds, and to effect transfers of Bonds, in book entry form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

"Director of Finance" means the Director of Finance or the person at the time performing the duties of the chief financial officer and fiscal officer of the City.

"Director of Law" means the Director of Law or the person at the time performing the duties of the chief legal officer of the City.

"Escrow Agreement" means the Escrow Agreement between the City and the Escrow Trustee, as it may be modified from the form on file with the Clerk of Council and signed by the Mayor and the Director of Finance in accordance with Section 9 of this Ordinance.

"Escrow Fund" means the 2019 City of Toledo Refunded Nontax Revenue Bonds Escrow Fund established pursuant to Section 10 of this Ordinance and the Escrow Agreement.

"Escrow Trustee" means The Bank of New York Mellon Trust Company, N.A., as the initial escrow trustee with respect to the Refunded Bonds under the Escrow Agreement and until a successor Escrow Trustee shall have become such pursuant to the provisions of the Escrow Agreement and, thereafter, "Escrow Trustee" shall mean the successor Escrow Trustee.

"Final Terms Certificate" means the certificate authorized by Section 7, to be signed by the Director of Finance, setting forth and determining those terms or other matters pertaining to the Bonds and their amount, issuance, sale and delivery as this Ordinance requires or authorizes to be specified, set forth, determined or otherwise established therein.

"Financing Costs" has the meaning provided in Section 133.01 of the Ohio Revised Code.

"Interest Payment Dates" means June 1 and December 1 of each year that the Bonds are outstanding, commencing June 1, 2020, or such other Interest Payment Dates as are set forth in the Final Terms Certificate; provided, that the first Interest Payment Date shall not be later than December 1, 2020.

"Mandatory Redemption Requirements" means Mandatory Redemption Requirements as defined in subsection (e)(i) of Section 4.

"Mayor" means the Mayor or the person at the time performing the duties of the chief executive officer of the City.

"Nontax Revenues" means all moneys of the City which are not moneys raised by taxation, to the extent available for the purpose of paying Bond service charges, including, but not limited to the following: (a) proceeds from the sale or lease of all or a portion of the Project; (b) grants from the United States of America

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and the State; (c) payments in lieu of taxes now or hereafter authorized by State statute to the extent not pledged to pay debt charges on other City indebtedness; (d) fines and forfeitures which are deposited in the City's General Fund; (e) fees deposited in the City's General Fund for services provided and from properly imposed licenses and permits; (f) investment earnings on the City's General Fund; (g) investment earnings on other funds of the City that are credited to the City's General Fund; (h) proceeds from the sale of assets which are deposited in the City's General Fund; (i) gifts and donations; and (j) all rental payments which are deposited in the City's General Fund.

"Ordinance" means this ordinance as amended or supplemented from time to time.

"Original Purchaser" means KeyBanc Capital Markets Inc.

"Parity Obligations" means bonds, notes or other obligations of or guaranties by the City payable from Nontax Revenues on a parity with or prior to the Bonds.

"Participant" means any participant contracting with a Depository under a book entry system and includes securities brokers and dealers, banks and trust companies, and clearing corporations.

"Person" or words importing persons mean firms, associations, partnerships (including, without limitation, general and limited partnerships), joint ventures, societies, estates, trusts (public or private), corporations public or governmental bodies, other legal entities and natural persons.

"Principal Payment Dates" means December 1 in each of the years specified, or such other annual or semiannual Principal Payment Dates as may be specified in the Final Terms Certificate; provided, that the earliest Principal Payment Date of the Bonds shall not be later than December 1, 2020, and the final Principal Payment Date shall not be later than December 1, 2032.

"Prior Bond Legislation" means, collectively, Ordinance No. 185-06 passed April 11, 2006 and the related final terms certificate dated June 21, 2006, signed by the Director of Finance pursuant thereto, authorizing the issuance and sale of the Prior Bonds.

"Prior Bonds" means the City's $5,120,000 Special Obligation (Nontax Revenue) Taxable Industrial Development Bonds, Series 2006 (Marina District Project), dated July 6, 2006, issued pursuant to the Original Bond Legislation, and currently outstanding in the aggregate principal amount of $3,495,000.

"Project" means acquiring parcels of property upon which the arena was located and surrounding parcels in connection with the Marina District Project, all in support of future redevelopment of those parcels, a portion of which parcels were expected to be sold or leased for commercial developments. The parcels acquired were parcel numbers 63721, 63577, 63667 and 67917 located in Taxing District 18 of the City.

"Purchase Agreement" means the Bond Purchase Agreement between the City and the Original Purchaser, as it may be modified from the form on file with the Clerk of Council and signed by the Mayor and the Director of Finance in accordance with Section 7.

"Refunded Bonds" means those Prior Bonds to be refunded by the Bonds, as determined by the Director of Finance and specified in the Final Terms Certificate at the time of the sale of the Bonds in accordance with Section 3.

"Rule" means Rule 15c2-12 prescribed by the SEC pursuant to the Securities Exchange Act of 1934.

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"SEC" means the Securities and Exchange Commission.

"Serial Bonds" means those Bonds designated as such in the Final Terms Certificate, maturing on the dates set forth therein, bearing interest payable on each Interest Payment Date and not subject to mandatory sinking fund redemption.

"State" means the State of Ohio.

"Term Bonds" means those Bonds designated as such in the Final Terms Certificate, maturing on the Principal Payment Date or Dates set forth in the Final Terms Certificate, bearing interest payable on each Interest Payment Date and subject to Mandatory Redemption Requirements.

Any reference herein to the City, to this Council, or to any officer or member of either, includes entities or officials succeeding to their respective functions, duties or responsibilities pursuant to or by operation of law or lawfully performing their functions.

Any reference to a section or provision of the Constitution of the State or the Act, or to a section, provision or chapter of the City Charter, the Toledo Municipal Code or the Ohio Revised Code, includes that section, provision or chapter as amended, modified, revised, supplemented or superseded from time to time; provided, that no such amendment, modification, revision, supplement or superseding section, provision or chapter shall be applicable solely by reason of this provision if it constitutes in any way an impairment of the rights or obligations of the City or the holder of the Bonds under this Ordinance, the Bonds or any other instrument or document entered into in connection with any of the foregoing, including, without limitation, any alteration of the obligation to pay the Bond service charges in the amount and manner, at the times and from the sources provided in this Ordinance, except as permitted herein.

Unless the context indicates otherwise, words importing the singular number shall include the plural number and vice versa. The terms "hereof," "hereby," "herein," "hereto," "hereunder" and similar terms refer to this Ordinance; and the term "hereafter" means after, and the term "heretofore" means before, the effective date of this Ordinance. Words of any gender include the correlative words of the other genders, unless the sense indicates otherwise.

The captions and headings in this Ordinance are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Sections, subsections, paragraphs, subparagraphs or clauses hereof. Reference to a Section means a section of this Ordinance unless otherwise indicated.

SECTION 2. Determinations by Council. This Council determines that (i) the Project is a "project" as defined in the Act and is consistent with the purposes of Section 13 of Article VIII of the Ohio Constitution; (ii) the utilization of the Project is in furtherance of the purposes of the Act and will benefit the people of the City and of the State by creating and preserving jobs and employment opportunities and improving the economic welfare of the people of the City and of the State; and (iii) it is necessary for the City to borrow money, by the issuance and sale of the Bonds, as provided herein, to provide funds necessary to refund and retire Prior Bonds.

SECTION 3. Authorization and Terms of Bonds. This Council determines it to be necessary to issue, and the City shall, issue, sell and deliver, as provided and authorized herein and pursuant to the authority of the Act, the Bonds in the maximum aggregate principal amount of $3,750,000 to refund the Refunded Bonds for debt service cost savings, which Refunded Bonds were issued to provide funds to pay costs of the Project and retire prior bond anticipation notes issued for that purpose, and to pay expenses related to the refunding of the

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Refunded Bonds and to the issuance of the Bonds.

As set forth in the preambles, based on market conditions at the time of the sale of the Bonds and his determination of the best interest of and financial advantages to the City and its residents, the Director of Finance shall determine, and shall specify in the Final Terms Certificate, the Prior Bonds to be refunded by the Bonds (the Refunded Bonds).

Subject to the limitations set forth in this Ordinance, the aggregate principal amount of the Bonds to be issued, the principal maturities of and the principal payment schedule for the Bonds, the interest rate or rates that the Bonds shall bear and certain other terms and provisions of the Bonds identified in this Ordinance are subject to further specification or determination by the Director of Finance in the Final Terms Certificate to be signed upon the finalization of the terms and provisions of the Bonds. The aggregate principal amount of Bonds to be issued, as so specified in the Final Terms Certificate, shall be the amount determined by the Director of Finance to be necessary, taking into account any premium above the aggregate principal amount of the Bonds at which they are sold to the Original Purchaser, to carry out the purpose for which the Bonds are to be issued in a manner consistent with the agreements and covenants of the City set forth in the Original Bond Legislation, the Refunded Bonds and this ordinance. The Bonds shall be issued pursuant to the Act, the City's Charter, and this Ordinance.

SECTION 4. Denominations; Dating; Principal and Interest Payment and Redemption Provisions. The Bonds shall be issued in one lot and only as fully registered bonds, in Authorized Denominations, but in no case as to a particular maturity date exceeding the principal amount stated to mature on that date. The Bonds shall be dated as of the Closing Date, or such other date not later than the Closing Date and not earlier than 30 days prior to the Closing Date, as is established by the Director of Finance in the Final Terms Certificate.

(a) Interest Rates, Interest Payment Dates and Maximum Net Interest Rate. The Bonds shall bear interest at the rate or rates per year (computed on the basis of a 360-day year consisting of twelve 30-day months), not exceeding 10% per year for any stated maturity, as shall be specified by the Director of Finance (subject to the provisions of subsection (c) of this Section) in the Final Terms Certificate. Interest on the Bonds shall be payable on each Interest Payment Date until the principal amount has been paid or provided for. The Bonds shall bear interest from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from their date.

(b) Principal Payment Schedule. The Bonds shall mature, or be payable pursuant to Mandatory Redemption Requirements, on the Principal Payment Dates in the years and principal amounts as established by the Director of Finance in the Final Terms Certificate, consistently with his determination of the best interest of and financial advantages to the City.

Consistently with the foregoing and in accordance with his determination of the amount needed for the purpose set forth in Section 3 and the best interest of and financial advantages to the City, the Director of Finance shall specify in the Final Terms Certificate (i) the aggregate principal amount of Bonds to be issued, (ii) the aggregate principal amount of Bonds to be issued as Serial Bonds, the Principal Payment Dates on which those Bonds shall be stated to mature and the principal amount thereof that shall be stated to mature on each such Principal Payment Date, and (ii) the aggregate principal amount of Bonds to be issued as Term Bonds, the Principal Payment Date or Dates on which those Bonds shall be stated to mature, the principal amount thereof that shall be stated to mature on each such Principal Payment Date, the Principal Payment Date or Dates on which Term Bonds shall be subject to mandatory sinking fund redemption (Mandatory Redemption Dates) and the principal amount thereof that shall be payable pursuant to Mandatory Sinking Fund Redemption Requirements on each Mandatory Redemption Date.

(c) Conditions for Establishment of Interest Rates and Principal Payment Dates and Amounts. The rate or rates of interest per year to be borne by the Bonds, and the principal amount of Bonds maturing or payable pursuant to Mandatory Redemption Requirements on each Principal Payment Date, shall be such as to demonstrate net present value debt service cost savings to the City due to the refunding of the Refunded Bonds in an amount not less than 3.00%, after taking into account all expenses related to that refunding and the issuance of the Bonds.

(d) Payment of Debt Charges. The debt charges on the Bonds shall be payable in lawful money of the United States of America without deduction for the services of the Bond Registrar as paying agent. Principal of and any premium on the Bonds shall be payable when due upon presentation and surrender of the Bonds at the designated corporate trust office of the Bond Registrar. Interest on a Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond was registered, and to that person's address appearing, on the Bond Register at the close of business on the 15th day of the calendar month next preceding that Interest Payment Date. Notwithstanding the foregoing, if and so long as the Bonds are issued in a book entry system, principal of and interest and any premium on the Bonds shall be payable in the manner provided in any agreement entered into by the Director of Finance, in the name and on behalf of the City, in connection with the book entry system.

The City reserves the right to order the Bond Registrar to return to it any money held by the Bond Registrar for the payment of (i) checks or drafts for the payment of interest on the Bonds or (ii) principal of the Bonds, which checks, drafts or Bonds have not been presented for payment within four years following the date on which payment of the interest or principal represented thereby came due. Thereafter, the registered owners shall look only to the City for payment of the interest and principal represented by those checks, drafts and Bonds.

(e) Redemption Provisions. Except as otherwise specified by the Director of Finance in the Final Terms Certificate consistently with his determination of the best interest of and financial advantages to the City, the Bonds shall be subject to redemption prior to stated maturity as follows:

(i) Mandatory Sinking Fund Redemption of Term Bonds. If any of the Bonds are issued as Term Bonds, the Term Bonds shall be subject to mandatory redemption in part by lot and be redeemed pursuant to mandatory redemption requirements, at a redemption price of 100% of the principal amount redeemed, plus accrued interest to the redemption date, on the applicable Mandatory Redemption Dates and in the principal amounts payable on those Dates, for which provision is made in the Final Terms Certificate (such dates and amounts being the Mandatory Redemption Requirements).

The aggregate of the moneys to be deposited with the Bond Registrar for payment of principal of and interest on the Bonds on each Mandatory Redemption Date shall include an amount sufficient to redeem on that Date the principal amount of Term Bonds payable on that Date pursuant to Mandatory Redemption Requirements (less the amount of any credit as hereinafter provided).

The City shall have the option to deliver to the Bond Registrar for cancellation Term Bonds in any aggregate principal amount and to receive a credit against the then current or any subsequent Mandatory Redemption Requirement (and corresponding mandatory redemption obligation) of the City, as specified by the Director of Finance, for Term Bonds stated to mature on the same Principal Payment Date and bearing interest at the same rate as the Term Bonds so delivered. That option shall be exercised by the City on or before the 45th day preceding any Mandatory Redemption Date with respect to which the City wishes to obtain a credit, by furnishing the Bond Registrar a certificate, signed by the Director of Finance, setting forth the extent of the

credit to be applied with respect to the then current or any subsequent Mandatory Redemption Requirement for Term Bonds stated to mature on the same Principal Payment Date and bearing interest at the same rate as the Term Bonds so delivered. If the certificate is not timely furnished to the Bond Registrar, the current Mandatory Redemption Requirement (and corresponding mandatory redemption obligation) shall not be reduced. A credit against the then current or any subsequent Mandatory Redemption Requirement (and corresponding mandatory redemption obligation), as specified by the Director of Finance, also shall be received by the City for any Term Bonds which prior thereto have been redeemed (other than through the operation of the applicable Mandatory Redemption Requirements) or purchased for cancellation and canceled by the Bond Registrar, to the extent not applied theretofore as a credit against any Mandatory Redemption Requirement, for Term Bonds stated to mature on the same Principal Payment Date and bearing interest at the same rate as the Term Bonds so redeemed or purchased and canceled.

Each Term Bond so delivered, or previously redeemed, or purchased and canceled, shall be credited by the Bond Registrar at 100% of the principal amount thereof against the then current or subsequent Mandatory Redemption Requirements (and corresponding mandatory redemption obligations), as specified by the Director of Finance, for Term Bonds stated to mature on the same Principal Payment Date and bearing interest at the same rate as the Term Bonds so delivered, redeemed or purchased and canceled.

(ii) Optional Redemption. The Bonds of the maturities, if any, specified in the Final Terms Certificate shall be subject to redemption by and at the sole option of the City, in whole or in part in whole multiples of $5,000, on the dates, in the years and at the redemption prices (expressed as a percentage of the principal amount to be redeemed), plus accrued interest to the redemption date, to be determined by the Director of Finance in the Final Terms Certificate; provided that the earliest optional redemption date shall not be later than December 1, 2029 and the redemption price for the earliest optional redemption date shall not be greater than 105%.

If optional redemption of Term Bonds at a redemption price exceeding 100% of the principal amount to be redeemed is to take place as of any Mandatory Redemption Date applicable to those Term Bonds, the Term Bonds, or portions thereof, to be redeemed optionally shall be selected by lot prior to the selection by lot of the Term Bonds of the same maturity to be redeemed on the same date by operation of the Mandatory Redemption Requirements. Bonds to be redeemed pursuant to this paragraph shall be redeemed only upon written notice from the Director of Finance to the Bond Registrar, given upon the direction of this Council through a resolution or an ordinance. That notice shall specify the redemption date and the principal amount of each maturity of Bonds to be redeemed, and shall be given at least 45 days prior to the redemption date or such shorter period as shall be acceptable to the Bond Registrar.

(iii) Partial Redemption. If fewer than all of the outstanding Bonds are called for optional redemption at one time and Bonds of more than one maturity are then outstanding, the Bonds that are called shall be Bonds of the maturity or maturities selected by the City. If fewer than all of the Bonds of a single maturity are to be redeemed, the selection of Bonds of that maturity to be redeemed, or portions thereof in amounts of $5,000 or any integral multiple thereof, shall be made by the Bond Registrar by lot in a manner determined by the Bond Registrar. In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than $5,000 are then outstanding, each $5,000 unit of principal thereof shall be treated as if it were a separate Bond of the denomination of $5,000. If it is determined that one or more, but not all, of the $5,000 units of principal amount represented by a Bond are to be called for redemption, then, upon notice of redemption of a $5,000 unit or units, the registered owner of that Bond shall surrender the Bond to the Bond Registrar (i) for payment of the redemption price of the $5,000 unit or units of principal amount called for redemption (including, without limitation, the interest accrued to the date fixed for redemption and any premium), and (ii) for issuance, without charge to the registered owner, of a new Bond or Bonds of any

Authorized Denomination or Denominations in an aggregate principal amount equal to the unmatured and unredeemed portion of, and bearing interest at the same rate and maturing on the same date as, the Bond surrendered.

(iv) Notice of Redemption. The notice of the call for redemption of Bonds shall identify (A) by designation, letters, numbers or other distinguishing marks, the Bonds or portions thereof to be redeemed, (B) the redemption price to be paid, (C) the date fixed for redemption, and (D) the place or places where the amounts due upon redemption are payable. The notice shall be given by the Bond Registrar on behalf of the City by mailing a copy of the redemption notice by first class mail, postage prepaid, at least 30 days prior to the date fixed for redemption, to the registered owner of each Bond subject to redemption in whole or in part at the registered owner's address then shown on the Bond Register maintained by the Bond Registrar. Failure to receive notice by mail or any defect in that notice regarding any Bond, however, shall not affect the validity of the proceedings for the redemption of any Bond.

(v) Payment of Redeemed Bonds. In the event that notice of redemption shall have been given by the Bond Registrar to the registered owners as provided above, there shall be deposited with the Bond Registrar on or prior to the redemption date, moneys that, in addition to any other moneys available therefor and held by the Bond Registrar, will be sufficient to redeem at the redemption price thereof, plus accrued interest to the redemption date, all of the redeemable Bonds for which notice of redemption has been given. Notice having been mailed in the manner provided in the preceding paragraph hereof, the Bonds and portions thereof called for redemption shall become due and payable on the redemption date, and, subject to the provisions of subsection (d) of Section 4 and Section 5, upon presentation and surrender thereof at the place or places specified in that notice, shall be paid at the redemption price, plus accrued interest to the redemption date. If moneys for the redemption of all of the Bonds and portions thereof to be redeemed, together with accrued interest thereon to the redemption date, are held by the Bond Registrar on the redemption date, so as to be available therefor on that date and, if notice of redemption has been deposited in the mail as aforesaid, then from and after the redemption date those Bonds and portions thereof called for redemption shall cease to bear interest and no longer shall be considered to be outstanding. If those moneys shall not be so available on the redemption date, or that notice shall not have been deposited in the mail as aforesaid, those Bonds and portions thereof shall continue to bear interest, until they are paid, at the same rate as they would have borne had they not been called for redemption. All moneys held by the Bond Registrar for the redemption of particular Bonds shall be held in trust for the account of the registered owners thereof and shall be paid to them, respectively, upon presentation and surrender of those Bonds; provided that any interest earned on the moneys so held by the Bond Registrar shall be for the account of and paid to the City to the extent not required for the payment of the Bonds called for redemption.

(f) Parity Obligations. The City has issued and may in the future issue Parity Obligations. The Director of Finance may agree in the Final Terms Certificate to reasonable limits on the future issuance of Parity Obligations, consistent with that officer's determination of the best interest of and financial advantages to the City; provided, that any limit on the maximum annual aggregate of Bond Service Charges and required payments on any existing Parity Obligations and proposed Parity Obligations payable from Nontax Revenues shall not be less than 50% of estimated Nontax Revenues for the fiscal year immediately following the issuance of the proposed Parity Obligations.

SECTION 5. Designation; Execution and Authentication of Bonds; Appointment of Bond Registrar. The Bonds shall be designated the "Special Obligation (Nontax Revenue) Taxable Industrial Development Refunding Bonds, Series 2019B (Marina District Project)", or such other designation determined by the Director of Finance in the Final Terms Certificate. The Bonds shall be signed by the Director of Finance and the Mayor, in the name of the City and in their official capacities, provided that either or both of those signatures

may be a facsimile. The Bonds shall be issued in the Authorized Denominations and numbers as approved by the Director of Finance, shall be numbered as determined by the Director of Finance in order to distinguish each Bond from any other Bond, and shall express upon their faces the purpose, in summary terms, for which they are issued and that they are issued pursuant to this Ordinance.

The Bank of New York Mellon Trust Company, N.A., is appointed to act as the initial Bond Registrar. The Director of Finance shall sign and deliver, in the name and on behalf of the City, the Bond Registrar Agreement between the City and the Bond Registrar, in substantially the form as is now on file with the Clerk of Council. The Bond Registrar Agreement is approved, together with any changes or amendments that are not inconsistent with this Ordinance and not substantially adverse to the City and that are approved by the Director of Finance on behalf of the City, all of which shall be conclusively evidenced by the signing of the Bond Registrar Agreement or amendments thereto. The Director of Finance shall provide for the payment of the services rendered and for reimbursement of expenses incurred pursuant to the Bond Registrar Agreement, except to the extent paid or reimbursed by the Original Purchaser in accordance with the Purchase Agreement, from the proceeds of the Bonds to the extent available and then from other money lawfully available and appropriated or to be appropriated for that purpose.

No Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under the Bond proceedings unless and until the certificate of authentication printed on the Bond is signed by the Bond Registrar as authenticating agent. Authentication by the Bond Registrar shall be conclusive evidence that the Bond so authenticated has been duly issued, signed and delivered under, and is entitled to the security and benefit of, the Bond proceedings. The certificate of authentication may be signed by any authorized officer or employee of the Bond Registrar or by any other person acting as an agent of the Bond Registrar and approved by the Director of Finance on behalf of the City. The same person need not sign the certificate of authentication on all of the Bonds.

SECTION 6. Registration; Transfer and Exchange; Book Entry System.

(a) Bond Registrar. So long as any of the Bonds remain outstanding, the City will cause the Bond Registrar to maintain and keep the Bond Register at its designated corporate trust office. Subject to the provisions of subsection (d) of Section 4 and subsection (c) of Section 6, the person in whose name a Bond is registered on the Bond Register shall be regarded as the absolute owner of that Bond for all purposes of the Bond proceedings. Payment of or on account of the debt charges on any Bond shall be made only to or upon the order of that person; neither the City nor the Bond Registrar shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the City's liability upon the Bond, including interest, to the extent of the amount or amounts so paid.

(b) Transfer and Exchange. Subject to any inhibitions of book entry form during any period in which the Bonds are in book entry form, any Bond may be (i) exchanged for Bonds of any Authorized Denomination upon presentation and surrender at the designated corporate trust office of the Bond Registrar, together with a request for exchange signed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Bond Registrar, and (ii) transferred only on the Bond Register upon presentation and surrender of the Bond at the designated corporate trust office of the Bond Registrar, together with an assignment signed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Bond Registrar. Upon exchange or transfer the Bond Registrar shall complete, authenticate and deliver a new Bond or Bonds of any Authorized Denomination or Denominations requested by the owner equal in the aggregate to the unmatured principal amount of the Bond surrendered and bearing interest at the same rate and maturing on the same date.

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If manual signatures on behalf of the City are required, the Bond Registrar shall undertake the exchange or transfer of Bonds only after the new Bonds are signed by the authorized officers of the City. In all cases of Bonds exchanged or transferred, the City shall sign or provide for signing and the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of the Bond proceedings. The exchange or transfer shall be without charge to the owner, except that the City and Bond Registrar may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The City or the Bond Registrar may require that those charges, if any, be paid before the procedure is begun for the exchange or transfer. All Bonds issued and authenticated upon any exchange or transfer shall be valid obligations of the City, evidencing the same debt, and entitled to the same security and benefit under the Bond proceedings, as the Bonds surrendered upon that exchange or transfer. Neither the City nor the Bond Registrar shall be required to make any exchange or transfer of (i) Bonds then subject to call for redemption between the 15th day preceding the mailing of notice of Bonds to be redeemed and the date of that mailing, or (ii) any Bond selected for redemption, in whole or in part..

(c) Book Entry System. Notwithstanding any other provisions of this Ordinance, if the Director of Finance determines in the Final Terms Certificate that it is in the best interest of and financially advantageous to the City, the Bonds may be issued in book entry form in accordance with the following provisions of this Section.

The Bonds may be issued to a Depository for use in a book-entry system and, if and so long as a book-entry system is utilized, (i) the Bonds may be issued in the form of a single, fully registered Bond representing each maturity and interest rate within a maturity and registered in the name of the Depository or its nominee, as registered owner, and deposited with and maintained in the custody of the Depository or its designated agent (which may be the Bond Registrar); (ii) the owners of book-entry interests in Bonds shall have no right to receive Bonds in the form of physical securities or certificates; (iii) ownership of book-entry interests in Bonds shall be shown by book entry on the system maintained and operated by the Depository and its Participants, and transfers of the ownership of book-entry interests shall be made only by book entry by the Depository and its Participants; and (iv) the Bonds as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City.

If any Depository determines not to continue to act as a Depository for the Bonds for use in a book-entry system, the Director of Finance may attempt to establish a securities depository/book-entry relationship with another qualified Depository. If the Director of Finance does not or is unable to do so, the Director of Finance, after making provision for notification of the book-entry interest owners by the then Depository and any other arrangements deemed necessary, shall permit withdrawal of the Bonds from the Depository, and shall cause bond certificates in registered form to be authenticated by the Bond Registrar and delivered to the assigns of the Depository or its nominee, all at the cost and expense (including any costs of printing), if the event is not the result of City action or inaction, of those persons requesting such issuance.

The Director of Finance is also hereby authorized and directed to the extent necessary or required to enter into any agreements, in the name and on behalf of the City, that he determines to be necessary in connection with the book-entry system for the Bonds, after determining that the signing thereof will not endanger the funds or securities of the City.

SECTION 7. Sale of the Bonds; Official Statement; Continuing Disclosure; Ratings, Bond Insurance.

(a) Sale of the Bonds. The Bonds shall be awarded and sold by the Director of Finance to the Original Purchaser at private sale at a purchase price not less than 95% of the aggregate principal amount thereof plus

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accrued interest on the Bonds from their date to the Closing Date, as shall be determined in the Final Terms Certificate, and with and upon such other terms as are required or authorized to be specified in the Final Terms Certificate, in accordance with law, the provisions of this ordinance and the Purchase Agreement.

The Director of Finance shall sign and deliver the Final Terms Certificate and shall cause the Bonds to be prepared and, following their sale, shall have the Bonds signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Bonds, to the Original Purchaser upon payment of the purchase price. The Mayor, the Director of Finance, the Director of Law, the Clerk of Council and other City officials, as appropriate, are each authorized and directed to sign any transcript certificates, financial statements and other documents and instruments and to take such actions as are necessary or appropriate to consummate the transactions contemplated by this ordinance.

The Mayor and the Director of Finance are authorized to sign and deliver, in the name and on behalf of the City and in their official capacities, a Purchase Agreement between the City and the Original Purchaser in substantially the form as is now on file with the Clerk of Council, providing for the sale of the Bonds to, and the purchase of the Bonds by, the Original Purchaser. The Purchase Agreement is approved, together with any changes or amendments that are not inconsistent with this ordinance or the Final Terms Certificate and not substantially adverse to the City and that are approved by the Mayor, the Director of Finance and the Director of Law on behalf of the City, all of which shall be conclusively evidenced by the signing of the Purchase Agreement or amendments to that Agreement.

(b) Official Statement. The Mayor and the Director of Finance are authorized, on behalf of the City and in their official capacities, to (i) prepare or cause to be prepared, and make or authorize modifications, completions or changes of or supplements to, a disclosure document in the form of an official statement relating to the original issuance of the Bonds, (ii) determine, and to certify or otherwise represent, when the official statement is to be "deemed final" (except for permitted omissions) by the City as of its date or is a final official statement for purposes of paragraph (b) of the Rule, (iii) use and distribute, or authorize the use and distribution of those official statements and any supplements thereto in connection with the original issuance of the Bonds, and (iv) complete and sign the final official statement and any supplements thereto as so approved, together with such certificates, statements or other documents in connection with the finality, accuracy and completeness of those official statements and any supplements, as they may deem necessary or appropriate.

(c) Agreement to Provide Continuing Disclosure. For the benefit of the holders and beneficial owners from time to time of the Bonds, the City agrees to provide or cause to be provided such financial information and operating data, audited financial statements and notices of the occurrence of certain events, in such manner as may be required for purposes of Securities and Exchange Commission Rule 15c2-12 (the Rule). The Mayor and the Director of Finance are authorized to complete, sign and deliver the Continuing Disclosure Agreement, in the name and on behalf of the City, in substantially the form as is now on file with the Clerk of Council. The Continuing Disclosure Agreement is approved, together with any changes or amendments that are not inconsistent with this ordinance and not substantially adverse to the City and that are approved by the Mayor, the Director of Finance and Director of Law on behalf of the City, all of which shall be conclusively evidenced by the signing of the Continuing Disclosure Agreement.

The Director of Finance is further authorized and directed to establish procedures in order to ensure compliance by the City with its Continuing Disclosure Agreement, including timely provision of information and notices as described above. Prior to making any filing required under the Rule, the Director of Finance shall consult with and obtain legal advice from, as appropriate, the Director of Law and bond counsel or other qualified independent special counsel selected by the City. The Director of Finance, acting in the name and on behalf of the City, shall be entitled to rely upon any such legal advice in determining whether a filing should be

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made. The performance by the City of its Continuing Disclosure Agreement shall be subject to the annual appropriation of any funds that may be necessary to perform it.

(d) Application for Rating or Bond Insurance; Legal Services; Municipal Advisor; Financing Costs. If, in the judgment of the Director of Finance, the filing of an application for (i) a rating on the Bonds by one or more nationally recognized rating agencies, or (ii) a policy of insurance from a company or companies to better assure the payment of principal of and interest on all or a portion of the Bonds, is in the best interest of and financially advantageous to this City, the Director of Finance is authorized to prepare and submit those applications, to provide to each such agency or company such information and take such other actions and enter into any agreements, in the name and on behalf of the City, as he determines to be required for the purpose, to accept a commitment for any such policy and to provide further for the payment of the cost of obtaining each such rating and any such policy, except to the extent paid by the Original Purchaser in accordance with the Purchase Agreement.

The legal services of the law firm of Squire Patton Boggs (US) LLP be and are hereby retained. Those legal services shall be in the nature of legal advice and recommendations as to the documents and the proceedings in connection with the authorization, sale and issuance of the Bonds and rendering at delivery related legal opinions. In providing those legal services, as an independent contractor and in an attorney-client relationship, that firm shall not exercise any administrative discretion on behalf of this City in the formulation of public policy, expenditure of public funds, enforcement of laws, rules and regulations of the State, any county or municipal corporation or of this City, or the execution of public trusts. For those legal services that firm shall be paid just and reasonable compensation and shall be reimbursed for actual out-of-pocket expenses incurred in providing those legal services.

If, in the judgment of the Director of Finance, it would be advantageous to the City to retain the services of a municipal advisor or other financial consultant to provide financial advice and otherwise assist the City in connection with the original issuance of the Bonds, the Director of Finance is authorized to solicit and receive formal or informal proposals for the services of such an advisor or consultant from qualified organizations and to retain the organization submitting the proposal to provide the services he determines to be the best.

The expenditure of the amounts necessary to secure a rating or ratings on the Bonds and such a policy and to pay the other financing costs (as defined in Section 133.01 of the Revised Code) in connection with the Bonds, except to the extent paid by the Original Purchaser in accordance with the Purchase Agreement, is authorized and approved. The amounts necessary to pay those costs, to the extent allocable to the Bonds, are hereby appropriated from Account Code 5040-14800-1135001STDSTD (Costs of Issuance).

SECTION 8. Refunding; Redemption of Refunded Bonds. This Council determines that, subject to the determination of the Director of Finance that rates available on the sale date will enable the City to obtain satisfactory net present value debt service savings, as provided in subsection (c) of Section 4, it is necessary and in the best interest of the City to refund all of the Refunded Bonds and to redeem all of the Refunded Bonds, at a redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date, on a date not more than 90 days after the Closing Date that is determined and specified by the Director of Finance at the time of the sale of the Bonds. The Director of Finance is authorized and directed to give or cause to be given to The Bank of New York Mellon Trust Company, N.A., ultimate successor to J.P. Morgan Trust Company, National Association, as the authenticating agent, bond registrar, transfer agent and paying agent for the Refunded Bonds, on or promptly after the Closing Date, written notice of that call for redemption, and the Refunded Bonds shall be redeemed in accordance with the Prior Bond Legislation and the Escrow Agreement. The City covenants for the benefit of the holders of the Refunded Bonds and of the Bonds, that it will at no time on or after the Closing Date take actions to modify or rescind that call for prior redemption, and that it will

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take, and will cause the bond registrar and paying agent for the Refunded Bonds to take, all steps required by the terms of the Refunded Bonds to make and perfect that call for prior redemption.

SECTION 9. Escrow Trustee. The Bank of New York Mellon Trust Company, N.A., is authorized and appointed to act as the initial Escrow Trustee with respect to the refunding of the Refunded Bonds. The Escrow Trustee is authorized and directed to cause notice of the refunding of the Refunded Bonds to be given in accordance with the Escrow Agreement. The Mayor and the Director of Finance are authorized to sign and deliver, in the name and on behalf of the City and in their official capacities, the Escrow Agreement, in substantially the form as is now on file with the Clerk of Council. The Escrow Agreement is approved, together with any changes or amendments that are not inconsistent with this ordinance and not substantially adverse to the City and that are approved by the Mayor, the Director of Finance and the Director of Law on behalf of the City, all of which shall be conclusively evidenced by the signing of the Escrow Agreement or amendments thereto. The Director of Finance shall provide for the payment of the services rendered and for reimbursement of expenses incurred pursuant to the Escrow Agreement, except to the extent paid or reimbursed by the Original Purchaser in accordance with the Purchase Agreement, from the proceeds of the Bonds to the extent available and otherwise from other funds lawfully available and that are appropriated, or shall be appropriated, for that purpose.

SECTION 10. Escrow Fund. There is created under the Escrow Agreement a trust fund designated the "2019 City of Toledo Refunded Marina District Industrial Development Bond Escrow Fund" which shall be held and maintained by the Escrow Trustee in trust for the registered owners of the Refunded Bonds and is pledged for the payment of principal of and interest on the Refunded Bonds, all in accordance with the provisions of the Escrow Agreement. The Director of Finance is hereby authorized to pay to the Escrow Trustee for deposit in the Escrow Fund (i) any funds on deposit in the Bond Fund for the payment of debt charges on the Refunded Bonds determined by the Director of Finance to be applied for that purpose, and (ii) proceeds from the sale of the Bonds in the amount required, together with the funds referred to in (i), to provide for the defeasance of the Refunded Bonds. The funds and proceeds so deposited in the Escrow Fund are appropriated, and shall be applied, to pay principal of and interest on the Refunded Bonds, as provided in the Escrow Agreement.

The funds and proceeds so deposited in the Escrow Fund shall be (a) held in cash to the extent that they are not needed to make the investments hereinafter described and (b) invested in direct obligations of, or obligations guaranteed as to payment by, the United States of America (within the meaning of Section 133.34 (D) of the Revised Code) that mature or are subject to redemption by and at the option of the holder, in amounts sufficient, together with any uninvested cash in the Escrow Fund but without further investment or reinvestment, for the payment of (i) any interest when due on any scheduled interest payment date for the Refunded Bonds following the Closing Date and accrued interest due upon the redemption of the Refunded Bonds, and (ii) the principal of the Refunded Bonds when due upon their redemption, as provided in the Escrow Agreement.

If U.S. Treasury Securities -- State and Local Government Series are to be purchased for the Escrow Fund, the Escrow Trustee is hereby specifically authorized to file, on behalf of the City, subscriptions for the purchase and issuance of those U.S. Treasury Securities - State and Local Government Series. If, in the judgment of the Director of Finance, an open-market purchase of obligations described in (b) in the preceding paragraph for the Escrow Fund is in the best interest of and financially advantageous to this City or necessary because U.S. Treasury Securities -- State and Local Government Series are not available, the Director of Finance or any other officer of the City, on behalf of the City and in his official capacity, may purchase and deliver such obligations, engage the services of a financial advisor, bidding agent or similar entity for the purpose of facilitating the bidding, purchase and delivery of such obligations for, and any related structuring of,

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the Escrow Fund, execute such instruments as are deemed necessary to engage such services for such purpose, and provide further for the payment of the cost of obtaining such services, except to the extent paid by the Original Purchaser in accordance with the Purchase Agreement, from the proceeds of the Bonds to the extent available and otherwise from any other funds lawfully available and that are appropriated or shall be appropriated for that purpose. Any actions heretofore taken by any of those officers in connection with the foregoing are hereby ratified and approved.

The Director of Finance or any other officer of the City, on behalf of the City and in his official capacity, shall purchase and deliver such obligations and may engage the services of a financial advisor, bidding agent or similar entity for the purpose of facilitating the bidding, purchase and delivery of such obligations for, and any related structuring of, the Escrow Fund, execute such instruments as are deemed necessary to engage such services for such purpose, and provide further for the payment of the cost of obtaining such services, except to the extent paid by the Original Purchaser in accordance with the Purchase Agreement, from the proceeds of the Bonds to the extent available and otherwise from any other funds lawfully available and that are appropriated or shall be appropriated for that purpose. Any actions heretofore taken by any of those officers in connection with the foregoing are hereby ratified and approved.

If the City determines to refund other outstanding special obligation nontax revenue bonds (collectively, the Other Refunded Obligations) contemporaneously with the refunding of the Refunded Bonds, the proceeds from the sale of bonds and other funds necessary and sufficient for that purpose may be deposited in the Escrow Fund and commingled and invested with the proceeds of the Bonds and other funds necessary and sufficient for the refunding of the Refunded Bonds. In that event, the Escrow Fund shall be held and maintained by the Escrow Trustee in trust for the registered owners of the Refunded Bonds and the Other Refunded Obligations and pledged to the payment of principal of and interest and redemption premium on the Refunded Bonds and the Other Refunded Obligations.

SECTION 11. Application of Proceeds. The proceeds from the sale of the Bonds shall be applied as follows: (i) proceeds in the amount required, together with any funds on deposit in the Bond Fund or otherwise available for the payment of debt charges on the Refunded Bonds and determined by the Director of Finance to be applied for the purpose, to provide for the defeasance of the Refunded Bonds shall be paid into the Escrow Fund as provided in Section 10, (ii) any proceeds to be used for the payment of any expenses properly allocable to the refunding of the Refunded Bonds or the issuance of the Bonds, as determined by the Director of Finance, shall be paid into the proper fund or funds and applied for that purpose and (iii) any proceeds representing accrued interest and any other remaining proceeds shall be paid into the Bond Fund. The proceeds from the sale of the Bonds (except any accrued interest) are appropriated and shall be used for the purpose for which the Bonds are being issued.

SECTION 12. Payment and Security of the Bonds. The Bonds shall be special obligations, not general obligations of the City, and no tax has been or shall be levied for, nor are the faith, credit or revenues (other than the Nontax Revenues on deposit in the Bond Fund) of the City pledged for, the payment of the debt charges on the Bonds. The Bond Service Charges shall be payable solely from the Nontax Revenues, and the payment of Bond Service Charges is secured by a pledge of and lien on the Nontax Revenues on deposit in the Bond Fund, as described below.

The City covenants and agrees that while the Bonds are outstanding, it will appropriate and maintain Nontax Revenues at such times and in such amounts as will be sufficient, together with the proceeds of the Bonds available for the purpose, to pay the Bond Service Charges and required payments on Parity Obligations when due and will so restrict the issuance of future Parity Obligations as will ensure the continuing availability for appropriation of sufficient Nontax Revenues to pay Bond Service Charges when due, which Nontax

Revenues are hereby selected by the City pursuant to Section 165.12 of the Ohio Revised Code as moneys that are not raised by taxation.

There has been created by previous ordinance a separate account or fund designated as the "Marina District Project Bond Retirement Fund" (the "Bond Fund") into which Nontax Revenues shall be deposited on or prior to the date of maturity of the Bonds in an amount sufficient to pay debt service charges on the Bonds and other notes or bonds issued by the City to pay costs of the Project and, if the Director determines it to be in the best interest of and financial advantages to the City to maintain a reasonable reserve in the Bond Fund, to fund and maintain that reserve in an amount not greater than the maximum annual debt service charges to be paid on the Bonds and those other notes or bonds.

Nothing herein shall be construed as requiring the City to use or apply to the payment of Bond Service Charges any funds or revenues from any source other than Nontax Revenues. Nothing herein, however, shall be deemed to prohibit the City, of its own volition, from using, to the extent that it is authorized by law to do so, any other resources for the fulfillment of any of the terms, conditions or obligations of this Ordinance or of the Bonds.

SECTION 13. Covenants and Representations of City. In addition to other covenants and representations of the City contained in this Ordinance, the City covenants and agrees that:

(a) Payment of Bond Service Charges. The City will, solely from the Nontax Revenues, pay or cause to be paid the Bond Service Charges on the dates, at the places and in the manner provided herein and in the Bonds. For that purpose, in each year while the Bonds are outstanding, this Council, after providing for the payment of debt charges payable on the City's general obligation securities in that year from sources available for that purpose, will appropriate Nontax Revenues required to pay, and for the purpose of paying, the Bond Service Charges and required payments on Parity Obligations due in that year. Further, this Council will give effect to such appropriations in all ordinances it passes thereafter in that year appropriating money for expenditure and encumbrance and limit the other appropriations of Nontax Revenues in that year to the amount available after deducting the amount required for the payment of debt charges payable on the City's general obligation securities and to pay the Bond Service Charges and required payments on Parity Obligations.

(b) Performance of Covenants and City Actions. The City will at all times faithfully observe and perform all agreements, covenants, undertakings, stipulations and provisions to be performed on its part under this Ordinance and the Bonds and under all proceedings of this Council pertaining thereto. The City represents that (i) it is, and upon delivery of the Bonds covenants that it will be, duly authorized by the Constitution and laws of the State including particularly and without limitation the Act, and its Charter, to issue the Bonds and to provide the security for payment of the Bond Service Charges in the manner and to the extent set forth herein and in the Bonds; (ii) all actions on its part for the issuance of the Bonds have been or will be taken duly and effectively; and (iii) the Bonds will be valid and enforceable special obligations of the City according to their terms. Each obligation of the City required to be undertaken pursuant to the Ordinance and the Bonds is binding upon the City, and upon each officer or employee of the City as may from time to time have the authority under law to take any action on behalf of the City as may be necessary to perform all or any part of such obligation, as a duty of the City and of each of those officers and employees resulting from an office, trust or station within the meaning of Section 2731.01, Ohio Revised Code, providing for enforcement by writ of mandamus.

(c) Inspection of Project Books. All books and documents in the City's possession relating to the Project and the Nontax Revenues shall be open at all times during the City's regular business hours to inspection by such accountants or other agents of the holder as the holder of the Bonds may from time to time

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designate.

(d) Transcript of Proceedings. The Clerk of Council, or another appropriate officer of the City, shall furnish to the Original Purchaser a true transcript of proceedings, certified by that officer, of all proceedings had with reference to the issuance of the Bonds along with such information from the records as is necessary to determine the regularity and validity of the issuance of the Bonds.

SECTION 14. Payment and Discharge. If the City shall pay or cause to be paid and discharged the Bonds, the covenants, agreements and other obligations of the City hereunder and in the Bonds shall be discharged and satisfied. The City shall be considered to have caused a Bond to be paid and discharged if the City has placed in escrow, and pledged for the payment of Bond Service Charges, money or direct or guaranteed obligations of the United States, or a combination of those obligations, determined by an independent firm experienced in making such determinations to be sufficient, with the interest or other investment income accruing on those direct or guaranteed obligations, for the payment of Bond service charges on that Bond. For purposes of this division, "direct obligations of or obligations guaranteed as to payment by the United States" includes rights to receive payment or portions of payments of the principal of or interest or other investment income on (i) those obligations; and (ii) other obligations fully secured as to payment by those obligations and the interest or other investment income on those obligations.

SECTION 15. Payments Due on Sundays and Holidays. If any date on which Bond service charges are due shall be a Sunday or a day on which the holder of the Bonds is required, or authorized or not prohibited, by law (including executive orders) to close and is closed, then payment of Bond service charges need not be made on that date but may be made on the next succeeding business day on which the holder is open for business with the same force and effect as if made on the due date and no interest shall accrue for the period after that date.

SECTION 16. Compliance with Open Meeting Requirements. This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this Ordinance were taken, and all deliberations of this Council and of any of its committees that resulted in those formal actions were held, in meetings open to the public in compliance with the law.

SECTION 17. Effective Date. This Ordinance is declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety and property of the City, and for the further reason that this Ordinance is required to be immediately effective in order to issue and sell the Bonds, which Bonds are urgently needed to provide for debt service savings that will enable the provision of additional jobs and employment opportunities and to eliminate blighted conditions and prevent the recurrence thereof; wherefore, this Ordinance shall be in full force and effect immediately after its passage or at the earliest time allowed by law.

Vote on emergency clause: yeas 12, nays 0.

Passed: September 3, 2019, as an emergency measure: yeas 12, nays 0.

Attest:

Gerald E. Dendinger	Matt Cherry
Clerk of Council	President of Council

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Approved: September 3, 2019
Wade Kapszukiewicz
Mayor