FIRST READING: 5.28.19
SECOND READING: 6.10.19
THIRD READING: 6.24.19

ORDINANCE NO. 44-19

INTRODUCED BY: MICHAEL P. O'DONNELL

AN EMERGENCY ORDINANCE TO PROVIDE FOR THE ISSUANCE OF A PRINCIPAL AMOUNT NOT TO EXCEED $6,000,000 OF GENERAL OBLIGATION BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE OF BONDS TO PAY OR REIMBURSE THE CITY FOR ALL OR A PORTION THE COSTS OF CONSTRUCTING, EQUIPPING, FURNISHING AND OTHERWISE IMPROVING A NEW POLICE FACILITY, TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO

WHEREAS: The Director of Finance, as fiscal officer for the City of Rocky River, Ohio (the "City"), has certified to this Council of the City (the "Council") that the estimated life or period of usefulness of the improvements for the purpose described below is at least five years and has further certified that the maximum maturity of the bonds in anticipation of which the captioned notes will be issued is 30 years and that the maximum maturity of notes issued in anticipation of those bonds is 20 years from the date of issuance of the notes originally issued for the improvements.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ROCKY RIVER, CUYAHOGA COUNTY, OHIO THAT:

Section 1. It is hereby declared necessary to issue bonds (the "Bonds") of the City in a principal amount not to exceed $6,000,000 to (a) pay or reimburse the City for all or a portion the costs of constructing, equipping, furnishing and otherwise improving a new police facility, together with all necessary appurtenances thereto (the "Police Facility Project") and (b) finance costs associated therewith.

Section 2. The Bonds shall be dated approximately June 1, 2020, shall bear interest at the estimated rate of 5% per annum, payable semi-annually until the principal sum is paid, and shall mature in 30 annual installments after their issuance. The first interest payment and the first principal payment on the Bonds are estimated to be December 1, 2020.

Section 3. It is determined that notes (the "Notes") in a principal amount not to exceed $6,000,000 shall be issued in anticipation of the issuance of the Bonds for the Police Facility Project. The Notes shall be sold to the Original Purchaser (as defined below) and shall bear interest at the rate fixed by the Director of Finance in his certificate awarding the Notes (the "Final Terms Certificate"), provided that such rate shall not exceed 4% per annum, payable at maturity. The Notes shall be dated their date of issuance and shall mature on a date that is between six months and one year, inclusive, from the date of issuance, as determined by the Director of Finance in the Final Terms Certificate. The Notes shall not be subject to redemption by the City at any time prior to maturity, unless the Original Purchaser requests that the Notes provide for such redemption, in which case provision shall be made for calling the Notes for redemption upon 10 days written notice to the Paying Agent (as defined below) for the Notes or to the Original Purchaser if the Director of Finance is the Paying Agent. In addition, the Notes shall be issued in denominations of $100,000 or any whole multiple of $1,000 in excess of $100,000, but in no case as to a particular maturity date exceeding the principal amount maturing on that date. The Notes shall be payable as to both principal and interest at the office of the Director of Finance, or at a bank or trust company designated by the Director of Finance (herein individually or collectively, the "Paying Agent"), without deduction for exchange, collection or service charge; and shall be payable in lawful money of the United States of America.

Section 4. The Notes shall be designated "Police Facility Project General Obligation Bond Anticipation Notes, Series 2019." Pursuant to Section 133.30(B) of the Ohio Revised Code, the Director of Finance may combine the Notes with other notes into a single consolidated issue of notes for purposes of their sale as a single issue, to be designated "Various Purpose General Obligation Bond Anticipation Notes, Series 2019." Such notes shall contain a summary statement of purposes encompassing the purpose for which the Notes and any other notes are issued, shall be issued in the numbers and denominations requested by the Original Purchaser, subject to the provisions of Section 3 of this Ordinance and shall be executed by the Mayor and the Director of Finance of the City, provided that one or both such signatures may be a facsimile signature. In the absence of the Mayor, the Notes shall be executed by the President of Council, and in the absence of the Director of Finance, the Notes shall be executed by any designee of the Assistant Director of Finance.

I, the undersigned clerk of council of the city of Rocky River, State of Ohio, do hereby certify that publication of the foregoing ordinance was duly made by posting a true copy thereof in the lobby of the Rocky River City Hall, in accordance with the charter of Rocky River, commencing on the 24th day of June, 20 19.

Susan G. Pease
Clerk of Council of the City of Rocky River, Ohio

The Notes, pursuant to the terms set forth below, may also be issued to a Depository (as defined below) for use in a book-entry system (as defined below). The Director of Finance is hereby authorized and directed, to the extent necessary or required, to enter into any agreements determined necessary in connection with the authentication, immobilization, and transfer of the Notes, including arrangements for the payment of principal and interest by wire transfer, after determining that the execution thereof will not endanger the funds or securities of the City, which determination shall be conclusively evidenced by the signing of any such agreement.

If and as long as a book-entry system is utilized, (i) the Notes shall be issued in the form of one note in the name of the Depository or its nominee, as owner, and immobilized in the custody of the Depository; (ii) the beneficial owners in book-entry form shall have no right to receive Notes in the form of physical securities or certificates; (iii) ownership of beneficial interests in book-entry form shall be shown by a book entry on the system maintained and operated by the Depository and its Participants (as defined below), and transfers of the ownership of beneficial interests shall be made only by book entry by the Depository and its Participants; and (iv) the Notes 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 Council of the City.

If any Depository determines not to continue to act as a Depository for the Notes for use in a book-entry system, the Director of Finance may attempt to have established 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 beneficial owners by the then Depository and any other arrangements he deems necessary, shall permit withdrawal of the Notes from the Depository, and authenticate and deliver note certificates in bearer or registered form, as he determines, 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 Council action or inaction, of those persons requesting such issuance.

As used in this Section and this Ordinance:

"Book-entry form" or "book-entry system" means a form or system under which (i) the beneficial right to principal and interest may be transferred only through a book entry and (ii) physical notes are issued only to a Depository or its nominee as owner, with the notes "immobilized" in the custody of the Depository, and the book entry is the record that identifies the owners of beneficial interests in that principal and interest.

"Depository" means any securities depository that is a clearing agency under federal law operating and maintaining a book-entry system to record beneficial ownership of the right to principal and interest, and to effect transfers of notes, in book-entry form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

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

Section 5. The Notes shall be sold at a private sale to Fifth Third Securities, Inc., as the original purchaser (the "Original Purchaser"), and awarded by the Director of Finance at a purchase price not less than 97% of their principal amount, at an interest rate not exceeding that specified in Section 3 of this Ordinance and which purchase price and interest rate the Director of Finance determines is in accordance with the best interests of the City; and the Director of Finance is hereby authorized and directed to retain the services of Calfee, Halter & Griswold LLP, Bond Attorneys, Cleveland, Ohio and to deliver the Notes, when executed, to the Original Purchaser upon payment of the purchase price. The proceeds from the sale of the Notes shall be paid into the proper fund and, pursuant to the provisions of Section 133.15(B) of the Ohio Revised Code, are deemed appropriated for and shall be used for the purpose for which the Notes are being issued under the provisions of this Ordinance and to pay those certain costs set forth in Section 133.15(B) of the Ohio Revised Code. Any premium received by the City and accrued interest shall be transferred to the Bond Retirement Fund to be applied to the payment of the principal of and interest on the Notes in the manner provided by law.

If, in the judgment of the Director of Finance, a preliminary official statement of the City relating to the original issuance of the Notes, is in the best interest of the City, such a preliminary official statement is hereby authorized to be prepared and distributed. The Mayor and the

Director of Finance, and either one of them, are authorized and directed to complete and sign, on behalf of the City and in their official capacities, an official statement, with such modifications, changes and supplements from the preliminary official statement as those officers or any one of them shall approve or authorize. Those officers are authorized, on behalf of the City and in their official capacities, to (i) determine, and to certify or otherwise represent, when the official statement is "deemed final" (except for permitted omissions) by the City as of its date or is a final official statement for purposes of SEC Rule 15c2-12(b)(1), (3) and (4), (ii) 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 Notes, and (iii) complete and sign those official statements as so approved together with such certificates, statements or other documents in connection with the finality, accuracy and completeness of those official statements.

If, in the judgment of the Director of Finance, the filing of an application for a rating on the Notes by one or more nationally-recognized rating agencies is in the best interest of and financially advantageous to the City, the Director of Finance is authorized to prepare and submit those applications, to provide to each such agency such information as may be required for the purpose, and to provide further for the payment of the cost of obtaining each such rating from the proceeds of the Notes to the extent available and otherwise from any other funds lawfully available and that are appropriated or shall be appropriated for that purpose.

Section 6. The City covenants that it will restrict the use of the proceeds of the Notes in such manner and to such extent, if any, as may be necessary so that the Notes will not constitute arbitrage bonds under Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"). The Director of Finance, as the fiscal officer, or any other officer of the City having responsibility for the issuance of the Notes shall give an appropriate certificate of the City, for inclusion in the transcript of proceedings for the Notes, setting forth the reasonable expectations of the City regarding the amount and use of all the proceeds of the Notes, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of interest on the Notes.

The City covenants that (a) it will take or cause to be taken such actions which may be required of it for the interest on the Notes to be and remain excluded from gross income for federal income tax purposes, and (b) it will not take or permit to be taken any actions which would adversely affect that exclusion, and that it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Notes to the governmental purpose of the borrowing, (ii) restrict the yield on investment property acquired with those proceeds, (iii) make timely rebate payments to the federal government, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code. The Director of Finance and other appropriate officers of the City are hereby authorized and directed to take any and all actions, make calculations and rebate payments, and take or give reports and certifications as may be appropriate to assure such exclusion of that interest.

Section 7. The Notes are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. The City hereby covenants that the City, having no "subordinate entities" with authority to issue obligations within the meaning of that Section of the Code, in or during the calendar year in which the Notes are issued, (i) will not designate as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code tax-exempt obligations, including the Notes, in an aggregate principal amount in excess of $10,000,000 and (ii) will not issue tax-exempt obligations within the meaning of Section 265(b)(4) of the Code, including the Notes (but excluding any qualified 501(c)(3) bonds as defined in Section 145 of the Code and any obligations that are private activity bonds as defined in Section 141 of the Code), in an aggregate principal amount exceeding $10,000,000, unless the City receives an opinion of nationally recognized bond counsel that such designation or issuance, as applicable, will not cause the Notes to cease to be "qualified tax-exempt obligations."

Section 8. If requested by the Original Purchaser of the Notes, the Director of Finance is and directed to execute a continuing disclosure certificate (the "Disclosure Certificate") dated the date of delivery of the Notes and delivered to the Original Purchaser for the benefit of the holders of the Notes (the "Holders") and to assist the Original Purchaser in complying with SEC Rule 15c2-12(b)(5), which Disclosure Certificate shall set forth the City's undertaking to provide annual reports and notices of certain events as may be required. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Disclosure Certificate. Failure of the City to comply with the Disclosure Certificate shall not be considered an event of default; however, any Holder may take such actions as may be necessary and appropriate to cause the City to comply with its obligations under this Section, if a Disclosure Certificate is required.

Section 9. The Notes shall be full general obligations of the City and the full faith and credit of the City are hereby pledged for the prompt payment of the same. The par value to be received from the sale of the bonds anticipated by the Notes and any excess funds resulting from the issuance of the Notes shall, to the extent necessary, be used only for the retirement of the Notes at maturity together with the interest thereon, and is hereby pledged for such purpose.

Section 10. During the years that the Notes are outstanding, there shall be levied on all the taxable property in the City, in addition to all other taxes, a direct tax annually at the rate not less than that which would have been levied if bonds had been issued without the prior issuance of the Notes. This tax shall be and is hereby ordered computed, certified, levied, and extended upon the tax duplicate and collected by the same officers, in the same manner and at the same time that taxes for general purposes for each of said years are certified, extended and collected. In addition, this tax shall be placed before and in preference to all items and for the full amount thereof. The funds derived from the tax levies hereby required shall be placed in a separate and distinct fund which, together with the interest collected on the same, shall be irrevocably pledged for the payment of the principal of and interest on the Notes or the bonds in anticipation of which they are issued, when and as the same fall due; provided, however, that in each year to the extent that revenues are available from other sources for the payment of the Notes and bonds and are appropriated for such purpose, the amount of such direct tax upon all of the taxable property in the City shall be reduced by the amount of the revenues so available and appropriated.

Section 11. It is hereby determined and recited that all acts, conditions and things necessary to be done precedent to and in the issuing of the Notes in order to make them legal, valid and binding obligations of the City, will have been done and performed in regular and due form as required by law; and that no limitation of indebtedness or taxation, either statutory or constitutional, will have been exceeded in the issuance of the Notes.

Section 12. The Clerk of Council is hereby directed to forward or cause to be forwarded a certified copy of this Ordinance to the County Fiscal Officer of Cuyahoga County and to secure a receipt therefor.

Section 13. The Mayor, Director of Finance, Law Director and the Clerk of Council, as appropriate, are each authorized and directed to prepare, execute and deliver any transcript certificates, financial statements and other documents, agreements, representations and instruments and to take such actions as are necessary or appropriate to consummate the issuance of the Notes as provided in this Ordinance.

Section 14. It is found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council, and that all such deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including the City's Charter and Codified Ordinances and applicable provisions of Section 121.22 of the Ohio Revised Code.

Section 15. This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health or safety and welfare of the City, and for further reason that the immediate issuance and sale of the Notes herein authorized is necessary to provide funds to improve the City's police facility which is urgently needed to provide services to residents and industries of the City, and provided it receives the affirmative vote of two-thirds of all members of Council, this Ordinance shall take effect and be in force immediately upon its passage by the Council and approval by the Mayor; otherwise, it shall take effect and be in force after the earliest period allowed by law.

PASSED: June 24th, 2019	JAMES W. MORAN PRESIDENT OF COUNCIL
PRESENTED TO MAYOR: June 24th, 2019	APPROVED: June 24th, 2019
ATTEST: Susan G. Pease SUSAN G. PEASE CLERK OF COUNCIL	Pamela F. Bobst PAMELA F. BOBST MAYOR

YEAS: 5

NAYS: 0

ABSENT: 2

FISCAL OFFICER'S CERTIFICATE

City of Rocky River, Ohio
May 28, 2019

TO THE COUNCIL OF THE CITY OF ROCKY RIVER, OHIO

The undersigned, as fiscal officer of the City of Rocky River, Ohio (the "City"), as defined in Section 133.01 of the Ohio Revised Code, certifies as follows in connection with your proposed issue of general obligation bonds and bond anticipation notes in a principal amount not to exceed $6,000,000 to (a) pay or reimburse the City for all or a portion of the costs of constructing, equipping, furnishing and otherwise improving a new police facility, together with appurtenances thereto (the "Police Facility Project") and (b) pay issuance costs that:

1. The estimated life or period of usefulness of the Police Facility Project is hereby certified to be at least five (5) years.

2. The maximum maturity of the bonds, calculated in accordance with the provisions of Section 133.20(C) of the Revised Code, is 30 years, provided that if notes in anticipation of such bonds will be outstanding later than the last day of December of the fifth year following the year of issuance of the original notes, the period in excess of five years shall be deducted from the latest permitted maturity of the bonds.

3. The maximum maturity of the notes now proposed to be issued in anticipation of the issuance of the bonds is 20 years from the date of issuance of the original notes.

Michael A. Thomas

Michael A. Thomas, CPA
Director of Finance
City of Rocky River, Ohio