



City of Columbus

Office of City Clerk
90 West Broad Street
Columbus OH 43215-9015
columbuscitycouncil.org

Legislation Text

File #: 1506-2009, **Version:** 1

This ordinance authorizes the issuance of limited tax notes in the amount of not to exceed \$29,500,000.00 for transportation projects. This note sale will be conducted on a competitive basis and is a cooperative effort of the Department of Finance and Management and the City Auditor's Office.

Authorizing the issuance of limited tax notes in the amount of not to exceed \$29,500,000 for transportation projects (\$29,500,000). Section 55(b) of the City Charter.

WHEREAS, pursuant to Ordinance No. 1879-2008, duly adopted by the City Council (the "Council") for the City of Columbus, Ohio (the "Municipality" or the "City") on November 24, 2008, notes in the principal amount of \$24,225,000 (the "Outstanding Notes") dated December 16, 2008 were issued in anticipation of the issuance of bonds for the purpose of widening, opening, extending, constructing, paving, repaving, improving and changing the line of expressways, freeways, roads, highways, bikeways, streets, alleys, bridges, viaducts, overpasses, underpasses, grade crossing eliminations, service and access roads, and sidewalks, including development of off-street parking facilities, the acquisition and installation of parking meters, traffic control systems, equipment and signs and related appurtenances thereto, the acquisition of real estate and interests in real estate and related equipment, and landscaping and making site improvements (the "Project"), and such notes mature December 16, 2009; and

WHEREAS, it appears advisable in lieu of issuing bonds at this time to issue new notes in anticipation of the issuance of bonds; and

WHEREAS, it is now deemed necessary to issue and sell up to \$29,500,000 of notes in anticipation of the issuance of bonds under authority of the general laws of the State of Ohio, and in particular Section 133.23 of the Ohio Revised Code, to provide for the payment of a portion of the Outstanding Notes and to provide for additional costs of the Project; and

WHEREAS, the City Auditor has certified to this Council that the estimated life of the improvement stated above which is to be financed from the proceeds of bonds and notes hereinafter referred to exceeds five (5) years, the maximum maturity of bonds being twenty-five (25) years and notes being nineteen (19) years.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS, OHIO THAT:

Section 1. It is hereby declared necessary to issue bonds (the "Bonds") of the City, in the maximum principal sum of \$29,500,000 or such lesser amount as shall be determined by the Director of Finance and Management and certified to this Council, for the purpose of refunding a portion of the Outstanding Notes and providing for additional costs of the Project and the cost of

advertising, printing and legal services and other costs incidental thereto.

Section 2. The Bonds shall be dated prior to the maturity date of the Notes (as defined herein), shall bear interest at the maximum average annual interest rate presently estimated to be five and one-half per centum (5.50%) per annum, payable semiannually until the principal sum is paid or provision has been duly made therefor and shall mature in twenty-five (25) annual installments.

Section 3. It is necessary to issue and this Council hereby determines that notes shall be issued in anticipation of the issuance of the Bonds.

Section 4. Such anticipatory notes (the "Notes") shall be in the amount of \$29,500,000 or such lesser amount as shall be determined by the Director of Finance and Management or City Auditor and certified to this Council, which sum does not exceed the amount of the Bonds. The Notes shall be dated the date established by the City Auditor and certified to this Council and shall mature on such date as shall be determined by the City Auditor and certified to this Council, provided that such date shall not be later than one year after the date of issuance of the Notes. The Notes shall be issued as fully registered notes in book entry form only, in such denominations as shall be determined by the City Auditor and shall be numbered as determined by the City Auditor.

Section 5. There shall be and is hereby levied annually on all the taxable property in the Municipality, in addition to all other taxes and inside the ten mill limitation, a direct tax (the "Debt Service Levy") for each year during which any of the Notes are outstanding, in an amount which is sufficient to provide, funds to pay interest upon the Notes as and when the same fall due and to provide a fund for the repayment of the principal of the Notes at maturity or upon redemption. The Debt Service Levy shall not be less than the interest and sinking fund tax required by Article XII, Section 11 of the Ohio Constitution.

Section 6. The Debt Service Levy 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 such years are certified, extended and collected. The Debt Service Levy shall be placed before and in preference to all other items and for the full amount thereof. The funds derived from the Debt Service Levy shall be placed in a separate and distinct fund, which shall be irrevocably pledged for the payment of the premium, if any, and interest on and principal of the Notes and Bonds when and as the same fall due. Notwithstanding the foregoing, if the Municipality determines that funds will be available from other sources for the payment of the Notes in any year, the amount of the Debt Service Levy for such year shall be reduced by the amount of funds which will be so available, and the Municipality shall appropriate such funds to the payment of the Notes and Bonds in accordance with law.

Section 7. The Notes shall be the full general obligation of the Municipality, and the full faith, credit and revenue of the Municipality are hereby pledged for the prompt payment of the same. The par value to be received from the sale of 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 interest thereon, and is hereby pledged for such purpose.

Section 8. The Notes shall be designated "City of Columbus, Ohio Transportation Projects Limited Tax Notes, Series 2009-1", or as otherwise provided in the Certificate of Award hereinafter identified.

It is hereby determined that, for purposes of issuance and sale, it is in the best interests of the Municipality to combine the Notes with other bond anticipation notes of the Municipality, authorized by other ordinances of this Council adopted on the date hereof. The Notes and such other notes will be jointly referred to herein as the "Combined Notes". The Combined Notes shall be designated "City of Columbus, Ohio Various Purpose Limited Tax Notes, Series 2009-1" or as otherwise provided in the Certificate of Award hereinafter defined.

Section 9. The Combined Notes shall bear interest at such rate per annum as shall be determined by the City Auditor and certified to this Council, provided that such rate shall not exceed five per centum (5.00%) per annum, based on a 360-day year of twelve 30-months, payable at maturity. The sale and award of the Combined Notes shall be evidenced by a Certificate of Award to be signed by the Director of Finance and Management or the City Auditor setting forth and determining such terms and other matters pertaining to the Combined Notes, their issuance, sale or delivery, as are authorized and directed to be determined therein by this Ordinance (the "Certificate of Award"). The Certificate of Award shall identify the original purchaser of the Combined Notes (the "Original Purchaser"), who shall be selected in accordance with the provisions of the Form of Notice of Limited Tax Note Sale attached hereto as Exhibit A, with such changes as the City Auditor shall approve, not inconsistent with this Ordinance. The Certificate of Award shall state the aggregate principal amount of the Combined Notes to be issued, the dated date of the Combined Notes, the maturity date of the Combined Notes, the purchase price of the Combined Notes and the specified interest rate of the Notes

and shall include such additional information as shall be required by the terms of this Ordinance and the Certificate of Award.

Section 10. The Combined Notes shall be executed by the City Auditor and the Mayor of the Municipality, in their official capacities, provided that any of those signatures may be a facsimile, shall be payable as to both principal and interest upon presentation and surrender of the Combined Notes at the office of the Note Registrar, and shall express upon their faces the purpose for which they are issued and that they are issued pursuant to this Ordinance. No Note shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Ordinance unless and until a certificate of authentication, as printed on the Combined Note, is signed by the Note Registrar (as defined in Section 11 hereof) as authenticating agent. Authentication by the Note Registrar shall be conclusive evidence that the Combined Note so authenticated has been duly issued and delivered under this Ordinance and is entitled to the security and benefit of this Ordinance.

The principal of and interest on the Combined Notes shall be payable in lawful money of the United States of America without deduction for the services of the Note Registrar as paying agent. The principal of and interest on the Combined Notes shall be payable upon presentation and surrender of the Combined Notes at their maturity at the office of the Note Registrar.

Section 11. The Trustees of the Sinking Fund of the City of Columbus are appointed to act as the authenticating agent, note registrar, transfer agent and paying agent (collectively, the "Note Registrar") for the Combined Notes. So long as any of the Combined Notes remain outstanding, the Municipality will cause to be maintained and kept by the Note Registrar, at the office of the Note Registrar, all books and records necessary for the registration, exchange and transfer of the Combined Notes as provided in this Section (the "Note Register"). Subject to the provisions of Section 12 hereof, the person in whose name any Combined Note shall be registered on the Note Register shall be regarded as the absolute owner thereof for all purposes. Payment of or on account of the principal of and premium, if any, and interest on any Notes shall be made only to or upon the order of that person. Neither the Municipality nor the Note Registrar shall be affected by any notice to the contrary, but the registration may be changed as herein provided. All payments shall be valid and effectual to satisfy and discharge the liability upon the Combined Notes, including the interest thereon, to the extent of the amount or amounts so paid.

Any Note may be transferred only on the Note Register upon presentation and surrender thereof at the office of the Note Registrar, together with an assignment executed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar. Upon that transfer, the Note Registrar shall complete, authenticate and deliver a new Note or Combined Notes of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Combined Note surrendered, and bearing interest at the same rate and maturing on the same date.

The Municipality and the Note Registrar shall not be required to transfer or exchange any Note for a period of fifteen days next preceding the date of its maturity.

In all cases in which Combined Notes are exchanged or transferred hereunder, the Municipality shall cause to be executed and the Note Registrar shall authenticate and deliver Combined Notes in accordance with the provisions of this Ordinance. The exchange or transfer shall be without charge to the owner; except that the Municipality and the Note 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 Municipality or the Note Registrar may require that those charges, if any, be paid before it begins the procedure for the exchange or transfer of the Combined Notes. All Notes issued upon any transfer or exchange shall be valid obligations of the Municipality, evidencing the same debt, and entitled to the same benefits under this Ordinance, as the Combined Notes surrendered upon that transfer or exchange.

Section 12. The Combined Notes shall be initially issued to a Depository (as defined herein) for use in a book entry system (each as hereinafter defined), and the provisions of this Section shall apply notwithstanding any other provision of this Ordinance: (i) there shall be a single Note, (ii) the Note shall be registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository; (iii) the beneficial owners in book entry form shall have no right to receive Combined Notes in the form of physical securities or certificates; (iv) ownership of beneficial interests in any Note in book entry form shall be shown by book entry on the system maintained and operated by the Depository, and transfers of the ownership of beneficial interests shall be made only by the Depository and by book entry; and (v) 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 Municipality. Principal of and premium, if any, and interest on the Notes in book entry form registered in the name of a Depository or its nominee shall be payable in next day funds delivered to the Depository or its authorized representative (i) in the case of interest, on each Interest Payment Date, and (ii) in all other cases, upon presentation and surrender of Notes as provided in this Ordinance.

The Note Registrar may, with the approval of this Council, enter into an agreement with the beneficial owner or registered

owner of a Note in the custody of a Depository providing for making all payments to that owner of principal of and premium, if any, and interest on that Note or any portion thereof (other than any payment of the entire unpaid principal amount thereof) at a place and in a manner (including wire transfer of federal funds) other than as provided above in this Ordinance, without prior presentation or surrender of the Combined Note, upon any conditions which shall be satisfactory to the Note Registrar and the Municipality. That payment in any event shall be made to the person who is the registered owner of the Combined Note on the date that principal is due, or, with respect to the payment of interest, as of the applicable date agreed upon as the case may be. The Note Registrar will furnish a copy of each of these agreements, certified to be correct by the Note Registrar, to other paying agents for Notes and to the Municipality. Any payment of principal, premium or interest pursuant to such an agreement shall constitute payment thereof pursuant to, and for all purposes of, this Ordinance.

The City Auditor or the Director of Finance and Management of the Municipality, is authorized and directed to execute, acknowledge and deliver, in the name of and on behalf of the Municipality, the letter agreement among the Municipality, the Note Registrar and The Depository Trust Company, as Depository, to be delivered, in connection with the issuance of the Combined Notes to a Depository for use in a book entry system in substantially the form submitted to this Council.

If any Depository determines not to continue to act as a depository for the Combined Notes for use in a book entry system, the Municipality and the Note Registrar may attempt to have established a securities depository/book entry relationship with another qualified Depository under this Ordinance. If the Municipality and the Note Registrar do not or are unable to do so, the Municipality and the Note Registrar, after the Note Registrar has made provision for notification of the beneficial owners by the then Depository, shall permit withdrawal of the Combined Notes from the Depository, and authenticate and deliver Note certificates in fully registered form to the assigns of the Depository or its nominee, all at the cost and expense (including costs of printing definitive Notes), if the event is not the result of action or inaction by the Municipality or the Note Registrar, of those persons requesting such issuance.

For purposes of this Ordinance the following terms shall have the following meanings:

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

"Depository" means any securities depository that is a clearing agency under federal law operating and maintaining, together with its participants, a book entry system to record beneficial ownership of Notes, and to effect transfers of Notes, in book entry form, and includes The Depository Trust Company (a limited purpose trust company), New York, New York.

Section 13. The sale and award of the Combined Notes shall be evidenced by the Certificate of Award signed by the Director of Finance and Management or the City Auditor. The Certificate of Award shall identify the original purchaser of the Combined Notes (the "Original Purchaser"), who shall be selected in accordance with the provisions of the Form of Notice of Limited Tax Note Sale attached hereto as Exhibit A, with such changes as the City Auditor shall approve, not inconsistent with this Ordinance. The Certificate of Award shall also state the aggregate principal amount of the Combined Notes as well as the aggregate principal amount of the Combined Notes to be issued, the dated date of the Combined Notes, the Purchase Price, the Specified Interest Rate, the Maturity Date, (all as hereinafter defined) and shall include such additional information as shall be required by the terms of this Ordinance and the Certificate of Award.

As used in this Section 13 and Section 9 hereof:

"Certificate of Award" means the certificate authorized by this Section 13 to be executed by the Director of Finance and Management or the City Auditor setting forth and determining such terms and other matters pertaining to the Combined Notes, their issuance, sale or delivery, as are authorized and directed to be determined therein by this Ordinance.

"Maturity Date" means the maturity date for the Combined Notes as set forth in the Certificate of Award.

"Purchase Price" means that amount which is to be determined in the Certificate of Award, but such amount is to be no less than the aggregate principal amount of the Combined Notes, together with accrued interest on the Combined Notes from their date to the date of their delivery and payment therefor.

"Specified Interest Rate" means the interest rate at which the Combined Notes bear interest, which rate is to be determined in the Certificate of Award.

The Director of Finance and Management, the City Auditor and the City Clerk are authorized and directed to make the necessary arrangements on behalf of the Municipality to establish the date, location, procedure and conditions for the delivery of the Combined Notes to the Original Purchaser. Those officers are further directed to take all steps necessary to effect due execution, authentication and delivery of the Combined Notes under the terms of this Ordinance.

The distribution of an Official Statement of the Municipality, in preliminary and final form, relating to the original issuance of the Combined Notes is hereby authorized, and the Director of Finance and Management and the City Auditor, and each of them acting alone, is hereby authorized and directed to negotiate, prepare and execute, on behalf of the Municipality and in his official capacity, the Official Statement and any supplements thereto as so executed in connection with the original issuance of the Combined Notes, and he is authorized and directed to advise the Original Purchaser in writing regarding limitations on the use of the Official Statement and any supplements thereto for purposes of marketing or reoffering the Combined Notes as he deems necessary or appropriate to protect the interests of the Municipality. The Director of Finance and Management, the City Auditor, the City Attorney and any other official of the Municipality are each authorized to execute and deliver, on behalf of the Municipality and in their official capacities, such certificates in connection with the accuracy of the Official Statement, in either preliminary or final form, and any supplements thereto as may, in their judgment, be necessary or appropriate.

Section 14. The proceeds from the sale of the Combined Notes, except accrued interest, premium, if any, or costs of issuance, allocable to the Notes (to wit: \$29,500,000) shall be deposited in the City Treasury and allocated to the following fund and subfund in the amounts set forth below:

<u>Fund</u> <u>Subfund</u>	<u>An Amount Not To Exceed</u>	<u>Description</u>
630 630003	\$1,100,000	Front Street Garage
630 630004	4,200,000	Fourth Street Garage
630 630006	4,200,000	Parking Garage expenses to be allocated between the Front Street and Fourth Street Garages as determined by the City Auditor
630 630008	<u>20,000,000</u>	Deposit to Bond Retirement Fund to retire Outstanding Notes
Total	<u>\$29,500,000</u>	

While the Municipality anticipates spending the moneys allocated to the funds and projects in the manner set forth in the table above, the Municipality may determine, upon the approval of this Council, to reallocate proceeds of the Combined Notes to another fund and project consistent with the purpose for which the Combined Notes are issued, and the City Auditor may reallocate amounts between the Subfunds indicated above.

Any accrued interest or premium received from the sale of the Combined Notes shall be deposited in the City Treasury and shall be credited to such funds and used for such purposes as shall be specified in the Certificate of Award. All moneys necessary to carry out the purpose of this Ordinance are hereby deemed appropriated and authorized for expenditure by the City Auditor.

To provide for the payment of the costs of issuance of the Combined Notes, which shall include, but shall not be limited to, the fees and expenses of the Municipality's bond counsel, the fees and expenses of the Municipality's financial advisor, rating agency fees, the fees and expenses associated with the sale of the Combined Notes and printing fees, the Municipality is hereby authorized to expend a sum not to exceed One Hundred Thousand Dollars (\$100,000), and such amount is hereby deemed appropriated, which amount shall be allocated to, and paid from, the benefiting funds as determined by the City Auditor. Initial funds for the payment of such costs of issuance are hereby appropriated from Debt Service Fund #430, which fund shall then be reimbursed by the benefiting funds as determined by the City Auditor.

This Council hereby declares that the Combined Notes are "obligations" within the meaning of Section 323.07(a)(7) of the Columbus City Codes. The Certificate of Award shall identify the annual financial information and operating data that will constitute the "annual information" for purposes of said Section 323.07.

Section 15. The Municipality hereby covenants that it will comply with the requirements of all existing and future laws which must be satisfied in order that interest on the Combined Notes is and will continue to be excluded from gross income for

federal income tax purposes, including without limitation restrictions on the use of the property financed with the proceeds of the Combined Notes so that the Combined Notes will not constitute "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"). The Municipality further covenants that it will restrict the use of the proceeds of the Combined Notes in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute arbitrage bonds under Section 148 of the Code and the regulations prescribed thereunder (the "Regulations").

The City Auditor, the Deputy Auditor and the Director of Finance and Management, or any other officer of the Municipality, including the City Clerk, and each of them acting alone, is hereby authorized and directed (a) to make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of the Municipality with respect to the Combined Notes as permitted or required to be made or given under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or the status of the Combined Notes or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing any rebate amount or any payment of penalties, or making any payments of special amounts in lieu of making computations to determine, or paying, any excess earnings as rebate, or obviating those amounts or payments, as determined by the City Auditor, the Deputy Auditor or the Director of Finance and Management, which action shall be in writing and signed by the City Auditor, the Deputy Auditor or the Director of Finance and Management, or any other officer of the Municipality, including the City Clerk, on behalf of the Municipality; (b) to take any and all actions, make or obtain calculations, and make or give reports, covenants and certifications of and on behalf of the Municipality, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Combined Notes; and (c) to give an appropriate certificate on behalf of the Municipality, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances, and reasonable expectations of the Municipality pertaining to Section 148 and the Regulations, and the representations, warranties and covenants of the Municipality regarding compliance by the Municipality with sections 141 through 150 of the Code and the Regulations.

The City Auditor shall keep and maintain adequate records pertaining to investment of all proceeds of the Combined Notes sufficient to permit, to the maximum extent possible and presently foreseeable, the Municipality to comply with any federal law or regulation now or hereafter having applicability to the Combined Notes which limits the amount of Combined Note proceeds which may be invested on an unrestricted yield or requires the Municipality to rebate arbitrage profits (or penalties in lieu thereof) to the United States Department of the Treasury. The City Auditor of the Municipality is hereby authorized and directed to file such reports with, and rebate arbitrage profits (or penalties in lieu thereof) to, the United States Department of the Treasury, to the extent that any federal law or regulation having applicability to the Combined Notes requires any such reports or rebates. Moneys necessary to make such rebates are hereby appropriated for such purpose.

Section 16. It is hereby determined that all acts, conditions and things necessary to be done precedent to and in the issuing of the Combined Notes in order to make them legal, valid and binding obligations of the Municipality have happened, been done and been performed in regular and due form as required by law; that the full faith, credit and revenue of the Municipality are hereby irrevocably pledged for the prompt payment of the principal and interest thereof at maturity; and that no limitation of indebtedness or taxation, either statutory or constitutional, has been exceeded in issuing the Combined Notes.

Section 17. It is hereby found and determined that all formal actions of this Council concerning and relating to the adoption of this ordinance were adopted in an open meeting of this Council, and that all 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 Section 121.22 of the Ohio Revised Code.

Section 18. The City Clerk is hereby directed to forward certified copies of this ordinance to the Auditors of Franklin, Fairfield and Delaware Counties, Ohio.

Section 19. In accordance with Section 55(b) of the Charter of the City of Columbus, Ohio, this Ordinance shall take effect and be in force from and immediately after its passage and approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.

FORM OF
NOTICE OF LIMITED TAX NOTE SALE
CITY OF COLUMBUS, OHIO

\$37,650,000

Various Purpose Limited Tax Notes, Series 200-1

Notice is hereby given that electronic bids will be received via **PARITY**[®] until 11:00 am, Columbus, Ohio time, on December 1, 2009 for the purchase of an issue of City of Columbus, Ohio, Various Purpose Limited Tax Notes, Series 2009-1 aggregating \$37,650,000 (the "Notes"). Bids may be submitted electronically via **PARITY**[®] pursuant to this Notice until 11:00 am, Columbus, Ohio time, on December 1, 2009, but no bid will be received after that time. To the extent any instructions or directions set forth in **PARITY**[®] conflict with this Notice, the terms of this Notice shall control. For further information about **PARITY**[®], potential bidders may contact **PARITY**[®] at (212) 404-8102.

The Notes will be dated the date of their delivery (which is expected to be December 10, 2009) and will be payable as to principal and interest, at stated maturity. The Notes are not "qualified tax exempt obligations" within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended. The Notes are further described in the Preliminary Official Statement of the City dated November 23, 2009 (the "Preliminary Official Statement").

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, the Preliminary Official Statement may be treated as an Official Statement with respect to the Notes that is deemed final by the City.

Continuing Disclosure

In order to assist bidders in complying with Rule 15c2-12(b)(5) of the United States Securities and Exchange Commission, the City has undertaken, pursuant to the ordinances authorizing the Notes, to provide annual financial information and notice of certain events. The City's undertaking is described under the caption "CONTINUING DISCLOSURE" in the Preliminary Official Statement.

Types of Bids

Bidders must bid for the Notes at not less than the aggregate par value (\$37,650,000) with interest thereon accrued to the date of delivery, and premium, if any. Bids for less than all of the Notes will not be considered. Each bid must specify an interest rate to be borne by the Notes, which interest rate must be an integral multiple of 1/8 of 1% or 1/20 of 1% and may not exceed 5.00%. Bidders shall not be required to submit any bid security.

Method of Award

It is contemplated that the Director of Finance and Management or the City Auditor will award the Notes, by certificate, at or before 2:00 p.m. on December 1, 2009. The Notes will be awarded to the bidder offering the interest rate and premium resulting in the lowest true interest cost to the City. If two or more bids offer the lowest true interest cost, the Notes will be awarded to one of said bidders, chosen by lot. The cost of delivery in the State of Ohio will not be considered in determining the best bid.

Book Entry

The Notes will be issued in book entry form only (with no distribution of Notes to the ultimate purchasers) registered in the name of The Depository Company, New York, New York (DTC), or its nominee and immobilized in DTC's custody.

Legal Opinion and Transcript

The approving legal opinion of Bricker & Eckler LLP, Bond Counsel for the Notes, will be furnished by the City without expense to the successful bidder. The complete transcript of proceedings will also be furnished by the City, together with the usual closing papers and a certificate of the Director of Finance and Management, the City Auditor and the City Attorney relating to the Official Statement prepared and furnished by the City in connection with the sale of the Notes. The City will also furnish up to fifty (50) copies of the Official Statement to the successful bidder, if so desired, FOB Columbus, Ohio, within seven (7) business days after award of the Notes. All copies in excess of fifty (50) will be at the expense of the successful bidder. The Official Statement will constitute a final Official Statement for the Notes as that term is defined in Rule 15c2-12 of the Securities and Exchange Commission.

Place of Delivery, Settlement and Expenses

The Notes, in manuscript form, will be delivered to DTC, for the account of and against payment by the successful bidder,

without charge. If the successful bidder requests that settlement occur at a place outside of Ohio, the successful bidder shall pay expense of settlement at that place, including travel expenses of City officials and Bond Counsel. The successful bidder shall bear the costs of the CUSIP registration and any fees imposed by DTC. The successful bidder shall be responsible for paying all fees imposed by the Ohio Municipal Advisory Council on the sale.

Delivery

Payment for the Notes shall be made on the delivery date in immediately available funds in Columbus, Ohio. It is contemplated that the Notes will be delivered through DTC on December 10, 2009. The City will give at least five days prior written notice to the successful bidder of the date selected by the City for tendering the Notes at the place of delivery; provided, however, that nothing herein contained shall prevent the making of a mutually agreeable arrangement for the delivery of the Notes either at the place fixed for delivery or elsewhere. If such notice has not been given or waived by the successful bidder and the Notes, transcript, no litigation certificate and approving legal opinion are not available for delivery to the successful bidder at such place of delivery within thirty (30) days after the day fixed for the receipt of bids, and the successful bidder shall not be in default of any of its obligations, it shall have the right thereafter and so long as no such tender by the City shall yet have been made to cancel the contract of purchase, such right to be exercised by delivering to the undersigned, at the address set forth below, written notice of such cancellation.

Change in Tax Exempt Status

In the event that, prior to their delivery, the interest on the Notes should by act of Congress or otherwise become included in gross income for purposes of federal income taxation, or Congress should enact any law which provides that the interest on the Notes shall be so included at a future date, whether directly or indirectly, the successful bidder may refuse to accept delivery of the Notes.

Miscellaneous

Copies of the Preliminary Official Statement may be obtained in electronic format at www.i-dealprospectus.com or at www.tm3.com.

Neither the City nor Bond Counsel shall be responsible for, and each bidder expressly assumes the risk of, any incomplete, inaccurate or untimely bid submitted through **PARITY**[®] by such bidder, including, without limitation, by reason of garbled transmissions, mechanical failure, engaged telephone or telecommunication lines or any other cause arising from delivery through **PARITY**[®].

Payments of interest on tax-exempt obligations, including the Notes, are generally subject to IRS Form 1099-INT information reporting requirements. If a Note owner is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

The original purchaser of the Notes, by submitting its proposal, agrees to provide promptly and timely information as to bona fide initial offering prices to the public and sales of the Notes appropriate for the determination of the issue price of, and the yield on, the Notes to the City and Bond Counsel, as requested by Bond Counsel.

The City reserves the right to reject any or all bids.

Dated: December 1, 2009

CITY OF COLUMBUS, OHIO
Paul R. Rakosky
Director of Finance and Management
90 West Broad Street
Columbus, Ohio 43215