



## Legislation Details (With Text)

**File #:** 2099-2018      **Version:** 1

**Type:** Ordinance      **Status:** Passed

**File created:** 7/12/2018      **In control:** Finance Committee

**On agenda:** 7/23/2018      **Final action:** 7/25/2018

**Title:** To authorize the issuance and sale of special assessment bonds in the amount of \$32,709.00 for the Broad Meadows - Highfield Drive Area Street Light Assessment Project (\$32,709.00).

Section 44-1(b) of the City Charter.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. 2099-2018 attachment

Date	Ver.	Action By	Action	Result
7/25/2018	1	CITY CLERK	Attest	
7/24/2018	1	ACTING MAYOR	Signed	
7/23/2018	1	COUNCIL PRESIDENT	Signed	
7/23/2018	1	Columbus City Council	Waive the 2nd Reading	Pass
7/23/2018	1	Columbus City Council	Approved	Pass

This ordinance authorizes the issuance and sale of special assessment bonds in the amount of \$32,709 for the Broad Meadows - Highland Drive Area Street Light Assessment Project. This bond will be sold to the City's Treasury Investment Board. The Treasury Investment Board is scheduled to authorize this purchase at their July board meeting. The bond proceeds along with assessment payment collections from a portion of the property owners will be used to redeem a previously issued note that was sold for this project. The \$62,000 note currently held by the City's Treasury Investment Board will be redeemed on August 7, 2018.

To authorize the issuance and sale of special assessment bonds in the amount of \$32,709.00 for the Broad Meadows - Highfield Drive Area Street Light Assessment Project (\$32,709.00).

Section 44-1(b) of the City Charter.

**WHEREAS**, pursuant to Ordinance No. 3224-2016 duly adopted January 9, 2017, this Council determined to proceed with the street lighting project described below in accordance with Resolution No. 0157X-2016 adopted by this Council on July 11, 2016; and

**WHEREAS**, pursuant to Ordinance No. 0723-2018 duly adopted on April 16, 2018, notes in the aggregate

principal amount of \$62,000 (the “Outstanding Notes”) were issued in anticipation of the issuance of bonds in anticipation of the levy and collection of special assessments for the purpose hereinafter stated; and

**WHEREAS**, the City Auditor has certified to this Council that the estimated life of the improvements to be constructed from the proceeds of the bonds and notes hereinafter referred to exceeds five (5) years, the maximum maturity of bonds being ten (10) years; and

**WHEREAS**, it is deemed necessary to issue bonds in the amount of \$32,709 to provide for the payment of a portion of the principal of and interest on the Outstanding Notes;

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

**Section 1.** It is hereby declared necessary to issue bonds of the City of Columbus, Ohio, (the “City”) in the principal sum of \$32,709 (the “Bonds”) in anticipation of the levy and collection of special assessments for the purpose of providing funds to pay the costs of installing a light-emitting diode (LED) street lighting system with ornamental poles and underground wiring for the Broad Meadows - Highfield Drive area, including Highfield Drive, Milton Avenue from Highfield Drive to and including parcel numbers 010-110713 and 010-110714, by installing poles, fixtures, power cable and conduit, constructing control facilities and doing such other things as may be necessary in the City of Columbus, Ohio, and to retire notes previously issued for such purpose.

**Section 2.** There shall be and is hereby levied annually on all the taxable property in the City, 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 Bonds are outstanding, for the purpose of providing, and in an amount which is sufficient to provide, funds to pay interest upon the Bonds as and when the same falls due and to provide a fund for the repayment of the principal of the Bonds 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 3.** 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 Bonds when and as the same falls due. Notwithstanding the foregoing, if the City determines that funds will be available from other sources for the payment of the Bonds 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 City shall appropriate such funds to the payment of the Bonds in accordance with law.

**Section 4.** The Bonds shall be designated “City of Columbus, Ohio Broad Meadows - Highfield Drive Street Lighting Assessment Bonds, Series 2018.”

**Section 5.** The Bonds shall be issued only as fully registered bonds in such denominations as shall be determined by the City Auditor or Director of Finance and Management, but not exceeding the principal amount of Bonds maturing on any one date; and shall be numbered consecutively from R-1 upward, as determined by the City Auditor or Director of Finance and Management. The Bonds shall be dated August 7, 2018, shall mature on August 7, 2028 and shall bear interest, payable annually on the 7th day of August of each year (the “Interest Payment Date”) commencing August 7, 2019, at the Specified Interest Rate (as defined herein) and shall be subject to mandatory sinking fund redemption on August 7th in the amounts and in the years set forth in the Certificate of Award hereinafter provided for. Interest shall be calculated on the basis of a 360 day year of twelve 30 day months.

The Bonds shall not be subject to optional redemption prior to maturity.

**Section 6.** The Bonds shall set forth the purposes for which they are issued and state that they are issued pursuant to this Ordinance and shall be executed by the Mayor and the City Auditor of the City, in their official capacities, provided that any of those signatures may be a facsimile. No Bond 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 Bond, is signed by the Bond Registrar (as defined in Section 8 hereof) as authenticating agent. Authentication by the Bond Registrar shall be conclusive evidence that the Bond so authenticated has been duly issued and delivered under this Ordinance and is entitled to the security and benefit of this

Ordinance.

**Section 7.** The principal of and premium, if any, and interest 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. The principal of the Bonds shall be payable upon presentation and surrender of the Bonds at the principal office of the Bond Registrar. Each Bond shall bear interest from the later of the date thereof, or the most recent Interest Payment Date to which interest has been paid or duly provided for, unless the date of authentication of any Bond is less than 15 days prior to an Interest Payment Date, in which case interest shall accrue from such Interest Payment Date. Interest on any Bond shall be paid on each Interest Payment Date to the person in whose name the Bond is registered, at the close of business on the 15th day next preceding that Interest Payment Date (the "Record Date") (unless such date falls on a non-business day, in which case the Record Date shall be the preceding business day), on the Bond Register (as defined in Section 8 hereof).

Any interest on the Bonds which is payable, but is not punctually paid or provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the registered owner on the relevant Record Date by virtue of having been such owner and such Defaulted Interest shall be paid to the registered owner in whose name the Bonds are registered at the close of business on a date (the "Special Record Date") to be fixed by the Bond Registrar, such Special Record Date to be not more than 15 nor less than 10 days prior to the date of proposed payment. The Bond Registrar shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each registered owner, at his address as it appears in the Bond Register, not less than 10 days prior to such Special Record Date, and may, in its discretion, cause a similar notice to be published once in a newspaper in each place where Bonds are payable, but such publication shall not be a condition precedent to the establishment of such Special Record Date.

Subject to the foregoing provisions of this Section 7, each Bond delivered by the Bond Registrar upon transfer of or in exchange for or in lieu of any other Bond shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

**Section 8.** The City Auditor is hereby appointed to act as the authenticating agent, bond registrar, transfer agent and paying agent (collectively, the "Bond Registrar") for the Bonds. So long as any of the Bonds remain outstanding, the City will cause to be maintained and kept by the Bond Registrar, at the office of the Bond Registrar, all books and records necessary for the registration, exchange and transfer of Bonds as provided in this Section (the "Bond Register"). Subject to the provisions of Section 7 hereof, the person in whose name the Bonds shall be registered on the Bond 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 the Bonds 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 herein provided. All payments shall be valid and effectual to satisfy and discharge the liability upon the Bonds, including the interest thereon, to the extent of the amount or amounts so paid.

Any Bond, upon presentation and surrender at the principal office of the Bond Registrar, together with a request for exchange signed 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 Bond Registrar, may be exchanged for Bonds of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Bonds surrendered, and bearing interest at the same rate and maturing on the same date.

A Bond may be transferred only on the Bond Register upon presentation and surrender thereof at the principal office of the Bond 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 Bond Registrar. Upon that transfer, the Bond Registrar shall complete, authenticate and deliver a new Bond or Bonds of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Bonds surrendered, and bearing interest at the same rate and maturing on the same date.

The City and the Bond Registrar shall not be required to transfer or exchange any Bond for a period of 15 days next preceding an Interest Payment Date or the date of maturity.

In all cases in which Bonds are exchanged or transferred hereunder, the City shall cause to be executed and the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. 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 it begins the procedure for the exchange or transfer of the Bonds. All Bonds issued upon any transfer or exchange shall be the valid obligations of the City, evidencing the same debt, and entitled to the same benefits under this Ordinance, as the Bonds surrendered upon that transfer or exchange.

**Section 9.** 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 on the Bonds may be transferred only through a book-entry and (ii) physical Bonds in fully registered form are issued only to a Depository or its nominee as registered owner, with the Bonds “immobilized” in the custody of the Depository, and the book-entry is the record that identifies the owners of beneficial interests in those Bonds.

“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 securities and to effect transfers of securities in book-entry form, and includes The Depository Trust Company (a limited purpose trust company), New York, New York, and its nominees.

**Section 10.** The Bonds, or any portion thereof, may be initially issued to a Depository for use in a book-entry system (each as hereinafter defined), and the provisions of this Section 10 shall apply notwithstanding any other provision of this Ordinance: (i) the Bonds shall be registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository; (ii) the beneficial owners in book-entry form shall have no right to receive Bonds in the form of physical securities or certificates; (iii) ownership of beneficial interests in any Bond 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 (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. Principal of and premium, if any, and interest on Bonds in book-entry form registered in the name of a Depository or its nominee shall be payable in same day funds delivered to the Depository or its authorized representative (a) in the case of interest, on each Interest Payment Date, and (b) in all other cases, upon presentation and surrender of Bonds as provided in this Ordinance.

The Bond Registrar may enter into an agreement with the beneficial owner or registered owner of a Bond 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 Bond 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 Bond, upon any conditions which shall be satisfactory to the Bond Registrar and the City. That payment in any event shall be made to the person who is the registered owner of the Bond 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 Bond Registrar will furnish a copy of each of these agreements, certified to be correct by the Bond Registrar, to other paying agents for the Bonds and to the City. 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, as Bond Registrar, is authorized and directed to execute, acknowledge and deliver, in the name of and on behalf of the City, a letter agreement among the City, the Bond Registrar (if City Auditor is not then serving as Bond Registrar) and The Depository Trust Company, as Depository, to be delivered, in connection with the issuance of the Bonds to the Depository for use in a book-entry system.

If any Depository determines not to continue to act as a depository for the Bonds for use in a book-entry system, the City and the Bond Registrar may attempt to have established a securities depository/book-entry relationship with another qualified Depository under this Ordinance. If the City and the Bond Registrar do not or are unable to do so, the City and the Bond Registrar, after the Bond Registrar has made provision for notification of the beneficial owners by the then Depository, shall permit withdrawal of the Bonds from the Depository, and authenticate and deliver Bond 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 Bonds), if the event is not the result of action or inaction by the City or the Bond Registrar, of those persons requesting such issuance.

**Section 11.** The Bonds shall be sold at private sale to the City’s Treasury Investment Board (the “Original Purchaser”).

The sale and award of the Bonds shall be evidenced by the execution of a Certificate of Award (the “Certificate of Award”) by the City Auditor and the Director of Finance and Management, or either of them individually, on behalf of the City. The Certificate of Award shall set forth the aggregate principal amount of the Bonds to be issued, the dated date of the Bonds, the Purchase Price, the Specified Interest Rate, Mandatory Redemption Dates and Mandatory Sinking Fund Requirements (all as hereinafter defined), and shall set forth and determine such additional terms and other matters pertaining to the Bonds, their issuance, sale or delivery, as are authorized and directed to be determined therein by this Ordinance.

As used in this Section 11 and Section 5 hereof:

“Certificate of Award” means the Certificate of Award authorized by this Section 11 to be executed by the City Auditor or the Director of Finance and Management setting forth and determining such terms and other matters pertaining to the Bonds, their

issuance, sale or delivery, as are authorized and directed to be determined therein by this Ordinance.

“Mandatory Redemption Dates” means the 7th day of August in the years to be specified in the Certificate of Award in which the Bonds are to be redeemed pursuant to Mandatory Sinking Fund Requirements.

“Mandatory Sinking Fund Requirements” means, as to the Bonds, amounts sufficient to redeem such Bonds (less the amount of credit, if any, as provided in the Certificate of Award) on each Mandatory Redemption Date, as are to be 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 100% of the aggregate principal amount of the Bonds, together with accrued interest on the Bonds from their date to the date of their delivery and payment therefor.

“Specified Interest Rate” means the interest rate at which the Bonds will bear interest, which rate shall be the fair market rate at the time of execution of the Certificate of Award, which Certificate of Award shall state that such rate is the fair market rate for the Bonds.

The Mayor, the Director of Finance and Management, the City Auditor and the Clerk are authorized and directed to make the necessary arrangements on behalf of the City to establish the date, location, procedure and conditions for the delivery of the Bonds to the Original Purchaser. Those officers are further directed to take all steps necessary to effect due execution, authentication and delivery of the Bonds under the terms of this Ordinance and the Certificate of Award. Further, such officers are hereby authorized and directed to take such action and to execute and deliver, on behalf of the City, such additional instruments, agreements, certificates, and other documents as may be in their discretion necessary or appropriate in order to carry out the intent of this Ordinance. Such documents shall be in the form not substantially inconsistent with the terms of this Ordinance, as they in their discretion shall deem necessary or appropriate.

The proceeds from the sale of the Bonds shall be deposited in the City Treasury and shall be credited to the proper Bond Retirement Fund to be applied to the payment of the principal of and interest on the Outstanding Notes, which shall be redeemed on the date of delivery of the Bonds.

Any accrued interest or premium received from such sale shall be deposited in the City Treasury and shall be credited to the proper Bond Retirement Fund to be applied to the payment of the principal and interest of the Bonds in the manner provided by law. Said proceeds are hereby appropriated for such purposes.

All moneys necessary to carry out the purposes of this Ordinance are hereby deemed appropriated for expenditure by the City Auditor.

To provide for the payment of the costs of issuance of the Bonds, which shall include, but shall not be limited to, the fees and expenses of the City’s bond counsel and the fees and expenses of the City’s municipal advisor, the City Auditor is hereby authorized to expend from the Electricity Operating Fund (Fund - 6300) a sum not to exceed \$15,000, and such amount is hereby deemed appropriated.

**Section 12.** The appointment of PFM Financial Advisors LLC to serve as municipal advisor to the City with respect to the issuance of the Bonds is hereby approved. The fees to be paid to such firm shall be subject to review and approval of the City Auditor, shall not exceed the fees customarily charged for such services, and shall be paid upon closing with cash from the Electricity Operating Fund (Fund - 6300), pursuant to Section 11 hereof.

**Section 13.** 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 Ohio Revised Code Section 121.22.

**Section 14.** The City Clerk is hereby directed to forward certified copies of this Ordinance to the County Auditors of Franklin, Fairfield and Delaware Counties, Ohio.

**Section 15.** In accordance with Section 44-1(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 10 days after passage if the Mayor neither approves nor vetoes the same.