



Legislation Text

File #: 1146-2008, Version: 1

This ordinance will authorize the issuance and sale of special assessment bond anticipation notes in the amount of \$69,000 for the Case Road Street Lighting Assessment Project. The note will be sold to the City's Treasury Investment Board.

To authorize the issuance and sale of special assessment bond anticipation notes in the amount of \$69,000 for the Case Road Street Lighting Assessment Project. (\$69,000).

Section 55(b) of the City Charter

WHEREAS, pursuant to Ordinance 0449-2008 adopted March 31, 2008, this Council determined to proceed with the street lighting project described below in accordance with Resolution 0192X-2007 adopted by this Council on December 10, 2007; 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 the maximum maturity of notes being five (5) years; and

WHEREAS, it is deemed necessary to issue notes in anticipation of the issuance of bonds, in the amount of \$69,000, to provide for the payment of a portion of the costs of the street lighting project described below;

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 \$69,000 (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 high pressure sodium street lighting system with ornamental poles and underground wiring for Case Road, including Case Road from Cleveland Avenue to the City corporation limit east of Walford Street in the City of Columbus, Ohio.

Section 2. The Bonds shall be in the denomination of \$5,000 or any integral multiple thereof, shall be dated on or before the maturity date of the Notes hereinafter provided for and issued in anticipation of the issuance of such Bonds, shall bear interest at a rate presently estimated to be five and one-half per centum (5.50%) per annum, payable semiannually until the principal sum is paid and shall mature in ten (10) annual installments after their issuance.

Section 3. It is necessary to issue and this Council hereby determines that notes (the "Notes") in the principal amount of \$69,000 shall be issued in anticipation of the levy and collection of said special assessments and in anticipation of the issuance of the Bonds for the purpose set forth above.

Section 4. After said improvements are completed and the costs thereof ascertained, Council shall by ordinance assess upon the benefited property, in the manner provided in the legislation referring to said improvements and heretofore adopted by this Council, the entire cost and expense thereof, except the portion to be paid by the City in accordance with the provisions of the Ohio Revised Code and Section 178 of the City Charter, and shall authorize the issuance of the Bonds under the provisions of Section 133.30 of the Ohio Revised Code and Section 189 of the City Charter.

All assessments collected for the improvements and the unexpended balances remaining in the special improvement fund after the cost and expense of the improvements have been paid, shall be applied to the payment of principal of and interest on the

Notes, and then to the payment of principal of and interest on the Bonds.

Section 5. In the event that the special assessments are not levied or the Bonds are not issued to provide a fund for the payment of the Notes at maturity, a general tax shall be levied against all of the property in the City for the payment of the Notes and the interest thereon; provided, however, that during the years while the Notes are outstanding there shall be levied on all taxable property in the City, in addition to all other taxes and inside of the limitations of Article XII, Section 2, of the Constitution of Ohio, a direct tax annually not less than that which would have been levied if the Bonds had been issued without the prior issuance of the Notes.

Said tax shall be and is hereby ordered computed, certified, levied and extended upon the tax duplicate and shall be collected by the same officer, in the same manner, and at the same time that taxes for general purposes for each of said years are certified, extended and collected. Said tax shall be placed before and in preference to all other items and for the full amount thereof. Funds derived from said levies hereby required shall be placed in a separate and distinct fund, which, together with interest collected on the same shall be irrevocably pledged for the payment of the principal and interest on the Notes or the Bonds when and as the same fall due; provided, however, that in each year to the extent that funds from the collection of the special assessments referred to in Section 1 hereof or other sources are lawfully available for the payment of the Notes and Bonds, and are appropriated for such purpose, the amount of such tax shall be reduced by the amount of such funds so available and appropriated.

Section 6. The Notes shall be the full general obligation of the City and the full faith, credit and revenue 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 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 7. The Notes shall be designated "City of Columbus, Ohio Case Road Street Lighting Assessment Bond Anticipation Notes, 7-08".

Section 8. The Notes shall be issued only as one fully registered note, in the denomination of \$69,000; shall be numbered RN-1; shall be dated July 16, 2008; shall mature on July 16, 2009; and shall bear interest payable at maturity at the rate of four and three quarters percent (4.75%) per annum. The Notes shall be subject to redemption, at a redemption price equal to the par amount redeemed, at the option of the City at any time prior to maturity upon one day's prior written notice to the Note Registrar.

Section 9. The Notes shall express upon their faces the purpose for which they are issued and that they are issued pursuant to this Ordinance; shall be executed by the Mayor and the City Auditor of the Municipality, in their official capacities, provided that any of those signatures may be a facsimile. 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 Note, is signed by the Note Registrar (as defined in Section 10 hereof) as authenticating agent. Authentication by the Note Registrar shall be conclusive evidence that the 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 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 Notes shall be payable upon presentation and surrender of the Notes at their maturity at the office of the Note Registrar.

Section 10. The Trustees of the Sinking Fund of the City of Columbus is appointed to act as the authenticating agent, note registrar, transfer agent and paying agent (collectively, the "Note Registrar") for the Notes. So long as any of the Notes remain outstanding, the City 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 Notes as provided in this Section (the "Note Register"). The person in whose name any 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 interest on any Note shall be made only to or upon the order of that person. Neither the City 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 Notes, including the interest thereon, to the extent of the amount or amounts so paid.

A Note may be transferred only on the Note Register upon presentation and surrender thereof at the principal 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 in the principal amount equal to the principal amount of the Note surrendered and bearing interest at the same rate

and maturing on the same date.

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

Section 11. The Notes shall be sold to the City's Treasury Investment Board at a price equal to 100% of the principal amount thereof plus accrued interest, if any, from the dated date of the Notes to the date of purchase.

The proceeds from the sale of the Notes, except accrued interest or costs of issuance, allocable to the Notes shall be deposited in the City Treasury and applied to the payment of the costs of the project described in Section 1 of this Ordinance.

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 of and interest on the Notes in the manner provided by law. Said proceeds are hereby appropriated for such purposes.

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

Section 12. 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 13. It is hereby found and determined 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 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 City 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 Notes.

Section 14. The City Clerk is hereby directed to forward a certified copy of this ordinance to the Auditors of Franklin County, Fairfield County and Delaware County, Ohio.

Section 15. 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.