

Ordinance No. 1210-2025

**By Council Member Griffin
(by departmental request)**

AN EMERGENCY ORDINANCE

Amending Section 6 of Ordinance No. 29-16, passed January 25, 2016, entitled “An Emergency Ordinance authorizing the issuance and sale of Water Pollution Control Revenue Bonds of the City for the purpose of paying costs of improvements to the Water Pollution Control System; authorizing a Master Trust Agreement to secure Water Pollution Control Revenue Bonds of the City; authorizing and approving related matters; and declaring an emergency” (the “WPC General Bond Ordinance”) to provide for the issuance of subordinated indebtedness for the purpose of refunding any outstanding bonds or any outstanding subordinated indebtedness; authorizing a third supplemental trust agreement and other agreements, documents and actions related to amendment of the WPC General Bond Ordinance; and authorizing and approving related matters.

WHEREAS, this Council previously passed Ordinance No. 29-16 on January 25, 2016 (the “WPC General Bond Ordinance”), providing for the City’s issuance from time to time of Water Pollution Control Revenue Bonds and the approval of the Master Trust Agreement, dated as of April 14, 2016 (the “Master Trust Agreement”), between the City and Zions Bank, A Division of ZB, National Association, as trustee (together with its successors and assigns, the “Trustee”) under which the City issued and secured Water Pollution Control Revenue Bonds and into which the WPC General Bond Ordinance was incorporated; and

WHEREAS, Section 6 of the WPC General Bond Ordinance permits the City to issue Subordinated Indebtedness (as defined in the WPC General Bond Ordinance) for the purpose of financing any Capital Costs (as defined in the WPC General Bond Ordinance); and

WHEREAS, the City desires to permit the issuance of Subordinated Indebtedness to also refund Outstanding Bonds (as defined in the WPC General Bond Ordinance) and outstanding Subordinated Indebtedness provided that such refunding will not adversely affect the exclusion of the interest on any Tax-Exempt Bonds or any tax-exempt Subordinated Indebtedness from gross income for purposes of federal income taxation; and

WHEREAS, Section 7.01(b) of the Master Trust Agreement provides that the City and the Trustee may, without the consent of, or notice to, any of the Bondholders enter into Supplemental Trust Agreements for the purpose of amending any provisions of the Master Trust Agreement (including the WPC General Bond Ordinance incorporated

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therein) provided that such amendment will not adversely affect the rating then assigned to any Bonds Outstanding by any rating agency, except for certain ratings based on credit enhancement or liquidity support as outlined in the Master Trust Agreement; provided, that, in the opinion of the City and the Trustee, such amendments shall not be inconsistent with the terms and provisions of the Master Trust Agreement;

WHEREAS, the City has received confirmation from all necessary rating agencies that amending Section 6(a) of the WPC General Bond Ordinance will not adversely affect the rating then assigned to any Bonds Outstanding;

WHEREAS, it is necessary that the amendment to Section 6(a) of the WPC General Bond Ordinance become immediately effective in order that the City may promptly proceed with the issuance of Subordinated Indebtedness for the purpose of refunding certain Outstanding Bonds, and as a result, this ordinance constitutes an emergency measure providing for immediate preservation of the public property, health and safety and for the usual daily operation of a municipal department; now, therefore,

WHEREAS, this ordinance constitutes an emergency measure providing for the usual daily operation of a municipal department; now, therefore,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CLEVELAND:

Section 1. That Section 6 of Ordinance No. 29-16, passed January 25, 2016 is amended to read as follows:

Section 6 Subordinated Indebtedness

(a) The City may, at any time and from time to time, issue or incur Subordinated Indebtedness for the purpose of (i) financing any Capital Costs provided that such or (ii) refunding any Outstanding Bonds or Subordinated Indebtedness where such refunding will not adversely affect the exclusion of the interest on any Tax-Exempt Bonds from gross income for purposes of federal income taxation; provided, that such Subordinated Indebtedness is secured solely by, and is payable solely from, moneys on deposit in the Subordinated Debt Service Fund, or the Balance Subfund or both.

(b) Any Supplemental Trust Agreement providing for the issuance of Subordinated Indebtedness shall provide that the trustee for such Subordinated

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Indebtedness shall have no right, power or authority to cause acceleration of such Subordinated Indebtedness unless and until the Trustee has exercised its power to accelerate the Bonds.

Section 2. That existing Section 6 of Ordinance No. 29-16, passed January 25, 2016, is repealed.

Section 3. That in order to incorporate the amendment to Section 6(a) of the WPC General Bond Ordinance into the Master Trust Agreement, the Director of Finance and the Director of Public Utilities are authorized, in the name and on behalf of the City, to sign and deliver to the Trustee, in trust for holders of the Bonds, the Third Supplemental Trust Agreement, approved as to form and correctness by the Director of Law, not inconsistent with this ordinance and the Master Trust Agreement and not substantially adverse to the City, as may be approved by the officers signing the same on behalf of the City. The determination by those officers that the Third Supplemental Trust Agreement is not substantially adverse to the City shall be conclusively evidenced by the signing and delivery of the Third Supplemental Trust Agreement by those officers.

Section 4. That the Mayor, the Director of Finance, the Director of Public Utilities and other City officials as appropriate under the Charter are authorized to sign and deliver any agreement, document, or instrument necessary to implement this ordinance and take any necessary actions in furtherance hereof.

Section 5. That it is found and determined that all formal actions of the Council concerning and relating to the adoption of this ordinance were adopted in an open meeting of the Council, and that all deliberations of the Council and of any of its committees that resulted in such formal action were in meetings open to the public in compliance with all applicable legal requirements.

Section 6. That this ordinance is declared to be an emergency measure and, provided it receives the affirmative vote of two-thirds of all the members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise it shall take effect and be in force from and after the earliest period allowed by law.

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DDR:uo
9-29-25

FOR: Director Barrett

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READ FIRST TIME on SEPTEMBER 29, 2025.

and referred to DIRECTORS of Finance, Law;

COMMITTEE on Finance Diversity Equity and Inclusion

REPORTS

CITY CLERK

READ SECOND TIME

CITY CLERK

READ THIRD TIME

PRESIDENT

CITY CLERK

APPROVED

MAYOR

Recorded Vol. **112** Page_____

Published in the City Record _____

REPORT after second Reading

**PASSAGE RECOMMENDED BY
COMMITTEE ON
FINANCE, DIVERSITY, EQUITY
and INCLUSION**

FILED WITH COMMITTEE