

Ordinance No. 401-2020

By Council Member Kelley
(by departmental request)

AN EMERGENCY ORDINANCE

Providing for the issuance and sale of revenue bonds in a principal amount not to exceed \$2,500,000 to provide funds for economic and community development in the city and authorizing related matters.

WHEREAS, the City is authorized by virtue of the laws of the State of Ohio, including, without limitation, Section 13 of Article VIII of the Ohio Constitution and Chapter 165 of the Revised Code, among other things, to issue bonds to acquire, construct, equip, or improve one or more projects (as defined in Section 165.01 of the Revised Code) for the purpose of creating or preserving jobs and employment opportunities and improving the economic welfare of the people of the City and of the State of Ohio, including providing money to make loans to others for such purposes; and

WHEREAS, to create and preserve jobs and employment opportunities, the City has issued bonds under its Core City Fund Program; and

WHEREAS, the City has determined to authorize as Additional Bonds under the Trust Indenture described in Section 1 another series of Economic and Community Development Revenue Bonds (the Series 2020 Bonds) for those purposes; and

WHEREAS, it is necessary to issue the Series 2020 Bonds and to do so as soon as possible to address financing needs of pending economic and community development projects and, as a result, this Ordinance constitutes an emergency measure providing for the immediate preservation of the public property, health, and safety and for the usual and daily operation of a municipal department; now, therefore,

Be it ordained by the Council of the City of Cleveland:

Section 1. Definitions. In addition to the words and terms elsewhere defined in this Ordinance, including its preambles, unless the context or use clearly indicates another or different meaning or intent:

“Bond Fund” means the Core City Program Bond Retirement Fund held by the Trustee under the Trust Indenture.

“Bond Reserve Fund” means the Core City Program Bond Reserve Fund held by the Trustee under the Trust Indenture.

“Bonds” means the outstanding the Series 2013A Bonds, the Series 2014 Bonds, the Series 2015 Bonds, the Series 2020 Bonds authorized by this Ordinance, and any subsequent series of Additional Bonds issued under the Trust Indenture.

“Book entry form” or “Book entry system” means a form or system under which (a) the ownership of book entry interests in the Bonds and the principal of and interest on the Bonds may be transferred only through a book entry, and (b) physical Bond certificates in fully registered form are issued only to a Depository or its nominee as registered owner, with the physical Bond certificates “immobilized” in the custody of the Depository or its agent. The book entry system is maintained by and is the responsibility of the Depository and not the City or the Bond Registrar. The book entry is the record that identifies, and records the transfer of the interests of, the owners of beneficial (book entry) interests in the Bonds.

“Certificate of Award” means the certificate authorized by Section 6, to be signed by the Director of Finance, setting forth and determining those terms or other matters pertaining to the Series 2020 Bonds and their amount, issuance, sale and delivery as this Ordinance requires or authorizes to be set forth or determined in it.

“Continuing Disclosure Agreement” means the agreement authorized by Section 12, which, together with the agreements of the City set forth in that Section, shall constitute the continuing disclosure agreement made by the City for the benefit of holders and beneficial owners of the Series 2020 Bonds in accordance with the Rule.

“Corporation” means Cleveland Citywide Development Corporation, the community improvement corporation organized under Revised Code Chapter 1724 and designated by this Council as the “agency” of the City within the meaning of Revised Code Chapter 165.

“Credit Support Instrument” means a letter of credit, an insurance policy, standby bond purchase agreement, or other credit enhancement or liquidity device provided to enhance the security or liquidity of the Series 2020 Bonds.

“Depository” means any securities depository that is a clearing agency under federal law operating and maintaining, with its participants or otherwise, a book entry system to record ownership of book entry interests in Bonds or the principal of and interest on the Bonds, and to effect transfers of Bonds, in

Ordinance No. 401-2020

book entry form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

“Economic Development Plan” means the plan of industrial, commercial, distribution and research development prepared by the Corporation and approved by this Council.

“Net Project Revenues” means Revenues, if any, remaining and available to pay debt charges on the Bonds after the application by the City of the Revenues to make grants or loans for additional economic development projects in the City.

“Nontax Revenues” means all moneys of the City which are not moneys raised by taxation, to the extent available for the purpose of paying debt charges on the Bonds, including, but not limited to the following: (a) grants from the United States of America and the State; (b) payments in lieu of taxes now or hereafter authorized by State statute; (c) fines and forfeitures which are deposited in the City’s General Fund; (d) fees deposited in the City’s General Fund for services provided and from properly imposed licenses and permits; (e) investment earnings on the City’s General Fund; (f) investment earnings on other funds of the City that are credited to the City’s General Fund; (g) proceeds from the sale of assets which are deposited in the City’s General Fund; (h) gifts and donations; and (i) all rental payments which are deposited in the City’s General Fund.

“Original Purchaser” means the original purchaser or original purchasers of the Series 2020 Bonds, as specified by the Director of Finance in the Certificate of Award.

“Proceedings” means, collectively, this Ordinance, the Certificate of Award, the Trust Indenture as amended and supplemented, including by the Seventh Supplement, the Continuing Disclosure Agreement and such other proceedings of the City, including the Series 2020 Bonds, that provide collectively for, among other things, the rights of holders and beneficial owners of the Series 2020 Bonds.

“Program Funds” means Fund Nos. 10 SF 541, 10 SF 542, 10 SF 545, 10 SF 546, and 10 SF 550 through 10 SF 553, both inclusive, and any other funds designated by the City as Program Funds.

“Project” means each project or, collectively, all projects (as defined in Section 165.01 of the Revised Code) funded from the Series 2020 Bonds for the purpose of creating or preserving jobs and employment opportunities and improving the economic welfare of the people of the City and of the State of Ohio, including providing money to make loans to others for such purposes, and including but not limited to the acquisition, construction, equipping, or improvement of multi-unit housing and commercial development and the preparation or remediation of sites for such purposes.

“Project Fund” means the Series 2020 Project Fund established pursuant to Section 10.

“Revenues” means the rentals, revenues, payments, repayments, income, charges, and moneys derived or to be derived from the use, lease, sublease, rental, sale, including installment sale or conditional sale, or other disposition of individual Projects, or derived or to be derived from a loan made for a Project.

“Rule” means SEC Rule 15c2-12.

“Series 2013A Bonds” means the City’s \$25,360,000 Taxable Economic and Community Development Refunding Revenue Bonds, Series 2013A (Core City Fund).

“Series 2014 Bonds” means the City’s \$12,365,000 Taxable Economic and Community Development Refunding Revenue Bonds, Series 2014 (Core City Fund).

“Series 2015 Bonds” means the City’s \$15,280,000 Taxable Economic and Community Development Revenue Bonds, Series 2015 (Core City Fund).

“Series 2020 Bonds” means the Bonds authorized by this Ordinance.

“Seventh Supplement” means the Seventh Supplemental Trust Indenture and any other Supplemental Trust Indenture providing for the terms of the Series 2020 Bonds.

“State” means the State of Ohio.

Ordinance No. 401-2020

“Trust Indenture” means the Trust Indenture dated as of December 15, 2003 between the City and the Trustee, as supplemented and amended from time to time.

“Trustee” means U.S. Bank National Association, as trustee, paying agent and registrar for the Bonds under the Trust Indenture.

Unless otherwise indicated, any reference to a Section is a reference to a Section of this Ordinance.

Section 2. Authorized Principal Amount and Purpose. This Council determines that each Project is a “project” as defined in Revised Code Chapter 165 and is consistent with the purposes of Section 13, Article VIII of the Ohio Constitution to benefit the people of the City and of the State by creating and preserving jobs and employment opportunities and improving the economic welfare of the people of the City and of the State. It is necessary and proper and in the best interest of the City to, and the City shall, issue the Series 2020 Bonds in an aggregate principal amount not to exceed \$2,500,000 for the purpose of providing the funds necessary for the Project. The final aggregate principal amount of the Series 2020 Bonds will be determined in the Certificate of Award as provided in Section 6.

Section 3. Terms of Series 2020 Bonds. The Series 2020 Bonds shall be dated the date of issuance or such other date as is designated in the Certificate of Award. The Series 2020 Bonds shall mature on the dates and in the respective principal amounts to be determined by the Director of Finance in the Certificate of Award in accordance with her determination of the best interest of, and financial advantages to, the City; provided that the final maturity date shall be not later than 30 years from the date of issuance of the Series 2020 Bonds. The Series 2020 Bonds shall bear interest from their date at the rate or rates per year set forth in the Certificate of Award, or if any Series 2020 Bonds bear interest at a variable rate, at the rate determined pursuant to the Trust Indenture and the Certificate of Award. Interest on the Series 2020 Bonds shall be payable on the dates determined by the Director of Finance in the Certificate of Award, and the Series 2020 Bonds shall bear interest at those rates until the principal amount of the Series 2020 Bonds is paid or payment is provided for. If any Series 2020 Bonds bear interest at a fixed rate, that rate shall not exceed 8% per year (computed on the basis of a 360-day year consisting of twelve 30-day months) and interest shall be payable not more often than every six months, unless otherwise set forth by the Director of Finance in the Certificate of Award and based on the written advice of a financial advisor, and at maturity or at any earlier redemption date. If any Series 2020 Bonds bear interest at a variable rate or rates, those rates shall not exceed that set forth below, and interest shall be payable not more often than once a month and following purchase and at maturity or at any earlier redemption date.

The Series 2020 Bonds may be issued in one or more separate series, each bearing a distinctive designation, provided that the Series 2020 Bonds of each series satisfy the requirements of this Ordinance. Separate series of Series 2020 Bonds may be issued at the same or different times. The Series 2020 Bonds of each series shall be designated as provided in the applicable Certificate of Award. A separate Certificate of Award and supplemental trust indenture may be delivered for each Series.

In the event that the Director of Finance, based on the written advice of a financial advisor, determines that the City’s best interests will be served by causing all or a portion of the Series 2020 Bonds to be obligations bearing interest at variable rates, redeemable by the City without penalty or premium on interest adjustment dates, then the Director of Finance is authorized to so specify in the Certificate of Award. If the Director of Finance so determines, then the Director of Finance shall specify in the Certificate of Award the method and procedure by which the variable rate of interest to be borne by the variable rate Series 2020 Bonds shall be determined, whether by reference to a market index, by a remarketing agent or otherwise; provided that the variable rate Series 2020 Bonds shall not bear interest at a rate in excess of 25% per year. Holders of variable rate Series 2020 Bonds may be given the right to tender their variable rate Series 2020 Bonds for purchase by the City at the times, on the terms, and subject to the conditions set forth in the Certificate of Award and any tender agreement; provided that tender rights shall be exercisable only at such times as a Credit Support Instrument is in place that provides for the payment of the purchase price payable to the tendering holder of a variable rate Bond. If the Director of Finance designates any Series 2020 Bonds as variable rate Series 2020 Bonds, and if the holders of the variable rate Series 2020 Bonds are to be entitled to tender the variable rate Series 2020 Bonds for purchase, then the Director of Finance shall also designate in the Certificate of Award for those variable rate Series 2020 Bonds the provider or providers for any Credit Support Instrument, the tender agent or agents and the remarketing agent or agents, which designations shall be based on the determination of the Director of Finance, based on the written advice of a financial advisor, that the parties so designated possess the requisite resources and experience to provide the services required of them and that the terms on which the designated parties have agreed to provide such services are fair and commercially reasonable.

Ordinance No. 401-2020

The Director of Finance is authorized to enter into agreements with others in connection with the delivery of the Series 2020 Bonds, and from time to time thereafter so long as the Series 2020 Bonds are outstanding, as may be determined by the Director of Finance to be necessary or appropriate to provide for (i) the method of determining the variable interest rates, (ii) the rights and procedures for tender, (iii) liquidity or credit support, (iv) repayment by the City of any amounts drawn under the Credit Support Instrument, (v) the direct purchase of Series 2020 Bonds, and (vi) other arrangements in the best interests of the City. The Director of Finance is further authorized to terminate any such agreements if the Director of Finance determines, based on the written advice of a financial advisor, that the City's best interests will be served by such termination. The Director of Finance is further authorized to enter into agreements, from time to time so long as the variable rate Series 2020 Bonds are outstanding, supplementing or amending the applicable Supplemental Indenture for a series of Series 2020 Bonds as provided in Section 11. To the extent that any fees and expenses associated with agreements entered into or terminated pursuant to this Section are not paid from proceeds of the Series 2020 Bonds, those fees and expenses shall be paid from Program Funds and Nontax Revenues appropriated for the purpose.

The Director of Finance, in connection with the original issuance of the Series 2020 Bonds, and regardless of the Series 2020 Bonds bearing interest at variable or fixed rates, is authorized to contract for one or more Credit Support Instruments, and to pay their costs from proceeds of the Series 2020 Bonds, if she determines that the Credit Support Instrument or Instruments will result in a savings in the cost of this financing to the City, based on the written advice of a financial advisor.

The Director of Finance, based on the written advice of a financial advisor, shall further determine and specify in the Certificate of Award whether any of the Series 2020 Bonds are subject to optional redemption prior to maturity or purchase in lieu of redemption, the earliest date on which redeemable Series 2020 Bonds shall be subject to prior redemption, which shall not be later than ten years from the first interest payment date, and the applicable redemption premium for the redeemable Series 2020 Bonds, which shall be not greater than 102% of the principal amount redeemed.

The Director of Finance shall indicate in the Certificate of Award whether the Series 2020 Bonds are being issued as obligations the interest on which is excluded from gross income for federal income tax purposes ("Tax-Exempt Obligations").

Section 4. Registration, Transfer and Exchange. The Series 2020 Bonds shall be issued only as fully registered Series 2020 Bonds. The Trustee shall act as the authenticating agent, registrar, transfer agent, and paying agent for the Series 2020 Bonds, except as otherwise provided in the Trust Indenture.

Principal of the Series 2020 Bonds shall be payable when due upon presentation and surrender of the Series 2020 Bonds at the office of the Trustee designated in the Trust Indenture. Interest on each Bond shall be paid on each interest payment date by check or draft mailed to the person in whose name the Bond was registered, and to that person's address appearing on the Register (defined below in this Section) at the close of business on the record date provided in the Trust Indenture. The Trustee shall maintain and keep all books and records necessary for the registration, exchange, and transfer of Series 2020 Bonds as provided in the Trust Indenture (the "Register") so long as any of the Series 2020 Bonds remain outstanding. Subject to the provisions in the Trust Indenture, the person in whose name a Bond is registered on the Register shall be regarded as the absolute owner of that Bond for all purposes of the Proceedings. Payment of or on account of the debt charges on any Bond shall be made only to or upon the order of that person; neither the City nor the Trustee shall be affected by any notice to the contrary, but the registration may be changed as provided in the Trust Indenture. All such payments shall be valid and effectual to satisfy and discharge the City's liability upon the Bond, including interest, to the extent of the amount or amounts so paid.

Notwithstanding the foregoing, if and so long as the Series 2020 Bonds are issued in a book entry system, principal of and interest on the Series 2020 Bonds shall be payable in the manner provided in any agreement entered into by the Director of Finance, in the name and on behalf of the City, in connection with the book entry system.

Series 2020 Bonds may be exchanged for Series 2020 Bonds of any authorized denomination upon presentation and surrender at the office designated by the Trustee, together with a request for exchange signed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Trustee.

The Series 2020 Bonds may be issued to a Depository for use in a book entry system and, if and as long as a book entry system is utilized, (i) the Series 2020 Bonds may be issued in the form of a single,

Ordinance No. 401-2020

fully registered Bond representing each maturity and registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository; (ii) the book entry interest owners of Series 2020 Bonds in book entry form shall have no right to receive Series 2020 Bonds in the form of physical securities or certificates; (iii) ownership of book entry interests in book entry form shall be shown by book entry on the system maintained and operated by the Depository and its Participants, and transfers of the ownership of book entry interests shall be made only by book entry by the Depository and its Participants; and (iv) the Series 2020 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.

If any Depository determines not to continue to act as a Depository for the Series 2020 Bonds for use in a book entry system, the Director of Finance may attempt to establish 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 book entry interest owners by the then Depository and any other arrangements deemed necessary, shall permit withdrawal of the Series 2020 Bonds from the Depository, and authenticate and deliver certificates in registered form 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 City action or inaction, of those persons requesting such issuance.

The Director of Finance also is authorized to the extent necessary or required to enter into any agreements determined necessary in connection with the book entry system for the Series 2020 Bonds, after determining that the signing thereof will not endanger the funds or securities of the City and after the approval of the form of any such agreement by the Director of Law.

Section 5. Execution of Series 2020 Bonds. Series 2020 Bonds shall be signed by the Mayor and the Director of Finance, in the name of the City and in their official capacities, provided that either or both of those signatures may be a facsimile, and shall bear the seal of the City or a facsimile thereof; provided that no Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under the Proceedings unless and until the certificate of authentication printed on the Bond is signed by the Trustee as authenticating agent, and authentication by the Trustee shall be conclusive evidence that the Bond so authenticated has been duly issued, signed and delivered under, and is entitled to the security and benefit of, the Proceedings. The certificate of authentication may be signed by any authorized officer or employee of the Trustee or by any other person acting as an agent of the Trustee and approved by the Director of Finance on behalf of the City. The same person need not sign the certificate of authentication on all of the Series 2020 Bonds.

Pursuant to Section 83 of the City's Charter, the Director of Law shall prepare the Series 2020 Bonds and shall endorse thereon her approval of the form and correctness thereof by her manual or facsimile signature. The Series 2020 Bonds shall be issued in the denominations as requested by the Original Purchaser and approved by the Director of Finance, in conformity with this Ordinance. The entire principal amount may be represented by a single bond certificate and may be issued as fully registered securities and in book entry or other uncertificated form if it is determined by the Director of Finance that issuance of fully registered securities in that form will facilitate the sale and delivery of the Series 2020 Bonds. The Series 2020 Bonds may be issued in the authorized denominations of either (a) \$100,000 each or in any denomination that is the sum of (i) \$100,000 and (ii) \$5,000 or any integral multiple thereof, and not exchangeable for other Series 2020 Bonds in denominations less than \$100,000, or (b) \$5,000 or any integral multiple thereof, as determined by the Director of Finance in the Certificate of Award to be in the best interests of the City. The Series 2020 Bonds shall not have coupons attached, shall be numbered as determined by the Director of Finance and shall express upon their faces the purpose, in summary terms, for which they are issued and that they are issued pursuant to this Ordinance.

Section 6. Sale of Series 2020 Bonds. The Series 2020 Bonds shall be sold at not less than 97% of par plus accrued interest at private sale by the Director of Finance to the Original Purchaser in accordance with law and the provisions of this Ordinance. If the Director of Finance determines, based on the written advice of a financial advisor, that an underwriter is incapable of fully performing its duties or meeting its obligations in its capacity as Original Purchaser with respect to the Series 2020 Bonds, the Director of Finance is hereby authorized, in the name of and on behalf of the City, to take whatever action may be necessary to terminate that underwriter's standing as Original Purchaser. The Director of Finance shall sign the Certificate of Award referred to in this Ordinance, evidencing that sale to the Original Purchaser, cause the Series 2020 Bonds to be prepared, and have the Series 2020 Bonds signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Series 2020 Bonds if requested by the Original Purchaser, to the Original Purchaser upon payment of the purchase price. The Director of Finance is authorized to sign and deliver, in the name and on behalf of the City, a bond purchase agreement, bondholder's agreement or continuing covenants agreement between the City and the Original Purchaser, or representative thereof (the "Purchase Agreement"), in a form consistent with this Ordinance and as approved

Ordinance No. 401-2020

by the Director of Law. The Director of Finance shall provide for the payment of the services rendered and for reimbursement of expenses incurred pursuant to the Purchase Agreement from the proceeds of the Series 2020 Bonds to the extent available and then from other money lawfully available and appropriated or to be appropriated for that purpose. The Mayor, the Director of Finance, the Clerk, the Director of Law, and other City officials, as appropriate, are each authorized to sign any transcript certificates, financial statements and other documents and instruments and to take such actions as are necessary or appropriate to consummate the transactions contemplated by this Ordinance.

Section 7. Security for the Bonds. The Series 2020 Bonds shall be special obligations of the City, and the debt charges on the Series 2020 Bonds, as well as the Series 2013A Bonds, the Series 2014 Bonds, the Series 2015 Bonds, and any Additional Bonds, shall be payable solely from the Net Project Revenues and the Nontax Revenues. The payment of debt charges on the Bonds is secured by the Trust Indenture and by a pledge of and lien on the Bond Fund held by the Trustee under the Trust Indenture. The Bonds are not and shall not be secured by an obligation or pledge of any money raised by taxation. The Bonds do not and shall not represent or constitute a debt or pledge of the faith and credit or taxing power of the City, and the owners thereof have and shall have no right to have taxes levied by the City for the payment of debt charges thereon. The Series 2020 Bonds shall contain a statement to that effect and to the effect that the Bonds are payable solely from the Net Project Revenues and the Nontax Revenues and are not secured by an obligation or pledge of any money raised by taxation.

The City covenants and agrees that while the Bonds are outstanding, it will appropriate and maintain Nontax Revenues at such times and in such amounts as will be sufficient, together with the Net Project Revenues and any other funds available for the purpose, to pay the debt charges on the Bonds and will so restrict other obligations payable from Nontax Revenues prior to or on a parity with the Bonds as will ensure the continuing availability for appropriation of sufficient Nontax Revenues to pay debt charges when due.

In accordance with the Trust Indenture, there shall be deposited in the Bond Fund (i) any Net Project Revenues, and (ii) other Nontax Revenues on or prior to the date debt charges on the Bonds are due, in an amount sufficient to pay those debt charges. There shall be deposited in the Bond Reserve Fund from the proceeds of the Series 2020 Bonds or a Credit Support Instrument, the amount, if any, determined by the Director of Finance based on the written advice of a financial advisor, to enhance the marketability of the Series 2020 Bonds and to enable the City to stabilize its budget against fluctuations in the receipt of Nontax Revenues. Money in the Bond Fund and Bond Reserve Fund shall be applied and invested as provided in the Trust Indenture. Amounts drawn on the Bond Reserve Fund shall be restored to the extent, and over the period of time, provided in the Trust Indenture.

Section 8. Payment of Debt Charges on the Series 2020 Bonds. Nothing herein shall be construed as requiring the City to use or apply to the payment of debt charges on the Series 2020 Bonds any funds or revenues from any source other than Net Project Revenues and the Nontax Revenues. Subject to the requirements of Revised Code Section 176.04, nothing herein, however, shall be deemed to prohibit the City, of its own volition, from using, to the extent that it is authorized by law to do so, any other resources for the fulfillment of any of the terms, conditions or obligations of this Ordinance or of the Series 2020 Bonds.

The City will, solely from the proceeds of the Series 2020 Bonds or from the Net Project Revenues or the Nontax Revenues, pay or cause to be paid the debt charges on the Series 2020 Bonds on the dates, at the places and in the manner provided herein and in the Series 2020 Bonds. For that purpose, in each year while the Bonds are outstanding, this Council, after providing for the payment of debt charges payable on the City's general obligation securities in that year from sources available for that purpose, will appropriate Nontax Revenues required to pay, and for the purpose of paying, the debt charges due in that year on the Bonds (less other money available for the purpose) and any outstanding parity obligations payable from Nontax Revenues. Further, this Council will give effect to such appropriations in all ordinances it passes thereafter in that year appropriating money for expenditure and encumbrance and limit the other appropriations of Nontax Revenues in that year to the amount available after deducting the amount required for the payment of debt charges payable on the City's general obligation securities and to pay those debt charges. The City covenants that, so long as any of the Bonds are outstanding, it shall not issue any additional obligations payable from the Nontax Revenues on a parity with the Bonds and any outstanding parity obligations payable from Nontax Revenues, unless, prior to passage of the ordinance authorizing such parity obligations, the Director of Finance shall have certified to this Council that the Nontax Revenues during the preceding calendar year, adjusted to reflect,

Ordinance No. 401-2020

if necessary, changes in the rates or charges resulting in the Nontax Revenues, aggregate in amount not less than 100% of the highest amount of (a) debt charges on the Bonds and (b) required payments on such proposed parity obligations and any outstanding parity obligations due in any succeeding calendar year.

Each obligation of the City required to be undertaken pursuant to this Ordinance and the Series 2020 Bonds is binding upon the City, and upon each officer or employee of the City as may from time to time have the authority under law to take any action on behalf of the City as may be necessary to perform all or any part of such obligation, as a duty of the City and of each of those officers and employees resulting from an office, trust or station within the meaning of Section 2731.01 of the Revised Code, providing for enforcement by writ of mandamus.

Section 9. Supplemental Trust Indenture. The City shall enter into the Seventh Supplement, supplementing the original Trust Indenture, to further provide for the terms of the Series 2020 Bonds. The Mayor and the Director of Finance shall sign and deliver, in the name and on behalf of the City, the Seventh Supplement in a form consistent with this Ordinance and approved by the Director of Law. The Mayor and the Director of Finance and other City officials, as appropriate, are authorized to take such actions and sign and deliver such related instruments as are necessary or appropriate to consummate the transactions contemplated by this Ordinance.

Section 10. Project Fund; Deposit of Proceeds. The proceeds from the sale of the Series 2020 Bonds are appropriated and shall be used for the purpose for which the Series 2020 Bonds are being issued. There is created by the City, as a separate fund or account, in the custody and control of the Trustee, a fund designated the "Core City Program Series 2020 Project Fund" (the "Project Fund"). That Project Fund shall be maintained separate and apart from the fund established as the project fund for any other series of Bonds issued under the Trust Indenture. The proceeds from the sale of the Series 2020 Bonds shall be deposited in the Project Fund. Additional funds, from whatever source, may be voluntarily deposited in the Project Fund by the City. Funds in the Project Fund may be used to pay costs of a Project, or to make loans to others to pay costs of that Project, consistent with Revised Code Chapter 165, following certification of the Project by the Corporation as being in accordance with the Economic Development Plan. Moneys in the Project Fund are appropriated for, and shall be used to pay, costs of Projects consistent with the requirements of this Ordinance. The City may establish additional accounts or subaccounts within the Project Fund as necessary or convenient to ascertain the dates, amounts and sources of deposits. At such time as disbursements are to be made from the Project Fund to pay costs of a Project, the City shall direct the Trustee to transfer amounts in the Project Fund to the City for subsequent disbursement by, or reimbursement to, the City for Project purposes. Any portion of the proceeds of the Series 2020 Bonds to be used to pay interest on the Series 2020 Bonds shall be deposited in a capitalized interest subaccount of the Project Fund. Any accrued interest received from the sale of the Bonds shall be deposited in the Bond Fund.

Section 11. Conversion and Remarketing. In the event that the Director of Finance determines, based on the written advice of a financial advisor, that it is advantageous to the City to convert the interest on any Series 2020 Bonds bearing interest at variable rates to fixed interest rates for a period of time or to maturity, or to convert the interest on any Series 2020 Bonds to a different variable rate period or mode, or to terminate or take other actions with respect to any Credit Support Instrument that will require a tender and remarketing of any Series 2020 Bonds under the Trust Indenture and the Supplemental Indenture for that series of Series 2020 Bonds (such conversion or other actions and the tender and remarketing being collectively referred to in this Section as "remarketing"), the City shall undertake the remarketing in accordance with the Trust Indenture and the Seventh Supplement. In connection with any remarketing of Bonds, the Director of Finance is authorized to take such actions that she determines, based on the written advice of a financial advisor, will facilitate the remarketing of the Series 2020 Bonds or otherwise be in the best interests of the City, including without limitation, obtaining one or more Credit Support Instruments, terminating any Credit Support Instrument, and entering into agreements with one or more purchasers for their direct purchase of the remarketed Series 2020 Bonds in lieu of a public offering of the Series 2020 Bonds by a remarketing agent. In the event the Director of Finance determines, based on the written advice of a financial advisor, that it is necessary to supplement or amend the Seventh Supplement in order to address current market conditions or to permit the use of or to terminate a Credit Support Instrument or otherwise obtain financing arrangements advantageous to the City, the Director of Finance is authorized to sign and deliver an amendment of the Seventh Supplement, or an amended and restated Seventh Supplement, approved as to form by the Director of Law, subject to the Trust Indenture.

The Director of Finance is further authorized to satisfy any requirement for a reserve fund for any Series 2020 Bonds then outstanding under the Trust Indenture by the deposit of a Credit Support Instrument in lieu of cash, as provided in the Trust Indenture and the Seventh Supplement, and to apply

Ordinance No. 401-2020

cash released from a reserve fund to the payment of costs of remarketing the Series 2020 Bonds for which the interest rate has been converted from variable rates of interest to fixed rates of interest. To the extent the costs of remarketing are not paid from any cash released from a reserve fund, those costs shall be paid from Program Funds and Nontax Revenues appropriated for that purpose.

The Director of Finance is authorized to prepare one or more disclosure documents in connection with any conversion and remarketing under the same terms and conditions as set forth in Section 12 of this Ordinance with respect to Series 2020 Bonds. The Director of Finance and other City officials, as appropriate under the Charter, are authorized to sign and deliver such instruments, certificates and documents as are necessary or appropriate to consummate the transactions authorized by this Section. The Director of Finance and other City officials, as appropriate under the Charter, are authorized to make the necessary arrangements on behalf of the City to establish the date, location, procedure and conditions for the conversion and remarketing of any Series 2020 Bonds and to take all actions necessary to effect the conversion and remarketing of any Series 2020 Bonds under the terms of this Ordinance, the Trust Indenture and the Seventh Supplement. The Clerk of Council shall furnish the remarketing agent a true transcript of proceedings certified by the Clerk or other official, of all proceedings had with reference to the conversion and remarketing of any Series 2020 Bonds along with such information for the records as is necessary to determine the validity of the conversion and remarketing.

Section 12. Official Statement; Continuing Disclosure. If, in the judgment of the Director of Finance, a disclosure document (each, an “Official Statement”) is appropriate or necessary in connection with the sale of the Series 2020 Bonds, the Director of Finance is authorized to prepare or cause to be prepared on behalf of the City an Official Statement with respect to the Series 2020 Bonds, as the case may be, and any necessary supplements and to authorize the use and distribution of each Official Statement and any supplements. The Director of Finance is authorized to sign on behalf of the City and in her official capacity each Official Statement and any supplements approved by her. The Director of Finance is authorized to sign and deliver on behalf of the City and in her official capacity such certificates in connection with the accuracy of each Official Statement and any supplements as may, in her judgment, be necessary or appropriate. The Director of Finance is also authorized to determine and certify on behalf of the City that such disclosure document is “deemed final” by the City within the meaning of Securities and Exchange Commission Rule 15c2-12 (the “SEC Rule”). The Director of Finance is authorized to contract for services for the production and distribution of preliminary and final Official Statements, including by printed and electronic means.

For the benefit of the holders and beneficial owners from time to time of the Series 2020 Bonds, the City agrees, in accordance with, and as the only obligated person with respect to the Series 2020 Bonds under the SEC Rule, to provide or cause to be provided such financial information and operating data and notices, in such manner as may be required for purposes of the SEC Rule. In order to describe and specify certain terms of the City’s continuing disclosure agreement for that purpose, and thereby to implement that agreement, including provisions for enforcement, amendment and termination, the Director of Finance is authorized to prepare, or cause to be prepared, and to sign and deliver, in the name and on behalf of the City, a continuing disclosure agreement or certificate, which shall constitute the continuing disclosure agreement made by the City for the benefit of the holders and beneficial owners of the Series 2020 Bonds, as the case may be, in accordance with the SEC Rule. The performance of that agreement shall be subject to the availability of funds and their annual appropriation to meet costs the City would be required to incur to perform it. The Director of Finance is further authorized to establish procedures in order to ensure compliance by the City with its continuing disclosure agreement, including the timely provision of information and notices.

Section 13. Federal Tax Considerations. The representations and covenants in this Section apply only if the Series 2020 Bonds are issued as Tax-Exempt Obligations. The City covenants that it will use, and will restrict the use and investment of, the proceeds of the Series 2020 Bonds and any Notes in such manner and to such extent as may be necessary so that (i) the Series 2020 Bonds and any Notes will not (A) constitute private activity bonds or arbitrage bonds under Sections 141 or 148 of the Internal Revenue Code of 1986, as amended (the “Code”) or (B) be treated other than as bonds the interest on which is excluded from gross income under Section 103 of the Code, and (ii) the interest on the Series 2020 Bonds and any Notes will not be an item of tax preference under Section 57 of the Code.

The City further covenants that (i) it will take or cause to be taken such actions that may be required of it for the interest on the Series 2020 Bonds and any Notes to be and remain excluded from gross income for federal income tax purposes, (ii) it will not take or authorize to be taken any actions that would adversely affect that exclusion, and (iii) it, or persons acting for it, will, among other acts of compliance, (A) apply the proceeds of the Series 2020 Bonds and any Notes to the governmental purpose of the borrowing,

Ordinance No. 401-2020

(B) restrict the yield on investment property, (C) make timely and adequate payments to the federal government, (D) maintain books and records and make calculations and reports and (E) refrain from certain uses of those proceeds, and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code.

The Director of Finance or any other officer of the City having responsibility for issuance of the Series 2020 Bonds and any Notes is hereby authorized (i) to make or effect any election, selection, designation, choice, consent, approval, or waiver on behalf of the City with respect to the Series 2020 Bonds and any Notes as the City is permitted to or required to make or give under the federal income tax laws, including, without limitation thereto, any of the elections available under Section 148 of the Code, for the purpose of assuring, enhancing or protecting favorable tax treatment or tax status of the Series 2020 Bonds and any Notes or interest thereon, or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing rebate amounts or payments or penalties or making payments of special amounts in lieu of making computations to determine, or paying, excess earnings as rebate, or obviating those amounts or payments, which action shall be in writing and signed by the officer, (ii) to take any and all other actions, make or obtain calculations, make payments, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the intended tax status of the Series 2020 Bonds and any Notes and (iii) to give one or more appropriate certificates of the City, for inclusion in the transcript of proceedings for the Series 2020 Bonds and any Notes, setting forth the reasonable expectations of the City regarding the amount and use of all the proceeds of the Series 2020 Bonds and any Notes, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of the interest on the Series 2020 Bonds and any Notes and the tax status of the Series 2020 Bonds and any Notes.

Section 14. Credit Facilities and Ratings. If the Director of Finance determines it to be in the best interests of the City, based on the written advice of a financial advisor, the Director of Finance may obtain an insurance policy, letter of credit, standby bond purchase agreement or other credit enhancement instrument as further security for the payment when due of the principal of and interest on all or any portion of the Series 2020 Bonds (a "Credit Support Instrument"). The Director of Finance may request a rating on the Series 2020 Bonds from one or more nationally recognized rating organizations, and do any and all things and take any and all actions required to secure a Credit Support Instrument and/or a rating or ratings on the Series 2020 Bonds. The Director of Finance may enter into one or more agreements for Credit Support Instruments containing terms not materially inconsistent with this Ordinance or the Indenture. The expenditure of the amounts necessary to secure Credit Support Instruments or obtain those ratings is authorized and approved, and the Director of Finance is authorized to provide for the payment of any such amounts from the proceeds of the Series 2020 Bonds to the extent available and otherwise from any other funds lawfully available that are appropriated or shall be appropriated for that purpose.

Section 15. Authorization of Hedging Arrangements. This Council finds that by engaging in interest rate hedging arrangements with respect to Bonds the City may reduce its cost of borrowing by optimizing the relative amounts of fixed and variable rate obligations, or minimizing the risk of variations in its debt service costs, or obtaining savings by confirming rates of interest on Bonds in advance of their issuance. To permit the City to have the flexibility to undertake interest rate swap, swaption, rate cap, rate collar and other hedging transactions, from time to time, and to establish the procedures for approving those transactions, this Council authorizes the signing and delivery of one or more agreements (each, a "Hedge Agreement") and any related agreements necessary for the consummation of the transactions contemplated by each Hedge Agreement. The authorizations in this Section are supplemental to and not in derogation of any authority provided by any other ordinance of this Council concerning hedging arrangements.

Upon the determination of the Director of Finance, based on the written advice of a financial advisor, that it is to the financial advantage of the City and in the City's best interests that a hedging arrangement be undertaken by the City with respect to any Bonds issued or to be issued under the Trust Indenture, the Director of Finance may authorize one or more interest rate hedge transactions in accordance with the applicable Hedge Agreement; provided that the term of each hedge transaction shall not exceed the final maturity of the Bonds to which the hedge relates.

The Director of Finance shall negotiate the terms of each Hedge Agreement. The City shall receive a written opinion of a financial advisor that the payments made or to be made by the counterparty to the City, or by the City to the counterparty, shall be fair value for the Hedge Agreement, considering, among other things, the credit of the City, the credit of the counterparty and the terms and conditions of the Hedge Agreement. The Director of Finance shall determine the terms and conditions of the Hedge Agreement, including without limitation, the time or times and procedures for the exercise by the counterparty or the City, as the case may be, of any option under the Hedge Agreement, whether the

Ordinance No. 401-2020

obligations of the City under the Hedge Agreement shall be secured by a Credit Support Instrument, and the rates to be paid by the counterparty to the City and by the City to the counterparty under the Hedge Agreement in the event of the exercise of the option. The approval of each interest rate hedge transaction by the Director of Finance shall be conclusively evidenced by the signing and delivery of the applicable Hedge Agreement by the Director of Finance.

The Director of Finance is authorized to enter into an amendment, modification or novation of any Hedge Agreement or any Credit Support Instrument securing a Hedge Agreement or to terminate any Hedge Agreement, in whole or in part, if the Director of Finance determines, based on the written advice of a financial advisor, that (a) the amendment, modification, novation or termination is (i) justified by the corresponding benefit to the City, (ii) commercially reasonable based on then-current market conditions, and (iii) in the City's best interests, and (b) any payments made or to be made by the counterparty to the City, or by the City to the counterparty, are fair value for such amendment, modification, novation or termination, given the credit of the counterparty and the terms and conditions of the amendment, modification, novation or termination. To the extent that any amounts to be paid by the City in connection with any such amendment, modification, novation or termination are not paid from proceeds of the Series 2020 Bonds, those amounts shall be paid from Program Funds and Nontax Revenues appropriated for the purpose.

The City's obligations under any Hedge Agreement shall be payable from Net Project Revenues and Nontax Revenues. The obligation of the City to make payments under any Hedge Agreement does not and shall not represent or constitute a general obligation, debt, bonded indebtedness or a pledge of the faith and credit of the City or the State. Nothing gives any party to any Hedge Agreement the right to have excises, ad valorem or other taxes levied by the City or the State for the payment of any amounts due under any Hedge Agreement.

In the event the Director of Finance determines, based on the written advice of a financial advisor, that it is necessary to supplement or amend the Trust Indenture or a Supplemental Indenture in connection with any Hedge Agreement or any amendment, modification, novation or termination of any Hedge Agreement, the Director of Finance is authorized to sign and deliver a Supplemental Indenture or amendment of an existing Supplemental Indenture.

Section 16. Certifications of Community Improvement Corporation. Prior to delivery of the Series 2020 Bonds, the Core City Fund program shall be certified to be in accordance with the Plan by the Corporation as the agency of the City for industrial, commercial, distribution and research facilities development within the City. Each Project shall be so certified by the Corporation prior to receiving proceeds of the Bonds by loan or otherwise.

Section 17. Captions, Headings, and Section References. The captions and headings in this Ordinance are solely for convenience of reference and in no way define, limit, or describe the scope or intent of any Sections, subsections, paragraphs, subparagraphs, or clauses hereof. Reference to a Section means a section of this Ordinance unless otherwise indicated.

Section 18. Interpretation. Any provisions of the Codified Ordinances of the City which are inconsistent with the provisions of this Ordinance shall not apply to the Series 2020 Bonds authorized herein. Nothing in this Ordinance is intended to, and no provision hereof shall be applied in any manner as would, impair the obligation of contract of the City with respect to any outstanding bonds, the Series 2020 Bonds, certificates of indebtedness, other obligations, trust indentures, or other agreements or contracts made or entered into by the City.

Section 19. Financial Advisor. The Director of Finance may obtain the services of one or more financial advisors, from time to time, to assist the Director of Finance in making any of the determinations required by this Ordinance to be determined by the Director of Finance. The Director of Finance may rely on the written advice of any financial advisor so retained. Any financial advisor employed under the authority of this Ordinance shall be disinterested in the transaction and be independent of the Original Purchasers and any other party interested in the transaction.

Section 20. Validity. This Council finds and determines that this Ordinance was passed in compliance with all applicable provisions of the City's Charter and the rules of this Council. This Council further finds and determines that all acts and conditions necessary to be done or performed by the City or to have been met precedent to and in the issuing of the Series 2020 Bonds in order to make them legal, valid, and binding special obligations of the City have been performed and have been met, or will at the time of delivery of the Series 2020 Bonds have been performed and have been met, in regular and due form as

Ordinance No. 401-2020

required by law, and that no limitation of indebtedness or taxation, either statutory or constitutional, is applicable to the issuance of the Series 2020 Bonds.

Section 21. Compliance with Open Meeting Requirements. This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council or committees, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law.

Section 22. Emergency. This Ordinance is hereby declared to be an emergency measure and, provided it receives the affirmative vote of two-thirds of all 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.

FOR: Director Dumas
/SM
5/27/2020

