

REQUESTED BY: CITY MANAGER, BILL KOCHER

DATE OF FIRST READING: 6/16/15 WAIVE RULES?  YES  NO

FINAL ACTION DATE: 6/16/15 VOTE:  YES  NO

SUSPENSION OF TWO READING RULE:

ADOPTION OF ORDINANCE:

YES	NO
<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>ABSENT</u>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>6</u>	<u>0</u>

DENISE LINGO  
 JAMES WOLF  
 JENNIFER MOODY  
 GERALDINE BRANDY  
 ROBERT PARSONS  
 JEANNE GEORGE  
 JUDY PETERSEN  
 TOTALS

YES	NO
<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>ABSENT</u>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>6</u>	<u>0</u>

ORDINANCE NO. 15-1751

**AN ORDINANCE AUTHORIZING THE ESTABLISHMENT OF AN ESCROW FUND WITH AN ESCROW AGENT FOR THE DEPOSIT OF PROCEEDS RESULTING FROM THE SALE OF CERTAIN PROPERTY LOCATED ON COMPTON ROAD (COMMONLY REFERRED TO AS THE REMAINDER OF THE DUVAL PROPERTY), WHICH PROCEEDS SHALL BE USED TO DEFEASE A PORTION OF THE CITY'S SERIES 2011 BONDS; AUTHORIZING THE CITY TO ENGAGE AN ESCROW AGENT AND VERIFICATION AGENT IN ORDER TO EFFECTUATE THE DEFEASANCE OF A PORTION OF THE SERIES 2011 BONDS AND MATTERS RELATED THERETO AND DECLARING AN EMERGENCY.**

**WHEREAS**, the City of Mt. Healthy, Ohio (the "City") issued its Various Purpose General Obligation Real Property Acquisition and Refunding Bonds, Series 2011, dated June 9, 2011 in the original principal amount of \$1,745,000 (the "Series 2011 Bonds"), in order to finance and to refinance certain permanent improvements, including land acquisition and the City's aquatic and community facility; and

**WHEREAS**, a portion of the proceeds of the Series 2011 Bonds were used to finance or to refinance the acquisition of land on Compton Road, Mt. Healthy, Ohio 45231, which property is commonly referred to as the remainder of the "Duval Property" (the unsold portion of the Duval property which shall hereinafter be referred to as the "Real Estate"); and

**WHEREAS**, this City Council previously determined that it is in the City's best interest to sell the Real Estate (or a portion thereof), and as a result of such sale, the City has realized (or

expects to realize) sale proceeds from the sale of the Real Estate to the Cincinnati Metropolitan Housing Authority (the "Sale Proceeds") from property acquired directly with the proceeds from a portion of the Series 2011 Bonds; and

**WHEREAS**, the Internal Revenue Code of 1986, as amended (the "Code") restricts the use of proceeds, such as the Sale Proceeds, to certain uses, and with respect to the Sale Proceeds, requires remedial action; and

**WHEREAS**, this City Council desires to establish a defeasance escrow in order to apply the Sale Proceeds towards the redemption and partial defeasance of the Series 2011 Bonds, which is a permissible remedial action under the Code; and

**NOW, THEREFORE, BE IT ORDAINED** by the City Council ("City Council") of City of Mt. Healthy, Hamilton County, Ohio:

**SECTION 1.** That the establishment of a defeasance escrow for the purpose of applying the Sale Proceeds towards the redemption and partial defeasance of a portion of the Series 2011 Bonds is an acceptable use of such Sale Proceeds under the Code, and this City Council hereby authorizes the City Manager and the Finance Director to take the necessary steps to proceed with the establishment of a defeasance escrow for the aforesaid purposes, including (not by way of limitation) the engagement of bond counsel, an escrow trustee, and a verification agent in order to provide for the proper sizing and structuring of such an escrow so that the resulting escrow securities are invested and mature in a manner that coincide with the principal and interest payments on the portion of the Series 2011 Bonds to be redeemed and defeased; and provided further, that the yield on such escrow or escrows is a permissible yield under the applicable provisions of the Code.

The City Manager and the Finance Director, independently or in conjunction with one another, are hereby authorized to execute those agreements and certificates deemed necessary by bond counsel to effectuate the redemption and partial defeasance of a portion of the Series 2011 Bonds, and to take such other necessary actions in order to comply with the legal requirements of the Code, as well as the Ohio Revised Code, and any other applicable state or federal rule, regulation, I.R.S. rulings/letters/memoranda and/or legal precedent, in order to effectively and efficiently defease tax-exempt bonds.

**SECTION 2.** That Peck, Shaffer & Williams, a Division of Dinsmore & Shohl LLP and the appointed verification agent are hereby authorized to apply for state and local government securities from the Bureau of Public Debt on behalf of the City in order to effectuate the partial redemption and defeasance of the Series 2011 Bonds. In addition, in the event that it is economically advantageous to purchase open-market securities in order to effectuate the partial redemption and defeasance of the Series 2011 Bonds, the City Manager and/or the Finance Director are hereby authorized to contract with an entity qualified to purchase open-market securities for such purpose.

**SECTION 3.** That this City Council hereby finds and determines that all formal actions relative to the passage of this Ordinance were taken in an open meeting of this City Council, and that all deliberations of this City Council and of its committees, if any, which

resulted in formal action, were taken in meetings open to the public, in full compliance with applicable legal requirements, including Section 121.22 of the Revised Code.

**SECTION 4.** That the Clerk of this City Council is hereby directed to forward a copy of this Ordinance to the County Auditor of the County.

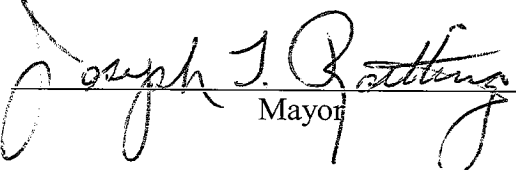
**SECTION 5.** That this Ordinance is hereby declared to be an emergency measure necessary for the preservation of the public peace, health, and safety of the Issuer, and for the other reason that this Ordinance is required to be immediately effective in order to provide for the prompt purchase of defeasance obligations in order to provide for the redemption and partial defeasance of the Series 2011 in accordance with state and federal law, and provided that this Ordinance will take effect and be in force at the earliest period allowed by law.

[Remainder of this page intentionally left blank]


PASSED this 16 day of June, 2015.

  
\_\_\_\_\_  
President of Council

Approved:

  
\_\_\_\_\_  
Mayor

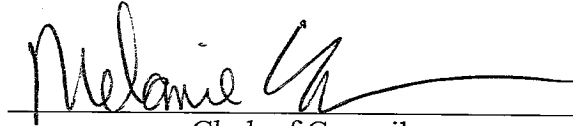
Attest:

  
\_\_\_\_\_  
Clerk

[Remainder of this page intentionally left blank]

**CERTIFICATE**

The undersigned hereby certifies that the foregoing is a true and correct copy of an Ordinance adopted by Council on the 16 day of June, 2015, and that on the 16 day of June, 2015, a true and correct copy of such Ordinance was filed with the County Auditor.

  
Clerk of Council

**RECEIPT**

The undersigned hereby acknowledges receipt of the foregoing Ordinance.

\_\_\_\_\_  
County Auditor

Dated: \_\_\_\_\_, 2015

EXTRACT FROM MINUTES OF MEETING

The Council of the City of Mt. Healthy, Ohio, met in REGULAR session, at 7:00 p.m., on the 16 day of June, 2015, at Mt. Healthy, Ohio, with the following members present:

MRS. LINGO  
MR. WOLF

MS. BRANDY  
MR. PARSONS

MRS. GEORGE  
MS. PETERSEN

There was presented and read to Council Ordinance No. 15-1751, entitled:

**AN ORDINANCE AUTHORIZING THE ESTABLISHMENT OF AN ESCROW FUND WITH AN ESCROW AGENT FOR THE DEPOSIT OF PROCEEDS RESULTING FROM THE SALE OF CERTAIN PROPERTY LOCATED AT ON COMPTON ROAD (COMMONLY REFERRED TO AS THE REMAINDER OF THE DUVAL PROPERTY), WHICH PROCEEDS SHALL BE USED TO DEFEASE A PORTION OF THE CITY'S SERIES 2011 BONDS; AUTHORIZING THE CITY TO ENGAGE AN ESCROW AGENT AND VERIFICATION AGENT IN ORDER TO EFFECTUATE THE DEFEASANCE OF A PORTION OF THE SERIES 2011 BONDS AND MATTERS RELATED THERETO AND DECLARING AN EMERGENCY.**

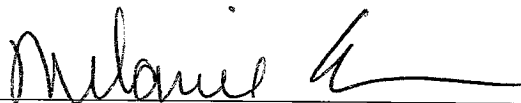
MS. BRANDY moved to suspend the rule requiring each ordinance or resolution to be read on two different days. MRS. LINGO seconded the motion and, the roll being called upon the question, the vote resulted as follows: 6-0

MR. PARSONS then moved that Ordinance No. 15-1751 be adopted. MS. PETERSEN seconded the motion and, the roll being called upon the question, the vote resulted as follows:

The ordinance was declared adopted June 16, 2015.

**CERTIFICATE**

The undersigned, Clerk of Council of the City of Mt. Healthy, Ohio, hereby certifies that the foregoing is a true and correct extract from the minutes of a meeting of the Council of the City of Mt. Healthy, Ohio, held on the 16 day of June, 2015, to the extent pertinent to consideration and adoption of the above-entitled legislation.

A handwritten signature in cursive script, appearing to read "Melanie A.", written over a horizontal line.

Clerk of Council