

THE CITY OF SOUTH EUCLID SCHEDULE OF MEETING

November 25, 2013
8:00 PM

1. **PLEDGE OF ALLEGIANCE**
2. **ROLL CALL**
3. **OPEN MEETING**
4. **REPORT OF COMMITTEES**
5. **MAYOR'S REPORT**
6. **LEGISLATION REQUESTED BY THE MAYOR AND ADMINISTRATION**
 1. RESOLUTION 62-13 IN APPRECIATION TO AND RECOGNITION OF THE CITY OF EUCLID, OHIO FOR PROVIDING DISASTER RECOVERY ASSISTANCE TO THE CITY OF SOUTH EUCLID DURING THE MONTHS OF OCTOBER AND NOVEMBER 2013. FIRST READING.
 2. RESOLUTION 63-13 AUTHORIZING THE APPROPRIATION OF UNAPPROPRIATED FUNDS IN THE FOLLOWING FUND: "CAPITAL PROJECTS FUND #408." FIRST READING.
 3. RESOLUTION 64-13 AUTHORIZING THE APPROPRIATION OF UNAPPROPRIATED FUNDS IN THE FOLLOWING FUND: "SUPPORT OF PRISONERS FUND #101-2210." FIRST READING.
 4. RESOLUTION 65-13 AUTHORIZING THE APPROPRIATION OF UNAPPROPRIATED FUNDS IN THE FOLLOWING FUNDS: "POLICE DEPARTMENT FUND #101-1110" AND "FIRE DEPARTMENT FUND #101-1120." FIRST READING.
 5. ORDINANCE 18-13 TO PROVIDE FOR THE ISSUANCE AND SALE OF NOTES IN ANTICIPATION OF THE ISSUANCE OF BONDS IN AN AMOUNT OF \$1,800,000 FOR THE PURPOSE OF ACQUIRING, CLEARING AND OTHERWISE IMPROVING THAT CERTAIN REAL ESTATE AND THE BUILDINGS THEREON AS DESCRIBED IN ORDINANCE NO. 81-06 PASSED BY THE COUNCIL ON NOVEMBER 13, 2006 AUTHORIZING THE PURCHASE THEREOF PURSUANT TO ARTICLE VIII, SECTION 16 OF THE OHIO CONSTITUTION, AND PAYING COSTS OF ISSUANCE; AND DECLARING AN EMERGENCY. FIRST READING.
7. **LAW DIRECTOR'S REPORT**
8. **LETTERS AND COMMUNICATIONS**
9. **ADJOURN TO EXECUTIVE SESSION:** For the purpose of discussing personnel matters.
10. **ADJOURN TO REGULAR MEETING OF COUNCIL**
11. **ADJOURN**

CITY OF SOUTH EUCLID, OHIO

RESOLUTION NO.: 62-13
INTRODUCED BY: Miller
REQUESTED BY: Mayor

November 25, 2013

A RESOLUTION

IN APPRECIATION TO AND RECOGNITION OF THE CITY OF EUCLID, OHIO FOR PROVIDING DISASTER RECOVERY ASSISTANCE TO THE CITY OF SOUTH EUCLID DURING THE MONTHS OF OCTOBER AND NOVEMBER 2013.

- WHEREAS, the City of South Euclid sustained severe damage from a series of snow and wind storms during the months of October and November 2013; and
- WHEREAS, many trees were destroyed and branches fell throughout the city; and
- WHEREAS, the City of Euclid, under the leadership of Mayor Bill Cervenik, immediately offered the City of South Euclid assistance in cleaning up from the storms; and
- WHEREAS, this assistance included the use of a wood chipper which allowed for a much quicker clean-up process than if the city had been on its own; and
- WHEREAS, the officials of the City of Euclid deserve to be commended for this assistance which allowed the community to return to normal conditions as soon as possible.

NOW THEREFORE BE IT RESOLVED, by the Council of the City of South Euclid, Ohio:

Section 1: That the Mayor and Members of Council for themselves and on behalf of the People of the City of South Euclid express their respect and appreciation to the City of Euclid, Mayor Bill Cervenik, his staff members, and its residents for coming to the aid of the City of South Euclid in a time of need, ensuring the City was able to quickly recover from a series of storms in October and November 2013.

Section 2: That is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees on or after November 25, 1975, 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 3: That this Resolution is deemed to be an emergency measure necessary for the immediate preservation of the public peace, health, and safety within the City and therefore should be adopted at the earliest possible time. Wherefore this Resolution shall take effect and be in force from and after the earliest period allowed by law and upon signature of the Mayor.

Passed this _____ day of _____, 2013.

David B. Miller, President of Council

Attest:

Approved:

Keith A. Benjamin, Clerk of Council

Georgine Welo, Mayor

Approved as to form:

Michael P. Lograsso, Director of Law

CITY OF SOUTH EUCLID, OHIO

RESOLUTION NO.: 63-13
INTRODUCED BY: Miller
REQUESTED BY: Mayor

November 25, 2013

A RESOLUTION

AUTHORIZING THE APPROPRIATION OF UNAPPROPRIATED FUNDS
IN THE FOLLOWING FUND: "CAPITAL PROJECTS FUND #408."

WHEREAS, in order for the Service Department to continue operating effectively, a new wood chipper must be purchased as soon as possible.

NOW THEREFORE BE IT RESOLVED by the Council of the City of South Euclid, Ohio:

Section 1: That the Council of the City of South Euclid hereby authorizes the Finance Director to appropriate unappropriated funds in the "Capital Projects Fund #408" in the amount of \$27,500.00 for the purchase of a new wood chipper for the Service Department.

Section 2: That it is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees on or after November 25, 1975, 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 3: That this Resolution is deemed to be an emergency measure necessary for the immediate preservation of the public peace, health, safety, and welfare of the residents and for the further reason that a vital function of government is affected thereby. Wherefore, this Resolution shall take effect and be in force from and after the earliest period allowed by law and upon signature of the Mayor.

Passed this _____ day of _____, 2013.

David B. Miller, President of Council

Attest:

Approved:

Keith A. Benjamin, Clerk of Council

Georgine Welo, Mayor

Approved as to form:

Michael P. Lograsso, Director of Law

CITY OF SOUTH EUCLID, OHIO

RESOLUTION NO.: 64-13
INTRODUCED BY: Miller
REQUESTED BY: Mayor

November 25, 2013

A RESOLUTION

AUTHORIZING THE APPROPRIATION OF UNAPPROPRIATED FUNDS
IN THE FOLLOWING FUND: "SUPPORT OF PRISONERS FUND #101-2210."

WHEREAS, inmate expenses for 2013 have exceeded the original budgeted amount requiring an additional appropriation.

NOW THEREFORE BE IT RESOLVED by the Council of the City of South Euclid, Ohio:

Section 1: That the Council of the City of South Euclid hereby authorizes the Finance Director to appropriate unappropriated funds in the "Support of Prisoners Fund #101-2210" in the amount of \$10,000.00.

Section 2: That it is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees on or after November 25, 1975, 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 3: That this Resolution is deemed to be an emergency measure necessary for the immediate preservation of the public peace, health, safety, and welfare of the residents and for the further reason that a vital function of government is affected thereby. Wherefore, this Resolution shall take effect and be in force from and after the earliest period allowed by law and upon signature of the Mayor.

Passed this _____ day of _____, 2013.

David B. Miller, President of Council

Attest:

Approved:

Keith A. Benjamin, Clerk of Council

Georgine Welo, Mayor

Approved as to form:

Michael P. Lograsso, Director of Law

CITY OF SOUTH EUCLID, OHIO

RESOLUTION NO.: 65-13
INTRODUCED BY: Miller
REQUESTED BY: Mayor

November 25, 2013

A RESOLUTION

AUTHORIZING THE APPROPRIATION OF UNAPPROPRIATED FUNDS IN THE FOLLOWING FUNDS: "POLICE DEPARTMENT FUND #101-1110" AND "FIRE DEPARTMENT FUND #101-1120."

WHEREAS, changes in the way in which the Ohio Police & Fire Pension Fund collects payments from the City of South Euclid requires an additional appropriation over the amount originally budgeted.

NOW THEREFORE BE IT RESOLVED by the Council of the City of South Euclid, Ohio:

Section 1: That the Council of the City of South Euclid hereby authorizes the Finance Director to appropriate unappropriated funds as follows:

- | | | |
|----|----------------------------------|-------------|
| 1. | Police Department Fund #101-1110 | \$74,360.00 |
| 2. | Fire Department Fund #101-1120 | \$49,636.00 |

Section 2: That it is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees on or after November 25, 1975, 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 3: That this Resolution is deemed to be an emergency measure necessary for the immediate preservation of the public peace, health, safety, and welfare of the residents and for the further reason that a vital function of government is affected thereby. Wherefore, this Resolution shall take effect and be in force from and after the earliest period allowed by law and upon signature of the Mayor.

Passed this _____ day of _____, 2013.

David B. Miller, President of Council

Attest:

Approved:

Keith A. Benjamin, Clerk of Council

Georgine Welo, Mayor

Approved as to form:

Michael P. Lograsso, Director of Law

FISCAL OFFICER'S CERTIFICATE

City of South Euclid, Ohio
November 25, 2013

TO THE COUNCIL OF THE CITY OF SOUTH EUCLID, OHIO

The undersigned, as fiscal officer of the City of South Euclid, Ohio, as defined by Revised Code Section 133.01, hereby certifies as follows in connection with your proposed issue of \$1,800,000 of bonds and notes in anticipation thereof for the purpose of acquiring, clearing and otherwise improving that certain real estate and the buildings thereon as described in Ordinance No. 81-06 passed by the Council on November 13, 2006 authorizing the purchase thereof pursuant to Article VIII, Section 16 of the Ohio Constitution, and paying costs of issuance:

1. That the estimated life of the improvements to be acquired from the proceeds of said issue is hereby certified to be at least five (5) years.
2. That the maximum maturity of such bonds calculated in accordance with the provisions of Section 133.20 of the Revised Code of Ohio is at least twenty-five (25) years, provided that if notes in anticipation of such bonds are outstanding later than the last day of December of the fifth year following the year of issuance of the original notes (2006), the period thereof in excess of five (5) years shall be deducted from the latest permitted maturity of said bonds.
3. That the maximum maturity of notes issued in anticipation of such bonds is December 26, 2031, which is twenty-five (25) years from the date of the notes originally issued for such purpose.



Finance Director
City of South Euclid

CITY OF SOUTH EUCLID, OHIO

ORDINANCE NO.: 18-13
REQUESTED BY: Mayor
INTRODUCED BY: Miller

November 25, 2013

AN ORDINANCE

TO PROVIDE FOR THE ISSUANCE AND SALE OF NOTES IN ANTICIPATION OF THE ISSUANCE OF BONDS IN AN AMOUNT OF \$1,800,000 FOR THE PURPOSE OF ACQUIRING, CLEARING AND OTHERWISE IMPROVING THAT CERTAIN REAL ESTATE AND THE BUILDINGS THEREON AS DESCRIBED IN ORDINANCE NO. 81-06 PASSED BY THE COUNCIL ON NOVEMBER 13, 2006 AUTHORIZING THE PURCHASE THEREOF PURSUANT TO ARTICLE VIII, SECTION 16 OF THE OHIO CONSTITUTION, AND PAYING COSTS OF ISSUANCE; AND DECLARING AN EMERGENCY.

WHEREAS, for the purpose of providing or assisting in providing housing, the City, pursuant to Ordinance No. 81-06 passed on November 13, 2006, purchased, pursuant to Article VIII, Section 16 of the Ohio Constitution, certain real estate and the buildings thereon, and cleared and otherwise improved the site thereof, in order, as presently intended by the City, to make it suitable for sale or lease to a developer or developers for development of residential facilities, thereby enhancing the availability of adequate housing in, and improving the economic and general well-being of the residents of, the City; and

WHEREAS, in connection therewith, the City issued its \$1,800,000 Housing Development Special Obligation Note, Series 2006, the issuance date of which was December 27, 2006 (the "2006 Notes"), which 2006 Notes were retired with the proceeds of the City's \$1,800,000 Housing Development Special Obligation Note, Series 2007, the issuance date of which was December 20, 2007 (the "2007 Notes"), which 2007 Notes were retired with the proceeds of the City's \$1,800,000 Housing Development Special Obligation Note, Series 2008, the issuance date of which was December 18, 2008 (the "2008 Notes"), which 2008 Notes were retired with the proceeds of the City's \$1,800,000 Housing Development Special Obligation Note, Series 2009, the issuance date of which was December 17, 2009 (the "2009 Notes"), which 2009 Notes were retired with the proceeds of the City's \$1,800,000 Housing Development Special Obligation Note, Series 2010, the issuance date of which was December 16, 2010 (the "2010 Notes"), which 2010 Notes were retired with the proceeds of the City's \$1,800,000 Housing Development Special Obligation Notes, Series 2011, the issuance date of which was December 15, 2011 (the "2011 Notes"), which 2011 Notes were retired with the proceeds of the City's \$1,800,000 Housing Development Special Obligation Note, Series 2012, the issuance date of which was December 12, 2012 (the "Refunded Notes"), which Refunded Notes will mature December 12, 2013 and which Refunded Notes are currently outstanding; and

WHEREAS, the Council of the City has determined that payment of the outstanding principal of the Refunded Notes shall be funded at maturity by the issuance of new notes in a principal amount of \$1,800,000; and

WHEREAS, the fiscal officer has certified to the estimated life of the improvements to be acquired with the proceeds of the bonds anticipated, the maximum maturity of the bonds anticipated and the notes herein authorized;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of South Euclid, Ohio:

Section 1: That it is hereby declared necessary to issue bonds of the City of South Euclid in a principal sum of \$1,800,000 for the purpose of acquiring, clearing and otherwise improving that certain real estate and the buildings thereon as described in Ordinance No. 81-06 passed by the Council on November 13, 2006 authorizing the purchase thereof pursuant to Article VIII, Section 16 of the Ohio Constitution and paying costs of issuance.

Section 2: That said bonds shall be dated December 12, 2014, shall bear interest which shall not exceed five per centum (5%) per annum, payable on June 1 and December 1 of each

year, commencing June 1, 2015 until the principal sum is paid, and shall mature in twenty-four (24) annual installments after their issuance. The first principal installment is estimated to be made on December 1, 2015.

Section 3: That it is hereby determined that notes (hereinafter referred to as the "Notes") in a principal amount of \$1,800,000 shall be issued in anticipation of the issuance of bonds for the above-described purposes and to retire the Refunded Notes. The services of Calfee, Halter & Griswold LLP, Bond Attorneys, Cleveland, Ohio, as Bond Counsel for the Notes are hereby retained. The Notes shall be sold at private sale as provided in Section 5 hereof and shall bear interest at the rates fixed by the Finance Director or the Mayor in the certificate awarding the Notes (the "Certificate of Award"), provided that such rates shall not exceed three per centum (3%) per annum. Interest on the Notes shall be payable at maturity, with provision, if requested by the purchaser, that, in the event of default, the Notes shall bear interest, at a rate which shall not exceed three per centum (3%) per annum, until the principal sum is paid or provided for. The Notes shall be dated their date of issuance, shall mature on a date that is between three months and twelve months, inclusive, from their date of issuance, all as determined by the Finance Director or the Mayor to be in the best interest of the City and set forth in the Certificate of Award, provided that if such maturity date is not a business day, the Notes shall mature on the first business day immediately preceding such date. The Notes shall not be subject to redemption by the City at any time prior to maturity, unless the Original Purchaser (as defined herein) of the Notes requests that the Notes provide for such redemption, in which case provision shall be made for calling the Notes for redemption upon ten (10) days written notice to the Paying Agent for the Notes (as defined below), or to the Original Purchaser if the Finance Director is the Paying Agent. In addition, the Notes shall be issued in the numbers and denominations requested by the Original Purchaser (subject to the provisions of Section 4), and shall be payable as to both principal and interest at the office of the Finance Director of the City, or at a bank or trust company designated by the Finance Director (herein individually or collectively the "Paying Agent"), without deduction for exchange, collection or service charge. To the extent that at the maturity of the Notes funds of the City, whether from the Nontax Revenues (as hereinafter defined) or otherwise, are not available in an amount sufficient to retire the Notes, the Council of the City shall pass legislation authorizing the issuance of notes or bonds, the proceeds of which shall be used to retire said Notes.

Section 4: The Notes shall be designated "Housing Development Special Obligation Note, Series 2013." Such Notes shall contain a summary statement of purposes for which they are issued; shall state that they are issued pursuant to this Ordinance, shall be issued in the numbers and denominations requested by the Original Purchaser, provided that the Notes shall be in minimum denominations of \$100,000, and shall be executed by the Mayor and the Finance Director of the City, provided that one of such signatures may be a facsimile signature.

The Notes, pursuant to the terms set forth below, may also be issued to a Depository (as hereinafter defined) for use in a book-entry system (as hereinafter defined). The Finance Director is hereby authorized and directed, to the extent necessary or required, to enter into any agreements determined necessary in connection with the authentication, immobilization, and transfer of the Notes, including arrangements for the payment of principal and interest by wire transfer, after determining that the execution thereof will not endanger the funds or securities of the City, which determination shall be conclusively evidenced by the signing of any such agreement.

If and as long as a book-entry system is utilized, (i) the Notes shall be issued in the form of one Note in the name of the Depository or its nominee, as owner, and immobilized in the custody of the Depository; (ii) the beneficial owners in book-entry form shall have no right to receive Notes in the form of physical securities or certificates; (iii) ownership of beneficial interests in book-entry form shall be shown by a book entry on the system maintained and operated by the Depository and its Participants (as hereinafter defined), and transfers of the ownership of beneficial interests shall be made only by book entry by the Depository and its Participants; and (iv) the Notes 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 Council of the City.

If any Depository determines not to continue to act as a Depository for the notes for use in a book-entry system, the Finance Director may attempt to have established a securities depository/book-entry relationship with another qualified Depository. If the Finance Director

does not or is unable to do so, the Finance Director, after making provision for notification of the beneficial owners by the then Depository and any other arrangements he deems necessary, shall permit withdrawal of the Notes from the Depository, and authenticate and deliver Note certificates in bearer or registered form, as he determines, 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 Council action or inaction, of those persons requesting such issuance.

As used in this Section and this Ordinance:

“Book-entry form” or “book-entry system” means a form or system under which (i) the beneficial right to principal and interest may be transferred only through a book entry and (ii) physical notes are issued only to a Depository or its nominee as owner, with the notes “immobilized” to the custody of the Depository, and the book entry is the record that identifies the owners of beneficial interests in that principal and interest.

“Depository” means any securities depository that is a clearing agency under federal law operating and maintaining a book-entry system to record beneficial ownership of the right to principal and interest, and to effect transfers of the Notes, in book-entry form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

“Nontax Revenues” means all moneys of the City which are not moneys raised by taxation, to the extent available for the purpose of paying Note Service Charges, including, but not limited to the following: (a) proceeds from the sale or lease of all or a portion of the Project Site; (b) grants from the United States of America and the State; (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; (i) all rental payments which are deposited in the City’s General Fund; and (j) any moneys in the fund for the Project into which the proceeds of the Notes are deposited and which are not needed to pay costs of the Project.

“Note Service Charges” means, for any period of time, the principal of and interest required to be paid by the City on the Notes for such time period.

“Participant” means any participant contracting with a Depository under a book-entry system and includes security brokers and dealers, banks and trust companies, and clearing corporations.

“Project” means acquiring, clearing and otherwise improving the Project Site, for sale or lease to a developer or developers for development of residential facilities.

“Project Site” means that certain real estate and the buildings thereon as described in Ordinance No. 81-06 passed by the Council on November 13, 2006 authorizing the purchase thereof pursuant to Article VIII, Section 16 of the Ohio Constitution.

Section 5: That the Notes shall be sold by the Finance Director or the Mayor at private sale as provided in the Certificate of Award to KeyBanc Capital Markets (the “Original Purchaser”), in accordance with law and the provisions of this Ordinance. The Finance Director shall, in accordance with his determination of the best interests of and financial advantages to the City and its taxpayers and conditions then existing in the financial market, consistent with the provisions hereof, establish the terms of the Notes to be specified in a Certificate of Award and sign the Certificate of Award referred to in Section 3 evidencing the sale of the Notes. The Finance Director is hereby authorized and directed to deliver the Notes, when executed, to the Original Purchaser thereof upon payment of the purchase price. The proceeds of such sale shall be paid into the proper fund and used for the purpose for which the Notes are being issued and to pay those costs of issuance set forth in Section 133.15(B), Ohio Revised Code. Any premium received by the City and accrued interest shall be transferred to the City’s Bond Retirement Fund to be applied to the payment of the principal of and interest on the Notes in the manner provided by law. In addition, the Mayor and the Finance Director, as appropriate, are each authorized and directed to sign any other transcript certificates, financial statements and other documents,

agreements, representations and instruments and to take such actions as are necessary or appropriate to consummate the transactions contemplated by this Ordinance.

The City covenants that it will restrict the use of the proceeds of the Notes in such manner and to such extent, if any, as may be necessary so that the Notes will not constitute arbitrage bonds under Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"). The Finance Director, as the fiscal officer, or any other officer of the City having responsibility for the issuance of the Notes shall give an appropriate certificate of the City, for inclusion in the transcript of proceedings for the Notes, setting forth the reasonable expectations of the City regarding the amount and use of all the proceeds of the Notes, the facts, circumstances, and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of interest on the Notes.

The City covenants that (a) it will take or cause to be taken such actions which may be required of it for the interest on the Notes to be and remain excluded from gross income for federal income tax purposes, and (b) it will not take or permit to be taken any actions which would adversely affect that exclusion, and that it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Notes to the governmental purpose of the borrowing, (ii) restrict the yield on investment property acquired with those proceeds, (iii) make timely rebate payments to the federal government, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code. The Finance Director and other appropriate officers are hereby authorized and directed to take any and all actions, make calculations and rebate payments, and make or give reports and certifications as may be appropriate to assure such exclusion of that interest.

The City covenants that all books and documents in the City's possession relating to the Project and the Nontax Revenues shall be open at all times during the City's regular business hours to inspection by such accountants or other agents of the Noteholders as the Noteholders may from time to time designate.

Section 6: The City hereby represents that all conditions are met for treating the Notes as "qualified tax-exempt obligations" as defined in Section 265(b)(3)(B)(i) of the Code and that the Notes are deemed to have been designated as such without further action of the City by reason of Section 265(b)(3)(D)(ii) of the Code.

Section 7: That the Finance Director is authorized and directed to execute a continuing disclosure certificate (the "Disclosure Certificate") dated the date of delivery of the Notes and delivered to the Original Purchaser of the Notes for the benefit of the holders of the Notes (the "Noteholders") and to assist the Original Purchaser in complying with S.E.C. Rule 15c2-12(b)(5), which Disclosure Certificate shall set forth the City's undertaking to provide annual reports and notices of certain events. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Disclosure Certificate. Failure of the City to comply with the Disclosure Certificate shall not be considered an event of default; however, any Noteholder may take such actions as may be necessary and appropriate to cause the City to comply with its obligations under this Section.

Section 8: The Notes and any bonds issued to retire the Notes shall be special obligations of the City, and the Note Service Charges on the Notes and the debt service charges on any bonds issued to retire the Notes shall be payable solely from the Nontax Revenues, and the payment of Note Service Charges is secured by a pledge of and lien on the Nontax Revenues on deposit in the Note Fund (as hereinafter defined). The Notes and any bonds issued to retire the Notes are not and shall not be secured by an obligation or pledge of any money raised by taxation. The Notes and any bonds issued to retire the Notes 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 Noteholder or Noteholders thereof shall have no right to have taxes levied by the City for the payment of Note Service Charges on the Notes or debt service charges on any bonds issued to retire the Notes.

Section 9: That during the years while the Notes are outstanding, it will appropriate and maintain Nontax Revenues at such times and in such amounts as will be sufficient, together with the proceeds of any bonds issued to retire the Notes or renewal notes issued in anticipation of such bonds available for the purpose (collectively, "renewal obligations"), to pay the Note

Service Charges on the Notes when due and will so restrict other obligations payable from Nontax Revenues prior to or on a parity with the Note Service Charges on the Notes as will ensure the continuing availability for appropriation of sufficient Nontax Revenues to pay Note Service Charges when due.

The par value to be received from the sale of the bonds anticipated by the Notes 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 the interest thereon, and is hereby pledged for such purpose. Nothing in this Ordinance shall prevent the City from retiring all or any portion of the Notes with the proceeds with other available cash, with the proceeds of bond anticipation notes, or with the proceeds of bonds or other obligations containing terms different than those described in this Ordinance.

There is created by the City a separate fund or account designated as the "Housing Development Special Obligation Note Retirement Fund" (the "Note Fund") into which Nontax Revenues shall be deposited on or prior to the date of maturity of the Notes in an amount sufficient to pay Note Service Charges.

Nothing herein shall be construed as requiring the City to use or apply to the payment of Note Service Charges on the Notes any funds or revenues from any source other than Nontax Revenues and the proceeds of any renewal obligations. 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 Notes.

Section 10: That it is hereby determined and recited 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, will have been done and performed in regular and due form as required by law; and that no limitation of indebtedness or taxation, either statutory or constitutional, will have been exceeded in the issuance of the Notes.

Section 11: That the Finance Director of the City is hereby directed to forward or cause to be forwarded a certified copy of this Ordinance to the County Fiscal Officer of Cuyahoga County and to secure a receipt therefor.

Section 12: That the Mayor and Finance Director, or either of them, are hereby authorized to prepare, execute and deliver to the Original Purchaser of the Notes a preliminary and final Official Statement or any other appropriate disclosure document of the City in connection with the sale and delivery of the Notes.

Section 13: That it is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees on or after November 25, 1975, 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 14: That this Ordinance is deemed to be an emergency measure necessary for the immediate preservation for the public peace, health, and safety and for further reason that this Ordinance is required to be immediately effective to provide funds to retire the Refunded Notes which are about to mature and thereby protect the credit of the City. Wherefore, this Ordinance shall take effect and be in force from and after the earliest period allowed by law and upon signature of the Mayor.

Passed this _____ day of _____, 2013.

Dr. David Miller, President of Council

Attest:

Approved:

Keith A. Benjamin, Clerk of Council

Georgine Welo, Mayor

Approved as to form:

Michael P. Lograsso, Director of Law

I, Keith A. Benjamin, do hereby certify that this Ordinance No. 18-13 is an exact copy of the Ordinance No. 18-13 passed by South Euclid City Council on _____.

Keith A. Benjamin, Clerk of Council