

THE CITY OF SOUTH EUCLID
SCHEDULE OF MEETING
Tuesday May 27, 2014
8:00 PM

1. PLEDGE OF ALLEGIANCE

2. ROLL CALL

3. APPROVAL OF MINUTES: April 16, 2014 & April 28, 2014

4. SWEARING-IN PROMOTIONS: Promotions within the South Euclid Fire Department:
Dave Csire to Assistant Fire Chief
Paul Tepley to Captain
Gregory Duy to Lieutenant
Geffry Turchon to Lieutenant

5. OPEN MEETING

6. REPORT OF COMMITTEES

COMMITTEE-OF-THE-WHOLE

1. ORDINANCE 03-14 AN ORDINANCE FOR THE PURPOSE OF PLACING ON THE BALLOT AT THE NEXT GENERAL ELECTION FOR A VOTE OF THE ELECTORATE OF THE CITY OF SOUTH EUCLID, OHIO THE PROPOSED CODIFIED ORDINANCE CHAPTER ____ ENTITLED "POLITICAL CONTRIBUTIONS" INCLUDING CODIFIED ORDINANCE SECTION ____ ENTITLED "PUBLIC HEARINGS REGARDING IMPACT OF POLITICAL CONTRIBUTIONS; ACTIONS BY MAYOR", WHICH PROPOSED CODIFIED ORDINANCE WOULD REQUIRE THE MAYOR AND CITY COUNCIL TO HOLD AN BI-ANNUAL PUBLIC HEARING FOR THE PURPOSE OF STUDYING THE IMPACT ON LOCAL ELECTIONS OF POLITICAL SPENDING BY CORPORATIONS, AND WOULD REQUIRE THE MAYOR TO NOTIFY THE LEADERS OF THE UNITED STATES CONGRESS THAT THE VOTERS OF THE CITY OF SOUTH EUCLID HAVE CALLED FOR A CONSTITUTIONAL AMENDMENT INDICATING THAT CORPORATIONS DO NOT HAVE CONSTITUTIONAL RIGHTS AND THAT MONEY IS NOT THE EQUIVALENT OF SPEECH; AND DECLARING AN EMERGENCY. **SECOND READING.**

FINANCE COMMITTEE

1. ORDINANCE 04-14 TO PROVIDE FOR THE ISSUANCE AND SALE OF NOTES IN ANTICIPATION OF THE ISSUANCE OF BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$2,150,000 FOR VARIOUS PURPOSES INCLUDING PAYING COSTS OF ISSUANCE; AND DECLARING AN EMERGENCY. **PLACE ON SECOND READING.**

2. ORDINANCE 05-14 TO PROVIDE FOR THE ISSUANCE AND SALE OF SPECIAL OBLIGATION (NON-TAX) BONDS IN AN AMOUNT NOT TO EXCEED \$1,900,000 TO RETIRE AT MATURITY CERTAIN NOTES ISSUED IN ANTICIPATION OF BONDS 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. **PLACE ON SECOND READING.**

7. LEGISLATION REQUESTED BY CITY COUNCIL

1. RESOLUTION 25-14 IMPOSING A MORATORIUM ON THE GRANTING OF BUILDING PERMITS OR CERTIFICATES OF OCCUPANCY FOR ANY BUILDING, STRUCTURE, USE OR CHANGE OF USE THAT WOULD ENABLE THE SALE OF ALTERNATIVE NICOTINE PRODUCTS FOR A PERIOD THROUGH AUGUST 1, 2014, IN ORDER TO ALLOW STATE REGULATION RELATIVE TO SUCH USE TO BECOME EFFECTIVE. FIRST READING.
2. RESOLUTION 26-14 AUTHORIZING THE APPROPRIATION OF UNAPPROPRIATED FUNDS IN THE FOLLOWING FUND: "POOLS-BUILDINGS & STRUCTURES – FUND #408-3320-52502" IN AN AMOUNT NOT TO EXCEED \$26,000. FIRST READING.
3. RESOLUTION 27-14 AUTHORIZING THE APPROPRIATION OF UNAPPROPRIATED FUNDS IN THE FOLLOWING FUND: "CITY COUNCIL - FUND #101-7730-52799- MISCELLANEOUS" IN AN AMOUNT NOT TO EXCEED \$2,500 FOR THE PURPOSES FUNDING THE PURCHASE OF EQUIPMENT AND SERVICES TO PROVIDE LIVE STREAMING OF SOUTH EUCLID CITY COUNCIL MEETINGS. FIRST READING.

8. LAW DIRECTOR'S REPORT

9. LETTERS AND COMMUNICATIONS

10. ADJOURN

CITY OF SOUTH EUCLID, OHIO

ORDINANCE NO.: 03-14
INTRODUCED BY: Miller
REQUESTED BY: Gelfand

May 12, 2014
Second Reading: May 27, 2014

ORDINANCE

AN ORDINANCE FOR THE PURPOSE OF PLACING ON THE BALLOT AT THE NEXT GENERAL ELECTION FOR A VOTE OF THE ELECTORATE OF THE CITY OF SOUTH EUCLID, OHIO THE PROPOSED CODIFIED ORDINANCE CHAPTER ___ ENTITLED "POLITICAL CONTRIBUTIONS" INCLUDING CODIFIED ORDINANCE SECTION ___ ENTITLED "PUBLIC HEARINGS REGARDING IMPACT OF POLITICAL CONTRIBUTIONS; ACTIONS BY MAYOR", WHICH PROPOSED CODIFIED ORDINANCE WOULD REQUIRE THE MAYOR AND CITY COUNCIL TO HOLD AN BI-ANNUAL PUBLIC HEARING FOR THE PURPOSE OF STUDYING THE IMPACT ON LOCAL ELECTIONS OF POLITICAL SPENDING BY CORPORATIONS, AND WOULD REQUIRE THE MAYOR TO NOTIFY THE LEADERS OF THE UNITED STATES CONGRESS THAT THE VOTERS OF THE CITY OF SOUTH EUCLID HAVE CALLED FOR A CONSTITUTIONAL AMENDMENT INDICATING THAT CORPORATIONS DO NOT HAVE CONSTITUTIONAL RIGHTS AND THAT MONEY IS NOT THE EQUIVALENT OF SPEECH; AND DECLARING AN EMERGENCY.

WHEREAS, the First Amendment to the United States Constitution was designed to protect the free speech rights of individual human beings ("natural persons"), not corporations;

WHEREAS, Corporations are not people but instead are artificial entities created by the law of states and nations;

WHEREAS, the ruling of the United States Supreme Court in Citizens United v. Federal Elections Commission, 558 U.S. 50, 130 S.Ct. 876, 175 L.Ed.2d 753 (2010), overturned longstanding precedent prohibiting corporations from spending their general treasury funds in our elections;

WHEREAS, Citizens United v. Federal Elections Commission overturned the Court's earlier decision in Austin v. Michigan Chamber of Commerce, 494 U.S. 652 (1990), which correctly recognized the threat to a republican form of government posed by "the corrosive and distorting effects of immense aggregations of wealth that are accumulated with the help of the corporate form and that have little or no correlation to the public's support for the corporation's political ideas";

WHEREAS, Citizens United v. Federal Elections Commission erroneously equated the desire of large corporations to influence political decision-making through massive electoral expenditures with the speech of disadvantaged individuals seeking to make their voices heard;

WHEREAS, Justice John Paul Stevens's opinion for the four dissenting justices in Citizens United v. Federal Elections Commission noted that corporations have special advantages not enjoyed by natural persons, such as limited liability, perpetual life, and favorable treatment of the accumulation and distribution of assets, that allow them to spend prodigious sums on campaign messages that have little or no correlation with the beliefs held by natural persons;

WHEREAS, as a result of the decision in Citizens United v. Federal Elections Commission, the political spending of corporations and wealthy individuals receives a constitutional presumption of protected status, whereas the restrictions on the rights of individual citizens to protest the auctioning of our democracy are subject to a more deferential form of review;

WHEREAS, Citizens United v. Federal Elections Commission has in fact unleashed a torrent of corporate money in our political process unmatched by any campaign expenditure totals in United States history;

WHEREAS, Citizens United v. Federal Elections Commission purports to invalidate state laws and even state constitutional provisions separating corporate money from elections, many of which are over 100 years old;

WHEREAS, the general public and political leaders in the United States have recognized, since the founding of our country, that the interests of corporations do not always correspond with the public interest and that, therefore, the political influence of corporations should be limited;

WHEREAS, in his dissenting opinion in Citizens United v. Federal Elections Commission, Justice John Paul Stevens observed that "At bottom, the Court's opinion is ... a rejection of the common sense of the American people, who have recognized a need to prevent corporations from undermining self government since the founding, and who have fought against the distinctive corrupting potential of corporate electioneering since the days of Theodore Roosevelt... While American democracy is imperfect, few outside the majority of this Court would have thought its flaws included a dearth of corporate money in politics"; and

WHEREAS, the US Supreme Court in early April in McCutcheon vs Federal Elections, 572 U.S. _____, Commission struck down the \$123,000 limit on the aggregate amount persons can donate/invest to federal candidates, political parties and political committees in a 2-year election cycle, which now permits wealthy individuals to donate/invest up to \$5.9 million, and

WHEREAS, the Supreme Court in McCutcheon v. Federal Elections Commission held that the purported right of a few hundred super-rich individuals to spend outrageously large sums on campaign contributions outweighs the national interest in political equality and a government free of corruption, and

WHEREAS, the First Amendment was never intended to provide a giant megaphone for the wealthiest to use to shout down the rest of us -- creating a plutocracy where the political influence of money overwhelms the political influence of people, and

WHEREAS, the City of South Euclid may wish to regulate corporations that make political contributions that influence or may influence elections or ballot measures that impact or may impact the citizens of the City of South Euclid;

WHEREAS, Article V of the United States Constitution empowers and obligates the people and states of the United States of America to use the constitutional amendment process to correct those egregiously wrong decisions of the United States Supreme Court that go to the heart of our democracy and republican self-government;

WHEREAS, notwithstanding the decision in Citizens United v. Federal Elections Commission and McCutcheon v. Federal Elections Commission, Council members have a duty to protect democracy and guard against the potentially detrimental effects of corporate spending in local, state, and federal elections; and

WHEREAS, this Council has the power and authority to place a proposed ordinance on the ballot for consideration by the electorate of the City of South Euclid pursuant to Ohio Revised Code Sections 3501.02, 715.01 and 705.15;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SOUTH EUCLID, CUYAHOGA COUNTY, OHIO, two-thirds of all the members elected thereto concurring, that:

Section 1: The Council of the City of South Euclid hereby places the following Ordinance on the ballot for the November, 2014 general election for a vote of the electorate of the City of South Euclid, for the purpose of determining whether the electorate of the City of South Euclid wishes to adopt the proposed codified ordinance hereinafter set forth:

PROPOSED ORDINANCE

City of South Euclid

A majority affirmative vote is necessary for passage

**CODIFIED ORDINANCE SECTION _____
"PUBLIC HEARINGS REGARDING IMPACT OF POLITICAL CONTRIBUTIONS;
ACTIONS BY MAYOR"**

**_____ PUBLIC HEARINGS REGARDING IMPACT OF POLITICAL CONTRIBUTIONS;
ACTIONS BY MAYOR**

(a) Beginning in 2014, the Mayor and City Council shall hold a public hearing in February of each year for the purpose of studying the impact on the City of South Euclid of political contributions by corporations, unions, Political Action Committees ("PACs") and Independent Expenditure-Only Committees ("Super PACs") in connection with the most recent election. The public hearing shall be advertised in accordance with City ordinances and shall be open to the public. Members of the general public in attendance shall be afforded the opportunity to speak for a period of up to five minutes per person and to provide written testimony. The City shall issue a report of its findings to the City Fiscal Officer no later than July 15th of each year.

(b) On or before the 21st of January of each year until the United States Congress has proposed an amendment to the United States Constitution as provided for in Article V of the United States Constitution, the Mayor shall provide written notice to the President of the United States Senate, the Speaker of United States House of Representatives, and the United States congressional delegation representing the City of South Euclid, including, but not limited to, the two United States Senators representing the State of Ohio, and the U.S. Representative representing South Euclid in the U.S. House of Representatives, indicating that the citizens of the City of South Euclid in November of 2014 voted in support of this codified ordinance calling for a constitutional amendment declaring:

- (A) Only human beings, not corporations, are legal persons with constitutional rights; and
- (B) Money is not equivalent to speech, and therefore regulating political contributions and spending is not equivalent to limiting political speech.

(c) The public hearing required hereunder shall cease if and when a constitutional amendment reflecting the principles set forth in subsection (b) above is ratified by three-fourths (3/4) of state legislatures in the United States of America.

(d) This ordinance shall take effect and be included in the city ordinances at the earliest date permitted by law.

	YES	SHALL THE PROPOSED CODIFIED ORDINANCE SECTION _____ REQUIRING THE MAYOR AND CITY COUNCIL TO HOLD ANNUAL PUBLIC HEARINGS TO ANALYZE THE IMPACT OF POLITICAL CONTRIBUTIONS ON LOCAL ELECTIONS AND DIRECTING THE MAYOR TO NOTIFY THE UNITED STATES CONGRESS THAT THE ELECTORS OF SOUTH EUCLID PASSED THIS ORDINANCE BE ADOPTED?
	NO	

Section 2: It is found that pursuant to Ohio Revised Code Sections 3501.02, 715.01 and 705.15, this Council has the power and authority to place the proposed Codified Ordinance Section _____ on the ballot for consideration and vote by the electorate of the City of South Euclid.

Section 3: In the event that any provision, term or Section of this Ordinance is held to be invalid or unenforceable in whole or in part, all other provisions, terms and Sections of this Ordinance will nevertheless continue to be valid and enforceable, with the invalid and/or unenforceable parts severed from the remainder of the provisions, terms and/or Sections of this Ordinance.

Section 4: 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 Ohio R.C. Section 121.22.

Section 5: That 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 _____, 2014.

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

ORDINANCE NO.: 04-14
INTRODUCED BY: Miller
REQUESTED BY: Mayor

May 12, 2014
Second Reading: May 27, 2014

AN ORDINANCE

TO PROVIDE FOR THE ISSUANCE AND SALE OF NOTES IN ANTICIPATION OF THE ISSUANCE OF BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$2,150,000 FOR VARIOUS PURPOSES INCLUDING PAYING COSTS OF ISSUANCE; AND DECLARING AN EMERGENCY.

WHEREAS, pursuant to Ordinance No. 86-06, passed January 9, 2007, the Council of the City authorized the issuance of notes (the "2007 Notes") in anticipation of the issuance of bonds in the principal amount of \$17,000,000 for the purpose of paying the costs of the acquisition, and any necessary clearance and preparation, of real property for urban redevelopment, and paying costs of issuance therefor, which 2007 Notes were dated January 30, 2007 and matured on January 29, 2008, and which 2007 Notes were retired with proceeds of notes in the amount of \$18,010,000 (the "2008 Notes") which 2008 Notes were dated January 28, 2008 and matured January 27, 2009, and which 2008 Notes were retired with proceeds of notes in the amount of \$18,550,000 (the "2009 Notes") which 2009 Notes were dated January 26, 2009 and matured January 25, 2010, and which 2009 Notes were retired with proceeds of notes in the amount of \$19,225,000 (the "2010-1 Notes") which 2010-1 Notes were dated January 21, 2010 and matured September 30, 2010, which 2010-1 Notes were retired, in part, with proceeds of notes in the amount of \$17,270,000 (the "2010-2 Notes"), together with other funds of the City, which 2010-2 Notes were dated September 29, 2010 and matured September 28, 2011, and which 2010-2 Notes were retired, in part, with proceeds of taxable notes in the amount of \$9,595,000 (the "2011 Notes"), together with other funds of the City, which 2011 Notes were dated September 27, 2011 and matured September 26, 2012, and which 2011 Notes were retired, in part, with proceeds of notes in the amount of \$2,000,000 (the "2012 Notes A"), together with other funds of the City, which 2012 Notes A were part of a consolidated issue of Taxable Various Purpose General Obligation (Limited Tax) Bond Anticipation Notes, Series 2012, which issue was dated September 25, 2012 and will mature September 24, 2013 (the "2012 Issue"); and

WHEREAS, pursuant to Ordinance No. 15-13, passed September 9, 2013, the Council of the City authorized the issuance of Taxable Various Purpose General Obligation (Limited Tax) Bond Anticipation Note to retire the 2012 Issue, for the purposes described in Section 1 hereof, which notes are stated to mature on September 18, 2014 (the "2013 Issue"); and

WHEREAS, the Council of the City finds and determines that the City should retire the 2013 Issue by the issuance of new notes in the principal amount now estimated not to exceed \$2,150,000 in anticipation of the issuance of bonds for the purposes hereinafter stated, together with other moneys of the City; and

WHEREAS, the Finance Director, as fiscal officer of the City (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 is greater than five (5) years;

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 not to exceed \$2,150,000 for the purpose of paying the costs of the acquisition, and any necessary clearance and preparation, of real property for urban redevelopment; and paying costs of issuance.

Section 2: That said bonds shall be dated March 1, 2016, shall bear interest at the estimated rate of six and fifty one hundredths percent (6.5%) per annum, payable semi-annually until the principal sum is paid, and shall mature as certified by the Fiscal Officer.

Section 3: That it is hereby determined that notes (the "Notes") in a principal amount not to exceed 2,150,000 shall be issued in anticipation of the issuance of bonds for the above-described purposes. 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 to the Original Purchaser (as defined in Section 5 hereof) and shall bear interest at the rates fixed by the Fiscal Officer or the Mayor in the certificate awarding the Notes (the "Certificate of Award"), provided that such rates shall not exceed five per centum (5.0%) 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 ten per centum (10%) per annum, until the principal sum is paid or provided for. The Notes shall be dated their date of issuance, and shall mature on a date that is between eighteen and twenty-four months (but not later than June 30, 2016), inclusive, from their date of issuance, all as determined by the Fiscal Officer 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 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 (as defined below) for the Notes, or to the Original Purchaser if the Fiscal Officer 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 Fiscal Officer of the City, or at a bank or trust company designated by the Fiscal Officer (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 levy of taxes 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 "Taxable Various Purpose General Obligation (Limited Tax) Bond Anticipation Notes, Series 2014." 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 Fiscal Officer 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 Fiscal Officer 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 Fiscal Officer may attempt to have established a securities depository/book-entry relationship with another qualified Depository. If the Fiscal Officer does not or is unable to do so, the Fiscal Officer, 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 notes, in book-entry form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

“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.

Section 5: That the Notes shall be sold by the Fiscal Officer or the Mayor at private sale in a manner and upon terms determined by the Fiscal Officer or the Mayor to be in the best interest of the City at not less than par plus accrued interest to KeyBanc Capital Markets Inc. (the “Original Purchaser”), in accordance with law and the provisions of this Ordinance. The Fiscal Officer 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, consistently 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 Fiscal Officer 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 Fiscal Officer, 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.

Section 6: That the Fiscal Officer 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 7: That the Notes shall be full general obligations of the City and that the full faith and credit of the City are hereby pledged for the prompt payment of the same. The par value to be received from the sale of the bonds 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.

Section 8: That during the years while the Notes are outstanding, there shall be levied on all the taxable property in the City, in addition to all other taxes, a direct tax annually not less than that which would have been levied if bonds had been issued without the prior issuance of the Notes. Said tax shall be and is hereby ordered computed, certified, levied and extended upon

the tax duplicate and collected by the same officers, in the same manner and at the same time that taxes for general purposes for each of said years are certified, extended and collected. Said tax shall be placed before and in preference to all other items and for the full amount thereof. The funds derived from said tax levies hereby required shall be placed in a separate and distinct fund which, together with the interest collected on the same, shall be irrevocably pledged for the payment of the principal of and interest on the Notes or the bonds in anticipation of which they are issued, when and as the same falls due; provided, however, that in each year to the extent that revenues are available from other sources for the payment of the Notes and bonds and are appropriated for such purpose, the amount of such direct tax upon all of the taxable property in the City shall be reduced by the amount of such revenues so available and appropriated.

Section 9: That while the Notes are outstanding, the City hereby covenants to appropriate annually, to the extent required, sufficient amounts from municipal income tax revenues to pay principal and interest on the Notes when the same fall due, and to continue to levy and collect the municipal income tax in an amount necessary to meet debt charges on the Notes. The City covenants to deposit into the Bond Retirement Fund, from available funds appropriated for the purpose, an amount necessary to meet any shortfall that may exist between the amount then available in the Bond Retirement Fund and the amount of principal and interest due at maturity 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 Fiscal Officer 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 Fiscal Officer, 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 2013 Issue which is 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 _____, 2014.

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
May 12, 2014

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 not more than \$2,150,000 of bonds and notes in anticipation thereof for the purpose of paying the costs of the acquisition, and any necessary clearance and preparation, of real property for urban redevelopment, including public infrastructure improvements to be located thereon, 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 thirty (30) 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 (2007), the period thereof in excess of five (5) years shall be deducted from the latest permitted maturity of said bonds.

James Smith, Finance Director
City of South Euclid

CITY OF SOUTH EUCLID, OHIO

ORDINANCE NO.: 05-14
INTRODUCED BY: Miller
REQUESTED BY: Mayor

May 12, 2014
Second Reading: May 27, 2014

AN ORDINANCE

TO PROVIDE FOR THE ISSUANCE AND SALE OF SPECIAL OBLIGATION (NON-TAX) BONDS IN AN AMOUNT NOT TO EXCEED \$1,900,000 TO RETIRE AT MATURITY CERTAIN NOTES ISSUED IN ANTICIPATION OF BONDS 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 of South Euclid (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 "2012 Notes"), which 2012 Notes were retired with the proceeds of the City's \$1,800,000 Housing Development Special Obligation Note, Series 2013, the issuance date of which was December 11, 2013 (the "2013 Note"), which matures July 13, 2014; and

WHEREAS, the Council of the City finds and determines that the City should retire the 2013 Note by the issuance of bonds in the principal amount now estimated not to exceed \$1,900,000, together with other moneys of the City, for the purpose hereinafter stated; and

WHEREAS, the Finance Director, as fiscal officer of the City (the "Fiscal Officer"), has certified that the estimated life of the improvements hereinafter mentioned is at least five (5) years and has further certified that the maximum maturity of the bonds is twenty-five (25) years;

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 (the "Bonds") of the City in a principal amount not to exceed \$1,900,000 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: The Bonds shall be issued in one lot and only as fully registered Bonds. The Bonds shall be issued in the denomination of \$100,000 or any integral multiple of \$5,000 in excess thereof, but in no case as to a particular maturity date exceeding the principal amount maturing on that date. The Bonds shall be dated as determined by the Fiscal Officer in his Certificate of Award (defined below), but no later than July 13, 2014.

The Bonds shall bear interest at the rate or rates of interest (computed on a 360-day year basis) as specified in a Certificate of Award which shall be signed by the Fiscal Officer and provide for the award of the Bonds in accordance with Section 5 of this Ordinance (the "Certificate of Award"), provided that the maximum average interest rate on the Bonds shall not exceed five per centum (5%) per annum. Interest on the Bonds shall be payable on June 1 and December 1 of each year (the "Interest Payment Dates"), commencing no later than June 1, 2015, until the principal amount has been paid or provided for, and shall mature not later than December 31, 2029. The first principal installment is estimated to be made on December 1, 2015. The Bonds of any one maturity shall bear the same rate of interest. The Bonds shall bear interest from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from their date.

Section 3: The Bonds shall mature on such dates and in such principal amounts as are fixed by the Fiscal Officer in the Certificate of Award, consistent with the Fiscal Officer's determination of the best interest of and financial advantages to the City, provided, however, that the first principal payment shall not be later than as set forth in Section 133.21 of the Ohio Revised Code, as amended, and provided further, that the Bonds stated to mature in any year may be issued as term bonds (the "Term Bonds") payable pursuant to Mandatory Sinking Fund Redemption Requirements as hereinafter defined and further described below. The Fiscal Officer shall determine in the Certificate of Award whether any of the Bonds shall be issued as Term Bonds and any dates (the "Mandatory Redemption Dates") on which the principal amount stated above shall be payable pursuant to Mandatory Sinking Fund Redemption Requirements rather than at stated maturity (the "Mandatory Sinking Fund Redemption Requirements"). The aggregate principal of and interest on the Bonds payable in each calendar year in which principal is payable, whether at maturity or by mandatory sinking fund redemption, shall be not more than three times such principal of and interest on the Bonds payable in any other calendar year in which principal is payable.

The Bonds shall be subject to redemption prior to stated maturity as follows:

(a) Mandatory Sinking Fund Redemption. If any of the Bonds are issued as Term Bonds, the Term Bonds shall be subject to mandatory sinking fund redemption and be redeemed pursuant to Mandatory Sinking Fund Redemption Requirements, at a redemption price of 100% of the principal amount redeemed, plus interest accrued to the redemption date, on the Mandatory Redemption Dates.

The aggregate of the moneys to be deposited with the City for payment of principal of and interest on any Term Bonds shall include amounts sufficient to redeem on the Mandatory Redemption Dates the principal amount of Term Bonds payable on those dates pursuant to the Mandatory Sinking Fund Redemption Requirements (less the amount of any credit as provided below).

The City shall have the option for cancellation of Term Bonds in any aggregate principal amount and to receive a credit against the then current Mandatory Sinking Fund Redemption Requirement (and corresponding mandatory redemption obligation) for any Term Bonds. That option shall be exercised by the City on or before the forty-fifth (45th) day preceding the applicable Mandatory Redemption Date, by furnishing a certificate, signed by the Fiscal Officer, setting forth the extent of the credit to be applied with respect to the then current Mandatory Sinking Fund Redemption Requirement. If the certificate is not timely furnished to, the Mandatory Sinking Fund Redemption Requirement (and corresponding mandatory redemption obligation) shall not be reduced. A credit against the then current Mandatory Sinking Fund Redemption Requirement (and corresponding mandatory redemption obligation) also shall be received by the City for any Term Bonds which prior thereto have been redeemed (other than through the operation of the Mandatory Sinking Fund Redemption Requirements) or purchased

for cancellation and canceled by the City, to the extent not applied theretofore as a credit against any mandatory redemption obligation.

Each Term Bond so delivered, or previously redeemed, or purchased and canceled, shall be credited by the City at 100% of the principal amount thereof against the then current Mandatory Sinking Fund Redemption Requirement (and corresponding mandatory redemption obligation). Any excess of that amount over the then current Mandatory Sinking Fund Redemption Requirement shall be credited against subsequent Mandatory Sinking Fund Redemption Requirements (and corresponding mandatory redemption obligations) in the order directed by the Fiscal Officer.

(b) Optional Redemption. The Bonds shall be subject to redemption prior to maturity by and at the option of the City, in whole or in part at any time on the dates and for the prices specified in the Certificate of Award, provided, however, that the Fiscal Officer may determine in the Certificate of Award that it is in the best interest of the City that the Bonds not be subject to redemption prior to maturity. If the Bonds are subject to redemption, the maximum redemption price shall be no greater than 103% of the principal amount redeemed, plus accrued interest to the redemption date.

If optional redemption at a price exceeding 100% of the principal amount to be redeemed is to take place as of any applicable Mandatory Redemption Date, the Bonds, or portions thereof, to be redeemed optionally shall be selected by lot prior to the selection by lot of the Bonds to be redeemed on the same date by operation of the Mandatory Sinking Fund Redemption Requirements of paragraph (a). The Bonds shall be redeemed pursuant to this paragraph only upon the direction of the Council of the City by passage of an ordinance. That notice shall specify the redemption date and the principal amount of each maturity of Bonds to be redeemed, and shall be given at least 45 days prior to the redemption date or such shorter period as shall be acceptable to the City. In the event that notice of redemption shall have been given by the City to the registered owners as hereinafter provided, there shall be deposited with the City on or prior to the redemption date, funds which, in addition to any other moneys available therefor and held by the City, will be sufficient to redeem at the redemption price thereof, plus interest accrued to the redemption date, all of the redeemable Bonds for which notice of redemption has been given.

(c) Partial Redemption. If fewer than all of the outstanding Bonds are called for redemption at one time, they may be called in any order of their maturities directed by the City, and if fewer than all Bonds of a single maturity are to be redeemed, the selection of Bonds to be redeemed, or portions thereof in amounts of \$100,000 or any integral multiple of \$5,000 in excess thereof, shall be made by lot by the City in any manner which the City may determine. In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than \$100,000 are then outstanding, each \$100,000 unit of principal thereof shall be treated as though it were a separate bond of the denomination of \$100,000. If it is determined that one or more, but not all of the \$100,000 units of principal amount represented by a bond are to be called for redemption, then upon notice of redemption of a \$100,000 unit or units, the registered owner of that Bond shall surrender the Bond to the City (i) for payment of the redemption price of the \$100,000 unit or units called for redemption (including, without limitation, the interest accrued to the date fixed for redemption and any premium), and (ii) for issuance, without charge to the registered owner thereof, of a new bond or bonds of any authorized denominations or denominations in an aggregate principal amount equal to the unmatured and unredeemed portion of, and bearing interest at the same rate and maturing on the same date as, the Bond surrendered.

(d) Notice of Redemption. The notice of the call for redemption of Bonds shall identify (i) by designation, letters, numbers or other distinguishing marks, the Bonds or portions thereof to be redeemed, (ii) the redemption price to be paid, (iii) the date fixed for redemption, and (iv) the place or places where the amounts due upon redemption are payable. The notice shall be given by the City by mailing a copy of the redemption notice by first class mail, postage prepaid, at least 30 days prior to the date fixed for redemption, to the registered owner of each Bond subject to redemption in whole or in part at the registered owner's address shown on the register maintained by the City at the close of business on the 15th day preceding that mailing. Failure to receive notice by mail or any defect in that notice regarding any bond, however, shall not affect the validity of the proceedings for the redemption of any Bonds.

(e) Payment of Redeemed Bonds. Notice having been mailed in the manner provided in the preceding paragraph of this Ordinance, the Bonds and portions thereof called for

redemption shall become due and payable on the redemption date, and, upon presentation and surrender thereof at the place or places specified in that notice, shall be paid at the redemption price, plus interest accrued to the redemption date. If moneys for the redemption of all of the Bonds and portions thereof to be redeemed, together with interest accrued thereon to the redemption date, are held by the City on the redemption date, so as to be available therefor on that date and, if notice of redemption has been deposited in the mail as aforesaid, then from and after the redemption date those Bonds and portions thereof called for redemption shall cease to bear interest and no longer shall be considered to be outstanding. If those moneys shall not be so available on the redemption date, or that notice shall not have been deposited in the mail as aforesaid, those Bonds and portions thereof shall continue to bear interest, until they are paid, at the same rate as they would have borne had they not been called for redemption. All moneys held by the City for the redemption of particular Bonds shall be held in trust for the account of the registered owners thereof and shall be paid to them, respectively, upon presentation and surrender of those Bonds.

Section 4: The Bonds shall be designated "Housing Development Special Obligation (Non-Tax) Bonds, Series 2014," and shall contain a summary statement of purposes for which the Bonds 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 (as defined in Section 5 hereof), and shall be executed by the Mayor and by the Fiscal Officer, one or both of whose signatures may be a facsimile signature; shall be issued only in fully registered form; and shall be registered as to both principal and interest on the registration books of the City. The principal on the Bonds shall be payable upon presentation and surrender to the City. Interest on any Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name that Bond is registered (the "Holder") on the registration books of the City and at the address appearing thereon at the close of business of the fifteenth (15th) day of the calendar month next preceding the Interest Payment Date (the "Regular Record Date"). Any interest not timely paid (the "Defaulted Interest") shall cease to be payable to the person who is the Holder as of the Regular Record Date and shall be payable to the person who is the Holder at the close of business on a special record date for the payment of such defaulted interest. Such Special Record Date (the "Special Record Date") shall be fixed by the Council of the City whenever moneys become available for payment of the Defaulted Interest, and the City shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, not less than ten (10) days prior thereto to each Holder at his address as it appears on the registration books of the City. The principal and interest on the Bonds is payable in lawful money of the United States of America without deduction for the services of the City.

No Bond shall be valid or become obligatory for any purpose unless and until an authentication certificate appearing on the Bond shall have been duly endorsed by the City.

Any Bond, upon surrender thereof at the office of the Fiscal Officer of the City, together with an assignment duly executed by the Holder or his duly authorized attorney in such form as shall be satisfactory to the City, at the option of the Holder thereof, may be exchanged for Bonds of any authorized denomination or denominations in an aggregate principal amount not exceeding the principal amount of the Bond so exchanged, and bearing interest at the same rate and maturing on the same date.

Any Bond may be transferred only upon the books kept for the registration and transfer of Bonds upon surrender thereof at the office of the Fiscal Officer of the City together with an assignment duly executed by the Holder or his duly authorized attorney in such form as shall be satisfactory to the City. Upon the transfer of any such Bond, the City shall execute in the name of the transferee, and the City shall authenticate and deliver, a new Bond, of any authorized denomination, in aggregate principal amount equal to the principal amount of such Bond, and bearing interest at the same rate and maturing on the same date.

In all cases in which Bonds shall be exchanged or transferred, the City shall execute and authenticate and deliver Bonds in accordance with the provisions of this Ordinance. The City may make a charge for every such exchange or transfer of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or transfer, and the City may require that such charge or charges shall be paid before any such new Bond shall be delivered.

As used in this Section and this Ordinance:

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

“Nontax Revenues” means all moneys of the City which are not moneys raised by taxation, to the extent available for the purpose of paying Bond 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 Bonds are deposited and which are not needed to pay costs of the Project.

“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: The Bonds shall be sold at private sale to a purchaser (the “Original Purchaser”), and upon terms determined by the Fiscal Officer to be in the best interest of the City and shall be awarded by the Fiscal Officer, with the final purchase price, aggregate principal amount, interest rate or rates, redemption provisions, if any, and principal installments due at stated maturity or pursuant to Mandatory Sinking Fund Redemption Requirements as set forth in the Certificate of Award, in accordance with law, and the provisions of this Ordinance, provided that the purchase price shall not be less than 97% of par plus accrued interest to their date of delivery. The Mayor and the Fiscal Officer, as appropriate, are each authorized and directed to sign any 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. KeyBanc Capital Markets, Inc. shall serve as Placement Agent for the Bonds upon the terms set forth in the Certificate of Award. The services of Calfee, Halter & Griswold LLP, Bond Attorneys, Cleveland, Ohio, as Bond Counsel for the Bonds are hereby retained, and the Director of Finance shall cause the Bonds to be prepared, and shall have the Bonds signed and delivered, together with a true transcript of proceedings with respect to the issuance of the Bonds, to the Original Purchaser thereof upon payment of the purchase price therefor. The Fiscal Officer of the City is hereby authorized and directed to deliver the Bonds, 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 Bonds are being issued under the provisions of this Ordinance and to pay those costs set forth in Section 133.15, 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 Bonds in the manner provided by law.

If determined by the Fiscal Officer to be necessary or appropriate, this Council authorizes a preliminary official statement of the City relating to the original issuance of the Bonds to be distributed. The Mayor and Fiscal Officer, and either one of them, are authorized and directed to complete and sign, on behalf of the City and in their official capacities, an official statement, with such modifications, changes and supplements from the preliminary official statement as those officers or any one of them shall approve or authorize. Those officers are authorized, on behalf of the City and in their official capacities, to (i) determine, and to certify or otherwise represent, when the official statement is "deemed final" (except for permitted omissions) by the City as of its date or is a final official statement for purposes of SEC Rule 15c2-12(b)(1), (3) and (4), (ii) use and distribute, or authorize the use and distribution of, those official statements and any supplements thereto in connection with the original issuance of the Bonds, and (iii) complete and sign those official statements as so approved together with such certificates, statements or other documents in connection with the finality, accuracy and completeness of those official statements.

If, in the judgment of the Fiscal Officer, the filing of an application for a rating on the Bonds by one or more nationally-recognized rating agencies is in the best interest of and financially advantageous to the City, the Fiscal Officer is authorized to prepare and submit those applications, to provide to each such agency such information as may be required for the purpose, and to provide further for the payment of the cost of obtaining each such rating from the proceeds of the Bonds to the extent available and otherwise from any other funds lawfully available and that are appropriated or shall be appropriated for that purpose.

Section 6: The Bonds shall be special obligations of the City, and the Bond Service Charges on the Bonds shall be payable solely from the Nontax Revenues, and the payment of Bond Service Charges is secured by a pledge of and lien on the Nontax Revenues on deposit in the Bond Fund (as hereinafter defined). 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 holders of the Bonds (the "Bondholders") shall have no right to have taxes levied by the City for the payment of Bond Service Charges on the Bonds.

Section 7: That during the years while the Bonds are outstanding, the City will appropriate and maintain Nontax Revenues at such times and in such amounts as will be sufficient, together with the proceeds of the Bonds, to pay the Bond Service Charges on the Bonds when due and will so restrict other obligations payable from Nontax Revenues prior to or on a parity with the Bond Service Charges on the Bonds as will ensure the continuing availability for appropriation of sufficient Nontax Revenues to pay Bond Service Charges when due.

The par value to be received from the sale of the Bonds and any excess funds resulting from the issuance of the Bonds shall, to the extent necessary, be used only for the retirement of the Notes at maturity, together with the interest thereon, and to pay certain costs of issuance of the Bonds, and such proceeds so received are hereby pledged for such purpose. Nothing in this Ordinance shall prevent the City from retiring all or any portion of the Bonds with the proceeds with other available cash, with the proceeds of the 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 Bond Retirement Fund" (the "Bond Fund") into which Nontax Revenues shall be deposited on or prior to the date of maturity of the Bonds in an amount sufficient to pay Bond Service Charges.

Nothing herein shall be construed as requiring the City to use or apply to the payment of Bond Service Charges on the Bonds any funds or revenues from any source other than Nontax Revenues. 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 Bonds.

Section 8: The City covenants that it will restrict the use of the proceeds of said Bonds in such manner and to such extent, if any, as may be necessary so that the Bonds 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 of the City, or any other officer of the City having responsibility for the issuance of the Bonds shall give an appropriate certificate of the City, for inclusion in the transcript of proceedings for the Bonds, setting forth the reasonable expectations of the City regarding the amount and use of all the proceeds of the Bonds, 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 Bonds.

The City further covenants that it (a) will take or cause to be taken such actions that may be required of it for the interest on the Bonds to be and remain excluded from gross income for federal income tax purposes, and (b) will not take or authorize to be taken any actions that 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 Bonds 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 those proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code. The Fiscal Officer and other appropriate officers are 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.

Section 9: The City hereby represents that all conditions are met for treating the Bonds as "qualified tax-exempt obligations" as defined in Section 265(b)(3)(B)(i) of the Code and that \$1,800,000 of the Bonds 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.

The City hereby designates \$100,00 of the Bonds as "qualified tax-exempt obligations." Further, the City represents and covenants that, during any time or in any manner as might affect the status of the Bonds as "qualified tax-exempt obligations," it has not formed or participated in the formation of, or benefited from or availed itself of, any entity in order to avoid the purposes of subparagraph (C) or (D) of Section 265(b)(3) of the Code, and will not form, participate in the formation of, or benefit from or avail itself of, any such entity. The City further represents that \$100,000 of the Bonds not previously designated as "qualified tax-exempt obligations" are not being issued as part of a direct or indirect composite issue that combines issues or lots of tax-exempt obligations of different issuers.

Section 10: The Fiscal Officer is authorized and directed to execute a continuing disclosure certificate (the "Disclosure Certificate") setting forth the City's undertaking to provide annual reports and notices of certain events dated the date of delivery of the Bonds and delivered to the original purchaser of the Bonds for the benefit of the Bondholders. 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 Bondholder may take such actions as may be necessary and appropriate to cause the City to comply with its obligations under this Section.

Section 11: If, in the judgment of the Fiscal Officer, the filing of an application for a policy of insurance from a company or companies to better assure the payment of principal and interest on the Bonds, is in the best interest of and financially advantageous to the City, the Council authorizes and directs the Fiscal Officer to prepare and submit that application and to provide to that company or companies the information required for the purpose. This Council authorizes and approves the expenditure of the amounts necessary to secure such insurance and authorizes and directs the Fiscal Officer to provide for the payment of those amounts from any funds lawfully available that are appropriated for that purpose and to enter into such contracts with a bond insurer as may, in the judgment of the Fiscal Officer, be necessary to secure such insurance on terms which are in the best interest of and financially advantageous to the City.

Section 12: It is hereby determined that all acts, conditions and things necessary to be done precedent to and in the issuing of the Bonds, in order to make them legal, valid and binding obligations of the City, have been done or 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 be exceeded in the issuance of the Bonds.

Section 13: That the Fiscal Officer 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 14: 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 15: 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 2013 Note which is 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 _____, 2014.

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

May 12, 2014

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 not to exceed \$1,900,000 of bonds to pay a portion of the cost of acquiring, clearing and otherwise improving that certain real estate and the buildings (the "Improvements") 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 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.

James Smith, Finance Director
City of South Euclid

CITY OF SOUTH EUCLID, OHIO

RESOLUTION NO.: 25-14
INTRODUCED BY: Miller
REQUESTED BY: Miller

May 27, 2014

A RESOLUTION

IMPOSING A MORATORIUM ON THE GRANTING OF BUILDING PERMITS OR CERTIFICATES OF OCCUPANCY FOR ANY BUILDING, STRUCTURE, USE OR CHANGE OF USE THAT WOULD ENABLE THE SALE OF ALTERNATIVE NICOTINE PRODUCTS FOR A PERIOD THROUGH AUGUST 1, 2014, IN ORDER TO ALLOW STATE REGULATION RELATIVE TO SUCH USE TO BECOME EFFECTIVE.

WHEREAS, the law in Ohio involving the sale of e-cigarettes and other alternative nicotine products was in a state of uncertainty, as the Ohio House of Representatives was considering 130 Sub. H.B. 144, regulating such sales with respect to minors; and

WHEREAS, now having been signed into law, 130 Sub. H.B. 144 becomes effective August 2, 2014; and

WHEREAS, as such, a moratorium through August 1, 2014 will ensure that any business involved in the sale of alternative nicotine products is not selling such products to minors; and

WHEREAS, pursuant to the Constitution of the State of Ohio and the Ohio Revised Code, municipalities have the power to enact planning and zoning laws that are for the health, safety, welfare, comfort and peace of the citizens of the municipality including restricting areas used for businesses and trades; and

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

Section 1: Council hereby imposes a moratorium on the granting of building permits or certificates of occupancy for any building, structure, use or change of use that would enable the sale of alternative nicotine products for a period through August 1, 2014, in order to allow state regulation relative to such use to become effective.

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: This Resolution shall take effect and be in force from and after the earliest period permitted by law and upon signature of the Mayor.

Passed this _____ day of _____, 2014.

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.: 26-14
INTRODUCED BY: Miller
REQUESTED BY: Fiorelli

May 27, 2014
As introduced at Recreation Committee
on April 28, 2014

A RESOLUTION

AUTHORIZING THE APPROPRIATION OF UNAPPROPRIATED FUNDS IN THE FOLLOWING FUND: "POOLS-BUILDINGS & STRUCTURES – FUND #408-3320-52502" IN AN AMOUNT NOT TO EXCEED \$26,000.

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 General Fund in an amount not to exceed \$26,000 to "Pools-Buildings & Structures – Fund # 408-3320-52502".

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: 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 _____, 2014.

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.: 27-14
INTRODUCED BY: Miller
REQUESTED BY: Mayor

May 27, 2014

A RESOLUTION

AUTHORIZING THE APPROPRIATION OF UNAPPROPRIATED FUNDS IN THE FOLLOWING FUND: "CITY COUNCIL - FUND #101-7730-52799- MISCELLANEOUS" IN AN AMOUNT NOT TO EXCEED \$2,500 FOR THE PURPOSES FUNDING THE PURCHASE OF EQUIPMENT AND SERVICES TO PROVIDE LIVE STREAMING OF SOUTH EUCLID CITY COUNCIL MEETINGS.

WHEREAS, the Council of the City of South Euclid wishes to provide live streaming of City Council Meetings for the purposes of increasing public access.

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 General Fund in an amount not to exceed \$2,500 to "City Council - Fund #101-7730-52799- Miscellaneous" for the purposes of purchasing equipment and services to provide live streaming of South Euclid City Council Meetings.

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: 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 _____, 2014.

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