

CITY OF HYATTSVILLE
ORDINANCE 2018-08

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AN ORDINANCE AUTHORIZING AND EMPOWERING CITY OF HYATTSVILLE (THE "CITY") TO ISSUE AND SELL FROM TIME TO TIME, UPON ITS FULL FAITH AND CREDIT, ONE OR MORE SERIES OF (1)(A) GENERAL OBLIGATION BONDS AND (B) GENERAL OBLIGATION BOND ANTICIPATION NOTES, EACH IN AN ORIGINAL AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING THIRTEEN MILLION EIGHT HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$13,825,000), AND (2) GENERAL OBLIGATION REFUNDING BONDS, PROVIDED THAT THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF ANY SERIES OF REFUNDING BONDS SHALL NOT EXCEED ONE HUNDRED THIRTY PERCENT (130%) OF THE AGGREGATE PRINCIPAL AMOUNT OF THE BONDS REFUNDED THEREFROM, THE PROCEEDS OF THE SALE THEREOF TO BE USED AND APPLIED FOR THE PUBLIC PURPOSE OF FINANCING, REIMBURSING OR REFINANCING COSTS (AS DEFINED IN THIS ORDINANCE) OF THE PROJECTS IDENTIFIED HEREIN AS PUBLIC WORKS FACILITY AND 3505 HAMILTON STREET, TOGETHER WITH RELATED COSTS; SPECIFYING THE MAXIMUM PRINCIPAL AMOUNT OF THE BONDS AND THE BOND ANTICIPATION NOTES PROVIDED FOR HEREIN TO BE ALLOCATED TO SUCH PROJECTS, SUBJECT TO REALLOCATION BY THE CITY IN ACCORDANCE WITH APPLICABLE BUDGETARY PROCEDURES OR LAW; DETERMINING THAT EACH SERIES OF THE AUTHORIZED BONDS, BOND ANTICIPATION NOTES AND REFUNDING BONDS (EACH, A "SERIES OF OBLIATIONS" OR "OBLIGATIONS") SHALL BE SOLD AT PRIVATE SALE, UNLESS BY RESOLUTION THE CITY COUNCIL OF THE CITY (THE "CITY COUNCIL") PROVIDES FOR THE SALE OF ANY SERIES OF OBLIGATIONS BY ANOTHER PERMISSIBLE MANNER; AUTHORIZING THE CITY COUNCIL TO DETERMINE OR PROVIDE BY RESOLUTION FOR VARIOUS MATTERS RELATING TO THE AUTHORIZATION, SALE, SECURITY, ISSUANCE, DELIVERY, PAYMENT, AND REDEMPTION OR PREPAYMENT OF AND FOR EACH SERIES OF OBLIGATIONS; PLEDGING THE CITY'S FULL FAITH AND CREDIT AND UNLIMITED TAXING POWER TO THE PROMPT PAYMENT OF DEBT SERVICE ON EACH SERIES OF OBLIGATIONS AND PROVIDING FOR THE IMPOSITION OF AD VALOREM TAXES SUFFICIENT FOR SUCH PURPOSES; PROVIDING THAT THE PRINCIPAL OF AND INTEREST ON THE OBLIGATIONS ALSO MAY BE PAID FROM ANY OTHER SOURCES OF REVENUE LAWFULLY AVAILABLE TO THE CITY FOR SUCH PURPOSE; PROVIDING THAT CERTAIN ACTIONS MAY BE TAKEN OR PROVIDED FOR BY RESOLUTION IN CONNECTION WITH THE REISSUANCE OF ANY OBLIGATIONS; PROVIDING THAT ANY OF THE BONDS, BOND ANTICIPATION NOTES OR REFUNDING BONDS AUTHORIZED HEREBY MAY BE CONSOLIDATED WITH ANY BONDS, BOND ANTICIPATION NOTES AND/OR REFUNDING BONDS AUTHORIZED BY THE CITY COUNCIL AND ISSUED AS A SINGLE SERIES OF

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1 BONDS, BOND ANTICIPATION NOTES AND/OR REFUNDING BONDS, AS
2 APPLICABLE; AUTHORIZING, EMPOWERING AND DIRECTING OFFICIALS AND
3 EMPLOYEES OF THE CITY TO TAKE CERTAIN ACTIONS IN CONNECTION WITH
4 THE OBLIGATIONS; AUTHORIZING MODIFICATIONS OF THE OBLIGATIONS TO
5 BE MADE BY RESOLUTION UNLESS ANOTHER ACTION IS REQUIRED;
6 PROVIDING THAT THIS TITLE BE DEEMED A FAIR SUMMARY OF THIS
7 ORDINANCE FOR ALL PURPOSES; PROVIDING THAT THE PROVISIONS OF THIS
8 ORDINANCE SHALL BE LIBERALLY CONSTRUED; AND OTHERWISE
9 GENERALLY RELATING TO THE SALE, ISSUANCE, DELIVERY AND PAYMENT OF
10 AND FOR THE OBLIGATIONS.

11 RECITALS

12
13 1. City of Hyattsville, a municipal corporation of the State of Maryland (the "City")
14 and a municipality within the meaning of the Enabling Act, the Bond Anticipation Note Act and
15 the Refunding Act identified below, is authorized and empowered by Sections 19-301 to 19-309,
16 inclusive, of the Local Government Article of the Annotated Code of Maryland (previously
17 codified as Sections 31 to 37, inclusive, of Article 23A of the Annotated Code of Maryland), as
18 replaced, supplemented or amended (the "Enabling Act"), and Section C5-23A of the Charter of
19 the City of Hyattsville, as replaced, supplemented or amended (the "Charter"), to borrow money
20 for any proper public purpose and to evidence such borrowing by the issuance and sale of its
21 general obligation bonds.

22 2. The City has determined to undertake the public purpose projects identified in
23 Section 3 of this Ordinance.

24 3. The City has determined to authorize the issuance and sale from time to time of one
25 or more series of its general obligation bonds in order to finance, reimburse or refinance all or a
26 portion of the costs of any of the public purpose projects identified in Section 3 of this Ordinance.

27 4. The City has determined that each series of the general obligation bonds authorized
28 hereby shall be sold at private sale through a negotiated underwriting unless the financial advisor
29 to the City, the City Administrator of the City (the "City Administrator") and the Treasurer of the
30 City (the "Treasurer") recommend that it would be more advantageous to the City to sell any such
31 series by another permissible method and the City Council of the City (the "City Council") makes
32 such a determination by resolution.

33 5. Prior to issuing any one or more series of the general obligation bonds authorized
34 hereby, the City may need to obtain interim financing in order to finance or reimburse applicable
35 project costs on a timely basis through the issuance and sale from time to time of general obligation
36 bond anticipation notes in one or more series pursuant to the authority of Sections 19-211 to 19-
37 223, inclusive, of the Local Government Article of the Annotated Code of Maryland (previously
38 codified as Section 12 of Article 31 of the Annotated Code of Maryland), as replaced,
39 supplemented or amended (the "Bond Anticipation Note Act").

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1 6. Subsequent to the issuance of any general obligation bonds provided for herein, the
2 City may desire to currently refund or advance refund all or a portion of such bonds through the
3 issuance and sale from time to time of one or more series of its general obligation refunding bonds
4 pursuant to the authority of Section 19-207 of the Local Government Article of the Annotated
5 Code of Maryland (previously codified as Section 24 of Article 31 of the Annotated Code of
6 Maryland), as replaced, supplemented or amended (the "Refunding Act").

7 7. The City has determined to pledge its full faith and credit and unlimited taxing
8 power to the prompt payment of the principal of and interest on the bonds, the bond anticipation
9 notes and the refunding bonds authorized hereby.

10 8. The City has determined to issue any series of the bonds, the bond anticipation
11 notes and the refunding bonds authorized hereby in accordance with the terms and conditions
12 provided for in a resolution or resolutions to be adopted by the City Council pursuant to the
13 authority of the Enabling Act, the Bond Anticipation Note Act, the Refunding Act, Section C5-
14 23A of the Charter and this Ordinance, as applicable.

15 NOW THEREFORE, BE IT ORDAINED, by the City Council of the City of Hyattsville in
16 regular session assembled:

17 SECTION 1. (a) That the Recitals to this Ordinance are deemed a substantive part of
18 this Ordinance and are incorporated by reference herein. Capitalized terms used in the Sections of
19 this Ordinance and not otherwise defined herein shall have the meanings given to such terms in
20 the Recitals.

21 (b) References in this Ordinance to any official by title shall be deemed to refer
22 (i) to any official authorized under the Charter, the code of ordinances of the City (the "City Code")
23 or other applicable law or authority to act in such titled official's stead during the absence or disability
24 of such titled official, (ii) to any person who has been elected, appointed or designated to fill such
25 position in an acting or interim capacity under the Charter, the City Code or other applicable law or
26 authority, (iii) to any person who serves in a "deputy", "associate" or "assistant" capacity as such an
27 official, provided that the applicable responsibilities, rights or duties referred to herein have been
28 delegated to such deputy, associate or assistant in accordance with the Charter, the City Code or other
29 applicable law or authority, and/or (iv) to the extent an identified official commonly uses another title
30 not provided for in the Charter or the City Code, the official, however known, who is charged under
31 the Charter, the City Code or other applicable law or authority with the applicable responsibilities,
32 rights or duties referred to herein.

33 (c) References in this Ordinance to the "principal amount" of any of the Bonds,
34 the BANs, the Refunding Bonds or the Obligations (each as defined herein) shall be construed to
35 mean the par amount of such Bonds, BANs, Refunding Bonds or Obligations, as applicable.

36 SECTION 2. That pursuant to the authority of the Enabling Act, Section C5-23A of the
37 Charter and any other applicable law, the City hereby determines to borrow money and incur

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1 indebtedness for the public purpose of financing, reimbursing or refinancing costs (as defined in
2 Section 3(b) hereof) of the Projects identified in Section 3(b) hereof.

3 **SECTION 3.** (a) That to evidence the borrowing and indebtedness authorized in
4 Section 2 of this Ordinance, the City, acting pursuant to the authority of the Enabling Act, Section
5 C5-23A of the Charter and any other applicable law, hereby determines to issue and sell from time to
6 time, in one or more series, upon its full faith and credit, its general obligation bonds in an original
7 aggregate principal amount not to exceed Thirteen Million Eight Hundred Twenty-Five Thousand
8 Dollars (\$13,825,000) (each, a “series of the Bonds” and, collectively, the “Bonds”). Any series of
9 the Bonds may be issued as one or more bonds and any such bond may be issued in installment form
10 and/or draw-down form.

11 (b) With respect to the projects listed below, the word “costs” as used in Section 2 hereof
12 shall include, as applicable, costs of the following activities and expenses: land and right-of-way
13 acquisition and development; site and utility improvements, including, without limitation, grading,
14 landscaping, paving, sidewalk, curb, gutter, storm water, water, and sewer improvements, and related
15 or similar activities and expenses; demolition, razing and removal and related or similar activities and
16 expenses; acquisition, construction, expansion, reconstruction, replacement, renovation,
17 rehabilitation, improvement, installation, furnishing and equipping activities and expenses, and
18 related or similar activities and expenses; planning, design, engineering, architectural, feasibility,
19 surveying, bidding, permitting, inspection, construction management, financial, legal and
20 administrative activities and expenses, and related or similar activities and expenses; costs of issuance
21 (which may include costs of bond insurance or other credit or liquidity enhancement); capitalized
22 interest; and any such costs that may represent the City’s share or contribution to the financing,
23 reimbursement or refinancing of costs of any such project (collectively, “Costs of the Projects”). The
24 maximum original aggregate principal amount of the Bonds (or the BANs, as identified in Section 7
25 hereof) to be appropriated or applied to the Costs of the Projects (exclusive of any premium realized
26 upon sale or investment earnings that may be applied for such purposes) shall be allocated among the
27 following public purpose projects in the maximum principal amount set forth opposite each, except
28 as otherwise herein provided:

	<u>Project Description</u>	<u>Maximum Principal Amount</u>
1	Public Works Facility (1)	\$ 3,300,000
2	3505 Hamilton Street (2)	10,265,000
3	Costs of Issuance	260,000
	TOTAL	\$13,825,000

- 29
30 (1) Sometimes referred to in City materials as the Department of Public Works Renovation
31 Project.
32 (2) Sometimes referred to in City materials as Reuse of 3505 Hamilton Street.

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1 The projects identified in line items 1-3 above (including Costs of Issuance) are collectively
2 referred to herein as the "Projects". Except as indicated in the footnotes above, the Projects
3 described in line items 1-3 above are identified by the names used in the City's Capital
4 Improvements Plan. The City, without notice to or the consent of any registered owners of the
5 Bonds (or the registered owners of any of the BANs, as applicable), may reallocate the maximum
6 principal amount of the Bonds (and of any of the BANs, as applicable) (exclusive of any premium
7 realized upon sale or investment earnings that may be applied for such purposes) to be spent among
8 any of the Projects identified herein in compliance with applicable budgetary procedures or
9 applicable law. Further, it is the intention of the City that proceeds of the Bonds (or of any of the
10 BANs, as applicable) may be spent on any applicable Costs of the Projects, notwithstanding the
11 descriptive names for such Projects in the table above, including, without limitation, costs related
12 to changes in the scopes of and/or names of any of the Projects identified above effected through
13 applicable budgetary procedures or applicable law.

14 (c) In the event the City issues any series of the BANs pursuant to Section 7 of this
15 Ordinance, proceeds of the Bonds of any series in anticipation of which such BANs were issued
16 may also be applied to prepay or pay principal, premium and/or interest on such series of the BANs
17 in accordance with the provisions of the Bond Anticipation Note Act, and such application shall
18 be deemed the payment of Costs of the Projects for purposes of this Ordinance.

19 SECTION 4. That the proceeds of the Bonds shall be used and applied by the City
20 exclusively and solely for the public purposes described in Section 3 of this Ordinance, unless a
21 supplemental ordinance is enacted by the City to provide for the use and application of such
22 proceeds for some other proper public purpose authorized by the Enabling Act, the Charter or other
23 applicable law; provided that, no such supplemental ordinance shall be required if changes in the
24 scope of or name of any Project are otherwise made as contemplated in Section 3(b) of this
25 Ordinance.

26 SECTION 5. That pursuant to the authority of the Enabling Act, Section C5-23A of the
27 Charter and any other applicable law, the City hereby determines that it is in the best interests of
28 the City to sell each series of the Bonds at private sale through a negotiated underwriting due to
29 the anticipated size of any issue and the ability to time the market, negotiate terms and thereby
30 obtain a beneficial interest rate or rates and other beneficial terms. Notwithstanding the foregoing
31 sentence, the City Council by resolution may determine, based on the recommendation of the
32 financial advisor to the City, the City Administrator and the Treasurer, that it would be more
33 advantageous to the City to sell any series of the Bonds by another permissible method for the
34 reasons specified in such resolution.

35 SECTION 6. That pursuant to the authority of the Enabling Act, Section C5-23A of the
36 Charter, any other applicable law and this Ordinance, the City Council, prior to the sale, issuance
37 and delivery of each series of the Bonds, shall adopt a resolution or resolutions specifying,
38 prescribing, determining or providing for the determination of, providing for, approving, or
39 providing for the approval of, such matters, details, forms (including, without limitation, the form

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1 of the Bonds of such series), documents or procedures as may be required by the Enabling Act,
2 the Charter, any other applicable law or this Ordinance or as the City Council may deem
3 appropriate for the authorization, sale, security, issuance, delivery, payment or redemption or
4 prepayment of or for such series of the Bonds. Any such resolution may set forth, determine or
5 provide for the determination of, approve or provide for the approval of, among other matters, as
6 applicable, the designation of such series of the Bonds; the date of issuance of such series of the
7 Bonds; the original aggregate principal amount of such series of the Bonds; the denominations of
8 such series of the Bonds; the maturity or maturities of such series of the Bonds; the principal
9 installments (including, without limitation, serial maturities and/or mandatory sinking fund
10 installments) payable on such series of the Bonds; the rate or rates of interest, or the method of
11 determining the rate or rates of interest, payable on such series of the Bonds, which may be fixed
12 or variable; provisions for the payment of late fees, additional interest and/or penalties payable
13 with respect to such series of the Bonds and/or adjustments to interest rates in appropriate
14 circumstances; the purchase price payable for such series of the Bonds (within the limits of any
15 applicable law); provisions relating to the redemption or prepayment of such series of the Bonds
16 at the City's option or by mandatory sinking fund payments; provisions allowing the registered
17 owners such series of the Bonds to put or cause the redemption or prepayment of the Bonds of
18 such series at their option; the components of the Projects (and related maximum principal
19 amounts) on which the proceeds of such series of the Bonds shall be expended and provisions for
20 appropriation, disposal and investment of such proceeds; provisions for the application of
21 unexpended proceeds, any premium paid upon sale and/or investment earnings on such series of
22 the Bonds of such series, which may include, without limitation, on Costs of the Projects or on
23 debt service payable on such series of the Bonds, to the extent permitted by applicable law; matters
24 relating to the method of sale of such series of the Bonds; the selection of any bond registrar,
25 paying agent, investment bidding agent or other appropriate service providers in connection with
26 such series of the Bonds; certifications, representations, determinations, designations or elections
27 relating to the tax-exempt or taxable status of interest payable on such series of the Bonds; and all
28 other terms and conditions pursuant to which such series of the Bonds will be sold, issued and
29 delivered. Among other matters, the City Council, by resolution, may authorize, approve or
30 otherwise provide for (i) payment of any commitment fee or similar fee and any other costs
31 (including other parties' legal costs) payable in connection with any series of the Bonds and any
32 compensation payable to the purchaser(s) of such series of the Bonds in the event the City fails to
33 deliver such series of the Bonds, (ii) the obtaining of credit enhancement or liquidity enhancement
34 for any series of the Bonds (and the negotiation, approval, execution and delivery of any
35 agreements or documents relating thereto), and (iii) any other agreements, documents, instruments
36 or determinations necessary or desirable to enhance the marketability of or as security for any
37 series of the Bonds, including, without limitation, any ratings, any official statement or similar
38 disclosure document or any continuing disclosure undertaking required to satisfy the requirements
39 of Securities and Exchange Commission Rule 15c2-12. References to providing for
40 determinations or approvals or similar matters by resolution shall be construed to permit the City
41 Council to delegate to one or more officials the authority to make or provide on behalf of the City
42 any of the determinations, approvals or other decisions contemplated by this Section 6. Any
43 resolution may specify, prescribe, determine or provide for the determination of, provide for, or

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1 approve or provide for the approval of, the details required or authorized in this Section 6 for more
2 than one series of the Bonds.

3 SECTION 7. (a) That pursuant to the authority of the Bond Anticipation Note Act,
4 Section C5-23A of the Charter and any other applicable law, the City is hereby authorized and
5 empowered to issue and sell, upon its full faith and credit, its general obligation bond anticipation
6 notes in one or more series from time to time in an original aggregate principal amount not to exceed
7 Thirteen Million Eight Hundred Twenty-Five Thousand Dollars (\$13,825,000) (each a “series of
8 the BANs” and, collectively, the “BANs”), prior to and in anticipation of the sale of any series of
9 the Bonds, for the public purpose of financing or reimbursing Costs of the Projects on an interim
10 basis. Any such series of the BANs may consist of one or more notes and any note may be issued in
11 installment form and/or draw-down form. Prior to the sale, issuance and delivery of each series of
12 the BANs, the City Council shall adopt a resolution or resolutions pursuant to the authority of the
13 Bond Anticipation Note Act, the Charter, any other applicable law and this Ordinance authorizing
14 such series of the BANs and specifying, prescribing, determining or providing for the determination
15 of, providing for, approving, or providing for the approval of, with respect to such series of the BANs,
16 the same types of matters, details, forms, documents, procedures or determinations detailed in Section
17 6 hereof that may be made or addressed with respect to each series of the Bonds, to the extent
18 applicable with respect to such series of the BANs, and as otherwise may be authorized or required
19 by applicable law. Unless the City Council determines otherwise in a resolution providing for any
20 series of the BANs, pursuant to the authority of the Bond Anticipation Note Act, each series of the
21 BANs shall be sold by private negotiation. Any such sale by private negotiation is hereby determined
22 to be in the public interest due to the ability to time the market, negotiate with potential purchasers
23 and thereby achieve a beneficial interest rate or rates and other beneficial terms by undertaking a sale
24 by private negotiation and, with respect to a private sale that involves a direct purchase transaction,
25 the lower costs of issuance typically incurred with such a direct purchase transaction as compared to
26 a negotiated underwriting or a public sale at competitive bid. By resolution the City Council may
27 delegate to one or more City officials the authority to make any final determinations, approvals or
28 decisions with respect to a series of the BANs. Any resolution may specify, prescribe, determine or
29 provide for the determination of, provide for, or approve or provide for the approval of, the details
30 required or authorized by this Section 7 for more than one series of the BANs.

31 (b) The City hereby covenants (i) to pay from the proceeds of one or more series of the
32 Bonds the principal of any series of the BANs actually issued, (ii) to the extent that interest on any
33 series of the BANs is not paid from proceeds of the BANs, the interest on such series of the BANs,
34 and (iii) to issue the applicable series of the Bonds as soon as there is no longer a reason for deferring
35 its issuance. This covenant shall not be construed to prevent the City from paying principal of and/or
36 interest on any series of the BANs from sources of funds other than proceeds of the Bonds, to the
37 extent such other sources are available for such purpose.

38 (c) As authorized by the Bond Anticipation Note Act, by resolution the City Council may
39 provide for the renewal of any series of the BANs at maturity with or without resale, together with
40 any amendments or modifications to such series of the BANs and any related documentation.

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1 SECTION 8. That pursuant to the authority of the Enabling Act, the Refunding Act,
2 Section C5-23A of the Charter and any other applicable law, the City is hereby authorized and
3 empowered to issue and sell from time to time, in one or more series, upon its full faith and credit,
4 its general obligation bonds (each, a “series of the Refunding Bonds” and, collectively, the
5 “Refunding Bonds”) for the purpose of currently refunding or advance refunding in whole or in
6 part any of the Bonds then outstanding, including paying all or any portion of the following:
7 outstanding principal, any redemption or prepayment premium, and/or interest accrued or to accrue
8 to the date or dates of redemption, prepayment, purchase or maturity of the Bonds to be refunded,
9 costs and expenses incurred in connection with the sale, issuance and delivery of such Refunding
10 Bonds, and, to the extent determined by the City Council by resolution, interest on such Refunding
11 Bonds, for the public purpose of (A) realizing savings in the total cost of debt service on a direct
12 comparison or present value basis, or (B) debt restructuring that reduces the total cost of debt service
13 or is determined by the City Council to be in the best interests of the City, to be consistent with the
14 City’s long-term financial plan, and to realize a financial objective of the City, including improving
15 the relationship of debt service to any source of payment such as taxes, assessments or other charges,
16 or for any other purpose then authorized by the Refunding Act or other applicable law, and as to be
17 determined by resolution of the City Council; provided that, the original aggregate principal amount
18 of any such series of the Refunding Bonds shall not exceed one hundred thirty percent (130%) of
19 the outstanding aggregate principal amount of the Bonds refunded therefrom. Any such series of
20 the Refunding Bonds may consist of one or more bonds and any such bond may be issued in
21 installment form and/or draw-down form. Prior to the sale, issuance and delivery of each series of
22 the Refunding Bonds, the City Council shall adopt a resolution or resolutions pursuant to the authority
23 of the Refunding Act, the Charter, any other applicable law and this Ordinance authorizing such series
24 of the Refunding Bonds and specifying, prescribing, determining or providing for the determination
25 of, providing for, approving, or providing for the approval of, with respect to such series of the
26 Refunding Bonds, the same types of matters, details, forms, documents, procedures or determinations
27 detailed in Section 6 above that may be made or addressed with respect to each series of the Bonds,
28 to the extent applicable with respect to such series of the Refunding Bonds, and as otherwise may be
29 authorized or required by applicable law, including, without limitation, the purposes of the
30 Refunding Act to be achieved by the issuance of such series of the Refunding Bonds, the selection
31 of any escrow agent or verification consultant, the selection of any escrow bidding agent, the
32 determination of the Bonds to be refunded in whole or in part from such series of the Refunding
33 Bonds, and any agreements, documents or other instruments necessary or desirable in connection
34 with the refunding. Unless the City Council determines otherwise in a resolution providing for
35 any series of the Refunding Bonds, pursuant to the authority of the Refunding Act, each series of
36 the Refunding Bonds shall be sold at a private sale, without soliciting bids. Any such sale at a
37 private sale, without soliciting bids, is hereby determined to be in the public interest due to the ability
38 to time the market, negotiate with potential purchasers and thereby achieve a beneficial interest rate
39 or rates and other beneficial terms by undertaking a private sale and, with respect to a private sale that
40 involves a direct purchase transaction, the lower costs of issuance typically incurred with such a direct
41 purchase transaction as compared to a negotiated underwriting or a public sale at competitive bid. By
42 resolution the City Council may delegate to one or more City officials the authority to make any final
43 determinations, approvals or decisions with respect to a series of the Refunding Bonds. Any

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1 resolution may specify, prescribe, determine or provide for the determination of, provide for, or
2 approve or provide for the approval of, the details required or authorized by this Section 8 for more
3 than one series of the Refunding Bonds.

4 SECTION 9. (a) That the full faith and credit and unlimited taxing power of the City
5 are hereby pledged to the prompt payment of the principal of and interest on each series of the
6 Bonds, the BANs or the Refunding Bonds, as applicable (collectively, the "Obligations"), when
7 due and to the imposition of the taxes hereinbelow described as and when such taxes may become
8 necessary in order to provide sufficient funds to meet the debt service requirements of each series
9 of the Obligations. Subject to the further provisions of this Section 9, the City hereby covenants
10 with the registered owners of the Obligations of each series to impose ad valorem taxes on all real
11 and tangible personal property in the City that is subject to assessment for unlimited municipal
12 taxation at a rate and in an amount sufficient to pay the principal of and the interest on the
13 Obligations in each fiscal year in which any of the Obligations are outstanding and to take any
14 further action that may be lawfully appropriate from time to time during the period that the
15 Obligations of such series remain outstanding and unpaid to provide the funds necessary to pay
16 promptly the principal thereof and the interest due thereon. If the proceeds from the taxes so levied
17 in any such fiscal year are inadequate for such payment, additional taxes shall be levied in the
18 succeeding fiscal year to make up such deficiency.

19 (b) The foregoing provisions shall not be construed so as to prohibit the City from
20 paying the principal of and interest on the Obligations of any series from the proceeds of the sale
21 of any other obligations of the City or from any other funds legally available for that purpose
22 (including, without limitation, with respect to any BANs, from the proceeds of any Bonds and,
23 with respect to any Bonds, from the proceeds of any Refunding Bonds). Within the limitations of
24 any applicable Maryland or federal law (including, without limitation, the Internal Revenue Code
25 of 1986, as amended, and the regulations issued thereunder), the City may apply to the payment
26 of the principal of or interest on the Obligations of any series any funds received by it from the
27 State of Maryland or the United States of America, or any governmental agency or instrumentality,
28 or from any other source, if the funds are granted or paid to the City for the purpose of assisting
29 the City in accomplishing the types of projects which the Obligations of such series are issued to
30 finance, reimburse or refinance or are otherwise available for such purpose, and to the extent of
31 any such funds received or receivable in any fiscal year, the taxes hereby required to be imposed
32 may be reduced proportionately.

33 (c) By resolution, the City Council may provide that all or a portion of the principal of
34 and interest on any series of the Obligations may be payable in the first instance from any other
35 source or sources designated in such resolution, to the extent such moneys are available for such
36 purpose.

37 SECTION 10. That by resolution, the City Council may make any appropriate arrangements
38 (including, without limitation, by authorizing one or more appropriate officials to make any elections,
39 designations, determinations or filings on the City's behalf) in the event any right of the registered

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1 owner of an Obligation to put or cause the prepayment or redemption of such Obligation at its option,
2 or any change in the interest rate of an Obligation, or any other modification to an Obligation could
3 lead to a reissuance of such Obligation for purposes of the Internal Revenue Code of 1986, as
4 amended, and the regulations issued thereunder.

5 SECTION 11. That by resolution the City Council may determine that any of the Bonds, the
6 BANs or the Refunding Bonds may be consolidated with any other bonds, bond anticipation notes
7 and/or refunding bonds authorized by the City Council and issued as a single series of bonds, bond
8 anticipation notes and/or refunding bonds, as applicable.

9 SECTION 12. That by resolution the City Council may make or authorize any modifications
10 to (i) any series of the Obligations once issued, and (ii) any related documentation, certificates or
11 instruments, unless under applicable law the proposed modifications require action by ordinance in
12 addition to or in place of a resolution.

13 SECTION 13. That the Mayor of the City, the City Administrator, the Treasurer, the City
14 Clerk of the City, as appropriate, and all other appropriate officials and employees of the City are
15 hereby authorized, empowered and directed to (i) take any and all action necessary to complete and
16 close the sale, issuance and delivery of the Bonds, the BANs and the Refunding Bonds, (ii) negotiate,
17 approve, execute and deliver all documents, certificates and instruments necessary or appropriate in
18 connection with any such sale, issuance and delivery, and (iii) carry out the transactions contemplated
19 by this Ordinance, any resolution adopted in furtherance of this Ordinance, and any documents,
20 certificates or instruments executed and delivered in connection with any series of the Obligations.

21 SECTION 14. That the title of this Ordinance shall be deemed to be, and is, a fair summary
22 of this Ordinance for publication and all other purposes.

23 SECTION 15. That the provisions of this Ordinance shall be liberally construed in order to
24 effectuate the transactions contemplated by this Ordinance.

25 SECTION 16. That this Ordinance shall become effective twenty (20) calendar days
26 following the date of its passage, subject to the provisions of Section C2-10(A) of the Charter
27 regarding the filing with the City Clerk of a valid petition for referendum within thirty (30) business
28 days following the passage of this Ordinance.

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[CONTINUED ON FOLLOWING PAGE]

Underlining = material added to Ordinance following introduction

~~Strike through~~ = material stricken from Ordinance following introduction

