

**TOWNSHIP OF OHIO**  
**ORDINANCE NO. 311**

AN ORDINANCE OF THE TOWNSHIP OF OHIO, ALLEGHENY COUNTY, PENNSYLVANIA, AUTHORIZING THE TOWNSHIP TO INCUR LEASE RENTAL DEBT IN THE MAXIMUM PRINCIPAL AMOUNT OF \$6,300,000 BY GUARANTYING BONDS IN THAT AMOUNT TO BE ISSUED BY THE REDEVELOPMENT AUTHORITY OF ALLEGHENY COUNTY FOR THE PURPOSE OF (1) REFUNDING THE AUTHORITY'S GUARANTEED REDEVELOPMENT TAX INCREMENT REVENUE BONDS (OHIO TOWNSHIP/MT. NEBO POINTE PROJECT), SERIES 2003A, (2) FUNDING A DEBT SERVICE RESERVE FUND, (3) OBTAINING MUNICIPAL BOND INSURANCE, IF NECESSARY, (4) OBTAINING A DEBT SERVICE RESERVE SURETY BOND, IF NECESSARY, AND (5) PAYING CERTAIN COSTS OF ISSUANCE RELATING TO THE BONDS; AGREEING TO PAY THE PRINCIPAL OF AND INTEREST ON SUCH BONDS; APPROVING THE FORM OF GUARANTY; AUTHORIZING OTHER NECESSARY AND PROPER ACTION AND REPEALING INCONSISTENT ORDINANCES AND RESOLUTIONS.

WHEREAS, the Pennsylvania Tax Increment Financing Act, as amended, 53 P.S. 6930.1 et seq. (the "TIF Law") provides authority for local taxing bodies to cooperate in providing financing for redevelopment of blighted areas in their jurisdictions which will generate new development; and

WHEREAS, the "Mt. Nebo Pointe Project" consists of a retail development with office and hotel space on approximately 79.7 acres of real estate located entirely within Ohio Township, Allegheny County, Pennsylvania (the "Township"); and

WHEREAS, in order to make the Mt. Nebo Pointe Project economically feasible, the Redevelopment Authority of Allegheny County (the "Authority") assisted in the financing of certain public improvements relating to the Mt. Nebo Pointe Project (collectively, the "TIF Improvements"), which included road improvements, sanitary sewer and water infrastructure improvements and wetlands and stream enhancements, all as more fully described in the TIF Project Plan (hereinafter defined); and

WHEREAS, a Tax Increment Financing Plan (the "TIF Project Plan") was presented to, and adopted by, the Township, the County of Allegheny (the "County") and the Avonworth School District (the "School District") (the Township, the County and the School District being each hereinafter referred to collectively as the "Taxing Bodies"), such plan thereby creating the Mt. Nebo Pointe Tax Increment Financing District (the "TIF District") in the Township; and

WHEREAS, in order to finance the TIF Improvements, the Authority issued its Redevelopment Authority of Allegheny County Guaranteed Redevelopment Tax Increment Revenue Bonds (Ohio Township/Mt. Nebo Pointe Project), 2003 Series A (the "Prior Bonds")

pursuant to an Indenture of Trust dated as of December 1, 2003 (the "Original Indenture"), between the Authority and U.S. Bank National Association (successor trustee to National City Bank of Pennsylvania) (the "Trustee"); and

WHEREAS, the Authority and the Taxing Bodies entered into a Cooperation Agreement dated as of December 1, 2003 (the "Cooperation Agreement") relating to the TIF Project Plan pursuant to which the parties thereto made certain agreements regarding the terms by which TIF Revenues (as defined in the Cooperation Agreement) shall be derived from real property located within the TIF District and the means of financing, monitoring and directing the implementation of the TIF Project Plan and providing for the appropriate termination of the TIF District; and

WHEREAS, in order to enhance the marketability of the Prior Bonds, the Township agreed to guaranty all principal of and interest on the Bonds as the same became due pursuant to a Guaranty Agreement dated as of December 1, 2003 (the "Original Guaranty"), by and among the Township, the Authority and the Trustee; and

WHEREAS, the Authority has determined that it is economically beneficial to refinance the Prior Bonds and the Authority has determined to issue its Guaranteed Redevelopment Tax Increment Revenue Refunding Bonds (Ohio Township/Mt. Nebo Pointe Project), Series of 2014 (the "Bonds"), in an aggregate principal amount of \$6,300,000 pursuant to an Amended and Restated Indenture of Trust, which amends and restates in its entirety the Original Indenture, for the purpose of financing all or a portion of the costs of the following project consisting of (i) refunding the Prior Bonds, (ii) funding a debt service reserve fund, (iii) obtaining municipal bond insurance, if necessary, (iv) obtaining a debt service reserve surety bond, if necessary and (v) paying certain costs of the financing (collectively, the "Refunding Project"); and

WHEREAS, it is anticipated that a portion of the debt service on the Bonds will be paid from TIF Revenues derived from the TIF District; and

WHEREAS, it is anticipated that a portion of the debt service on the Bonds will be paid from "Anticipated Scheduled Payments" made by the Township under the Guaranty (as hereinafter defined), such payments being equal to the difference between the total debt service on the Bonds and the amounts received from the TIF Revenues; and

WHEREAS, to enhance the marketability of the Bonds, the Authority has requested the Township to guarantee the payment of the Bonds; and

WHEREAS, the Township is willing to guarantee the Bonds; and

WHEREAS, the Township desires to amend and restate the Original Guaranty in connection with the Refunding Project; and

WHEREAS, the Township agrees to guaranty all principal of and interest on the Bonds as the same became due pursuant to an Amended and Restated Guaranty Agreement (the "Guaranty"), which amends and restates the Original Guaranty in its entirety, by and among the Township, the Authority and the Trustee; and

WHEREAS, a form of the Guaranty has been presented to this meeting; and

WHEREAS, notice of the following Ordinance has been duly advertised in accordance with 53 Pa.C.S., the Local Government Unit Debt Act §§8001 *et seq.* (the "Debt Act");

NOW, THEREFORE, BE, AND IT HEREBY IS, ORDAINED AND ENACTED THAT:

SECTION 1. The indebtedness of the Township be increased in the maximum amount of \$6,300,000 to be evidenced by a guaranty of the Authority's Bonds.

SECTION 2. The debt to be incurred is lease rental debt and is to be incurred to enable the Authority to obtain financing for the Refunding Project. The useful life of the Mt. Nebo Pointe Project is at least 20 years.

SECTION 3. The maximum aggregate principal amount of the Bonds to be issued by the Authority is \$6,300,000.

SECTION 4. The Township Board of Supervisors hereby directs that the necessary documentation be filed with the Department of Community and Economic Development of the Commonwealth of Pennsylvania ("DCED") so that the debt incurred hereunder may be approved as lease rental debt of the Township. It is therefore hereby declared that the lease rental debt of the Township to be incurred hereunder shall not exceed \$6,300,000 which, together with all presently existing net debt of the Township, will not be in excess of the limitations as set forth in the Debt Act. The Chairman or Vice Chairman of the Township Board of Supervisors, the Township Secretary or any other proper officers of the Township, are hereby authorized and directed to prepare, verify and file the Debt Statement required by the Debt Act (53 Pa.C.S. §8110), together with the Borrowing Base Certificate and an application for approval of said indebtedness with DCED as promptly as practicable and to do and perform all other acts and sign all other documents necessary and proper in connection therewith. Said officers are further authorized to take the necessary action and to file all necessary documentation with DCED to exclude any portion of the debt incurred hereby from the appropriate debt limit as self-liquidating debt or subsidized debt.

SECTION 5. The maximum amount to be paid in each year under the Guaranty is set out on Schedule A attached to this Ordinance. The Township covenants that it will include the amount of each such payment in its budget for each year in which each such amount is payable; that it will appropriate such amounts from its revenues for such payments and that it will duly and punctually pay such amounts or cause them to be paid on the dates and at the places and in the manner stated in the Guaranty according to the true intent and meaning thereof. In preparing and adopting its budget for any year, the Township may, unless it has received notice of default under the Authority's Indenture, or the Bonds, treat as a revenue item an amount not in excess of the amount of its liability hereunder for such year which the Authority estimates will be available to pay debt service on the Bonds in that year from other sources. Such amount may be on deposit with the Trustee or estimated to be received during the year on or before the dates when

payments of principal of or interest on the Bonds will be due. For such budgeting, appropriation and payment, the Township hereby pledges its full faith, credit and taxing power.

SECTION 6. Upon receipt by the Township of the approval of DCED to incur lease rental debt, the Township shall enter into the Guaranty, substantially in the form presented to this meeting, with such changes therein as shall be approved by the Township Solicitor and the officers executing the Guaranty, such approval to be conclusively evidenced by such execution.

SECTION 7. The Chairman or Vice Chairman of the Township Board of Supervisors are hereby authorized and empowered to execute the Guaranty for and on behalf of the Township and the Township Secretary shall attest the same and affix thereto the seal of the Township.

SECTION 8. The proper officers of the Township are hereby authorized and directed to perform all acts necessary and proper for the delivery of the Guaranty, the payment of the amounts due thereunder and the performance of all acts required thereby.

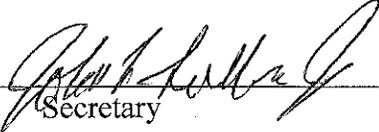
SECTION 9. Any resolution or ordinance or part thereof conflicting with the provisions of this Ordinance is hereby repealed insofar as the same affects this Ordinance.

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ORDAINED AND ENACTED into law by the Township of Ohio, Allegheny County, Pennsylvania in lawful session assembled this 5th day of May, 2014.

**ATTEST:**

**TOWNSHIP OF OHIO**

  
\_\_\_\_\_  
Secretary

By   
\_\_\_\_\_  
Chairman, Board of Supervisors

(SEAL)

Schedule A

REDEVELOPMENT AUTHORITY OF ALLEGHENY COUNTY

\$6,300,000

GUARANTEED REDEVELOPMENT  
TAX INCREMENT REVENUE REFUNDING BONDS  
(OHIO TOWNSHIP/MT. NEBO POINTE PROJECT),  
SERIES 2014

MAXIMUM LEASE RENTAL DEBT SERVICE SCHEDULE

<u>Date</u>	<u>Maximum Principal</u>	<u>Maximum Interest</u>	<u>Maximum Total Principal and Interest</u>	<u>Maximum Annual Total</u>
12/1/2014	\$550,000	\$177,450	\$727,450	\$727,450
6/1/2015	-0-	172,500	172,500	-0-
12/1/2015	595,000	172,500	767,500	940,000
6/1/2016	-0-	154,650	154,650	-0-
12/1/2016	605,000	154,650	759,650	914,300
6/1/2017	-0-	136,500	136,500	-0-
12/1/2017	615,000	136,500	751,500	888,000
6/1/2018	-0-	118,050	118,050	-0-
12/1/2018	625,000	118,050	743,050	861,100
6/1/2019	-0-	99,300	99,300	-0-
12/1/2019	640,000	99,300	739,300	838,600
6/1/2020	-0-	80,100	80,100	-0-
12/1/2020	655,000	80,100	735,100	815,200
6/1/2021	-0-	60,450	60,450	-0-
12/1/2021	660,000	60,450	720,450	780,900
6/1/2022	-0-	40,650	40,650	-0-
12/1/2022	675,000	40,650	715,650	756,300
6/1/2023	-0-	20,400	20,400	-0-
12/1/2023	680,000	20,400	700,400	720,800

CERTIFICATE

I, the undersigned, Secretary of the Township of Ohio, Allegheny County, Pennsylvania (the "Township") do hereby certify that the foregoing and attached is a true and correct copy of an Ordinance of the Township which was duly enacted by the affirmative vote of a majority of the Township Board of Supervisors at a meeting thereof duly called and held pursuant to proper notice on May 5, 2014, with said members voting in the following manner:

	<u>YES</u>	<u>NO</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Thomas R. Beatty, Chairman	<u>✓</u>	_____	_____	_____
James R. Reid, Vice Chairman	<u>✓</u>	_____	_____	_____
Herbert J. Hartle, Supervisor	<u>✓</u>	_____	_____	_____

WITNESS my hand and the seal of the Township of Ohio this 5<sup>th</sup> day of May 2014.

  
\_\_\_\_\_  
John L. Sullivan, Jr., Secretary

[SEAL]