



# City of Chicago



O2015-8872

Office of the City Clerk

## Document Tracking Sheet

<b>Meeting Date:</b>	12/9/2015
<b>Sponsor(s):</b>	Emanuel (Mayor)
<b>Type:</b>	Ordinance
<b>Title:</b>	Issuance of Sales Tax Revenue Bonds
<b>Committee(s) Assignment:</b>	Committee on Finance

CHICAGO January 13, 2016



**To the President and Members of the City Council:**

**Your Committee on Finance having had under consideration**

A communication recommending a proposed ordinance concerning the authority to issue Sales Tax Revenue Bonds, Series 2016.

O2015-8872

Amount of Bonds  
not to exceed: \$200,000,000

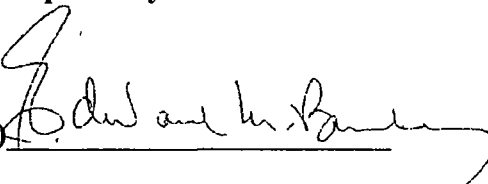
**Having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the proposed Ordinance Transmitted Herewith**

**This recommendation was concurred in by \_\_\_\_\_ (a viva voce vote of members of the committee with 3 dissenting vote(s).**

Alderman Sawyer (6) abstains under the provisions of Rule 14.

Aldermen Zalewski (23), Waguespack (32), Arena (45) vote no.

**Respectfully submitted**

(signed) 

**Chairman**



FIN.  
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OFFICE OF THE MAYOR  
CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

December 9, 2015

TO THE HONORABLE, THE CITY COUNCIL  
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Chief Financial Officer, I transmit herewith an ordinance authorizing an issuance of Sales Tax Revenue Bonds.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

## ORDINANCE

AN ORDINANCE providing for the issuance of additional Sales Tax Revenue Bonds of the City of Chicago in an amount not to exceed \$200,000,000 for project costs and/or refunding purposes, for the making of certain designations and elections with respect thereto, and for certain security enhancements with respect to said Bonds and outstanding Sales Tax Revenue Bonds.

WHEREAS, the City of Chicago (the "City") is a body politic and corporate under the laws of the State of Illinois (the "State") and a home rule unit of local government under Article VII of the Illinois Constitution of 1970; and

WHEREAS, pursuant to a Trust Indenture dated as of March 1, 1997 (the "Original Indenture"), between the City and The Bank of New York Mellon Trust Company, N.A. (as successor to J.P. Morgan Trust Company National Association and American National Bank and Trust Company of Chicago), as trustee (the "Trustee"), as supplemented and amended by a First Supplemental Trust Indenture dated as of March 1, 1998 (the "First Supplemental Indenture"), a Second Supplemental Trust Indenture dated as of January 1, 1999 (the "Second Supplemental Indenture"), an Amended and Restated Third Supplemental Trust Indenture dated as of July 1, 2008, as amended by a First Amendment to Amended and Restated Third Supplemental Trust Indenture dated May 22, 2015 (collectively, the "Third Supplemental Indenture"), a Fourth Supplemental Trust Indenture dated as of June 1, 2005 (the "Fourth Supplemental Indenture"), a Fifth Supplemental Trust Indenture dated as of October 1, 2009 (the "Fifth Supplemental Indenture"), and a Sixth Supplemental Trust Indenture dated as of November 1, 2011 (the "Sixth Supplemental Indenture"), all between the City and the Trustee, the City has issued and has currently outstanding several Series (as defined in the Original Indenture) of its Sales Tax Revenue Bonds (the "Outstanding Sales Tax Revenue Bonds"); and

WHEREAS, the Outstanding Sales Tax Revenue Bonds were issued for either the purpose of paying the cost of certain Projects (as defined in the Original Indenture) or refunding other Outstanding Sales Tax Revenue Bonds and are payable (i) first, from (a) all collections distributed to the City of those taxes imposed by the City pursuant to its home rule powers as amended, the Home Rule Municipal Service Occupation Tax Act of the State, as amended, and the Home Rule Municipal Use Tax Act of the State, as amended, or any successor or substitute law, ordinance or other legislation subsequently enacted (which taxes are currently imposed by the City pursuant to Sections 3-40-010, 3-40-430 and 3-28-030, respectively, of the Municipal Code of Chicago (the "Municipal Code"), or successor or substitute taxes therefor as may be provided by law in the future, and (b) all collections by the City of taxes imposed by the City pursuant to its home rule powers upon the privilege of using in the City certain items of tangible personal property purchased at retail from a retailer located outside the corporate limits of the City as currently authorized by Section 8-11-6(b) of the Illinois Municipal Code, as amended (which tax is currently imposed by the City pursuant to Section 3-27-030 of the Municipal Code) or successor or substitute taxes therefor as may be provided by law in the future (collectively, the "Home Rule Sales Tax Revenues"), and (ii) second, and only in the event of the insufficiency or unavailability of sufficient Home Rule Sales Tax Revenues to pay debt service on all bonds authorized and issued under the Original Indenture, as supplemented and

amended from time to time, including the Outstanding Sales Tax Revenue Bonds and all such bonds subsequently issued, and to make any other payments and deposits required under the Original Indenture, as supplemented and amended from time to time, from all collections distributed to the City from those taxes imposed by the State pursuant to the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act and the Retailer's Occupation Tax Act, each as supplemented and amended, or successor or substitute taxes therefor as provided by law in the future (the "Local Share Sales Tax Revenues" and, collectively with the Home Rule Sales Tax Revenues, the "Pledged Sales Tax Revenues"); and

WHEREAS, Section 204 of the Original Indenture authorizes the issuance of Additional Bonds (as defined in the Original Indenture) sharing ratably and equally in the Pledged Sales Tax Revenues with the Outstanding Sales Tax Revenue Bonds upon compliance with the provisions of said section, for the purpose of paying costs of any Project (as defined in the Original Indenture), which Additional Bonds are to be issued pursuant to a Supplemental Indenture (as defined in the Original Indenture) executed and delivered as described in the Original Indenture; and

WHEREAS, Section 205 of the Original Indenture authorizes the issuance of Refunding Bonds (as defined in the Original Indenture) sharing ratably and equally in the Pledged Sales Tax Revenues with the Outstanding Sales Tax Revenue Bonds upon compliance with the provisions of said section, for the purpose of refunding or advance refunding any or all Outstanding (as defined in the Original Indenture) Bonds (as defined in the Original Indenture) of one (1) or more Series, which Refunding Bonds are to be issued pursuant to a Supplemental Indenture executed and delivered as described in the Original Indenture; and

WHEREAS, it is in the best interests of the inhabitants of the City and necessary for the welfare of the government and affairs of the City to finance (i) public right-of-way infrastructure improvements in City neighborhoods, including street and alley construction and improvements, lighting improvements, sidewalk improvements and replacements, and curb and gutter repairs and replacements; (ii) infrastructure improvements to enhance the development of economic activity, including industrial street construction and improvements, streetscaping, median landscaping, demolition of hazardous, vacant or dilapidated buildings that pose a threat to public safety and welfare, shoreline reconstruction, riverbank stabilization, residential and commercial infrastructure redevelopment and viaduct clearance improvements; (iii) transportation improvements to City facilities and to facilities located within the City limits which are owned by other governmental entities, including street resurfacing, bridge rehabilitation, viaduct rehabilitation, freight tunnel rehabilitation, traffic signal modernization, new traffic signal installation, intersection safety improvements and transit facility improvements; (iv) grants to assist not-for-profit organizations or educational or cultural institutions or to assist other municipal corporations, units of local government, school districts, the State or the United States government; (v) the acquisition of personal property, including, but not limited to, computer hardware and software, vehicles or other capital items useful or necessary for City purposes; (vi) the duly authorized acquisition of improved and unimproved real property within the City for municipal purposes, and the improvement, demolition and/or remediation of any such property; and (vii) constructing, equipping, altering and repairing various municipal facilities including fire stations, police stations, libraries, senior and health centers and other municipal facilities (the purposes described in clauses (i) through (vii) above are referred to collectively herein as the "Series 2016 Capital Program"); and

WHEREAS, it is in the best interests of the inhabitants of the City and necessary for the welfare of the government and affairs of the City to authorize the refunding of all or such portion of the Outstanding Sales Tax Revenue Bonds as shall be determined pursuant to Section 3(c) hereof (the "Refunding"); and

WHEREAS, the Series 2016 Capital Program constitutes a "Project" as such term is defined in the Original Indenture; and

WHEREAS, the cost of the Series 2016 Capital Program and the Refunding is estimated to be not more than Two Hundred Million Dollars (\$200,000,000) and the City expects to pay such cost by borrowing such money and issuing Additional Bonds and Refunding Bonds pursuant to the Original Indenture, as amended, and a Seventh Supplemental Trust Indenture (the "Seventh Supplemental Indenture", and, together with the Original Indenture, the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture and the Sixth Supplemental Indenture, the "Indenture"), in evidence thereof as hereinafter provided, said Additional Bonds and Refunding Bonds to be payable from the Pledged Sales Tax Revenues as set forth in the Original Indenture; and

WHEREAS, the Outstanding Sales Tax Revenue Bonds constitute "Bonds" that are "Outstanding" as such terms are defined in the Original Indenture; and

WHEREAS, the City has determined that it is advisable and necessary at this time to authorize the borrowing of the sum necessary for the purposes of (i) paying costs of the Series 2016 Capital Program and the Refunding, (ii) funding interest on the Series 2016 Bonds, as defined below, determined to be necessary as provided herein, (iii) funding a debt service reserve fund to the extent determined to be necessary as provided herein and (iv) paying the expenses of issuing the bonds herein authorized, and in evidence thereof to authorize the issuance of its Sales Tax Revenue Bonds, Series 2016, as Additional Bonds pursuant to Section 204 of the Original Indenture and as Refunding Bonds pursuant to Section 205 of the Original Indenture (the "Series 2016 Bonds"), such borrowing being for a proper public purpose and in the public interest, and the City, by virtue of its constitutional home rule powers and all laws applicable thereto, has the power to issue the Series 2016 Bonds; and

WHEREAS, the City has determined that it is advisable to consider supplementing the Indenture to provide for certain security enhancements with respect to the Outstanding Sales Tax Revenue Bonds, any Additional Bonds and any Refunding Bonds, to the extent possible; now, therefore;

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The City Council, after a public meeting heretofore held on this Ordinance by the Committee on Finance of the City Council, pursuant to proper notice having been given thereof, and in accordance with the findings and recommendations of such Committee, hereby incorporates the recitals contained in the preambles to this Ordinance into this Ordinance by this reference.

SECTION 2. (a) There shall be authorized the borrowing on the credit of and for and on behalf of the City the aggregate principal amount of not to exceed Two Hundred Million Dollars (\$200,000,000) plus an amount equal to the amount of any net original issue discount used in the marketing of the Series 2016 Bonds (not to exceed 15 percent of the principal amount thereof) for the purposes aforesaid; and the Series 2016 Bonds may be issued from time to time in one or more series for Project purposes and/or Refunding purposes in an aggregate principal amount not exceeding the amount specified above, or such lesser aggregate principal amount, as may be determined either by the Chief Financial Officer or the City Comptroller (each such officer is referred to as an "Authorized Officer"). The Series 2016 Bonds shall be issued and secured pursuant to the terms of the Seventh Supplemental Indenture, and the Mayor and each Authorized Officer are each hereby authorized to execute and deliver the Seventh Supplemental Indenture on behalf of the City, such Seventh Supplemental Indenture to be in substantially the

form prescribed by the Original Indenture, with such changes as shall be approved by the Mayor or the Authorized Officer executing the same, with such execution to constitute conclusive evidence of their approval and this City Council's approval of the form of Seventh Supplemental Indenture so executed and delivered.

Whether any Series 2016 Bonds are sold as Current Interest Bonds, Capital Appreciation Bonds or Capital Appreciation and Income Bonds (each as defined in the Original Indenture), the details of such bonds as set forth in the notification of sale of the Series 2016 Bonds delivered by an Authorized Officer pursuant to Section 3(c) hereof and all provisions relating to (i) the calculation and provision for payment of interest on or (ii) the registration, transfer and redemption of such Current Interest Bonds, Capital Appreciation Bonds or Capital Appreciation and Income Bonds, within the limitations contained herein and in the Original Indenture, shall be set forth in the Seventh Supplemental Indenture. All capitalized terms used in this Ordinance without definition shall have the meanings assigned to such terms in the Indenture. The Mayor and each Authorized Officer, or their proxy, are each hereby authorized to act as an Authorized Officer for the purposes provided in the Seventh Supplemental Indenture.

(b) The Series 2016 Bonds shall be issued under and secured by the Indenture and shall have the terms and provisions set forth in the Indenture, within the limitations prescribed in this Ordinance. In order to secure the payment of the principal of, premium (if any) and interest on the Outstanding Sales Tax Revenue Bonds, the Series 2016 Bonds authorized hereby and such Additional Bonds and Refunding Bonds as may be issued on a parity therewith in the future pursuant to the Indenture, the Pledged Sales Tax Revenues are hereby pledged to the extent and for the purposes as provided in the Indenture and are hereby appropriated for the purposes set forth in the Indenture. The principal of, premium (if any) and interest on the Series 2016 Bonds are payable from and secured by the pledge of and lien on the Pledged Sales Tax Revenues and amounts on deposit in certain Funds, Accounts and Sub- Accounts established pursuant to the Indenture. The Indenture shall set forth such covenants with respect to the imposition and application of the Pledged Sales Tax Revenues as shall be deemed necessary by an Authorized Officer in connection with the sale of the Series 2016 Bonds.

(c) All or any portion of the Series 2016 Bonds may be issued as Current Interest Bonds, Capital Appreciation Bonds or Capital Appreciation and Income Bonds, all as provided in the Indenture. The principal of the Series 2016 Bonds shall become due and payable on or before the earlier of (i) January 1, 2057, or (ii) 40 years after the date of issuance of such Series 2016 Bonds.

Any Series 2016 Bonds issued as Capital Appreciation Bonds shall be dated the date of issuance thereof and shall also bear the date of authentication, shall be in fully registered form, shall be numbered as determined by the Trustee and shall be in denominations equal to the original principal amounts of such Capital Appreciation Bonds or any integral multiple thereof, each such Original Principal Amount representing Accreted Amount (as defined in the Indenture) at maturity (the "Maturity Amount") of Five Thousand Dollars (\$5,000) or any integral multiple thereof (but no single Series 2016 Bond shall represent Accreted Amount maturing on more than one (1) date).

Any Series 2016 Bonds issued as Current Interest Bonds shall be dated such date as shall be determined by an Authorized Officer at the time of sale thereof, shall be in fully registered form, shall be in denominations of Five Thousand Dollars (\$5,000) each and any integral multiple thereof (but no single Series 2016 Bond shall represent installments of principal maturing on more than one (1) date), and shall be numbered as provided in the Indenture.

While in the form of Capital Appreciation Bonds, any Series 2016 Bonds issued and sold as Capital Appreciation and Income Bonds shall be subject to all of the provisions and limitations of

this Ordinance and the Indenture relating to Capital Appreciation Bonds and while in the form of Current Interest Bonds, any Series 2016 Bonds issued and sold as Capital Appreciation and Income Bonds shall be subject to all of the provisions and limitations of this Ordinance and the Indenture relating to Current Interest Bonds.

The Current Interest Bonds shall bear interest at a rate or rates and the Capital Appreciation Bonds shall have Yields to Maturity (as defined below) not to exceed 18 percent per annum.

Each Capital Appreciation Bond shall bear interest from its date at the rate per annum compounded semiannually on each January 1 and July 1, commencing on such January 1 or July 1 as determined by an Authorized Officer at the time of sale of such Capital Appreciation Bonds, which will produce the yield to maturity identified therein until the maturity date thereof (the "Yield to Maturity"). Interest on the Capital Appreciation Bonds shall be payable only at the respective maturity dates thereof.

Each Current Interest Bond shall bear interest (computed upon the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months) payable on the first (1<sup>st</sup>) days of January and July of each year, commencing on such January 1 or July 1 as determined by an Authorized Officer at the time of the sale of any of the Current Interest Bonds.

Each of the Series 2016 Bonds shall be designated a "Sales Tax Revenue Bond, Series 2016\_\_" or "Sales Tax Revenue Refunding Bond, Series 2016\_\_" with such additions, modifications or revisions as shall be determined to be necessary by an Authorized Officer at the time of the sale of the Series 2016 Bonds to reflect the purpose of the issue, the time or order of sale of the Series 2016 Bonds, whether the Series 2016 Bonds are Current Interest Bonds, Capital Appreciation Bonds or Capital Appreciation and Income Bonds and any other authorized features of the Series 2016 Bonds determined by an Authorized Officer as desirable to be reflected in the title of the Series 2016 Bonds being issued and sold.

(d) The Series 2016 Bonds may be made subject to redemption prior to maturity at the option of the City, in whole or in part on any date, at such times and at such redemption prices (to be expressed as a percentage of the principal amount of Current Interest Bonds being redeemed or as a formula as described below and expressed as a percentage of the Compound Accreted Value of Capital Appreciation Bonds to be redeemed or as a formula as described below) not to exceed 120 percent, plus, in the case of Current Interest Bonds, accrued interest to the date of redemption, as determined by an Authorized Officer at the time of the sale thereof.

Notwithstanding the foregoing, such 120 percent limitation on the redemption price of Series 2016 Bonds shall not apply where the redemption price is based upon a formula designed to compensate the owner of the Series 2016 Bonds to be redeemed based upon prevailing market conditions on the date fixed for redemption, commonly known as a "make-whole" redemption price (the "Make-Whole Redemption Price"). At the time of sale of the Series 2016 Bonds, an Authorized Officer shall determine the provisions of the formula to be used to establish any Make-Whole Redemption Price, which may vary depending on whether the Series 2016 Bonds are issued on a taxable or tax-exempt basis, and such provisions shall be specified in the Seventh Supplemental Indenture.

An Authorized Officer shall confirm and transmit the applicable Make-Whole Redemption Price on such dates and to such parties as shall be necessary to effectuate such redemption.

Certain of the Series 2016 Bonds may be made subject to mandatory redemption, at par and accrued interest to the date fixed for redemption, as determined by an Authorized Officer at the time of the sale thereof; provided, that the Series 2016 Bonds shall reach final maturity not later than the date set forth in Section 2(c) hereof.



(e) The Series 2016 Bonds may be issued in either certificated or book-entry only form as determined by an Authorized Officer. In connection with the issuance of Series 2016 Bonds in book-entry only form, each Authorized Officer is authorized to execute and deliver a representation letter to the book-entry depository selected by an Authorized Officer in substantially the form previously used in connection with obligations issued by the City in book-entry form.

(f) The Series 2016 Bonds shall be executed by the officers of the City and prepared substantially in the form as provided in the Seventh Supplemental Indenture with such revisions as shall be approved by the officers of the City executing the Series 2016 Bonds.

(g) All or any portion of the Series 2016 Bonds may be issued as bonds, the interest on which is exempt from federal income taxation or as bonds, the interest on which is not exempt from federal income taxation as set forth in the notification of sale of the Series 2016 Bonds delivered by an Authorized Officer pursuant to Section 3(c) hereof.

SECTION 3. (a) The Series 2016 Bonds shall be sold and delivered to or at the direction of an underwriter or group of underwriters to be selected by an Authorized Officer (the "Underwriters"), subject to the terms and conditions of one (1) or more contracts of purchase related thereto; provided, that the aggregate purchase price of the Series 2016 Bonds shall be not less than 85 percent of the principal amount (or Original Principal Amount in the case of Capital Appreciation Bonds) thereof to be issued (less any net original issue discount used in the marketing thereof) plus accrued interest, if any, from their date to the date of delivery thereof. The compensation paid to the Underwriters in connection with any sale of Bonds shall not exceed five percent of the principal amount of the Bonds being sold. Nothing contained in this Ordinance shall limit the sale of the Bonds or any maturity or maturities thereof at a price or prices in excess of the principal amount thereof.

The Mayor and each Authorized Officer are each hereby authorized to execute on behalf of the City, with the concurrence of the Chairman of the Committee on Finance of the City Council, one (1) or more contracts of purchase in substantially the form previously used in connection with the issuance and sale of the Outstanding Sales Tax Revenue Bonds with appropriate revisions to reflect the terms and provisions of the Series 2016 Bonds and such other revisions in text as an Authorized Officer shall determine are necessary or desirable in connection with the sale of the Series 2016 Bonds.

(b) In connection with the sale of any Series 2016 Bonds, each Authorized Officer is hereby authorized to obtain (i) a Bond Insurance Policy (as defined in the Original Indenture) from a Bond Insurer (as defined in the Original Indenture) and (ii) a surety bond, an insurance policy, a letter of credit or other credit facility assuring the availability of cash to fund any applicable debt service reserve requirement (a "Debt Reserve Credit Facility") from such provider as an Authorized Officer shall determine, if said Authorized Officer determines such Bond Insurance Policy or Debt Reserve Credit Facility to be desirable in connection with such sale of the Series 2016 Bonds. Each Authorized Officer is also authorized to enter into such agreements and make such covenants with any Bond Insurer or provider of a Debt Reserve Credit Facility that an Authorized Officer deems necessary that are not inconsistent with the provisions of this Ordinance; provided, however, that any agreement to reimburse such provider shall be payable solely and only from the Pledged Sales Tax Revenues.

(c) Subsequent to the sale of any Series 2016 Bonds, an Authorized Officer shall file in the Office of the City Clerk a notification of sale directed to the City Council setting forth (i) the aggregate principal amount of, maturity schedule and redemption provisions for the Series 2016 Bonds sold, (ii) the principal amounts of the Series 2016 Bonds sold as Current Interest Bonds, Capital Appreciation Bonds and Capital Appreciation and Income Bonds, respectively, (iii) in the

case of Series 2016 Bonds sold as Capital Appreciation Bonds, (A) the original principal amounts of and Yields to Maturity on the Capital Appreciation Bonds being sold and (B) a table of Accreted Amounts per Five Thousand Dollar (\$5,000) Accreted Amount at maturity for any Capital Appreciation Bonds being sold, setting forth the Accreted Amount of each such Capital Appreciation Bonds on each semiannual compounding date, (iv) the interest rates on the Current Interest Bonds sold, (v) the amount of proceeds of the Series 2016 Bonds to be used for each of the respective purposes authorized herein, (vi) the identity of the Bond Insurer issuing the Bond Insurance Policy, if any, for the Series 2016 Bonds and the identity of the provider of a Debt Reserve Credit Facility, if any, for the Series 2016 Bonds, (vii) the specific Series designations, maturities and amounts of the Outstanding Sales Tax Revenue Bonds to be refunded (the "Refunded Bonds"), which Refunded Bonds shall be selected by an Authorized Officer so as to restructure the City's debt service obligations or to provide debt service savings to the City, as determined by an Authorized Officer (viii) the dates on and prices at which the Refunded Bonds shall be redeemed, (ix) the identities of the Underwriters selected by an Authorized Officer, (x) the compensation paid to the Underwriters in connection with such sale, and (xi) any other matter authorized by this Ordinance to be determined by an Authorized Officer at the time of the sale of the Series 2016 Bonds. A copy of the Seventh Supplemental Indenture in the form to be executed by the City shall be attached thereto.

(d) In connection with any sale of the Series 2016 Bonds, the Mayor and each Authorized Officer are each hereby authorized to execute and deliver, and the Underwriters are hereby authorized to use and distribute, such disclosure documents including without limitation, a preliminary official statement and an official statement, as they shall deem appropriate on behalf of the City, which disclosure documents shall be in substantially the form previously used in connection with the issuance and sale of the Outstanding Sales Tax Revenue Bonds, with such revisions as shall be necessary to reflect the terms and provisions of the Series 2016 Bonds determined by an Authorized Officer as provided herein, and any of such actions heretofore taken with respect to any such disclosure document are hereby ratified, approved and confirmed.

(e) Each Authorized Officer is hereby authorized to execute and deliver a Continuing Disclosure Undertaking (the "Continuing Disclosure Undertaking") evidencing the City's agreement to comply with the provisions of Section (b)(5) of Rule 15(c)2-12, adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934 in a form approved by the Corporation Counsel. Upon its execution and delivery on behalf of the City as herein provided, the Continuing Disclosure Undertaking will be binding on the City and the officers, employees and agents of the City are hereby authorized to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Each Authorized Officer is hereby further authorized to amend the Continuing Disclosure Undertaking in accordance with its terms from time to time following its execution and delivery as said officer shall deem necessary. Notwithstanding any other provision of this Ordinance, the sole remedies for any failure by the City to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Series 2016 Bond to seek mandamus or specific performance by court order to cause the City to comply with its obligations under the Continuing Disclosure Undertaking.

(f) The proceeds from the sale of any of the Series 2016 Bonds shall be applied to (i) the payment of the costs of the Series 2016 Capital Program and the Refunding, (ii) provision of funded interest for the Series 2016 Bonds in such amount as shall be deemed necessary by an Authorized Officer in connection with the sale of the Series 2016 Bonds, (iii) the funding of a Debt Service Reserve Account with money and securities or a Debt Reserve Credit Facility, in

such amount as shall be deemed necessary by an Authorized Officer in connection with the sale of the Series 2016 Bonds, and (iv) the payment of the expenses related to the issuance of the Series 2016 Bonds, all as shall be set forth in the Seventh Supplemental Indenture executed and delivered by the City as provided herein, and such proceeds are hereby appropriated for said purposes. From the sale proceeds of the Series 2016 Bonds and such other funds of the City as shall be deemed by an Authorized Officer to be necessary and appropriate, the sum determined by an Authorized Officer to be sufficient to effect the Refunding shall be applied in accordance with the provisions of the Seventh Supplemental Indenture and deposited into the respective debt service funds established for the Refunded Bonds or into one (1) or more escrow accounts held by an Escrow Agent pursuant to the terms of the Seventh Supplemental Indenture or one (1) or more separate Escrow Agreement(s) (collectively, the "Escrow Agreement"), and the Mayor and each Authorized Officer are each hereby authorized to execute and deliver the Seventh Supplemental Indenture containing such provisions or any such Escrow Agreement(s) in such form as the officers so executing shall deem appropriate to effect the Refunding. The funds held by the City pursuant to the Seventh Supplemental Indenture and any such Escrow Agreement(s) are hereby authorized to be applied as determined by an Authorized Officer and as set forth in the Indenture and any such Escrow Agreement(s).

Nothing in this Ordinance shall prohibit a defeasance deposit with respect to the Refunded Bonds held pursuant to the Seventh Supplemental Indenture or any Escrow Agreement from being subject to a subsequent sale of such escrow securities and reinvestment of all or a portion of the proceeds of that sale in escrow securities which, together with money to remain so held in trust, shall be sufficient to provide for payment of principal, redemption premium, if any, and interest on any of the Refunded Bonds. Amounts held by an Escrow Agent in excess of the amounts needed to provide for payment of the Refunded Bonds may be subject to withdrawal by the City. The Mayor or each Authorized Officer is hereby authorized to execute and deliver from time to time one (1) or more agreements with counterparties selected by an Authorized Officer, with respect to the investment and use of such excess amounts held by the Escrow Agent.

(g) Nothing in this Ordinance shall prohibit any defeasance deposit made pursuant to the Indenture with respect to the Series 2016 Bonds from being subject to a subsequent sale of such escrow securities and reinvestment of all or a portion of the proceeds of that sale in escrow securities which, together with money to remain so held in trust, shall be sufficient to provide for payment of principal, redemption premium, if any, and interest on any of the defeased Series 2016 Bonds. Amounts held by a defeasance escrow agent or the Trustee in excess of the amounts needed so to provide for payment of the defeased Series 2016 Bonds may be subject to withdrawal by the City. The Mayor and each Authorized Officer is hereby authorized to execute and deliver from time to time one (1) or more agreements with counterparties selected by an Authorized Officer, with respect to the investment and use of such excess amounts held by an escrow agent or the Trustee.

(h) Investment Securities (including Defeasance Government Obligations) to be acquired with proceeds of the Series 2016 Bonds or investment income thereon may be acquired pursuant to agreements entered into between the City and providers of securities under which agreements such providers agree to sell to the City specified Investment Securities on specific dates at predetermined prices, all as established at the time of execution of any such agreement and as set forth in such agreement. Each Authorized Officer is hereby authorized to execute any such agreement as shall be deemed by said officer to be in the best interests of the City.

SECTION 4. The Mayor, each Authorized Officer, the City Treasurer, the Corporation Counsel, the City Clerk and the Deputy City Clerk are each hereby authorized to execute and

deliver such other documents and agreements and perform such other acts prior to or following the issuance of the Series 2016 Bonds (including, without limitation, effecting amendments, modifications or supplements to any of the documents or agreements authorized hereunder as may be deemed necessary or desirable by an Authorized Officer in order to implement the transactions or other purposes authorized hereunder) as may be necessary or desirable in connection with the Series 2016 Bonds, and the transactions or other purposes authorized hereunder, including, but not limited to, the exercise following the delivery date of the Series 2016 Bonds of any power or authority delegated to such official under this Ordinance with respect to the Series 2016 Bonds upon original issuance, but subject to any limitations on or restrictions of such power or authority as herein set forth. All of the acts of each such officer which are in conformity with the intent and purposes of this Ordinance, whether heretofore or hereafter taken or done, shall be and the same are in all respects ratified, confirmed, authorized and approved.

SECTION 5. The Mayor and each Authorized Officer may each designate another to act as their respective proxy and, as applicable, to affix their respective signatures to the Series 2016 Bonds, whether in temporary or definitive form, and any other instrument, certificate or document required to be signed by the Mayor or an Authorized Officer pursuant to this Ordinance, the Indenture and any instrument, certificate or document required thereby. In such case, each shall send to the City Council written notice of the person so designated by each, such notice stating the name of the person so selected and identifying the instruments, certificates and documents which such person shall be authorized to sign as proxy for the Mayor and each Authorized Officer, respectively. A written signature of the Mayor or of an Authorized Officer, respectively, executed by the person so designated underneath, shall be attached to each notice. Each notice, with the signatures attached, shall be recorded in the *Journal of Proceedings of the City Council* for such date and filed in the office of the City Clerk. When the signature of the Mayor is placed on an instrument, certificate or document at the direction of the Mayor in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Mayor in person. When the signature of an Authorized Officer is so affixed to an instrument, certificate or document at the direction of such Authorized Officer, the same, in all respects, shall be as binding on the City as if signed by such Authorized Officer in person.

SECTION 6. The Seventh Supplemental Indenture may also provide for amendments to the Original Indenture in order to enhance the security for the Series 2016 Bonds, the Outstanding Sales Tax Revenue Bonds, any Additional Bonds and any Refunding Bonds, by (i) imposing additional covenants or agreements to be observed by the City or (ii) confirming, as further assurance, any pledge of or lien upon the Pledged Sales Tax Revenues or any other moneys, securities or funds, pursuant to Section 1001 of the Original Indenture.

SECTION 7. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code, or part thereof, is in conflict with the provisions of this Ordinance, the provisions of this Ordinance shall be controlling. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to render voidable at the option of the City any document, instrument or agreement authorized hereunder or to impair the validity of this Ordinance or the instruments authorized by this Ordinance or to impair the rights of the owners of the Series 2016 Bonds to receive payment of the principal of or interest on the Series 2016 Bonds or to impair the security for the Series 2016 Bonds; provided further that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for any violation of any provision of the Municipal Code. The documents, agreements and

instruments authorized hereunder shall not be deemed to be "city contracts" for the purposes of Section 11-4-1600(e) of the Municipal Code.

SECTION 8. This Ordinance shall be published by the City Clerk, by causing to be printed in special pamphlet form at least five (5) copies hereof, which copies are to be made available in her office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this Ordinance.

SECTION 9. This Ordinance shall be in full force and effect from and after its adoption, approval by the Mayor and publication as provided herein.

APPROVED  
*Kathleen E. Emmert, GRP*  
1/21/16 Mayor

APPROVED  
*Richard R. Potter*  
CORPORATION COUNSEL