

**CITY OF LANCASTER
LANCASTER COUNTY, PENNSYLVANIA**

**FILE OF THE CITY CLERK
ADMINISTRATION ORDINANCE NO. 14 -2016
ADMINISTRATION BILL NO. 13-2016
INTRODUCED - OCTOBER 11, 2016
ENACTED BY CITY COUNCIL - OCTOBER 25, 2016**

AN ORDINANCE AUTHORIZING THE INCURRENCE OF NONELECTORAL DEBT OF THE CITY OF LANCASTER, LANCASTER COUNTY, PENNSYLVANIA, BY THE ISSUANCE OF \$11,560,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS, SERIES A OF 2016; ISSUED FOR THE PURPOSE OF PROVIDING FUNDS FOR THE ACQUISITION, CONSTRUCTION, EQUIPPING AND FURNISHING OF VARIOUS CITY FACILITIES AND INFRASTRUCTURE, PAYING CAPITALIZED INTEREST ON THE BONDS AND PAYING THE COSTS OF ISSUING AND INSURING THE BONDS; DETERMINING TO SELL THE SERIES A OF 2016A BONDS (THE "2016A BONDS") AT A PRIVATE SALE BY INVITATION; APPROVING THE FORM OF THE 2016A BONDS; FIXING THE NUMBER, DATE, INTEREST RATES AND MATURITIES OF THE 2016A BONDS; MAKING A COVENANT FOR THE PAYMENT OF THE DEBT SERVICE ON THE 2016A BONDS; PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THIS CITY IN SUPPORT OF SUCH BONDS; PROVIDING FOR THE FILING OF REQUIRED DOCUMENTS; PROVIDING FOR THE APPOINTMENT OF A SINKING FUND DEPOSITARY FOR THE 2016A BONDS; AND AUTHORIZING EXECUTION, SALE AND DELIVERY THEREOF, AND OTHER NECESSARY ACTION.

WHEREAS, the City of Lancaster (the "City") is a third class city existing under the laws of the Commonwealth of Pennsylvania and is a Local Government Unit as defined in the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, as codified by the Act of December 19, 1996 (53 Pa. Cons. Stat. Chs. 80-82) (the "Act");

WHEREAS, the governing body, the City Council, of the City (the "Council") has determined to undertake various capital projects as shown on the list attached hereto as **Exhibit "A"** and other capital projects as determined by the City (collectively the "Project"). The estimated completion date of the Project is as listed on Exhibit "A;"

WHEREAS, the Council has determined to authorize for issuance and sale general obligation bonds in the aggregate principal amount of Eleven Million Five Hundred Sixty Thousand Dollars (\$11,560,000), to be designated the "General Obligation Bonds, Series A of 2016" (the "2016A Bonds"), with the proceeds to be applied to the Project, to pay capitalized

interest on the 2016A Bonds and to pay the costs of issuing and insuring the 2016A Bonds, in accordance with applicable and appropriate provisions of the Act;

WHEREAS, the Council, having received realistic cost estimates through actual bids, option agreements, or professional estimates from registered architects, professional engineers or other persons qualified to make such estimates, has determined that the costs of the Project, as such costs are defined in Section 8007 of the Act, will be in excess of the proceeds of the 2016A Bonds and any interest to be earned thereon;

WHEREAS, total costs related to the issuance and sale of the 2016A Bonds are expected to be approximately \$282,240.47. In order to provide funds sufficient to pay a portion of the costs of the Project, to pay capitalized interest on the 2016A Bonds and to pay the costs related to the issuance and sale of the 2016A Bonds, total funds of \$12,150,850.01 are required;

WHEREAS, the City has determined to issue the 2016A Bonds at this time in the aggregate principal amount of \$11,560,000;

WHEREAS, the City has determined that a private sale of the 2016A Bonds by invitation is in the best interest of the City. The City has received a proposal from Janney Montgomery Scott, LLC for the purchase of the 2016A Bonds;

WHEREAS, the City desires to authorize the issuance and sale of the 2016A Bonds for purposes recited herein and other necessary action; **AND**

WHEREAS, the proposed increase of debt, together with other indebtedness presently outstanding, will not cause the limitations of the City's debt incurring power, pursuant to constitutional and statutory authority to be exceeded.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED, by the Council of the City of Lancaster, Pennsylvania, as follows:

Section 1. The City of Lancaster shall incur indebtedness, pursuant to the Act, in the total amount of \$11,560,000 for the purpose of providing funds for the costs of the Project, paying capitalized interest on the 2016A Bonds and paying the costs and expenses of issuing the 2016A Bonds, including costs of bond insurance. The indebtedness authorized herein shall be evidenced by the 2016A Bonds as more fully described in Section 9 herein.

Section 2. The City determines and states that the estimated useful life of the Project funded by the 2016A Bonds ranges from twenty-five (25) to fifty (50) years as set forth on list attached hereto as **Exhibit "A"**. The principal amount of the 2016A Bonds equal to the separate cost of each project on **Exhibit "A"** has been scheduled to mature prior to the end of such useful life.

Section 3. In order to evidence the indebtedness authorized by this Ordinance, the City shall issue, pursuant to the Act and this Ordinance, \$11,560,000 aggregate principal amount of General Obligation Bonds, Series A of 2016.

Section 4. It is hereby stated that the Council of the City of Lancaster has discussed

the merits of alternative methods of selling the City's 2016A Bonds and has determined that a private sale by invitation is in the best interests of the City.

Section 5. The indebtedness authorized by this Ordinance is nonelectoral debt.

Section 6. The Mayor and/or City Controller of the City of Lancaster, or any one of such officers alone or other proper officers of the City, are authorized and directed to prepare, verify and file the Debt Statement required by Section 8110 of the Act, to execute and deliver the 2016A Bonds in the name of the City, and to take other necessary or appropriate action, including if necessary or desirable any statements required to qualify any portion of the debt from the appropriate debt limit as self-liquidating or subsidized debt.

Section 7. The 2016A Bonds, when issued, will be General Obligation Bonds and will constitute general obligations of the City.

Section 8. The City hereby covenants with the registered owners of the 2016A Bonds to be outstanding pursuant to this ordinance: (1) that the City will include in its budget for each fiscal year in which such sums are payable, the amounts of the debt service on the 2016A Bonds issued hereunder which will be payable in each such fiscal year so long as any of the 2016A Bonds shall remain outstanding; and (2) that the City shall appropriate such amounts to the payment of such debt service; and (3) that the City shall duly and punctually pay or cause to be paid, from the Sinking Fund or from other funds, the principal of every 2016A Bond and the interest thereon at the dates and places and in the manner stated in the 2016A Bonds, according to the true intent and meaning thereof. For such budgeting, appropriation and payment, the City hereby pledges its full faith, credit and taxing power. The covenant contained in this Section 8 shall be specifically enforceable.

Section 9. The 2016A Bonds shall be issued in registered form, substantially as attached hereto as **Exhibit "B"** with such changes as the Mayor executing the 2016A Bonds shall approve. The execution of the 2016A Bonds by the Mayor shall constitute conclusive evidence of such approval.

Depository Trust Company ("DTC") will act as securities depository for the 2016A Bonds. The ownership of one fully registered Bond for each maturity of each series, each in the aggregate principal amount of such maturity, will be registered in the name of Cede & Co., as nominee for DTC. So long as Cede & Co. is the registered owner of the 2016A Bonds, as nominee of DTC, references herein to the Bondholders, Bond owners or registered owners of the 2016A Bonds shall mean Cede & Co. and shall not mean the beneficial owners of the 2016A Bonds.

DTC is a limited-purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC was created to hold securities of its participants (the "DTC Participants") and to facilitate the clearance and settlement of securities transactions among DTC Participants in such securities

through electronic book-entry changes in accounts of the DTC Participants, thereby eliminating the need for physical movement of securities certificates. DTC Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations, some of whom (and/or their representatives) own DTC. Access to the DTC system is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly (the "Indirect Participants").

Beneficial ownership interests in the 2016A Bonds may be purchased by or through DTC Participants. Such DTC Participants and the persons for whom they acquire interests in the 2016A Bonds as nominees will not receive a bond certificate, but each DTC Participant will receive a credit balance in the records of DTC in the amount of such DTC Participant's interest in the 2016A Bonds, which will be confirmed in accordance with DTC's standard procedures. Beneficial owners of 2016A Bonds will not receive certificates representing their beneficial ownership interests in the 2016A Bonds, unless use of the book-entry only system is discontinued as described below.

Transfers of beneficial ownership interests in the 2016A Bonds which are registered in the name of Cede & Co., as nominee of DTC, will be accomplished by book entries made by DTC and in turn by the DTC Participants and Indirect Participants who act on behalf of the beneficial owners of 2016A Bonds. For every transfer and exchange of beneficial ownership in the 2016A Bonds, the beneficial owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

For so long as the 2016A Bonds are registered in the name of DTC or its nominee, Cede & Co., the City and the Paying Agent will recognize *only* DTC or its nominee, Cede & Co., as the owner of the 2016A Bonds for all purposes, including notices and voting. Conveyance of notices and other communications by DTC to DTC Participants, by DTC Participants to Indirect Participants and by DTC Participants and Indirect Participants to beneficial owners of the 2016A Bonds, will be governed by arrangements among DTC, DTC Participants, Indirect Participants and beneficial owners, subject to any statutory and regulatory requirements as may be in effect from time to time.

Payments made by the Paying Agent to DTC or its nominee shall satisfy the City's obligations with respect to the 2016A Bonds to the extent of the payments so made.

Principal, redemption price and interest payments on the Bonds shall be made by the Paying Agent to DTC or to its nominee, Cede & Co., as registered owner of the 2016A Bonds. Disbursement of such payments to the beneficial owners shall be solely the responsibility of DTC, the DTC Participants and, where appropriate, Indirect Participants. Upon receipt of moneys, DTC's current practice is to credit immediately the accounts of the DTC Participants in accordance with their respective holdings shown on the records of DTC. Payments by DTC Participants and Indirect Participants to beneficial owners shall be governed by standing instructions of the beneficial owners and customary practices, as is now the case with municipal securities held for the accounts of customers in bearer form or registered in "street name." Such payments shall be the sole responsibility of such DTC Participant or Indirect Participant and not

of DTC, the City or the Paying Agent, subject to any statutory and regulatory requirements as may be in effect from time to time.

The City and the Paying Agent cannot and do not give any assurances that DTC, the DTC Participants or the Indirect Participants will distribute to the beneficial owners of the 2016A Bonds (1) payments of principal or redemption price of or interest on the 2016A Bonds, (2) certificates representing an ownership interest or other confirmation of beneficial ownership interests in 2016A Bonds, or (3) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the 2016A Bonds, or that they will do so on a timely basis or that DTC, DTC Participants or Indirect Participants will serve and act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission, and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

Neither the City nor the Paying Agent will have any responsibility or obligation to any DTC Participant, Indirect Participant or beneficial owner or any other person with respect to: (1) the 2016A Bonds; (2) the accuracy of any records maintained by DTC or any DTC Participant or Indirect Participant; (3) the payment by DTC or any DTC participant or Indirect Participant of any amount due to any beneficial owner in respect of the principal or redemption price of or interest on the 2016A Bonds; (4) the delivery by DTC or any DTC Participant or Indirect Participant of any notice to any beneficial owner which is required or permitted under the terms of this Resolution to be given to Bondholders; (5) the selection of the beneficial owners to receive payment in the event of any partial redemption of the 2016A Bonds; or (6) any other action taken by DTC as Bondholder.

DTC may determine to discontinue providing its service with respect to the 2016A Bonds at any time by giving notice to the City and the Paying Agent and discharging its responsibilities with respect thereto under applicable law. In addition, the City may discontinue the book-entry only system for the 2016A Bonds at any time if it provides thirty (30) days' notice of such discontinuation to the Paying Agent and DTC that continuation of the book-entry only system is not in the best interests of the City. Upon the giving of such notice, the book-entry only system for the 2016A Bonds will be discontinued unless a successor securities depository is appointed by the City.

Section 10. The 2016A Bonds shall be issued in fully registered form, shall be dated as of the date of delivery shall bear interest from such date payable initially on May 1, 2017 and semi- annually thereafter on May 1 and November 1 of each year until maturity or the dates fixed for redemption, at the rates per annum, and shall mature or be subject to mandatory redemption on the dates and years as more fully set forth in the Bond Amortization Schedule attached hereto as **Exhibit "C"** and made a part hereof.

The principal of and interest on the 2016A Bonds shall be payable in lawful money of the United States of America at the principal corporate trust office of Fulton Bank, N.A., Lancaster, Pennsylvania, which is hereby appointed Paying Agent and Registrar for the 2016A Bonds and Sinking Fund Depository and is hereinafter called the "Paying Agent."

The 2016A Bonds which are stated to mature on or after November 1, 2027 are subject to redemption prior to maturity at the option of the City in whole or in part on November 1, 2026, or any date thereafter, in any order of maturities and within a single maturity by lot, upon payment of a redemption price of 100% of principal amount plus interest accrued to the date fixed for redemption.

\$935,000 aggregate principal amount of the 2016A Bonds which mature on November 1, 2032 are subject to mandatory redemption prior to maturity on the dates and in the amounts specified below as selected by lot by the Paying Agent. Any such redemption shall be upon payment of the principal amount thereof, together with accrued interest to the date fixed for redemption, on the dates and in the amounts hereinafter provided:

<u>Date (November 1)</u>	<u>Amount</u>
2031	\$460,000

The remaining \$475,000 of the 2016A Bonds stated to mature on November 1, 2032 will be paid at maturity or upon earlier optional redemption.

\$395,000 aggregate principal amount of the 2016A Bonds which mature on November 1, 2034 are subject to mandatory redemption prior to maturity on the dates and in the amounts specified below as selected by lot by the Paying Agent. Any such redemption shall be upon payment of the principal amount thereof, together with accrued interest to the date fixed for redemption, on the dates and in the amounts hereinafter provided:

<u>Date (November 1)</u>	<u>Amount</u>
2033	\$195,000

The remaining \$200,000 of the 2016A Bonds stated to mature on November 1, 2034 will be paid at maturity or upon earlier optional redemption.

\$4,245,000 aggregate principal amount of the 2016A Bonds which mature on November 1, 2036 are subject to mandatory redemption prior to maturity on the dates and in the amounts specified below as selected by lot by the Paying Agent. Any such redemption shall be upon payment of the principal amount thereof, together with accrued interest to the date fixed for redemption, on the dates and in the amounts hereinafter provided:

<u>Date (November 1)</u>	<u>Amount</u>
2035	\$2,090,000

The remaining \$2,155,000 of the 2016A Bonds stated to mature on November 1, 2036 will be paid at maturity or upon earlier optional redemption.

Each such redemption shall be upon at least thirty (30) days, and not more than sixty (60) days, prior written notice by mailing a copy of the official redemption notice by first class mail to the registered owners of the 2016A Bonds to be redeemed at their addresses shown on the registration books maintained by the Paying Agent or at such other address as is furnished

in writing by such registered owner to the Paying Agent, unless such notice is waived in writing by the registered owners of the 2016A Bonds to be called for redemption. Notice of redemption having been given as aforesaid, and funds sufficient for redemption having been deposited with the Paying Agent, the 2016A Bonds so called for redemption shall become due and payable on the date fixed for redemption and interest thereafter shall cease to accrue thereon, whether such 2016A Bonds shall be presented for payment or not.

All official notices of redemption shall be dated and shall state:

the redemption date;

the redemption price;

if less than all outstanding 2016A Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the 2016A Bonds to be redeemed;

that on the redemption date, the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and

the place where such 2016A Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Paying Agent.

Prior to any redemption date, the City shall deposit with the Paying Agent an amount of money sufficient pay the redemption price of all the 2016A Bonds or portions of 2016A Bonds which are to be redeemed on that date.

In addition to the foregoing notice, further notice may be given, if deemed appropriate by the Paying Agent as a notice of refunding or otherwise, but no defect in said further notice will in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. The further notice of redemption given hereunder will contain such information as deemed appropriate by the Paying Agent and Bond Counsel, and will be mailed to each presently registered owner of bonds to be redeemed, at their addresses shown on the registration books, and will also be sent to Moody's Investor Services, Inc., Standard and Poors Corporation, and the *Bond Buyer*, or one or more other national information services that disseminate notices of redemption of obligations such as the 2016A Bonds.

Upon the payment of the redemption price of the 2016A Bonds being redeemed, each check or other transfer of funds issued for such purpose will bear the CUSIP number identifying, by issue and maturity, the bonds or portions thereof being redeemed with the proceeds of such check or other transfer.

Section 11. The 2016A Bonds are awarded and sold at private sale by invitation to Janney Montgomery Scott, LLC (the "Purchaser"), with the principal amounts for each maturity as set forth in Exhibit "C" and otherwise, at the price and in accordance with the other terms and

conditions contained in the purchase proposal presented to this meeting (the “Purchase Proposal”), which is accepted. A copy of the Purchase Proposal is attached to this Ordinance as **Exhibit “D”** and will be lodged with the official minutes of this meeting; the terms and conditions of the Purchase Proposal are incorporated herein by reference. The Mayor and/or other proper officers of the City are authorized and directed to endorse the acceptance of the City on the Purchase Proposal and to deliver an executed copy thereof to the Purchaser.

In addition to the conditions set forth in the purchase proposals referenced above, such awards and sales are conditional upon the following:

- (a) all provisions of this Ordinance becoming effective;
- (b) approval of the Department of Community and Economic Development of the Commonwealth of Pennsylvania for the issuance of the 2016A Bonds; and
- (c) approval of any other governmental agency, the approval of which is determined to be necessary by the City.

Section 12. The City covenants that there shall be and there is hereby established a Sinking Fund (the “Sinking Fund”) for the 2016A Bonds to be held by the Paying Agent (or such substitute or successor Paying Agent, which may hereafter be appointed in accordance with the provisions of the Act) in the name of the City, but subject to withdrawal only by the Paying Agent. The Sinking Fund shall be known as the “Sinking Fund, City of Lancaster, General Obligation Bonds, Series A of 2016.”

The Paying Agent is hereby authorized and directed to pay from the Sinking Fund the principal of and interest on the 2016A Bonds as the same becomes due and payable in accordance with the terms thereof and the City hereby covenants that such monies, to the extent required, will be applied to such purpose.

Section 13. The City shall not assume the payment of any tax or taxes in consideration of the purchase of the 2016A Bonds.

Section 14. The City covenants with the holders of the 2016A Bonds that no part of the proceeds of the 2016A Bonds shall at any time be used directly or indirectly to acquire securities or obligations the acquisition of which would cause any of the 2016A Bonds to be “arbitrage bonds” as currently defined in Section 148 of the Internal Revenue Code of 1986, as amended and supplemented, (the “Code”) or under any similar statutory provisions, or any currently enacted rule or regulation promulgated thereunder or under former Section 103(c) of the Internal Revenue Code of 1954, with the effect that interest on the 2016A Bonds would no longer be exempt from federal income taxes. The City further covenants that it will comply with the terms of Section 148 of the Code and said rules and regulations throughout the term of the 2016A Bonds and will make no investment inconsistent with the foregoing covenant. The City further covenants that it will promptly and timely comply with the reporting and filing requirements of Section 149(e) of the Code of 1986, and such regulations issued thereunder.

The City covenants with the holders of the 2016A Bonds that it will comply with the arbitrage rebate requirements of Section 148 of the Code of 1986 as such requirements may apply to earnings on the investment of the proceeds of the 2016A Bonds. The City covenants to maintain any proceeds of the 2016A Bonds which may be invested (until such time as they are needed) in investments which readily will permit a determination of earnings on the proceeds. To the extent that the amount earned on all nonpurpose investments (as defined in Section 148 of the Code) exceeds the amount which would have been earned if such nonpurpose investments were invested at a rate equal to the yield on the 2016A Bonds, the City shall pay to the United States the amount of rebate calculated in accordance with Section 148 of the Code.

Section 15. In accordance with the terms of the Purchase Proposal, this City hereby determines to accept the bond insurance commitment offered by the bond insurer for the 2016A Bonds (the "Bond Insurance Commitment"). The Mayor and/or other proper officers of the City are authorized and directed to execute, to attest, to seal and to deliver, as applicable the Bond Insurance Commitment so approved, or in such form as such officers of this City executing the same or the Solicitor to this City may approve, their execution and delivery thereof to constitute conclusive evidence of such approval. A copy of the Bond Insurance Commitment shall be delivered to the City Clerk and is hereby made a part hereof by reference.

Section 16. The 2016A Bonds shall be executed by the Mayor and/or other proper officers of the City, and attested to by the City Clerk of this City and each such execution shall be by manual or facsimile signature. A facsimile of the City seal shall be affixed to 2016A Bonds. The 2016A Bonds shall be authenticated by the manual signature of the Paying Agent, which shall also certify that the approving opinion of Bond Counsel, which shall be affixed to each 2016A Bond, is an accurate reproduction of the approving opinion delivered at the closing for the 2016A Bonds.

Section 17. Upon receipt of the purchase price for the 2016A Bonds, including interest hereon accrued to the date of delivery, if any, the proper officers of the City will pay said amount to the Paying Agent and said amount will be deposited in a settlement account (the "Settlement Account"). From the Settlement Account, the Paying Agent will disburse a portion of the proceeds of the 2016A Bonds to the City to pay a portion of the costs of the Project.

Remaining funds in the Settlement Account will be disbursed from time to time by the Paying Agent, pursuant to written instructions from officers of the City, the Mayor or the City Controller, to pay issuance costs in connection with the 2016A Bonds, and any balance ultimately remaining in any such reserve will, upon written instructions of the officers of the City, the Mayor or the City Controller, be deposited in the Sinking Fund for the 2016A Bonds or otherwise applied according to said instructions.

Section 18. Any money in the Sinking Fund and the Settlement Account not required for prompt expenditure, if any, may, at the direction of the City, be invested in bonds or obligations which are direct obligations of, or are fully guaranteed as to principal and interest by, the United States of America or may be deposited at interest in time accounts or certificates of deposit or other interest bearing accounts of any bank or bank and trust company, savings and loan association or building and loan association. To the extent that such deposits are insured

by the Federal Deposit Insurance Corporation or similar federal agency, they need not be secured. Otherwise, such deposits shall be secured as public deposits or as trust funds in accordance with the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, Act No. 177 approved December 19, 1996, as amended. Any such investments or deposits shall mature or be subject to redemption at the option of the holder, or be subject to withdrawal at the option of the depositor, not later than the date upon which such money is required to be paid to the registered owners of the 2016A Bonds.

Section 19. The officers of this City are hereby authorized to enter into an Agreement with Fulton Bank, N.A., Lancaster, Pennsylvania, providing for the confirmation and acceptance of the appointments herein made as Paying Agent and Sinking Fund Depository for the 2016A Bonds, for its compensation in such capacities, for the administration of the Sinking Fund and for such other matters as counsel may recommend be included in the Agreement and as the officers may approve by their execution of the Agreement. The officers of this City are further authorized to contract with Fulton Bank, N.A. or one or more other banks or bank and trust companies, to the extent deemed necessary or advisable, for additional services as trustee, fiscal agent, sinking fund depository or paying agent.

Section 20. The City hereby appoints Kegel, Kelin, Almy & Lord, LLP, Lancaster, Pennsylvania, as bond counsel for the 2016A Bonds and Concord Public Financial Advisors, Inc., Lancaster, Pennsylvania, as financial advisor for the 2016A Bonds.

Section 21. The City hereby authorizes and approves the preliminary official statement dated October 18, 2016, and consents to and ratifies its distribution and use by the underwriter. The City hereby designates said preliminary official statement as the “nearly final official statement” within the meaning of Security and Exchange Commission Rule 15c2-1 2(b)(1). The Mayor and/or other proper officer of the City are hereby authorized to review, approve and execute a final official statement on behalf of the City.

Section 22. The action of the City Clerk and Bond Counsel in advertising, or causing to be advertised, a summary of this Ordinance, prior to enactment, as required by law, is hereby ratified and confirmed and the City Clerk, other proper officers of the City and/or Bond Counsel are directed to advertise in the *LNP* within 15 days following the day of final enactment, a notice of the enactment of this Ordinance. The City Clerk is hereby directed to make a copy of this Ordinance available for inspection by any citizen during normal office hours.

Section 23. The City covenants that it will comply with the provisions of Rule 15c2-12 (the “Rule”) promulgated by The Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, and provide continuing disclosure for the benefit of the holders of the 2016A Bonds and provide at least annually to the State Information Depository (if any) certain financial data. Such continuing disclosure will be in conformance with the Rule and will relate to the financial data of the City and to the occurrence of certain material events as contemplated by the Rule. The officers of the City are authorized to deliver a Continuing Disclosure Certificate to set forth the City’s obligations under the Rule, and to document the City’s agreement to provide the required disclosure under the Rule.

Section 24. The proper officers of the City are hereby authorized and directed to take all such action, execute, deliver, file and/or record all such documents, publish all notices which may be necessary or appropriate to issue the 2016A Bonds, to authorize the payment of issuance costs from the Settlement Account, to obtain bond insurance for the 2016A Bonds, or otherwise to comply with the provisions of this Ordinance or the Act, in the name and on behalf of the City.

Section 25. This Ordinance is enacted pursuant to, and the 2016A Bonds issued hereunder shall be subject to, the provisions of the Act and all of the mandatory provisions thereof shall apply hereunder whether or not explicitly stated herein.

Section 26. This Ordinance constitutes a contract with the holders or registered owners of the 2016A Bonds from time to time outstanding hereunder and shall be enforceable in accordance with the provisions of the laws of the Commonwealth of Pennsylvania.

Section 27. In case any one or more of the provisions contained in this Ordinance or in any 2016A Bond issued pursuant hereto shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Ordinance or of said 2016A Bonds, and this Ordinance or said 2016A Bonds shall be construed and enforced as if such invalid, illegal or unenforceable provisions had never been contained therein.

Section 28. All Ordinances and parts of Ordinances heretofore enacted to the extent that the same are inconsistent herewith are hereby repealed.

Section 29. This Ordinance shall take effect on the earliest date permitted by the Act.

DULY ENACTED, by the Governing Body of this Local Government Unit, in lawful session duly assembled, this 25th day of October, 2016.

CITY OF LANCASTER

By: _____
J. Richard Gray, Mayor

Attest:

Bernard W. Harris, Jr., City Clerk

(CITY SEAL)