

AN ORDINANCE PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE CITY OF WILMINGTON TO THE PAYMENT OF GUARANTEED PARKING REVENUE BONDS OF THE WILMINGTON PARKING AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,000,000; DETERMINING THAT THE CITY'S ASSISTANCE IN FINANCING A REFUNDING PROGRAM OF SAID AUTHORITY IS IN THE PUBLIC INTEREST OF THE CITY; AND AUTHORIZING OTHER NECESSARY ACTION.

#4042

Sponsor:

Council
Member
Freel

WHEREAS, The City of Wilmington (the "City") has heretofore created a parking authority under the provisions of Chapter 369, Volume 48, Delaware Laws (being Chapter 5, Title 22 of the Delaware Code) as amended (the "Act"), and Articles of Incorporation of The Wilmington Parking Authority (the "Authority") have been filed with the Secretary of State of the State of Delaware as provided in the Act, and the Secretary of State has issued a Certificate of Incorporation for the Authority; and

WHEREAS, the Authority has heretofore issued its Guaranteed Parking Revenue Bonds, Series of 2005 (the "2005 Bonds"); and

WHEREAS, the Authority is considering authorizing the issuance of up to \$15,000,000 aggregate principal amount Guaranteed Parking Revenue Bonds, Series of 2015 (the "Bonds"), for the purpose of financing a refunding program (the "Refunding Program") to refund any or all of its outstanding 2005 Bonds; and

WHEREAS, the Act authorizes any municipality which has established an authority thereunder to guaranty bonds or notes issued pursuant to the Act by pledging its full faith, credit and taxing power to the payment of the principal of, premium, if any, and interest on such bonds or notes, and the Act provides that such guaranty and any taxes levied in the performance of such guaranty shall be in addition to and not within the limitations of any existing statutory debt or tax limitation of such municipality; and

WHEREAS, the Mayor with the concurrence of the Council has determined that, in order to promote the public safety, convenience and welfare and to fulfill the public needs in relation to parking, it is in the public interest to assist in the financing the Refunding Program and to pledge the City's full faith, credit and taxing power to the payment of the principal of, premium, if any, and interest on the bonds or notes issued therefor by enacting this Ordinance and entering into any agreements that may be necessary to effect the issuance of the Bonds.

NOW THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON HEREBY ORDAINS:

SECTION 1. It is hereby determined that it is in the public interest of the City to assist the Authority in financing the Refunding Program in order to provide financing for the Authority's parking facilities at the lowest possible cost to the Authority.

SECTION 2. In order to provide such assistance, the City, as authorized by the Act, hereby agrees to and does hereby pledge its full faith, credit and taxing power to the payment of the principal of, premium, if any, and interest on the Bonds in an aggregate initial principal amount not to exceed \$15,000,000. This pledge is made with respect to the payment of the principal of, premium, if any, and interest on the Bonds when due and shall also include payments to be made to any sinking fund on account of the redemption of term bonds or any other similar payments required to be made by the Authority pursuant to the provisions of any trust indenture or indenture supplemental thereto securing the Bonds (the "Indenture").

SECTION 3. The Bonds guaranteed hereunder shall be payable over a period not exceeding twenty (20) years from their date of issuance. The Bonds shall bear interest at an annual rate or rates not to exceed seven percent (7.0%). The Bonds may be issued as current interest bonds or capital appreciation bonds, as determined by the Authority. The Bonds shall mature in such principal amounts and on such dates, shall be subject to redemption, shall be sold at such price and in such manner, and shall be in such form and contain or be subject to such other terms and conditions, as shall be determined by the Authority and shall be approved in a Resolution adopted by the Bond Committee of the City of Wilmington (the "Bond Committee Resolution").

~~*SECTION 4. The City will appropriate annually in its operating budget the reasonable amount set forth in the budget of the Authority, as last amended, necessary to provide money which, together with all projected available revenues of the Authority during such fiscal year of the City, will be sufficient to meet the payment of principal, whether at maturity or by operation of a sinking fund or otherwise, premium, if any, and interest on the Bonds, during such fiscal year of the City. The City will pay over such appropriated money to the Authority from time to time upon receipt of a written request of the Authority stating the amount of such appropriated money required by the Authority to make payments to the debt service fund created by the Indenture at the time such payments must be made pursuant thereto. The Authority shall certify to the Mayor that at the time the request is made, the Authority does not have available funds sufficient from the revenues to make such payments or deposits, and shall thereafter provide such additional certifications with respect to revenues as the Mayor may reasonably request.~~

SECTION 5. The aggregate principal amount of indebtedness so guaranteed and any taxes levied for the payment thereof shall be in addition to and not within the limitations of any existing statutory debt or tax limitation of the City.

SECTION 6. If the City is required to provide funds in accordance with the pledge contained in this Ordinance, the City hereby covenants and agrees that any moneys of the City available for such purposes shall be applied to the performance of this guaranty and to the extent necessary to supplement available moneys. The Mayor and Council of the City will borrow moneys temporarily if necessary and shall levy a tax on real estate subject to

taxation without limitation as to rate or amount sufficient to satisfy the City's obligations hereunder.

SECTION 7. This Ordinance and the covenants and agreements contained herein may be made a part of any contract between the Bondholders and the Authority and may be pledged to the trustee for such Bondholders by the Authority.

SECTION 8. The proper officers of the City are hereby authorized and directed to execute such documents or further agreements consistent herewith and to do such further things as may be necessary or proper to carry out the intent and purpose of this Ordinance.

SECTION 9. This Ordinance shall take effect immediately upon its passage by Council and approval by the Mayor.

First Reading.....April 16, 2015
Second ReadingApril 16, 2015
Third Reading

Passed by City Council,

President of City Council

ATTEST: Traci L. Owens
Deputy City Clerk

Approved as to form this 16th day of
April, 2015

Danay Dhotray
Assistant City Solicitor

Approved on this 11 day of June, 2015

Demetrius P. Wall
Mayor

SYNOPSIS: This Ordinance pledges the full faith, credit and taxing power of the City to the payment of the principal of premium, if any, and interest on Guaranteed Parking Revenue Bonds, Series of 2015 (the "Bonds"), to be issued by The Wilmington Parking Authority, in an aggregate principal amount not to exceed \$15,000,000, in order to finance a refunding program with respect to said Authority's Guaranteed Parking Revenue Bonds, Series of 2005 and to pay costs associated with issuing the Bonds.

INSERT 2
for Ordinance

On or prior to March 31 of each year, the Executive Director of the Authority will provide a certificate to the City stating whether the Authority expects to have sufficient available funds to pay the debt service coming due on the Bonds over the next fiscal year. If the certificate states that a deficiency is expected, the City will appropriate in its operating budget for such fiscal year an amount necessary to provide that deficiency.