

ORDINANCE
OF THE
COUNTY OF DAUPHIN
COMMONWEALTH OF PENNSYLVANIA

ORDINANCE NO. #3-2015
Enacted: August 12, 2015

APPROVING A CERTAIN PROJECT BEING UNDERTAKEN BY THE DAUPHIN COUNTY LAND BANK AUTHORITY (THE "AUTHORITY"), CONSISTING, *INTER ALIA*, OF THE FINANCING OF A CAPITAL PROJECT OF THE AUTHORITY; STATING THE REALISTIC ESTIMATED USEFUL LIFE OF THE PROJECT FOR WHICH SUCH GUARANTEED REVENUE NOTE IS ISSUED AND SETTING FORTH THE ESTIMATED COMPLETION DATE FOR THE PROJECT; AUTHORIZING THE INCURRENCE OF LEASE RENTAL DEBT BY THE COUNTY EVIDENCED BY THE GUARANTY AGREEMENT, AS SUCH TERM IS DEFINED HEREIN, IN CONNECTION WITH SUCH GUARANTEED REVENUE NOTE BEING ISSUED BY THE AUTHORITY; DIRECTING THE PROPER OFFICERS OF THE COUNTY TO PREPARE, CERTIFY AND FILE THE REQUIRED DEBT STATEMENT AND BORROWING BASE CERTIFICATE; AUTHORIZING AND DIRECTING PROPER OFFICERS OF THE COUNTY TO CERTIFY AND TO FILE WITH THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT CERTIFIED COPIES OF THE NECESSARY PROCEEDINGS; APPROVING THE FORM OF GUARANTY AGREEMENT AMONG THE COUNTY, THE AUTHORITY AND THE BANK AND AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY THEREOF; STATING THE MAXIMUM ANNUAL AMOUNTS OF PRINCIPAL AND INTEREST TO BE PAID UNDER THE GUARANTY AGREEMENT, COVENANTING THE PAYMENT THEREOF AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE COUNTY THEREFOR; AUTHORIZING AND DIRECTING THE PROPER OFFICERS OF THE COUNTY TO DO ALL THINGS NECESSARY TO CARRY OUT THE ORDINANCE; AUTHORIZING INCIDENTAL ACTIONS; RESCINDING INCONSISTENT ORDINANCES AND RESOLUTIONS; AND STATING THE EFFECTIVE DATE.

WHEREAS, the County of Dauphin (the "County"), is a county of the third class existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth"), and is a

“local government unit,” as defined in the Local Government Unit Debt Act, 53 Pa.C.S. §8001 *et seq.*, as amended and supplemented (the “Debt Act”); and

WHEREAS, the Dauphin County Land Bank Authority (the “Authority”) is a public instrumentality of the Commonwealth and a body corporate and politic duly organized and validly existing under the provisions of the Act of October 24, 2012, P.L. 1239, No. 153 (the “Act”); and

WHEREAS, the Authority has determined to undertake a capital project (the “Capital Project”) consisting of the preparation of a land development plan, site preparation, construction (which may include placement of pre-manufactured housing units) and finishing of the units to include parking, site work, attached decks, exterior siding and all work necessary for occupancy and marketing of certain properties located in the County; and

WHEREAS, the Authority has determined to issue its Guaranteed Revenue Note, Series of 2015, in the maximum principal amount of \$700,000 (the “Note”) to provide funds (1) for and toward the costs of the Capital Project; and (2) to pay the costs incidental to the Capital Project and of issuing the Note ((1) and (2) collectively, the “Project”); and

WHEREAS, the Note will be purchased by a bank (the “Bank”) to be selected by the Authority pursuant to a request for proposals to be made by the Authority; and

WHEREAS, in order to further secure the payment of the principal of, and interest on, the Note, the County will enter into a Guaranty Agreement (the “Guaranty Agreement”) with the Authority and the Bank, as authorized by the Debt Act, providing for the unconditional guarantee by the County of the timely payment of the principal of, and interest on, the Note and the pledge by the County of its full faith, credit and taxing power to discharge all of its obligations under the Guaranty Agreement; and

WHEREAS, the execution of the Guaranty Agreement constitutes the incurrence of lease rental debt by the County within the meaning of the Debt Act.

NOW, THEREFORE, BE AND IT HEREBY IS ENACTED AND ORDAINED by the Board of Commissioners of the County (the “Governing Body”):

Section 1. Approval of Project and Financing Thereof; Stating the Useful Life Thereof; and Estimated Project Completion Date. The County hereby approves the Project, as described above, and the financing thereof. The realistic estimated useful life of the Project is estimated to be in excess of thirty (30) years, and the principal amount of the Note equal to the separate costs of the Project having a shorter useful life than the period during which the Note will be outstanding has been scheduled to mature prior to the end of such useful life, and the balance prior to the end of the longest useful life.

The estimated completion date for the Capital Project is June 1, 2016.

Section 2. Amount of Note Secured by Guaranty Agreement; Incurrence of Lease Rental Debt. The maximum principal amount of the Note to be issued by the Authority and secured by the Guaranty Agreement is \$700,000.

The County hereby authorizes and directs the incurring of lease rental debt of the County, pursuant to the Debt Act, in the maximum principal amount of \$700,000 to be evidenced by the Guaranty Agreement by and among the County, the Authority and the Bank.

Section 3. Debt Statement and Borrowing Base Certificate; Debt Proceedings. The Chairman or Vice Chairman of the County or any one of them, and/or any other duly authorized or appointed officer of the County, are hereby authorized and directed to prepare and certify a debt statement required by Section 8110 of the Debt Act and a borrowing base certificate.

Section 4. Approval of Guaranty Agreement. The form, terms and provisions of the Guaranty Agreement as presented to this meeting (copies of which shall be filed with the records of the County) are hereby approved. The Chairman or Vice Chairman of the Governing Board of the County and the Chief Clerk of the Governing Body are hereby authorized and directed, upon receipt of approval from the Pennsylvania Department of Community and Economic Development, to execute the Guaranty Agreement in such form, subject to such changes and modifications, if any, as may be approved by such officer or officers, the execution of the Guaranty Agreement to be conclusive evidence of such approval, and the Chief Clerk of the Governing Body is hereby authorized and directed to affix thereto the corporate seal of the County, to attest the same and to deliver the Guaranty Agreement to the Bank and the Authority.

Section 5. Covenant to Pay Guaranty. The maximum annual amounts of principal and interest covenanted to be paid by the County under the Guaranty Agreement are as set forth in Schedule I attached hereto and made a part hereof.

It is covenanted with the registered owner or owners of the Note that the County shall (i) include the amounts payable in respect of its guaranty for each fiscal year in which such sums are payable in its budget for that year; (ii) appropriate such amounts from its general fund for the payment of the amounts payable in respect of its guaranty; and (iii) duly and punctually pay, or cause to be paid from such revenues, to the extent of its obligations under the Guaranty Agreement, the amounts payable in respect of its guaranty, at the dates and places and in the manner stated in the Guaranty Agreement according to the true intent and meaning thereof. For such budgeting, appropriation and payment in respect of its guaranty of the Note, the County pledges its full faith, credit and taxing power. This covenant shall be specifically enforceable; *subject, however*, as to the enforceability of remedies, to any applicable bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights generally. Nothing in this Section shall be construed to give the County any taxing power not granted by another provision of law.

Section 6. Debt Proceedings. The Chief Clerk of the County is hereby authorized and directed to certify to and file with the Pennsylvania Department of Community and Economic Development, in accordance with the Debt Act, a complete and accurate copy of the proceedings taken in connection with the increase of debt authorized hereunder, including the debt statement and borrowing base certificate referred to hereinabove, and to pay the filing fees necessary in connection therewith.

Section 7. Incidental Actions. The proper officers of the County are hereby authorized, directed and empowered on behalf of the County to execute any and all papers and documents, and to do or cause to be done any and all acts and things necessary or proper for the carrying out of the provisions of this Ordinance.

Section 8. Repealer. All ordinances or parts of ordinances and resolutions or parts of resolutions inconsistent herewith be and the same hereby are repealed.

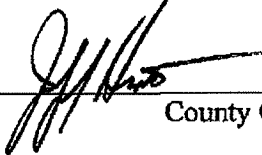
Section 9. Severability. In case any one or more of the provisions of this Ordinance shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Ordinance and this Ordinance shall be construed and enforced as if such illegal or invalid provisions had not been contained herein.

Section 10. Effective Date. This Ordinance shall become effective on the earliest date permitted by the Debt Act.

[Signature Page Follows]

DULY ENACTED, by the Board of Commissioners, in lawful session duly assembled, this 12th day of August, 2015.

COUNTY OF DAUPHIN, PENNSYLVANIA

By:  _____
County Commissioner

By:  _____
County Commissioner

By:  _____
County Commissioner

ATTEST:



Chief Clerk

(SEAL)