

RESOLUTION NO. 14 - 2007

RESOLUTION AUTHORIZING THE ISSUANCE OF \$2,670,000 TAX INCREMENT REVENUE RENEWAL NOTES OF THE TOWNSHIP OF WEST CHESTER; PROVIDING FOR THE PLEDGE OF REVENUES FOR THE PAYMENT OF SUCH NOTES; AUTHORIZING NECESSARY AND APPROPRIATE DOCUMENTS; AND AUTHORIZING OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF SUCH NOTES

WHEREAS, Sections 5709.73 - 5709.75 of the Ohio Revised Code authorize the issuance by townships of tax increment notes to pay the costs of constructing public improvements, as therein defined; and,

WHEREAS, the Township has determined to undertake a public improvement project consisting of the acquisition and construction of infrastructure improvements including acquisition and construction of street and storm water improvements and other improvements related to the above, defined and described hereinafter as the "Project"; and,

WHEREAS, the Township has previously issued Tax Increment Revenue Notes to finance the cost of the Project, outstanding in the amount of \$2,560,000 which are about to mature and should be refinanced in an increased principal amount; and,

WHEREAS, as security for the Notes the Township has entered into a Service Agreement (the Service Agreement") with West Chester 75, Inc., an Ohio Corporation (the "Developer"); and,

WHEREAS, the Board of Township Trustees now desires to refinance the costs of the Project and expenditures incident thereto and incident to such financing by the issuance and sale of revenue Notes to be designated "West Chester Township, Ohio Tax Increment Revenue Notes (West Chester 75 Project), 2007 Renewal", which Notes (hereinafter called the "Notes") are to be secured by this resolution; and,

NOW THEREFORE, BE IT RESOLVED that the West Chester Township Board of Township Trustees does hereby agree to:

SECTION 1. Definitions. All defined terms used herein and those not otherwise defined herein shall have the respective meanings given to them in the Service Agreement.

Any reference herein to the Township or the Board, or to any officers or members thereof, shall include those which succeed to their functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing their functions.

Unless the context shall otherwise indicate, words importing the singular number shall include the plural number, and vice versa, and the terms "hereof," "hereby," "hereto," "hereunder," and similar terms, mean this Note Legislation.

SECTION 2. Authorization of Notes. It is hereby determined to be necessary to, and the Township shall, issue, sell and deliver, as provided herein and pursuant to the authority of Sections 5709.73-5709.75 of the Ohio Revised Code, the Notes for the purpose of providing funds for the refinancing of the acquisition and construction of infrastructure improvements including acquisition and construction of street and storm water improvements and other improvements related to the above, and paying certain other costs, including costs of issuance, related thereto. The Notes shall be designated "Tax Increment Revenue Notes (West Chester 75 Project), 2007 Renewal".

SECTION 3. Terms and Execution of the Notes. There are hereby authorized, and there shall be issued, Notes in the principal sum of \$2,670,000, for the purposes aforesaid. Upon the face of each of the Notes shall be recited a reference to the Ohio Revised Code sections and the resolution under which issued. Each of the Notes shall express upon its face the purpose for which the same is issued; that the Note is payable solely from the Service Payments in Lieu of Taxes and the Letter of Credit (the "Revenues") pursuant to and as defined in the Service Agreement by and between the Township and the Developer dated February 9, 2006. The Township hereby pledges the Revenues as security and repayment for the Notes. The Notes are payable solely from the pledged Revenues, the Service Payments in Lieu of Taxes and the Letter of Credit, pursuant to the Service Agreement, and from no other funds of the Township. The Notes are not secured by the full faith and credit of the Township. The Notes shall be issued as fully registered Notes, shall be numbered from 1 upward, shall be dated as of their date of issuance, and shall bear interest at a rate not exceeding five per centum (5.00%) per annum as determined by the Township Administrator and set forth in the Certificate of Award which is hereby authorized and which shall be executed by the Township Administrator without further action of this Board, payable at maturity. Said Notes shall mature not more than one year from their dated date.

The Notes shall not be subject to redemption prior to maturity.

The Notes shall be executed on behalf of the Township by the manual or facsimile signatures of at least two members of this Board and attested by the Township Fiscal Officer, so long as one officer signs manually. In case any officer whose signature or a facsimile thereof shall appear on the Notes shall cease to be such officer before the issuance or delivery of the Notes, such signature or facsimile thereof shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until after that time.

The principal amount of each Note shall be payable at the office of U.S. Bank National Association, which is hereby designated as the paying agent and registrar (the "Paying Agent and Registrar") for the Notes.

The Notes shall be transferable by the registered holder thereof in person or by his attorney duly authorized in writing at the principal office of the Paying Agent and Registrar upon presentation and surrender thereof to the Paying Agent and Registrar. The Township and the

Paying Agent and Registrar shall not be required to transfer any Note during the 15-day period preceding the maturity date, and no such transfer shall be effective until entered upon the registration records maintained by the Paying Agent and Registrar. Upon such transfer, a new Note or Notes of authorized denominations of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor.

The Township and the Paying Agent and Registrar may deem and treat the registered holder of the Notes as the absolute owner thereof for all purposes, and neither the Township nor the Paying Agent and Registrar shall be affected by any notice to the contrary.

SECTION 4. Sale of the Notes. The Notes are being sold to Fifth Third Securities, Inc (the "Original Purchaser") and are hereby awarded, at the purchase price of not less than 97% of par. The appropriate officers of the Township are authorized and directed to make on behalf of the Township the necessary arrangements to establish the date, location, procedure and conditions for the delivery of the Notes to the Original Purchaser, and to take all steps necessary to effect due execution and delivery to the Original Purchaser of the Notes (or temporary Notes delivered in lieu of definitive Notes until their preparation and delivery can be effectuated) under the terms of this Resolution.

SECTION 5. Proceeds of the Notes. The proceeds of the sale of the Notes, shall be used as follows:

(a) The amount as set forth in the Certificate of Award, to be used to pay all costs and items of expense incurred by the Township in connection with the issuance of the Notes, including without limitation costs of financial and/or feasibility studies and reports; costs of Note insurance or other credit enhancement, including any letter of credit fees; costs of financial advisory, bond counsel and other legal, accounting and management services and services of other consultants and professional and related charges, fees and disbursements; Note rating fees; costs of issuance; printing and reproduction costs; filing and recording fees; initial fees and charges of the Paying Agent; and costs of preparation, execution, transportation and safekeeping of the Notes. The Township shall transfer to the Note Account (to be used to pay interest on the Notes) any moneys not so used for cost of issuance expenses upon determination by the Fiscal Officer of the Township that all the costs described above have been received and paid by the Township.

(b) The remainder to the account hereby created and designated as the "Note Retirement Account", which Account shall be held by the Township to be used only for the payment of principal of and interest on the \$2,670,000 Tax Increment Revenue Note (West Chester 75) Project) at maturity.

The Project Account created previously and held by the township shall continue to be used pursuant to the prior legislation to fund the cost of the Project. The money in the Project Account shall be invested pursuant to Chapter 135 of the Ohio Revised Code maturing not later than it is needed to pay for the costs of the Project. Amounts remaining in the Project Account upon or after completion of the Project shall be transferred to the Note Account.

Any accrued interest or premium on the Notes shall be transferred to the Note Account and shall be applied only to the payment of the interest and principal of the Notes and for no other purpose.

SECTION 6. Revenues. From and after the date of issuance and delivery of the Notes the Service Payments shall be set aside and deposited by the Township in a special and separate fund designated as the "West Chester 75 Tax Increment Equivalent Fund". The Tax Increment Equivalent Fund shall be administered as follows with the following payments being made in the following order:

FIRST: There shall be paid into the Note Account on the fifth business day immediately preceding the maturity date an amount equal to the principal and interest due on all outstanding Notes on the maturity date. To the extent that principal of and/or interest on the Notes has been paid from the proceeds of a drawing on the Letter of Credit, moneys in the Note Account may be used to reimburse the Letter of Credit Bank for draws upon the Letter of Credit pursuant to any Reimbursement Agreement. Moneys in the Note Account shall be used to pay principal, premium, if any, and interest on the Notes, on the scheduled maturity date;

SECOND: There shall be paid semiannually to the Lakota Local School District amounts the Township is contractually obligated to pay to the Lakota Local School District pursuant to the Tax Incentive Agreement entered into among the Township, and the Lakota Local School District, pursuant to Section 5709.73 of the Ohio Revised Code;

THIRD: At the option of the Township, money in the Tax Increment Equivalent Fund may be used (i) to reimburse the Township, for all amounts it has advanced (if any) to make payments of principal and/or interest on Bonds; (ii) to reimburse the Township, for all amounts the Township has expended to pay the Township's economic development costs associated with this transaction up to a maximum of \$30,000; (iii) to reimburse the Township, for all amounts it has expended for unforeseen project costs associated with the Public Improvements (if any) until the Township has been fully reimbursed; (iv) to effect defeasance, purchase or redemption of the Bonds; or (v) to pay the cost of additional public improvements pursuant to Resolution No. 42-2004;

FOURTH: To the extent necessary, fees and/or renewal fees for renewal or replacement Letter of Credit may be paid for from the Tax Increment Equivalent Fund; and

FIFTH: As provided in the Service Agreement, money in the Tax Increment Equivalent Fund will be used to retire Notes pursuant to the provisions of Section 3D of the Service Agreement.

The Note Account shall be maintained in the custody of the Township. The Note Account may be used for reimbursement to the Bank for draws upon the Letter of Credit, if any,

or for the payment of the principal of and interest on the Notes and, to the extent provided in this resolution and for the purchase and retirement of Notes.

Any Notes purchased for cancellation shall be purchased at a price not exceeding their then prevailing call price, if any, nor exceeding their fair market value.

SECTION 7. Investment of Moneys. Moneys in the Tax Increment Equivalent Fund and the Note Account may be invested as provided in Chapter 135 of the Ohio Revised Code, maturing or redeemable by the holder not later than the times and to the extent such moneys are required for the purpose of paying interest payments or principal or sinking fund payments on the Notes. Moneys in the Project Account shall also be invested as provided in Chapter 135 of the Ohio Revised Code.

SECTION 8. Arbitrage Provisions. The Township will restrict the use of the proceeds of the Notes in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the Notes are delivered to the Original Purchaser, so that they will not constitute arbitrage Notes under Section 148 of the Code. The Township Fiscal Officer or any other officer having responsibility with respect to the issuance of the Notes, is authorized and directed to deliver a certificate for inclusion in the transcript of proceedings for the Notes, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to said Section 148 and regulations thereunder. In its performance of these covenants, and other covenants of the Township pertaining to federal income tax laws, the Township may rely upon the written advice of nationally recognized bond counsel which is provided to the Township.

These Notes are hereby designated “qualified tax-exempt obligations” for the purpose set forth in Section 265(b)(3) of the Code. The Township did not anticipate issuing more than \$10,000,000 of “qualified tax-exempt obligations” during the calendar year of original issuance.

SECTION 9. Authorization of All Documents to be Executed by the Township. In order to better secure the payment of the principal of, premium, if any, and interest on the Notes as the same shall become due and payable, any member of this Board or the Township Fiscal Officer are authorized and directed to take any and all actions and to execute such documents, financing statements, assignments, certificates and other instruments that may be necessary or appropriate in the opinion of Peck, Shaffer & Williams, LLP, as Note Counsel, in order to effect the issuance of the Notes and the intent of this Note Legislation with such changes therein not inconsistent with this Note Legislation and not substantially adverse to the Township as may be permitted by Sections 5709.73-5709.75 of the Ohio Revised Code and approved by the officers executing the same on behalf of the Township. The approval of such changes by said officers, that such are not substantially adverse to the Township, shall be conclusively evidenced by the execution of such documents by such officers.

The Fiscal Officer of the Board, or other appropriate officer of the Township, shall certify a true transcript of all proceedings had with respect to the issuance of the Notes, along with such information from the records of the Township as is necessary to determine the regularity and validity of the issuance of the Notes.

SECTION 10. No Personal Liability. No recourse under or upon any obligation, covenant, acceptance or agreement contained in this Note Legislation, or in any Note, or under any judgment obtained against the Township or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise, or under any circumstances, shall be had against any officer as such, past, present, or future, of the Township, either directly or through the Township, or otherwise, for the payment for or to the Township or any receiver thereof, or for or to any holder of any Note, or otherwise, of any sum that may be due and unpaid by the Township upon any of the Notes. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such officer, as such, to respond by reason of any act or omission on his or her part, or otherwise, for, directly or indirectly, the payment for or to the Township or any receiver thereof, or for or to the owner or any holder of any Note, or otherwise, of any sum that may remain due and unpaid upon any Note, shall be deemed to be expressly waived and released as a condition of and consideration for the issuance of the Notes.

SECTION 11. No Debt or Tax Pledge. Anything in this Note Legislation, the Notes or any other agreement or instrument to the contrary notwithstanding, neither this Note Legislation nor the Notes shall represent or constitute a debt or pledge of the faith and credit of the taxing power of the Township, and each Note shall contain on the face thereof a statement to that effect. Nothing herein shall be deemed to prohibit the Township, of its own volition, from using, to the extent it may be lawfully authorized to do so, any other resources or revenues for the fulfillment of any of the terms, conditions or obligations of this Note Legislation or the Notes.

SECTION 12. Book Entry Delivery. The Township Fiscal Officer or Finance Director is hereby authorized to take all necessary steps and execute and deliver any documents necessary or appropriate to render the bonds eligible for the services of the Depository Trust Corporation (DTC), including :book entry only” status, if so requested by the Original Purchaser.

SECTION 13. Official Statement. That the content, form and distribution of the Official Statement of similar documents prepared in connection with the Bonds be and the same is hereby approved and ratified and any official having charge with respect to the issuance of the Bonds is hereby authorized to execute on behalf of the Township a certification with respect thereto.

SECTION 14. Severability. If any section, paragraph or provision of this Note Legislation shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Note Legislation.

SECTION 15. Sunshine Law. This Board hereby finds and determines that all formal actions relative to the adoption of this Note Legislation were taken in an open meeting of this Board, and that all deliberations of this Board and of its committees, if any, which resulted in formal action, were in meetings open to the public, in full compliance with the law, including Section 121.22, Ohio Revised Code.

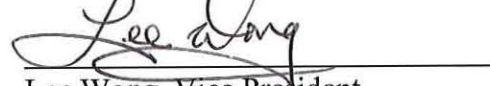
SECTION 16. Effective Date. This Note Legislation shall take effect at the earliest date permitted by law.

Adopted this 27th day of March, 2007.



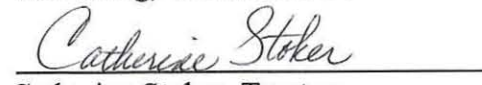
George Lang, President

YES
Yes / No



Lee Wong, Vice President

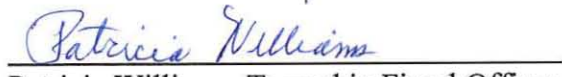
Yes
Yes / No



Catherine Stoker, Trustee

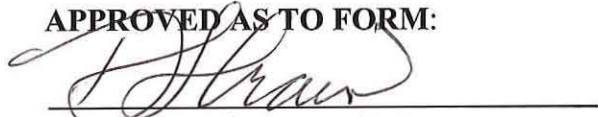
YES
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ATTEST:



Patricia Williams, Township Fiscal Officer

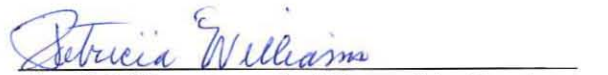
APPROVED AS TO FORM:



Donald L. Crain, Law Director

CERTIFICATE

The undersigned hereby certifies that the foregoing is a true and compared copy of a resolution duly passed by said Board.



Fiscal Officer, Board of Township Trustees
West Chester Township, Butler County, Ohio

