

RESCINDED
REPLACED BY
42-2003 9-23-03

RESOLUTION NO. 26 - 2003

RESOLUTION AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF NOT TO EXCEED \$4,125,000 OF TAX INCREMENT FINANCING REVENUE BONDS (STREETS OF WEST CHESTER PROJECT) OF WEST CHESTER TOWNSHIP, BUTLER COUNTY, OHIO, UNDER SECTION 5709.73 ET SEQ. OF THE OHIO REVISED CODE FOR THE PURPOSE OF PAYING THE COST OF CERTAIN PUBLIC IMPROVEMENTS; AUTHORIZING A PLEDGE OF AND LIEN ON CERTAIN SERVICE PAYMENTS TO SECURE SUCH BONDS; AUTHORIZING A TRUST AGREEMENT SECURING SUCH BONDS; AND AUTHORIZING A SERVICE AGREEMENT SECURING SUCH BONDS

WHEREAS, Section 5709.73 et seq. of the Ohio Revised Code (the "Act") authorizes the issuance of revenue bonds payable from service payments in lieu of taxes to pay the costs of infrastructure improvements; and,

WHEREAS, pursuant to the Act, West Chester Township, Ohio (the "Township") has declared the improvements to be constructed on the real property described on Exhibit A attached to the Trust Agreement (the "Property") to be a public purpose and has exempted the improvements to be constructed on the Property from taxation; and,

WHEREAS, the Township desires to make certain public improvements, including utility infrastructure, roadway construction and acquisition, street lighting, landscaping, beautification, recreational enhancements, and related improvements (the "Project") which shall directly benefit the Property and to finance the costs of the Project with the proceeds of an issue of tax increment financing revenue bonds (the "Bonds"); and,

WHEREAS, the Township desires to authorize the issuance of the Bonds and the Indenture (as hereafter defined), to provide the terms upon which Additional Bonds (hereafter defined) may be issued, and to provide for the security of such Bonds and Additional Bonds.

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

SECTION 1. Definitions. That the following definitions apply to the terms used in this resolution:

"Act" means Section 5709.73 et seq. of the Ohio Revised Code.

"Additional Bonds" means the bonds issued for the purposes and under the terms and conditions set forth in Section 9 hereof.

"Alternate Letter of Credit" means an irrevocable letter of credit issued by a commercial bank organized and doing business in the United States of America and meeting the requirements of Section 24 of the Trust Agreement, and which Alternate Letter of Credit requires such bank to pay when due, to and upon request of the Trustee, the same amounts payable under the initial Letter of Credit.

"Bonds" means the Tax Increment Financing Revenue Bonds (Streets of West Chester Project) authorized by this resolution and any Additional Bonds as provided herein.

"Bond Account" means the account established in Section 7 hereof.

"Bond Legislation" means, with respect to the Bonds, this resolution, and with respect to any series of Additional Bonds, the resolution authorizing the issuance of such Additional Bonds.

“Bond Purchase Agreement” means the Contract of Purchase with respect to the Bonds, which such Contract of Purchase shall be executed by the Township Administrator and the Township Clerk on the date of sale of the Bonds by the Township to the Original Purchaser.

“Bond Service Charges” means the principal, interest and any premium required to be paid on any Bonds, whether due at maturity, redemption or otherwise.

“Cost of Issuance Account” means the account by that name established in Section 6 hereof.

“Debt Service Reserve Fund” means the account by that name established in Section 6 hereof.

“Developer” means Continental LLC, an Ohio limited liability company, and its successors and assigns, Cinci Movieco LLC, an Ohio limited liability company, and its successors and assigns, and Cincinnati Specialty Centers LLC, an Ohio limited liability company, and its successors and assigns.

“Eligible Investments” means the investments defined in Section 8 hereof.

“Government Obligations” means direct obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by, the United States of America.

“Indenture” means the Trust Agreement dated as of the dated date of the Bonds by and between the Township and the Trustee, securing the Bonds, as the same may be amended as provided therein.

“Interest Payment Date” means June 1 and December 1 of each year, commencing December 1, 2003.

“Letter of Credit” means an irrevocable letter of credit issued by a commercial bank organized and doing business in the United States of America and meeting the requirements of the Indenture.

“Letter of Credit Agreement” means the Reimbursement Agreement, dated as of even date with this Indenture between the Letter of Credit Bank and the Developer, as amended or supplemented from time to time.

“Letter of Credit Bank” means the Letter of Credit Bank as defined in the Indenture. Upon issuance and effectiveness of any Alternate Letter of Credit, “Letter of Credit Bank” shall mean the issuer thereof and its successors and assigns.

“Letter of Credit Termination Date” means the expiration date of the Letter of Credit or any Alternate Letter of Credit.

“Letter of Instruction” means the Letter of Instruction from the Township to the Trustee, dated the date of initial delivery of the Bonds.

“Law Director” means the Law Director of the Township.

“Memorandum of Instruction” means the Memorandum of Instruction Regarding Rebate delivered to the Township and the Trustee at the time of issuance of the Bonds, as the same may be amended or supplemented in accordance with its terms.

“Original Purchaser” means, as to the Bonds, Seasongood & Mayer, LLC, Cincinnati, Ohio, and as to the Additional Bonds, the person or persons identified in the legislation providing for the issuance and sale of such Bonds.

“Owner” or “Owners” means anyone who may at any time prior to the termination of the Service Agreement, own any part of the property described in Exhibit A of the Indenture and their successors and assigns.

“Project” means the construction of public utility infrastructure, roadway construction and acquisition, street lighting, landscaping, beautification, recreational enhancements, and related improvements to Civic Centre Boulevard, the Allen Road Connector improvements, and Union Cente Boulevard which will benefit the property described on Exhibit A.

“Project Account” means the account by that name established in Section 6 hereof.

“Property” means the parcel of real estate described on Exhibit A attached hereto.

“Revenues” means (a) the Service Payments, (b) the money and investments held in the Bond Account, the Costs of Issuance Account and the Project Account, including without limitation, moneys received by the Trustee under or pursuant to the Letter of Credit, and (c) all income and profit from the investment of the foregoing moneys.

“Service Agreement” means the Service Agreement dated as of _____, 2003 between the Township and the Developer.

“Service Payments” means the service payments payable by the Developer pursuant to the provisions of the Service Agreement.

“Township” means West Chester Township, County of Butler, Ohio.

“Township Administrator” means the Township Administrator of the Township.

“Township Clerk” means the Clerk of the Township.

“Trust Agreement” means the Trust Agreement dated as of the dated date of the Bonds by and between the Township and the Trustee, securing the Bonds, as the same may be amended as provided therein.

“Trustee” means the Trustee, as defined in the Indenture, or any bank or trust company that is appointed successor trustee under the terms of the Indenture as referred to in Section 12 hereof.

SECTION 2. That it is necessary to issue and sell not to exceed \$4,125,000 of tax increment financing revenue bonds of the Township for the purpose of financing the cost of the Project, paying capitalized interest on the Bonds, funding a debt service reserve fund, together with the payment of costs related to the issuance of the Bonds, secured by a pledge of the Service Payments; provided, however, that nothing in this resolution shall be construed as pledging the general credit of the Township to the payment of said Bonds or any part thereof, or the interest thereon. Prior to issuance and sale of the tax increment financing revenue bonds, the Board of Trustees shall execute and deliver the Service Agreement in the form on file with the Township Clerk by the Township Administrator and the Township Clerk or Finance Director. The Board of Trustees hereby authorizes the execution and delivery of, in the name of and on behalf of the Township, the Indenture, upon such terms as approved by the Township Administrator and Township Clerk or Finance Director not inconsistent with this ordinance and not substantially adverse to the Township. The approval of such Township Administrator and Township Clerk or Finance Director and that the Indenture is consistent with this ordinance and not substantially adverse to the Township shall be conclusively evidenced by the execution of the Indenture by such Township Administrator and Township Clerk or Finance Director.

SECTION 3. That bonds (hereinafter sometimes called the “Bonds”) of the Township be issued in the principal sum of not to exceed \$4,125,000, for the purposes aforesaid. The Bonds shall be dated September 1, 2003 if authenticated prior to the first interest payment date on the Bonds and otherwise will be dated as of the interest payment date next preceding the date the Bonds are authenticated, except that if the Bond is authenticated on an interest payment date, it will be dated as of such date of authentication; provided that if at the time of authentication, interest hereon is in default, the Bond will be dated as of the date to which interest has been paid. The Bonds shall be issued as fully

registered Bonds in the denomination of \$5,000 each or any integral multiple thereof. However, temporary bonds may be issued pending delivery of bonds in definitive form. The Bonds shall bear interest at the rates, payable semiannually on each June 1 and December 1, commencing December 1, 2003, until maturity, and shall mature on the 1st day of December, in the principal amounts, including mandatory sinking fund provisions, as are negotiated by the Township Administrator and the Township Clerk or Finance Director. Such principal amounts, including mandatory sinking fund provisions, and interest rates as are agreed upon, provided that the net interest cost on the Bonds may not exceed five and one-half percent (5.50%), shall be set forth in the Bond Purchase Agreement authorized in Section 5 hereof, and the Township's approval shall be evidenced by the signatures of the Township Administrator and the Township Clerk or Finance Director on the Bond Purchase Agreement, without further action by this Board.

The Bonds are subject to mandatory redemption in whole on the Interest Payment Date which next precedes a Letter of Credit Termination Date, at a redemption price of 100% of the outstanding principal amount thereof plus accrued interest to the redemption date unless, at least 90 days prior to any such Interest Payment Date, (a) the Letter of Credit Bank shall have agreed to an extension or further extension of the Letter of Credit Termination Date to a date not earlier than one year from the Letter of Credit Termination Date being extended or maturity date of Bonds plus fifteen (15) days, whichever is earlier, or (b) pursuant to Section 24 of the Indenture, the Developer shall have obtained and delivered to the Trustee an Alternate Letter of Credit with a termination date not earlier than one year from the Letter of Credit Termination Date for the Letter of Credit it replaces or the maturity date of the Bonds plus fifteen (15) days, whichever is earlier.

The Bonds may be subject to optional and/or mandatory redemption prior to maturity as set forth in the Bond Purchase Agreement.

The Bonds shall initially be numbered from R-1 upwards; provided, however, that in the event of the exchange or transfer of any Bond, any new Bonds issued by the Trustee as a result of such exchange or transfer shall be numbered in a manner which will assure that such new Bonds retain the same terms with respect to redemption as were possessed by the exchanged or transferred Bonds.

The principal of, and interest on, the Bonds shall be payable to the registered holders thereof by check or draft of the Trustee as paying agent, and such payment shall be made without deduction for the services of such paying agent. At the written request of the registered owner of at least \$100,000 aggregate principal amount of the Bonds received by the Trustee at least one business day prior to the corresponding record date, interest accrued on the Bonds will be payable by wire transfer within the continental United States in immediately available funds to the bank account number of such owner specified in such request and entered by the Trustee on the registration records; provided that interest payable at maturity or upon redemption shall be paid only upon presentation and surrender of such owner's Bonds.

The Bonds shall be designated "Tax Increment Financing Revenue Bonds, Series 2003 (Streets of West Chester Project)".

SECTION 4. Upon the face of each of the Bonds shall be recited a reference to the Act and the resolution under which issued. Each of the Bonds shall express upon its face the purpose for which the same is issued; that the Bond is payable solely from the Service Payments. The Bonds are not secured by the full faith and credit of the Township. The Bonds shall bear the manual or facsimile signatures of the Township Administrator and the Township Clerk or Finance Director, shall be authenticated manually by the Trustee, and shall bear manual or facsimile impression of the corporate seal of the Township. The Bonds shall be prepared, issued, and delivered to the Original Purchaser, as defined in Section 1 hereof, under the direction of the Township Administrator and the Township Clerk or Finance Director as hereinafter provided.

SECTION 5. The Bonds are hereby awarded and shall be delivered to the firm of Seasongood & Mayer, LLC (such firm being hereinbefore and hereinafter designated the "Original Purchaser"), Cincinnati, Ohio, upon payment for the Bonds. The Township Administrator and the Township Clerk are hereby authorized and directed in the name of

and on behalf of the Township to make, execute and deliver to the Original Purchaser the Bond Purchase Agreement. The Township Administrator and the Township Clerk are hereby authorized and directed in the name of and on behalf of the Township to make, execute and deliver to the Original Purchaser the Official Statement pertaining to the Bonds.

SECTION 6. The proceeds of the sale of the Bonds, less the underwriting discount of Original Purchaser, plus other lawfully available funds of the Township as set forth in the Bond Purchase Agreement and/or the Letter of Instructions from the Township to the Trustee, and except for accrued interest, shall be deposited with the Trustee and the Township as follows:

(a) The amount to the Township as directed in the Letter of Instruction to the account hereby created and designated as the "Cost of Issuance Account", such Cost of Issuance Account to be held by the Township to be used to pay all costs and items of expense incurred by the Township in connection with the issuance of the Bonds, including without limitation costs of financial and/or feasibility studies and reports; costs of bond insurance or other credit enhancement, including the 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; bond rating fees; costs of issuance; printing and reproduction costs; filing and recording fees; initial fees and charges of the Trustee; and costs of preparation, execution, transportation and safekeeping of the Bonds. The Township shall transfer to the Bond Account (to be used to pay interest on the Bonds) any moneys remaining in the Cost of Issuance Account upon determination by the Township Clerk or the Finance Director that all the costs described above have been received and paid by the Township.

(b) The amount, representing capitalized interest on the Bonds, as directed in the Letter of Instruction to the account hereby created and designated as the "Bond Account" to be held by the Trustee.

(c) The amount, representing one (1) year's debt service on the bonds, as directed in the Letter of Instruction to the account hereby created and designated as the "Debt Service Reserve Fund" to be held by the Trustee.

(d) The remainder to the account hereby created and designated as the "Project Account", which Project Account shall be held by the Township to be used only for the construction of the Project and/or to reimburse the Township for money it has advanced to acquire and/or construct the Project. The money in the Project Account shall be invested in Eligible Investments maturing not later than it is needed to pay for the costs of the Project.

Any accrued interest on the Bonds shall be transferred by the Trustee to the Bond Account and shall be applied by such Trustee only to the payment of the interest and principal of the Bonds and for no other purpose.

SECTION 7. From and after the date of issuance and delivery of the Bonds the Service Payments shall be set aside and deposited by the Township in a special and separate fund designated as the "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 semi-annually into the Bond Account on the second business day immediately preceding each Interest Payment Date, commencing the second business day immediately preceding December 1, 2003, an amount equal to the interest due on all outstanding Bonds on the next ensuing Interest Payment Date; plus, commencing the second business day immediately preceding December 1, of the year in which the first principal payment is due and on the second business immediately day preceding each December 1 thereafter, an amount equal to the principal due on the next ensuing December 1. Moneys in the Bond Account shall be used to pay principal, premium, if any, and interest on the Bonds, on either regularly scheduled maturity dates or on dates scheduled for either mandatory or optional redemption. In the event that funds are not transferred from the Tax Increment

Equivalent Fund to the Bond Account sufficient to pay interest and principal on the Bonds as set forth above, the Trustee shall draw upon the Letter of Credit for the amount of the deficiency no later than 10:00 a.m. on the business day immediately preceding the Interest Payment Date, as applicable;

SECOND: At the option of the Township, money in the Tax Increment Equivalent Fund may be used to reimburse the Issuer for (i) all amounts it has advanced (if any) to make payments of principal and/or interest on Bonds (as defined in Section 5 hereof); (ii) all amounts the Issuer has expended to pay the Township's economic development costs associated with this transaction up to a maximum of \$30,000; and (iii) all amounts it has expended for unforeseen project costs associated with the Public Improvements on (if any) to optionally redeem Bonds pursuant to the provisions of Section 3 hereof.

The Bond Account shall be maintained in the custody of the Trustee. The Bond Account may be used for the payment of the principal of and interest on the Bonds and, to the extent provided in this resolution, for the redemption and the purchase for retirement of Bonds.

The Costs of Issuance Account shall be maintained in the custody of the Township as a trust fund.

Any Bonds 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 8. Moneys in the Tax Increment Equivalent Fund and the Bond Account may be invested in direct obligations of the United States of America, 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 Bonds. Moneys in the Tax Increment Equivalent Fund and the Bond Account, in addition to any other authorized investments, to the extent permitted by Ohio law, may be invested in repurchase agreements, which shall be kept continuously secured by a pledge to the Township as to both principal and accrued interest to be received by direct obligations of the United States of America, in the manner required by law for the security of the deposit of public funds. Moneys in the Project Account and the Cost of Issuance Account shall be invested in the following eligible investments, to the extent permitted by Ohio law (herein designated "Eligible Investments"):

The following obligations can be used as permitted investments for all purposes, including (i) as defeasance investments in refunding escrow accounts and (ii) for the purpose of investing (and receiving premium credit for) accrued and capitalized interest:

(a) Cash (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in paragraph (2) below), or

(b) Direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America.

The following obligations may be used as permitted investments for all purposes other than: (i) defeasance investments in refunding escrow accounts and (ii) investing (and receiving credit for) accrued and capitalized interest:

(1) obligations of any of the following federal agencies which obligations represent full faith and credit of the United States of America, including:

- Export - Import Bank
- Farmers Home Administration
- General Services Administration
- U.S. Maritime Administration
- Small Business Administration

- Environment National Mortgage Association (GNMA)
- U.S. Department of Housing & Urban Development (PHA's)
- Federal Housing Administration;

- (2) bonds, notes or other evidences of indebtedness rated "AAA" by Standard & Poor's Corporation and "Aaa" by Moody's Investor Service, Inc. issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with remaining maturities not exceeding three years;
- (3) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of "A-1" or "A-1+" by Standard & Poor's and "P-1" by Moody's and maturing no more than 360 days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank);
- (4) commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by Standard & Poor's and "P-1" by Moody's Investor Service, Inc. and which matures not more than 270 days after the date of purchase;
- (5) investments in a money market fund rated "AAAM" or "AAAm--G" or better by Standard & Poor's Corporation; and
- (6) pre-refunded municipal obligations defined as follows:

Any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (A) which are rated, based on the escrow, in the highest rating category of Standard & Poor's Corporation and Moody's Investor Service, Inc. or any successors thereto; or (B)(i) which are fully secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or obligations described in paragraph (1) above, which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which fund is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to above, as appropriate.

The value of the above investments shall be determined as provided in "Par Value" below.

"Par Value," which shall be determined as of the end of each month, means that the value of any investments shall be calculated as follows:

- (a) as to investments the bid and asked prices of which are published on a regular basis in The Wall Street Journal (or, if not there, then in The New York Times): the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination;
- (b) as to investments the bid and asked prices of which are not published on a regular basis in The Wall Street Journal or The New York Times: the average bid price at such time of determination for such investments by any two nationally recognized government securities dealers (selected by the Paying

Agent and Registrar in its absolute discretion) at the time making a market in such investments or the bid price published by a nationally recognized pricing service;

(c) as to certificates of deposit and bankers acceptances: the face amount thereof, plus accrued interest; and

(d) as to any investment not specified above: the value thereof established by prior agreement between the Issuer and the Trustee.

Unless otherwise provided above, interest on any moneys or investments in each of the funds and accounts established under the Bond Legislation shall be credited to that fund or account. All investments by the Trustee shall be made at the written direction of the Township. Unless otherwise directed by the Township in writing, all moneys held in any fund or account held by the Trustee shall be invested in the Item (b) of the definition of Eligible Investments.

All amounts representing accrued and capitalized interest shall be held by the Trustee, pledged solely to the payment of interest on the Bonds and invested only in United States Obligations, or in prerefunded municipal obligations maturing at such times and in such amounts as are necessary to match the interest payments to which they are pledged. (For definitions of the terms "United States Obligations" and "prefunded municipal obligations", see subparagraphs (1) and (3) of this Section. In computing the amount of each of the funds set forth in Section 7 hereof the investments therein shall be valued at cost or Par Value whichever is lower. Unless otherwise provided herein, interest on any moneys or investments in each of the funds or accounts established under this resolution shall be credited to that fund or account.

SECTION 9. The Township shall have the right from time to time to issue Additional Bonds (hereinafter and hereinafter called the "Additional Bonds") for the purpose only of (a) making additional public improvements which directly benefit the Property; and (b) refunding for any lawful purpose any outstanding Bonds, which such Additional Bonds shall be payable from the Bond Account and other special funds set forth in Section 7 hereof and shall be secured by a lien upon the Revenues on a parity with the Bonds, except with respect to moneys drawn by the Trustee under the Letter of Credit, which moneys shall be pledged to and used only for the payment of debt service on the Bonds, but only to the extent that the total of (i) Bond Service Charges on the Bonds, plus (ii) Bond Service Charges on such Additional Bonds, for the year in which such total is the highest, does not exceed the minimum Service Payments provided for in the Service Agreement and any additional or supplemental service agreement entered into by the Township or Service Payments as provided for by Section 5709.74 of the Ohio Revised Code pursuant to an exemption of real estate taxes being levied with respect to the Property. The Trustee shall authenticate and deliver such Additional Bonds; provided that, prior to such Additional Bonds being issued; the Township shall have furnished to the Trustee the following:

(a) A certificate of the Law Director and the Township Clerk or the Finance Director certifying that, to the best of their knowledge, the Township is not, on the date of issuance of such Additional Bonds, in default in the performance of any of its covenants provided in this resolution, in the Indenture or in the Bonds;

(b) A certificate of the Township Clerk or the Finance Director setting forth (i) the year in which the Bond Service Charges for all outstanding Bonds plus the Additional Bonds is the highest; (ii) the total amount of such Bond Service Charges; and (iii) the amount of Bond Service Charges, separately stated, for outstanding Bonds and Additional Bonds, in such year. Such certificate shall be accompanied by amortization schedules for all outstanding Bond issues and for such Additional Bonds;

(c) A certified copy of the resolution of the Township authorizing the issuance of the Additional Bonds; and

(d) An additional letter of credit has been issued, or the amount of the Letter of Credit has been increased, in an amount at least equal to the principal amount of the Additional Bonds to be issued, plus interest coverage for a number of days and at an interest rate as approved by the Original Purchaser or such other coverage ratios as set forth in the Indenture have been satisfied; and

(e) In the case of Additional Bonds to be issued for the purpose of refunding any outstanding Bonds, evidence satisfactory to the Trustee (1) that provision has been made to assure that moneys sufficient to retire the Bonds to be refunded will be available in the possession of the Trustee at the time provided for retirement thereof under the plan for refunding and are committed to such purpose, and (2) that moneys sufficient to pay interest accrued and to accrue and principal, if any, payable on such Additional Bonds prior to such retirement of the Bonds thereby to be refunded have been deposited in the Bond Account without impairment of any provision or covenant of this resolution and from sources other than the Bond Account and other than the debt service reserve account for the Bonds thereby to be refunded, except to the extent of any moneys in the special funds set forth in Section 7 hereof in excess of the balances required to be maintained therein under the provisions of this resolution, the transfer of which excess moneys for such purpose is hereby authorized, or will be deposited directly in the Bond Account from appropriate portions of the proceeds from the sale of such Additional Bonds pursuant to the resolution described in Section 9(c) hereof.

In making the calculation for purposes of the certificate of the Township Clerk or the Finance Director provided for in paragraph (b) above, in the case of issuance of Additional Bonds for refunding any outstanding Bonds, annual debt service requirements on account of interest and/or principal maturities of such Additional Bonds shall be used in lieu of and to the exclusion of such annual debt service requirements on account of interest and principal maturities of the Bonds being refunded thereby.

SECTION 10. Should it be judicially determined by a court having jurisdiction to pass upon the validity of this resolution, the Indenture or bonds herein authorized, that any provision of the resolution is beyond the powers of this council or the Township, or is otherwise invalid, then such decision shall in no way affect the validity of said Indenture or the validity of the Bonds, or any proceeds related thereto, except as to the particular matters found by such decision to be invalid.

SECTION 11. The funds derived from the sale of the Bonds authorized by this resolution become and they are hereby set aside and appropriated for the payments as described in this resolution.

SECTION 12. That sums which are expended from the above appropriations and which are proper charges against and are repaid by any other department, any firm, person or corporation, shall be considered re-appropriated for such original purpose; provided that the total appropriation as increased by any such repayment shall not be exceeded.

SECTION 13. That the Township Clerk of West Chester Township be and she is hereby authorized to draw her warrants of the Township Treasury and Depository for payments from any of the foregoing appropriations upon receiving proper approval in accordance with the resolutions of West Chester Township.

SECTION 14. This Board, for the Township, hereby covenants that it will restrict the use of the proceeds of the Bonds hereby authorized in such manner and to such extent, if any, and take such other action as may be necessary, after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute obligations the interest on which is subject to federal income taxation or "arbitrage bonds" under Section 103 (b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations prescribed thereunder. The Township Clerk or Finance Director or any other officer having responsibility with respect to the issuance of the Bonds is authorized and directed to give an appropriate certificate on behalf of the Township, on the date of delivery of the Bonds, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances and reasonable

expectations pertaining to the use of the proceeds thereof and the provisions of said Sections 103(b)(2) and 148 and regulations thereunder.

These Bonds are designated as "qualified tax-exempt obligations" to the extent permitted by Section 265(b) of the Code.

SECTION 15. The Township Clerk 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.

Any official having charge with respect to the issuance of the Bonds is hereby further authorized to apply for and, in his discretion, to purchase a policy of municipal bond insurance from any nationally recognized municipal bond insurer, if such insurance will result in a rating of "Aaa/AAA" from Moody's Investors Service and Standard & Poor's Rating Group, a division of The McGraw Hill Companies and will result in net interest cost savings to the Township.

SECTION 16. This Board hereby finds and determines that all formal actions relative to the passage of this resolution 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 taken in meetings open to the public, in full compliance with applicable legal requirements, including Section 121.22 of the Revised Code.

SECTION 17. That the content, form and distribution of the Official Statement or 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 18. That the Board of Trustees authorizes the Township Administrator to negotiate non-substantive changes to the proposed Service Agreement without subsequent approval and attach it hereto as part of this Resolution.

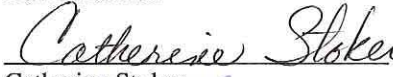
SECTION 19. That this resolution shall take effect and be in force from and after the earliest period allowed by law.

Adopted this 24th day of June, 2003.



David Tacosik

yes
~~Yes / No~~



Catherine Stoker

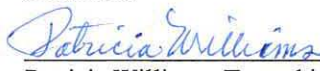
YES
Yes / No



Jose Alvarez

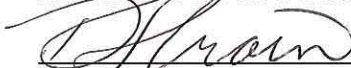
abstain
Yes / No

ATTEST:



Patricia Williams, Township Clerk

APPROVED AS TO FORM:



Donald L. Crain, Law Director



Exhibit A
Plat and Legal Description
of Site



Interoffice - Memorandum

To: Trustees and Administrator

From: Judi Carter *JC Carter*

Date: August 8, 2003

RE: **SERVICE AGREEMENT BETWEEN WEST CHESTER TOWNSHIP AND CINCINNATI SPECIALTY RETAIL, LLC AND OTHER PROPERTY OWNERS OF THE STREETS OF WEST CHESTER FOR THE USE OF TAX INCREMENT FINANCING**

On June 24, 2003, the Board adopted Resolution 26-2003, authorizing the Township and providing for the issuance and sale of not to exceed \$4,125,000 of Tax Increment Financing Revenue Bonds for public improvements related to the Streets of West Chester project.

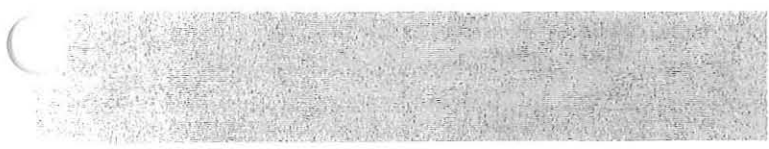
As the board is aware, over the last few months, the Board directed Mr. Gully and I to negotiate conditions that would be acceptable and that would justify the Township borrowing \$3,300,000 for public improvements for Continental's Streets of West Chester project. We believe we have accomplished the task and would like to present for the Board's consideration approval of the Service Agreement.

The final Service Agreement between West Chester Township and Cincinnati Specialty Retail, LLC and other parties, outlines each parties' obligations in issuing and receiving tax increment financing revenue bonds. Brenda Wehmer, Andy Brossart and I have negotiated with Continental representatives, drafting a reasonable agreement that allows competitive marketability of Continental's project yet sufficiently protects the Townships interests. At this time we are asking the Board to approve and sign the Service Agreement.

To summarize, Brenda Wehmer drafted the document to require Continental to be financially responsible for any debt service payments the township incurs because of the money we borrow for their project.

Cincinnati Specialty Retail's, LLC and other property owners' within the project limits responsibilities include:

- 1). Letter of Credit held by a holding institution, highly credited by either Moody's or Standard and Poor's - the LOC shall remain in effect until which time coverage exceeds 150% of the outstanding principal amount of the bonds or two years whichever is later; and,



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- 2). Statutory Service Payments - every property must sign the forms allowing the Twp. to collect their service payments in lieu of taxes; and,
- 3). Minimum Service Payments - Continental is required to pay the debt service payments until enough money is collected through the statutory service payments to cover annual debt service; and,
- 4). Mandatory Service Payments - in the early years of the project especially with the competition and the untested West Chester market for up-scale retail, Continental will be required to make mandatory service payments if they do not meet their proposed financial projections and debt service is not covered; and,
- 5). An extended Letter of Credit in the amount of one year's debt service held by a holding institution, highly credited by either Moody's or Standard and Poor's - the extended LOC shall remain in effect until which time enough service payments have been collected to retire the debt of the Streets of West Chester project. The property owners shall be required to replenish the extended LOC if upon which it is ever called; and,
- 6). Participation in CIC - annual payments of 3% of debt service - not to exceed \$10,000 or fall below \$5,000 annually; and,
- 7). Participation in future created lighting district for east side of UCB; and,
- 8). Participation in future created landscape maintenance district for UCB; and,

If you have any questions, please contact Mr. Gully or myself. Thank you.

CERTIFICATE OF PUBLICATION

<hr/> June 10, 2003	First Reading
Date	
<hr/>	Emergency Reading
Date	
<hr/> June 24, 2003	Second Reading
Date	
<hr/> June 30, 2003 Journal News	First Publication
Date and Newspaper	(After Approval)
<hr/> July 3, 2003 Pulse Journal	
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<hr/> July 7, 2003 Journal News	Second Publication
Date and Newspaper	(After Approval)
<hr/> July 10, 2003 Pulse Journal	
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<hr/> <i>Patricia Williams</i> , 8/15/03	Certificate of Publication
Clerk Signature & Date	