

93 978

1 Finance Committee substitute for File No. 93-978:

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4 ORDINANCE 93-978-772

5 AN ORDINANCE OF THE CITY OF JACKSONVILLE, FLORIDA,  
6 PROVIDING FOR THE ISSUANCE OF NOT EXCEEDING  
7 \$230,000,000 AGGREGATE PRINCIPAL AMOUNT OF SALES TAX  
8 REVENUE BONDS, SERIES 1993, OF THE CITY TO FINANCE THE  
9 COST OF VARIOUS CAPITAL IMPROVEMENTS; PLEDGING  
10 MONEYS RECEIVED BY THE CITY FROM THE LOCAL  
11 GOVERNMENT HALF-CENT SALES TAX AND THE  
12 SUPPLEMENTAL CONTRIBUTION RECEIVED FROM THE  
13 JACKSONVILLE ELECTRIC AUTHORITY, TO SECURE PAYMENT  
14 OF THE PRINCIPAL OF AND INTEREST ON THE BONDS;  
15 PROVIDING FOR THE RIGHTS, SECURITY, AND REMEDIES OF  
16 THE REGISTERED OWNERS OF SUCH BONDS; WAIVING  
17 SECTION 104.211 OF THE ORDINANCE CODE TO THE EXTENT A  
18 NEGOTIATED SALE IS IN THE BEST INTERESTS OF THE CITY;  
19 AMENDING SECTION 106.202, ORDINANCE CODE TO PROVIDE  
20 FOR THE JACKSONVILLE ELECTRIC AUTHORITY'S  
21 CONTRIBUTION RELATING TO THE FINANCING COST OF THE  
22 RIVER CITY RENAISSANCE PROGRAM; PROVIDING  
23 SEVERABILITY; AMENDING ORDINANCE 88-360-328 TO CLOSE  
24 ISSUANCE OF SENIOR LIEN BONDS; AUTHORIZING  
25 ALTERNATIVE PROCEDURES FOR CERTIFICATION OF  
26 AVAILABLE FUNDS; AND PROVIDING AN EFFECTIVE DATE.  
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BE IT ORDAINED by the Council of the City of Jacksonville, Florida, acting in its municipal capacity as the City of Jacksonville, Florida, and its county capacity as Duval County, Florida, wherever the context so requires:

3249/JAC37007/AB7/August 12, 1993 - Renaissance

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ARTICLE I  
AUTHORITY, DEFINITIONS,  
FINDINGS AND CONTRACT

SECTION 1.01. AUTHORITY FOR THIS ORDINANCE. This Ordinance is adopted pursuant to the provisions of the Florida Constitution, the Charter of the City, Section 125, Florida Statutes, Section 166, Florida Statutes, Chapter 218, Florida Statutes, and other applicable provisions of law.

SECTION 1.02. DEFINITIONS. As used herein, unless the context otherwise requires:

"Act" means the Charter of the City, Section 125, Florida Statutes, Section 166, Florida Statutes, Part VI, Section 218, Florida, Statutes, and other applicable provisions of law.

"Accreted Value" means, with respect to any Capital Appreciation Bonds as of any date, the amounts representing principal and accrued interest on such Capital Appreciation Bonds as of such date, which shall be provided by ordinance or resolution of the City adopted prior to the issuance of such Capital Appreciation Bonds.

"Accounting Principles" means generally accepted accounting principles applicable to governmental entities.

"Additional Parity Bonds" means any obligations or portions thereof of the City that may be issued pursuant to the terms and conditions of this Ordinance, which are payable from the Pledged Revenues on a parity with the Series 1993 Bonds originally issued hereunder.

"Adjustable Rate Bonds" means Bonds, the interest rate on which is subject to adjustment, at intervals not less than two years, at such times and in such manner as shall be determined by the City Council prior to the sale thereof.

"Amortization Installment" means, with respect to each maturity of Term Bonds of any Series of Bonds, the principal amounts (or Maturity Amounts) of such Term Bonds to be retired in consecutive years by mandatory redemption from the applicable Bond Amortization



1 Account within the Sinking Fund; provided, that (i) each such Amortization Installment shall  
2 be deemed to be due on the Interest Payment Date or Principal Maturity Date of each  
3 applicable year as is fixed by ordinance or resolution of the City Council and (ii) the aggregate  
4 of such installments for each maturity of Term Bonds shall equal the aggregate principal  
5 amount or, if applicable, the Maturity Amounts, of Term Bonds of such maturity.

6 "Authorized Investments" means securities or obligations which are legal investments  
7 for City funds under applicable law, except as limited by resolution, ordinance or agreement of  
8 the City.

9 "Bond Counsel" means a firm of attorneys of nationally recognized standing in the  
10 field of municipal finance law whose opinions are generally accepted by underwriters and  
11 other purchasers of obligations issued by state and local governments selected by the City.

12 "Bond Year" means initially the period from the date of issuance of the Bonds until  
13 the next succeeding October 1, and thereafter each twelve month period beginning the day  
14 after a Principal Maturity Date.

15 "Bonds" means the Series 1993 Bonds and any Additional Parity Bonds hereafter  
16 issued pursuant to the terms and conditions of this Ordinance.

17 "Book-entry Form" or "Book-entry System" means a form or system, as applicable,  
18 under which physical Bond certificates in fully registered form are issued to a Depository or to  
19 its nominee as Registered Owner, with the certificated Bonds being held by and "immobilized"  
20 in the custody of such Depository, and under which records maintained by persons, other than  
21 the City or the Deputy Registrar and Paying Agent, constitute the written record that  
22 identifies, and records the transfer of, the beneficial "book-entry" interests in those Bonds.

23 "Business Day" means any day of the year on which banks in the jurisdiction of the  
24 City, or in any of the cities in which the designated office of the Deputy Registrar and Paying  
25 Agent or the principal office of any Credit Facility Issuer are located, are not required or  
26 authorized by law to remain closed, and on which the Deputy Registrar and Paying Agent and  
27 any Credit Facility Issuer and the New York Stock Exchange, Inc. are open for business.

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ARTICLE I  
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FINDINGS AND CONTRACT

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SECTION 1.02. DEFINITIONS. As used herein, unless the context otherwise requires:

"Act" means the Charter of the City, Section 125, Florida Statutes, Section 166, Florida Statutes, Part VI, Section 218, Florida, Statutes, and other applicable provisions of law.

"Accreted Value" means, with respect to any Capital Appreciation Bonds as of any date, the amounts representing principal and accrued interest on such Capital Appreciation Bonds as of such date, which shall be provided by ordinance or resolution of the City adopted prior to the issuance of such Capital Appreciation Bonds.

"Accounting Principles" means generally accepted accounting principles applicable to governmental entities.

"Additional Parity Bonds" means any obligations or portions thereof of the City that may be issued pursuant to the terms and conditions of this Ordinance, which are payable from the Pledged Revenues on a parity with the Series 1993 Bonds originally issued hereunder.

"Adjustable Rate Bonds" means Bonds, the interest rate on which is subject to adjustment, at intervals not less than two years, at such times and in such manner as shall be determined by the City Council prior to the sale thereof.

"Amortization Installment" means, with respect to each maturity of Term Bonds of any Series of Bonds, the principal amounts (or Maturity Amounts) of such Term Bonds to be retired in consecutive years by mandatory redemption from the applicable Bond Amortization

1 Account within the Sinking Fund; provided, that (i) each such Amortization Installment shall  
2 be deemed to be due on the Interest Payment Date or Principal Maturity Date of each  
3 applicable year as is fixed by ordinance or resolution of the City Council and (ii) the aggregate  
4 of such installments for each maturity of Term Bonds shall equal the aggregate principal  
5 amount or, if applicable, the Maturity Amounts, of Term Bonds of such maturity.

6 "Authorized Investments" means securities or obligations which are legal investments  
7 for City funds under applicable law, except as limited by resolution, ordinance or agreement of  
8 the City.

9 "Bond Counsel" means a firm of attorneys of nationally recognized standing in the  
10 field of municipal finance law whose opinions are generally accepted by underwriters and  
11 other purchasers of obligations issued by state and local governments selected by the City.

12 "Bond Year" means initially the period from the date of issuance of the Bonds until  
13 the next succeeding October 1, and thereafter each twelve month period beginning the day  
14 after a Principal Maturity Date.

15 "Bonds" means the Series 1993 Bonds and any Additional Parity Bonds hereafter  
16 issued pursuant to the terms and conditions of this Ordinance.

17 "Book-entry Form" or "Book-entry System" means a form or system, as applicable,  
18 under which physical Bond certificates in fully registered form are issued to a Depository or to  
19 its nominee as Registered Owner, with the certificated Bonds being held by and "immobilized"  
20 in the custody of such Depository, and under which records maintained by persons, other than  
21 the City or the Deputy Registrar and Paying Agent, constitute the written record that  
22 identifies, and records the transfer of, the beneficial "book-entry" interests in those Bonds.

23 "Business Day" means any day of the year on which banks in the jurisdiction of the  
24 City, or in any of the cities in which the designated office of the Deputy Registrar and Paying  
25 Agent or the principal office of any Credit Facility Issuer are located, are not required or  
26 authorized by law to remain closed, and on which the Deputy Registrar and Paying Agent and  
27 any Credit Facility Issuer and the New York Stock Exchange, Inc. are open for business.

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1 "Capital Appreciation Bonds" means Bonds, the interest on which shall be  
2 compounded on a periodic basis and payable only at maturity or upon prior redemption, and  
3 shall be determined by reference to the Accreted Value.

4 "City" means the City of Jacksonville, Florida, and, wherever the context requires,  
5 Duval County, Florida, a consolidated municipal corporation and political subdivision of the  
6 State.

7 "City Council" means the Council of City, as the governing body of the City.

8 "Code" means the Internal Revenue Code of 1986, as amended, including, when  
9 appropriate, the statutory predecessor of the Code, and all applicable regulations (whether  
10 proposed, temporary or final) under that Code and the statutory predecessor of the Code, and  
11 any official rulings and judicial determinations under the foregoing applicable to the Bonds.

12 "Credit Facility" means any municipal bond insurance policy, a letter of credit,  
13 surety bond, guarantee, or other agreement under which any Person other than the City  
14 provides additional security for any Series and guarantees timely payment of the principal of  
15 and interest on all or a portion of any Series, and shall include any Reserve Account Credit  
16 Facility, provided that the Person issuing such instrument shall be rated in the highest rating  
17 category by Standard and Poor's Corporation or Moody's Investors Service Inc.

18 "Credit Facility Issuer" means a Person which has provided a Credit Facility relating  
19 to any Series or any particular Bonds within a Series.

20 "Current Interest Paying Bonds" means Bonds, the interest on which shall be payable  
21 on a periodic basis.

22 "Debt Service" means, for any period or payable at any time, the principal (including  
23 Amortization Installments) of, premium, if any, and interest on the Bonds for that period or  
24 payable at that time, whether due at maturity or redemption or otherwise.

25 "Debt Service Requirement" shall mean, for any Bond Year, the sum of:

- 26 (1) the amount required to pay the interest becoming due on the  
27 Current Interest Paying Bonds during such Bond Year;

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- 1 (2) the aggregate amount required to pay the principal becoming due  
2 on Current Interest Paying Bonds for such Bond Year; and  
3 (3) the aggregate amount required to pay the Maturity Amount due on  
4 any Capital Appreciation Bonds maturing in such Bond Year.

5 In calculating the Debt Service Requirement for any period:

6 (A) the City shall deduct from the amounts calculated in Subparagraphs (1)  
7 through (3) above: (a) any capitalized interest deposited into the Sinking Fund for such period  
8 from the proceeds of the sale of such Bonds or otherwise, (b) any investment earnings to be  
9 received on moneys on deposit in the Sinking Fund and accounts therein and required by the  
10 terms of this Ordinance to be retained in such Sinking Fund, and (c) so long as there is on  
11 deposit in the Reserve Account (without regard to any Reserve Account Credit Facility) an  
12 amount equal to the Reserve Account Requirement, the amount in the Reserve Account shall  
13 be deducted from the Debt Service due on the latest Principal Payment Date for any Bonds  
14 secured thereby;

15 (B) the interest due in any ensuing Bond Year on Variable Rate Bonds shall be  
16 assumed to be one hundred twenty-five percent (125%) of The Bond Buyer "Twenty-Five  
17 Revenue Bond Index" published immediately preceding the date of such calculation;

18 (C) the stated maturity date of any Current Interest Paying Term Bonds shall  
19 be disregarded and the Amortization Installments applicable to such Current Interest Paying  
20 Term Bonds in such Bond Year shall be deemed to mature in such Bond Year; and  
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1 (D) the stated maturity date of any Capital Appreciation Term Bonds shall be  
2 disregarded and the Amortization Installments applicable to such Capital Appreciation Term  
3 Bonds in such Bond Year shall be deemed to mature in such Bond Year.

4 "Depository" means any securities depository that is a clearing agency under federal  
5 laws operating and maintaining, with its participants or otherwise, a Book-entry System to  
6 record ownership of beneficial interests in Bonds or Debt Service and to effect transfers of  
7 Bonds in Book-entry Form, including, but not limited to, The Depository Trust Company,  
8 New York, New York.

9 "Deputy Registrar and Paying Agent" means the keeper of the Register for the  
10 applicable Series, designated or redesignated by ordinance or resolution of the City Council;  
11 each Deputy Registrar and Paying Agent, other than the City, shall be a transfer agent  
12 registered in accordance with Section 17A(c) of the Securities Exchange Act of 1934, as  
13 amended; and each Deputy Registrar and Paying Agent shall be the authenticating agent and  
14 the paying agent for the applicable Series.

15 "Fitch" means Fitch Investors Service, One State Street Plaza, New York, New  
16 York, 10004, or any successor thereto.

17 "Fiscal Year" means the period commencing on October 1 of each year and ending  
18 on the succeeding September 30 or such other period as may be prescribed from time to time  
19 as the fiscal year for the City.

20 "Independent Certified Public Accountants" means a firm of certified public  
21 accountants licensed to practice public accounting in the State, which is not in the regular  
22 employ of the City on a salary basis.

23 "Interest Payment Date" means, with respect to (a) any Series, any date on which  
24 interest is stated to be due on the Current Interest Paying Bonds, as determined by subsequent  
25 ordinance or resolution of the City Council adopted at or prior to the time of sale of such  
26 Series; and (b) any date on which interest becomes due thereon on account of early redemption  
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1 thereof or on account of the happening of an event which under the terms of the Bonds,  
2 requires a payment of interest to be made thereon.

3 "Maturity Amounts" means, with respect to any Capital Appreciation Bonds, the  
4 amounts representing principal and interest on such Capital Appreciation Bonds at maturity.

5 "Maximum Debt Service Requirement" means, as of any particular date of  
6 calculation, the Debt Service Requirement for any future Bond Year which is greatest in dollar  
7 amount with respect to all Outstanding Bonds.

8 "Moody's" shall mean Moody's Investors Service, Inc, 99 Church Street, New York,  
9 New York, 10007, or any successor thereto.

10 "Ordinance" or "1993 Ordinance" shall mean this Ordinance No. 93-978 authorizing  
11 the issuance of the Bonds.

12 "Outstanding" means, as of any applicable time, all Bonds which have been issued  
13 and delivered, or are then being issued and delivered, under this Ordinance, except:

14 (a) Bonds cancelled upon surrender, exchange or transfer, or cancelled  
15 upon purchase in the open market or because of payment at or redemption  
16 prior to that date;

17 (b) Bonds, or portions thereof, which are considered no longer  
18 Outstanding pursuant to Section 6.04 hereof;

19 (c) Bonds, or portions thereof, which are deemed paid upon  
20 redemption or maturity thereof for which moneys sufficient to pay the  
21 maturity amount or redemption price thereof have been deposited with the  
22 Deputy Registrar and Paying Agent; provided that, if such Bonds are to be  
23 redeemed before the maturity thereof, the City Council shall have adopted an  
24 ordinance or resolution calling such Bonds for redemption and directing the  
25 Deputy Registrar and the Paying Agent to mail notice of redemption to the  
26 Owners of Bonds so called for redemption;

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1 (d) Bonds in lieu of which other Bonds have been issued under Section  
2 2.06 or 2.07 hereof.

3 For purposes of voting, giving directions and granting consents, Bonds held by the City or by  
4 an agent of the City shall not be deemed Outstanding.

5 "Person" or words importing persons means firms, associations, partnerships, joint  
6 ventures, societies, estates, trusts, corporations, public or governmental bodies, other legal  
7 entities and natural persons.

8 "Pledged Revenues" means (i) all Revenues, (ii) all monies and investments held in  
9 the Revenue Fund and the Sinking Fund, (iii) investment income earned on amounts in the  
10 Sinking Fund, including the Reserve Account therein, and (iv) the proceeds of the  
11 Supplemental Contribution.

12 "Prior Lien Obligations" means (i) the City's outstanding Capital Improvement  
13 Revenue Certificates, Series 1988 authorized pursuant to Ordinance 88-360-328 of the City,  
14 (ii) the City's obligations to any Reserve Instrument Provider, as defined in such ordinance,  
15 and (iii) the City's obligations under the Participation Agreement between the City and the  
16 First Municipal Loan Council, dated May 18, 1989, authorized pursuant to Ordinance 89-297-  
17 119.

18 "Principal Maturity Date" means, with respect to any Series, the annual or other  
19 periodic date on which (i) principal matures on the Current Interest Paying Bonds or (ii)  
20 Maturity Amounts are payable on Capital Appreciation Bonds, as determined by subsequent  
21 ordinance or resolution of the City Council adopted at or prior to the sale of such Series, and  
22 in each case including applicable dates on which Amortization Installments are required to be  
23 applied to retire Term Bonds.

24 "Project Costs" means, but shall not necessarily be limited to: the cost of the  
25 acquisition and construction of the Series 1993 Project and the construction and acquisition of  
26 additions, extensions, and improvements thereto; engineering, accounting, and legal fees and  
27 expenses; expenses for plans, specifications and surveys; expenses for estimates of costs and of  
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1 revenues; the fees of fiscal agents, financial advisors and consultants; municipal bond  
2 insurance, credit enhancement and liquidity facility premiums and fees; administrative  
3 expenses; interest on the Bonds for a reasonable period of time after the date of their delivery;  
4 reasonable reserves for the payment of Debt Service; discount upon the sale of the Bonds; the  
5 cost of purchasing any Credit Facility or Reserve Account Credit Facility; such other expenses  
6 as may be necessary or incidental to the financing authorized by this Ordinance, to the Series  
7 1993 Project, and to the placing of the Series 1993 Project in operation; and reimbursement to  
8 the City for any sums expended for the foregoing purposes in anticipation of the issuance of  
9 the Bonds.

10 "Record Date" means, when used with respect to any Series, the fifteenth day of the  
11 calendar month next preceding an Interest Payment Date applicable to that Series, or such  
12 other date as may be specified by subsequent ordinance or resolution of the City Council  
13 adopted prior to the delivery of such Series.

14 "Redemption Date" means any date on which Bonds are called for redemption prior  
15 to maturity.

16 "Register" means the books kept and maintained by the Deputy Registrar and Paying  
17 Agent for the registration and transfer of Bonds pursuant to Section 2.05 hereof.

18 "Registered Owner" or "Owners" means the Person, including any nominee of a  
19 Depository, in whose name a Bond is registered by the Deputy Registrar and Paying Agent.

20 "Reserve Account Credit Facility" means a municipal bond insurance policy, surety  
21 bond, letter of credit, line of credit, guarantee or other agreement which provides for payment  
22 of amounts equal to all or any portion of the Reserve Account Requirement in the event of an  
23 insufficiency of moneys in the Sinking Fund to pay when due principal of and interest on all or  
24 a portion of the Bonds.

25 "Reserve Account Credit Facility Issuer" means a Person which has provided a  
26 Reserve Account Credit Facility.

1 "Reserve Account Requirement" means an amount which is the lesser of (i) the  
2 Maximum Debt Service Requirement for all Bonds then Outstanding, or (ii) the maximum  
3 aggregate amount allowed under the provisions of the Code to be funded as a reasonably  
4 required reserve from the proceeds of the Series 1993 Bonds and any Additional Parity Bonds.

5 "Revenues" mean the proceeds from the local government half-cent sales tax  
6 distributed to the City from the Local Government Half-Cent Sales Tax Clearing Trust Fund,  
7 as defined and described in Part VI, Chapter 218, Florida Statutes, remaining after payment of  
8 the principal of, and premium if any and interest on, and other required payments with respect  
9 to the Prior Lien Obligations.

10 "Serial Bonds" means any Current Interest Paying Bonds or Capital Appreciation  
11 Bonds for the payment of the principal of which no fixed mandatory sinking fund or bond  
12 redemption deposits are required to be made prior to the 12-month period immediately  
13 preceding the stated date of maturity of the such Bonds.

14 "Series" means an amount of Bonds designated by the City as a single series, which  
15 may be issued in one or more installments.

16 "Series 1993 Bonds" means the Sales Tax Revenue Bonds, Series 1993, originally  
17 issued pursuant to this Ordinance.

18 "Series 1993 Project" means the various capital improvement projects and related  
19 facilities authorized pursuant to Resolution 93-\_\_\_, a copy of which is attached hereto as  
20 Exhibit B and by this reference made a part hereof, and such additions, deletions and  
21 modifications thereto as may be approved or authorized by subsequent ordinance or resolution  
22 of the City Council.

23 "S&P" means Standard & Poor's Corporation, 5 Broadway, New York, New York,  
24 10004, or any successor thereto.

25 "State" means the State of Florida.

26 "Subordinated Bonds" means any obligations issued or incurred by the City and  
27 payable from all or a portion of the Pledged Revenues which are junior and subordinate to any  
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1 Bonds issued pursuant to this Ordinance as to security for payment from such Pledged  
2 Revenues and in all other respects.

3 "Supplemental Contribution" means the proceeds of the annual supplemental  
4 contribution, upon receipt thereof, by the City, from the Jacksonville Electric Authority  
5 pursuant to Section 106.202(A) of the Ordinance Code of the City and the Financial  
6 Agreement between the Authority and the City, a copy of which is attached hereto as Exhibit  
7 C.

8 "Tax Compliance Certificate" means, with respect to any Series, the certificate  
9 executed by an officer of the City responsible for the issuance of the Series, delivered in  
10 connection with the issuance of such Series, relating to compliance by the City with the  
11 requirements of the Code applicable to such Series, including any investment instructions  
12 attached to such certificate.

13 "Term Bonds" means the Current Interest Paying Bonds or Capital Appreciation  
14 Bonds of a Series, all of which are stated to mature on one date and which are subject to  
15 retirement by operation of the applicable Bond Amortization Account in the Sinking Fund  
16 herein established.

17 "United States Obligations" means direct and general obligations of the United States  
18 of America or obligations that are unconditionally guaranteed as to the timely payment of  
19 principal and interest by the United States of America, including (in the case of direct and  
20 general obligations of the United States of America) evidences of direct ownership of  
21 proportionate interests in future payments of interest on or principal of such obligations.  
22 Investments in such proportionate interests must be limited to circumstances wherein (a) a bank  
23 or trust company acts as custodian and holds the underlying United States Obligations; (b) the  
24 owner of the investment is the real party in interest and has the right to proceed directly and  
25 individually against the obligor of the underlying United States Obligations; and (c) the  
26 underlying United States Obligations are held in safekeeping in a special account, segregated  
27 from the custodian's general assets, and are not available to satisfy any claim of the custodian,  
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1 any person claiming through the custodian, or any person to whom the custodian may be  
2 obligated.

3 "Variable Rate Bonds" means Bonds, the interest rate on which is subject to periodic  
4 adjustment, at intervals equal to or less than two years, at such times and in such manner as  
5 shall be determined by the City Council prior to the sale thereof.

6 SECTION 1.03. INTERPRETATION. Any reference herein to the City, to the City  
7 Council or to any member or officer of either, includes entities or officials succeeding to their  
8 respective functions, duties or responsibilities pursuant to or by operation of law or lawfully  
9 performing their functions.

10 Unless the context clearly indicates otherwise, any reference to a section or provision  
11 of the Constitution of the State or the Act, or to a section, provision or chapter of the Laws of  
12 Florida or the United States of America, includes that section, provision or chapter as  
13 amended, modified, revised, supplemented or superseded from time to time; provided, that no  
14 amendment, modification, revision, supplement or superseding section, provision or chapter  
15 shall be applicable solely by reason of this provision, if it constitutes in any way an  
16 impairment of the rights or obligations of the City, the officers, employees and members of  
17 the City Council of the City, the Deputy Registrar and Paying Agent, the Registered Owners,  
18 or any Credit Facility Issuer or Reserve Account Credit Facility Issuer under this Ordinance,  
19 the Bonds or any other instrument or document entered into in connection with any of the  
20 foregoing.

21 Unless the context indicates otherwise, words importing the singular number include  
22 the plural number, and vice versa; the terms "hereof," "hereby," "herein," "hereto,"  
23 "hereunder" and similar terms refer to this Ordinance; and the term "hereafter" means after  
24 and the term "heretofore" means before the date of this Ordinance. Words of any gender  
25 include the correlative words of the other gender, unless the context indicates otherwise.  
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1 SECTION 1.04. CAPTIONS. The captions and headings herein are solely for  
2 convenience of reference and in no way define, limit or describe the scope or intent of any  
3 Sections, subsections, paragraphs, subparagraphs or clauses hereof.

4 SECTION 1.05. FINDINGS. It is hereby ascertained, determined and declared  
5 that:

6 (A) It is necessary and in the best interests of the health, safety, and welfare of  
7 the City that the City undertake the Series 1993 Project. The City is authorized pursuant to  
8 the provisions of the Act to undertake the Series 1993 Project.

9 (B) The City is without adequate, currently available funds to pay the Project  
10 Costs, and it is necessary and desirable and in the best interests of the City that it borrow the  
11 moneys necessary to accomplish the financing of the Series 1993 Project. The City is  
12 authorized pursuant to the provisions of the Act to borrow moneys necessary to pay the cost of  
13 the Series 1993 Project.

14 (C) The City currently receives the Revenues and the Revenues are not pledged  
15 or encumbered to pay any debts or obligations of the City other than the Prior Lien  
16 Obligations. The Pledged Revenues will be pledged to Bond anticipation notes, issued as  
17 Commercial Paper Notes, pursuant to Section 2.08 hereof and any Credit Facility in  
18 connection with such Commercial Paper Notes. The Series 1993 Bonds will be issued to repay  
19 such Bond anticipation notes and any Credit Facility in connection with such Commercial  
20 Paper Notes to pay the cost of the Series 1993 Project.

21 (D) The City is authorized pursuant to the provisions of the Act to pledge the  
22 Pledged Revenues to secure the payment of debt issued to finance the Project Costs.

23 (E) The Pledged Revenues together with capitalized interest provided from  
24 proceeds of the Bonds are estimated to be sufficient to pay the Debt Service on the Series 1993  
25 Bonds and to make all other payments required to be made by the provisions of this  
26 Ordinance.

1 (F) The Bonds to be issued pursuant to this Ordinance shall not be or constitute  
2 general obligations or indebtedness of the City as "bonds" within the meaning of any provision  
3 of the Constitution of the State, but shall be and are hereby declared to be special and limited  
4 obligations of the City, the Debt Service on which is payable solely from the Pledged  
5 Revenues in the manner provided herein. The Debt Service on the Bonds to be issued  
6 pursuant to the provisions of this Ordinance and all other payments provided for herein, will  
7 be paid solely from the Pledged Revenues, and it will never be necessary or authorized to levy  
8 taxes on any real property of or in the City to pay the Debt Service on the Bonds, or to make  
9 any of the sinking fund, reserve, or other payments provided for herein. Furthermore, neither  
10 the Bonds nor the Debt Service thereon, shall be or constitute a lien upon the Series 1993  
11 Project or upon any other property of or in the City other than the Pledged Revenues in the  
12 manner provided in this Ordinance.

13 SECTION 1.06. ORDINANCE CONSTITUTES A CONTRACT. In consideration  
14 of the acceptance of the Bonds by those who shall be the Registered Owners thereof from time  
15 to time, this Ordinance shall be deemed to be and shall constitute a contract between the City  
16 and such Registered Owners and any Credit Facility Issuer. The covenants and agreements  
17 herein set forth shall be for the equal benefit, protection, and security of the Registered  
18 Owners of all Bonds, and all Bonds shall be of equal rank and without preference, priority, or  
19 distinction over any other thereof, except as expressly provided herein and in any Credit  
20 Facility. Additional Parity Bonds shall be deemed to have been issued pursuant to this  
21 Ordinance the same as the Series 1993 Bonds originally authorized and issued pursuant to this  
22 Ordinance, and all of the covenants and other provisions of this Ordinance (except as to details  
23 of such Additional Parity Bonds inconsistent herewith), shall be for the equal benefit,  
24 protection and security of the Registered Owners of the Series 1993 Bonds and the Registered  
25 Owners of any Additional Parity Bonds within the limitations of and in compliance with this  
26 Ordinance.

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ARTICLE II

AUTHORIZATION OF SERIES 1993 PROJECT;  
DESCRIPTION, DETAILS AND FORM OF SERIES 1993 BONDS

SECTION 2.01. AUTHORIZATION OF SERIES 1993 PROJECT. The City Council hereby specifically authorizes the Series 1993 Project.

SECTION 2.02. AUTHORIZATION OF BONDS. Subject and pursuant to the provisions of this Ordinance, obligations of the City, to be known as "Sales Tax Revenue Bonds, Series 1993)", are hereby authorized to be issued in an aggregate principal amount on original issuance not to exceed \$230,000,000, for the purpose of financing Project Costs, including the payment of the Bond anticipation notes issued pursuant to Section 2.08 hereof.

SECTION 2.03. DESCRIPTION OF BONDS. The Bonds of each Series shall be numbered; shall be in such denominations or maturity amounts; shall be dated; shall bear interest at not exceeding the maximum rate allowed by law payable on such dates; shall mature on such dates, not to exceed 40 years from the date thereof, and in such amounts; and shall be issued as Current Interest Paying Bonds, Capital Appreciation Bonds, Variable Rate Bonds, Adjustable Rate Bonds, Serial Bonds, Term Bonds, or any combination thereof; as shall be determined by subsequent ordinance or resolution of the City Council enacted or adopted at or prior to the sale of such Series.

The Bonds may be issued all at one time or in Series or installments from time to time. Different installments and Series of the Bonds may have such characteristics as shall be provided by subsequent ordinance or resolution of the City Council, and shall bear a designation to distinguish such Series or installment from other Series or installments of the Bonds.

The Bonds of each Series shall be issued in fully registered form without coupons; shall be payable with respect to principal at the office of the Deputy Registrar and Paying Agent, or such other Deputy Registrar and Paying Agent as shall be subsequently named; shall be payable in lawful money of the United States of America; and shall bear interest from their

1 date, or from the most recent date to which interest has been paid, payable, in the case of  
2 Current Interest Paying Bonds, by check or draft mailed to the Registered Owner at his address  
3 as it appears upon the books of the Deputy Registrar and Paying Agent as of 5:00 P.M.  
4 Eastern Time on the Record Date, and in the case of Capital Appreciation Bonds, at maturity  
5 upon presentation at the office of the Deputy Registrar and Paying Agent.

6 SECTION 2.04. EXECUTION AND AUTHENTICATION OF BONDS. The  
7 Bonds of each Series shall be executed in the name of the City by the Mayor of the City, and  
8 attested and, if applicable, countersigned by the Corporation Secretary of the City, and its seal  
9 or facsimile thereof shall be affixed thereto or reproduced thereon. The signatures of the  
10 Mayor and the Corporation Secretary may be manual or facsimile.

11 The Deputy Registrar and Paying Agent shall serve as authenticating agent for the  
12 Bonds and is authorized to authenticate Bonds. No Bond shall be valid or obligatory for any  
13 purpose or be entitled to any security or benefit under the provisions of this Ordinance until a  
14 certificate of authentication substantially in the form set forth in Exhibit A hereto shall have  
15 been signed by manual signature of an authorized signer of the authenticating agent. The  
16 authorized signature for the Deputy Registrar and Paying Agent shall be manual. The  
17 authentication by the authenticating agent upon any Bond shall be conclusive evidence that the  
18 Bond so authenticated has been duly authenticated and delivered hereunder and is entitled to  
19 the security and benefit hereof.

20 In case any officer who shall have signed or sealed any of the Bonds shall cease to be  
21 such officer before the Bonds have been delivered, such Bonds may nevertheless be delivered  
22 as if such officer had not ceased to hold such office. Any Bond may be signed and sealed on  
23 behalf of the City by such person as at the time of execution shall hold the proper office,  
24 although at the date of such Bonds such person may not have held such office.

25 SECTION 2.05. NEGOTIABILITY, REGISTRATION, TRANSFERABILITY  
26 AND EXCHANGE. The Bonds shall be and have all the qualities and incidents of negotiable  
27 instruments under the Uniform Commercial Code - Investment Securities Laws of the State,  
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1 and each successive Registered Owner, in accepting any Bonds, shall be conclusively deemed  
2 so to have agreed.

3 The Deputy Registrar and Paying Agent shall be responsible for maintaining the  
4 books for the registration of the transfer and exchange of the Bonds. The City and the Deputy  
5 Registrar and Paying Agent may treat the Registered Owner of any Bond as the absolute owner  
6 thereof for all purposes, whether or not such Bond shall be overdue, and shall not be bound by  
7 any notice to the contrary.

8 All Bonds presented for transfer or exchange (if so required by the City or the  
9 Deputy Registrar and Paying Agent) shall be accompanied by a written instrument or  
10 instruments of transfer or authorization for exchange, in form and with guaranty of signature  
11 satisfactory to the City or the Deputy Registrar and Paying Agent, duly executed by the  
12 Registered Owner or by his duly authorized representative.

13 The Deputy Registrar and Paying Agent may charge the Registered Owner a sum  
14 sufficient to reimburse it for any expenses incurred in making any exchange or transfer after  
15 the first such exchange or transfer following the initial delivery of the Bonds. The Deputy  
16 Registrar and Paying Agent or the City may also require payment from the Registered Owner  
17 or his transferee, as the case may be, of a sum sufficient to cover any tax, fee or other  
18 governmental charge that may be imposed in relation thereto. Such charges and expenses shall  
19 be paid before any new Bonds shall be delivered.

20 The City and the Deputy Registrar and Paying Agent shall not be required to issue,  
21 transfer or exchange any Bonds (a) during a period beginning at the opening of business on the  
22 15th day next preceding any Interest Payment Date and ending at the close of business on the  
23 Interest Payment Date or (b) selected, called or being called for redemption in whole or in  
24 part.

25 New Bonds delivered upon any transfer or exchange shall be valid obligations of the  
26 City, evidencing the same debt as the Bonds surrendered, shall be secured by this Ordinance,  
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1 and shall be entitled to all of the security and benefits hereof to the same extent as the Bonds  
2 surrendered.

3           The City may elect to use a book-entry system for issuance and registration of the  
4 Bonds of any Series, and the details of any such system shall be as fixed by subsequent  
5 ordinance or resolution of the City Council enacted or adopted prior to the time of issuance of  
6 such Bonds.

7           Whenever any Bond shall be delivered to the Deputy Registrar and Paying Agent for  
8 cancellation, upon payment of the principal amount thereof, or for replacement, transfer or  
9 exchange, such Bond shall be cancelled and destroyed by the Deputy Registrar and Paying  
10 Agent as authorized by law, and counterparts of a certificate of destruction evidencing such  
11 destruction shall be furnished to the City.

12           **SECTION 2.06. REPLACEMENT OF BONDS MUTILATED, DESTROYED,**  
13 **STOLEN OR LOST.** In case any Bond shall become mutilated or be destroyed, stolen or lost,  
14 the Deputy Registrar and Paying Agent may in its discretion issue and deliver a new Bond, of  
15 like tenor as the Bond, so mutilated, destroyed, stolen or lost, either in exchange and  
16 substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond or  
17 in lieu of and substitution for the Bond destroyed, stolen or lost, upon the Registered Owner's  
18 furnishing the Deputy Registrar and Paying Agent proof of his ownership and the loss thereof  
19 (if lost, stolen or destroyed), satisfactory indemnity in favor of both the City and the Deputy  
20 Registrar and Paying Agent, and complying with such other reasonable regulations and  
21 conditions as the Deputy Registrar and Paying Agent and City may prescribe, and paying (in  
22 advance if required by the City) such expenses and attorneys fees as the City may incur. All  
23 Bonds so surrendered shall be cancelled. If any such Bond shall have been matured or be  
24 about to mature, instead of issuing a substitute Bond, the Deputy Registrar and Paying Agent  
25 may pay the same, upon compliance with the foregoing conditions.  
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1 Any such duplicate Bonds issued pursuant to this section shall constitute original,  
2 additional contractual obligations on the part of the City, whether or not any lost, stolen or  
3 destroyed Bonds are found.

4 SECTION 2.07. TEMPORARY BONDS. Until Bonds in definitive form of any  
5 Series are ready for delivery, the City may deliver in lieu of such definitive Bonds, and subject  
6 to the same provisions, limitations and conditions, one or more printed or typewritten Bonds in  
7 temporary form, substantially of the tenor of the Bonds, with appropriate omissions and  
8 variations.

9 The City shall issue Bonds in definitive form without unreasonable delay in exchange  
10 for the temporary Bonds.

11 SECTION 2.08. ANTICIPATION NOTES. In anticipation of the delivery of any  
12 Series, the City may issue Bond anticipation notes, in the aggregate principal amount  
13 outstanding at any one time together with interest accrued and to accrue thereon to maturity  
14 not to exceed the aggregate principal amount of such Bonds theretofore authorized. Bond  
15 anticipation notes may be issued as part of a financing program utilizing commercial paper or  
16 other short-term, adjustable rate, or variable rate debt instruments to provide interim  
17 financing for one or more City projects, provided that the principal amount of such program  
18 outstanding at any one time allocable to projects to be financed hereunder together with  
19 interest accrued and to accrue thereon to maturity shall not exceed the aggregate principal  
20 amount of Bonds theretofore authorized. Provisions regarding the form of such Bond  
21 anticipation notes and the security for any Bond anticipation notes shall be set forth in a  
22 separate ordinance or resolution of the City Council enacted or adopted at or prior to the time  
23 of sale of such Bond anticipation notes.

24 SECTION 2.09. PROVISIONS FOR REDEMPTION. The Bonds or any portions  
25 thereof may be subject to redemption as provided by subsequent ordinance or resolution of the  
26 City Council enacted or adopted prior to the sale of the Bonds.

1 For purposes of any redemption of less than all of the Outstanding Bonds of a single  
2 maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected not more  
3 than forty-five (45) days prior to the redemption date by the Deputy Registrar and Paying  
4 Agent from the Outstanding Bonds of the maturity or maturities designated by the City and by  
5 lot within a maturity. If less than all of the Outstanding Bonds of a single maturity are to be  
6 redeemed, the Deputy Registrar and Paying Agent shall promptly notify the City in writing of  
7 the Bonds or portions of Bonds selected for redemption, and in the case of any Bond selected  
8 for partial redemption, the principal amount thereof to be redeemed.

9 Not more than sixty (60) calendar days or less than thirty (30) calendar days prior to  
10 the Redemption Date, notice of such redemption, (i) shall be filed with the Deputy Registrar  
11 and Paying Agent, and (ii) shall be mailed by deposit in the U.S. Mail by First Class Mail,  
12 postage prepaid at least thirty (30) and not more than sixty (60) calendar days prior to the  
13 redemption date, to all Registered Owners of Bonds to be redeemed at their addresses as they  
14 appear on the Register hereinabove provided for. Interest shall cease to accrue on any Bonds  
15 duly called for prior redemption on the redemption date, if payment of the redemption price  
16 has been duly provided. Failure of any Registered Owner to receive notice properly provided  
17 shall not affect the validity of any such proceedings for redemption or cessation of the accrual  
18 of interest on the Bonds called for redemption from and after the Redemption Date.

19 Each notice of redemption shall be dated and state the redemption date, the  
20 redemption price, the identification and respective principal amount of Bonds to be redeemed  
21 if less than all Bonds are to be redeemed, and that on the redemption date the redemption price  
22 will become due and payable on each Bond or portion thereof called for redemption and that  
23 interest on each such Bond shall cease to accrue from and after such date, and the place where  
24 the Bonds are to be surrendered for payment of the redemption price.

25 In addition to the foregoing notice, further notice shall be given as set out below, but  
26 no defect in any such notice nor any failure to give all or any portion of any notice shall in any  
27 manner defeat the effectiveness of a call for redemption with respect to an Owner as to which  
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1 notice is given as prescribed above. Each such further notice of redemption given hereunder  
2 shall contain the information required above for an official notice of redemption plus: (i) the  
3 date of the Bonds of such Series being redeemed; (ii) the rate of interest borne by each Bond  
4 being redeemed; (iii) the maturity date of each Bond being redeemed; (iv) the CUSIP number  
5 of all Bonds being redeemed and (v) any other descriptive information needed to identify  
6 accurately the Bonds being redeemed.

7 Each further notice of redemption shall be sent at least thirty-two (32) days before the  
8 redemption date by registered or certified mail or overnight delivery service (at the expense of  
9 the addressee) to all registered securities depositories then in the business of holding substantial  
10 amounts of obligations of types such as the Bonds (such depositories now being The  
11 Depository Trust Company of New York, New York, Midwest Securities Trust Company of  
12 Chicago, Illinois, and Philadelphia Depository Trust Company of Philadelphia, Pennsylvania)  
13 and to one or more national information services that disseminate notices of redemption of  
14 obligations such as the Bonds (such as Financial Information, Inc.'s Financial Daily Called  
15 Bond Service, Interactive Data Corporation's Bond Service, Kenny Information Service's  
16 Called Bond Service and Standard & Poor's Called Bond Record).

17 SECTION 2.10. FORM OF BONDS. The text of the Bonds shall be of substantially  
18 the form of Exhibit A hereto, with such omissions, insertions, and variations as may be  
19 necessary and desirable, and as may be authorized or permitted by this Ordinance or by  
20 subsequent ordinance or resolution enacted or adopted by the City Council prior to the  
21 issuance thereof.

22 SECTION 2.11. ADDITIONAL DETAILS. The City may, with respect to any  
23 Series, vary the details of the description of the Bonds, the execution, registration, redemption  
24 and other terms of the Bonds set forth in this Article II in such manner as the City shall  
25 determine by subsequent ordinance or resolution enacted or adopted by the City Council prior  
26 to the issuance of such Bonds.

ARTICLE III

BONDS NOT GENERAL OBLIGATION OF CITY;  
PLEDGE OF REVENUES AND APPLICATION THEREOF

SECTION 3.01. BONDS NOT GENERAL OBLIGATIONS OR INDEBTEDNESS OF THE CITY. The Bonds shall not be or constitute general obligations or indebtedness of the City as "bonds" within the meaning of any State constitutional, State statutory, City charter or City code provision or limitation but shall be special and limited obligations of the City payable solely from and secured by a lien upon and a pledge of the Pledged Revenues as herein provided. No Registered Owner or Owners of any Bonds, or any Credit Facility Issuer or Reserve Account Credit Facility Issuer, shall ever have the right to require or compel the exercise of the ad valorem taxing power of the City, or taxation in any form on any real or personal property of or in the City, to pay the Bonds or Debt Service thereon.

SECTION 3.02. BONDS SECURED BY PLEDGED REVENUES. The payment of Debt Service on all of the Bonds issued hereunder shall be secured forthwith equally and ratably with the other Bonds by a lien upon and pledge of the Pledged Revenues. The Pledged Revenues, in an amount sufficient both to pay the Debt Service on the Bonds herein authorized and to make the payments into the Reserve Account and Sinking Fund and all other payments provided for in this Ordinance are hereby irrevocably pledged in the manner stated herein to the payment of the Debt Service on the Bonds herein authorized as the same become due; provided that said pledge and lien may be released and extinguished by defeasance as provided in Section 6.04 hereof. Notwithstanding the foregoing, no provision hereof is intended to prohibit the payment of Debt Service on any Series of Bonds from, or the pledging to such payment of, any lawfully available additional reserves, security, documents, obligations or sources of funds that are legally available.

SECTION 3.03. APPLICATION OF PLEDGED REVENUES. For as long as the Bonds shall be Outstanding or until (a) there shall have been set apart in the Sinking Fund, including subaccounts therein for each Series, and the Reserve Account and Bond

1 Amortization Account and subaccounts therein, a sum sufficient to pay when due the entire  
2 principal amount of the Bonds remaining unpaid, together with the premium, if any, with  
3 respect thereto, and the interest accrued and to accrue thereon, or (b) provision for payment of  
4 the Bonds shall have been made in accordance with the provisions of this Ordinance and the  
5 Bonds are deemed to have been paid and discharged, the City covenants with the Registered  
6 Owners of and any Credit Facility Issuer for the Bonds as follows:

7 (A) CREATION OF FUNDS AND ACCOUNTS. There are hereby created  
8 and established by the City the following special funds and accounts which shall (except for  
9 the Rebate Fund) be subject to the lien hereof: a fund designated Sales Tax Revenue Bonds,  
10 Series 1993 Revenue Fund (hereinafter the "Revenue Fund"); a fund designated Sales Tax  
11 Revenue Bonds, Series 1993 Sinking Fund (hereinafter the "Sinking Fund"), together with  
12 subaccounts therein to be known as the "Bond Amortization Account" (together with any  
13 subaccounts therein), the "Capitalized Interest Account" and the "Reserve Account", and the  
14 Sales Tax Revenue Bonds, Series 1993 Rebate Fund (hereinafter the "Rebate Fund"), provided  
15 that separate accounts and subaccounts in any of the foregoing may be established and  
16 maintained for different Series.

17 (B) MAINTENANCE OF FUNDS AND ACCOUNTS. The designation and  
18 establishment of the various funds and accounts in and by this Ordinance shall not be construed  
19 to require the establishment of any completely independent, self-balancing funds or accounts,  
20 as such terms are commonly defined and used in Accounting Principles, but rather is intended  
21 solely to constitute separation and distinction of Pledged Revenues for certain purposes and to  
22 establish certain priorities for application of such Pledged Revenues as provided herein. Cash  
23 and investments required to be accounted for in each of the funds and accounts established by  
24 this Ordinance may be deposited in a single bank account, provided that standard accounting  
25 records are maintained to reflect control or restricted allocation of the moneys therein for the  
26 various purposes of such funds and accounts.

1 The foregoing provisions notwithstanding, the funds and accounts created and  
2 established pursuant to this Ordinance shall constitute trust funds for the purposes provided  
3 herein and shall be maintained on the books of the City as separate and distinct from all other  
4 funds and accounts of the City, in the manner provided in this Ordinance. All moneys in such  
5 funds and accounts shall be continuously secured in the same manner as deposits of City funds  
6 are required to be secured by the laws of the State.

7 Separate accounts may be maintained for different Series and identified by the  
8 appropriate designation, and deposits into the accounts for each such Series shall be on a parity  
9 with the deposits, if any, into the corresponding accounts for each other Series (or, in the case  
10 of a deficiency, shall be on a pro rata basis computed with regard to the aggregate principal  
11 amount of Bonds of each Series then Outstanding and unpaid) unless specified otherwise;  
12 further provided that moneys on deposit in the accounts established for a particular Series may  
13 be specified not to be available to be used for payments required to be made from the  
14 corresponding accounts for any other Series.

15 (C) APPLICATION OF PLEDGED REVENUES. All Pledged Revenues  
16 shall, immediately upon receipt thereof, be deposited by the City into the Revenue Fund.  
17 Moneys on deposit in the Revenue Fund shall be applied, on or before the 25th day of each  
18 month, subject to credits for deposits as provided below, only in the following manner and  
19 order of priority, and provided that with respect to any payment period for any Series that is  
20 other than annual or semiannual, the required deposits shall be such as to provide for equal  
21 monthly deposits of all amounts required to meet the Debt Service of such Series, as follows:

22 (1) Moneys in the Revenue Fund shall first be used for deposit into the  
23 Sinking Fund, of an amount equal to one-twelfth (1/12) of the principal due on the next  
24 succeeding Principal Payment Date and one-sixth (1/6) of the interest due on the next  
25 succeeding Interest Payment Date; provided, however, that no deposit shall be required to the  
26 extent that payment of interest on the Bonds has been provided from the proceeds of the  
27 Bonds.



1 (2) Revenues shall next be used for deposit into the Bond Amortization  
2 Account, on a parity with the payments into the Sinking Fund provided in Subsection (1)  
3 above, an amount equal to one-twelfth (1/12) of the Amortization Installment for Term Bond  
4 which shall become due and payable on the next Principal Maturity Date, plus the amount of  
5 the premium, if any, on the principal amount of such Amortization Installment which would be  
6 payable on the next maturity date if such principal amount of Term Bonds were to be  
7 redeemed prior to their maturity from money held in the Bond Amortization Account.

8 Moneys on deposit in the Sinking Fund and the Bond Amortization  
9 Account shall be used only for the purpose of paying Debt Service on Bonds as the same shall  
10 become due and for no other purpose.

11 (3) Moneys shall next be used to maintain on deposit in the Reserve  
12 Account in the Sinking Fund an amount equal to the Reserve Account Requirement; provided  
13 that this requirement shall not apply with respect to any Bonds to the extent that a Reserve  
14 Account Credit Facility has been furnished to satisfy and is then satisfying all or a portion of  
15 such Reserve Account Requirement.

16 Moneys in the Reserve Account shall be used only for the purpose of the  
17 payment of Debt Service on the Bonds when the other moneys allocated to the Sinking Fund  
18 are insufficient therefor, and for no other purpose. Any withdrawals from the Reserve  
19 Account shall be restored from the first available moneys after all required current payments  
20 have been made into the Sinking Fund and accounts therein. As provided in Subsection  
21 3.04(B), the City may establish separate Subaccounts in the Reserve Account for the respective  
22 Series, and may provide that funds in such subaccount shall be available for only Debt Service  
23 on the applicable Series.

24 Upon the issuance of Additional Parity Bonds, additional moneys shall be  
25 deposited into the Reserve Account from the proceeds of such Additional Parity Bonds, or  
26 from other moneys of the City available therefor, in order to make the amount on deposit in  
27 the Reserve Account at the time of issuance thereof equal to the Reserve Account  
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1 Requirement. The foregoing provision notwithstanding, the City shall be entitled at the time  
2 of issuance of the Additional Parity Bonds to elect to provide a Reserve Account Credit  
3 Facility in an amount equal to such difference in lieu of depositing such moneys; provided,  
4 that the consent of the Credit Facility Issuer with respect to any Bonds Outstanding at the time  
5 of issuance of such Additional Parity Bonds shall be required where the full deposit into the  
6 Reserve Account is not made at the time of issuance of such Additional Parity Bonds.

7 If and whenever the moneys allocated to the Reserve Account exceed the  
8 Reserve Account Requirement on all Outstanding Bonds, such excess shall be deposited to the  
9 Sinking Fund and used to pay Debt Service.

10 (4) Moneys shall next be used to cure any deficiency for prior deposits  
11 into the Sinking Fund and Reserve Account.

12 (5) Moneys shall next be used for deposit into the Rebate Fund in such  
13 amounts as are determined by the City to be necessary pursuant to the provisions of Section  
14 5.01(E) hereof and any Tax Compliance Certificate.

15 (6) Remaining moneys shall thereafter be withdrawn and used by the City  
16 (i) first, to pay debt service on, and make other required deposits or payments with respect to,  
17 Subordinated Bonds, and (ii) second, for any lawful purpose of the City.

18 Credit shall be allowed against the required deposit amounts due as prescribed  
19 above for the payment of principal of, interest on and Amortization Installment of Bonds to the  
20 extent of any other funds on deposit and available for such purpose in the applicable accounts  
21 or subaccounts of the Sinking Fund and Bond Amortization Account, including capitalized  
22 interest and any investment income transferred into such fund or account and available for such  
23 purposes.

24 (D) INVESTMENT OF MONEYS IN FUNDS AND ACCOUNTS. All  
25 moneys in the funds and accounts created hereunder shall be invested and reinvested only in  
26 Authorized Investments. Authorized Investments allocated to any fund or account shall mature  
27 not later than the respective dates, as estimated by the City, moneys held for the credit of such  
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1 Fund or account will be needed for the purposes thereof. In the case of the Reserve Account,  
2 investments shall mature not later than seven (7) years from their date, and such investment  
3 earnings may be retained in such account to the extent necessary to maintain the Reserve  
4 Account Requirement therein, or may be transferred to the construction fund, if any, if  
5 necessary or desirable in connection with any Series as determined by the City at or prior to  
6 the issuance of such Series; provided, however, that investments in the Reserve Account shall  
7 be valued at the market value thereof semi-annually. Except as provided in the preceding  
8 sentence and as otherwise provided herein with respect to any particular moneys, and except to  
9 the extent necessary to be deposited into the Rebate Fund in accordance with any Tax  
10 Compliance Certificate, all income received on Authorized Investments of moneys held in  
11 funds and accounts specified immediately above in subsections (C)(2) through (4) shall upon  
12 receipt be deposited into the Sinking Fund.

13 (E) OPERATION OF BOND AMORTIZATION ACCOUNT. Moneys held  
14 for the credit of the Bond Amortization Account shall be applied to the retirement of Term  
15 Bonds of each Series or installment of Bonds, to the extent of the Amortization Installment, if  
16 any, for such Bond Year for the Term Bonds of each such Series or installment, and if the  
17 amount available in such Bond Year shall not be sufficient therefor, then in proportion the  
18 Amortization Installment, if any, for such Bond Year for the Term Bonds of each such Series  
19 or installment then Outstanding.

20 Notwithstanding the provisions of the preceding paragraph, the City may  
21 purchase Term Bonds then Outstanding at the most advantageous price obtainable with  
22 reasonable diligence, such price not to exceed the principal amount of such Term Bonds plus  
23 the amount of the premium, if any, which would be payable on the next redemption date to the  
24 Registered Owners of such Term Bonds if such Term Bonds should be called for redemption  
25 on such date from moneys in the Bond Amortization Account. The City shall pay the interest  
26 accrued on such Term Bonds to the date of purchase thereof from the Interest Account and the  
27 balance of the purchase price from the Bond Amortization Account, but no such purchase shall  
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1 be made by the City within the period of 45 days immediately preceding any Interest Payment  
2 Date on which Term Bonds are subject to call for redemption, except from moneys in excess  
3 of the amounts set aside or deposited for the redemption of Term Bonds.

4 (F) UNCLAIMED MONEYS. Moneys held by the Deputy Registrar and  
5 Paying Agent for the payment of Debt Service and remaining unclaimed for a period of four  
6 (4) years from the date on which such moneys were due to pay such Debt Service may be  
7 withdrawn by the City and used for any lawful purpose; provided (1) that such withdrawal  
8 shall not give rise to any claim for additional interest due on such Bonds on account of  
9 payment thereof not having been duly provided for under the terms of this Ordinance and (2)  
10 that such withdrawal shall not affect the right, to the extent existing under the provisions of  
11 this Ordinance or of the laws of the State, of the Registered Owner of such Bonds to payment  
12 of the principal and interest thereon to the Interest Payment Date with respect to which such  
13 moneys were originally deposited.

14 (G) REBATE FUND. At the times and in the manner required by Section  
15 148(f) of the Code, the City Treasurer shall make or cause to be made such calculations as are  
16 necessary to determine the amount of the City's liability to make rebate payments to the United  
17 States with respect to each Series of Bonds. An account in the Rebate Fund may be created  
18 for each "issue" (as such term is used in the Code) of Bonds. The estimated amount needed to  
19 pay rebate thereon (taking into account amounts then in the Rebate Fund) shall be deposited in  
20 the Rebate Fund not later than the date on which such rebate payment is due and shall be  
21 applied to pay such rebate liability. The City Treasurer may make, but shall not be required to  
22 make, periodic deposits in the Rebate Fund to fund the City's estimated accrued rebate liability  
23 with respect to the Bonds.

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ARTICLE IV  
APPLICATION OF SERIES 1993 BOND PROCEEDS

SECTION 4.01. APPLICATION OF SERIES 1993 BOND PROCEEDS. All moneys received from the sale of any or all of the Series 1993 Bonds, shall be disbursed as follows:

(A) Accrued interest received upon the delivery of the Series 1993 Bonds shall be deposited into the Interest Account in the Sinking Fund and applied to the interest coming due on the Series 1993 Bonds on the first Interest Payment Date.

(B) An amount equal to the Reserve Account Requirement shall be deposited into the Reserve Account; provided that this requirement may be satisfied in whole or in part by the establishment of a Reserve Account Credit Facility for the purpose of such Reserve Account.

(C) The City shall next pay the costs of issuance of the Series 1993 Bonds.

(D) The City shall pay or provide for the payment of principal and interest on any outstanding Bond anticipation notes issued pursuant to Section 2.08 hereof in accordance with the provisions of the ordinance or ordinances or resolution or resolutions authorizing such Bond anticipation notes.

(E) There shall be deposited into the "Capitalized Interest Account" in the Sinking Fund, an amount sufficient to pay the interest on the Series 1993 Bonds through the date specified by the supplemental resolution fixing the details of the Series 1993 Bonds.

(F) The balance of the proceeds of the sale of the Series 1993 Bonds shall be deposited in a special fund hereby created to be known as the "Series 1993 Bonds Construction Fund" (herein referred to as the "Construction Fund"), under the management and control of the City or its agent, to be used to pay Project Costs.

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1           The moneys on deposit in the Construction Fund shall be withdrawn, used and  
2 applied by the City solely for the payment of the Project Costs and purposes incidental thereto,  
3 as described and set forth in this Ordinance.

4           All funds on deposit in the Construction Fund, which in the opinion of the City,  
5 are not immediately necessary for expenditure, as hereinabove provided, may be invested in  
6 Authorized Investments, maturing at such time or times as such moneys will be needed for the  
7 purposes of the Construction Fund. All income derived from such investments shall be  
8 retained in the Construction Fund and used to pay the Project Costs.

9           If, for any reason, the moneys on deposit in the Construction Fund, or any part  
10 thereof, are not necessary for or are not applied to the payment of Project Costs, then the  
11 unapplied proceeds shall be deposited by the City (1) first, into the Sinking Fund to the extent  
12 of any deficiency therein, (2) second, into the Reserve Account to the extent of any deficiency  
13 therein, (3) third, to retire any outstanding Bond anticipation notes issued pursuant to Section  
14 2.08 hereof, including the payment of any Credit Facility entered into in connection with such  
15 Bond anticipation notes, (4) fourth, to a special subaccount in the Construction Fund to pay the  
16 cost of additional capital improvements approved by the City Council, and (5) fifth, to the  
17 Sinking Fund for payment of principal of or interest or premiums on Series 1993 Bonds when  
18 due or upon prior redemption.

ARTICLE V  
COVENANTS OF THE CITY;  
REMEDIES

SECTION 5.01. COVENANTS OF THE CITY. So long as any of the Bonds shall be Outstanding, or until (a) there shall have been set apart in the Sinking Fund (including the subaccounts therein for each Series) and the Reserve Account and Bond Amortization Account (and subaccounts therein), a sum sufficient to pay when due, the entire principal amount of the Bonds remaining unpaid, together with the premium, if any, with respect thereto and the interest accrued and to accrue thereon, or (b) provision for payment of the Bonds shall have been made in accordance with the provisions of this Ordinance and the Bonds are deemed to have been paid and discharged, the City covenants with the Registered Owners of the Bonds and any Credit Facility Issuer for the Bonds as follows:

(A) BOOKS AND RECORDS. The City will keep books and records of the Pledged Revenues, in which complete and correct entries shall be made in accordance with Accounting Principles of all transactions relating to the Pledged Revenues; any Registered Owner shall have the right at all reasonable times to inspect all books, records, accounts and data of the City relating thereto.

The City shall, within 180 days after the close of each Fiscal Year, cause the books, records and accounts of the City for such preceding Fiscal Year to be properly audited by the Independent Certified Public Accountants, and the City shall mail upon written request, and make available generally, said report, or a reasonable summary thereof, to any Registered Owner at the cost of such registered owner.

(B) MAINTENANCE OF REVENUES. The City covenants to do all things necessary on its part to continue the levy and collection of the Revenues in compliance with the Act and any successor provision of law. The City will at all times comply with all of the requirements and conditions of Chapter 218, Part VI, Florida Statutes, as amended and take every necessary action to remain qualified to receive distribution of the Revenues; and the City

1 will not take any action which will jeopardize its eligibility for receipt of such funds which  
2 may adversely affect its undertakings as provided in this instrument. The City will not take  
3 any action or enter into any agreement which will have the effect of reducing the level of  
4 Revenues distributed to the City from that prevailing at the time the City takes such action or  
5 enters into such agreement.

6 (C) ISSUANCE OF OTHER OBLIGATIONS PAYABLE OUT OF  
7 PLEDGED REVENUES. The City will not issue any other obligations, except the Series  
8 1993 Bonds and Additional Parity Bonds hereafter issued under the conditions and in the  
9 manner provided herein, payable from the Pledged Revenues, nor voluntarily create or cause  
10 to be created any debt, lien, pledge, assignment, encumbrance or any other charge having  
11 priority to or being on a parity with the lien of the Bonds and the interest thereon, upon any of  
12 the Pledged Revenues. Any other obligations issued by the City, in addition to the Series 1993  
13 Bonds or Additional Parity Bonds provided for in the following subsection, shall contain an  
14 express statement that such obligations are junior, inferior, and subordinate in all respects to  
15 the Series 1993 Bonds and any such Additional Parity Bonds as to lien on and source and  
16 security for payment from the Pledged Revenues, and in all other respects.

17 (D) ISSUANCE OF ADDITIONAL PARITY BONDS. No Additional Parity  
18 Bonds shall be issued after the issuance of any Bonds pursuant to this Ordinance, except upon  
19 the terms and conditions provided herein. The City may issue one or more series of  
20 Additional Parity Bonds for any one or more of the following purposes: financing (i) the cost  
21 of completion of a project for which Bonds have previously been issued, (ii) the cost of  
22 additional capital projects other than the Series 1993 Project, or (iii) refunding any or all  
23 Outstanding Bonds. Except for refunding Additional Parity Bonds having aggregate debt  
24 service equal to or less than the Bonds to be refunded, no such Additional Parity Bonds shall  
25 be issued unless the following conditions are complied with:

26 (1) There shall have been obtained and filed with the City a certificate of  
27 an authorized officer of the City: (a) setting forth the amount of the Pledged Revenues which  
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1 have been received by the City during any twelve (12) consecutive months designated by the  
2 City within the eighteen (18) months immediately preceding the date of delivery of such  
3 Additional Parity Bonds with respect to which such statement is made, and (b) stating the  
4 amount of the Pledged Revenues received during the aforementioned 12-month period equals  
5 at least 1.35 times the Maximum Debt Service Requirement of all Bonds then outstanding and  
6 such Additional Parity Bonds with respect to which such statement is made.

7 (2) an Authorized Officer of the City shall certify in writing that all of the  
8 payments into the respective funds and accounts provided for in this Ordinance shall have been  
9 made in full to the date of issuance of said Additional Parity Bonds, and the City shall be in  
10 substantial compliance with all of the covenants, agreements and terms of the Ordinance.

11 No Additional Parity Bonds, shall be issued at any time unless all of the payments  
12 into the respective funds and accounts provided for in this Ordinance shall have been made in  
13 full to the date of issuance of said Additional Parity Bonds, and the City shall be in substantial  
14 compliance with all of the covenants, agreements and terms of this Ordinance.

15 (E) TAX COMPLIANCE. The City covenants that it will restrict the use of  
16 the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary so  
17 that the Bonds will not constitute arbitrage bonds under Section 148 of the Code. The City  
18 Treasurer or any other officer having responsibility for the issuance of such Series shall give  
19 an appropriate certificate of the City, for inclusion in the transcript of proceedings for such  
20 Series, setting forth the reasonable expectations of the City regarding the amount and use of all  
21 the proceeds of the Series, the facts, circumstances, and estimates on which they are based,  
22 and other facts and circumstances relevant to the tax treatment of interest on the Series. Each  
23 such officer is further authorized to make or effect any election, selection, choice, consent,  
24 approval, or waiver on behalf of the City with respect to each Series as the City is permitted or  
25 required to make or give under the federal income tax laws, for the purposes of assuring,  
26 enhancing, or protecting favorable tax treatment or characterization of the Series or interest  
27 thereon or assisting compliance with requirements for that purpose, reducing the burden or  
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1 expense of such compliance, reducing the rebate amount or payments of penalties thereon, or  
2 making payments in lieu thereof, or obviating such amounts or payments, as determined by  
3 such officer. Any such action of such officer shall be in writing and signed by the officer.

4 The City covenants that it (a) will take or cause to be taken such actions which  
5 may be required of it for the interest on the Bonds to be and remain excluded from gross  
6 income for federal income tax purposes, and (b) will not take or permit to be taken any actions  
7 which would adversely affect that exclusion, and that it, or persons acting for it, will, among  
8 other acts of compliance, (i) apply the proceeds of the Bonds to the governmental purpose of  
9 the borrowing, (ii) restrict the yield on investment property acquired with those proceeds, (iii)  
10 make timely rebate or penalty payments to the federal government, (iv) maintain books and  
11 records and make calculations and reports, and (v) refrain from certain uses of proceeds, all in  
12 such manner and to the extent necessary to assure such exclusion of that interest under the  
13 Code. The City Treasurer and other appropriate officers are hereby authorized and directed to  
14 take any and all actions, make calculations and rebate or penalty payments, and make or give  
15 reports and certifications, as may be appropriate to assure such exclusion of that interest.

16 The City will take no action which would cause the Bonds to be "private activity  
17 bonds" within the meaning of Section 141 of the Code. The City will not accept any  
18 payments, directly or indirectly, from any non-governmental user of the Series 1993 Project  
19 (other than a person using the Series 1993 Project as a member of the general public with  
20 respect to the Series 1993 Project) which would cause the Bonds to be or become "private  
21 activity bonds."

22 SECTION 5.02. REMEDIES. Any Registered Owner of or any Credit Facility  
23 Issuer for Bonds, or any trustee acting for such Registered Owners in the manner hereinafter  
24 provided, may, either at law or in equity, by suit, action, mandamus, or other proceedings, in  
25 any court of competent jurisdiction, protect and enforce any and all rights, either under the  
26 laws of the State of Florida or granted and contained in this Ordinance and may enforce and  
27 compel the performance of all duties required by this Ordinance or by any applicable statutes  
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1 to be performed either by the City or by any officer thereof, including the fixing, charging,  
2 and collecting of the Pledged Revenues.

3 In the event that default shall be made in the payment of the interest on or the  
4 principal of any of the Bonds as the same become due, or in the making of the payments into  
5 the Sinking Fund or the Reserve Account or any other payments required to be made by this  
6 Ordinance, or in the event that the City or any officer, agent, or employee thereof shall fail or  
7 refuse to comply with provisions of this Ordinance, or shall default in any covenant made  
8 herein, and in the further event that any such default shall continue for a period of thirty (30)  
9 days after the giving of notice thereof to the City, the Registered Owners of not less than  
10 twenty-five percent (25%) in aggregate principal amount of Bonds Outstanding, or any trustee  
11 appointed to represent Registered Owners as hereinafter provided, shall be entitled as of right  
12 to the appointment of a receiver of the Pledged Revenues in an appropriate judicial proceeding  
13 in a court of competent jurisdiction, whether or not such Registered Owners or trustee is also  
14 seeking or shall have sought to enforce any other right or exercise any other remedy in  
15 connection with Bonds.

16 The receiver so appointed shall forthwith, directly or by his agents and attorneys,  
17 take possession of the various funds and accounts established hereunder, and shall hold,  
18 manage and control such funds and accounts, and in the name of the City shall exercise all the  
19 rights and powers of the City with respect to such funds and accounts as the City itself might  
20 do. Such receiver shall collect and receive all Pledged Revenues and maintain and apply the  
21 funds and accounts established by this Ordinance in the manner provided herein, and comply,  
22 under the jurisdiction of the court appointing such receiver, with all of the provisions of this  
23 Ordinance.

24 Whenever all principal that is due upon the Bonds, together with interest thereon, and  
25 all payments required under any covenants of this Ordinance for reserve, sinking funds, or  
26 other funds, and all principal upon any other obligations, together with interest thereon, having  
27 a charge, lien or encumbrance upon the Pledged Revenues, shall have been paid and made  
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1 good, and all defaults under the provisions of this Ordinance shall have been cured and made  
2 good, possession of the funds and accounts created hereby shall be surrendered to the City  
3 upon the entry of an order of the court to that effect. Upon any subsequent default, any  
4 Registered Owner, or any trustee appointed for Registered Owners as hereinafter provided,  
5 shall have the right to secure the further appointment of a receiver upon any such subsequent  
6 default.

7 Such receiver shall, in the performance of the powers hereinabove conferred upon  
8 him, be under the direction and supervision of the court making such appointment, shall at all  
9 times be subject to the orders and decrees of such court and may be removed thereby and a  
10 successor receiver appointed in the discretion of such court. Nothing herein contained shall  
11 limit or restrict the jurisdiction of such court to enter such other and further orders and decrees  
12 as such court may deem necessary or appropriate for the exercise by the receiver of any  
13 function not specifically set forth herein.

14 Any receiver appointed as provided herein shall hold and apply the funds and  
15 accounts established hereunder in the name of the City, any Credit Facility Issuer for the  
16 Bonds, and the Registered Owner of the Bonds issued pursuant to this Ordinance. Such  
17 receiver shall have no power to sell, assign, mortgage, or otherwise dispose of any assets of  
18 any kind or character belonging or pertaining to the City other than the Pledged Revenues, but  
19 the authority of such receiver shall be limited to the possession, and control, including the  
20 disbursement of moneys from, the funds and accounts established hereby, for the sole purpose  
21 of the protection of the City, any Credit Facility Issuer and the Registered Owners.

22 The Registered Owners of Bonds in an aggregate principal amount of not less than  
23 twenty-five per centum (25%) of Bonds then Outstanding may, by a duly executed certificate  
24 in writing, appoint a trustee for Registered Owners with authority to represent such Registered  
25 Owners in any legal proceedings for the enforcement and protection of the rights of such  
26 Registered Owners. Such certificate shall be executed by such Registered Owners or their  
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1 duly authorized attorneys or representatives, and shall be filed in the office of the Council  
2 Secretary of the City Council.

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ARTICLE VI  
MISCELLANEOUS PROVISIONS

SECTION 6.01. SALE OF 1993 BONDS. The Series 1993 Bonds shall be issued and sold at public sale, private placement, or negotiated sale at one time or in installments from time to time and at such price or prices consistent with the provisions of the Act and the laws of the State and the requirements of this Ordinance, and to the extent inconsistent therewith Section 104.211, Ordinance Code, is hereby waived.

SECTION 6.02. NOTICES TO CREDIT FACILITY ISSUER. Whenever a Credit Facility Issuer shall be providing a Credit Facility with respect to any Bonds, such party shall be entitled to receive and shall be provided by certified mail all notices and reports which are required herein to be prepared and to be sent or made available to Registered Owners of such Bonds.

SECTION 6.03. NO RECOURSE. No recourse shall be had for the payment of the Debt Service or for any claim based on the Bonds or on this Ordinance against any present or former officer or employee of the City.

SECTION 6.04. DEFEASANCE. Notwithstanding the foregoing provisions of this Ordinance, if, at any time, the City shall have paid, or shall have made provision for payment of Debt Service with respect to any Bonds, then, and in that event, the pledge of and lien on the Pledged Revenues, and the covenants of the City herein, in favor of the Registered Owners of such Bonds shall be no longer in effect. For purposes of the preceding sentence, deposit of United States Obligations in irrevocable trust with a banking institution or trust company for the sole benefit of the Registered Owners of the Bonds, the principal and interest on which United States Obligations will be sufficient without reinvestment to make timely payment of the principal, interest, and redemption premiums, if any, on such outstanding Bonds designated to be defeased, shall be considered "provision for payment". Nothing herein shall be deemed to require the City to call any of the outstanding Bonds for redemption prior to

1 maturity pursuant to any applicable optional redemption provisions, or to impair the discretion  
2 of the City in determining whether to exercise any such option for early redemption.  
3 Amounts, if any, paid by a Credit Facility Issuer under its Credit Facility shall not be deemed  
4 paid pursuant to this Section (regardless of what such Credit Facility provides) and shall  
5 continue to be due and owing hereunder until paid by the City in connection with this  
6 Ordinance.

7       SECTION 6.05. MODIFICATION OR AMENDMENT. No material adverse  
8 modification or amendment of this Ordinance or of any ordinance or resolution amendatory  
9 hereof, may be made without the consent in writing of the Registered Owners of a majority in  
10 principal amount of the Bonds then Outstanding, provided, however, that no modification or  
11 amendment shall permit a change in the maturity of such Bonds, a reduction in the rate of  
12 interest thereon, or a reduction in the amount of the principal obligation represented thereby;  
13 nor shall any modification or amendment either affect the unconditional promise of the City to  
14 pay the principal of and interest on the Bonds, as the same shall become due, from the Pledged  
15 Revenues, or reduce the percentage of Registered Owners of Bonds above required to consent  
16 to such material modifications or amendments, without the consent of the Registered Owners  
17 of all such Bonds; provided further, however, that no such modification or amendment shall  
18 allow or permit any acceleration of the payment of principal of or interest on the Bonds upon  
19 any default in the payment thereof whether or not the Registered Owners of the Bonds consent  
20 thereto.

21       The City, from time to time and at any time and without the consent or concurrence  
22 of any Registered Owners of any Bonds, may adopt a resolution amendatory hereof, if the  
23 provisions of such amendatory resolution shall not adversely affect the rights of the Registered  
24 Owners of the Bonds then outstanding, for any one or more of the following purposes:

25       (1) to make any changes or corrections in this Ordinance which the City shall  
26 have been advised by counsel are required for the purpose of curing or correcting any  
27 ambiguity or defect or inconsistent provision or omission or mistake or manifest error  
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1 contained herein, or to insert in this Ordinance such provisions clarifying matters or questions  
2 arising hereunder as are necessary or desirable;

3 (2) to add additional covenants and agreements of the City for the purpose of  
4 further securing the payment of the Bonds;

5 (3) to surrender any right, power or privilege reserved to or conferred upon the  
6 City by the terms hereof;

7 (4) to confirm by further assurance any lien, pledge or charge created or to be  
8 created by the provisions hereof;

9 (5) to grant to or confer upon the Registered Owners any additional right,  
10 remedies, powers, authority or security that lawfully may be granted to or conferred upon  
11 them;

12 (6) to assure compliance with the Code;

13 (7) to provide such changes which, in the opinion of the City, based upon such  
14 certificates and opinions of the Independent Certified Public Accountant, Bond Counsel,  
15 financial advisors or other appropriate advisors as the City may deem necessary or appropriate,  
16 will not materially adversely affect the security of the Registered Owners, including, but not  
17 limited to, such changes as may be necessary in order to adjust the terms hereof so as to  
18 facilitate the issuance of other types of obligations, including, but not limited to, payment  
19 obligations under agreements related to derivative financial products, such as interest rate swap  
20 agreements, caps, collars, or other hedging agreements, or bonds, notes, certificates, warrants  
21 or other evidences of indebtedness, which are Subordinated Bonds;

22 (8) to modify any of the provisions of this Ordinance in any other respects,  
23 provided that such modification shall not be effective (a) with respect to the Bonds outstanding  
24 at the time such amendatory resolution is adopted or (b) shall not be effective (i) until the  
25 Bonds outstanding at the time such amendatory resolution is adopted shall cease to be  
26 outstanding, or (ii) until the Registered Owners thereof consent thereto.



1 The foregoing provisions notwithstanding, (1) no consent of any Registered Owners  
2 shall be required with respect to modification or amendment with respect to any Bonds as to  
3 which a Credit Facility (other than a Reserve Account Credit Facility) is in place and to which  
4 modification or amendment the Credit Facility Issuer has provided its prior written consent and  
5 (2) no modification or amendment shall be effective with respect to any Bonds as to which a  
6 Credit Facility is effective without the prior written consent to such modification or  
7 amendment of the Credit Facility Issuer.

8 SECTION 6.06. SUBSTITUTE FOR MAILING. If, because of the temporary or  
9 permanent suspension of postal service, the City, or any other Person shall be unable to mail  
10 any notice required to be given by the provisions of this Ordinance, the City, or such other  
11 Person shall give such notice in such other manner as in its judgment shall most effectively  
12 approximate such mailing; and the giving of such notice in such manner shall for all purposes  
13 of this Ordinance be deemed to be in compliance with the requirement for the mailing thereof.

14 SECTION 6.07. SUCCESSORSHIP OF OFFICERS. In the event that the office of  
15 any officer or official of the City who is vested with responsibilities under this Ordinance is  
16 abolished or any two or more offices are merged or consolidated, or in the event of a vacancy  
17 in any such office by reason of death, resignation, removal from office or otherwise, or in the  
18 event any such officer or official becomes incapable of performing the duties of such office by  
19 reason of sickness, absence from the City or otherwise, all powers conferred and all  
20 obligations and duties imposed upon such officer or official shall be performed by the officer  
21 or official upon whom such powers, obligations and duties are imposed by law.

22 SECTION 6.08. PAYMENTS DUE AND ACTS REQUIRED TO BE DONE ON  
23 DAYS WHICH ARE NOT BUSINESS DAYS; TIME. (a) In any case where any payment of  
24 debt service is required to be paid on a date which is not a Business Day, then such payment  
25 need not be made on such date, but shall be made on the next succeeding Business Day, with  
26 the same force and effect as if made on the date fixed for such payment, and no interest shall  
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1 accrue on such payment for the period after such date if such payment is made on such next  
2 succeeding Business Day.

3 (b) In any case where any act is required or any notice is required to be given  
4 hereunder on any day other than a Business Day, then such act shall be done or such notice  
5 shall be given on the next succeeding Business Day, with the same force and effect as if such  
6 act had been performed or such notice had been given on the date required.

7 (c) All times for the making of any payment or the performance of any act, as  
8 provided in this Ordinance shall mean the local time prevailing in the City unless some other  
9 time is expressly provided for.

10 SECTION 6.09. JEA CONTRIBUTION TO GENERAL FUND. (a) Section  
11 106.202 of the Ordinance Code of the City is hereby amended by adding thereto a new  
12 subsection (B) to read as follows:

13 \*106.202 Calculation of annual contribution by Jacksonville Electric  
14 Authority. (A) In preparing its annual budget proposal for submission to the  
15 Council, the Jacksonville Electric Authority shall include a contribution to the  
16 city pursuant to s. 21.07(3) of the Charter, in an amount calculated by  
17 multiplying five mills by the gross kilowatt-hours sold by the Authority  
18 during the twelve-month period ending on May 31 of the current fiscal year.  
19 Gross kilowatt-hours shall exclude interchange sales pursuant to interchange  
20 agreements with other utilities. This contribution to the city is all inclusive,  
21 and includes the contribution on interest income and other miscellaneous  
22 income of the Authority. The Managing Director of the Authority shall  
23 certify the amount of the contribution so calculated to the Director of  
24 Administration and Finance, and the Director of Administration and Finance  
25 shall include this amount without change in the budget proposal to be  
26 submitted by the Mayor for the ensuing fiscal year. The Council shall  
27 approve the amount of the contribution in the annual budget ordinance. The  
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1 provisions of this section shall be reviewed in 1983 and every five years  
2 thereafter by the appropriate committee of the Council, but the fact that this  
3 review does not take place or is held at another time shall not affect the  
4 validity or effectiveness of this section.

5 (B) In addition to the contribution in lieu of taxes required by Section  
6 106.202(A), the Jacksonville Electric Authority shall make a supplemental  
7 contribution if required in accordance with the terms and conditions of the  
8 Financial Agreement between the Authority and the City relating to the River  
9 City Renaissance Program. Such supplemental contribution, if any, shall be  
10 made each year in an amount as certified by the Managing Director of the  
11 Authority in the same manner as described in Section 106.202(A) in order to  
12 provide for the amount as required in accordance with the Financial  
13 Agreement."

14 (b) The Financial Agreement, a copy of which is attached hereto as Exhibit C,  
15 is hereby approved with such additions, deletions and other changes as may be reasonable and  
16 necessary to effectuate the purposes of the Financial Agreement and as may be approved by  
17 the Managing Director of the Authority and the Director of Administration and Finance of the  
18 City.

19 (c) If, at the time of issuance of a series of Additional Parity Bonds, the  
20 Pledged Revenues as set forth in the certificate required by subsection 5.01(D)(1) shall be less  
21 than 1.50 times the Maximum Debt Service Requirement of all Bonds then outstanding and  
22 such Additional Parity Bonds, then the City shall adopt a supplemental ordinance prior to the  
23 date of issuance of such Additional Parity Bonds which shall provide for a pledge of the  
24 supplemental contribution required by Section 602.202(B) to secure the Bonds issued  
25 hereunder, and thereafter such supplemental contribution shall constitute Pledged Revenues for  
26 all purposes hereof.

1 SECTION 6.10. NO ADDITIONAL PRIOR LIEN BONDS; AMENDMENT TO  
2 ORDINANCE 88-360-328. No additional obligations on a parity with the Prior Lien Bonds  
3 shall be issued hereafter. Ordinance 88-360-328 is hereby amended by adding hereto a new  
4 Section 8.11 to read as follows:

5 "Section 8.11. NO ADDITIONAL CERTIFICATES. No Additional  
6 Certificates shall be issued hereunder after September 15, 1993."

7 SECTION 6.11. ALTERNATIVE PROCEDURE FOR CERTIFICATION OF  
8 AVAILABLE FUNDS. No contract for work to be paid for from the proceeds of the Bonds  
9 or Bond anticipation notes shall be entered into by the City unless the Director of Finance and  
10 Administration (or his designee) shall certify that, based upon the anticipated dates and  
11 amounts of issuance of Bonds or Bond anticipation notes, proceeds sufficient to pay all  
12 compensation and other amounts due under such contract will be available when required. The  
13 alternative procedure for certification of available funds set forth in the preceding sentence shall  
14 replace the applicable corresponding provisions of Chapters 24 and 106 of the Ordinance Code  
15 and other applicable provisions of the Ordinance Code.

16 SECTION 6.12. SEVERABILITY OF INVALID PROVISIONS. If any one or  
17 more of the covenants, agreements or provisions of this Ordinance should be held to be  
18 contrary to any express provision of law or to be contrary to the policy of express law, though  
19 not expressly prohibited, or to be against public policy, or should for any reason whatsoever  
20 be held invalid, then such covenants, agreements, or provisions shall be null and void and shall  
21 be deemed separate from the remaining covenants, agreements, or provisions of, and in no  
22 way affect the validity of, all the other provisions of this Ordinance or of the Bonds.

23 SECTION 6.13. REPEALING CLAUSE. All ordinances and resolutions of the  
24 City, or parts thereof, in conflict with the provisions of this Ordinance are to the extent of  
25 such conflict hereby superseded and repealed.

26 SECTION 6.14. EFFECTIVE DATE. This Ordinance shall become effective upon  
27 signature of the Mayor or upon becoming effective without the Mayor's signature.  
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Approved as to Form:

Senior Assistant General Counsel

[FORM OF FIRST PARAGRAPH OF CAPITAL APPRECIATION BOND]

<u>RATE OF INTEREST</u>	<u>MATURITY DATE</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>PRINCIPAL AMOUNT AT ISSUANCE PER \$ MATURITY AMOUNT</u>	<u>CUSIP</u>
-------------------------	----------------------	-------------------------------	--	--------------

REGISTERED OWNER:

MATURITY AMOUNT:

The City of Jacksonville, Florida (the "City"), for value received, hereby promises to pay to the Registered Owner designated above, or registered assigns, solely from the special funds hereinafter mentioned, on the Maturity Date specified above, the Maturity Amount shown above, upon presentation and surrender hereof at the corporate trust office of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, as Deputy Registrar and Paying Agent. The Maturity Amount and premium, if any, of this Bond are payable in lawful money of the United States of America.

[REMAINDER OF FORM OF BOND AFTER FIRST PARAGRAPH]

This Bond is a special and limited obligation, payable solely from and secured by a first lien upon and pledge of the proceeds of the local government half-cent sales tax distributed to the City from the Local Government Half-Cent Sales Tax Clearing Trust Fund, as defined and described in Part VI, Chapter 218, Florida Statutes, remaining after payment of certain Prior Lien Obligations, as defined and provided in Ordinance No. 93-978 (the "Ordinance") of the City Council of City (the "City Council"), certain amounts on deposit in the funds created under the Ordinance and the invested earnings thereon (hereinafter collectively the "Pledged Revenues"). This Bond does not constitute a general obligation or indebtedness of the City as a "bond" within the meaning of any constitutional, statutory or charter provision or limitation, and it is expressly agreed by the Registered Owner of this Bond that such Registered Owner shall never have the right to compel the exercise of the ad valorem

taxing power of the City, or the taxation of any property of or in the City, for the payment of the principal of and interest on this Bond or for the making of any sinking fund, reserve or other payments provided for in said Ordinance.

It is further agreed between the City and the Registered Owner of this Bond, that this Bond and the obligation evidenced hereby shall not constitute a lien upon the Series 1993 Project provided for in said Ordinance or any part thereof, or on any other property of or in the City, but shall constitute a lien only on the Pledged Revenues, in the manner provided in the Ordinance.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS BOND APPEARING ON THE REVERSE SIDE HEREOF AND SUCH FURTHER PROVISIONS SHALL HAVE THE SAME FORCE AND EFFECT AS IF SET FORTH ON THE FACE HEREOF.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond, exist, have happened and have been performed in regular and due form and time as required by the Laws and Constitution of the State of Florida applicable thereto, and that the issuance of this Bond, and of the issue of Bonds of which this Bond is one, does not violate any constitutional or statutory limitation.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the Certificate of Authentication hereon shall have been executed by manual signature by the authorized representative of the Deputy Registrar and Paying Agent.

005407

IN WITNESS WHEREOF, the City of Jacksonville, Florida has issued this Bond and has caused the same to be executed by its Mayor, either manually or with his facsimile signature, and the corporate seal of said City or a facsimile thereof to be affixed hereto or imprinted or reproduced hereon and attested by the manual or facsimile signature of the Corporation Secretary of the City, all as of the \_\_\_\_ day of \_\_\_\_\_, 199\_\_.

CITY OF JACKSONVILLE, FLORIDA

By: \_\_\_\_\_  
Mayor

(SEAL)

ATTEST:

\_\_\_\_\_  
Corporation Secretary

DEPUTY REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue described in the within-mentioned Ordinance.

\_\_\_\_\_  
As Deputy Registrar and Paying Agent

By: \_\_\_\_\_  
Authorized Signature

Date of Authentication:



(MATERIAL APPEARING ON REVERSE OF BONDS)

This Bond is one of an authorized issue of Series 1993 Bonds, issued in the aggregate principal amount of \$\_\_\_\_\_, of like date, tenor and effect, except as to number, interest rate, redemption provisions and date of maturity, issued to finance (1) the acquisition and construction of various capital improvement projects, (2) interest for a reasonable period of time after delivery of the Bonds, and (3) cost of issuance of the Bonds under the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including particularly Ordinance No. 93-978 of the City, and other applicable provisions of law, duly enacted by the City Council on \_\_\_\_\_, 1993, as supplemented by Resolution No. 93-\_\_\_\_\_-\_\_\_\_\_, duly adopted by the Council on \_\_\_\_\_, 1993 (hereinafter collectively called "Ordinance"), and is subject to all the terms and conditions of the Ordinance. Capitalized terms used herein shall have the meaning specified in the Ordinance.

The Bonds are issuable only as fully registered bonds in the denominations of \$\_\_\_\_\_ and integral multiples thereof. This Bond is transferable, and exchangeable for Bonds of other authorized denominations, at the corporate office of the Deputy Registrar and Paying Agent, by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Deputy Registrar and Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Deputy Registrar and Paying Agent, all subject to the terms, limitations and conditions provided in the Ordinance. No charge will be made for transfer or exchange, but the City or the Deputy Registrar and Paying Agent may require payment of an amount sufficient to cover any tax or other governmental charge payable in connection therewith. The City and the Deputy Registrar and Paying Agent may deem and treat the Registered Owner as the absolute owner of this Bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the

City nor the Deputy Registrar and Paying Agent shall be affected by any notice to the contrary.

The City has entered into certain covenants with the Registered Owners of the Bonds of this issue for the terms of which reference is made to the Ordinance. In particular, the City has reserved the right to issue additional obligations payable from and secured by a lien upon and pledge of the Pledged Revenues on a parity with the Bonds of this issue and series, upon compliance with certain conditions set forth in the Ordinance. The City has also reserved the right to defease the lien of the Bonds of this issue upon the Pledged Revenues upon making provision for payment of the Bonds as provided in the Ordinance.

Reference is made to the Ordinance for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the City, the Deputy Registrar and Paying Agent and the Registered Owners, and the terms and conditions upon which the Bonds are issued and secured. The Registered Owner of this Bond, by acceptance hereof, assents to all of the provisions of the Ordinance.

**[INSERT REDEMPTION PROVISIONS]**

Notice of such redemption shall be given in the manner provided in the Ordinance.

This Bond is and has all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code-Investment Securities Laws of the State of Florida, and the Registered Owner and each successive Registered Owner of this Bond, shall be conclusively deemed by his acceptance hereof to have agreed that this Bond shall be and have all the qualities and incidents of negotiable instruments under the laws of the State of Florida.

---

**STATEMENT OF INSURANCE**

**[INSERT STATEMENT OF INSURANCE, IF ANY]**

---

The following abbreviations, when used in the inscription on the face of the within bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in  
common

UNIF GIF MIN ACT - \_\_\_\_\_  
(Cust.)

TEN ENT - as tenants by the  
entireties

Custodian for \_\_\_\_\_  
(Minor)

JT TEN - as joint tenants with  
right of survivorship  
and not as tenants in  
common

under Uniform Gifts to Minors  
Act of \_\_\_\_\_  
(State)

Additional abbreviations may also be used though not in list above.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers to

\_\_\_\_\_  
\_\_\_\_\_  
[PLEASE INSERT NAME, ADDRESS AND SOCIAL SECURITY OR OTHER  
IDENTIFYING NUMBER OF ASSIGNEE]

the within bond and does hereby irrevocably constitute and appoint

\_\_\_\_\_  
as his agent to transfer the bond on the books kept for registration thereof, with full power of  
substitution in the premises.

Dated: \_\_\_\_\_

Signature guaranteed:

\_\_\_\_\_  
(Commercial Bank, Trust  
Company or Member of National  
Securities Exchange)

\_\_\_\_\_  
**NOTICE:** The signature to this  
assignment must correspond with  
the name of the Registered Owner as it  
appears upon the face of the within bond in  
every particular, without alteration or  
enlargement or change whatever.

\_\_\_\_\_  
(Authorized Officer)

City of Jacksonville  
River City Renaissance Bond Program

Exhibit B  
93-978

Core Renaissance Program		
	General City Tax Supported Debt	Private Donations, Support & Grants
<b>Health &amp; Social Services:</b>		
L.I. Alexander Outpatient Clinic	15,000,000	
Homeless Day Center	1,000,000	500,000
<b>Economic Development:</b>		
Gator Bowl Renovation	49,000,000	
Metropolitan Park & Surrounding Area	8,000,000	
Gateway Mall Improvements	5,000,000	(4)
Jacksonville Beach Redevelopment	1,750,000	(4)
Countywide Economic Development Trust Fund	1,000,000	(4)
Northwest Quadrant Economic Dev Trust Fund	1,000,000	(4)
Atlantic/Neptune Beach Town Center	250,000	
Coliseum & Wolfson Park Improvements	4,500,000	
<b>Neighborhoods &amp; Downtown:</b>		
St James Building Acquisition & Restoration	20,000,000	
Parks, Playgrounds & Neighborhood Enhancements (\$1 Million to Each Council District)	14,000,000	
Parks & Recreation (Land Acquisition, Regional and Special Purpose Improvements)	12,000,000 (1)	
Downtown Enhancements & Infrastructure	3,000,000	
City Hall & Courthouse Renovations	5,000,000	
<b>Parks, Recreation &amp; The Arts:</b>		
Recreation Complex/LaVilla	25,000,000	
Ritz Theatre	8,000,000 (2)	8,000,000 (2)
Ft. George Island Golf Course	2,000,000	
Museum of Science & History	1,000,000	
Central City Library	10,000,000	
Multi-Cultural Performing Arts Center	17,000,000 (3)	7,000,000
Jacksonville Zoo Improvements	10,000,000	5,000,000
Southside Regional Library	4,000,000	
Florida Theatre Improvements	1,000,000	500,000
Regency Square Library Improvements	1,000,000	
<b>Sub-Total</b>	<b>219,500,000</b>	<b>21,000,000</b>
<b>Contingency</b>	<b>6,460,000</b>	
<b>Grand Total</b>	<b>225,960,000</b>	<b>21,000,000</b>

- (1) \$200,000 for New and Replacement Trees has been included within this allocation.
- (2) \$8 million has been included within this allocation for the Ritz Theatre Project subject to an equal matching amount being provided from grants and donations.
- (3) Any renovation of the Civic Auditorium to create the Multi-Cultural Performing Arts Center shall be performed so as to preserve the current Exhibition Hall therein, or provide a similar facility therefore.
- (4) These projects additionally involve certain matching requirements.

EXHIBIT C  
FINANCIAL AGREEMENT

THIS AGREEMENT, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 1993, between the CITY OF JACKSONVILLE, FLORIDA (the "City"), a municipal corporation organized under the laws of the State of Florida, and the JACKSONVILLE ELECTRIC AUTHORITY (the "JEA"), a public body politic and corporate and an independent agency of the City under the laws of the State of Florida.

WITNESSETH:

**Section 1. Scope; Related Documents.**

The purpose of this Agreement is to describe the nature of the JEA obligation in relation to the use of commercial paper in conjunction with the City's River City Renaissance Program (the "RCR Program") and to establish the general terms, conditions and assumptions of the relationship between the parties. Further, specific terms, conditions and assumptions of the relationship are anticipated to be formally codified in the City's commercial paper resolution or authorizing bond ordinances dealing with the RCR Program. Other administrative understandings and details are anticipated to be reflected in the financing documents and herein.

**Section 2. JEA Obligations; Assumptions.**

The City and JEA agree that the JEA's annual contribution to the City general fund under Article 21 of the City Charter and Section 106.202A of the City Ordinance Code will be supplemented to offset any increase (subject to the de minimis amounts set forth herein) in financing costs for the RCR Program due to the City's initial issuance of commercial paper and not due to the failure to achieve any Debt Issuance Assumptions (as hereinafter defined). This supplemental contribution will be based on the principles and assumptions set forth in this Agreement.

**Section 3. Mandated Annual Cash Flows and Allocation Thereof.**

The following mandated cash flows will initially be made available from the City local option sales tax revenues for paying debt service or construction and financing costs on the RCR Program. Any excess cash flows available after satisfying annual debt service requirements during the period from the first issuance of the commercial paper to October 1, 1997 (the "Commercial Paper Period") will be allocated for project costs within a "Pay-As-You-Go" Capital Projects Fund. The table below portrays an estimated allocation of the mandated annual cash flows.

<u>Fiscal Year Ended September 30</u>	<u>Mandated Annual Cash Flows</u>	<u>Debt Service Requirements</u>	<u>Capital Projects Fund</u>
1994	\$ 1,253,000	\$ 1,253,000	-0-
1995	1,251,000	1,251,000	-0-
1996	15,763,000	5,530,000	\$10,233,000
1997	17,403,000	5,530,000	11,873,000
Thereafter until October 1, 2018	17,403,000 <sup>1</sup>	17,403,000	-0-

<sup>1</sup>Includes income from investment of funds in debt service sinking fund.

The portion of the City's mandated annual cash flows that is allocated for debt service during the Commercial Paper Period shall not be reduced by the investment earnings generated on deposits within the debt service sinking fund. The portion of the City's mandated annual cash flows that is allocated for capital project costs is the amount remaining after allocation for debt service requirements and thus is not reduced by investment earnings on deposits within such "Pay-As-You-Go" Capital Projects Fund (gross funded). Earnings on amounts in the "Pay-As-You-Go" Capital Projects Fund shall be retained therein and applied for the purpose of such Fund. Annual cash flows into the Capital Projects Fund shall be made in equal monthly installments (based, to the extent required, upon the estimated debt service

requirement for the then-current year). Annual cash flows for debt service requirements shall be made in accordance with the provisions of the City resolution or ordinance authorizing the outstanding debt. During the Commercial Paper Period, in the event that the portion of the City's mandated annual cash flows, together with investment earnings, for any year that is estimated to be required to be allocated for debt service proves to be in excess of actual debt service requirements for such year, any such excess shall be remitted at year end to the "Pay-As-You-Go" Capital Projects Fund. After the Commercial Paper Period, investment earnings on amounts in the debt service sinking fund (including any earnings on amounts in the debt service reserve account) shall be retained in the debt service sinking fund and applied to pay debt service; such earnings (except any earnings on amounts in the debt service reserve account) shall count toward the mandated annual cash flows.

**Section 4. Supplemental Contribution; Adjustment to City Cash Flows.**

(A) The cash flows specified in Section 3 hereof are estimated to allow for total construction proceeds with investment earnings of \$225,960,000. Based upon such provision of construction proceeds, any debt service required thereon that is in excess of the mandated annual cash flows after October 1, 1997 will be paid by JEA to the City in the form of a supplemental contribution (the "Supplemental Contribution") as provided for in Section 106.202A of the City Ordinance Code.

(B) In the event of RCR Program construction costs above \$225,960,000, the City will be responsible for all the additional financing, associated expenses and debt service requirements that are necessary to fund any such additional construction costs. RCR Program construction costs include costs of acquisition, construction, renovation and related costs, but excludes to the extent, but only to the extent that such costs (i) relate to RCR Program construction costs of up to \$225,960,000 and (ii) do not result from the failure to meet any Debt Issuance Assumptions (as hereinafter defined) capitalized interest, debt issuance costs and debt service reserve requirements (which will be funded from debt proceeds).



(C) In the event that the total actual debt service requirements are greater or lesser than the City's annual cash flow requirement by an amount that is less than or equal to \$100,000 per year, such amount will be deemed de minimis and the City will be obliged to pay in full the actual debt service without any need on the part of the JEA to remit Supplemental Contributions or to implement any reductions to the JEA contribution in lieu of taxes.

(D) Any savings in debt service from the City's mandated annual cash flows after the end of the Commercial Paper Period but before all Commercial Paper has been converted to long-term fixed-rate debt shall be applied to retire outstanding Commercial Paper.

(E) Any savings in debt service from the City's mandated annual cash flows subsequent to (i) the end of the Commercial Paper Period and (ii) the date all Commercial Paper has been converted to long-term fixed-rate debt (or retired in full), will be shared equally between the City and JEA but only after JEA has been compensated for all administrative fees assessed and deferred during the Commercial Paper Period, and, with respect to any such savings attributable to refundings or similar transactions, any previously paid Supplemental Contribution. The payment of such administrative fees is subject to the availability of sufficient savings below the City's mandated annual cash flow requirement. The administrative fee will be calculated as seven basis points multiplied by the outstanding principal amount of commercial paper debt outstanding as of September 30, of 1994, 1995, 1996 and 1997 prorated for any portion of a year that commercial paper is outstanding and shall be payable only subsequent to the Commercial Paper Period (from the savings as set forth in this Subsection 4(E)). JEA's share of the savings (including reimbursement of administrative fees) will be deducted from the City contribution in lieu of taxes payment on a monthly basis otherwise provided for in Section 102.202.

The administrative fees referred to above shall be fully recovered from any debt service savings upon fixed rate conversion so long as annual savings exceed \$100,000 per

annum (see Section 4(C) above). Under this methodology, the period of recovery from annual savings could cover multiple years.

(F) In the event the RCR Program construction costs are less than \$225,960,000 the mandated annual cash flows from the City after fiscal year 1997 will be pro-rated based on actual construction expenditures.

(G) For example, if \$200,000,000 (approximately 88.5% of \$225,960,000) of construction proceeds is needed for the RCR Program, then cash flows in each of the following fiscal years will be required: in 1994, \$1,253,000, in 1995, \$1,251,000, in 1996, \$15,763,000 and \$17,403,000 in 1997. However, in 1998 and thereafter until October 1, 2018 the City's mandated annual cash flow requirements would be 88.5% of \$17,403,000, or \$15,401,655. If the actual debt service required in the pro-rated example described immediately above were \$16,401,655, the \$1 million difference in additional debt service would be paid to the City in the form of the Supplemental Contribution to be remitted by JEA in twelve equal installments of \$83,333. If the actual debt service required after the application of the pro-rated formula as described above were \$14,401,655, then, in this example, the first \$420,000 of savings (7 basis points on \$100,000,000 at 9/30/94, \$100,000,000 at 9/30/95, \$200,000,000 at 9/30/96 and \$200,000,000 at 9/30/97) would be allocated for the assessment of JEA of administrative fees with the remaining \$580,000 in savings being equally shared between JEA and the City. Utilizing this approach, the resulting \$710,000 in savings allocable to the JEA would be credited by the JEA against the JEA's annual contribution to the City in twelve equal installments of \$59,167.

(H) Any construction proceeds remaining after the completion of the projects will be used to retire bonds or retire commercial paper.

(I) The amount of total construction proceeds set forth in Section 4(A) is based upon the assumptions that: the interest on the debt will be excluded from gross income for federal income tax purposes; the long-term debt will be rated "A" or better; and compliance with the two-year exception from arbitrage rebate requirements. Such assumptions are herein

referred to as the "Debt Issuance Assumptions". Failure to attain one or more of Debt Issuance Assumptions may result in there being less total construction proceeds.

**Section 5. JEA Agent For Commercial Paper.**

The JEA will act as agent for the City for the periodic issuance of the commercial paper. Debt issuance expenses will be paid from the debt issue proceeds. Any long-term, recurring expenses related to the financing such as paying agent fees, rating agency fees, bond counsel fees, financial advisor fees, or other associated fees occurring subsequent to the issuance of the permanent RCR Program debt and not anticipated to be paid as issuance expenses from debt proceeds will be the responsibility of and paid by the City. This shall not prevent the inclusion of normal and reasonable costs of issuance in the fixed rate financing at the time of issuance.

**Section 6. JEA Role in Financings.**

The JEA will be entitled to advise the City as to the timing and choice of financing instruments for the RCR Program. It is currently anticipated that commercial paper will be issued initially and refunded with long-term fixed-rate debt in approximately four years. After the issuance of the long-term debt, JEA will also be entitled to advise the City as to the timing of any subsequent refundings. JEA, however, will have complete flexibility as to the timing and structure of the long-term debt, provided that in no event will the City be responsible for the RCR Program debt service beyond 25 years of initial date of debt issuance, currently anticipated to be the fall of 1993. To the extent the City determines not to follow the advice of JEA with respect to the matters set forth in this Section 6 and in Section 9 hereof (related to investments), the amount of the Supplemental Contribution to be made by JEA pursuant to Section 4 shall be adjusted in a manner agreed upon by the authorized officers of the City and JEA to reflect the financial consequences of not following such advice.

**Section 7. Financial Hedging And Other Derivative Products.**

JEA will have the authority to enter into forward contracts, swaps, other contracts, or any other derivative financial instruments in order to manage JEA's exposure to interest rate and regulatory risk during the Commercial Paper Period. During the Commercial Paper Period, the fees for any such derivative instruments, if any, shall be included for payment from RCR Program debt proceeds provided that such fees shall not exceed \$500,000 per fiscal year or an amount equivalent to 40 basis points (.40%) of outstanding principal of the Commercial Paper, whichever is less. Fees relating to any such derivative product for periods after the Commercial Paper Period shall be paid from such sources as shall be agreed upon by the City and the JEA. During the Commercial Paper Period, any net payments with respect to interest rate swap agreements entered into pursuant to this section shall be made from the amounts of the City's mandated annual cash flow (as referred to in Section 3) and any net amounts received pursuant to such interest rate swap agreements shall be supplemental to the mandated annual cash flow and shall be applied in the same manner as the mandated annual cash flow.

**Section 8. Arbitrage Rebate.**

To avoid the administrative costs of managing arbitrage rebate liability, the City will utilize the 24-month spending exception in the federal tax code. In order for the City to comply with the 24-month spending exception, the JEA will need to be advised of the projected construction draw schedule. The amount of investment income earned and available to the RCR Program is related to the accuracy of the construction draw schedule as compared to the actual expenditures and the pace of the construction. The "Pay-As-You-Go" Capital Project Fund will be the source for paying the penalty, if any, associated with any failure to meet the 10%, 45%, 75% and 100% target amounts under the 24-month spending exception and any arbitrage rebate payment liability with respect to investment of the amounts in the

Capital Projects Fund. For purposes of the determination of the \$225,960,000 available construction proceeds under Section 4, the first \$50,000 of any such penalty shall be treated as issuance costs (and thus not part of available construction proceeds) and any amounts in excess of \$50,000 shall be treated as a construction expenditure (and thus counted toward the available construction proceeds). JEA may advise the City to elect other tax provisions becoming available and deemed to be advantageous to the RCR Program. It will be the City's responsibility to perform and file all arbitrage rebate and penalty calculations.

**Section 9. Investment.**

As the cash proceeds available for construction are a crucial input of the debt proceeds investment strategy it is important for JEA to retain the ability to advise the City as to the investment strategy for the Commercial Paper proceeds. The Director of Administration and Finance, at the request of JEA, will appoint JEA to act as agent of the City for the investment of debt proceeds of the RCR Program.

**Section 10. Extension of JEA Contracts.**

All contracting for financing consultants, underwriters, bond counsel, and other financing program functions, will be performed by the Mayor's staff with support from JEA, if requested. If the JEA and the City's Director of Administration and Finance or General Counsel, as applicable, staff agree, any existing JEA contracts may be amended to include all or part of the RCR Program financing activities.

20050421

**Section 11. Interpretation.**

This Agreement shall be construed and interpreted to accomplish the substantive intent of the parties hereto and shall be supplemented or amended in order to carry over the purposes hereof from time to time by written amendment hereto between the Director of Administration and Finance of the City and the Associate Managing Director for Finance and Administration of JEA as shall be necessary for such purpose and for purposes of this Agreement such officers are hereby designated as the authorized officers of the City and the JEA, respectively.

Attest:

CITY OF JACKSONVILLE, FLORIDA

\_\_\_\_\_  
Corporation Secretary

\_\_\_\_\_  
Mayor

Attest:

JACKSONVILLE ELECTRIC AUTHORITY

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Chairman

I hereby certify that the expenditure contemplated by the foregoing contract has been duly authorized, and provision has been made for the payment of the moneys provided therein to be paid.

\_\_\_\_\_  
Associate Managing Director of  
Finance and Administration  
Jacksonville Electric Authority

In compliance with the Ordinance Code of the City of Jacksonville, I do certify that there will be an unexpended, unencumbered and unimpounded balance in the appropriation sufficient to cover the foregoing contract and provision has been made for the payment of the moneys provided therein to be paid.

\_\_\_\_\_  
Director of Administration and  
Finance

Schedule A

Attachment 2

City of Jacksonville  
Alternative Financing Plan  
2.70% CP Case  
(\$000)

	93/94	94/95	95/96	96/97	97/98 and Beyond
<b>Available Revenues:</b>					
Budgeted Revenue Available for FY 1993/98 Debt Service	\$ 15,796	\$ 15,796	\$ 15,796	\$ 16,796	\$ 15,796
<b>Less Existing Debt Service:</b>					
1985 Capital Improvement Bond	(18,134)	(18,122)	0	0	0
1989 Florida League of Cities	(1,834)	(1,888)	(488)	0	0
1988 Community Corrections Facility	0	0	0	0	0
DCHA G.O. Series 1985	0	0	0	0	0
DCHA G.O. Series 1989	0	0	0	0	0
New Long-term Debt Issue	0	0	0	0	(17,403)
Excess Revenues Available	827	826	15,857	16,796	(1,606)
Franchise Fees	0	0	0	0	0
Ticket Surcharge	426	426	426	426	426
Avoided Rent Expense				1,182	1,182
<b>Total Available Revenue</b>	<b>\$ 1,253</b>	<b>\$ 1,251</b>	<b>\$ 16,783</b>	<b>\$ 17,408</b>	<b>\$ 0</b>

	93/94	94/95	95/96	96/97	TOTAL
<b>Construction Cash Flow Schedule:</b>					
Beginning Cash Balance	\$ 0	\$ 91,789	\$ 0	\$ 11,384	\$ 0
Proceeds from Commercial Paper	136,378	0	68,422	0	204,800
Investment Income	3,573	1,808	1,787	188	7,195
Total Available Revenues	1,253	1,251	16,783	17,408	36,670
Issuance Cost	(961)	(880)	(870)	(870)	(3,281)
Construction Cash Flow	(45,182)	(90,384)	(67,786)	(22,886)	(225,990)
Interest on Commercial Paper	(3,682)	(3,682)	(5,330)	(6,630)	(18,424)
<b>Ending Cash Balance</b>	<b>\$ 91,789</b>	<b>\$ 0</b>	<b>\$ 11,384</b>	<b>\$ 0</b>	<b>\$ 0</b>

<b>Assumptions:</b>				
Commercial Paper (CP) Rate	2.70%	2.70%	2.70%	2.70%
CP Remarketing Fee	0.13%	0.13%	0.13%	0.13%
CP Letter of Credit Fee	0.30%	0.30%	0.30%	0.30%
CP Initial Issuance Fee	0.13%			
Initial CP Cost of Issuance	\$125			
Investment Yield	3.50%	3.50%	3.50%	3.50%
Construction Cash Flow Schedule	20.00%	40.00%	30.00%	10.00%
Total Construction Cost	\$238,800			
Required Reduction in Project List	(\$12,540)			
Future Bond Issue Size	\$208,214			
Future Bond Issue Rate	5.80%			
Future Bond Issuance Cost	0.85%			
Other Bond Issuance Cost	\$200			
Debt Service Reserve Surety	2.50%			
Bond Insurance Premium	0.28%			
Bond Issue Amortization - Years	21			
Bond Issue Debt Service - Annually	\$17,403			
<b>Total Principal + Interest on Bonds</b>	<b>\$365,463</b>			

ORDINANCE 93-978-772

CERTIFICATE OF AUTHENTICATION

ENACTED BY THE COUNCIL

September 14, 1993



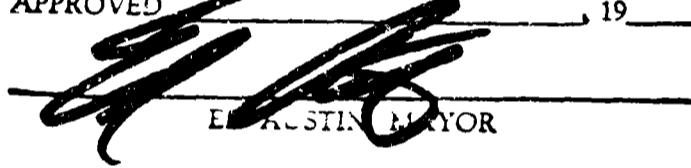
DON DAVIS  
COUNCIL PRESIDENT

ATTEST:



BEVERLY S. DOMEN  
SECRETARY TO THE COUNCIL

APPROVED SEP 22 1993, 19



ED AUSTIN, MAYOR





JACKSONVILLE CITY COUNCIL  
REGULAR  
Regular Session

93-978

S

YEAS: 12  
NAYS: 7  
ABS : 0  
NV : 0

RCS# 2045  
9/14/93  
9:35 PM

YEAS: 12

DAVIS  
TULLIS  
BROWN

FIELDS  
GRIFFIN  
JONES

LEE  
LEGGETT  
MYRICK

OVERTON  
SMITH  
WOOD

NAYS: 7

CARLUCCI  
CRESCIMBENI

DRAPER  
HOGAN

KRAVITZ  
MILLER

REAGAN

ABSTENTIONS: 0

NOT VOTING: 0

93-978

JACKSONVILLE CITY COUNCIL  
REGULAR  
Regular Session

93-978

YEAS: 12  
NAYS: 7  
ABS : 0  
NV : 0

RCS# 2044  
9/14/93  
9:35 PM

YEAS: 12

DAVIS  
TULLIS  
BROWN

FIELDS  
GRIFFIN  
JONES

LEE  
LEGGETT  
MYRICK

OVERTON  
SMITH  
WOOD

NAYS: 7

CARLUCCI  
CRESCIMBENI

DRAPER  
HOGAN

KRAVITZ  
MILLER

REAGAN

ABSTENTIONS: 0

NOT VOTING: 0

*W. J. ...*  
*...*  
93-978

005426

JACKSONVILLE CITY COUNCIL  
REGULAR  
Regular Session

93-978

YEAS: 12  
NAYS: 7  
ABS : 0  
NV : 0

RCS# 2043  
9/14/93  
9:34 PM

YEAS: 12

DAVIS  
TULLIS  
BROWN

FIELDS  
GRIFFIN  
JONES

LEE  
LEGGETT  
MYRICK

OVERTON  
SMITH  
WOOD

NAYS: 7

CARLUCCI  
CRESCIMBENI

DRAPER  
HOGAN

KRAVITZ  
MILLER

REAGAN

ABSTENTIONS: 0

NOT VOTING: 0

*Mr. Smith*  
*Mr. Reagan*  
*question*

93-978

JACKSONVILLE CITY COUNCIL  
REGULAR  
Regular Session

93-978

YEAS: 11  
NAYS: 8  
ABS : 0  
NV : 0

RCS# 2042  
9/14/93  
8:52 PM

YEAS: 11

DAVIS  
TULLIS  
BROWN

FIELDS  
GRIFFIN  
JONES

LEE  
MYRICK  
OVERTON

SMITH  
WOOD

NAYS: 8

CARLUCCI  
CRESCIMBENI

DRAPER  
HOGAN

KRAVITZ  
LEGGETT

MILLER  
REAGAN

ABSTENTIONS: 0

NOT VOTING: 0

*for Wood met to table  
for Carlucci amendment  
to sub*

93-978

ORDINANCE

FILE # 93-978

FIRST READING

DATE JUN 22 1993

ITEM # \_\_\_\_\_

(NOTE: ADVERTISED FOR PUBLIC HEARING FOR JUL 13, 1993)

REPORT OF COMMITTEE ON:	RECOMMENDATION	VOTE
_____	_____	_____
_____	_____	_____

REFERRED TO: (1) Finance (3) \_\_\_\_\_  
 (2) \_\_\_\_\_ (4) \_\_\_\_\_

DECLARE EMERGENCY. MOTION BY \_\_\_\_\_ ( ) CARRIED ( ) FAILED

SECOND READING

DATE JUL 13 1993

ITEM # \_\_\_\_\_

REPORT OF COMMITTEE ON:	RECOMMENDATION	VOTE
<u>Finance</u>	<u>Adopted</u>	<u>7-1</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

DECLARE EMERGENCY. MOTION BY \_\_\_\_\_ ( ) CARRIED ( ) FAILED

THIRD READING

DATE SEP 14 1993

ITEM # 624

REPORT OF COMMITTEE ON:	RECOMMENDATION	VOTE
<u>Finance</u>	<u>Adopted</u>	<u>4-1</u>
<u>for the purpose of</u>	<u>advertising</u>	_____
<u>for the purpose of</u>	<u>advertising</u>	_____
<u>for the purpose of</u>	<u>advertising</u>	_____

ENACTED \_\_\_\_\_  
 ORDINANCE # \_\_\_\_\_

REMARKS

DIST # \_\_\_\_\_ CM \_\_\_\_\_ BT # \_\_\_\_\_ RC # \_\_\_\_\_

PLANNING COMMISSION \_\_\_\_\_ PLANNING DEPARTMENT \_\_\_\_\_

MAP # \_\_\_\_\_ BCAB \_\_\_\_\_

REPORT OF COMMITTEE

ON FINANCE

FILE NO. 9-115

DATE: 11-1-73

- Recommend to APPROVE
- Recommend NOT TO APPROVE
- Recommend to WITHDRAW from further consideration of the Council.
- Recommend that the attached Committee SUBSTITUTE be Substituted for and considered in lieu of the original, and further recommend to approve said Committee Substitute.
- Recommend to AMEND in accordance with the Amendment(s) hereto attached, and further recommend to APPROVE as Amended.
- Recommend be read for the SECOND time and REREFERRED to this Committee.
- As an EMERGENCY measure.

[Signature] Chairman  
Smith

[Signature] Member  
Leggett

\_\_\_\_\_ Member  
Brown

[Signature] Member  
Carlucci

113- [Signature] Member  
Jones

\_\_\_\_\_ Member  
Kravitz

117- [Signature] Member  
Overton

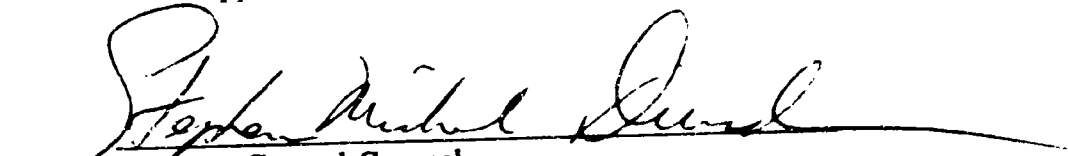
4-1  
For Council Meeting 9/1/73

ORDINANCE AMENDMENT

Council Member Carlucci offers the following amendment to File No. 93-978:

Strike Exhibit B attached to the file and insert in lieu thereof Exhibit B attached hereto and incorporated by this reference.

Form Approved:

  
Assistant General Counsel

SMD/lmt 9/14/93

93-978o.amd

*tabled* *9/14/93*

00543

Exhibit B

City of Jacksonville  
River City Renaissance Bond Program

	Core Renaissance Program	
	General City Tax Supported Debt	Private Donations, Support & Grants
<b>Health &amp; Social Services:</b>		
L. I. Alexander Outpatient Clinic	15,000,000	
Homeless Day Center	1,000,000	500,000
<b>Economic Development:</b>		
Gator Bowl Renovation	49,000,000	
Metropolitan Park & Surrounding Area	8,000,000	
Gateway Mall Improvements	5,000,000	(4)
Jacksonville Beach Redevelopment	1,750,000	(4)
Countywide Economic Development Trust Fund	1,000,000	(4)
Northwest Quadrant Economic Dev Trust Fund	1,000,000	(4)
Atlantic/Neptune Beach Town Center	250,000	
Coliseum & Wolfson Park Improvements	4,500,000	
<b>Neighborhoods &amp; Downtown:</b>		
St. James Building Acquisition & Restoration	20,000,000	
Parks, Playgrounds & Neighborhood Enhancements (\$1 Million to Each Council District)	14,000,000	
Parks & Recreation (Land Acquisition, Regional and Special Purpose Improvements)	12,000,000 (1)	
Downtown Enhancements & Infrastructure	3,000,000	
City Hall & Courthouse Renovations	5,000,000	
<b>Parks, Recreation &amp; The Arts:</b>		
Recreation Complex/Lavilla	5,000,000	
Ritz Theatre	8,000,000 (2)	8,000,000 (2)
Ft. George Island Golf Course	2,000,000	
Museum of Science & History	1,000,000	
Multi-Cultural Performing Arts Center	6,000,000 (3)	7,000,000
Jacksonville Zoo Improvements	10,000,000	5,000,000
Southside Regional Library	4,000,000	
Florida Theatre Improvements	1,000,000	500,000
Regency Square Library Improvements	1,000,000	
Drainage Improvements	50,000,000	
Sub-Total	228,500,000	21,000,000
Contingency	1,460,000	
Grand Total	<u>229,960,000</u>	<u>21,000,000</u>



- (1) \$200,000 for New and Replacement Trees has been included within this allocation.
- (2) \$8 million has been included within this allocation for the Ritz theatre Project subject to an equal matching amount being provided from grants and donations.
- (3) Any renovation of the Civic Auditorium to create the Multi-Cultural Performing Arts Center shall be performed so as to preserve the current Exhibition Hall therein, or provide a similar facility therefore.
- (4) These projects additionally involve certain matching requirements.

SMD/lmt 9/14/9

rivercity.ren

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Finance Committee substitute for File No. 93-978:

SECRETARY OF THE COUNCIL  
CITY OF JACKSONVILLE, FLA.

*Beverly A. Doman*

ORDINANCE 93-978-772

Incorporated into and made a part  
of the Journal of the Council.

AN ORDINANCE OF THE CITY OF JACKSONVILLE, FLORIDA,  
PROVIDING FOR THE ISSUANCE OF NOT EXCEEDING  
\$230,000,000 AGGREGATE PRINCIPAL AMOUNT OF SALES TAX  
REVENUE BONDS, SERIES 1993, OF THE CITY TO FINANCE THE  
COST OF VARIOUS CAPITAL IMPROVEMENTS; PLEDGING  
MONEYS RECEIVED BY THE CITY FROM THE LOCAL  
GOVERNMENT HALF-CENT SALES TAX AND THE  
SUPPLEMENTAL CONTRIBUTION RECEIVED FROM THE  
JACKSONVILLE ELECTRIC AUTHORITY, TO SECURE PAYMENT  
OF THE PRINCIPAL OF AND INTEREST ON THE BONDS;  
PROVIDING FOR THE RIGHTS, SECURITY, AND REMEDIES OF  
THE REGISTERED OWNERS OF SUCH BONDS; WAIVING  
SECTION 104.211 OF THE ORDINANCE CODE TO THE EXTENT A  
NEGOTIATED SALE IS IN THE BEST INTERESTS OF THE CITY;  
AMENDING SECTION 106.202, ORDINANCE CODE TO PROVIDE  
FOR THE JACKSONVILLE ELECTRIC AUTHORITY'S  
CONTRIBUTION RELATING TO THE FINANCING COST OF THE  
RIVER CITY RENAISSANCE PROGRAM; PROVIDING  
SEVERABILITY; AMENDING ORDINANCE 88-360-328 TO CLOSE  
ISSUANCE OF SENIOR LIEN BONDS; AUTHORIZING  
ALTERNATIVE PROCEDURES FOR CERTIFICATION OF  
AVAILABLE FUNDS; AND PROVIDING AN EFFECTIVE DATE.

*J. Comm. Substitute  
9/15/93*

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BE IT ORDAINED by the Council of the City of Jacksonville, Florida, acting in its municipal capacity as the City of Jacksonville, Florida, and its county capacity as Duval County, Florida, wherever the context so requires:

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ARTICLE I  
AUTHORITY, DEFINITIONS,  
FINDINGS AND CONTRACT

SECTION 1.01. AUTHORITY FOR THIS ORDINANCE. This Ordinance is adopted pursuant to the provisions of the Florida Constitution, the Charter of the City, Section 125, Florida Statutes, Section 166, Florida Statutes, Chapter 218, Florida Statutes, and other applicable provisions of law.

SECTION 1.02. DEFINITIONS. As used herein, unless the context otherwise requires:

"Act" means the Charter of the City, Section 125, Florida Statutes, Section 166, Florida Statutes, Part VI, Section 218, Florida Statutes, and other applicable provisions of law.

"Accreted Value" means, with respect to any Capital Appreciation Bonds as of any date, the amounts representing principal and accrued interest on such Capital Appreciation Bonds as of such date, which shall be provided by ordinance or resolution of the City adopted prior to the issuance of such Capital Appreciation Bonds.

"Accounting Principles" means generally accepted accounting principles applicable to governmental entities.

"Additional Parity Bonds" means any obligations or portions thereof of the City that may be issued pursuant to the terms and conditions of this Ordinance, which are payable from the Pledged Revenues on a parity with the Series 1993 Bonds originally issued hereunder.

"Adjustable Rate Bonds" means Bonds, the interest rate on which is subject to adjustment, at intervals not less than two years, at such times and in such manner as shall be determined by the City Council prior to the sale thereof.

"Amortization Installment" means, with respect to each maturity of Term Bonds of any Series of Bonds, the principal amounts (or Maturity Amounts) of such Term Bonds to be retired in consecutive years by mandatory redemption from the applicable Bond Amortization

1 Account within the Sinking Fund; provided, that (i) each such Amortization Installment shall  
2 be deemed to be due on the Interest Payment Date or Principal Maturity Date of each  
3 applicable year as is fixed by ordinance or resolution of the City Council and (ii) the aggregate  
4 of such installments for each maturity of Term Bonds shall equal the aggregate principal  
5 amount or, if applicable, the Maturity Amounts, of Term Bonds of such maturity.

6 "Authorized Investments" means securities or obligations which are legal investments  
7 for City funds under applicable law, except as limited by resolution, ordinance or agreement of  
8 the City.

9 "Bond Counsel" means a firm of attorneys of nationally recognized standing in the  
10 field of municipal finance law whose opinions are generally accepted by underwriters and  
11 other purchasers of obligations issued by state and local governments selected by the City.

12 "Bond Year" means initially the period from the date of issuance of the Bonds until  
13 the next succeeding October 1, and thereafter each twelve month period beginning the day  
14 after a Principal Maturity Date.

15 "Bonds" means the Series 1993 Bonds and any Additional Parity Bonds hereafter  
16 issued pursuant to the terms and conditions of this Ordinance.

17 "Book-entry Form" or "Book-entry System" means a form or system, as applicable,  
18 under which physical Bond certificates in fully registered form are issued to a Depository or to  
19 its nominee as Registered Owner, with the certificated Bonds being held by and "immobilized"  
20 in the custody of such Depository, and under which records maintained by persons, other than  
21 the City or the Deputy Registrar and Paying Agent, constitute the written record that  
22 identifies, and records the transfer of, the beneficial "book-entry" interests in those Bonds.

23 "Business Day" means any day of the year on which banks in the jurisdiction of the  
24 City, or in any of the cities in which the designated office of the Deputy Registrar and Paying  
25 Agent or the principal office of any Credit Facility Issuer are located, are not required or  
26 authorized by law to remain closed, and on which the Deputy Registrar and Paying Agent and  
27 any Credit Facility Issuer and the New York Stock Exchange, Inc. are open for business.

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1 "Capital Appreciation Bonds" means Bonds, the interest on which shall be  
2 compounded on a periodic basis and payable only at maturity or upon prior redemption, and  
3 shall be determined by reference to the Accreted Value.

4 "City" means the City of Jacksonville, Florida, and, wherever the context requires,  
5 Duval County, Florida, a consolidated municipal corporation and political subdivision of the  
6 State.

7 "City Council" means the Council of City, as the governing body of the City.

8 "Code" means the Internal Revenue Code of 1986, as amended, including, when  
9 appropriate, the statutory predecessor of the Code, and all applicable regulations (whether  
10 proposed, temporary or final) under that Code and the statutory predecessor of the Code, and  
11 any official rulings and judicial determinations under the foregoing applicable to the Bonds.

12 "Credit Facility" means any municipal bond insurance policy, a letter of credit,  
13 surety bond, guarantee, or other agreement under which any Person other than the City  
14 provides additional security for any Series and guarantees timely payment of the principal of  
15 and interest on all or a portion of any Series, and shall include any Reserve Account Credit  
16 Facility, provided that the Person issuing such instrument shall be rated in the highest rating  
17 category by Standard and Poor's Corporation or Moody's Investors Service Inc.

18 "Credit Facility Issuer" means a Person which has provided a Credit Facility relating  
19 to any Series or any particular Bonds within a Series.

20 "Current Interest Paying Bonds" means Bonds, the interest on which shall be payable  
21 on a periodic basis.

22 "Debt Service" means, for any period or payable at any time, the principal (including  
23 Amortization Installments) of, premium, if any, and interest on the Bonds for that period or  
24 payable at that time, whether due at maturity or redemption or otherwise.

25 "Debt Service Requirement" shall mean, for any Bond Year, the sum of:

- 26 (1) the amount required to pay the interest becoming due on the  
27 Current Interest Paying Bonds during such Bond Year;

- 1 (2) the aggregate amount required to pay the principal becoming due  
2 on Current Interest Paying Bonds for such Bond Year; and  
3 (3) the aggregate amount required to pay the Maturity Amount due on  
4 any Capital Appreciation Bonds maturing in such Bond Year.

5 In calculating the Debt Service Requirement for any period:

6 (A) the City shall deduct from the amounts calculated in Subparagraphs (1)  
7 through (3) above: (a) any capitalized interest deposited into the Sinking Fund for such period  
8 from the proceeds of the sale of such Bonds or otherwise, (b) any investment earnings to be  
9 received on moneys on deposit in the Sinking Fund and accounts therein and required by the  
10 terms of this Ordinance to be retained in such Sinking Fund, and (c) so long as there is on  
11 deposit in the Reserve Account (without regard to any Reserve Account Credit Facility) an  
12 amount equal to the Reserve Account Requirement, the amount in the Reserve Account shall  
13 be deducted from the Debt Service due on the latest Principal Payment Date for any Bonds  
14 secured thereby;

15 (B) the interest due in any ensuing Bond Year on Variable Rate Bonds shall be  
16 assumed to be one hundred twenty-five percent (125%) of The Bond Buyer "Twenty-Five  
17 Revenue Bond Index" published immediately preceding the date of such calculation;

18 (C) the stated maturity date of any Current Interest Paying Term Bonds shall  
19 be disregarded and the Amortization Installments applicable to such Current Interest Paying  
20 Term Bonds in such Bond Year shall be deemed to mature in such Bond Year; and  
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1 (D) the stated maturity date of any Capital Appreciation Term Bonds shall be  
2 disregarded and the Amortization Installments applicable to such Capital Appreciation Term  
3 Bonds in such Bond Year shall be deemed to mature in such Bond Year.

4 "Depository" means any securities depository that is a clearing agency under federal  
5 laws operating and maintaining, with its participants or otherwise, a Book-entry System to  
6 record ownership of beneficial interests in Bonds or Debt Service and to effect transfers of  
7 Bonds in Book-entry Form, including, but not limited to, The Depository Trust Company,  
8 New York, New York.

9 "Deputy Registrar and Paying Agent" means the keeper of the Register for the  
10 applicable Series, designated or redesignated by ordinance or resolution of the City Council;  
11 each Deputy Registrar and Paying Agent, other than the City, shall be a transfer agent  
12 registered in accordance with Section 17A(c) of the Securities Exchange Act of 1934, as  
13 amended; and each Deputy Registrar and Paying Agent shall be the authenticating agent and  
14 the paying agent for the applicable Series.

15 "Fitch" means Fitch Investors Service, One State Street Plaza, New York, New  
16 York, 10004, or any successor thereto.

17 "Fiscal Year" means the period commencing on October 1 of each year and ending  
18 on the succeeding September 30 or such other period as may be prescribed from time to time  
19 as the fiscal year for the City.

20 "Independent Certified Public Accountants" means a firm of certified public  
21 accountants licensed to practice public accounting in the State, which is not in the regular  
22 employ of the City on a salary basis.

23 "Interest Payment Date" means, with respect to (a) any Series, any date on which  
24 interest is stated to be due on the Current Interest Paying Bonds, as determined by subsequent  
25 ordinance or resolution of the City Council adopted at or prior to the time of sale of such  
26 Series; and (b) any date on which interest becomes due thereon on account of early redemption  
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1 thereof or on account of the happening of an event which under the terms of the Bonds,  
2 requires a payment of interest to be made thereon.

3 "Maturity Amounts" means, with respect to any Capital Appreciation Bonds, the  
4 amounts representing principal and interest on such Capital Appreciation Bonds at maturity.

5 "Maximum Debt Service Requirement" means, as of any particular date of  
6 calculation, the Debt Service Requirement for any future Bond Year which is greatest in dollar  
7 amount with respect to all Outstanding Bonds.

8 "Moody's" shall mean Moody's Investors Service, Inc, 99 Church Street, New York,  
9 New York, 10007, or any successor thereto.

10 "Ordinance" or "1993 Ordinance" shall mean this Ordinance No. 93-978 authorizing  
11 the issuance of the Bonds.

12 "Outstanding" means, as of any applicable time, all Bonds which have been issued  
13 and delivered, or are then being issued and delivered, under this Ordinance, except:

14 (a) Bonds cancelled upon surrender, exchange or transfer, or cancelled  
15 upon purchase in the open market or because of payment at or redemption  
16 prior to that date;

17 (b) Bonds, or portions thereof, which are considered no longer  
18 Outstanding pursuant to Section 6.04 hereof;

19 (c) Bonds, or portions thereof, which are deemed paid upon  
20 redemption or maturity thereof for which moneys sufficient to pay the  
21 maturity amount or redemption price thereof have been deposited with the  
22 Deputy Registrar and Paying Agent; provided that, if such Bonds are to be  
23 redeemed before the maturity thereof, the City Council shall have adopted an  
24 ordinance or resolution calling such Bonds for redemption and directing the  
25 Deputy Registrar and the Paying Agent to mail notice of redemption to the  
26 Owners of Bonds so called for redemption;

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1 (d) Bonds in lieu of which other Bonds have been issued under Section  
2 2.06 or 2.07 hereof.

3 For purposes of voting, giving directions and granting consents, Bonds held by the City or by  
4 an agent of the City shall not be deemed Outstanding.

5 "Person" or words importing persons means firms, associations, partnerships, joint  
6 ventures, societies, estates, trusts, corporations, public or governmental bodies, other legal  
7 entities and natural persons.

8 "Pledged Revenues" means (i) all Revenues, (ii) all monies and investments held in  
9 the Revenue Fund and the Sinking Fund, (iii) investment income earned on amounts in the  
10 Sinking Fund, including the Reserve Account therein, and (iv) the proceeds of the  
11 Supplemental Contribution.

12 "Prior Lien Obligations" means (i) the City's outstanding Capital Improvement  
13 Revenue Certificates, Series 1988 authorized pursuant to Ordinance 88-360-328 of the City,  
14 (ii) the City's obligations to any Reserve Instrument Provider, as defined in such ordinance,  
15 and (iii) the City's obligations under the Participation Agreement between the City and the  
16 First Municipal Loan Council, dated May 18, 1989, authorized pursuant to Ordinance 89-297-  
17 119.

18 "Principal Maturity Date" means, with respect to any Series, the annual or other  
19 periodic date on which (i) principal matures on the Current Interest Paying Bonds or (ii)  
20 Maturity Amounts are payable on Capital Appreciation Bonds, as determined by subsequent  
21 ordinance or resolution of the City Council adopted at or prior to the sale of such Series, and  
22 in each case including applicable dates on which Amortization Installments are required to be  
23 applied to retire Term Bonds.

24 "Project Costs" means, but shall not necessarily be limited to: the cost of the  
25 acquisition and construction of the Series 1993 Project and the construction and acquisition of  
26 additions, extensions, and improvements thereto; engineering, accounting, and legal fees and  
27 expenses; expenses for plans, specifications and surveys; expenses for estimates of costs and of  
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1 revenues; the fees of fiscal agents, financial advisors and consultants; municipal bond  
2 insurance, credit enhancement and liquidity facility premiums and fees; administrative  
3 expenses; interest on the Bonds for a reasonable period of time after the date of their delivery;  
4 reasonable reserves for the payment of Debt Service; discount upon the sale of the Bonds; the  
5 cost of purchasing any Credit Facility or Reserve Account Credit Facility; such other expenses  
6 as may be necessary or incidental to the financing authorized by this Ordinance, to the Series  
7 1993 Project, and to the placing of the Series 1993 Project in operation; and reimbursement to  
8 the City for any sums expended for the foregoing purposes in anticipation of the issuance of  
9 the Bonds.

10 "Record Date" means, when used with respect to any Series, the fifteenth day of the  
11 calendar month next preceding an Interest Payment Date applicable to that Series, or such  
12 other date as may be specified by subsequent ordinance or resolution of the City Council  
13 adopted prior to the delivery of such Series.

14 "Redemption Date" means any date on which Bonds are called for redemption prior  
15 to maturity.

16 "Register" means the books kept and maintained by the Deputy Registrar and Paying  
17 Agent for the registration and transfer of Bonds pursuant to Section 2.05 hereof.

18 "Registered Owner" or "Owners" means the Person, including any nominee of a  
19 Depository, in whose name a Bond is registered by the Deputy Registrar and Paying Agent.

20 "Reserve Account Credit Facility" means a municipal bond insurance policy, surety  
21 bond, letter of credit, line of credit, guarantee or other agreement which provides for payment  
22 of amounts equal to all or any portion of the Reserve Account Requirement in the event of an  
23 insufficiency of moneys in the Sinking Fund to pay when due principal of and interest on all or  
24 a portion of the Bonds.

25 "Reserve Account Credit Facility Issuer" means a Person which has provided a  
26 Reserve Account Credit Facility.

1 "Reserve Account Requirement" means an amount which is the lesser of (i) the  
2 Maximum Debt Service Requirement for all Bonds then Outstanding, or (ii) the maximum  
3 aggregate amount allowed under the provisions of the Code to be funded as a reasonably  
4 required reserve from the proceeds of the Series 1993 Bonds and any Additional Parity Bonds.

5 "Revenues" mean the proceeds from the local government half-cent sales tax  
6 distributed to the City from the Local Government Half-Cent Sales Tax Clearing Trust Fund,  
7 as defined and described in Part VI, Chapter 218, Florida Statutes, remaining after payment of  
8 the principal of, and premium if any and interest on, and other required payments with respect  
9 to the Prior Lien Obligations.

10 "Serial Bonds" means any Current Interest Paying Bonds or Capital Appreciation  
11 Bonds for the payment of the principal of which no fixed mandatory sinking fund or bond  
12 redemption deposits are required to be made prior to the 12-month period immediately  
13 preceding the stated date of maturity of the such Bonds.

14 "Series" means an amount of Bonds designated by the City as a single series, which  
15 may be issued in one or more installments.

16 "Series 1993 Bonds" means the Sales Tax Revenue Bonds, Series 1993, originally  
17 issued pursuant to this Ordinance.

18 "Series 1993 Project" means the various capital improvement projects and related  
19 facilities authorized pursuant to Resolution 93-\_\_\_, a copy of which is attached hereto as  
20 Exhibit B and by this reference made a part hereof, and such additions, deletions and  
21 modifications thereto as may be approved or authorized by subsequent ordinance or resolution  
22 of the City Council.

23 "S&P" means Standard & Poor's Corporation, 5 Broadway, New York, New York,  
24 10004, or any successor thereto.

25 "State" means the State of Florida.

26 "Subordinated Bonds" means any obligations issued or incurred by the City and  
27 payable from all or a portion of the Pledged Revenues which are junior and subordinate to any  
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1 Bonds issued pursuant to this Ordinance as to security for payment from such Pledged  
2 Revenues and in all other respects.

3 "Supplemental Contribution" means the proceeds of the annual supplemental  
4 contribution, upon receipt thereof, by the City, from the Jacksonville Electric Authority  
5 pursuant to Section 106.202(A) of the Ordinance Code of the City and the Financial  
6 Agreement between the Authority and the City, a copy of which is attached hereto as Exhibit  
7 C.

8 "Tax Compliance Certificate" means, with respect to any Series, the certificate  
9 executed by an officer of the City responsible for the issuance of the Series, delivered in  
10 connection with the issuance of such Series, relating to compliance by the City with the  
11 requirements of the Code applicable to such Series, including any investment instructions  
12 attached to such certificate.

13 "Term Bonds" means the Current Interest Paying Bonds or Capital Appreciation  
14 Bonds of a Series, all of which are stated to mature on one date and which are subject to  
15 retirement by operation of the applicable Bond Amortization Account in the Sinking Fund  
16 herein established.

17 "United States Obligations" means direct and general obligations of the United States  
18 of America or obligations that are unconditionally guaranteed as to the timely payment of  
19 principal and interest by the United States of America, including (in the case of direct and  
20 general obligations of the United States of America) evidences of direct ownership of  
21 proportionate interests in future payments of interest on or principal of such obligations.  
22 Investments in such proportionate interests must be limited to circumstances wherein (a) a bank  
23 or trust company acts as custodian and holds the underlying United States Obligations; (b) the  
24 owner of the investment is the real party in interest and has the right to proceed directly and  
25 individually against the obligor of the underlying United States Obligations; and (c) the  
26 underlying United States Obligations are held in safekeeping in a special account, segregated  
27 from the custodian's general assets, and are not available to satisfy any claim of the custodian,  
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1 any person claiming through the custodian, or any person to whom the custodian may be  
2 obligated.

3 "Variable Rate Bonds" means Bonds, the interest rate on which is subject to periodic  
4 adjustment, at intervals equal to or less than two years, at such times and in such manner as  
5 shall be determined by the City Council prior to the sale thereof.

6 SECTION 1.03. INTERPRETATION. Any reference herein to the City, to the City  
7 Council or to any member or officer of either, includes entities or officials succeeding to their  
8 respective functions, duties or responsibilities pursuant to or by operation of law or lawfully  
9 performing their functions.

10 Unless the context clearly indicates otherwise, any reference to a section or provision  
11 of the Constitution of the State or the Act, or to a section, provision or chapter of the Laws of  
12 Florida or the United States of America, includes that section, provision or chapter as  
13 amended, modified, revised, supplemented or superseded from time to time; provided, that no  
14 amendment, modification, revision, supplement or superseding section, provision or chapter  
15 shall be applicable solely by reason of this provision, if it constitutes in any way an  
16 impairment of the rights or obligations of the City, the officers, employees and members of  
17 the City Council of the City, the Deputy Registrar and Paying Agent, the Registered Owners,  
18 or any Credit Facility Issuer or Reserve Account Credit Facility Issuer under this Ordinance,  
19 the Bonds or any other instrument or document entered into in connection with any of the  
20 foregoing.

21 Unless the context indicates otherwise, words importing the singular number include  
22 the plural number, and vice versa; the terms "hereof," "hereby," "herein," "hereto,"  
23 "hereunder" and similar terms refer to this Ordinance; and the term "hereafter" means after  
24 and the term "heretofore" means before the date of this Ordinance. Words of any gender  
25 include the correlative words of the other gender, unless the context indicates otherwise.

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1 SECTION 1.04. CAPTIONS. The captions and headings herein are solely for  
2 convenience of reference and in no way define, limit or describe the scope or intent of any  
3 Sections, subsections, paragraphs, subparagraphs or clauses hereof.

4 SECTION 1.05. FINDINGS. It is hereby ascertained, determined and declared  
5 that:

6 (A) It is necessary and in the best interests of the health, safety, and welfare of  
7 the City that the City undertake the Series 1993 Project. The City is authorized pursuant to  
8 the provisions of the Act to undertake the Series 1993 Project.

9 (B) The City is without adequate, currently available funds to pay the Project  
10 Costs, and it is necessary and desirable and in the best interests of the City that it borrow the  
11 moneys necessary to accomplish the financing of the Series 1993 Project. The City is  
12 authorized pursuant to the provisions of the Act to borrow moneys necessary to pay the cost of  
13 the Series 1993 Project.

14 (C) The City currently receives the Revenues and the Revenues are not pledged  
15 or encumbered to pay any debts or obligations of the City other than the Prior Lien  
16 Obligations. The Pledged Revenues will be pledged to Bond anticipation notes, issued as  
17 Commercial Paper Notes, pursuant to Section 2.08 hereof and any Credit Facility in  
18 connection with such Commercial Paper Notes. The Series 1993 Bonds will be issued to repay  
19 such Bond anticipation notes and any Credit Facility in connection with such Commercial  
20 Paper Notes to pay the cost of the Series 1993 Project.

21 (D) The City is authorized pursuant to the provisions of the Act to pledge the  
22 Pledged Revenues to secure the payment of debt issued to finance the Project Costs.

23 (E) The Pledged Revenues together with capitalized interest provided from  
24 proceeds of the Bonds are estimated to be sufficient to pay the Debt Service on the Series 1993  
25 Bonds and to make all other payments required to be made by the provisions of this  
26 Ordinance.

1 (F) The Bonds to be issued pursuant to this Ordinance shall not be or constitute  
2 general obligations or indebtedness of the City as "bonds" within the meaning of any provision  
3 of the Constitution of the State, but shall be and are hereby declared to be special and limited  
4 obligations of the City, the Debt Service on which is payable solely from the Pledged  
5 Revenues in the manner provided herein. The Debt Service on the Bonds to be issued  
6 pursuant to the provisions of this Ordinance and all other payments provided for herein, will  
7 be paid solely from the Pledged Revenues, and it will never be necessary or authorized to levy  
8 taxes on any real property of or in the City to pay the Debt Service on the Bonds, or to make  
9 any of the sinking fund, reserve, or other payments provided for herein. Furthermore, neither  
10 the Bonds nor the Debt Service thereon, shall be or constitute a lien upon the Series 1993  
11 Project or upon any other property of or in the City other than the Pledged Revenues in the  
12 manner provided in this Ordinance.

13 SECTION 1.06. ORDINANCE CONSTITUTES A CONTRACT. In consideration  
14 of the acceptance of the Bonds by those who shall be the Registered Owners thereof from time  
15 to time, this Ordinance shall be deemed to be and shall constitute a contract between the City  
16 and such Registered Owners and any Credit Facility Issuer. The covenants and agreements  
17 herein set forth shall be for the equal benefit, protection, and security of the Registered  
18 Owners of all Bonds, and all Bonds shall be of equal rank and without preference, priority, or  
19 distinction over any other thereof, except as expressly provided herein and in any Credit  
20 Facility. Additional Parity Bonds shall be deemed to have been issued pursuant to this  
21 Ordinance the same as the Series 1993 Bonds originally authorized and issued pursuant to this  
22 Ordinance, and all of the covenants and other provisions of this Ordinance (except as to details  
23 of such Additional Parity Bonds inconsistent herewith), shall be for the equal benefit,  
24 protection and security of the Registered Owners of the Series 1993 Bonds and the Registered  
25 Owners of any Additional Parity Bonds within the limitations of and in compliance with this  
26 Ordinance.



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ARTICLE II

AUTHORIZATION OF SERIES 1993 PROJECT;  
DESCRIPTION, DETAILS AND FORM OF SERIES 1993 BONDS

SECTION 2.01. AUTHORIZATION OF SERIES 1993 PROJECT. The City Council hereby specifically authorizes the Series 1993 Project.

SECTION 2.02. AUTHORIZATION OF BONDS. Subject and pursuant to the provisions of this Ordinance, obligations of the City, to be known as "Sales Tax Revenue Bonds, Series 1993)", are hereby authorized to be issued in an aggregate principal amount on original issuance not to exceed \$230,000,000, for the purpose of financing Project Costs, including the payment of the Bond anticipation notes issued pursuant to Section 2.08 hereof.

SECTION 2.03. DESCRIPTION OF BONDS. The Bonds of each Series shall be numbered; shall be in such denominations or maturity amounts; shall be dated; shall bear interest at not exceeding the maximum rate allowed by law payable on such dates; shall mature on such dates, not to exceed 40 years from the date thereof, and in such amounts; and shall be issued as Current Interest Paying Bonds, Capital Appreciation Bonds, Variable Rate Bonds, Adjustable Rate Bonds, Serial Bonds, Term Bonds, or any combination thereof; as shall be determined by subsequent ordinance or resolution of the City Council enacted or adopted at or prior to the sale of such Series.

The Bonds may be issued all at one time or in Series or installments from time to time. Different installments and Series of the Bonds may have such characteristics as shall be provided by subsequent ordinance or resolution of the City Council, and shall bear a designation to distinguish such Series or installment from other Series or installments of the Bonds.

The Bonds of each Series shall be issued in fully registered form without coupons; shall be payable with respect to principal at the office of the Deputy Registrar and Paying Agent, or such other Deputy Registrar and Paying Agent as shall be subsequently named; shall be payable in lawful money of the United States of America; and shall bear interest from their

1 date, or from the most recent date to which interest has been paid, payable, in the case of  
2 Current Interest Paying Bonds, by check or draft mailed to the Registered Owner at his address  
3 as it appears upon the books of the Deputy Registrar and Paying Agent as of 5:00 P.M.  
4 Eastern Time on the Record Date, and in the case of Capital Appreciation Bonds, at maturity  
5 upon presentation at the office of the Deputy Registrar and Paying Agent.

6 SECTION 2.04. EXECUTION AND AUTHENTICATION OF BONDS. The  
7 Bonds of each Series shall be executed in the name of the City by the Mayor of the City, and  
8 attested and, if applicable, countersigned by the Corporation Secretary of the City, and its seal  
9 or facsimile thereof shall be affixed thereto or reproduced thereon. The signatures of the  
10 Mayor and the Corporation Secretary may be manual or facsimile.

11 The Deputy Registrar and Paying Agent shall serve as authenticating agent for the  
12 Bonds and is authorized to authenticate Bonds. No Bond shall be valid or obligatory for any  
13 purpose or be entitled to any security or benefit under the provisions of this Ordinance until a  
14 certificate of authentication substantially in the form set forth in Exhibit A hereto shall have  
15 been signed by manual signature of an authorized signer of the authenticating agent. The  
16 authorized signature for the Deputy Registrar and Paying Agent shall be manual. The  
17 authentication by the authenticating agent upon any Bond shall be conclusive evidence that the  
18 Bond so authenticated has been duly authenticated and delivered hereunder and is entitled to  
19 the security and benefit hereof.

20 In case any officer who shall have signed or sealed any of the Bonds shall cease to be  
21 such officer before the Bonds have been delivered, such Bonds may nevertheless be delivered  
22 as if such officer had not ceased to hold such office. Any Bond may be signed and sealed on  
23 behalf of the City by such person as at the time of execution shall hold the proper office,  
24 although at the date of such Bonds such person may not have held such office.

25 SECTION 2.05. NEGOTIABILITY, REGISTRATION, TRANSFERABILITY  
26 AND EXCHANGE. The Bonds shall be and have all the qualities and incidents of negotiable  
27 instruments under the Uniform Commercial Code - Investment Securities Laws of the State,  
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1 and each successive Registered Owner, in accepting any Bonds, shall be conclusively deemed  
2 so to have agreed.

3 The Deputy Registrar and Paying Agent shall be responsible for maintaining the  
4 books for the registration of the transfer and exchange of the Bonds. The City and the Deputy  
5 Registrar and Paying Agent may treat the Registered Owner of any Bond as the absolute owner  
6 thereof for all purposes, whether or not such Bond shall be overdue, and shall not be bound by  
7 any notice to the contrary.

8 All Bonds presented for transfer or exchange (if so required by the City or the  
9 Deputy Registrar and Paying Agent) shall be accompanied by a written instrument or  
10 instruments of transfer or authorization for exchange, in form and with guaranty of signature  
11 satisfactory to the City or the Deputy Registrar and Paying Agent, duly executed by the  
12 Registered Owner or by his duly authorized representative.

13 The Deputy Registrar and Paying Agent may charge the Registered Owner a sum  
14 sufficient to reimburse it for any expenses incurred in making any exchange or transfer after  
15 the first such exchange or transfer following the initial delivery of the Bonds. The Deputy  
16 Registrar and Paying Agent or the City may also require payment from the Registered Owner  
17 or his transferee, as the case may be, of a sum sufficient to cover any tax, fee or other  
18 governmental charge that may be imposed in relation thereto. Such charges and expenses shall  
19 be paid before any new Bonds shall be delivered.

20 The City and the Deputy Registrar and Paying Agent shall not be required to issue,  
21 transfer or exchange any Bonds (a) during a period beginning at the opening of business on the  
22 15th day next preceding any Interest Payment Date and ending at the close of business on the  
23 Interest Payment Date or (b) selected, called or being called for redemption in whole or in  
24 part.

25 New Bonds delivered upon any transfer or exchange shall be valid obligations of the  
26 City, evidencing the same debt as the Bonds surrendered, shall be secured by this Ordinance,  
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1 and shall be entitled to all of the security and benefits hereof to the same extent as the Bonds  
2 surrendered.

3           The City may elect to use a book-entry system for issuance and registration of the  
4 Bonds of any Series, and the details of any such system shall be as fixed by subsequent  
5 ordinance or resolution of the City Council enacted or adopted prior to the time of issuance of  
6 such Bonds.

7           Whenever any Bond shall be delivered to the Deputy Registrar and Paying Agent for  
8 cancellation, upon payment of the principal amount thereof, or for replacement, transfer or  
9 exchange, such Bond shall be cancelled and destroyed by the Deputy Registrar and Paying  
10 Agent as authorized by law, and counterparts of a certificate of destruction evidencing such  
11 destruction shall be furnished to the City.

12           **SECTION 2.06. REPLACEMENT OF BONDS MUTILATED, DESTROYED,**  
13 **STOLEN OR LOST.** In case any Bond shall become mutilated or be destroyed, stolen or lost,  
14 the Deputy Registrar and Paying Agent may in its discretion issue and deliver a new Bond, of  
15 like tenor as the Bond, so mutilated, destroyed, stolen or lost, either in exchange and  
16 substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond or  
17 in lieu of and substitution for the Bond destroyed, stolen or lost, upon the Registered Owner's  
18 furnishing the Deputy Registrar and Paying Agent proof of his ownership and the loss thereof  
19 (if lost, stolen or destroyed), satisfactory indemnity in favor of both the City and the Deputy  
20 Registrar and Paying Agent, and complying with such other reasonable regulations and  
21 conditions as the Deputy Registrar and Paying Agent and City may prescribe, and paying (in  
22 advance if required by the City) such expenses and attorneys fees as the City may incur. All  
23 Bonds so surrendered shall be cancelled. If any such Bond shall have been matured or be  
24 about to mature, instead of issuing a substitute Bond, the Deputy Registrar and Paying Agent  
25 may pay the same, upon compliance with the foregoing conditions.  
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1 Any such duplicate Bonds issued pursuant to this section shall constitute original,  
2 additional contractual obligations on the part of the City, whether or not any lost, stolen or  
3 destroyed Bonds are found.

4 SECTION 2.07. TEMPORARY BONDS. Until Bonds in definitive form of any  
5 Series are ready for delivery, the City may deliver in lieu of such definitive Bonds, and subject  
6 to the same provisions, limitations and conditions, one or more printed or typewritten Bonds in  
7 temporary form, substantially of the tenor of the Bonds, with appropriate omissions and  
8 variations.

9 The City shall issue Bonds in definitive form without unreasonable delay in exchange  
10 for the temporary Bonds.

11 SECTION 2.08. ANTICIPATION NOTES. In anticipation of the delivery of any  
12 Series, the City may issue Bond anticipation notes, in the aggregate principal amount  
13 outstanding at any one time together with interest accrued and to accrue thereon to maturity  
14 not to exceed the aggregate principal amount of such Bonds theretofore authorized. Bond  
15 anticipation notes may be issued as part of a financing program utilizing commercial paper or  
16 other short-term, adjustable rate, or variable rate debt instruments to provide interim  
17 financing for one or more City projects, provided that the principal amount of such program  
18 outstanding at any one time allocable to projects to be financed hereunder together with  
19 interest accrued and to accrue thereon to maturity shall not exceed the aggregate principal  
20 amount of Bonds theretofore authorized. Provisions regarding the form of such Bond  
21 anticipation notes and the security for any Bond anticipation notes shall be set forth in a  
22 separate ordinance or resolution of the City Council enacted or adopted at or prior to the time  
23 of sale of such Bond anticipation notes.

24 SECTION 2.09. PROVISIONS FOR REDEMPTION. The Bonds or any portions  
25 thereof may be subject to redemption as provided by subsequent ordinance or resolution of the  
26 City Council enacted or adopted prior to the sale of the Bonds.

1 For purposes of any redemption of less than all of the Outstanding Bonds of a single  
2 maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected not more  
3 than forty-five (45) days prior to the redemption date by the Deputy Registrar and Paying  
4 Agent from the Outstanding Bonds of the maturity or maturities designated by the City and by  
5 lot within a maturity. If less than all of the Outstanding Bonds of a single maturity are to be  
6 redeemed, the Deputy Registrar and Paying Agent shall promptly notify the City in writing of  
7 the Bonds or portions of Bonds selected for redemption, and in the case of any Bond selected  
8 for partial redemption, the principal amount thereof to be redeemed.

9 Not more than sixty (60) calendar days or less than thirty (30) calendar days prior to  
10 the Redemption Date, notice of such redemption, (i) shall be filed with the Deputy Registrar  
11 and Paying Agent, and (ii) shall be mailed by deposit in the U.S. Mail by First Class Mail,  
12 postage prepaid at least thirty (30) and not more than sixty (60) calendar days prior to the  
13 redemption date, to all Registered Owners of Bonds to be redeemed at their addresses as they  
14 appear on the Register hereinabove provided for. Interest shall cease to accrue on any Bonds  
15 duly called for prior redemption on the redemption date, if payment of the redemption price  
16 has been duly provided. Failure of any Registered Owner to receive notice properly provided  
17 shall not affect the validity of any such proceedings for redemption or cessation of the accrual  
18 of interest on the Bonds called for redemption from and after the Redemption Date.

19 Each notice of redemption shall be dated and state the redemption date, the  
20 redemption price, the identification and respective principal amount of Bonds to be redeemed  
21 if less than all Bonds are to be redeemed, and that on the redemption date the redemption price  
22 will become due and payable on each Bond or portion thereof called for redemption and that  
23 interest on each such Bond shall cease to accrue from and after such date, and the place where  
24 the Bonds are to be surrendered for payment of the redemption price.

25 In addition to the foregoing notice, further notice shall be given as set out below, but  
26 no defect in any such notice nor any failure to give all or any portion of any notice shall in any  
27 manner defeat the effectiveness of a call for redemption with respect to an Owner as to which  
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1 notice is given as prescribed above. Each such further notice of redemption given hereunder  
2 shall contain the information required above for an official notice of redemption plus: (i) the  
3 date of the Bonds of such Series being redeemed; (ii) the rate of interest borne by each Bond  
4 being redeemed; (iii) the maturity date of each Bond being redeemed; (iv) the CUSIP number  
5 of all Bonds being redeemed and (v) any other descriptive information needed to identify  
6 accurately the Bonds being redeemed.

7 Each further notice of redemption shall be sent at least thirty-two (32) days before the  
8 redemption date by registered or certified mail or overnight delivery service (at the expense of  
9 the addressee) to all registered securities depositories then in the business of holding substantial  
10 amounts of obligations of types such as the Bonds (such depositories now being The  
11 Depository Trust Company of New York, New York, Midwest Securities Trust Company of  
12 Chicago, Illinois, and Philadelphia Depository Trust Company of Philadelphia, Pennsylvania)  
13 and to one or more national information services that disseminate notices of redemption of  
14 obligations such as the Bonds (such as Financial Information, Inc.'s Financial Daily Called  
15 Bond Service, Interactive Data Corporation's Bond Service, Kenny Information Service's  
16 Called Bond Service and Standard & Poor's Called Bond Record).

17 **SECTION 2.10. FORM OF BONDS.** The text of the Bonds shall be of substantially  
18 the form of Exhibit A hereto, with such omissions, insertions, and variations as may be  
19 necessary and desirable, and as may be authorized or permitted by this Ordinance or by  
20 subsequent ordinance or resolution enacted or adopted by the City Council prior to the  
21 issuance thereof.

22 **SECTION 2.11. ADDITIONAL DETAILS.** The City may, with respect to any  
23 Series, vary the details of the description of the Bonds, the execution, registration, redemption  
24 and other terms of the Bonds set forth in this Article II in such manner as the City shall  
25 determine by subsequent ordinance or resolution enacted or adopted by the City Council prior  
26 to the issuance of such Bonds.

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ARTICLE III

BONDS NOT GENERAL OBLIGATION OF CITY;  
PLEDGE OF REVENUES AND APPLICATION THEREOF

SECTION 3.01. BONDS NOT GENERAL OBLIGATIONS OR INDEBTEDNESS OF THE CITY. The Bonds shall not be or constitute general obligations or indebtedness of the City as "bonds" within the meaning of any State constitutional, State statutory, City charter or City code provision or limitation but shall be special and limited obligations of the City payable solely from and secured by a lien upon and a pledge of the Pledged Revenues as herein provided. No Registered Owner or Owners of any Bonds, or any Credit Facility Issuer or Reserve Account Credit Facility Issuer, shall ever have the right to require or compel the exercise of the ad valorem taxing power of the City, or taxation in any form on any real or personal property of or in the City, to pay the Bonds or Debt Service thereon.

SECTION 3.02. BONDS SECURED BY PLEDGED REVENUES. The payment of Debt Service on all of the Bonds issued hereunder shall be secured forthwith equally and ratably with the other Bonds by a lien upon and pledge of the Pledged Revenues. The Pledged Revenues, in an amount sufficient both to pay the Debt Service on the Bonds herein authorized and to make the payments into the Reserve Account and Sinking Fund and all other payments provided for in this Ordinance are hereby irrevocably pledged in the manner stated herein to the payment of the Debt Service on the Bonds herein authorized as the same become due; provided that said pledge and lien may be released and extinguished by defeasance as provided in Section 6.04 hereof. Notwithstanding the foregoing, no provision hereof is intended to prohibit the payment of Debt Service on any Series of Bonds from, or the pledging to such payment of, any lawfully available additional reserves, security, documents, obligations or sources of funds that are legally available.

SECTION 3.03. APPLICATION OF PLEDGED REVENUES. For as long as the Bonds shall be Outstanding, or until (a) there shall have been set apart in the Sinking Fund, including subaccounts therein for each Series, and the Reserve Account and Bond



1 Amortization Account and subaccounts therein, a sum sufficient to pay when due the entire  
2 principal amount of the Bonds remaining unpaid, together with the premium, if any, with  
3 respect thereto, and the interest accrued and to accrue thereon, or (b) provision for payment of  
4 the Bonds shall have been made in accordance with the provisions of this Ordinance and the  
5 Bonds are deemed to have been paid and discharged, the City covenants with the Registered  
6 Owners of and any Credit Facility Issuer for the Bonds as follows:

7 (A) CREATION OF FUNDS AND ACCOUNTS. There are hereby created  
8 and established by the City the following special funds and accounts which shall (except for  
9 the Rebate Fund) be subject to the lien hereof: a fund designated Sales Tax Revenue Bonds,  
10 Series 1993 Revenue Fund (hereinafter the "Revenue Fund"); a fund designated Sales Tax  
11 Revenue Bonds, Series 1993 Sinking Fund (hereinafter the "Sinking Fund"), together with  
12 subaccounts therein to be known as the "Bond Amortization Account" (together with any  
13 subaccounts therein), the "Capitalized Interest Account" and the "Reserve Account", and the  
14 Sales Tax Revenue Bonds, Series 1993 Rebate Fund (hereinafter the "Rebate Fund"), provided  
15 that separate accounts and subaccounts in any of the foregoing may be established and  
16 maintained for different Series.

17 (B) MAINTENANCE OF FUNDS AND ACCOUNTS. The designation and  
18 establishment of the various funds and accounts in and by this Ordinance shall not be construed  
19 to require the establishment of any completely independent, self-balancing funds or accounts,  
20 as such terms are commonly defined and used in Accounting Principles, but rather is intended  
21 solely to constitute separation and distinction of Pledged Revenues for certain purposes and to  
22 establish certain priorities for application of such Pledged Revenues as provided herein. Cash  
23 and investments required to be accounted for in each of the funds and accounts established by  
24 this Ordinance may be deposited in a single bank account, provided that standard accounting  
25 records are maintained to reflect control or restricted allocation of the moneys therein for the  
26 various purposes of such funds and accounts.

1           The foregoing provisions notwithstanding, the funds and accounts created and  
2 established pursuant to this Ordinance shall constitute trust funds for the purposes provided  
3 herein and shall be maintained on the books of the City as separate and distinct from all other  
4 funds and accounts of the City, in the manner provided in this Ordinance. All moneys in such  
5 funds and accounts shall be continuously secured in the same manner as deposits of City funds  
6 are required to be secured by the laws of the State.

7           Separate accounts may be maintained for different Series and identified by the  
8 appropriate designation, and deposits into the accounts for each such Series shall be on a parity  
9 with the deposits, if any, into the corresponding accounts for each other Series (or, in the case  
10 of a deficiency, shall be on a pro rata basis computed with regard to the aggregate principal  
11 amount of Bonds of each Series then Outstanding and unpaid) unless specified otherwise;  
12 further provided that moneys on deposit in the accounts established for a particular Series may  
13 be specified not to be available to be used for payments required to be made from the  
14 corresponding accounts for any other Series.

15           **(C) APPLICATION OF PLEDGED REVENUES.** All Pledged Revenues  
16 shall, immediately upon receipt thereof, be deposited by the City into the Revenue Fund.  
17 Moneys on deposit in the Revenue Fund shall be applied, on or before the 25th day of each  
18 month, subject to credits for deposits as provided below, only in the following manner and  
19 order of priority, and provided that with respect to any payment period for any Series that is  
20 other than annual or semiannual, the required deposits shall be such as to provide for equal  
21 monthly deposits of all amounts required to meet the Debt Service of such Series, as follows:

22           (1) Moneys in the Revenue Fund shall first be used for deposit into the  
23 Sinking Fund, of an amount equal to one-twelfth (1/12) of the principal due on the next  
24 succeeding Principal Payment Date and one-sixth (1/6) of the interest due on the next  
25 succeeding Interest Payment Date; provided, however, that no deposit shall be required to the  
26 extent that payment of interest on the Bonds has been provided from the proceeds of the  
27 Bonds.

1 (2) Revenues shall next be used for deposit into the Bond Amortization  
2 Account, on a parity with the payments into the Sinking Fund provided in Subsection (1)  
3 above, an amount equal to one-twelfth (1/12) of the Amortization Installment for Term Bond  
4 which shall become due and payable on the next Principal Maturity Date, plus the amount of  
5 the premium, if any, on the principal amount of such Amortization Installment which would be  
6 payable on the next maturity date if such principal amount of Term Bonds were to be  
7 redeemed prior to their maturity from money held in the Bond Amortization Account.

8 Moneys on deposit in the Sinking Fund and the Bond Amortization  
9 Account shall be used only for the purpose of paying Debt Service on Bonds as the same shall  
10 become due and for no other purpose.

11 (3) Moneys shall next be used to maintain on deposit in the Reserve  
12 Account in the Sinking Fund an amount equal to the Reserve Account Requirement; provided  
13 that this requirement shall not apply with respect to any Bonds to the extent that a Reserve  
14 Account Credit Facility has been furnished to satisfy and is then satisfying all or a portion of  
15 such Reserve Account Requirement.

16 Moneys in the Reserve Account shall be used only for the purpose of the  
17 payment of Debt Service on the Bonds when the other moneys allocated to the Sinking Fund  
18 are insufficient therefor, and for no other purpose. Any withdrawals from the Reserve  
19 Account shall be restored from the first available moneys after all required current payments  
20 have been made into the Sinking Fund and accounts therein. As provided in Subsection  
21 3.04(B), the City may establish separate Subaccounts in the Reserve Account for the respective  
22 Series, and may provide that funds in such subaccount shall be available for only Debt Service  
23 on the applicable Series.

24 Upon the issuance of Additional Parity Bonds, additional moneys shall be  
25 deposited into the Reserve Account from the proceeds of such Additional Parity Bonds, or  
26 from other moneys of the City available therefor, in order to make the amount on deposit in  
27 the Reserve Account at the time of issuance thereof equal to the Reserve Account  
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1 Requirement. The foregoing provision notwithstanding, the City shall be entitled at the time  
2 of issuance of the Additional Parity Bonds to elect to provide a Reserve Account Credit  
3 Facility in an amount equal to such difference in lieu of depositing such moneys; provided,  
4 that the consent of the Credit Facility Issuer with respect to any Bonds Outstanding at the time  
5 of issuance of such Additional Parity Bonds shall be required where the full deposit into the  
6 Reserve Account is not made at the time of issuance of such Additional Parity Bonds.

7 If and whenever the moneys allocated to the Reserve Account exceed the  
8 Reserve Account Requirement on all Outstanding Bonds, such excess shall be deposited to the  
9 Sinking Fund and used to pay Debt Service.

10 (4) Moneys shall next be used to cure any deficiency for prior deposits  
11 into the Sinking Fund and Reserve Account.

12 (5) Moneys shall next be used for deposit into the Rebate Fund in such  
13 amounts as are determined by the City to be necessary pursuant to the provisions of Section  
14 5.01(E) hereof and any Tax Compliance Certificate.

15 (6) Remaining moneys shall thereafter be withdrawn and used by the City  
16 (i) first, to pay debt service on, and make other required deposits or payments with respect to,  
17 Subordinated Bonds, and (ii) second, for any lawful purpose of the City.

18 Credit shall be allowed against the required deposit amounts due as prescribed  
19 above for the payment of principal of, interest on and Amortization Installment of Bonds to the  
20 extent of any other funds on deposit and available for such purpose in the applicable accounts  
21 or subaccounts of the Sinking Fund and Bond Amortization Account, including capitalized  
22 interest and any investment income transferred into such fund or account and available for such  
23 purposes.

24 (D) INVESTMENT OF MONEYS IN FUNDS AND ACCOUNTS. All  
25 moneys in the funds and accounts created hereunder shall be invested and reinvested only in  
26 Authorized Investments. Authorized Investments allocated to any fund or account shall mature  
27 not later than the respective dates, as estimated by the City, moneys held for the credit of such  
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1 Fund or account will be needed for the purposes thereof. In the case of the Reserve Account,  
2 investments shall mature not later than seven (7) years from their date, and such investment  
3 earnings may be retained in such account to the extent necessary to maintain the Reserve  
4 Account Requirement therein, or may be transferred to the construction fund, if any, if  
5 necessary or desirable in connection with any Series as determined by the City at or prior to  
6 the issuance of such Series; provided, however, that investments in the Reserve Account shall  
7 be valued at the market value thereof semi-annually. Except as provided in the preceding  
8 sentence and as otherwise provided herein with respect to any particular moneys, and except to  
9 the extent necessary to be deposited into the Rebate Fund in accordance with any Tax  
10 Compliance Certificate, all income received on Authorized Investments of moneys held in  
11 funds and accounts specified immediately above in subsections (C)(2) through (4) shall upon  
12 receipt be deposited into the Sinking Fund.

13 (E) OPERATION OF BOND AMORTIZATION ACCOUNT. Moneys held  
14 for the credit of the Bond Amortization Account shall be applied to the retirement of Term  
15 Bonds of each Series or installment of Bonds, to the extent of the Amortization Installment, if  
16 any, for such Bond Year for the Term Bonds of each such Series or installment, and if the  
17 amount available in such Bond Year shall not be sufficient therefor, then in proportion the  
18 Amortization Installment, if any, for such Bond Year for the Term Bonds of each such Series  
19 or installment then Outstanding.

20 Notwithstanding the provisions of the preceding paragraph, the City may  
21 purchase Term Bonds then Outstanding at the most advantageous price obtainable with  
22 reasonable diligence, such price not to exceed the principal amount of such Term Bonds plus  
23 the amount of the premium, if any, which would be payable on the next redemption date to the  
24 Registered Owners of such Term Bonds if such Term Bonds should be called for redemption  
25 on such date from moneys in the Bond Amortization Account. The City shall pay the interest  
26 accrued on such Term Bonds to the date of purchase thereof from the interest Account and the  
27 balance of the purchase price from the Bond Amortization Account, but no such purchase shall  
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1 be made by the City within the period of 45 days immediately preceding any Interest Payment  
2 Date on which Term Bonds are subject to call for redemption, except from moneys in excess  
3 of the amounts set aside or deposited for the redemption of Term Bonds.

4 (F) UNCLAIMED MONEYS. Moneys held by the Deputy Registrar and  
5 Paying Agent for the payment of Debt Service and remaining unclaimed for a period of four  
6 (4) years from the date on which such moneys were due to pay such Debt Service may be  
7 withdrawn by the City and used for any lawful purpose; provided (1) that such withdrawal  
8 shall not give rise to any claim for additional interest due on such Bonds on account of  
9 payment thereof not having been duly provided for under the terms of this Ordinance and (2)  
10 that such withdrawal shall not affect the right, to the extent existing under the provisions of  
11 this Ordinance or of the laws of the State, of the Registered Owner of such Bonds to payment  
12 of the principal and interest thereon to the Interest Payment Date with respect to which such  
13 moneys were originally deposited.

14 (G) REBATE FUND. At the times and in the manner required by Section  
15 148(f) of the Code, the City Treasurer shall make or cause to be made such calculations as are  
16 necessary to determine the amount of the City's liability to make rebate payments to the United  
17 States with respect to each Series of Bonds. An account in the Rebate Fund may be created  
18 for each "issue" (as such term is used in the Code) of Bonds. The estimated amount needed to  
19 pay rebate thereon (taking into account amounts then in the Rebate Fund) shall be deposited in  
20 the Rebate Fund not later than the date on which such rebate payment is due and shall be  
21 applied to pay such rebate liability. The City Treasurer may make, but shall not be required to  
22 make, periodic deposits in the Rebate Fund to fund the City's estimated accrued rebate liability  
23 with respect to the Bonds.

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ARTICLE IV  
APPLICATION OF SERIES 1993 BOND PROCEEDS

SECTION 4.01. APPLICATION OF SERIES 1993 BOND PROCEEDS. All moneys received from the sale of any or all of the Series 1993 Bonds, shall be disbursed as follows:

(A) Accrued interest received upon the delivery of the Series 1993 Bonds shall be deposited into the Interest Account in the Sinking Fund and applied to the interest coming due on the Series 1993 Bonds on the first Interest Payment Date.

(B) An amount equal to the Reserve Account Requirement shall be deposited into the Reserve Account; provided that this requirement may be satisfied in whole or in part by the establishment of a Reserve Account Credit Facility for the purpose of such Reserve Account.

(C) The City shall next pay the costs of issuance of the Series 1993 Bonds.

(D) The City shall pay or provide for the payment of principal and interest on any outstanding Bond anticipation notes issued pursuant to Section 2.08 hereof in accordance with the provisions of the ordinance or ordinances or resolution or resolutions authorizing such Bond anticipation notes.

(E) There shall be deposited into the "Capitalized Interest Account" in the Sinking Fund, an amount sufficient to pay the interest on the Series 1993 Bonds through the date specified by the supplemental resolution fixing the details of the Series 1993 Bonds.

(F) The balance of the proceeds of the sale of the Series 1993 Bonds shall be deposited in a special fund hereby created to be known as the "Series 1993 Bonds Construction Fund" (herein referred to as the "Construction Fund"), under the management and control of the City or its agent, to be used to pay Project Costs.

1 The moneys on deposit in the Construction Fund shall be withdrawn, used and  
2 applied by the City solely for the payment of the Project Costs and purposes incidental thereto,  
3 as described and set forth in this Ordinance.

4 All funds on deposit in the Construction Fund, which in the opinion of the City,  
5 are not immediately necessary for expenditure, as hereinabove provided, may be invested in  
6 Authorized Investments, maturing at such time or times as such moneys will be needed for the  
7 purposes of the Construction Fund. All income derived from such investments shall be  
8 retained in the Construction Fund and used to pay the Project Costs.

9 If, for any reason, the moneys on deposit in the Construction Fund, or any part  
10 thereof, are not necessary for or are not applied to the payment of Project Costs, then the  
11 unapplied proceeds shall be deposited by the City (1) first, into the Sinking Fund to the extent  
12 of any deficiency therein, (2) second, into the Reserve Account to the extent of any deficiency  
13 therein, (3) third, to retire any outstanding Bond anticipation notes issued pursuant to Section  
14 2.08 hereof, including the payment of any Credit Facility entered into in connection with such  
15 Bond anticipation notes, (4) fourth, to a special subaccount in the Construction Fund to pay the  
16 cost of additional capital improvements approved by the City Council, and (5) fifth, to the  
17 Sinking Fund for payment of principal of or interest or premiums on Series 1993 Bonds when  
18 due or upon prior redemption.

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ARTICLE V  
COVENANTS OF THE CITY;  
REMEDIES

SECTION 5.01. COVENANTS OF THE CITY. So long as any of the Bonds shall be Outstanding, or until (a) there shall have been set apart in the Sinking Fund (including the subaccounts therein for each Series) and the Reserve Account and Bond Amortization Account (and subaccounts therein), a sum sufficient to pay when due, the entire principal amount of the Bonds remaining unpaid, together with the premium, if any, with respect thereto and the interest accrued and to accrue thereon, or (b) provision for payment of the Bonds shall have been made in accordance with the provisions of this Ordinance and the Bonds are deemed to have been paid and discharged, the City covenants with the Registered Owners of the Bonds and any Credit Facility Issuer for the Bonds as follows:

(A) BOOKS AND RECORDS. The City will keep books and records of the Pledged Revenues, in which complete and correct entries shall be made in accordance with Accounting Principles of all transactions relating to the Pledged Revenues; any Registered Owner shall have the right at all reasonable times to inspect all books, records, accounts and data of the City relating thereto.

The City shall, within 180 days after the close of each Fiscal Year, cause the books, records and accounts of the City for such preceding Fiscal Year to be properly audited by the Independent Certified Public Accountants, and the City shall mail upon written request, and make available generally, said report, or a reasonable summary thereof, to any Registered Owner at the cost of such registered owner.

(B) MAINTENANCE OF REVENUES. The City covenants to do all things necessary on its part to continue the levy and collection of the Revenues in compliance with the Act and any successor provision of law. The City will at all times comply with all of the requirements and conditions of Chapter 218, Part VI, Florida Statutes, as amended and take every necessary action to remain qualified to receive distribution of the Revenues; and the City

1 will not take any action which will jeopardize its eligibility for receipt of such funds which  
2 may adversely affect its undertakings as provided in this instrument. The City will not take  
3 any action or enter into any agreement which will have the effect of reducing the level of  
4 Revenues distributed to the City from that prevailing at the time the City takes such action or  
5 enters into such agreement.

6 (C) ISSUANCE OF OTHER OBLIGATIONS PAYABLE OUT OF  
7 PLEDGED REVENUES. The City will not issue any other obligations, except the Series  
8 1993 Bonds and Additional Parity Bonds hereafter issued under the conditions and in the  
9 manner provided herein, payable from the Pledged Revenues, nor voluntarily create or cause  
10 to be created any debt, lien, pledge, assignment, encumbrance or any other charge having  
11 priority to or being on a parity with the lien of the Bonds and the interest thereon, upon any of  
12 the Pledged Revenues. Any other obligations issued by the City, in addition to the Series 1993  
13 Bonds or Additional Parity Bonds provided for in the following subsection, shall contain an  
14 express statement that such obligations are junior, inferior, and subordinate in all respects to  
15 the Series 1993 Bonds and any such Additional Parity Bonds as to lien on and source and  
16 security for payment from the Pledged Revenues, and in all other respects.

17 (D) ISSUANCE OF ADDITIONAL PARITY BONDS. No Additional Parity  
18 Bonds shall be issued after the issuance of any Bonds pursuant to this Ordinance, except upon  
19 the terms and conditions provided herein. The City may issue one or more series of  
20 Additional Parity Bonds for any one or more of the following purposes: financing (i) the cost  
21 of completion of a project for which Bonds have previously been issued, (ii) the cost of  
22 additional capital projects other than the Series 1993 Project, or (iii) refunding any or all  
23 Outstanding Bonds. Except for refunding Additional Parity Bonds having aggregate debt  
24 service equal to or less than the Bonds to be refunded, no such Additional Parity Bonds shall  
25 be issued unless the following conditions are complied with:

26 (1) There shall have been obtained and filed with the City a certificate of  
27 an authorized officer of the City: (a) setting forth the amount of the Pledged Revenues which  
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1 have been received by the City during any twelve (12) consecutive months designated by the  
2 City within the eighteen (18) months immediately preceding the date of delivery of such  
3 Additional Parity Bonds with respect to which such statement is made, and (b) stating the  
4 amount of the Pledged Revenues received during the aforementioned 12-month period equals  
5 at least 1.35 times the Maximum Debt Service Requirement of all Bonds then outstanding and  
6 such Additional Parity Bonds with respect to which such statement is made.

7 (2) an Authorized Officer of the City shall certify in writing that all of the  
8 payments into the respective funds and accounts provided for in this Ordinance shall have been  
9 made in full to the date of issuance of said Additional Parity Bonds, and the City shall be in  
10 substantial compliance with all of the covenants, agreements and terms of the Ordinance.

11 No Additional Parity Bonds, shall be issued at any time unless all of the payments  
12 into the respective funds and accounts provided for in this Ordinance shall have been made in  
13 full to the date of issuance of said Additional Parity Bonds, and the City shall be in substantial  
14 compliance with all of the covenants, agreements and terms of this Ordinance.

15 (E) TAX COMPLIANCE. The City covenants that it will restrict the use of  
16 the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary so  
17 that the Bonds will not constitute arbitrage bonds under Section 148 of the Code. The City  
18 Treasurer or any other officer having responsibility for the issuance of such Series shall give  
19 an appropriate certificate of the City, for inclusion in the transcript of proceedings for such  
20 Series, setting forth the reasonable expectations of the City regarding the amount and use of all  
21 the proceeds of the Series, the facts, circumstances, and estimates on which they are based,  
22 and other facts and circumstances relevant to the tax treatment of interest on the Series. Each  
23 such officer is further authorized to make or effect any election, selection, choice, consent,  
24 approval, or waiver on behalf of the City with respect to each Series as the City is permitted or  
25 required to make or give under the federal income tax laws, for the purposes of assuring,  
26 enhancing, or protecting favorable tax treatment or characterization of the Series or interest  
27 thereon or assisting compliance with requirements for that purpose, reducing the burden or  
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1 expense of such compliance, reducing the rebate amount or payments of penalties thereon, or  
2 making payments in lieu thereof, or obviating such amounts or payments, as determined by  
3 such officer. Any such action of such officer shall be in writing and signed by the officer.

4 The City covenants that it (a) will take or cause to be taken such actions which  
5 may be required of it for the interest on the Bonds to be and remain excluded from gross  
6 income for federal income tax purposes, and (b) will not take or permit to be taken any actions  
7 which would adversely affect that exclusion, and that it, or persons acting for it, will, among  
8 other acts of compliance, (i) apply the proceeds of the Bonds to the governmental purpose of  
9 the borrowing, (ii) restrict the yield on investment property acquired with those proceeds, (iii)  
10 make timely rebate or penalty payments to the federal government, (iv) maintain books and  
11 records and make calculations and reports, and (v) refrain from certain uses of proceeds, all in  
12 such manner and to the extent necessary to assure such exclusion of that interest under the  
13 Code. The City Treasurer and other appropriate officers are hereby authorized and directed to  
14 take any and all actions, make calculations and rebate or penalty payments, and make or give  
15 reports and certifications, as may be appropriate to assure such exclusion of that interest.

16 The City will take no action which would cause the Bonds to be "private activity  
17 bonds" within the meaning of Section 141 of the Code. The City will not accept any  
18 payments, directly or indirectly, from any non-governmental user of the Series 1993 Project  
19 (other than a person using the Series 1993 Project as a member of the general public with  
20 respect to the Series 1993 Project) which would cause the Bonds to be or become "private  
21 activity bonds."

22 SECTION 5.02. REMEDIES. Any Registered Owner of or any Credit Facility  
23 Issuer for Bonds, or any trustee acting for such Registered Owners in the manner hereinafter  
24 provided, may, either at law or in equity, by suit, action, mandamus, or other proceedings, in  
25 any court of competent jurisdiction, protect and enforce any and all rights, either under the  
26 laws of the State of Florida or granted and contained in this Ordinance and may enforce and  
27 compel the performance of all duties required by this Ordinance or by any applicable statutes  
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1 to be performed either by the City or by any officer thereof, including the fixing, charging,  
2 and collecting of the Pledged Revenues.

3 In the event that default shall be made in the payment of the interest on or the  
4 principal of any of the Bonds as the same become due, or in the making of the payments into  
5 the Sinking Fund or the Reserve Account or any other payments required to be made by this  
6 Ordinance, or in the event that the City or any officer, agent, or employee thereof shall fail or  
7 refuse to comply with provisions of this Ordinance, or shall default in any covenant made  
8 herein, and in the further event that any such default shall continue for a period of thirty (30)  
9 days after the giving of notice thereof to the City, the Registered Owners of not less than  
10 twenty-five percent (25%) in aggregate principal amount of Bonds Outstanding, or any trustee  
11 appointed to represent Registered Owners as hereinafter provided, shall be entitled as of right  
12 to the appointment of a receiver of the Pledged Revenues in an appropriate judicial proceeding  
13 in a court of competent jurisdiction, whether or not such Registered Owners or trustee is also  
14 seeking or shall have sought to enforce any other right or exercise any other remedy in  
15 connection with Bonds.

16 The receiver so appointed shall forthwith, directly or by his agents and attorneys,  
17 take possession of the various funds and accounts established hereunder, and shall hold,  
18 manage and control such funds and accounts, and in the name of the City shall exercise all the  
19 rights and powers of the City with respect to such funds and accounts as the City itself might  
20 do. Such receiver shall collect and receive all Pledged Revenues and maintain and apply the  
21 funds and accounts established by this Ordinance in the manner provided herein, and comply,  
22 under the jurisdiction of the court appointing such receiver, with all of the provisions of this  
23 Ordinance.

24 Whenever all principal that is due upon the Bonds, together with interest thereon, and  
25 all payments required under any covenants of this Ordinance for reserve, sinking funds, or  
26 other funds, and all principal upon any other obligations, together with interest thereon, having  
27 a charge, lien or encumbrance upon the Pledged Revenues, shall have been paid and made  
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1 good, and all defaults under the provisions of this Ordinance shall have been cured and made  
2 good, possession of the funds and accounts created hereby shall be surrendered to the City  
3 upon the entry of an order of the court to that effect. Upon any subsequent default, any  
4 Registered Owner, or any trustee appointed for Registered Owners as hereinafter provided,  
5 shall have the right to secure the further appointment of a receiver upon any such subsequent  
6 default.

7 Such receiver shall, in the performance of the powers hereinabove conferred upon  
8 him, be under the direction and supervision of the court making such appointment, shall at all  
9 times be subject to the orders and decrees of such court and may be removed thereby and a  
10 successor receiver appointed in the discretion of such court. Nothing herein contained shall  
11 limit or restrict the jurisdiction of such court to enter such other and further orders and decrees  
12 as such court may deem necessary or appropriate for the exercise by the receiver of any  
13 function not specifically set forth herein.

14 Any receiver appointed as provided herein shall hold and apply the funds and  
15 accounts established hereunder in the name of the City, any Credit Facility Issuer for the  
16 Bonds, and the Registered Owner of the Bonds issued pursuant to this Ordinance. Such  
17 receiver shall have no power to sell, assign, mortgage, or otherwise dispose of any assets of  
18 any kind or character belonging or pertaining to the City other than the Pledged Revenues, but  
19 the authority of such receiver shall be limited to the possession, and control, including the  
20 disbursement of moneys from, the funds and accounts established hereby, for the sole purpose  
21 of the protection of the City, any Credit Facility Issuer and the Registered Owners.

22 The Registered Owners of Bonds in an aggregate principal amount of not less than  
23 twenty-five per centum (25%) of Bonds then Outstanding may, by a duly executed certificate  
24 in writing, appoint a trustee for Registered Owners with authority to represent such Registered  
25 Owners in any legal proceedings for the enforcement and protection of the rights of such  
26 Registered Owners. Such certificate shall be executed by such Registered Owners or their  
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1 duly authorized attorneys or representatives, and shall be filed in the office of the Council  
2 Secretary of the City Council.

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ARTICLE VI  
MISCELLANEOUS PROVISIONS

SECTION 6.01. SALE OF 1993 BONDS. The Series 1993 Bonds shall be issued and sold at public sale, private placement, or negotiated sale at one time or in installments from time to time and at such price or prices consistent with the provisions of the Act and the laws of the State and the requirements of this Ordinance, and to the extent inconsistent therewith Section 104.211, Ordinance Code, is hereby waived.

SECTION 6.02. NOTICES TO CREDIT FACILITY ISSUER. Whenever a Credit Facility Issuer shall be providing a Credit Facility with respect to any Bonds, such party shall be entitled to receive and shall be provided by certified mail all notices and reports which are required herein to be prepared and to be sent or made available to Registered Owners of such Bonds.

SECTION 6.03. NO RECOURSE. No recourse shall be had for the payment of the Debt Service or for any claim based on the Bonds or on this Ordinance against any present or former officer or employee of the City.

SECTION 6.04. DEFEASANCE. Notwithstanding the foregoing provisions of this Ordinance, if, at any time, the City shall have paid, or shall have made provision for payment of Debt Service with respect to any Bonds, then, and in that event, the pledge of and lien on the Pledged Revenues, and the covenants of the City herein, in favor of the Registered Owners of such Bonds shall be no longer in effect. For purposes of the preceding sentence, deposit of United States Obligations in irrevocable trust with a banking institution or trust company for the sole benefit of the Registered Owners of the Bonds, the principal and interest on which United States Obligations will be sufficient without reinvestment to make timely payment of the principal, interest, and redemption premiums, if any, on such outstanding Bonds designated to be defeased, shall be considered "provision for payment". Nothing herein shall be deemed to require the City to call any of the outstanding Bonds for redemption prior to





1 contained herein, or to insert in this Ordinance such provisions clarifying matters or questions  
2 arising hereunder as are necessary or desirable;

3 (2) to add additional covenants and agreements of the City for the purpose of  
4 further securing the payment of the Bonds;

5 (3) to surrender any right, power or privilege reserved to or conferred upon the  
6 City by the terms hereof;

7 (4) to confirm by further assurance any lien, pledge or charge created or to be  
8 created by the provisions hereof;

9 (5) to grant to or confer upon the Registered Owners any additional right,  
10 remedies, powers, authority or security that lawfully may be granted to or conferred upon  
11 them;

12 (6) to assure compliance with the Code;

13 (7) to provide such changes which, in the opinion of the City, based upon such  
14 certificates and opinions of the Independent Certified Public Accountant, Bond Counsel,  
15 financial advisors or other appropriate advisors as the City may deem necessary or appropriate,  
16 will not materially adversely affect the security of the Registered Owners, including, but not  
17 limited to, such changes as may be necessary in order to adjust the terms hereof so as to  
18 facilitate the issuance of other types of obligations, including, but not limited to, payment  
19 obligations under agreements related to derivative financial products, such as interest rate swap  
20 agreements, caps, collars, or other hedging agreements, or bonds, notes, certificates, warrants  
21 or other evidences of indebtedness, which are Subordinated Bonds;

22 (8) to modify any of the provisions of this Ordinance in any other respects,  
23 provided that such modification shall not be effective (a) with respect to the Bonds outstanding  
24 at the time such amendatory resolution is adopted or (b) shall not be effective (i) until the  
25 Bonds outstanding at the time such amendatory resolution is adopted shall cease to be  
26 outstanding, or (ii) until the Registered Owners thereof consent thereto.

1           The foregoing provisions notwithstanding, (1) no consent of any Registered Owners  
2 shall be required with respect to modification or amendment with respect to any Bonds as to  
3 which a Credit Facility (other than a Reserve Account Credit Facility) is in place and to which  
4 modification or amendment the Credit Facility Issuer has provided its prior written consent and  
5 (2) no modification or amendment shall be effective with respect to any Bonds as to which a  
6 Credit Facility is effective without the prior written consent to such modification or  
7 amendment of the Credit Facility Issuer.

8           **SECTION 6.06. SUBSTITUTE FOR MAILING.** If, because of the temporary or  
9 permanent suspension of postal service, the City, or any other Person shall be unable to mail  
10 any notice required to be given by the provisions of this Ordinance, the City, or such other  
11 Person shall give such notice in such other manner as in its judgment shall most effectively  
12 approximate such mailing; and the giving of such notice in such manner shall for all purposes  
13 of this Ordinance be deemed to be in compliance with the requirement for the mailing thereof.

14           **SECTION 6.07. SUCCESSIONSHIP OF OFFICERS.** In the event that the office of  
15 any officer or official of the City who is vested with responsibilities under this Ordinance is  
16 abolished or any two or more offices are merged or consolidated, or in the event of a vacancy  
17 in any such office by reason of death, resignation, removal from office or otherwise, or in the  
18 event any such officer or official becomes incapable of performing the duties of such office by  
19 reason of sickness, absence from the City or otherwise, all powers conferred and all  
20 obligations and duties imposed upon such officer or official shall be performed by the officer  
21 or official upon whom such powers, obligations and duties are imposed by law.

22           **SECTION 6.08. PAYMENTS DUE AND ACTS REQUIRED TO BE DONE ON**  
23 **DAYS WHICH ARE NOT BUSINESS DAYS; TIME.** (a) In any case where any payment of  
24 debt service is required to be paid on a date which is not a Business Day, then such payment  
25 need not be made on such date, but shall be made on the next succeeding Business Day, with  
26 the same force and effect as if made on the date fixed for such payment and no interest shall  
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1 accrue on such payment for the period after such date if such payment is made on such next  
2 succeeding Business Day.

3 (b) In any case where any act is required or any notice is required to be given  
4 hereunder on any day other than a Business Day, then such act shall be done or such notice  
5 shall be given on the next succeeding Business Day, with the same force and effect as if such  
6 act had been performed or such notice had been given on the date required.

7 (c) All times for the making of any payment or the performance of any act, as  
8 provided in this Ordinance shall mean the local time prevailing in the City unless some other  
9 time is expressly provided for.

10 SECTION 6.09. JEA CONTRIBUTION TO GENERAL FUND. (a) Section  
11 106.202 of the Ordinance Code of the City is hereby amended by adding thereto a new  
12 subsection (B) to read as follows:

13 \*106.202 Calculation of annual contribution by Jacksonville Electric  
14 Authority. (A) In preparing its annual budget proposal for submission to the  
15 Council, the Jacksonville Electric Authority shall include a contribution to the  
16 city pursuant to s. 21.07(3) of the Charter, in an amount calculated by  
17 multiplying five mills by the gross kilowatt-hours sold by the Authority  
18 during the twelve-month period ending on May 31 of the current fiscal year.  
19 Gross kilowatt-hours shall exclude interchange sales pursuant to interchange  
20 agreements with other utilities. This contribution to the city is all inclusive,  
21 and includes the contribution on interest income and other miscellaneous  
22 income of the Authority. The Managing Director of the Authority shall  
23 certify the amount of the contribution so calculated to the Director of  
24 Administration and Finance, and the Director of Administration and Finance  
25 shall include this amount without change in the budget proposal to be  
26 submitted by the Mayor for the ensuing fiscal year. The Council shall  
27 approve the amount of the contribution in the annual budget ordinance. The  
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1 provisions of this section shall be reviewed in 1983 and every five years  
2 thereafter by the appropriate committee of the Council, but the fact that this  
3 review does not take place or is held at another time shall not affect the  
4 validity or effectiveness of this section.

5 (B) In addition to the contribution in lieu of taxes required by Section  
6 106.202(A), the Jacksonville Electric Authority shall make a supplemental  
7 contribution if required in accordance with the terms and conditions of the  
8 Financial Agreement between the Authority and the City relating to the River  
9 City Renaissance Program. Such supplemental contribution, if any, shall be  
10 made each year in an amount as certified by the Managing Director of the  
11 Authority in the same manner as described in Section 106.202(A) in order to  
12 provide for the amount as required in accordance with the Financial  
13 Agreement."

14 (b) The Financial Agreement, a copy of which is attached hereto as Exhibit C,  
15 is hereby approved with such additions, deletions and other changes as may be reasonable and  
16 necessary to effectuate the purposes of the Financial Agreement and as may be approved by  
17 the Managing Director of the Authority and the Director of Administration and Finance of the  
18 City.

19 (c) If, at the time of issuance of a series of Additional Parity Bonds, the  
20 Pledged Revenues as set forth in the certificate required by subsection 5.01(D)(1) shall be less  
21 than 1.50 times the Maximum Debt Service Requirement of all Bonds then outstanding and  
22 such Additional Parity Bonds, then the City shall adopt a supplemental ordinance prior to the  
23 date of issuance of such Additional Parity Bonds which shall provide for a pledge of the  
24 supplemental contribution required by Section 602.202(B) to secure the Bonds issued  
25 hereunder, and thereafter such supplemental contribution shall constitute Pledged Revenues for  
26 all purposes hereof.

1 SECTION 6.10. NO ADDITIONAL PRIOR LIEN BONDS; AMENDMENT TO  
2 ORDINANCE 88-360-328. No additional obligations on a parity with the Prior Lien Bonds  
3 shall be issued hereafter. Ordinance 88-360-328 is hereby amended by adding hereto a new  
4 Section 8.11 to read as follows:

5 "Section 8.11. NO ADDITIONAL CERTIFICATES. No Additional  
6 Certificates shall be issued hereunder after September 15, 1993."

7 Section 6.11. ALTERNATIVE PROCEDURE FOR CERTIFICATION OF  
8 AVAILABLE FUNDS. No contract for work to be paid for from the proceeds of the Bonds  
9 or Bond anticipation notes shall be entered into by the City unless the Director of Finance and  
10 Administration (or his designee) shall certify that, based upon the anticipated dates and  
11 amounts of issuance of Bonds or Bond anticipation notes, proceeds sufficient to pay all  
12 compensation and other amounts due under such contract will be available when required. The  
13 alternative procedure for certification of available funds set forth in the preceding sentence shall  
14 replace the applicable corresponding provisions of Chapters 24 and 106 of the Ordinance Code  
15 and other applicable provisions of the Ordinance Code.

16 SECTION 6.12. SEVERABILITY OF INVALID PROVISIONS. If any one or  
17 more of the covenants, agreements or provisions of this Ordinance should be held to be  
18 contrary to any express provision of law or to be contrary to the policy of express law, though  
19 not expressly prohibited, or to be against public policy, or should for any reason whatsoever  
20 be held invalid, then such covenants, agreements, or provisions shall be null and void and shall  
21 be deemed separate from the remaining covenants, agreements, or provisions of, and in no  
22 way affect the validity of, all the other provisions of this Ordinance or of the Bonds.

23 SECTION 6.13. REPEALING CLAUSE. All ordinances and resolutions of the  
24 City, or parts thereof, in conflict with the provisions of this Ordinance are to the extent of  
25 such conflict hereby superseded and repealed.

26 SECTION 6.14. EFFECTIVE DATE. This Ordinance shall become effective upon  
27 signature of the Mayor or upon becoming effective without the Mayor's signature.  
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1 Approved as to Form:

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Senior Assistant General Counsel

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[FORM OF FIRST PARAGRAPH OF CAPITAL APPRECIATION BOND]

<u>RATE OF INTEREST</u>	<u>MATURITY DATE</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>PRINCIPAL AMOUNT AT ISSUANCE PER \$ MATURITY AMOUNT</u>	<u>CUSIP</u>
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REGISTERED OWNER:

MATURITY AMOUNT:

The City of Jacksonville, Florida (the "City"), for value received, hereby promises to pay to the Registered Owner designated above, or registered assigns, solely from the special funds hereinafter mentioned, on the Maturity Date specified above, the Maturity Amount shown above, upon presentation and surrender hereof at the corporate trust office of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, as Deputy Registrar and Paying Agent. The Maturity Amount and premium, if any, of this Bond are payable in lawful money of the United States of America.

[REMAINDER OF FORM OF BOND AFTER FIRST PARAGRAPH]

This Bond is a special and limited obligation, payable solely from and secured by a first lien upon and pledge of the proceeds of the local government half-cent sales tax distributed to the City from the Local Government Half-Cent Sales Tax Clearing Trust Fund, as defined and described in Part VI, Chapter 218, Florida Statutes, remaining after payment of certain Prior Lien Obligations, as defined and provided in Ordinance No. 93-978 (the "Ordinance") of the City Council of City (the "City Council"), certain amounts on deposit in the funds created under the Ordinance and the invested earnings thereon (hereinafter collectively the "Pledged Revenues"). This Bond does not constitute a general obligation or indebtedness of the City as a "bond" within the meaning of any constitutional, statutory or charter provision or limitation, and it is expressly agreed by the Registered Owner of this Bond that such Registered Owner shall never have the right to compel the exercise of the ad valorem



taxing power of the City, or the taxation of any property of or in the City, for the payment of the principal of and interest on this Bond or for the making of any sinking fund, reserve or other payments provided for in said Ordinance.

It is further agreed between the City and the Registered Owner of this Bond, that this Bond and the obligation evidenced hereby shall not constitute a lien upon the Series 1993 Project provided for in said Ordinance or any part thereof, or on any other property of or in the City, but shall constitute a lien only on the Pledged Revenues, in the manner provided in the Ordinance.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS BOND APPEARING ON THE REVERSE SIDE HEREOF AND SUCH FURTHER PROVISIONS SHALL HAVE THE SAME FORCE AND EFFECT AS IF SET FORTH ON THE FACE HEREOF.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond, exist, have happened and have been performed in regular and due form and time as required by the Laws and Constitution of the State of Florida applicable thereto, and that the issuance of this Bond, and of the issue of Bonds of which this Bond is one, does not violate any constitutional or statutory limitation.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the Certificate of Authentication hereon shall have been executed by manual signature by the authorized representative of the Deputy Registrar and Paying Agent.

IN WITNESS WHEREOF, the City of Jacksonville, Florida has issued this Bond and has caused the same to be executed by its Mayor, either manually or with his facsimile signature, and the corporate seal of said City or a facsimile thereof to be affixed hereto or imprinted or reproduced hereon and attested by the manual or facsimile signature of the Corporation Secretary of the City, all as of the \_\_\_\_ day of \_\_\_\_\_, 199\_\_.

CITY OF JACKSONVILLE, FLORIDA

By: \_\_\_\_\_  
Mayor

(SEAL)

ATTEST:

\_\_\_\_\_  
Corporation Secretary

DEPUTY REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue described in the within-mentioned Ordinance.

\_\_\_\_\_  
As Deputy Registrar and Paying Agent

By: \_\_\_\_\_  
Authorized Signature

Date of Authentication:

(MATERIAL APPEARING ON REVERSE OF BONDS)

This Bond is one of an authorized issue of Series 1993 Bonds, issued in the aggregate principal amount of \$\_\_\_\_\_, of like date, tenor and effect, except as to number, interest rate, redemption provisions and date of maturity, issued to finance (1) the acquisition and construction of various capital improvement projects, (2) interest for a reasonable period of time after delivery of the Bonds, and (3) cost of issuance of the Bonds under the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including particularly Ordinance No. 93-978 of the City, and other applicable provisions of law, duly enacted by the City Council on \_\_\_\_\_, 1993, as supplemented by Resolution No. 93-\_\_\_\_\_-\_\_\_\_\_ duly adopted by the Council on \_\_\_\_\_, 1993 (hereinafter collectively called "Ordinance"), and is subject to all the terms and conditions of the Ordinance. Capitalized terms used herein shall have the meaning specified in the Ordinance.

The Bonds are issuable only as fully registered bonds in the denominations of \$\_\_\_\_\_ and integral multiples thereof. This Bond is transferable, and exchangeable for Bonds of other authorized denominations, at the corporate office of the Deputy Registrar and Paying Agent, by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Deputy Registrar and Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Deputy Registrar and Paying Agent, all subject to the terms, limitations and conditions provided in the Ordinance. No charge will be made for transfer or exchange, but the City or the Deputy Registrar and Paying Agent may require payment of an amount sufficient to cover any tax or other governmental charge payable in connection therewith. The City and the Deputy Registrar and Paying Agent may deem and treat the Registered Owner as the absolute owner of this Bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the

City nor the Deputy Registrar and Paying Agent shall be affected by any notice to the contrary.

The City has entered into certain covenants with the Registered Owners of the Bonds of this issue for the terms of which reference is made to the Ordinance. In particular, the City has reserved the right to issue additional obligations payable from and secured by a lien upon and pledge of the Pledged Revenues on a parity with the Bonds of this issue and series, upon compliance with certain conditions set forth in the Ordinance. The City has also reserved the right to defease the lien of the Bonds of this issue upon the Pledged Revenues upon making provision for payment of the Bonds as provided in the Ordinance.

Reference is made to the Ordinance for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the City, the Deputy Registrar and Paying Agent and the Registered Owners, and the terms and conditions upon which the Bonds are issued and secured. The Registered Owner of this Bond, by acceptance hereof, assents to all of the provisions of the Ordinance.

**[INSERT REDEMPTION PROVISIONS]**

Notice of such redemption shall be given in the manner provided in the Ordinance.

This Bond is and has all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code-Investment Securities Laws of the State of Florida, and the Registered Owner and each successive Registered Owner of this Bond, shall be conclusively deemed by his acceptance hereof to have agreed that this Bond shall be and have all the qualities and incidents of negotiable instruments under the laws of the State of Florida.

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**STATEMENT OF INSURANCE**

**[INSERT STATEMENT OF INSURANCE, IF ANY]**

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The following abbreviations, when used in the inscription on the face of the within bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in  
common

UNIF GIF MIN ACT - \_\_\_\_\_  
(Cust.)

TEN ENT - as tenants by the  
entireties

Custodian for \_\_\_\_\_  
(Minor)

JT TEN - as joint tenants with  
right of survivorship  
and not as tenants in  
common

under Uniform Gifts to Minors  
Act of \_\_\_\_\_  
(State)

Additional abbreviations may also be used though not in list above.

---

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers to

\_\_\_\_\_  
\_\_\_\_\_  
[PLEASE INSERT NAME, ADDRESS AND SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE]

the within bond and does hereby irrevocably constitute and appoint

\_\_\_\_\_  
as his agent to transfer the bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature guaranteed:

\_\_\_\_\_  
(Commercial Bank, Trust Company or Member of National Securities Exchange)

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or change whatever.

\_\_\_\_\_  
(Authorized Officer)

City of Jacksonville  
River City Renaissance Bond Program

Exhibit B  
93-978

	Core Renaissance Program	
	General City Tax Supported Debt	Private Donations, Support & Grants
<b>Health &amp; Social Services:</b>		
L.I. Alexander Outpatient Clinic	15,000,000	
Homeless Day Center	1,000,000	500,000
<b>Economic Development:</b>		
Gator Bowl Renovation	49,000,000	
Metropolitan Park & Surrounding Area	8,000,000	
Gateway Mall Improvements	5,000,000	(4)
Jacksonville Beach Redevelopment	1,750,000	(4)
Countywide Economic Development Trust Fund	1,000,000	(4)
Northwest Quadrant Economic Dev Trust Fund	1,000,000	(4)
Atlantic/Neptune Beach Town Center	250,000	
Coliseum & Wolfson Park Improvements	4,500,000	
<b>Neighborhoods &amp; Downtown:</b>		
St James Building Acquisition & Restoration	20,000,000	
Parks, Playgrounds & Neighborhood Enhancements (\$1 Million to Each Council District)	14,000,000	
Parks & Recreation (Land Acquisition, Regional and Special Purpose Improvements)	12,000,000 (1)	
Downtown Enhancements & Infrastructure	3,000,000	
City Hall & Courthouse Renovations	5,000,000	
<b>Parks, Recreation &amp; The Arts:</b>		
Recreation Complex/LaVilla	25,000,000	
Ritz Theatre	8,000,000 (2)	8,000,000 (2)
Ft. George Island Golf Course	2,000,000	
Museum of Science & History	1,000,000	
Central City Library	10,000,000	
Multi-Cultural Performing Arts Center	17,000,000 (3)	7,000,000
Jacksonville Zoo Improvements	10,000,000	5,000,000
Southside Regional Library	4,000,000	
Florida Theatre Improvements	1,000,000	500,000
Regency Square Library Improvements	1,000,000	
<b>Sub-Total</b>	<b>219,500,000</b>	<b>21,000,000</b>
<b>Contingency</b>	<b>6,460,000</b>	
<b>Grand Total</b>	<b>225,960,000</b>	<b>21,000,000</b>

- (1) \$200,000 for New and Replacement Trees has been included within this allocation.  
(2) \$8 million has been included within this allocation for the Ritz Theatre Project subject to an equal matching amount being provided from grants and donations.  
(3) Any renovation of the Civic Auditorium to create the Multi-Cultural Performing Arts Center shall be performed so as to preserve the current Exhibition Hall therein, or provide a similar facility therefore.  
(4) These projects additionally involve certain matching requirements.

EXHIBIT C  
FINANCIAL AGREEMENT

THIS AGREEMENT, entered into this \_\_\_\_ day of \_\_\_\_\_, 1993, between the CITY OF JACKSONVILLE, FLORIDA (the "City"), a municipal corporation organized under the laws of the State of Florida, and the JACKSONVILLE ELECTRIC AUTHORITY (the "JEA"), a public body politic and corporate and an independent agency of the City under the laws of the State of Florida.

WITNESSETH:

**Section 1. Scope; Related Documents.**

The purpose of this Agreement is to describe the nature of the JEA obligation in relation to the use of commercial paper in conjunction with the City's River City Renaissance Program (the "RCR Program") and to establish the general terms, conditions and assumptions of the relationship between the parties. Further, specific terms, conditions and assumptions of the relationship are anticipated to be formally codified in the City's commercial paper resolution or authorizing bond ordinances dealing with the RCR Program. Other administrative understandings and details are anticipated to be reflected in the financing documents and herein.

**Section 2. JEA Obligations; Assumptions.**

The City and JEA agree that the JEA's annual contribution to the City general fund under Article 21 of the City Charter and Section 106.202A of the City Ordinance Code will be supplemented to offset any increase (subject to the de minimis amounts set forth herein) in financing costs for the RCR Program due to the City's initial issuance of commercial paper and not due to the failure to achieve any Debt Issuance Assumptions (as hereinafter defined). This supplemental contribution will be based on the principles and assumptions set forth in this Agreement.



**Section 3. Mandated Annual Cash Flows and Allocation Thereof.**

The following mandated cash flows will initially be made available from the City local option sales tax revenues for paying debt service or construction and financing costs on the RCR Program. Any excess cash flows available after satisfying annual debt service requirements during the period from the first issuance of the commercial paper to October 1, 1997 (the "Commercial Paper Period") will be allocated for project costs within a "Pay-As-You-Go" Capital Projects Fund. The table below portrays an estimated allocation of the mandated annual cash flows.

<u>Fiscal Year Ended September 30</u>	<u>Mandated Annual Cash Flows</u>	<u>Debt Service Requirements</u>	<u>Capital Projects Fund</u>
1994	\$ 1,253,000	\$ 1,253,000	-0-
1995	1,251,000	1,251,000	-0-
1996	15,763,000	5,530,000	\$10,233,000
1997	17,403,000	5,530,000	11,873,000
Thereafter until October 1, 2018	17,403,000 <sup>1</sup>	17,403,000	-0-

<sup>1</sup>Includes income from investment of funds in debt service sinking fund.

The portion of the City's mandated annual cash flows that is allocated for debt service during the Commercial Paper Period shall not be reduced by the investment earnings generated on deposits within the debt service sinking fund. The portion of the City's mandated annual cash flows that is allocated for capital project costs is the amount remaining after allocation for debt service requirements and thus is not reduced by investment earnings on deposits within such "Pay-As-You-Go" Capital Projects Fund (gross funded). Earnings on amounts in the "Pay-As-You-Go" Capital Projects Fund shall be retained therein and applied for the purpose of such Fund. Annual cash flows into the Capital Projects Fund shall be made in equal monthly installments (based, to the extent required, upon the estimated debt service

requirement for the then-current year). Annual cash flows for debt service requirements shall be made in accordance with the provisions of the City resolution or ordinance authorizing the outstanding debt. During the Commercial Paper Period, in the event that the portion of the City's mandated annual cash flows, together with investment earnings, for any year that is estimated to be required to be allocated for debt service proves to be in excess of actual debt service requirements for such year, any such excess shall be remitted at year end to the "Pay-As-You-Go" Capital Projects Fund. After the Commercial Paper Period, investment earnings on amounts in the debt service sinking fund (including any earnings on amounts in the debt service reserve account) shall be retained in the debt service sinking fund and applied to pay debt service; such earnings (except any earnings on amounts in the debt service reserve account) shall count toward the mandated annual cash flows.

**Section 4. Supplemental Contribution; Adjustment to City Cash Flows.**

(A) The cash flows specified in Section 3 hereof are estimated to allow for total construction proceeds with investment earnings of \$225,960,000. Based upon such provision of construction proceeds, any debt service required thereon that is in excess of the mandated annual cash flows after October 1, 1997 will be paid by JEA to the City in the form of a supplemental contribution (the "Supplemental Contribution") as provided for in Section 106.202A of the City Ordinance Code.

(B) In the event of RCR Program construction costs above \$225,960,000, the City will be responsible for all the additional financing, associated expenses and debt service requirements that are necessary to fund any such additional construction costs. RCR Program construction costs include costs of acquisition, construction, renovation and related costs, but excludes to the extent, but only to the extent that such costs (i) relate to RCR Program construction costs of up to \$225,960,000 and (ii) do not result from the failure to meet any Debt Issuance Assumptions (as hereinafter defined) capitalized interest, debt issuance costs and debt service reserve requirements (which will be funded from debt proceeds).

(C) In the event that the total actual debt service requirements are greater or lesser than the City's annual cash flow requirement by an amount that is less than or equal to \$100,000 per year, such amount will be deemed de minimis and the City will be obliged to pay in full the actual debt service without any need on the part of the JEA to remit Supplemental Contributions or to implement any reductions to the JEA contribution in lieu of taxes.

(D) Any savings in debt service from the City's mandated annual cash flows after the end of the Commercial Paper Period but before all Commercial Paper has been converted to long-term fixed-rate debt shall be applied to retire outstanding Commercial Paper.

(E) Any savings in debt service from the City's mandated annual cash flows subsequent to (i) the end of the Commercial Paper Period and (ii) the date all Commercial Paper has been converted to long-term fixed-rate debt (or retired in full), will be shared equally between the City and JEA but only after JEA has been compensated for all administrative fees assessed and deferred during the Commercial Paper Period, and, with respect to any such savings attributable to refundings or similar transactions, any previously paid Supplemental Contribution. The payment of such administrative fees is subject to the availability of sufficient savings below the City's mandated annual cash flow requirement. The administrative fee will be calculated as seven basis points multiplied by the outstanding principal amount of commercial paper debt outstanding as of September 30, of 1994, 1995, 1996 and 1997 prorated for any portion of a year that commercial paper is outstanding and shall be payable only subsequent to the Commercial Paper Period (from the savings as set forth in this Subsection 4(E)). JEA's share of the savings (including reimbursement of administrative fees) will be deducted from the City contribution in lieu of taxes payment on a monthly basis otherwise provided for in Section 102.202.

The administrative fees referred to above shall be fully recovered from any debt service savings upon fixed rate conversion so long as annual savings exceed \$100,000 per

annum (see Section 4(C) above). Under this methodology, the period of recovery from annual savings could cover multiple years.

(F) In the event the RCR Program construction costs are less than \$225,960,000 the mandated annual cash flows from the City after fiscal year 1997 will be pro-rated based on actual construction expenditures.

(G) For example, if \$200,000,000 (approximately 88.5% of \$225,960,000) of construction proceeds is needed for the RCR Program, then cash flows in each of the following fiscal years will be required: in 1994, \$1,253,000, in 1995, \$1,251,000, in 1996, \$15,763,000 and \$17,403,000 in 1997. However, in 1998 and thereafter until October 1, 2018 the City's mandated annual cash flow requirements would be 88.5% of \$17,403,000, or \$15,401,655. If the actual debt service required in the pro-rated example described immediately above were \$16,401,655, the \$1 million difference in additional debt service would be paid to the City in the form of the Supplemental Contribution to be remitted by JEA in twelve equal installments of \$83,333. If the actual debt service required after the application of the pro-rated formula as described above were \$14,401,655, then, in this example, the first \$420,000 of savings (7 basis points on \$100,000,000 at 9/30/94, \$100,000,000 at 9/30/95, \$200,000,000 at 9/30/96 and \$200,000,000 at 9/30/97) would be allocated for the assessment of JEA of administrative fees with the remaining \$580,000 in savings being equally shared between JEA and the City. Utilizing this approach, the resulting \$710,000 in savings allocable to the JEA would be credited by the JEA against the JEA's annual contribution to the City in twelve equal installments of \$59,167.

(H) Any construction proceeds remaining after the completion of the projects will be used to retire bonds or retire commercial paper.

(I) The amount of total construction proceeds set forth in Section 4(A) is based upon the assumptions that: the interest on the debt will be excluded from gross income for federal income tax purposes; the long-term debt will be rated "A" or better; and compliance with the two-year exception from arbitrage rebate requirements. Such assumptions are herein

referred to as the "Debt Issuance Assumptions". Failure to attain one or more of Debt Issuance Assumptions may result in there being less total construction proceeds.

**Section 5. JEA Agent For Commercial Paper.**

The JEA will act as agent for the City for the periodic issuance of the commercial paper. Debt issuance expenses will be paid from the debt issue proceeds. Any long-term, recurring expenses related to the financing such as paying agent fees, rating agency fees, bond counsel fees, financial advisor fees, or other associated fees occurring subsequent to the issuance of the permanent RCR Program debt and not anticipated to be paid as issuance expenses from debt proceeds will be the responsibility of and paid by the City. This shall not prevent the inclusion of normal and reasonable costs of issuance in the fixed rate financing at the time of issuance.

**Section 6. JEA Role in Financings.**

The JEA will be entitled to advise the City as to the timing and choice of financing instruments for the RCR Program. It is currently anticipated that commercial paper will be issued initially and refunded with long-term fixed-rate debt in approximately four years. After the issuance of the long-term debt, JEA will also be entitled to advise the City as to the timing of any subsequent refundings. JEA, however, will have complete flexibility as to the timing and structure of the long-term debt, provided that in no event will the City be responsible for the RCR Program debt service beyond 25 years of initial date of debt issuance, currently anticipated to be the fall of 1993. To the extent the City determines not to follow the advice of JEA with respect to the matters set forth in this Section 6 and in Section 9 hereof (related to investments), the amount of the Supplemental Contribution to be made by JEA pursuant to Section 4 shall be adjusted in a manner agreed upon by the authorized officers of the City and JEA to reflect the financial consequences of not following such advice.

**Section 7. Financial Hedging And Other Derivative Products.**

JEA will have the authority to enter into forward contracts, swaps, other contracts, or any other derivative financial instruments in order to manage JEA's exposure to interest rate and regulatory risk during the Commercial Paper Period. During the Commercial Paper Period, the fees for any such derivative instruments, if any, shall be included for payment from RCR Program debt proceeds provided that such fees shall not exceed \$500,000 per fiscal year or an amount equivalent to 40 basis points (.40%) of outstanding principal of the Commercial Paper, whichever is less. Fees relating to any such derivative product for periods after the Commercial Paper Period shall be paid from such sources as shall be agreed upon by the City and the JEA. During the Commercial Paper Period, any net payments with respect to interest rate swap agreements entered into pursuant to this section shall be made from the amounts of the City's mandated annual cash flow (as referred to in Section 3) and any net amounts received pursuant to such interest rate swap agreements shall be supplemental to the mandated annual cash flow and shall be applied in the same manner as the mandated annual cash flow.

**Section 8. Arbitrage Rebate.**

To avoid the administrative costs of managing arbitrage rebate liability, the City will utilize the 24-month spending exception in the federal tax code. In order for the City to comply with the 24-month spending exception, the JEA will need to be advised of the projected construction draw schedule. The amount of investment income earned and available to the RCR Program is related to the accuracy of the construction draw schedule as compared to the actual expenditures and the pace of the construction. The "Pay-As-You-Go" Capital Project Fund will be the source for paying the penalty, if any, associated with any failure to meet the 10%, 45%, 75% and 100% target amounts under the 24-month spending exception and any arbitrage rebate payment liability with respect to investment of the amounts in the

Capital Projects Fund. For purposes of the determination of the \$225,960,000 available construction proceeds under Section 4, the first \$50,000 of any such penalty shall be treated as issuance costs (and thus not part of available construction proceeds) and any amounts in excess of \$50,000 shall be treated as a construction expenditure (and thus counted toward the available construction proceeds). JEA may advise the City to elect other tax provisions becoming available and deemed to be advantageous to the RCR Program. It will be the City's responsibility to perform and file all arbitrage rebate and penalty calculations.

**Section 9. Investment.**

As the cash proceeds available for construction are a crucial input of the debt proceeds investment strategy it is important for JEA to retain the ability to advise the City as to the investment strategy for the Commercial Paper proceeds. The Director of Administration and Finance, at the request of JEA, will appoint JEA to act as agent of the City for the investment of debt proceeds of the RCR Program.

**Section 10. Extension of JEA Contracts.**

All contracting for financing consultants, underwriters, bond counsel, and other financing program functions, will be performed by the Mayor's staff with support from JEA, if requested. If the JEA and the City's Director of Administration and Finance or General Counsel, as applicable, staff agree, any existing JEA contracts may be amended to include all or part of the RCR Program financing activities.

**Section 11. Interpretation.**

This Agreement shall be construed and interpreted to accomplish the substantive intent of the parties hereto and shall be supplemented or amended in order to carry over the purposes hereof from time to time by written amendment hereto between the Director of Administration and Finance of the City and the Associate Managing Director for Finance and Administration of JEA as shall be necessary for such purpose and for purposes of this Agreement such officers are hereby designated as the authorized officers of the City and the JEA, respectively.

Attest:

CITY OF JACKSONVILLE, FLORIDA

\_\_\_\_\_  
Corporation Secretary

\_\_\_\_\_  
Mayor

Attest:

JACKSONVILLE ELECTRIC AUTHORITY

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Chairman

I hereby certify that the expenditure contemplated by the foregoing contract has been duly authorized, and provision has been made for the payment of the moneys provided therein to be paid.

\_\_\_\_\_  
Associate Managing Director of  
Finance and Administration  
Jacksonville Electric Authority

In compliance with the Ordinance Code of the City of Jacksonville, I do certify that there will be an unexpended, unencumbered and unimpounded balance in the appropriation sufficient to cover the foregoing contract and provision has been made for the payment of the moneys provided therein to be paid.

\_\_\_\_\_  
Director of Administration and  
Finance



Schedule A

Attachment 2

	City of Jacksonville Alternative Financing Plan 2.70% CP Case (\$000)				97/98 and Beyond
	93/94	94/95	95/96	96/97	
<b>Available Revenues:</b>					
Budgeted Revenue Available for FY 1992/93 Debt Service	\$ 15,795	\$ 16,795	\$ 15,795	\$ 16,795	\$ 15,795
<b>Less Existing Debt Service:</b>					
1988 Capital Improvement Bond	(18,194)	(18,192)	0	0	0
1989 Florida League of Cities	(1,834)	(1,808)	(468)	0	0
1988 Community Corrections Facility	0	0	0	0	0
DCHA G.O. Series 1985	0	0	0	0	0
DCHA G.O. Series 1986	0	0	0	0	0
New Long-term Debt Issue	0	0	0	0	(17,403)
Excess Revenue Available	827	825	15,837	16,795	(1,608)
Franchise Fees	0	0	0	0	0
Ticket Surcharge	426	426	426	426	426
Avoided Rent Expense				1,182	1,182
<b>Total Available Revenues</b>	<b>\$ 1,253</b>	<b>\$ 1,251</b>	<b>\$ 15,763</b>	<b>\$ 17,403</b>	<b>\$ 0</b>

					TOTAL
<b>Construction Cash Flow Schedule:</b>					
Beginning Cash Balance	\$ 0	\$ 91,789	\$ 0	\$ 11,384	\$ 0
Proceeds from: Commercial Paper	136,378	0	68,422	0	204,800
Investment Income	3,993	1,606	1,397	199	7,195
Total Available Revenues	1,253	1,251	15,763	17,403	35,670
Issuance Cost	(961)	(580)	(570)	(570)	(3,281)
Construction Cash Flow	(45,192)	(90,384)	(67,788)	(22,598)	(225,962)
Interest on Commercial Paper	(3,682)	(3,682)	(5,530)	(5,530)	(18,424)
Ending Cash Balance	\$ 91,789	\$ 0	\$ 11,384	\$ 0	\$ 0

Assumptions:				
Commercial Paper (CP) Rate	2.70%	2.70%	2.70%	2.70%
CP Remarketing Fee	0.13%	0.13%	0.13%	0.13%
CP Letter of Credit Fee	0.30%	0.30%	0.30%	0.30%
CP Initial Issuance Fee	0.13%			
Initial CP Cost of Issuance	\$125			
Investment Yield	3.50%	3.30%	3.50%	3.50%
Construction Cash Flow Schedule	20.00%	40.00%	30.00%	10.00%
Total Construction Cost	\$238,500			
Required Reduction in Project List	(\$12,540)			
Future Bond Issue Size	\$208,214			
Future Bond Issue Rate	5.80%			
Future Bond Issuance Cost	0.85%			
Other Bond Issuance Cost	\$200			
Debt Service Reserve Surety	2.50%			
Bond Insurance Premium	0.28%			
Bond Issue Amortization - Years	21			
Bond Issue Debt Service - Annually	\$17,403			
Total Principal + Interest on Bonds	\$363,463			

REPORT OF COMMITTEE

ON FINANCE

FILE NO. 60008

DATE: \_\_\_\_\_

- Recommend to APPROVE
- Recommend NOT TO APPROVE
- Recommend to WITHDRAW from further consideration of the Council.
- Recommend that the attached Committee SUBSTITUTE be Substituted for and considered in lieu of the original, and further recommend to approve said Committee Substitute.
- Recommend to AMEND in accordance with the Amendment(s) hereto attached, and further recommend to APPROVE as Amended.
- Recommend be read for the SECOND time and REREFERRED to this Committee.
- As an EMERGENCY measure.

[Signature] Chairman  
Smith  
[Signature] Member  
Leggett  
[Signature] Member  
Brown  
[Signature] Member  
Carlucci  
[Signature] Member  
Jones  
[Signature] Member  
Kraivitz  
[Signature] Member  
Overton

For Council Meeting 7/13/11

1 INTRODUCED BY THE PRESIDENT OF THE COUNCIL AT THE REQUEST OF THE  
2 MAYOR:

*Franky H. W. ...*  
Incorporated into and made a part  
of the Journal of the Council.

3  
4 ORDINANCE 93-978

5 AN ORDINANCE OF THE CITY OF JACKSONVILLE, FLORIDA,  
6 PROVIDING FOR THE ISSUANCE OF NOT EXCEEDING  
7 \$[\_\_,000,000] AGGREGATE PRINCIPAL AMOUNT OF SALES  
8 TAX REVENUE BONDS, SERIES 1993, OF THE CITY TO  
9 FINANCE THE COST OF VARIOUS CAPITAL IMPROVEMENTS;  
10 PLEDGING MONEYS RECEIVED BY THE CITY FROM LOCAL  
11 GOVERNMENT HALF-CENT SALES TAX TO SECURE  
12 PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE  
13 BONDS; PROVIDING FOR THE RIGHTS, SECURITY, AND  
14 REMEDIES OF THE REGISTERED OWNERS OF SUCH BONDS;  
15 WAIVING SECTION 104 OF THE ORDINANCE CODE TO THE  
16 EXTENT A NEGOTIATED SALE IS IN THE BEST INTERESTS OF  
17 THE CITY; PROVIDING FOR THE JACKSONVILLE ELECTRIC  
18 AUTHORITY'S CONTRIBUTION RELATING TO THE  
19 FINANCING COST OF THE RIVER CITY RENAISSANCE  
20 PROGRAM; PROVIDING SEVERABILITY; AND PROVIDING AN  
21 EFFECTIVE DATE.

22  
23 BE IT ORDAINED BY THE COUNCIL OF THE CITY OF JACKSONVILLE,  
24 FLORIDA, acting in its county capacity as Duval County, Florida, wherever the context so  
25 requires:

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ARTICLE I  
AUTHORITY, DEFINITIONS,  
FINDINGS AND CONTRACT

SECTION 1.01. AUTHORITY FOR THIS ORDINANCE. This Ordinance is adopted pursuant to the provisions of the Florida Constitution, the Charter of the City, Section 125, Florida Statutes, Section 166, Florida Statutes, Chapter 218, Florida Statutes, and other applicable provisions of law.

SECTION 1.02. DEFINITIONS. As used herein, unless the context otherwise requires:

"Act" means the Charter of the City, Section 125, Florida Statutes, Section 166, Florida Statutes, Part VI, Section 218, Florida, Statutes, and other applicable provisions of law.

"Accreted Value" means, with respect to any Capital Appreciation Bonds as of any date, the amounts representing principal and accrued interest on such Capital Appreciation Bonds as of such date, which shall be provided by resolution of the City adopted prior to the issuance of such Capital Appreciation Bonds.

"Accounting Principles" means generally accepted accounting principles applicable to governmental entities.

"Additional Parity Bonds" means any obligations or portions thereof of the City that may be issued pursuant to the terms and conditions of this Ordinance, which are payable from the Pledged Revenues on a parity with the Series 1993 Bonds originally issued hereunder.

"Adjustable Rate Bonds" means Bonds, the interest rate on which is subject to adjustment, at intervals not less than two years, at such times and in such manner as shall be determined by the Board prior to the sale thereof.

"Amortization Installment" means, with respect to each maturity of Term Bonds of any Series of Bonds, the principal amounts (or Maturity Amounts) of such Term Bonds to be

1 retired in consecutive years by mandatory redemption from the applicable Bond  
2 Amortization Account within the Sinking Fund; provided, that (i) each such Amortization  
3 Installment shall be deemed to be due on the Interest Payment Date or Principal Maturity  
4 Date of each applicable year as is fixed by resolution of the Board and (ii) the aggregate of  
5 such installments for each maturity of Term Bonds shall equal the aggregate principal  
6 amount or, if applicable, the Maturity Amounts, of Term Bonds of such maturity.

7 "Authorized Investments" means securities or obligations which are legal investments  
8 for City funds under applicable law, except as limited by resolution, ordinance or agreement  
9 of the City.

10 "Bond Counsel" means a firm of attorneys of nationally recognized standing in the  
11 field of municipal finance law whose opinions are generally accepted by underwriters and  
12 other purchasers of obligations issued by state and local governments selected by the City.

13 "Bond Year" means each twelve month period beginning the day after a Principal  
14 Maturity Date.

15 "Bonds" means the Series 1993 Bonds and any Additional Parity Bonds hereafter  
16 issued pursuant to the terms and conditions of this Ordinance.

17 "Book-entry Form" or "Book-entry System" means a form or system, as applicable,  
18 under which physical Bond certificates in fully registered form are issued to a Depository or  
19 to its nominee as Registered Owner, with the certificated Bonds being held by and  
20 "immobilized" in the custody of such Depository, and under which records maintained by  
21 persons, other than the City or the Deputy Registrar and Paying Agent, constitute the written  
22 record that identifies, and records the transfer of, the beneficial "book-entry" interests in  
23 those Bonds.

24 "Business Day" means any day of the year on which banks in the jurisdiction of the  
25 City, or in any of the cities in which the designated office of the Deputy Registrar and  
26 Paying Agent or the principal office of any Credit Facility Issuer are located, are not  
27 required or authorized by law to remain closed, and on which the Deputy Registrar and  
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1 Paying Agent and any Credit Facility Issuer and the New York Stock Exchange, Inc. are  
2 open for business.

3 "Code" means the Internal Revenue Code of 1986, as amended, including, when  
4 appropriate, the statutory predecessor of the Code, and all applicable regulations (whether  
5 proposed, temporary or final) under that Code and the statutory predecessor of the Code,  
6 and any official rulings and judicial determinations under the foregoing applicable to the  
7 Bonds.

8 "Capital Appreciation Bonds" means Bonds, the interest on which shall be  
9 compounded on a periodic basis and payable only at maturity or upon prior redemption, and  
10 shall be determined by reference to the Accreted Value.

11 "City" means the City of Jacksonville, Florida, municipal corporation and, wherever  
12 the context requires, Duval County, Florida, a political subdivision of the State.

13 "City Council" means the Council of City, as the governing body of the City.

14 "Credit Facility" means any municipal bond insurance policy, a letter of credit,  
15 surety bond, guarantee, or other agreement under which any Person other than the City  
16 provides additional security for any Series and guarantees timely payment of the principal of  
17 and interest on all or a portion of any Series, and shall include any Reserve Account Credit  
18 Facility.

19 "Credit Facility Issuer" means a Person which has provided a Credit Facility relating  
20 to any Series or any particular Bonds within a Series.

21 "Current Interest Paying Bonds" means Bonds, the interest on which shall be payable  
22 on a periodic basis.

23 "Debt Service" means, for any period or payable at any time, the principal (including  
24 Amortization Installments) of, premium, if any, and interest on the Bonds for that period or  
25 payable at that time, whether due at maturity or redemption or otherwise.

26 "Debt Service Requirement" shall mean, for any Bond Year, the sum of:  
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1 (1) the amount required to pay the interest becoming due on the  
2 Current Interest Paying Bonds during such Bond Year;

3 (2) the aggregate amount required to pay the principal becoming  
4 due on Current Interest Paying Bonds for such Bond Year; and

5 (3) the aggregate amount required to pay the Maturity Amount  
6 due on any Capital Appreciation Bonds maturing in such Bond Year.

7 In calculating the Debt Service Requirement for any period:

8 (A) the City shall deduct from the amounts calculated in Subparagraphs (1)  
9 through (3) above: (a) any capitalized interest deposited into the Sinking Fund for such  
10 period from the proceeds of the sale of such Bonds or otherwise, (b) any investment earnings  
11 to be received on moneys on deposit in the Sinking Fund and accounts therein and required  
12 by the terms of this Ordinance to be retained in such Sinking Fund, and (c) so long as there  
13 is on deposit in the Reserve Account (without regard to any Reserve Account Credit Facility)  
14 an amount equal to the Reserve Account Requirement, the amount in the Reserve Account  
15 shall be deducted from the Debt Service due on the latest Principal Payment Date for any  
16 Bonds secured thereby;

17 (B)(1) the interest due in any ensuing Bond Year on Variable Rate Bonds shall  
18 be assumed to be one hundred ten percent (110%) of the greater of (a) the daily average  
19 interest rate on such Variable Rate Bonds during the twelve (12) months ending May 1 of  
20 each year, or such shorter period that such Variable Rate Bonds shall have been Outstanding,  
21 or (b) the rate of interest on such Variable Rate Bonds on the date of such calculation, and  
22 (2) the interest due in any ensuing Bond Year on Adjustable Rate Bonds shall be assumed to  
23 be the rate of interest on such Adjustable Rate Bonds on the date of such calculation;

24 (C) the stated maturity date of any Current Interest Paying Term Bonds shall be  
25 disregarded and the Amortization Installments applicable to such Current Interest Paying  
26 Term Bonds in such Bond Year shall be deemed to mature in such Bond Year; and  
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1 (D) the stated maturity date of any Capital Appreciation Term Bonds shall be  
2 disregarded and the Amortization Installments applicable to such Capital Appreciation Term  
3 Bonds in such Bond Year shall be deemed to mature in such Bond Year.

4 "Depository" means any securities depository that is a clearing agency under federal  
5 laws operating and maintaining, with its participants or otherwise, a Book-entry System to  
6 record ownership of beneficial interests in Bonds or Debt Service and to effect transfers of  
7 Bonds in Book-entry Form, including, but not limited to, The Depository Trust Company,  
8 New York, New York.

9 "Deputy Registrar and Paying Agent" means the keeper of the Register for the  
10 applicable Series, designated or redesignated by ordinance or resolution of the City Council;  
11 each Deputy Registrar and Paying Agent, other than the City, shall be a transfer agent  
12 registered in accordance with Section 17A(c) of the Securities Exchange Act of 1934, as  
13 amended; each Deputy Registrar and Paying Agent shall be the paying agent.

14 "Fitch" means Fitch Investors Service, One State Street Plaza, New York, New  
15 York, 10004, or any successor thereto.

16 "Fiscal Year" means the period commencing on October 1 of each year and ending  
17 on the succeeding September 30 or such other period as may be prescribed from time to time  
18 as the fiscal year for the City.

19 "Independent Certified Public Accountants" means a firm of certified public  
20 accountants licensed to practice public accounting in the State, which is not in the regular  
21 employ of the City on a salary basis, as shall be retained by the City for the purpose of  
22 auditing the books and records of the City relating to the Pledged Revenues.

23 "Interest Payment Date" means, with respect to (a) any Series, any date on which  
24 interest is stated to be due on the Current Interest Paying Bonds, as determined by  
25 subsequent ordinance or resolution of the City Council adopted at or prior to the time of sale  
26 of such Series; and (b) any date on which interest becomes due thereon on account of early  
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1 redemption thereof or on account of the happening of an event which under the terms of the  
2 Bonds, requires a payment of interest to be made thereon.

3 "Maturity Amounts" means, with respect to any Capital Appreciation Bonds, the  
4 amounts representing principal and interest on such Capital Appreciation Bonds at maturity.

5 "Maximum Debt Service Requirement" means, as of any particular date of  
6 calculation, the Debt Service Requirement for any future Bond Year which is greatest in  
7 dollar amount with respect to all Outstanding Bonds.

8 "Moody's" shall mean Moody's Investors Service, Inc, 99 Church Street, New York,  
9 New York, 10007, or any successor thereto.

10 "Ordinance" or "1993 Ordinance" shall mean this Ordinance No. 93-\_\_-\_\_  
11 authorizing the issuance of the Bonds.

12 "Outstanding" means, as of any applicable time, all Bonds which have been issued  
13 and delivered, or are then being issued and delivered, under this Ordinance, except:

14 (a) Bonds cancelled upon surrender, exchange or transfer, or  
15 cancelled upon purchase in the open market or because of payment at  
16 or redemption prior to that date;

17 (b) Bonds, or portions thereof, which are considered no longer  
18 Outstanding pursuant to Article VI hereof;

19 (c) Bonds, or portions thereof, which are deemed paid upon  
20 redemption or maturity thereof for which moneys sufficient to pay the  
21 maturity amount or redemption price thereof have been deposited with  
22 the Deputy Registrar and Paying Agent; provided that, if such Bonds  
23 are to be redeemed before the maturity thereof, the City Council shall  
24 have adopted an ordinance or resolution calling such Bonds for  
25 redemption and directing the Deputy Registrar and the Paying Agent to  
26 mail notice of redemption to the Owners of Bonds so called for  
27 redemption;

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1 (d) Bonds in lieu of which other Bonds have been issued under  
2 Section 2.06 or 2.07 hereof.

3 For purposes of voting, giving directions and granting consents, Bonds held by the City or  
4 by an agent of the City shall not be deemed Outstanding.

5 "Person" or words importing persons means firms, associations, partnerships, joint  
6 ventures, societies, estates, trusts, corporations, public or governmental bodies, other legal  
7 entities and natural persons.

8 "Pledged Revenues" means (i) all Revenues, (ii) all monies and investments held in  
9 the Revenue Fund and the Sinking Fund, and (iii) investment income earned on amounts in  
10 the Revenue Fund and the Sinking Fund.

11 "Prior Lien Obligations" means (i) the City's outstanding Capital Improvement  
12 Revenue Certificates, Series 1988 authorized pursuant to Ordinance 88-360-328 of the City,  
13 and (iii) the City's obligations under the Participation Agreement between the City and the  
14 First Municipal Loan Council, dated May 18, 1989 authorized pursuant to Ordinance \_\_\_\_.

15 "Principal Maturity Date" means, with respect to any Series, the annual or other  
16 periodic date on which (i) principal matures on the Current Interest Paying Bonds or (ii)  
17 Maturity Amounts are payable on Capital Appreciation Bonds, as determined by subsequent  
18 ordinance or resolution of the City Council adopted at or prior to the sale of such Series, and  
19 in each case including applicable dates on which Amortization Installments are required to be  
20 applied to retire Term Bonds.

21 "Project Costs" means, but shall not necessarily be limited to: the cost of the  
22 acquisition and construction of the Series 1993 Project and the construction and acquisition  
23 of additions, extensions, and improvements thereto; engineering, accounting, and legal fees  
24 and expenses; expenses for plans, specifications and surveys; expenses for estimates of costs  
25 and of revenues; the fees of fiscal agents, financial advisors and consultants; municipal bond  
26 insurance, credit enhancement and liquidity facility premiums and fees; administrative  
27 expenses; interest on the Bonds for a reasonable period of time after the date of their  
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1 delivery; reasonable reserves for the payment of Debt Service; discount upon the sale of the  
2 Bonds; the cost of purchasing any Credit Facility or Reserve Account Credit Facility; such  
3 other expenses as may be necessary or incidental to the financing authorized by this  
4 Ordinance, to the Series 1993 Project, and to the placing of the Series 1993 Project in  
5 operation; and reimbursement to the City for any sums expended for the foregoing purposes  
6 in anticipation of the issuance of the Bonds.

7 "Record Date" means, when used with respect to any Series, the fifteenth day of the  
8 calendar month next preceding an Interest Payment Date applicable to that Series, or such  
9 other date as may be specified by subsequent ordinance or resolution of the City Council  
10 adopted prior to the delivery of such Series.

11 "Redemption Date" means any date on which Bonds are called for redemption prior  
12 to maturity.

13 "Register" means the books kept and maintained by the Deputy Registrar and Paying  
14 Agent for the registration and transfer of Bonds pursuant to Section 11 hereof.

15 "Registered Owner" or "Owners" means the Person, including any nominee of a  
16 Depository, in whose name a Bond is registered by the Deputy Registrar and Paying Agent.

17 "Reserve Account Credit Facility" means a municipal bond insurance policy, surety  
18 bond, guarantee or other agreement which provides for payment of amounts equal to all or  
19 any portion of the Reserve Account Requirement in the event of an insufficiency of moneys  
20 in the Sinking Fund to pay when due principal of and interest on all or a portion of the  
21 Bonds.

22 "Reserve Account Credit Facility Issuer" means a Person which has provided a  
23 Reserve Account Credit Facility.

24 "Reserve Account Requirement" means an amount which is the lesser of (i) the  
25 Maximum Debt Service Requirement for all Bonds then Outstanding, or (ii) the maximum  
26 aggregate amount allowed under the provisions of the Code to be funded as a reasonably  
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1 required reserve from the proceeds of the Series 1993 Bonds and any Additional Parity  
2 Bonds.

3 "Revenues" mean the proceeds from the local government half-cent sales tax  
4 distributed to the City from the Local Government Half-Cent Sales Tax Clearing Trust  
5 Fund, as defined and described in Part VI, Chapter 218, Florida Statutes, remaining after  
6 payment of the principal of, and premium if any and interest on, and other required  
7 payments with respect to the Prior Lien Obligations.

8 "Serial Bonds" means any Current Interest Paying Bonds or Capital Appreciation  
9 Bonds for the payment of the principal of which no fixed mandatory sinking fund or bond  
10 redemption deposits are required to be made prior to the 12-month period immediately  
11 preceding the stated date of maturity of the such Bonds.

12 "Series" means an amount of Bonds designated by the City as a single series, which  
13 may be issued in one or more installments.

14 "Series 1993 Bonds" means the Sales Tax Revenue Bonds, Series 1993, originally  
15 issued pursuant to this Ordinance.

16 "Series 1993 Project" means the various capital improvement projects and to related  
17 facilities, substantially in accordance with Exhibit B attached hereto and by this reference  
18 made a part hereof, and such additions, deletions and modifications thereto as may be  
19 approved or authorized by subsequent ordinance or resolution of the City Council.

20 "S&P" means Standard & Poor's Corporation, 5 Broadway, New York, New York,  
21 10004, or any successor thereto.

22 "State" means the State of Florida.

23 "Subordinated Bonds" means any obligations issued or incurred by the City and  
24 payable from all or a portion of the Pledged Revenues which are junior and subordinate to  
25 any Bonds issued pursuant to this Ordinance as to security for payment from such Pledged  
26 Revenues and in all other respects.

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1 "Tax Compliance Certificate" means, with respect to any Series, the certificate  
2 executed by an officer of the City responsible for the issuance of the Series, delivered in  
3 connection with the issuance of such Series, relating to compliance by the City with the  
4 requirements of the Code applicable to such Series, including any investment instructions  
5 attached to such certificate.

6 "Term Bonds" means the Current Interest Paying Bonds or Capital Appreciation  
7 Bonds of a Series, all of which are stated to mature on one date and which are subject to  
8 retirement by operation of the applicable Bond Amortization Account in the Sinking Fund  
9 herein established.

10 "United States Obligations" means direct and general obligations of the United States  
11 of America, or obligations that are unconditionally guaranteed as to the timely payment of  
12 principal and interest by the United States of America, including (in the case of direct and  
13 general obligations of the United States of America) evidences of direct ownership of  
14 proportionate interests in future payments of interest on or principal of such obligations.  
15 Investments in such proportionate interests must be limited to circumstances wherein (a) a  
16 bank or trust company acts as custodian and holds the underlying United States Obligations;  
17 (b) the owner of the investment is the real party in interest and has the right to proceed  
18 directly and individually against the obligor of the underlying United States Obligations; and  
19 (c) the underlying United States Obligations are held in safekeeping in a special account,  
20 segregated from the custodian's general assets, and are not available to satisfy any claim of  
21 the custodian, any person claiming through the custodian, or any person to whom the  
22 custodian may be obligated.

23 "Variable Rate Bonds" means Bonds, the interest rate on which is subject to periodic  
24 adjustment, at intervals equal to or less than two years, at such times and in such manner as  
25 shall be determined by the City Council prior to the sale thereof.

26 SECTION 1.03. INTERPRETATION. Any reference herein to the City, to the City  
27 Council or to any member or officer of either, includes entities or officials succeeding to  
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1 their respective functions, duties or responsibilities pursuant to or by operation of law or  
2 lawfully performing their functions.

3 Unless the context clearly indicates otherwise, any reference to a section or provision  
4 of the Constitution of the State or the Act, or to a section, provision or chapter of the Laws  
5 of Florida or the United States of America, includes that section, provision or chapter as  
6 amended, modified, revised, supplemented or superseded from time to time; provided, that  
7 no amendment, modification, revision, supplement or superseding section, provision or  
8 chapter shall be applicable solely by reason of this provision, if it constitutes in any way an  
9 impairment of the rights or obligations of the City, the officers, employees and members of  
10 the City Council of the City, the Deputy Registrar and Paying Agent, the Registered  
11 Owners, or any Credit Facility Issuer or Reserve Account Credit Facility Issuer under this  
12 Ordinance, the Bonds or any other instrument or document entered into in connection with  
13 any of the foregoing.

14 Unless the context indicates otherwise, words importing the singular number include  
15 the plural number, and vice versa; the terms "hereof," "hereby," "herein," "hereto,"  
16 "hereunder" and similar terms refer to this Ordinance; and the term "hereafter" means after  
17 and the term "heretofore" means before the date of this Ordinance. Words of any gender  
18 include the correlative words of the other gender, unless the context indicates otherwise.

19 SECTION 1.04. CAPTIONS. The captions and headings herein are solely for  
20 convenience of reference and in no way define, limit or describe the scope or intent of any  
21 Sections, subsections, paragraphs, subparagraphs or clauses hereof.

22 SECTION 1.05. FINDINGS. It is hereby ascertained, determined and declared  
23 that:

24 (A) It is necessary and in the best interests of the health, safety, and welfare of  
25 the City that the City undertake the Series 1993 Project. The City is authorized pursuant to  
26 the provisions of the Act to undertake the Series 1993 Project.  
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1 (B) The City is without adequate, currently available funds to pay the Project  
2 Costs, and it is necessary and desirable and in the best interests of the City that it borrow the  
3 moneys necessary to accomplish the financing of the Series 1993 Project. The City is  
4 authorized pursuant to the provisions of the Act to borrow moneys necessary to pay the cost  
5 of the Series 1993 Project.

6 (C) The City currently receives the Revenues and the Revenues are not pledged  
7 or encumbered to pay any debts or obligations of the City other than the Prior Lien  
8 Obligations.

9 (D) The City is authorized pursuant to the provisions of the Act to pledge the  
10 Pledged Revenues to secure the payment of debt issued to finance the Project Costs.

11 (E) The Pledged Revenues together with capitalized interest provided from  
12 proceeds of the Bonds are estimated to be sufficient to pay the Debt Service on the Series  
13 1993 Bonds and to make all other payments required to be made by the provisions of this  
14 Ordinance.

15 (F) The Bonds to be issued pursuant to this Ordinance shall not be or constitute  
16 general obligations or indebtedness of the City as "bonds" within the meaning of any  
17 provision of the Constitution of the State, but shall be and are hereby declared to be special  
18 and limited obligations of the City, the Debt Service on which is payable solely from the  
19 Pledged Revenues in the manner provided herein. The Debt Service on the Bonds to be  
20 issued pursuant to the provisions of this Ordinance and all other payments provided for  
21 herein, will be paid solely from the Pledged Revenues, and it will never be necessary or  
22 authorized to levy taxes on any real property of or in the City to pay the Debt Service on the  
23 Bonds, or to make any of the sinking fund, reserve, or other payments provided for herein.  
24 Furthermore, neither the Bonds nor the Debt Service thereon, shall be or constitute a lien  
25 upon the Series 1993 Project or upon any other property of or in the City other than the  
26 Pledged Revenues in the manner provided in this Ordinance.

1 SECTION 1.06. ORDINANCE CONSTITUTES A CONTRACT. In consideration  
2 of the acceptance of the Bonds by those who shall be the Registered Owners thereof from  
3 time to time, this Ordinance shall be deemed to be and shall constitute a contract between the  
4 City and such Registered Owners and any Credit Facility Issuer. The covenants and  
5 agreements herein set forth shall be for the equal benefit, protection, and security of the  
6 Registered Owners of all Bonds, and all Bonds shall be of equal rank and without  
7 preference, priority, or distinction over any other thereof, except as expressly provided  
8 herein and in any Credit Facility and any Reserve Account Credit Facility. Additional  
9 Parity Bonds shall be deemed to have been issued pursuant to this Ordinance the same as the  
10 Series 1993 Bonds originally authorized and issued pursuant to this Ordinance, and all of the  
11 covenants and other provisions of this Ordinance (except as to details of such Additional  
12 Parity Bonds inconsistent herewith), shall be for the equal benefit, protection and security of  
13 the Registered Owners of the Series 1993 Bonds and the Registered Owners of any  
14 Additional Parity Bonds within the limitations of and in compliance with this Ordinance.

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ARTICLE II

AUTHORIZATION OF SERIES 1993 PROJECT;

DESCRIPTION, DETAILS AND FORM OF SERIES 1993 BONDS

SECTION 2.01. AUTHORIZATION OF SERIES 1993 PROJECT. The City Council hereby specifically authorizes the Series 1993 Project.

SECTION 2.02. AUTHORIZATION OF BONDS. Subject and pursuant to the provisions of this Ordinance, obligations of the City, to be known as "Sales Tax Revenue Bonds, Series 1993)", are hereby authorized to be issued in an aggregate principal amount on original issuance not to exceed \$[\_,000,000], for the purpose of financing Project Costs.

SECTION 2.03. DESCRIPTION OF BONDS. The Bonds of each Series shall be numbered; shall be in such denominations or maturity amounts; shall be dated; shall bear interest at not exceeding the maximum rate allowed by law payable on such dates; shall mature on such dates, not to exceed 40 years from the date thereof, and in such amounts; and shall be issued as Current Interest Paying Bonds, Capital Appreciation Bonds, Variable Rate Bonds, Adjustable Rate Bonds, Serial Bonds, Term Bonds, or any combination thereof; as shall be determined by subsequent resolution of the City Council adopted at or prior to the sale of such Series.

The Bonds may be issued all at one time or in Series or installments from time to time. Different installments and Series of the Bonds may have such characteristics as shall be provided by subsequent ordinance or resolution of the City Council, and shall bear a designation to distinguish such Series or installment from other Series or installments of the Bonds.

The Bonds of each Series shall be issued in fully registered form without coupons; shall be payable with respect to principal at the office of the Deputy Registrar and Paying Agent, or such other Deputy Registrar and Paying Agent as shall be subsequently named; shall be payable in lawful money of the United States of America; and shall bear interest from their date, or from the most recent date to which interest has been paid, payable, in the

1 case of Current Interest Paying Bonds, by check or draft mailed to the Registered Owner at  
2 his address as it appears upon the books of the Deputy Registrar and Paying Agent as of  
3 5:00 P.M. Eastern Time on the Record Date, and in the case of Capital Appreciation Bonds,  
4 at maturity upon presentation at the office of the Deputy Registrar and Paying Agent.

5 SECTION 2.04. EXECUTION AND AUTHENTICATION OF BONDS. The  
6 Bonds of each Series shall be executed in the name of the City by the Mayor of the City, and  
7 attested and, if applicable, countersigned by the Corporation Secretary of the City, and its  
8 seal or facsimile thereof shall be affixed thereto or reproduced thereon. The signatures of  
9 the Mayor and the Corporation Secretary may be manual or facsimile.

10 The Deputy Registrar and Paying Agent shall serve as authenticating agent for the  
11 Bonds and is authorized to authenticate Bonds. No Bond shall be valid or obligatory for any  
12 purpose or be entitled to any security or benefit under the provisions of this Ordinance until  
13 a certificate of authentication substantially in the form set forth in Exhibit A hereto shall  
14 have been signed by manual signature of an authorized signer of the authenticating agent.  
15 The authorized signature for the Deputy Registrar shall be manual. The authentication by  
16 the authenticating agent upon any Bond shall be conclusive evidence that the Bond so  
17 authenticated has been duly authenticated and delivered hereunder and is entitled to the  
18 security and benefit hereof.

19 In case any officer who shall have signed or sealed any of the Bonds shall cease to be  
20 such officer before the Bonds have been delivered, such Bonds may nevertheless be  
21 delivered as if such officer had not ceased to hold such office. Any Bond may be signed and  
22 sealed on behalf of the City by such person as at the time of execution shall hold the proper  
23 office, although at the date of such Bonds such person may not have held such office.

24 SECTION 2.05. NEGOTIABILITY, REGISTRATION, TRANSFERABILITY  
25 AND EXCHANGE. The Bonds shall be and have all the qualities and incidents of  
26 negotiable instruments under the Uniform Commercial Code - Investment Securities Laws of  
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1 the State, and each successive Registered Owner, in accepting any Bonds, shall be  
2 conclusively deemed so to have agreed.

3 The Deputy Registrar and Paying Agent shall be responsible for maintaining the  
4 books for the registration of the transfer and exchange of the Bonds. The City and the  
5 Deputy Registrar and Paying Agent may treat the Registered Owner of any Bond as the  
6 absolute owner thereof for all purposes, whether or not such Bond shall be overdue, and  
7 shall not be bound by any notice to the contrary.

8 All Bonds presented for transfer or exchange (if so required by the City or the  
9 Deputy Registrar and Paying Agent) shall be accompanied by a written instrument or  
10 instruments of transfer or authorization for exchange, in form and with guaranty of signature  
11 satisfactory to the City or the Deputy Registrar and Paying Agent, duly executed by the  
12 Registered Owner or by his duly authorized representative.

13 The Deputy Registrar and Paying Agent may charge the Registered Owner a sum  
14 sufficient to reimburse it for any expenses incurred in making any exchange or transfer after  
15 the first such exchange or transfer following the initial delivery of the Bonds. The Deputy  
16 Registrar and Paying Agent or the City may also require payment from the Registered  
17 Owner or his transferee, as the case may be, of a sum sufficient to cover any tax, fee or  
18 other governmental charge that may be imposed in relation thereto. Such charges and  
19 expenses shall be paid before any new Bonds shall be delivered.

20 The City and the Deputy Registrar and Paying Agent shall not be required to issue,  
21 transfer or exchange any Bonds (a) during a period beginning at the opening of business on  
22 the 15th day next preceding any Interest Payment Date and ending at the close of business on  
23 the Interest Payment Date or (b) selected, called or being called for redemption in whole or  
24 in part.

25 New Bonds delivered upon any transfer or exchange shall be valid obligations of the  
26 City, evidencing the same debt as the Bonds surrendered, shall be secured by this Ordinance,  
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1 and shall be entitled to all of the security and benefits hereof to the same extent as the Bonds  
2 surrendered.

3 The City may elect to use a book-entry system for issuance and registration of the  
4 Bonds of any Series, and the details of any such system shall be as fixed by subsequent  
5 ordinance or resolution of the City Council adopted prior to the time of issuance of such  
6 Bonds.

7 Whenever any Bond shall be delivered to the Deputy Registrar and Paying Agent for  
8 cancellation, upon payment of the principal amount thereof, or for replacement, transfer or  
9 exchange, such Bond shall be cancelled and destroyed by the Deputy Registrar and Paying  
10 Agent as authorized by law, and counterparts of a certificate of destruction evidencing such  
11 destruction shall be furnished to the City.

12 **SECTION 2.06. REPLACEMENT OF BONDS MUTILATED, DESTROYED,**  
13 **STOLEN OR LOST.** In case any Bond shall become mutilated or be destroyed, stolen or  
14 lost, the Deputy Registrar and Paying Agent may in its discretion issue and deliver a new  
15 Bond, of like tenor as the Bond, so mutilated, destroyed, stolen or lost, either in exchange  
16 and substitution for such mutilated Bond upon surrender and cancellation of such mutilated  
17 Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, upon the  
18 Registered Owner's furnishing the Deputy Registrar and Paying Agent proof of his  
19 ownership and the loss thereof (if lost, stolen or destroyed), satisfactory indemnity in favor  
20 of both the City and the Deputy Registrar and Paying Agent, and complying with such other  
21 reasonable regulations and conditions as the Deputy Registrar and Paying Agent and City  
22 may prescribe, and paying (in advance if required by the City) such expenses and attorneys  
23 fees as the City may incur. All Bonds so surrendered shall be cancelled. If any such Bond  
24 shall have been matured or be about to mature, instead of issuing a substitute Bond, the  
25 Deputy Registrar and Paying Agent may pay the same, upon compliance with the foregoing  
26 conditions.

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1 Any such duplicate Bonds issued pursuant to this section shall constitute original,  
2 additional contractual obligations on the part of the City, whether or not any lost, stolen or  
3 destroyed Bonds are found.

4 SECTION 2.07. TEMPORARY BONDS. Until Bonds in definitive form of any  
5 Series are ready for delivery, the City may deliver in lieu of such definitive Bonds, and  
6 subject to the same provisions, limitations and conditions, one or more printed or  
7 typewritten Bonds in temporary form, substantially of the tenor of the Bonds, with  
8 appropriate omissions and variations.

9 The City shall issue Bonds in definitive form without unreasonable delay in exchange  
10 for the temporary Bonds.

11 SECTION 2.08. ANTICIPATION NOTES. In anticipation of the delivery of any  
12 Series, the City may issue Bond anticipation notes, in the aggregate principal amount  
13 outstanding at any one time not to exceed the aggregate principal amount of such Bonds  
14 theretofore authorized. Bond anticipation notes may be issued as part of a financing  
15 program utilizing commercial paper or other short-term, adjustable rate, or variable rate  
16 debt instruments to provide interim financing for one or more City projects, provided that  
17 the principal amount of such program outstanding at any one time allocable to projects to be  
18 financed hereunder shall not exceed the aggregate amount of Bonds theretofore authorized.  
19 Provisions regarding the form of such Bond anticipation notes and the security for any Bond  
20 anticipation notes shall be set forth in a separate ordinance or resolution of the City Council  
21 adopted at or prior to the time of sale of such Bond anticipation notes.

22 SECTION 2.09. PROVISIONS FOR REDEMPTION. The Bonds or any portions  
23 thereof may be subject to redemption as provided by subsequent ordinance or resolution of  
24 the City Council adopted prior to the sale of the Bonds.

25 For purposes of any redemption of less than all of the Outstanding Bonds of a single  
26 maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected not  
27 more than forty-five (45) days prior to the redemption date by the Deputy Registrar and  
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1 Paying Agent from the Outstanding Bonds of the maturity or maturities designated by the  
2 City and by lot within a maturity. If less than all of the Outstanding Bonds of a single  
3 maturity are to be redeemed, the Deputy Registrar and Paying Agent shall promptly notify  
4 the City in writing of the Bonds or portions of Bonds selected for redemption, and in the  
5 case of any Bond selected for partial redemption, the principal amount thereof to be  
6 redeemed.

7 Not more than sixty (60) calendar days or less than thirty (30) calendar days prior to  
8 the Redemption Date, notice of such redemption, (i) shall be filed with the Deputy Registrar  
9 and Paying Agent, and (ii) shall be mailed by deposit in the U.S. Mail by First Class Mail,  
10 postage prepaid at least thirty (30) and not more than sixty (60) calendar days prior to the  
11 redemption date, to all Registered Owners of Bonds to be redeemed at their addresses as they  
12 appear on the Register hereinabove provided for. Interest shall cease to accrue on any Bonds  
13 duly called for prior redemption on the redemption date, if payment of the redemption price  
14 has been duly provided. Failure of any Registered Owner to receive notice properly  
15 provided shall not affect the validity of any such proceedings for redemption or cessation of  
16 the accrual of interest on the Bonds called for redemption from and after the Redemption  
17 Date.

18 Each notice of redemption shall be dated and state the redemption date, the  
19 redemption price, the identification and respective principal amount of Bonds to be redeemed  
20 if less than all Bonds are to be redeemed, and that on the redemption date the redemption  
21 price will become due and payable on each Bond or portion thereof called for redemption  
22 and that interest on each such Bond shall cease to accrue from and after such date, and the  
23 place where the Bonds are to be surrendered for payment of the redemption price.

24 In addition to the foregoing notice, further notice shall be given as set out below, but  
25 no defect in any such notice nor any failure to give all or any portion of any notice shall in  
26 any manner defeat the effectiveness of a call for redemption with respect to an Owner as to  
27 which notice is given as prescribed above. Each such further notice of redemption given  
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1 hereunder shall contain the information required above for an official notice of redemption  
2 plus: (i) the date of the Bonds of such Series being redeemed; (ii) the rate of interest borne  
3 by each Bond being redeemed; (iii) the maturity date of each Bond being redeemed; (iv) the  
4 CUSIP number of all Bonds being redeemed and (v) any other descriptive information  
5 needed to identify accurately the Bond being redeemed.

6 Each further notice of redemption shall be sent at least thirty-two (32) days before the  
7 redemption date by registered or certified mail or overnight delivery service (at the expense  
8 of the addressee) to all registered securities depositories then in the business of holding  
9 substantial amounts of obligations of types such as the Bonds (such depositories now being  
10 The Depository Trust Company of New York, New York, Midwest Securities Trust  
11 Company of Chicago, Illinois, and Philadelphia Depository Trust Company of Philadelphia,  
12 Pennsylvania) and to one or more national information services that disseminate notices of  
13 redemption of obligations such as the Bonds (such as Financial Information, Inc.'s Financial  
14 Daily Called Bond Service, Interactive Data Corporation's Bond Service, Kenny Information  
15 Service's Called Bond Service and Standard & Poor's Called Bond Record).

16 SECTION 2.10. FORM OF BONDS. The text of the Bonds shall be of substantially  
17 the form of Exhibit A hereto, with such omissions, insertions, and variations as may be  
18 necessary and desirable, and as may be authorized or permitted by this Ordinance or by  
19 subsequent ordinance or resolution adopted by the City Council prior to the issuance thereof.

20 SECTION 2.11. ADDITIONAL DETAILS. The City may, with respect to any  
21 Series, vary the details of the description of the Bonds, the execution, registration,  
22 redemption and other terms of the Bonds set forth in this Article II in such manner as the  
23 City shall determine by subsequent ordinance or resolution adopted by the City Council prior  
24 to the issuance of such Bonds.

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ARTICLE III

BONDS NOT GENERAL OBLIGATION OF CITY;  
PLEDGE OF REVENUES AND APPLICATION THEREOF

SECTION 3.01. BONDS NOT GENERAL OBLIGATIONS OR INDEBTEDNESS OF THE CITY. The Bonds shall not be or constitute general obligations or indebtedness of the City as "bonds" within the meaning of any State constitutional, State statutory, City charter or City code provision or limitation but shall be special and limited obligations of the City payable solely from and secured by a lien upon and a pledge of the Pledged Revenues as herein provided. No Registered Owner or Owners of any Bonds, or any Credit Facility Issuer or Reserve Account Credit Facility Issuer, shall ever have the right to require or compel the exercise of the ad valorem taxing power of the City, or taxation in any form on any real or personal property of or in the City, to pay the Bonds or Debt Service thereon.

SECTION 3.02. BONDS SECURED BY PLEDGED REVENUES. The payment of Debt Service on all of the Bonds issued hereunder shall be secured forthwith equally and ratably with the other Bonds by a lien upon and pledge of the Pledged Revenues. The Pledged Revenues, in an amount sufficient both to pay the Debt Service on the Bonds herein authorized and to make the payments into the Reserve Account and Sinking Fund and all other payments provided for in this Ordinance are hereby irrevocably pledged in the manner stated herein to the payment of the Debt Service on the Bonds herein authorized as the same become due; provided that said pledge and lien may be released and extinguished by defeasance as provided in Section 6.04 hereof. Notwithstanding the foregoing, no provision hereof is intended to prohibit the payment of Debt Service on any Series of Bonds from, or the pledging to such payment of, any lawfully available additional reserves, security, documents, obligations or sources of funds that are not security for any other Series of Bonds.

SECTION 3.03. APPLICATION OF PLEDGED REVENUES. For as long as the Bonds shall be Outstanding or until (a) here shall have been set apart in the Sinking Fund,



1 including subaccounts therein for each Series, and the Reserve Account and Bond  
2 Amortization Account and subaccounts therein, a sum sufficient to pay when due the entire  
3 principal amount of the Bonds remaining unpaid, together with the premium, if any, with  
4 resp. . thereto, and the interest accrued and to accrue thereon, or (b) provision for paymen  
5 of the Bonds shall have been made in accordance with the provisions of this Ordinance and  
6 the Bonds are deemed to have been paid and discharged, the City covenants with the  
7 Registered Owners of and any Credit Facility Issuer for the Bonds as follows:

8 (A) CREATION OF FUNDS AND ACCOUNTS. There are hereby created  
9 and established by the City the following special funds and accounts which shall (except for  
10 the Rebate Fund) be subject to the lien hereof: a fund designated Sales Tax Revenue Bonds,  
11 Series 1993 Revenue Fund (hereinafter the "Revenue Fund"); a fund designated Sales Tax  
12 Revenue Bonds, Series 1993 Sinking Fund (hereinafter the "Sinking Fund"), together with  
13 subaccounts therein to be known as the "Bond Amortization Account" (together with any  
14 subaccounts therein) and the "Reserve Account", and the Sales Tax Revenue Bonds, Series  
15 1993 Rebate Fund (hereinafter the "Rebate Fund"), provided that separate accounts and  
16 subaccounts in any of the foregoing may be established and maintained for different Series.

17 (B) MAINTENANCE OF FUNDS AND ACCOUNTS. The designation and  
18 establishment of the various funds and accounts in and by this Ordinance shall not be  
19 construed to require the establishment of any completely independent, self-balancing funds  
20 or accounts, as such terms are commonly defined and used in governmental accounting, but  
21 rather is intended solely to constitute an earmarking of Pledged Revenues for certain  
22 purposes and to establish certain priorities for application of such Pledged Revenues as  
23 provided herein. Cash and investments required to be accounted for in each of the funds and  
24 accounts established by this Ordinance may be deposited in a single bank account, provided  
25 that standard accounting records are maintained to reflect control or restricted allocation of  
26 the moneys therein for the various purposes of such funds and accounts.

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1           The foregoing provisions notwithstanding, the funds and accounts created and  
2 established pursuant to this Ordinance shall constitute trust funds for the purposes provided  
3 herein and shall be maintained on the books of the City as separate and distinct from all  
4 other funds and accounts of the City, in the manner provided in this Ordinance. All moneys  
5 in such funds and accounts shall be continuously secured in the same manner as deposits of  
6 City funds are required to be secured by the laws of the State.

7           Separate accounts may be maintained for different Series and identified by the  
8 appropriate designation, and deposits into the accounts for each such Series shall be on a  
9 parity with the deposits, if any, into the corresponding accounts for each other Series (or, in  
10 the case of a deficiency, shall be on a pro rata basis computed with regard to the aggregate  
11 principal amount of Bonds of each Series then Outstanding and unpaid) unless specified  
12 otherwise; further provided that moneys on deposit in the accounts established for a  
13 particular Series may be specified not to be available to be used for payments required to be  
14 made from the corresponding accounts for any other Series.

15           (C) APPLICATION OF PLEDGED REVENUES. All Pledged Revenues  
16 shall, immediately upon receipt thereof, be deposited by the City into the Revenue Fund.  
17 Moneys on deposit in the Revenue Fund shall be applied, on or before the 25th day of each  
18 month, subject to credits for deposits as provided below, only in the following manner and  
19 order of priority, and provided that with respect to any payment period for any Series that is  
20 other than annual or semiannual, the required deposits shall be such as to provide for equal  
21 monthly deposits of all amounts required to meet the Debt Service of such Series, as  
22 follows:

23           (1) Moneys in the Revenue Fund shall first be used for deposit into the Sinking  
24 Fund, of an amount equal to one-twelfth (1/12) of the principal due on the next succeeding  
25 Principal Payment Dates and one-sixth (1/6) of the interest due on the next succeeding  
26 Interest Payment Date; provided, however, that no deposit shall be required to the extent  
27 that payment of interest on the Bonds has been provided from the proceeds of the Bonds.  
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1 (2) Revenues shall next be used for deposit into the Bond Amortization  
2 Account, on a parity with the payments into the Sinking Fund provided in Subsection (i)  
3 above, an amount equal to one-twelfth (1/12) of the Amortization Installment for Term Bond  
4 which shall become due and payable on the next Principal Maturity Date, plus the amount of  
5 the premium, if any, on a principal amount of such Term Bond equal to the amount of such  
6 Amortization Installment which would be payable on the next maturity date if such principal  
7 amount of Term Bonds were to be redeemed prior to their maturity from money held in the  
8 Bond Amortization Account.

9 Moneys on deposit in the Sinking Fund and the Bond Amortization Account  
10 shall be used only for the purpose of paying Debt Service on Bonds as the same shall  
11 become due and for no other purpose.

12 (3) Moneys shall next be used to maintain on deposit in the Reserve Account in  
13 the Sinking Fund an amount equal to the Reserve Account Requirement; provided that this  
14 requirement shall not apply with respect to any Bonds to the extent that a Reserve Account  
15 Credit Facility has been furnished to satisfy all or a portion of such Reserve Account  
16 Requirement.

17 Moneys in the Reserve Account shall be used only for the purpose of the  
18 payment of Debt Service on the Bonds when the other moneys allocated to the Sinking Fund  
19 are insufficient therefor, and for no other purpose. Any withdrawals from the Reserve  
20 Account shall be restored from the first available moneys after all required current payments  
21 have been made into the Sinking Fund and accounts therein. As provided in Subsection  
22 3.03(B), the City may establish separate Subaccounts in the Reserve Account for the  
23 respective Series, and may provide that funds in such subaccount shall be available for only  
24 Debt Service on the applicable Series.

25 Upon the issuance of Additional Parity Bonds, additional moneys shall be  
26 deposited into the Reserve Account from the proceeds of such Additional Parity Bonds, or  
27 from other moneys of the City available therefor, in order to make the amount on deposit in  
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1 the Reserve Account at the time of issuance thereof equal to the Reserve Account  
2 Requirement. The foregoing provision notwithstanding, the City shall be entitled at the time  
3 of issuance of the Additional Parity Bonds to elect (a) to fund any increase in the Reserve  
4 Account Requirement in five annual installments to be made after application of the Pledged  
5 Revenues pursuant to (1) and (2) above or (b) to provide a Reserve Account Credit Facility  
6 in an amount equal to such difference in lieu of depositing such moneys; provided, that the  
7 consent of the Credit Facility Issuer with respect to any Bonds Outstanding at the time of  
8 issuance of such Additional Parity Bonds shall be required where the full deposit into the  
9 Reserve Account is not made at the time of issuance of such Additional Parity Bonds.

10 If and whenever the moneys allocated to the Reserve Account (except  
11 investment income to be deposited into the Revenue Fund as hereinafter provided) exceed  
12 the Reserve Account Requirement on all then Outstanding Bonds, such excess shall be  
13 deposited to the Sinking fund and used to pay Debt Service.

14 (4) Moneys shall next be used to cure any deficiency for prior deposits into the  
15 Sinking Fund and Reserve Account.

16 (5) Moneys shall next be used for deposit into the Rebate Fund in such amounts  
17 as are determined by the City to be necessary pursuant to the provisions of Section 5.01(E)  
18 hereof and any Tax Compliance Certificate.

19 (6) Remaining moneys shall thereafter be withdrawn and used by the City (i)  
20 first, to pay debt service on, and make other required deposits or payments with respect to,  
21 Subordinate Bonds, and (ii) second, for any lawful purpose of the City.

22 Credit shall be allowed against the required deposit amounts due as prescribed above  
23 for the payment of principal of, interest on and Amortization Installment of Bonds to the  
24 extent of any other funds on deposit and available for such purpose in the applicable  
25 accounts or subaccounts of the Sinking Fund and Bond Amortization Account, including  
26 capitalized interest and any investment income transferred into such fund or account and  
27 available for such purposes.

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1 (D) INVESTMENT OF MONEYS IN FUNDS AND ACCOUNTS. All  
2 moneys in the funds and accounts created hereunder shall be invested and reinvested only in  
3 Authorized Investments. Authorized Investments allocated to any fund or account shall  
4 mature not later than the respective dates, as estimated by the City, moneys held for the  
5 credit of such Fund or account will be needed for the purposes thereof. In the case of the  
6 Reserve Account, investments shall mature not later than ten (10) years from their date, and  
7 such investment earnings may be retained in such account to the extent necessary to maintain  
8 the Reserve Account Requirement therein, or may be transferred to the construction fund, if  
9 any, if necessary or desirable in connection with any Series as determined by the City at or  
10 prior to the issuance of such Series. Except as otherwise provided herein with respect to any  
11 particular moneys, and except to the extent necessary to be deposited into the Rebate Fund in  
12 accordance with any Tax Compliance Certificate, all income received on Authorized  
13 Investments shall upon receipt be deposited into the Sinking Fund.

14 (E) OPERATION OF BOND AMORTIZATION ACCOUNT. Moneys held  
15 for the credit of the Bond Amortization Account shall be applied to the retirement of Term  
16 Bonds of each Series or installment of Bonds, to the extent of the Amortization Installment,  
17 if any, for such Bond Year for the Term Bonds of each such Series or installment, and if the  
18 amount available in such Bond Year shall not be sufficient therefor, then in proportion the  
19 Amortization Installment, if any, for such Bond Year for the Term Bonds of each such  
20 Series or installment then Outstanding.

21 Notwithstanding the provisions of the preceding paragraph, the City may  
22 purchase Term Bonds then Outstanding at the most advantageous price obtainable with  
23 reasonable diligence, such price not to exceed the principal amount of such Term Bonds plus  
24 the amount of the premium, if any, which would be payable on the next redemption date to  
25 the Registered Owners of such Term Bonds if such Term Bonds should be called for  
26 redemption on such date from moneys in the Bond Amortization Account. The City shall  
27 pay the interest accrued on such Term Bonds to the date of purchase thereof from the  
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1 Interest Account and the balance of the purchase price from the Bond Amortization Account,  
2 but no such purchase shall be made by the City within the period of 45 days immediately  
3 preceding any Interest Payment Date on which Term Bonds are subject to call for  
4 redemption, except from moneys in excess of the amounts set aside or deposited for the  
5 redemption of Term Bonds.

6 (F) UNCLAIMED MONEYS. Moneys held by the paying agent for the  
7 payment of Debt Service and remaining unclaimed for a period of four (4) years from the  
8 date on which such moneys were due to pay such Debt Service may be withdrawn by the  
9 City and used for any lawful purpose; provided (1) that such withdrawal shall not give rise  
10 to any claim for additional interest due on such Bonds on account of payment thereof not  
11 having been duly provided for under the terms of this Ordinance and (2) that such  
12 withdrawal shall not affect the right, to the extent existing under the provisions of this  
13 Ordinance or of the laws of the State, of the Registered Owner of such Bonds to payment of  
14 the principal and interest thereon to the Interest Payment Date with respect to which such  
15 moneys were originally deposited.

16 (G) REBATE FUND. At the times and in the manner required by Section  
17 148(f) of the Code, the City Treasurer shall make or cause to be made such calculations as  
18 are necessary to determine the amount of the City's liability to make rebate payments to the  
19 United States with respect to each Series of Bonds. An account in the Rebate Fund may be  
20 created for each "issue" (as such term is used in the Code) of Bonds. The estimated amount  
21 needed to pay rebate thereon (taking into account amounts then in the Rebate Fund) shall be  
22 deposited in the Rebate Fund not later than the date on which such rebate payment is due and  
23 shall be applied to pay such rebate liability. The City Treasurer may make, but shall not be  
24 required to make, periodic deposits in the Rebate Fund to fund the City's estimated accrued  
25 rebate liability with respect to the Bonds.

ARTICLE IV

APPLICATION OF SERIES 1993 BOND PROCEEDS

SECTION 4.01. APPLICATION OF SERIES 1993 BOND PROCEEDS. All moneys received from the sale of any or all of the Series 1993 Bonds, shall be disbursed as follows:

(A) Accrued interest received upon the delivery of the Series 1993 Bonds shall be deposited into the Interest Account in the Sinking Fund and applied to the interest coming due on the Series 1993 Bonds on the first Interest Payment Date.

(B) An amount equal to the Reserve Account Requirement shall be deposited into the Reserve Account; provided that this requirement may be satisfied in whole or in part by the establishment of a Credit Facility for the purpose of such Reserve Account.

(C) The City shall next pay the costs of issuance of the Series 1993 Bonds.

(D) The City shall pay or provide for the payment of principal and interest on any outstanding Bond anticipation notes issued pursuant to Section 2.08 hereof in accordance with the provisions of the resolution or resolutions authorizing such Bond anticipation notes.

(E) There shall be deposited into an account in the Sinking Fund, hereby created, designated the "Capitalized Interest Account", an amount sufficient to pay the interest on the Series 1993 Bonds through the date specified by the supplemental resolution fixing the details of the Series 1993 Bonds.

(F) The balance of the proceeds of the sale of the Series 1993 Bonds shall be deposited in a special fund hereby created to be known as the "Series 1993 Bonds Construction Fund" (herein referred to as the "Construction Fund"), under the management and control of the City, to be used to pay Project Costs.

The moneys on deposit in the Construction Fund shall be withdrawn, used and applied by the City solely for the payment of the Project Costs and purposes incidental thereto, as described and set forth in this Ordinance.

1 All funds on deposit in the Construction Fund, which in the opinion of the City,  
2 are not immediately necessary for expenditure, as hereinabove provided, may be invested in  
3 Authorized Investments, maturing at such time or times as such moneys will be needed for  
4 the purposes of the Construction Fund. All income derived from such investments shall be  
5 retained in the Construction Fund and used to pay the Project Costs.

6 If, for any reason, the moneys on deposit in the Construction Fund, or any part  
7 thereof, are not necessary for or are not applied to the payment of Project Costs, then the  
8 unapplied proceeds shall be deposited by the City (1) first, into the Sinking Fund to the  
9 extent of any deficiency therein, (2) second, into the Reserve Account to the extent of any  
10 deficiency therein, (3) third, to a special subaccount in the Construction Fund to pay the cost  
11 of additional capital improvements approved by the City Council, and (4) fourth, to the  
12 Sinking Fund for payment of principal of or interest or premiums on Series 1993 Bonds  
13 when due or upon prior redemption.

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ARTICLE V  
COVENANTS OF THE CITY;  
REMEDIES

SECTION 5.01. COVENANTS OF THE CITY. So long as any of the Bonds shall be Outstanding, or until (a) there shall have been set apart in the Sinking Fund (including the subaccounts therein for each Series) and the Reserve Account and Bond Amortization Account (and subaccounts therein), a sum sufficient to pay when due, the entire principal amount of the Bonds remaining unpaid, together with the premium, if any, with respect thereto and the interest accrued and to accrue thereon, or (b) provision for payment of the Bonds shall have been made in accordance with the provisions of this Ordinance and the Bonds are deemed to have been paid and discharged, the City covenants with the Registered Owners of the Bonds and any Credit Facility Issuer for the Bonds as follows:

(A) BOOKS AND RECORDS. The City will keep books and records of the Pledged Revenues, in which complete and correct entries shall be made in accordance with Accounting Principles of all transactions relating to the Pledged Revenues; any Registered Owner shall have the right at all reasonable times to inspect all books, records, accounts and data of the City relating thereto.

The City shall, within 180 days after the close of each Fiscal Year, cause the books, records and accounts of the City for such preceding Fiscal Year to be properly audited by the Independent Certified Public Accountants, and the City shall mail upon written request, and make available generally, said report, or a reasonable summary thereof, to any Registered Owner at the cost of such registered owner.

(B) MAINTENANCE OF REVENUES. The City covenants to do all things necessary on its part to continue the levy and collection of the Revenues in compliance with the Act and any successor provision of law. The City will at all times comply with all of the requirements and conditions of Chapter 218, Part VI, Florida Statutes, as amended and take every necessary action to remain qualified to receive distribution of the Revenues; and the

1 City will not take any action which will jeopardize its eligibility for receipt of such funds  
2 which may adversely affect its undertakings as provided in this instrument. The City will  
3 not take any action or enter into any agreement which will have the effect of reducing the  
4 level of Revenues distributed to the City from that prevailing at the time the City takes such  
5 action or enters into such agreement.

6 (C) ISSUANCE OF OTHER OBLIGATIONS PAYABLE OUT OF PLEDGED  
7 REVENUES. The City will not issue any other obligations, except the Series 1993 Bonds  
8 and Additional Parity Bonds hereafter issued under the conditions and in the manner  
9 provided herein, payable from the Pledged Revenues, nor voluntarily create or cause to be  
10 created any debt, lien, pledge, assignment, encumbrance or any other charge having priority  
11 to or being on a parity with the lien of the Bonds and the interest thereon, upon any of the  
12 Pledged Revenues. Any other obligations issued by the City, in addition to the Series 1993  
13 Bonds or Additional Parity Bonds provided for in the following subsection, shall contain an  
14 express statement that such obligations are junior, inferior, and subordinate in all respects to  
15 the Series 1993 Bonds and any such Additional Parity Bonds as to lien on and source and  
16 security for payment from the Pledged Revenues, and in all other respects.

17 (D) ISSUANCE OF ADDITIONAL PARITY BONDS. No Additional Parity  
18 Bonds shall be issued after the issuance of any Bonds pursuant to this Ordinance, except  
19 upon the terms and conditions provided herein. The City may issue one or more series of  
20 Additional Parity Bonds for any one or more of the following purposes: financing (i) the  
21 cost of completion of a project for which Bonds have previously been issued, (ii) the cost of  
22 additional capital projects, or (iii) refunding any or all Outstanding Bonds. Except for  
23 refunding Additional Parity Bonds having aggregate debt service equal to or less than the  
24 Bonds to be refunded, no such Additional Parity Bonds shall be issued unless the following  
25 conditions are complied with:

26 (1) There shall have been obtained and filed with the City a certificate of  
27 an authorized officer of the City: (a) setting forth the amount of the Pledged Revenues  
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1 which have been received by the City during any twelve (12) consecutive months designated  
2 by the City within the twenty-four (24) months immediately preceding the date of delivery of  
3 such Additional Parity Bonds with respect to which such statement is made, and (b) stating  
4 the amount of the Pledged Revenues received during the aforementioned 12-month period  
5 equals at least 1.10 times the Maximum Debt Service Requirement of all Bonds then  
6 outstanding and such Additional Parity Bonds with respect to which such statement is made.

7 (2) an Authorized Officer of the City shall certify in writing that all of the  
8 payments into the respective funds and accounts provided for in this Ordinance shall have  
9 been made in full to the date of issuance of said Additional Parity Bonds, and the City shall  
10 be in substantial compliance with all of the covenants, agreements and terms of the  
11 Ordinance.

12 No Additional Parity Bonds, shall be issued at any time unless all of the payments  
13 into the respective funds and accounts provided for in this Ordinance shall have been made  
14 in full to the date of issuance of said Additional Parity Bonds, and the City shall be in  
15 substantial compliance with all of the covenants, agreements and terms of this Ordinance.

16 (E) TAX COMPLIANCE. The City covenants that it will restrict the use of the  
17 proceeds of the Bonds in such manner and to such extent, if any, as may be necessary so that  
18 the Bonds will not constitute arbitrage bonds under Section 148 of the Code. The City  
19 Treasurer or any other officer having responsibility for the issuance of such Series shall give  
20 an appropriate certificate of the City, for inclusion in the transcript of proceedings for such  
21 Series, setting forth the reasonable expectations of the City regarding the amount and use of  
22 all the proceeds of the Series, the facts, circumstances, and estimates on which they are  
23 based, and other facts and circumstances relevant to the tax treatment of interest on the  
24 Series. Each such officer is further authorized to make or effect any election, selection,  
25 choice, consent, approval, or waiver on behalf of the City with respect to each Series as the  
26 City is permitted or required to make or give under the federal income tax laws, for the  
27 purposes of assuring, enhancing, or protecting favorable tax treatment or characterization of  
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1 the Series or interest thereon or assisting compliance with requirements for that purpose,  
2 reducing the burden or expense of such compliance, reducing the rebate amount or payments  
3 of penalties thereon, or making payments in lieu thereof, or obviating such amounts or  
4 payments, as determined by such officer. Any such action of such officer shall be in writing  
5 and signed by the officer.

6 The City covenants that it (a) will take or cause to be taken such actions  
7 which may be required of it for the interest on the Bonds to be and remain excluded from  
8 gross income for federal income tax purposes, and (b) will not take or permit to be taken any  
9 actions which would adversely affect that exclusion, and that it, or persons acting for it,  
10 will, among other acts of compliance, (i) apply the proceeds of the Bonds to the  
11 governmental purpose of the borrowing, (ii) restrict the yield on investment property  
12 acquired with those proceeds, (iii) make timely rebate or penalty payments to the federal  
13 government, (iv) maintain books and records and make calculations and reports, and (v)  
14 refrain from certain uses of proceeds, all in such manner and to the extent necessary to  
15 assure such exclusion of that interest under the Code. The City Treasurer and other  
16 appropriate officers are hereby authorized and directed to take any and all actions, make  
17 calculations and rebate or penalty payments, and make or give reports and certifications, as  
18 may be appropriate to assure such exclusion of that interest.

19 The City will take no action which would cause the Bonds to be "private activity  
20 bonds" within the meaning of Section 141 of the Code. The City will not accept any  
21 payments, directly or indirectly, from any non-governmental user of the Series 1993 Project  
22 (other than a person using the Series 1993 Project as a member of the general public with  
23 respect to the Series 1993 Project) unless, prior to such payment, the City obtains an opinion  
24 of bond counsel that such payment will not adversely affect the tax-exempt status of the  
25 Series 1993 Bonds.

26 SECTION 5.02. REMEDIES. Any Registered Owner of or any Credit Facility  
27 Issuer for Bonds, or any trustee acting for such Registered Owners in the manner hereinafter  
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1 provided, may, either at law or in equity, by suit, action, mandamus, or other proceedings,  
2 in any court of competent jurisdiction, protect and enforce any and all rights, either under  
3 the laws of the State of Florida or granted and contained in this Ordinance and may enforce  
4 and compel the performance of all duties required by this Ordinance or by any applicable  
5 statutes to be performed either by the City or by any officer thereof, including the fixing,  
6 charging, and collecting of the Pledged Revenues.

7 In the event that default shall be made in the payment of the interest on or the  
8 principal of any of the Bonds as the same become due, or in the making of the payments into  
9 the Sinking Fund or the Reserve Account or any other payments required to be made by this  
10 Ordinance, or in the event that the City or any officer, agent, or employee thereof shall fail  
11 or refuse to comply with provisions of this Ordinance, or shall default in any covenant made  
12 herein, and in the further event that any such default shall continue for a period of thirty (30)  
13 days after the giving of notice thereof to the City, the Registered Owners of not less than  
14 twenty-five percent (25%) in aggregate principal amount of Bonds Outstanding, or any  
15 trustee appointed to represent Registered Owners as hereinafter provided, shall be entitled as  
16 of right to the appointment of a receiver of the Pledged Revenues in an appropriate judicial  
17 proceeding in a court of competent jurisdiction, whether or not such Registered Owners or  
18 trustee is also seeking or shall have sought to enforce any other right or exercise any other  
19 remedy in connection with Bonds.

20 The receiver so appointed shall forthwith, directly or by his agents and attorneys,  
21 take possession of the various funds and accounts established hereunder, and shall hold,  
22 manage and control such funds and accounts, and in the name of the City shall exercise all  
23 the rights and powers of the City with respect to such funds and accounts as the City itself  
24 might do. Such receiver shall collect and receive all Pledged Revenues and maintain and  
25 apply the funds and accounts established by this Ordinance in the manner provided herein,  
26 and comply, under the jurisdiction of the court appointing such receiver, with all of the  
27 provisions of this Ordinance.

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1 Whenever all principal that is due upon the Bonds, together with interest thereon, and  
2 all payments required under any covenants of this Ordinance for reserve, sinking funds, or  
3 other funds, and all principal upon any other obligations, together with interest thereon,  
4 having a charge, lien or encumbrance upon the Pledged Revenues, shall have been paid and  
5 made good, and all defaults under the provisions of this Ordinance shall have been cured and  
6 made good, possession of the funds and accounts created hereby shall be surrendered to the  
7 City upon the entry of an order of the court to that effect. Upon any subsequent default, any  
8 Registered Owner, or any trustee appointed for Registered Owners as hereinafter provided,  
9 shall have the right to secure the further appointment of a receiver upon any such subsequent  
10 default.

11 Such receiver shall, in the performance of the powers hereinabove conferred upon  
12 him, be under the direction and supervision of the court making such appointment, shall at  
13 all times be subject to the orders and decrees of such court and may be removed thereby and  
14 a successor receiver appointed in the discretion of such court. Nothing herein contained  
15 shall limit or restrict the jurisdiction of such court to enter such other and further orders and  
16 decrees as such court may deem necessary or appropriate for the exercise by the receiver of  
17 any function not specifically set forth herein.

18 Any receiver appointed as provided herein shall hold and apply the funds and  
19 accounts established hereunder in the name of the City, any Credit Facility Issuer for the  
20 Bonds, and the Registered Owner of the Bonds issued pursuant to this Ordinance. Such  
21 receiver shall have no power to sell, assign, mortgage, or otherwise dispose of any assets of  
22 any kind or character belonging or pertaining to the City, but the authority of such receiver  
23 shall be limited to the possession, and control, including the disbursement of moneys from  
24 the funds and accounts established hereby, for the sole purpose of the protection of the City,  
25 any Credit Facility Issuer and the Registered Owners.

26 The Registered Owners of Bonds in an aggregate principal amount of not less than  
27 twenty-five per centum (25%) of Bonds then Outstanding may, by a duly executed  
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1 certificate in writing, appoint a trustee for Registered Owner with authority to represent such  
2 Registered Owner in any legal proceedings for the enforcement and protection of the rights  
3 of such Registered Owners. Such certificate shall be executed by such Registered Owners or  
4 their duly authorized attorneys or representatives, and shall be filed in the office of the  
5 Council Secretary of the City Council.

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ARTICLE VI

MISCELLANEOUS PROVISIONS

SECTION 6.01. SALE OF 1993 BONDS. The Series 1993 Bonds shall be issued and sold at public sale, private placement, or negotiated sale at one time or in installments from time to time and at such price or prices consistent with the provisions of the Act and the laws of the State and the requirements of this Ordinance, and to the extent inconsistent therewith Section 104.211, Ordinance Code, is hereby waived.

SECTION 6.02. NOTICES TO CREDIT FACILITY ISSUER. Whenever a Credit Facility Issuer shall be providing a Credit Facility with respect to any Bonds, such party shall be entitled to receive and shall be provided by certified mail all notices and reports which are required herein to be prepared and to be sent or made available to Registered Owners of such Bonds.

SECTION 6.03. NO RECOURSE. No recourse shall be had for the payment of the Debt Service or for any claim based on the Bonds or on this Ordinance against any present or former officer or employee of the City.

SECTION 6.04. DEFEASANCE. Notwithstanding the foregoing provisions of this Ordinance, if, at any time, the City shall have paid, or shall have made provision for payment of Debt Service with respect to any Bonds, then, and in that event, the pledge of and lien on the Pledged Revenues, and the covenants of the City herein, in favor of the Registered Owners of such Bonds shall be no longer in effect. For purposes of the preceding sentence, deposit of United States Obligations in irrevocable trust with a banking institution or trust company, for the sole benefit of the Registered Owners of the Bonds which United States Obligations, the principal and interest on will be sufficient without reinvestment to make timely payment of the principal, interest, and redemption premiums, if any, on such outstanding Bonds designated to be defeased, shall be considered "provision for payment". Nothing herein shall be deemed to require the City to call any of the outstanding Bonds for redemption prior to maturity pursuant to any applicable optional redemption



1 provisions, or to impair the discretion of the City in determining whether to exercise any  
2 such option for early redemption. Amounts, if any, paid by a Credit Facility Issuer under its  
3 Credit Facility shall not be deemed paid pursuant to this Section (regardless of what such  
4 Credit Facility provides) and shall continue to be due and owing hereunder until paid by the  
5 City in connection with this Ordinance.

6 SECTION 6.05. MODIFICATION OR AMENDMENT. No material adverse  
7 modification or amendment of this Ordinance or of any ordinance or resolution amendatory  
8 hereof, may be made without the consent in writing of the Registered Owners of a majority  
9 in principal amount of the Bonds then Outstanding, provided, however, that no modification  
10 or amendment shall permit a change in the maturity of such Bonds, a reduction in the rate of  
11 interest thereon, or a reduction in the amount of the principal obligation represented thereby;  
12 nor shall any modification or amendment either affect the unconditional promise of the City  
13 to pay the principal of and interest on the Bonds, as the same shall become due, from the  
14 Pledged Revenues, or reduce the percentage of Registered Owners of Bonds above required  
15 to consent to such material modifications or amendments, without the consent of the  
16 Registered Owners of all such Bonds; provided further, however, that no such modification  
17 or amendment shall allow or permit any acceleration of the payment of principal of or  
18 interest on the Bonds upon any default in the payment thereof whether or not the Registered  
19 Owners of the Bonds consent thereto.

20 The City, from time to time and at any time and without the consent or concurrence  
21 of any Registered Owners of any Bonds, may adopt a resolution amendatory hereof, if the  
22 provisions of such amendatory resolution shall not adversely affect the rights of the  
23 Registered Owners of the Bonds then outstanding, for any one or more of the following  
24 purposes:

25 (1) to make any changes or corrections in this Ordinance which the City shall  
26 have been advised by counsel are required for the purpose of curing or correcting any  
27 ambiguity or defect or inconsistent provision or omission or mistake or manifest error  
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1 contained herein, or to insert in this Ordinance such provisions clarifying matters or  
2 questions arising hereunder as are necessary or desirable;

3 (2) to add additional covenants and agreements of the City for the purpose of  
4 further securing the payment of the Bonds;

5 (3) to surrender any right, power or privilege reserved to or conferred upon the  
6 City by the terms hereof;

7 (4) to confirm by further assurance any lien, pledge or charge created or to be  
8 created by the provisions hereof;

9 (5) to grant to or confer upon the Registered Owners any additional right,  
10 remedies, powers, authority or security that lawfully may be granted to or conferred upon  
11 them;

12 (6) to assure compliance with the Code;

13 (7) to provide such changes which, in the opinion of the City, based upon such  
14 certificates and opinions of the Independent Certified Public Accountant, Bond Counsel,  
15 financial advisors or other appropriate advisors as the City may deem necessary or  
16 appropriate, will not materially adversely affect the security of the Registered Owners,  
17 including, but not limited to, such changes as may be necessary in order to adjust the terms  
18 hereof so as to facilitate the issuance of other types of obligations, including, but not limited  
19 to, bonds, notes, certificates, warrants or other evidences of indebtedness, which are  
20 Subordinated Bonds;

21 (8) to modify any of the provisions of this Ordinance in any other respects,  
22 provided that such modification shall not be effective (a) with respect to the Bonds  
23 outstanding at the time such amendatory resolution is adopted or (b) shall not be effective  
24 (i) until the Bonds outstanding at the time such amendatory resolution is adopted shall cease  
25 to be outstanding, or (ii) until the Registered Owners thereof consent thereto.

26 The foregoing provisions notwithstanding, (1) no consent of any Registered  
27 Owners shall be required with respect to modification or amendment with respect to any  
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1 Bonds as to which a Credit Facility (other than a Reserve Account Credit Facility) is in place  
2 and to which modification or amendment the Credit Facility Issuer has provided its prior  
3 written consent and (2) no modification or amendment shall be effective with respect to any  
4 Bonds as to which a Credit Facility is effective without the prior written consent to such  
5 modification or amendment of the Credit Facility Issuer.

6 SECTION 6.06. SUBSTITUTE FOR MAILING. If, because of the temporary or  
7 permanent suspension of postal service, the City, or any other Person shall be unable to mail  
8 any notice required to be given by the provisions of this Ordinance, the City, or such other  
9 Person shall give such notice in such other manner as in its judgment shall most effectively  
10 approximate such mailing; and the giving of such notice in such manner shall for all  
11 purposes of this Ordinance be deemed to be in compliance with the requirement for the  
12 mailing thereof.

13 SECTION 6.07. SUCCESSORSHIP OF OFFICERS. In the event that the office of  
14 any officer or official of the City who is vested with responsibilities under this Ordinance is  
15 abolished or any two or more offices are merged or consolidated, or in the event of a  
16 vacancy in any such office by reason of death, resignation, removal from office or  
17 otherwise, or in the event any such officer or official becomes incapable of performing the  
18 duties of such office by reason of sickness, absence from the City or otherwise, all powers  
19 conferred and all obligations and duties imposed upon such officer or official shall be  
20 performed by the officer or official upon whom such powers, obligations and duties are  
21 imposed by law.

22 SECTION 6.08. PAYMENTS DUE AND ACTS REQUIRED TO BE DONE ON  
23 DAYS WHICH ARE NOT BUSINESS DAYS; TIME. (a) In any case where any payment  
24 of debt service is required to be paid on a date which is not a Business Day, then such  
25 payment need not be made on such date, but shall be made on the next succeeding Business  
26 Day, with the same force and effect as if made on the date fixed for such payment, and no  
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1 interest shall accrue on such payment for the period after such date if such payment is made  
2 on such next succeeding Business Day.

3 (b) In any case where any act is required or any notice is required to be given  
4 hereunder on any day other than a Business Day, then such act shall be done or such notice  
5 shall be given on the next succeeding Business Day, with the same force and effect as if such  
6 act had been performed or such notice had been given on the date required.

7 (c) All times for the making of any payment or the performance of any act, as  
8 provided in this Ordinance shall mean the local time prevailing in the City unless some other  
9 time is expressly provided for.

10 SECTION 6.09. JEA CONTRIBUTION TO GENERAL FUND. (a) The  
11 Ordinance Code of the City is hereby amended by adding thereto a new Section 106.202A to  
12 read as follows:

13 In addition to the contribution required by Section 106.202, the  
14 Jacksonville Electric Authority shall make a supplemental contribution  
15 if required in accordance with the terms and conditions of the Financial  
16 Agreement between the Authority and the City relating to the River  
17 City Renaissance Program. Such supplemental contribution, if any,  
18 shall be made each year in an amount as certified by the Managing  
19 Director of the Authority in the same manner as described in Section  
20 106.202 in order to provide for the amount as required in accordance  
21 with the Financial Agreement.

22 (b) The Financial Agreement, a copy of which is attached hereto, is hereby  
23 approved with such additions, deletions and other changes as may be reasonable and  
24 necessary to effectuate the purposes of the Financial Agreement and as may be approved by  
25 the Managing Director of the Authority and the Director of Administration and Finance of  
26 the City.

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1 SECTION 6.10. SEVERABILITY OF INVALID PROVISIONS. If any one or  
2 more of the covenants, agreements or provisions of this Ordinance should be held to be  
3 contrary to any express provision of law or to be contrary to the policy of express law,  
4 though not expressly prohibited, or to be against public policy, or should for any reason  
5 whatsoever be held invalid, then such covenants, agreements, or provisions shall be null and  
6 void and shall be deemed separate from the remaining covenants, agreements, or provisions  
7 of, and in no way affect the validity of, all the other provisions of this Ordinance or of the  
8 Bonds.

9 SECTION 6.11. REPEALING CLAUSE. All ordinances and resolutions of the  
10 City, or parts thereof, in conflict with the provisions of this Ordinance are to the extent of  
11 such conflict hereby superseded and repealed.  
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1 SECTION 6.12. EFFECTIVE DATE. This Ordinance shall become effective upon  
2 signature of the Mayor or upon becoming effective without the Mayor's signature.

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4 Approved as to Form:

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7 Senior Assistant General Counsel  
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EXHIBIT A  
[FORM OF BOND]

No. \_\_\_\_\_ \$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF FLORIDA  
CITY OF JACKSONVILLE, FLORIDA  
SALES TAX REVENUE BONDS, SERIES 1993

[FORM OF FIRST PARAGRAPH OF CURRENT INTEREST PAYING BOND]

RATE OF INTEREST MATURITY DATE DATE OF ISSUE CUSIP

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The City of Jacksonville, Florida (the "City"), for value received, hereby promises to pay to the Registered Owner designated above, or registered assigns, solely from the special funds hereinafter mentioned, on the Maturity Date specified above, the principal sum shown above, upon presentation and surrender hereof at the corporate trust office of \_\_\_\_\_, \_\_\_\_\_, as Deputy Registrar and Paying Agent and Paying Agent, and to pay solely from such funds, interest thereon from the date of this Bond or from the most recent Interest Payment Date to which interest has been paid, whichever is applicable, until payment of such sum, at the rate per annum set forth above until payment of the principal sum, such interest to the maturity hereof being payable on \_\_\_\_\_, \_\_\_\_\_, and thereafter on \_\_\_\_\_ and \_\_\_\_\_ of each year by check or draft mailed to the Registered Owner at his

1 address as it appears, at 5:00 P.M. Eastern Time on the fifteenth day of the month preceding  
2 the applicable Interest Payment Date, on the registration books of the City kept by the  
3 Deputy Registrar and Paying Agent.

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1 [FORM OF FIRST PARAGRAPH OF CAPITAL APPRECIATION BOND]

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4 DATE OF PRINCIPAL AMOUNT AT  
5 RATE OF ORIGINAL ISSUANCE PER \$ \_\_\_\_  
6 INTEREST MATURITY DATE MATURITY AMOUNT CUSIP  
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9 REGISTERED OWNER:

10 MATURITY AMOUNT:

11 The City of Jacksonville, Florida (the "City"), for value received, hereby promises  
12 to pay to the Registered Owner designated above, or registered assigns, solely from the  
13 special funds hereinafter mentioned, on the Maturity Date specified above, the Maturity  
14 Amount shown above, upon presentation and surrender hereof at the corporate trust office of  
15 \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, as Deputy Registrar and Paying Agent [(insert  
16 deleted clause from prior draft)]. The Maturity Amount and premium, if any, of this Bond  
17 are payable in lawful money of the United States of America.

18 This Bond is a special and limited obligation, payable solely from and secured by a  
19 first lien upon and pledge of the proceeds of the local government half-cent sales tax  
20 distributed to the City from the Local Government Half-Cent Sales Tax Clearing Trust  
21 Fund, as defined and described in Part VI, Chapter 218, Florida Statutes, remaining after  
22 payment of certain Prior Lien Obligations, as defined and provided in Ordinance No. 93-  
23 \_\_\_\_\_ (the "Ordinance") of the City Council of City (the "City Council"), certain  
24 amounts on deposit in the funds created under the Ordinance and the invested earnings  
25 thereon (hereinafter collectively the "Pledged Revenues"). This Bond does not constitute a  
26 general obligation or indebtedness of the City as a "bond" within the meaning of any  
27 constitutional, statutory or charter provision or limitation, and it is expressly agreed by the  
28  
29

1 Registered Owner of this Bond that such Registered Owner shall never have the right to  
2 compel the exercise of the ad valorem taxing power of the City, or the taxation of any  
3 property of or in the City, for the payment of the principal of and interest on this Bond or  
4 for the making of any sinking fund, reserve or other payments provided for in said  
5 Ordinance.

6 It is further agreed between the City and the Registered Owner of this Bond, that  
7 this Bond and the obligation evidenced hereby shall not constitute a lien upon the Project  
8 (hereinafter referred to) or any part thereof, or on any other property of or in the City, but  
9 shall constitute a lien only on the Pledged Revenues, in the manner provided in the  
10 Ordinance.

11 REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS  
12 BOND APPEARING ON THE REVERSE SIDE HEREOF AND SUCH FURTHER  
13 PROVISIONS SHALL HAVE THE SAME FORCE AND EFFECT AS IF SET FORTH  
14 ON THE FACE HEREOF.

15 It is hereby certified and recited that all acts, conditions and things required to exist,  
16 to happen and to be performed precedent to and in the issuance of this Bond, exist, have  
17 happened and have been performed in regular and due form and time as required by the  
18 Laws and Constitution of the State of Florida applicable thereto, and that the issuance of this  
19 Bond, and of the issue of Bonds of which this Bond is one, does not violate any  
20 constitutional or statutory limitation.

21 This Bond shall not be valid or become obligatory for any purpose or be entitled to  
22 any security or benefit under the Ordinance until the Certificate of Authentication hereon  
23 shall have been executed by manual signature by the authorized representative of the Deputy  
24 Registrar and Paying Agent.

25 IN WITNESS WHEREOF, the City of Jacksonville, Florida has issued this Bond  
26 and has caused the same to be executed by its Mayor, either manually or with his facsimile  
27 signature, and the corporate seal of said City or a facsimile thereof to be affixed hereto or  
28

29

1 imprinted or reproduced hereon and attested by the manual or facsimile signature of the  
2 Corporation Secretary of the City, all as of the \_\_\_\_ day of \_\_\_\_\_, 1993.

3 CITY OF JACKSONVILLE, FLORIDA

4  
5 By: \_\_\_\_\_

6 Mayor

7 (SEAL)

8  
9 ATTEST:

10  
11 \_\_\_\_\_  
12 Corporation Secretary

13  
14 DEPUTY REGISTRAR'S CERTIFICATE OF AUTHENTICATION

15 This Bond is one of the Bonds of the issue described in the within-mentioned  
16 Ordinance.

17  
18 \_\_\_\_\_  
19 As Deputy Registrar and Paying Agent

20  
21 By \_\_\_\_\_

22 Authorized Signature

23  
24 Date of Authentication:

(MATERIAL APPEARING ON REVERSE OF BONDS)

This Bond is one of an authorized issue of Series 1993 Bonds, issued in the aggregate principal amount of \$\_\_\_\_\_, of like date, tenor and effect, except as to number, interest rate, redemption provisions and date of maturity, issued to finance the acquisition and construction of various capital improvement projects, under the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including particularly Ordinance No. 93-\_\_\_\_-\_\_\_\_ of the City, and other applicable provisions of law, duly adopted by the City Council on \_\_\_\_\_, 1993, as [amended and] supplemented by Resolution No. 93-\_\_\_\_-\_\_\_\_ duly adopted by the Council on \_\_\_\_\_, 1993 (hereinafter collectively called "Ordinance"), and is subject to all the terms and conditions of the Ordinance. Capitalized terms used herein shall have the meaning specified in the Ordinance.

The Bonds are issuable only as fully registered bonds in the denominations of \$\_\_\_\_\_ and integral multiples thereof. This Bond is transferable, and exchangeable for Bonds of other authorized denominations, at the corporate office of the Deputy Registrar and Paying Agent, by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Deputy Registrar and Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Deputy Registrar and Paying Agent, all subject to the terms, limitations and conditions provided in the Ordinance. No charge will be made for transfer or exchange, but the City or the Deputy Registrar and Paying Agent may require payment of an amount sufficient to cover any tax or other governmental charge payable in connection therewith. The City and the Deputy Registrar and Paying Agent may deem and treat the Registered Owner as the absolute owner of this Bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the City nor the Deputy Registrar and Paying Agent shall be affected by any notice to the contrary.

1 The City has entered into certain covenants with the Registered Owners of the Bonds  
2 of this issue for the terms of which reference is made to the Ordinance. In particular, the  
3 City has reserved the right to issue additional obligations payable from and secured by a lien  
4 upon and pledge of the Pledged Revenues on a parity with the Bonds of this issue and series,  
5 upon compliance with certain conditions set forth in the Ordinance. The City has also  
6 reserved the right to defease the lien of the Bonds of this issue upon the Pledged Revenues  
7 upon making provision for payment of the Bonds as provided in the Ordinance.

8 Reference is made to the Ordinance for a more complete description of the  
9 provisions, among others, with respect to the nature and extent of the security for the Bonds,  
10 the rights, duties and obligations of the City, the Deputy Registrar and Paying Agent and the  
11 Registered Owners, and the terms and conditions upon which the Bonds are issued and  
12 secured. The Registered Owner of this Bond, by acceptance hereof, assents to all of the  
13 provisions of the Ordinance.

14 [INSERT REDEMPTION PROVISIONS]

15 Notice of such redemption shall be given in the manner provided in the Ordinance.

16 This Bond is and has all the qualities and incidents of a negotiable instrument under  
17 the Uniform Commercial Code-Investment Securities Laws of the State of Florida, and the  
18 Registered Owner and each successive Registered Owner of this Bond, shall be conclusively  
19 deemed by his acceptance hereof to have agreed that this Bond shall be and have all the  
20 qualities and incidents of negotiable instruments under the laws of the State of Florida.

21 \_\_\_\_\_  
22 -  
23 STATEMENT OF INSURANCE

24 [INSERT STATEMENT OF INSURANCE, IF ANY]  
25 \_\_\_\_\_  
26 -  
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29

1 The following abbreviations, when used in the inscription on the face of the within  
2 bond, shall be construed as though they were written out in full according to applicable laws  
3 or regulations:

4 TEN COM - as tenants in	UNIF GIF MIN ACT - _____
5 common	(Cust.)
6 TEN ENT - as tenants by the	Custodian for _____
7 entireties	(Minor)
8 JT TEN - as joint tenants with	under Uniform Gifts to Minors
9 right of survivorship	Act of _____
10 and not as tenants in	(State)
11 common	

12 Additional abbreviations may also be used though not in list above.

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ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers to

[PLEASE INSERT NAME, ADDRESS AND SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE]

the within bond and does hereby irrevocably constitute and appoint

as his agent to transfer the bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature guaranteed:

(Commercial Bank, Trust  
Company or Member of National  
Securities Exchange)

(Authorized Officer)

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or change whatever.

EXHIBIT B  
[PROJECT DESCRIPTION]

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DRAFT

**EXHIBIT**

**FINANCIAL AGREEMENT**

This Agreement, entered into this \_\_\_\_ day of \_\_\_\_\_, 1993, between the City of Jacksonville, Florida (the "City"), a municipal corporation organized under the laws of the State of Florida, and the Jacksonville Electric Authority (the "JEA"), an independent agency of the City.

**WITNESSETH:**

**Section 1. Scope; Related Documents.**

The purpose of this Agreement is to describe the nature of the JEA obligation surrounding the use of commercial paper in conjunction with the River City Renaissance Program (the "RCR Program") and to provide a general outline of the relationship between the parties. Key elements of the understanding are anticipated to be formally codified with the commercial paper resolution or authorizing bond ordinances dealing with the RCR Program. Other administrative understandings and details are anticipated to be reflected in the financing documents and herein.

**Section 2. JEA Obligations; Assumptions.**

The City and JEA agree that the JEA contribution in lieu of taxes to the City general fund will be supplemented to offset any increase (subject to the de minimus amounts set forth herein) in financing costs for the RCR Program due to the initial issuance of short-term debt. This supplemental contribution will be based on the assumptions and understandings set forth in this Agreement.

**Section 3. Mandated Annual Cash Flows and Allocation Thereof.**

The following cash flows will initially be made available from the City for paying debt service or construction and financing costs on the RCR Program. Any excess cash flows available after satisfying annual debt service requirements during the period from the first issuance of the commercial paper to October 1, 1997 (the "Commercial Paper Period") will be allocated for project costs within a "Pay-As-You-Go" Capital Projects Fund. The table below portrays an estimated allocation between the two ultimate dispositions of the annual cash flow.

<u>Fiscal Year Ended September 30</u>	<u>Annual Cash Flows</u>	<u>Debt Service Requirements</u>	<u>Capital Projects Fund</u>
1994	\$ 1,253,000	\$ 1,253,000	-0-
1995	1,251,000	1,251,000	-0-
1996	15,763,000	5,530,000	\$10,233,000
1997	17,403,000	5,530,000	11,873,000
Thereafter until October 1, 2018	17,403,000 <sup>1</sup>	17,403,000	-0-

<sup>1</sup>Includes income from investment of funds in debt service sinking fund.

The portion of the City's mandated annual cash flow that is allocated for debt service during the Commercial Paper Period shall not be reduced by the investment earnings generated on deposits within the debt service sinking fund. The portion of the City's mandated annual cash flow that is allocated for project costs is the amount remaining after allocation for debt service and thus is not reduced by investment earnings on deposits within such "Pay-As-You-Go" Capital Projects Fund (gross funded). Annual cash flows into the Capital Projects Fund shall be made in equal monthly installments (based, to the extent required, upon the estimated debt service requirement for the then-current year). Annual cash flows for debt service requirements shall be made in accordance with the provisions of the resolution or ordinance authorizing the outstanding debt. During the Commercial Paper Period, in the event that the

portion of the City's mandated annual cash flow, together with investment earnings, for any year that is estimated to be required to be allocated for debt service proves to be in excess of actual debt service requirements for such year, any such excess shall be remitted at year end to the "Pay-As-You-Go" Capital Projects Fund. After the Commercial Paper Period, investment earnings on amounts in the debt service sinking fund shall be retained thereon and applied to pay debt service.

**Section 4. Supplemental Contribution; Adjustment to City Cash Flows.**

(A) The cash flows specified in Section 3 are estimated to allow for total construction proceeds with investment earnings of \$225,960,000. For construction costs of \$225,960,000 any debt service cost over the scheduled cash flows after October 1, 1997 will be paid by JEA to the City in the form of a supplemental contribution (the "Supplemental Contribution").

(B) In the event of RCR Program construction costs above \$225,960,000, the City will be responsible for all the additional financing, associated expenses and debt service requirements that are necessary to fund any such additional construction costs. RCR Program construction costs include costs of acquisition, construction, renovation and related costs, but excludes capitalized interest, debt issuance costs and debt service reserves (which will be paid from debt proceeds).

(C) In the event that the total actual debt service requirements are greater or lesser than the City's annual cash flow requirement by an amount that is less than \$100,000 per year, such amount will be deemed de minimis and the City will be obliged to pay in full the actual debt service without any need on the part of the JEA to remit Supplemental Contributions or to implement any reductions to the JEA contribution in lieu of taxes.

(D) Any savings in debt service from the scheduled cash flows after the end of the Commercial Paper Period but before all Commercial Paper has been converted to long-term fixed-rate debt shall be applied to retire outstanding Commercial Paper.

(E) Any savings in debt service from the scheduled cash flows subsequent to (i) the end of the Commercial Paper Period and (ii) the date all Commercial Paper has been converted to long-term fixed-rate debt, will be shared equally between the City and JEA but only after JEA has been compensated all administrative fees assessed during the Commercial Paper Period. The payment of such administrative fees is subject to the availability of sufficient savings below the City's annual cash flow requirement. The administrative fee will be calculated as seven basis points multiplied by the outstanding principal amount of commercial paper debt outstanding as of September 30, of 1994, 1995, 1996 and 1997 prorated for any portion of a year that commercial paper is outstanding and shall be payable only subsequent to the Commercial Paper Period (from the savings as set forth in this Subsection 4(E)). JEA's share of the savings will be deducted from the City Contribution in lieu of taxes payment on a monthly basis.

Notwithstanding the previously described \$100,000 de minimis rule, the administrative fees referred to above shall be fully recovered from any debt service savings upon fixed rate conversion so long as annual savings exceed \$100,000 per annum (modified de minimis rule). Under this methodology, the period of recovery from annual savings could cover multiple years.

(F) In the event the RCR Program construction costs are less than \$225,960,000 the cash flows from the City after fiscal year 1997 will be pro-rated based on actual construction expenditures.

(G) For example, if \$200,000,000 (88.5% of \$225,960,000) of construction proceeds is needed for the RCR Program, then cash flows in each of the following fiscal years will be required: in 1994, \$1,253,000, in 1995, \$1,251,000, in 1996, \$15,763,000 and \$17,403,000 in 1997. However, in 1998 and thereafter until October 1, 2018 the City's cash flow requirements would be 88.5% of \$17,403,000, or \$15,401,655. If the actual debt service required in the pro-rated example described immediately above were \$16,401,655, the \$1 million difference in additional debt service would be paid to the City in the form of a

supplemental contribution to be remitted by JEA in twelve equal installments of \$83,333. If the actual debt service required after the application of the pro-rated formula as described above were \$14,401,655, then, in this example, the first \$420,000 of savings (7 basis points on \$100,000,000 at 9/30/94, \$100,000,000 at 9/30/95, \$200,000,000 at 9/30/96 and \$200,000,000 at 9/30/97) would be allocated for the assessment of JEA of administrative costs with the remaining \$580,000 in savings being equally shared between JEA and the City. Utilizing this approach, the resulting \$710,000 in savings allocable to the JEA would be credited by the JEA against the City contribution in lieu of taxes in twelve equal installments of \$59,167.

(H) Any construction proceeds remaining after the completion of the projects will be used to call bonds.

**Section 5. JEA Agent For Commercial Paper.**

The JEA will act as agent for the City for the periodic issuance of the commercial paper. Debt issuance expenses will be paid from the debt issue proceeds. Any long-term, recurring expenses related to the financing such as paying agent fees, rating agency fees, bond counsel fees, financial advisor fees, or other associated fees occurring subsequent to the issuance of the permanent RCR Program debt and not anticipated to be paid as issuance expenses from debt proceeds will be the responsibility of and paid by the City.

**Section 6. JEA Role in Financings.**

As a condition of the financing cost indemnification to the City, the JEA will be entitled to advise the City as to the timing and choice of financing instruments. It is currently anticipated that Commercial Paper will be issued initially and refunded with long-term fixed-rate debt in approximately four years. After the issuance of the long-term debt, JEA will also be entitled to advise the City as to the timing of any subsequent refundings. JEA, however, will have complete flexibility as to the timing and structure of the long-term debt, provided

that in no event will the City be responsible for the RCR Program debt service beyond 25 years of initial date of debt issuance, currently anticipated to be the fall of 1993. To the extent the City determines not to follow the advice of JEA with respect to the matters set forth in this Section 6 and in Section 8 (related to investments), the amount of the Supplemental Contribution to be made by JEA pursuant to Section 4 shall be adjusted in a manner agreed upon by the authorized officers of the City and JEA to reflect the financial consequences of not following such advice.

**Section 7. Financial Hedging And Other Derivative Products.**

JEA will have the authority to enter into forward contracts, swaps, other contracts, or any other derivative financial instruments in order to manage JEA's exposure to interest rate and regulatory risk during the Commercial Paper Period. The fees for any such derivative instruments may be included for payment from RCR Program debt proceeds financing provided that such fees shall not exceed (\$500,000) per fiscal year or an amount equivalent to 40 basis points (.40%) of outstanding principal of the Commercial Paper, whichever is less.

**Section 8. Arbitrage Rebate.**

To avoid the administrative costs of managing arbitrage rebate liability, the City will utilize the 24-month spending exception in the federal tax code. In order for the City to comply with the 24-month spending exception, the JEA will need to be advised of the projected construction draw schedule. The amount of investment income earned and available to the RCR Program will be correlated to the accuracy of the construction draw schedule as compared to the actual expenditures and the pace of the construction. The Capital Project Fund will be the source for paying the penalty, if any, associated with any failure to meet the 10%, 45%, 75% and 100% target amounts under the 24-month spending exception. For purposes of the determination of the \$225,960,000 available construction proceeds under Section 4, the first \$50,000 of any such penalty shall be treated as issuance costs (and thus not

part of available construction proceeds) and any amounts in excess of \$50,000 shall be treated as a construction expenditure (and thus counted toward the available construction proceeds). JEA may advise the City to elect other tax provisions becoming available deemed to be advantageous to the RCR Program. It will be the City's responsibility to perform and file all arbitrage rebate and penalty calculations.

**Section 9. Investment.**

As the cash proceeds available for construction are a crucial input of the debt proceeds investment strategy it is important for JEA to retain the ability to advise the City as to the investment strategy for the Commercial Paper proceeds. The Director of Administration and Finance, at the request of JEA, will appoint JEA to act as agent of the City for the investment of debt proceeds of the RCR Program and amounts in the "Pay-As-You-Go" Capital Projects Fund and debt service sinking fund.

**Section 10. Extension of JEA Contracts.**

All contracting for financing consultants, underwriters, bond counsel, and other financing program functions, will be performed by the Mayor's staff with support from JEA, if requested. If the JEA and Mayor's staff agree, any existing JEA contracts may be amended to include all or part of the RCR Program financing activities.

**Section 11. Interpretation.**

This Agreement shall be construed and interpreted to accomplish the substantive intent of the parties hereto and shall be supplemented or amended from time to time by written agreement between the Director of Administration and Finance of the City and the Associate Managing Director for Finance and Planning of JEA as shall be necessary for such purpose.

CITY OF JACKSONVILLE

\_\_\_\_\_  
Director of Administration  
and Finance

JACKSONVILLE ELECTRIC AUTHORITY

\_\_\_\_\_  
Assistant Managing Director for  
Finance and Administration



1 Introduced by the President of the Council at the request of the  
2 Mayor:

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7 **CITY OF JACKSONVILLE, FLORIDA**

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10 **SALES TAX REVENUE BONDS**  
11 **SERIES 1993**

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20 **BOND ORDINANCE**

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**Office of City Council  
Policy Analysis Division  
Bill Summary**

**Bill Type and Number:** Ordinance 93-978

**Sponsor:** Council President at the request of the Mayor

**Date of Introduction:** June 22, 1993

**Committee(s) of Reference:** Finance

**Date of Analysis:** June 25, 1993

**Type of Action:** Authorization

**Bill Summary:** The bill authorizes the issuance of Sales Tax Revenue Bonds, Series 1993, to finance the costs of various Capital Improvements (River City Renaissance) and outlines the method of payment of the bonds. The bill outlines the method of payment by pledging moneys received by the city from local government half-cent sales tax to secure payment of the principal of and interest on the bonds; providing for the rights, security, and remedies of the registered owners of such bonds; waiving Section 104.211(Procedure for the sale of bonds), of the Ordinance Code, to the extent a negotiated sale is in the best interests of the City; providing for J.E.A.'s contribution relating to the financing costs of the River City Renaissance Program, and providing severability.

**Background Information:** The City is without currently available funds to pay the Project Costs and it is necessary for the City to borrow the moneys needed to accomplish the financing of the Series 1993 Bond Project. The pledged revenues together with capitalized interest provided from proceeds of the bonds are estimated to be sufficient to pay the Debt Service on the Series 1993 Bonds and to make all other payments required to be made by the provisions of this Ordinance. This Ordinance is the contractual agreement between the City and the Registered Owners and any Credit Facility Issuer of the Bonds.

**Policy Impact Area:** River City Renaissance

**Fiscal Impact:** none

**Analyst:** Smith