

ORDINANCE NO. 38

AUTHORIZING THE INCURRING OF DEBT; BRIEFLY DESCRIBING THE PROJECT FOR WHICH THE DEBT IS TO BE INCURRED AND STATING A REALISTIC ESTIMATED USEFUL LIFE THEREOF; STATING THE AGGREGATE PRINCIPAL AMOUNT OF THE BONDS TO BE SECURED BY A GUARANTY AGREEMENT AND THAT THE DEBT IS TO BE INCURRED AS LEASE RENTAL DEBT AS DEFINED IN THE PENNSYLVANIA LOCAL GOVERNMENT UNIT DEBT ACT; STATING THE ANNUAL AMOUNTS OF PRINCIPAL AND INTEREST COVENANTED TO BE PAID UNDER THE GUARANTY AGREEMENT; AUTHORIZING AND DIRECTING THE CHAIRMAN OF THE COUNTY COMMISSIONERS AND THE CHIEF CLERK OF THE COUNTY TO CERTIFY AND FILE THE DEBT STATEMENT REQUIRED BY SECTION 410 OF SAID ACT; APPROVING THE REPORT OF THE EXECUTIVE DIRECTOR OF THE BUCKS COUNTY HOUSING AUTHORITY PREPARED IN ACCORDANCE WITH SECTION 206(a) OF THE PENNSYLVANIA LOCAL GOVERNMENT UNIT DEBT ACT AND AUTHORIZING AND DIRECTING THE FILING THEREOF AND THE PREPARATION AND FILING OF ANY OTHER STATEMENTS AND REPORTS REQUIRED TO QUALIFY THE DEBT FOR EXCLUSION FROM THE APPROPRIATE DEBT LIMIT AS SELF-LIQUIDATING; AUTHORIZING THE CHAIRMAN AND CHIEF CLERK TO EXECUTE A GUARANTY AGREEMENT BETWEEN AND AMONG THE COUNTY, THE AFORESAID AUTHORITY AND INDUSTRIAL VALLEY BANK AND TRUST COMPANY, TRUSTEE; AUTHORIZING THE BUDGETING, APPROPRIATION AND PAYMENT OF PRINCIPAL AND INTEREST ON THE SERIES OF 1976 BONDS AS PROVIDED IN THE GUARANTY AGREEMENT, AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE COUNTY FOR THE PAYMENT THEREOF; AUTHORIZING THE OFFICIALS OF THE COUNTY TO TAKE OTHER APPROPRIATE ACTION; AND REPEALING ALL ORDINANCES INCONSISTENT HERewith

WHEREAS, the Bucks County Housing Authority (Authority), a housing authority created and existing under the Pennsylvania Housing Authorities Law of May, 1937, P.L. 955, as amended, has determined to acquire and construct certain rental housing for low income families in Bristol Township, Bucks County, Pa.; and

WHEREAS, in order to provide a major portion of the moneys necessary to pay the costs of acquisition, construction and equipment of the proposed housing facilities, consisting of a 62 unit townhouse complex (Project), the Authority has determined to issue its First Mortgage Guaranteed Revenue Bonds - Series of 1976, in the principal amount of \$1,850,000 (1976 Series Bonds), to be issued under and secured by a trust indenture between the Authority and Industrial Valley Bank and Trust Company, as Trustee (Trustee); and

WHEREAS, in order to facilitate the issuance of the 1976 Series Bonds on advantageous and economical terms, and to induce the Authority to issue the 1976 Series Bonds and finance and construct the Project, the County intends to enter into an agreement (Guaranty Agreement) with the Authority providing for the unconditional guarantee of payment of principal of and interest on the 1976 Series Bonds by the County and the pledge of the County's full faith, credit and taxing power to the discharge of its obligations under such Agreement; and

WHEREAS, the Executive Director of the Authority has prepared and submitted to the County Commissioners a Report prepared in accordance with Section 206(a)(1) of the Act in order to qualify the debt of the County incurred pursuant to the Guaranty Agreement as self-liquidating debt under the Act and to exclude such debt from the appropriate debt limits of the County; and

WHEREAS, the execution and delivery of the Guaranty Agreement constitutes the incurring of lease rental debt by the County within the meaning of the Pennsylvania Local Government Unit Debt Act of 1972 (Act);

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the Board of Commissioners of the County of Bucks, as follows:

Section 1. The County does hereby approve the financing, acquisition and construction of the Project as above described to provide rental housing for low income families. The realistic estimated useful life of the Project is at least 40 years.

Section 2. The aggregate principal amount of the 1976 Series Bonds to be issued by the Authority and to be secured by the Guaranty Agreement is \$1,850,000. The County Commissioners do hereby authorize the incurring of lease rental debt of the County pursuant to the Act to be evidenced by the Guaranty Agreement between and among the County, the Authority and the Trustee, in the maximum amount of \$1,850,000.

Section 3. The annual amount of principal and interest covenanted to be paid by the County under the Guaranty Agreement is as follows:

<u>Fiscal Year</u> <u>Ending 12/31</u>	<u>Principal</u>	<u>Interest</u>
1977	\$ -	\$173,332.80
1978	-	124,770.00
1979	15,000	124,432.50
1980	20,000	123,620.00
1981	20,000	122,645.00
1982	20,000	121,620.00
1983	20,000	120,545.00
1984	25,000	119,276.25
1985	25,000	117,820.00
1986	25,000	116,332.50
1987	30,000	114,667.50
1988	30,000	112,822.50
1989	30,000	110,947.50
1990	35,000	108,882.50
1991	35,000	106,625.00
1992	35,000	104,306.25
1993	40,000	101,775.00
1994	45,000	98,906.25
1995	45,000	95,868.75
1996	50,000	92,662.50
1997	50,000	89,256.25
1998	55,000	85,646.88
1999	60,000	81,693.75
2000	65,000	77,396.87
2001	70,000	72,756.25
2002	70,000	67,900.00
2003	80,000	62,650.00
2004	80,000	57,050.00
2005	90,000	51,100.00
2006	95,000	44,625.00
2007	105,000	37,625.00
2008	105,000	30,275.00
2009	120,000	22,400.00
2010	125,000	13,825.00
2011	135,000	4,725.00

Section 4. The Chairman of the County Commissioners and the Chief Clerk of the County are authorized and directed to prepare, verify and file the debt statement required by Section 410 of the Act.

Section 5. The Report of the Executive Director of the Authority, prepared in accordance with Section 206 (a) (1) of the Act and submitted to this meeting, is hereby approved. The Chairman and Chief Clerk are authorized and directed to prepare and file originally and annually thereafter, as required, any documents or statements required under Article II of the Act which are necessary to qualify all or any portion of the debt authorized to be incurred for exclusion from the County's lease rental debt limit as self-liquidating debt.

Section 6. The Chairman and Chief Clerk are authorized and directed to execute, acknowledge and deliver on behalf of the County, the Guaranty Agreement which shall be substantially in the form presented to this meeting and approved hereby.

Section 7. The County hereby authorizes, directs and covenants the budgeting, appropriation and payment of the principal of and interest on the 1976 Series Bonds as provided in the Guaranty Agreement and for such budgeting, appropriation and payment the County pledges its full faith, credit and taxing power. This covenant shall be specifically enforceable (subject, as to the enforcement of remedies, to any applicable bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors rights).

Section 8. The proper officers of the County are hereby authorized, empowered and directed on behalf of the County to execute any and all papers and instruments and to do and cause to be done any and all acts and things necessary and proper for the purpose of carrying out the provisions of this Ordinance.

Section 9. All ordinances or parts of ordinances in conflict or inconsistent herewith be and the same hereby are repealed absolutely.

ORDAINED AND ENACTED this 6th day of July, 1976.

COUNTY OF BUCKS

George M. Metzger
chairman

H. Roger Sowers

(COUNTY SEAL)

William H. Reiser
Chief Clerk

I HEREBY CERTIFY that the foregoing is a true and correct copy of an Ordinance duly enacted by the affirmative vote of a majority of the members of the Board of Commissioners of the County of Bucks, Pennsylvania, at a meeting held the 6th day of July, 1976; that proper notice of such meeting was duly given as required by law; and that said Ordinance has been duly recorded upon the Minutes of said Board of Commissioners, showing how each member voted thereon.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the County of Bucks this 6th day of July, 1976.

William H. Reiser
Chief Clerk

(SEAL)