

**ORDINANCE 2004-07**

**AN ORDINANCE APPROVING A LEASE FOR THE FINANCING OF A PROJECT; PROVIDING FOR THE PAYMENT AND SECURITY OF THE LEASE; AND AUTHORIZING THE EXECUTION OF VARIOUS DOCUMENTS RELATED TO SUCH LEASE**

WHEREAS, the governing body of the City of Russellville, Kentucky (the "Lessee") has the power pursuant to Section 65.940 et seq. of the Kentucky Revised Statutes to enter into lease agreements with or without the option to purchase in order to provide for the use of property for public purposes;

WHEREAS, the governing body of the Lessee (the "Governing Body") has previously determined, and hereby further determines to finance certain improvements to its community swimming pool (the "Project"), as more specifically defined in the Lease hereinafter described; and

WHEREAS, the Governing Body has determined and hereby determines that it is in the best interests of the Lessee that the Lessee and the Kentucky League of Cities Funding Trust (the "Lessor") enter into a Lease Agreement in an aggregate principal amount not to exceed \$510,000.00 (the "Lease") for the leasing by the Lessee from the Lessor of the Project to be financed.

NOW, THEREFORE, be it ordained by the city of RUSSELLVILLE, KENTUCKY AS FOLLOWS:

Section 1. Recitals and Authorization. The Lessee hereby approves the Lease Agreement (the "Lease") and all Collateral Documents, as defined in the Lease, each in substantially the form presented to this Governing Body. It is hereby found and determined that the Project identified in the Lease is public property to be used for public purposes. It is further determined that it is necessary and desirable and in the best interests of the Lessee to enter into the Lease for the purposes therein specified, and the execution and delivery of the Lease and all representations, certifications and other matters contained in the Closing Memorandum with respect to the Lease, or as may be required by the Lessor prior to delivery of the Lease, are hereby approved, ratified and confirmed. The Mayor and Clerk of the Lessee are hereby authorized to execute the Lease, together with such other agreements or certifications which may be necessary to accomplish the transaction contemplated by the Lease.

Section 2. General Obligation Pledge. Pursuant to the Constitution of the Commonwealth of Kentucky and Chapter 66 of the Kentucky Revised Statutes, as amended (the "General Obligation Statutes") the obligation of the Lessee created by the Lease shall be a full general obligation of the Lessee and, for the prompt payment of the Lease Payments, the full faith, credit, and revenue of the Lessee are hereby pledged. During the period the Lease is outstanding, there shall be and there hereby is levied on all the taxable property in the Lessee, in addition to all other taxes, without limitation as to

rate, a direct tax annually in an amount sufficient to pay the Lease Payments on th Lease when and as due, it being hereby found and determined that current tax rates are within all applicable limitations. Said tax shall be and is hereby ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers in the same manner and at the same time that taxes for general purposes for each of said years are certified, extended and collected. Said tax shall be placed before and in preference to all other items and for the full amount thereof; provided, however, that in each year to the extent that the other taxes of the Lessee are available for the payment of the Lease Payments and are appropriated for such purpose, the amount of such direct tax upon all of the taxable property in the Lessee shall be reduced by the amount of such other taxes so available and appropriated.

Section 3. Severability. In any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

Section 4. Sunshine Law. This Governing Body hereby finds and determines that all formal actions relative to the adoption of this Ordinance were taken in an open meting of this Governing Body, and that all deliberations of this Governing Body and if its committees, if any, resulted in formal action, were in meetings open to the public, in full compliance with applicable legal requirements.

Section 5. Conflicts. All resolutions, orders or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed and the provisions of this Ordinance shall prevail and be given effect.

Section 6. Effective Date. This Ordinance shall take effect upon its publication as provided by law.

FIRST READING conducted on August 3, 2004.

SECOND READING CONDUCTED AND PASSAGE by roll call vote this 5 day of August 2004.

ATTEST:

  
\_\_\_\_\_  
City Clerk

  
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Mayor

AYES: Marie Sweatt, Howard Wren, Russell Jones, Jean  
Hankins, Ken Barrett, Pat Bell

NAYES: None

ABSTAINING: None

ABSENT: None