

ORDINANCE NO. 431

BE IT ORDAINED by the Mayor and City Council of the City of Hamilton, Alabama, as follows:

Section 1. Findings. The Mayor and City Council (herein called the "Council") of the City of Hamilton, Alabama (herein called the "City") have ascertained and found and do hereby determine and declare as follows:

- (a) that North River Homes, Inc., an Alabama corporation (herein called the "Company"), has requested the City (i) to acquire certain land located wholly within its corporate limits (which is herein called the "Site"), together with the existing manufacturing plant or facility situated thereon, which land is specifically described in the Lease and the Indenture hereinafter referred to, (ii) to improve the said existing plant or facility which is situated on the Site (which is herein called the "Plant") to render the same suitable for use in the manufacturing, storage and sale of mobile homes and other products of industry, (iii) to acquire and install in or about the Plant certain items of machinery and equipment (which are herein called the "Equipment") which are specifically described in the aforesaid Lease and the aforesaid Indenture and (iv) to lease the Site, the Plant and the Equipment to the Company;
- (b) that the acquisition of the Site and the Plant, the improvement and equipping of the Plant and the acquisition of the Equipment for use therein (the Site, the Plant and the Equipment being herein together called the "Project") and the leasing of the Project to the Company will promote industry and commerce in the City, and will therefore be advantageous to the City and in the best interest of its citizens and taxpayers;
- (c) that the cost of acquiring, improving and equipping the Project will be not less than \$700,000;
- (d) that the City does not now have, will not have available from its current revenues, funds available to pay the costs of acquiring, improving and equipping the Project; and
- (e) that it is therefore necessary and desirable that the City exercise certain of the powers conferred on it by Amendment No. 84 to the Constitution of Alabama of 1901 (herein called the "Enabling Amendment"), by acquiring, improving and equipping the Project, and by issuing the Bonds hereinafter referred to, in order to finance said acquisition, construction and equipping of the Project.

Section 2. Authorization of Acquisition, Improvement and Equipping of the Project, and of the Lease. The acquisition of the Site and the Plant, as it now exists, and the improvement and equipping of the Plant is hereby authorized. Further, the lease of the Project to the Company is hereby authorized, under and pursuant to the terms of a Lease Agreement between the City and the Company in substantially the form presented to the meeting of the Council at which this ordinance is adopted, which form shall be attached to the minutes of said meeting as Exhibit I and which is hereby adopted and made a part of this ordinance in all respects as if set out in full herein. The Mayor of the City is hereby authorized and directed to execute and deliver said Lease Agreement, for and in the name and behalf of the City, and the City Clerk of the City is hereby authorized and directed to affix the corporate seal of the City to the said Lease Agreement and to attest the same.

Section 3. Authorization of Bonds. Pursuant to the provisions of the Constitution and Laws of the State of Alabama, including particularly the Enabling Amendment, and for the purpose of paying the costs of acquiring, improving and equipping the Project and the expenses anticipated to be incurred by the City in connection with the issuance and sale of the Bonds hereinafter authorized, there are hereby authorized to be issued by the City \$700,000 in principal amount of its General Obligation First Mortgage Industrial Development Bonds (North River Homes Project) to be dated May 1, 1982 (herein called the "Bonds"). The Bonds shall be general obligations of the City, and shall contain such provisions, shall bear interest at such per annum rates, to be evidenced by semiannual interest coupons attached thereto (herein called the "Coupons"), and shall be payable in such amounts and at such times and place, all as are specified in the Indenture authorized to be executed on behalf of the City in Section 6 hereof.

- Section 4. Par Clearance Required. All remittances of principal of and interest on the Bonds and the Coupons to the holders thereof shall be made at par and without any deductions for exchange or other costs, fees or expenses. The bank or banks at which the Bonds or the Coupons shall at any time be payable shall be considered by acceptance of their duties hereunder, to have agreed that they will make, or cause to be made, out of the moneys supplied to them for such purpose, remittances of the principal of and the interest on the Bonds and the Coupons to the holders thereof in bankable funds at par and without any deduction for exchange or other costs, fees or expenses. The City will pay to such bank or banks all reasonable charges made and expenses incurred by them in making such remittances in bankable funds at par.
- Section 5. Ordinance Constitutes Contract. The provisions of this ordinance, and of the Indenture referred to in Section 6 hereof, shall constitute a contract between the City and the holders of the Bonds and the Coupons.
- Section 6. Authorization of Indenture. Pursuant to the provisions of Section 27 of Chapter 81 of Title 11 of the Code of Alabama of 1975 and as security for payment of the principal of and the interest on the Bonds, pro rata and without preference or priority of one Bond over another, the Council hereby authorizes and directs (a) the Mayor of the City to execute and deliver to First Alabama Bank of Birmingham (a banking corporation having its principal office in Birmingham, Alabama), and for and in the name and behalf of the City, a Mortgage and Trust Indenture dated as of May 1, 1982 (herein called the "Indenture"), covering the Project and setting forth the details of the Bonds, and (b) the City Clerk of the City to affix the corporate seal of the City to the Indenture and to attest the same. The Indenture shall be in substantially the form presented to the Council at the meeting thereof at which this ordinance is adopted, which form shall be attached as Exhibit II to the minutes of the meeting at which this ordinance is adopted and which is hereby adopted and made a part of this ordinance in all respects as if herein set out in full. Without in any way limiting the generality of the foregoing, the Council hereby specifically recognizes and approves those provisions of the Indenture regarding the nature of the Bonds as general obligations of the City, the pledge of the rental or sales proceeds from the Project for the benefit of the Bonds, and the agreement respecting the special ad valorem tax therein referred to.
- Section 7. Sale of Bonds. The Bonds are hereby sold and awarded to Hendrix, Mohr & Yardley, Inc. at and for a purchase price of \$666,750 plus accrued interest on the Bonds from their date to the date of their delivery. The Mayor of the City is hereby authorized and directed to execute the Bonds, for and in the name and behalf of the City, by causing a facsimile of his signature to be imprinted thereon, and the City Clerk of the City is hereby authorized to cause a facsimile of the corporate seal of the City to be imprinted on the Bonds, and to attest the same, all as provided in the Indenture. After the Bonds have been duly executed, sealed and attested as herein and in the Indenture provided, the Mayor of the City is directed to deliver them to First Alabama Bank of Birmingham, in its capacity as Trustee under the Indenture, and to direct said Bank to authenticate the Bonds and to deliver them to said Hendrix, Mohr & Yardley, Inc., the purchaser thereof, upon payment of the purchase price therefor.
- Section 8. Use of Proceeds from Sale of Bonds. The entire proceeds received by the City from the sale of the Bonds shall be paid to First Alabama Bank of Birmingham, as Trustee as aforesaid, and applied by said Bank as provided in Section 3.7 of the Indenture.
- Section 9. Authorization of Agreement of Sale. The Mayor of the City is further authorized and directed to execute and deliver, for and in the name and behalf of the City, an Agreement of Sale between the City and Company, providing for the conveyance of the Project to the Company for the consideration, and otherwise on the terms and conditions therein set out, which Agreement of Sale shall be in substantially the form presented to the meeting of the Council at which this ordinance is adopted, which form shall be attached to the minutes of said meeting as Exhibit III thereto and which is adopted and made a part of this ordinance in all respects as if set out in full herein. The City Clerk of the City is hereby authorized and directed to affix the official seal of the City to said Agreement of Sale, and thereafter to attest the same.
- Section 10. Authorization of Official Statement. The Mayor of the City is hereby authorized and directed to execute and deliver, for and in the name of the City, an Official Statement to be dated May 14, 1982, with respect to the Bonds, said Official Statement to be in substantially the form presented to the meeting of the Council at which this ordinance is adopted, which form shall be attached to the minutes of said meeting as Exhibit IV and which is adopted and made a part of this ordinance in all respects as if set out in full herein.

Section 11. Authorization of Other Documents. The Mayor and City Clerk of the City are hereby authorized and directed to execute, deliver, seal and attest such other ancillary documents and certificates (including, without limitation, a so-called "No-Arbitrage Certificate") as may be necessary to carry out fully the financing, leasing and other transactions hereinabove authorized.

ADOPTED AND APPROVED THIS 10th day of May, 1982.

Murray C. Ballard
Mayor

Authenticated:

Barbara Partain
City Clerk

Councilman Henry R. Gann moved that unanimous consent be given for immediate consideration of and action on said ordinance, which motion was seconded by Councilman Bravell Jackson, and, upon said motion being put to vote, the following vote was recorded:

YEAS:

Murray C. Ballard
Roy Beasley
Jimmy Brumley
Larry D. Carter
Henry R. Gann
Bravell Jackson

NAYS:

None

The Mayor thereupon announced that the motion for unanimous consent for immediate consideration of and action on said ordinance had been unanimously carried. Councilmen Henry R. Gann thereupon moved that the said ordinance be finally adopted, which motion was seconded by Councilman Bravell Jackson, and, upon said motion being put to vote, the following vote was recorded:

YEAS:

Murray C. Ballard
Roy Beasley
Jimmy Brumley
Larry D. Carter
Henry R. Gann
Bravell Jackson

NAYS:

None

The Mayor thereupon announced that the motion for the adoption of said ordinance had been carried.

This is to certify that the foregoing is true and correct according to the minutes of the meeting of the City Council on the 10th day of May, 1982.

Barbara Partain
City Clerk