

No. 2022-11  
ORDINANCE

AN ORDINANCE OF THE COUNCIL OF THE COUNTY OF LUZERNE, PENNSYLVANIA (THE "COUNTY"), AUTHORIZING AND APPROVING A PROJECT OF THE REDEVELOPMENT AUTHORITY OF THE COUNTY OF LUZERNE (THE "AUTHORITY"); AUTHORIZING AND DIRECTING THE INCURRENCE OF LEASE RENTAL DEBT, IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED FIFTY-FIVE MILLION DOLLARS (\$55,000,000) PURSUANT TO THE ACT OF THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF PENNSYLVANIA, KNOWN AS THE LOCAL GOVERNMENT UNIT DEBT ACT, AS REENACTED, AMENDED AND SUPPLEMENTED (THE "DEBT ACT"); DETERMINING THAT SUCH DEBT SHALL BE INCURRED UNDER THE DEBT ACT AS LEASE RENTAL DEBT TO BE EVIDENCED BY A GUARANTY AGREEMENT OF THE COUNTY SECURING ONE OR MORE SERIES OF FEDERALLY TAXABLE AND/OR TAX EXEMPT REVENUE BONDS OR NOTES (COLLECTIVELY, THE "BONDS"), TO BE ISSUED BY THE AUTHORITY AT THE SAME OR DIFFERENT TIMES TO FINANCE A PROJECT (THE "PROJECT") OF THE AUTHORITY CONSISTING OF (1) FINANCING THE DESIGN, ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE RECONSTRUCTION OF THE NANTICOKE/WEST NANTICOKE BRIDGE IN THE COUNTY AND/OR SUCH OTHER PUBLIC INFRASTRUCTURE PROJECTS AS APPROVED BY THE COUNTY AND THE AUTHORITY, AND (2) PAYING THE COSTS AND EXPENSES OF ISSUING THE BONDS; AUTHORIZING AND DIRECTING THE PROPER OFFICERS OF THE COUNTY: (A) TO PREPARE, TO CERTIFY AND TO FILE THE DEBT STATEMENT AND BORROWING BASE CERTIFICATE REQUIRED BY SECTION 8110 OF THE DEBT ACT; (B) TO CAUSE TO BE PREPARED AND FILED, STATEMENTS REQUIRED BY SECTION 8026 OF THE DEBT ACT WHICH ARE NECESSARY TO QUALIFY ALL OF SUCH LEASE RENTAL DEBT FOR EXCLUSION FROM THE APPROPRIATE DEBT LIMITS AS SELF-LIQUIDATING DEBT; (C) TO EXECUTE, TO ATTEST, TO SEAL AND TO DELIVER A GUARANTY AGREEMENT AMONG THE COUNTY, THE AUTHORITY AND THE PURCHASER NAMED THEREIN; APPROVING THE FORM OF THE GUARANTY AGREEMENT; SPECIFYING THE AMOUNT OF THE GUARANTY OBLIGATION OF THE COUNTY PURSUANT TO SUCH GUARANTY AGREEMENT AND THE SOURCES OF PAYMENT OF SUCH GUARANTY OBLIGATION; AUTHORIZING THE PROPER OFFICERS OF THE COUNTY TO TAKE ALL OTHER REQUIRED, NECESSARY OR DESIRABLE RELATED ACTION IN CONNECTION WITH SUCH PROJECT AND THE EXECUTION AND DELIVERY OF THE GUARANTY AGREEMENT; PROVIDING FOR THE EFFECTIVENESS OF THIS ORDINANCE; PROVIDING FOR THE SEVERABILITY OF PROVISIONS OF THIS ORDINANCE; AND PROVIDING FOR THE REPEAL OF ALL INCONSISTENT ORDINANCES OR RESOLUTIONS OR PARTS OF ORDINANCES OR RESOLUTIONS

WHEREAS, the County is a home rule charter county operating under the Home Rule Charter and Optional Plans Law of the Commonwealth of Pennsylvania (the "Commonwealth") and is a "local government unit" under provisions of the Act of the General Assembly of the Commonwealth, as amended, reenacted and supplemented, from time to time, known as the Local Government Unit Debt Act (the "Debt Act"); and

WHEREAS, the Redevelopment Authority of the County of Luzerne (the "Authority") is a body politic and corporate organized and existing under Urban Redevelopment Law, Act of 1945, Act of May 24, 1945, P.L. 991, as amended and supplemented (the "Act"), of the Commonwealth; and

WHEREAS, the Authority has authorized and intends to issue at the same or different times one or more series of federally taxable and/or tax exempt revenue bonds or notes in the maximum aggregate principal amount not to exceed Fifty-Five Million Dollars (\$55,000,000) (collectively, the "Bonds") under and pursuant to the provisions of a resolution of the Authority and pursuant to the provisions of one or more loan agreements between the Authority and the purchaser or purchasers of the Bonds (such purchaser or purchasers are hereinafter collectively referred to as the "Purchaser"); and

WHEREAS, the proceeds to be derived from the issuance and sale of the Bonds will be applied for and towards a project (the "Project") which consists of the following: (1) financing the design, acquisition, construction and equipping of the reconstruction of the Nanticoke/West Nanticoke Bridge in the County and/or such other public infrastructure projects as approved by the County and the Authority, and (2) paying the costs and expenses of issuing the Bonds; and

WHEREAS, the Council of the County (the "Council") has determined that the Project and specifically the reconstruction of the Nanticoke/West Nanticoke Bridge is in the best interests of the County and its residents and desires to approve the Project and to request the Authority to issue the Bonds and to undertake the Project; and

WHEREAS, the County, as an inducement to the Authority to undertake the Project and to authorize and to issue the Bonds, and as an inducement to the Purchaser of the Bonds and to any and all subsequent owners or holders of the Bonds, and to thereby achieve interest costs and other savings to the Authority and to the residents and taxpayers of the County desires to enter into one or more guaranty agreements (collectively, the "Guaranty Agreement") with the Authority and the Purchaser, all as submitted by and in accordance with the terms and conditions of the Debt Act.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED, by the Council of Luzerne County, as follows:

1. The County hereby authorizes and approves the Project and requests the Authority to undertake the Project. The County ratifies and confirms all action heretofore taken by the Authority in connection with the Project. The County authorizes and approves the issuance of the Bonds by the Authority and determines to incur lease rental debt in the maximum aggregate principal amount of Fifty-Five Million Dollars (\$55,000,000) by the execution and delivery of the Guaranty Agreement.
2. The lease rental debt authorized to be incurred hereby is for the purpose of financing the Project.
3. The maximum aggregate principal amount of the Bonds, payment of which is assured by the Guaranty Agreement is Fifty-Five Million Dollars (\$55,000,000).

4. The debt to be evidenced by the Guaranty Agreement shall be lease rental debt of the County.

5. The Chair or Vice Chair of the Council, the Clerk of the Council, and the County Manager are each hereby authorized and directed to prepare, to certify, to acknowledge and to file the debt statement and the borrowing base certificate, as appropriate, required by Section 8110 of the Debt Act and to take any and all other action necessary at any time or from time to time in connection with carrying out the intent of this Ordinance or necessary to comply with the Debt Act.

6. The Chair or Vice Chair of the Council, the Clerk of the Council, and the County Manager are each hereby authorized and directed to execute, attest, seal and deliver the Guaranty Agreement in such form and containing such provisions as the officers of the County executing such document and the Solicitor to the County shall deem necessary and appropriate. The execution, attestation and delivery of the Guaranty Agreement by appropriate officers of the County shall constitute conclusive evidence of such approval of the Guaranty Agreement by the County.

7. In the event that the County is obligated to make payments under the Guaranty Agreement, the maximum amount required to be paid thereunder, if and as necessary on an annual basis, from the general revenues of the County, are as set forth on Exhibit "A" hereto. Exhibit "A" is incorporated herein by reference with the same force and effect as if fully set forth in the text hereof.

8. The County covenants to and with the Purchaser and to any and all subsequent owners or holders, from time to time, of the Bonds that the County (a) shall include the amounts payable in respect of the Guaranty Agreement for each fiscal year in which such sums are payable in its budget for that year, (b) shall appropriate such amounts from its general revenues for the payment of such payment, and (c) shall duly and punctually pay or cause to be paid from any of its revenues or funds the amount payable in respect of the Guaranty Agreement, at the dates and place and in the manner stated in such Guaranty Agreement, and according to the true intent and meaning thereof. The County pledges its full faith, credit and taxing power for such budgeting, appropriation and payment in respect to the Guaranty Agreement. This covenant shall be specifically enforceable in accordance with the Debt Act.

9. The Chair or Vice Chair of the Council, the Clerk of the Council, and the County Manager are each authorized and directed, if necessary or desirable, to cause to be prepared and filed with the Pennsylvania Department of Community and Economic Development, appropriate statements required by Section 8026 of the Debt Act which are necessary to qualify the lease rental debt of the County, which is subject to exclusion of self-liquidating debt, for exclusion from the appropriate debt limits as self-liquidating debt.

10. The proper officers of the County are hereby authorized and directed to execute, attest and deliver any and all necessary or appropriate documents and to do any and all necessary or appropriate things in connection with the transactions hereby contemplated.

11. All ordinances and resolutions or parts thereof, insofar as the same are inconsistent herewith, are repealed hereby.

12. The Ordinance shall become effective in accordance with the provisions of the Act and the Luzerne County Home Rule Charter.

13. In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Ordinance, it being the intent of the County that the remainder of the Ordinance shall remain in full force and effect.

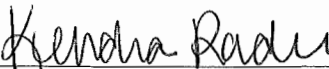
DULY ENACTED AND ORDAINED, this 13<sup>th</sup> day of September, 2022, by the Council of the County of Luzerne, Pennsylvania, in lawful regular session duly assembled.

ROLL CALL VOTE (8-3)

YES: Bienias, Lombardo, McDermott, McGinley, Mitchell, Perry, Radle and Wolovich

NO: Lescavage, Thornton and SJ Urban

LUZERNE COUNTY COUNCIL

  
\_\_\_\_\_  
Kendra Radle, Chair

  
\_\_\_\_\_  
John Lombardo, Vice-Chair

ATTEST:

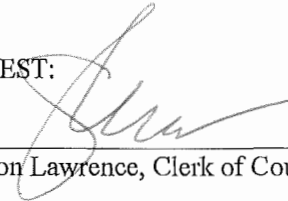
  
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Sharon Lawrence, Clerk of County Council

EXHIBIT "A"

MAXIMUM LEASE RENTAL OBLIGATIONS

<u>Period Ending</u>	<u>Debt Service</u>
Year 1	\$3,000,000
Year 2	\$3,000,000
Year 3	\$3,000,000
Year 4	\$3,000,000
Year 5	\$3,000,000
Year 6	\$3,000,000
Year 7	\$3,000,000
Year 8	\$3,000,000
Year 9	\$3,000,000
Year 10	\$3,000,000
Year 11	\$3,000,000
Year 12	\$3,000,000
Year 13	\$3,000,000
Year 14	\$3,000,000
Year 15	\$3,000,000
Year 16	\$3,000,000
Year 17	\$3,000,000
Year 18	\$3,000,000
Year 19	\$3,000,000
Year 20	\$3,000,000
Year 21	\$3,000,000
Year 22	\$3,000,000
Year 23	\$3,000,000
Year 24	\$3,000,000
Year 25	\$3,000,000