

BILL NO. 2293

ORDINANCE NO. 2111

**AN ORDINANCE APPROVING THE DELIVERY OF \$15,820,000 PRINCIPAL AMOUNT OF CERTIFICATES OF PARTICIPATION (CITY OF CHESTERFIELD, MISSOURI, LESSEE), SERIES 2004, FOR THE PURPOSE OF PROVIDING FUNDS TO ADVANCE REFUND CERTAIN PRIOR CERTIFICATES OF PARTICIPATION; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION WITH THE DELIVERY OF THE CERTIFICATES; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE DELIVERY OF THE CERTIFICATES.**

**WHEREAS**, the City Council finds and determines that it is advantageous and in the best interests of the City of Chesterfield, Missouri (the "City") that the City enter into certain transactions with UMB Bank, N.A., as trustee (the "Trustee") relating to the delivery of \$15,820,000 principal amount of Certificates of Participation (City of Chesterfield, Missouri, Lessee), Series 2004 (the "Certificates"), for the purpose of (1) advance refunding the Certificates of Participation (City of Chesterfield, Missouri, Lessee), Series 2000, currently outstanding in the aggregate principal amount of \$16,495,000 (the "Prior Certificates"); (2) purchasing a surety bond to fund a debt service reserve fund for the Certificates; and (3) paying the costs of delivering the Certificates; and

**WHEREAS**, in connection with the delivery of the Certificates, the City Council finds it necessary to authorize the execution of: (1) a Ground Lease dated as of August 1, 2004 (the "Ground Lease"), between the City and the Trustee, pursuant to which the City will lease certain real property (the "Leased Property") to the Trustee for rent including the deposit of the funds specified therein to pay the costs of the refunding the Prior Certificates; and (2) a Lease/Purchase Agreement dated as of August 1, 2004 (the "Lease"), pursuant to which the Trustee will lease the Leased Property back to the City on an annually renewable basis and the City will make payments of Base Rentals to the Trustee that will be sufficient, during any term of the Lease, to pay the principal of, premium, if any, and interest distributable with respect to the Certificates as the same become due;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHESTERFIELD, MISSOURI, AS FOLLOWS:**

**Section 1. Approval of Delivery of the Certificates.** The City hereby approves the delivery of \$15,820,000 principal amount of Certificates of Participation (City of Chesterfield, Missouri, Lessee), Series 2004 (the "Certificates"), for the purpose of providing funds to (a) refund the Prior Certificates, (b) purchase a surety bond to fund a debt service reserve fund for the Certificates and (c) pay the costs of delivering the Certificates. The Certificates shall be issued and secured pursuant to the herein approved Indenture. The Certificates shall be dated the date of delivery, shall become due on February 15 in the years and in the respective amounts and shall bear interest from the date thereof payable semiannually on February 15 and August 15, beginning February 15, 2005, in each year at the respective rates per annum, as follows:

## SERIAL CERTIFICATES

<u>Payment Date</u> <u>(February 15)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
2005	\$240,000	3.00%
2006	310,000	3.00
2007	320,000	3.00
2008	350,000	3.25
2009	390,000	3.50
2010	735,000	3.50
2011	785,000	4.00
2012	850,000	4.00
2013	910,000	4.00
2014	975,000	4.00
2015	170,000	5.25
2015	875,000	4.00
2016	1,000,000	5.25
2016	100,000	4.25
2017	1,210,000	5.25
2018	1,300,000	5.00
2019	1,400,000	5.00
2020	1,500,000	5.00
2021	1,400,000	5.00
2022	1,000,000	5.00

The Certificates shall be sold to Piper Jaffray & Co., as representative of the original purchasers of the Certificates (the "Purchaser") at a purchase price of \$16,365,103.55, as set forth in the hereinafter referred to Certificate Purchase Agreement. The Certificates shall be in such denominations, shall be in such forms, shall be subject to prepayment prior to the stated payment dates thereof, shall have such other terms and provisions, and shall be executed and delivered in such manner subject to such provisions, covenants and agreements as are set forth in the Indenture.

**Section 2. Limited Obligations.** The Certificates and the interest thereon shall be limited obligations, payable solely out of the rents, revenues and receipts received by the Trustee from the City pursuant to the Lease. Neither the Lease nor the Certificates shall constitute a debt or liability of the City or of the State of Missouri or of any political subdivision thereof, and neither the Lease nor the Certificates shall constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

**Section 3. Authorization of Documents.** The City is hereby authorized to enter into the following documents, in substantially the forms presented to and reviewed by the City Council at this meeting and attached to this Ordinance (copies of which documents shall be filed in the records of the City), with such changes therein as shall be approved by the officers of the City executing such documents, such officers' signatures thereon being conclusive evidence of their approval thereof:

- (a) Ground Lease dated as of August 1, 2004 (the "Ground Lease"), between the City and the Trustee (attached hereto as **Exhibit A**).

(b) Lease/Purchase Agreement dated as of August 1, 2004 (the "Lease"), between the Trustee and the City (attached hereto as **Exhibit B**).

(c) Certificate Purchase Agreement to be dated the date of its execution and delivery (the "Certificate Purchase Agreement"), among the City, the Trustee and the Purchaser (attached hereto as **Exhibit C**).

(d) Escrow Trust Agreement dated as of August 1, 2004 (the "Escrow Agreement"), between the City and UMB Bank, N.A., as escrow agent (attached hereto as **Exhibit D**).

**Section 4. Approval of Documents.** The City hereby approves the following documents in substantially the forms presented to and reviewed by the City Council at this meeting and attached to this Ordinance:

(a) Declaration and Indenture of Trust dated as of August 1, 2004 (the "Indenture"), executed by the Trustee (attached hereto as **Exhibit E**).

(b) Financial Guaranty Insurance Policy to be dated the date of delivery of the Certificates (the "Certificate Insurance Policy") to be issued by Ambac Assurance Corporation (the "Certificate Insurer"), which policy will guarantee payment of principal of and interest on the Certificates as the same become due upon the terms and conditions contained therein (attached hereto as **Exhibit F**).

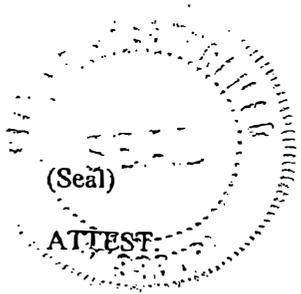
**Section 5. Execution of Documents.** The City is hereby authorized to enter into and the Mayor is hereby authorized and directed to execute and deliver, on behalf of the City, the Ground Lease, the Lease, the Escrow Agreement and the Certificate Purchase Agreement and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

**Section 6. Preliminary Official Statement and Official Statement.** The City Council hereby ratifies and approves the Preliminary Official Statement in the form attached hereto as **Exhibit G**, and the final Official Statement is hereby authorized and approved by supplementing, amending and completing the Preliminary Official Statement, with such changes and additions thereto as are necessary to conform to and describe the transaction. The Mayor is hereby authorized to execute the Official Statement as so supplemented, amended and completed. The City Council consents to the use and public distribution by the Purchaser of the final Official Statement in connection with the offering for sale of the Certificates.

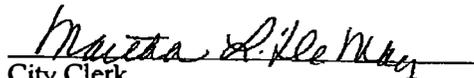
**Section 7. Further Authority.** The officers, agents and employees of the City, including the Mayor and the City Clerk, are authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Ordinance, and to carry out, comply with and perform the duties of the City with respect to the Ground Lease, the Lease, the Escrow Agreement and the Certificate Purchase Agreement, to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

**Section 8. Effective Date.** This Ordinance shall take effect and be in full force immediately after its passage by the City Council and approval by the Mayor.

**PASSED and APPROVED** this 26th of July, 2004.



  
Mayor

  
City Clerk