

RESOLUTION NO. 19 - 2011

TOWNSHIP OF COLERAIN, OHIO

A RESOLUTION AUTHORIZING THE WAIVER OF LETTER OF CREDIT PROVISIONS IN SERVICE AGREEMENT FOR STONE CREEK DEVELOPMENT.

WHEREAS, Sections 5709.73 - 5709.75 of the Ohio Revised Code authorize the issuance by townships of tax increment obligations to pay the costs of constructing public improvements, as therein defined; and

WHEREAS, the Township has undertaken a public improvement project consisting of the acquisition and construction of infrastructure improvements including acquisition and construction of street improvements, storm water improvements, walking trails, retaining walls and other related improvements benefitting the Stone Creek development (the "Project"); and

WHEREAS, as security for debt issued to finance the Project the Township has entered into a Service Agreement (the "Service Agreement") with Stone Creek Development Company of Ohio, LLC, an Ohio Limited Liability Company (the "Developer") requiring the Developer to make service payments in lieu of taxes; and

WHEREAS, the Board of Township Trustees has financed the costs of the Project and expenditures incident thereto and incident to such financing by the issuance and sale of revenue obligations which are being refunded by general obligation securities of the Township;

WHEREAS, the Service Agreement requires the Developer provide a letter of credit ("Letter of Credit") securing the payment of the principal and interest on the outstanding obligations of the Township financing the Project, including any refunding securities; and

NOW THEREFORE, BE IT RESOLVED by the Board of Township Trustees of the Township of Colerain, County of Hamilton, Ohio that:

SECTION 1. Definitions. All defined terms used herein and those not otherwise defined herein shall have the respective meanings given to them in the Service Agreement.

Any reference herein to the Township or the Board, or to any officers or members thereof, shall include those which succeed to their functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing their functions.

Unless the context shall otherwise indicate, words importing the singular number shall include the plural number, and vice versa, and the terms "hereof," "hereby," "hereto," "hereunder," and similar terms, mean this Note Legislation.

SECTION 2. Waiver of the Letter of Credit. The Board hereby determines it to be in the best interest of the Township to waive any further requirement of the Developer to provide a Letter of Credit pursuant to Section 4 D of the Service Agreement. Pursuant to the provisions of the Service Agreement, the Township is required to reimburse the annual cost of the Letter of

Credit and the annual cost of providing such Letter of Credit has increased substantially in recent years and the Board determines that it would be in the best interest of the Township to preserve Service Payment revenues for the repayment of obligations or to fund additional capital improvements rather than to pay letter of credit fees. The current valuation of Improvements on the Site currently generates Statutory Service Payments in excess of one hundred and thirty percent of Annual Debt Service, therefore the Board hereby waives the requirements set forth in Section 4 D of the Service Agreement and acknowledges that the termination of the existing Letter of Credit and the failure to renew said Letter of Credit will not constitute a default under the Service Agreement notwithstanding that the conditions of Section 4 D for the release of the Letter of Credit have not yet been fully met.

SECTION 3. Service Agreement. The Service Agreement remains in full force and effect and waiver of the Letter of Credit requirement implies no additional waiver of any other requirement or provision contained in the Service Agreement.

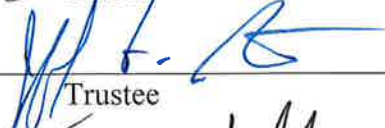
SECTION 4. Sunshine Law. This Board hereby finds and determines that all formal actions relative to the adoption of this Note Legislation were taken in an open meeting of this Board, and that all deliberations of this Board and of its committees, if any, which resulted in formal action, were in meetings open to the public, in full compliance with the law, including Section 121.22, Ohio Revised Code.

SECTION 5. Effective Date. This Note Legislation shall take effect at the earliest date permitted by law.

Mr. Wolkerman seconded the motion, and the roll being called upon the question of passage, the vote resulted as follows:

ADOPTED Feb. 8, 2011.


Trustee


Trustee


Trustee

CERTIFICATE

The undersigned hereby certifies that the foregoing is a true and compared copy of a resolution duly passed by said Board.



Fiscal Officer, Board of Township Trustees
Colerain Township, Hamilton County, Ohio