

ST. TAMMANY PARISH COUNCIL

ORDINANCE

ORDINANCE CALENDAR NO: 6488

ORDINANCE COUNCIL SERIES NO: \_\_\_\_\_

COUNCIL SPONSOR: LORINO/COOPER

PROVIDED BY: BOND COUNSEL

INTRODUCED BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

ON THE 1 DAY OF OCTOBER , 2020

AN ORDINANCE AUTHORIZING THE PARISH OF ST. TAMMANY, STATE OF LOUISIANA TO PROCEED WITH A NOT TO EXCEED TWENTY FIVE MILLION DOLLARS (\$ 25,000,000) FINANCING THROUGH THE LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY; AUTHORIZING AND RATIFYING THE PARISH’S REQUEST OF THE LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY TO ISSUE ITS REVENUE BONDS; AUTHORIZING THE BORROWING BY THE PARISH OF THE PROCEEDS FROM THE SALE OF THE BONDS TO FINANCE QUALIFIED GOMESA PROJECTS AND PROVIDING FOR THE REPAYMENT OF AND SECURITY THEREFOR; APPROVING AND RATIFYING WITHIN CERTAIN PARAMETERS THE TERMS OF THE SALE OF THE BONDS; AUTHORIZING THE FORM AND EXECUTION OF THE LOAN AND ASSIGNMENT AGREEMENT; AUTHORIZING THE FORM OF AND EXECUTION OF AN AGREEMENT FOR THE PURCHASE OF THE BONDS AND ANCILLARY FINANCING DOCUMENTS; AND OTHERWISE PROVIDING WITH RESPECT THERETO.

WHEREAS, the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority") was established pursuant to Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:4548.1 through 33:4548.16, inclusive) (the "Act"), to encourage public infrastructure and public works of all types, and to assist political subdivisions in constructing public works and in financing and refinancing the construction of public infrastructure and public works; and

WHEREAS, the Parish of St. Tammany, State of Louisiana (the "Parish") is a participating political subdivision of the Authority in accordance with the Act; and

WHEREAS, the Gulf of Mexico Energy Security Act of 2006, Public Law 109-432, as amended and supplemented from time to time ("GOMESA"), provides for the sharing of certain revenues received by the United States government from oil and gas leasing and production in the Gulf of Mexico (the "GOMESA Revenues") with the states of Alabama, Mississippi, Louisiana and Texas and their designated political subdivisions; and

WHEREAS, GOMESA authorizes GOMESA Revenues to be spent on (a) projects and activities for the purposes of coastal protection, including conservation, coastal restoration, hurricane protection, and infrastructure directly affected by coastal wetland losses; (b) mitigation of damage to fish, wildlife or natural resources; (c) implementation of a federally-approved marine, coastal or comprehensive conservation management plan; (d) mitigation of the impact of outer Continental Shelf activities through the funding of onshore infrastructure projects; and (e) associated planning and administrative costs (collectively, the "GOMESA Projects"); and

WHEREAS, the Parish is a designated political subdivision that receives GOMESA Revenues pursuant to GOMESA; and

WHEREAS, the Parish Council of the Parish of St. Tammany, State of Louisiana (the "Governing Authority" ), acting as governing authority of the Parish, has determined that it is in the Parish’s best interest to request the Authority to authorize, sell and issue the Authority’s not to exceed \$ 25,000,000 Revenue Bonds (St. Tammany Parish GOMESA Project) (the "Bonds"), in one or more series, the proceeds of which will be loaned by the Authority to the Parish (the "Loan") pursuant to the provisions of a Loan and Assignment Agreement by and between the Authority and the Parish (the "Loan Agreement"), which Loan proceeds will be used by the Parish to: (i) fund qualified GOMESA Projects within the Parish, and (ii) pay the costs of issuance of the Bonds (collectively, the "Project").

THE PARISH OF ST. TAMMANY HEREBY ORDAINS that:

SECTION 1. Authorization. The Parish hereby requests that the Authority authorize and issue the Authority's Revenue Bonds (St. Tammany Parish GOMESA Project) (the "Bonds"), in one or more series in an aggregate principal amount not to exceed \$ 25,000,000, the proceeds of which shall be loaned to the Parish pursuant to the Loan Agreement and will be used by the Parish to finance the Project.

SECTION 2. Terms of Bonds. The Bonds shall be issued and sold by the Authority only as fully registered bonds in the denominations of \$ 5,000 or any integral multiple in excess thereof. The Bonds shall mature not later than November 1, 2045 and shall bear interest at a rate not to exceed six percent (6%) per annum.

SECTION 3. Sale of Bonds. The selection by the Authority of Wells Fargo Securities, LLC (the "Purchaser") as purchaser of the Bonds is hereby acknowledged and approved by the Governing Authority, provided that the Purchaser's proposal does not exceed the parameters set forth in Section 2 above, and the Parish President and the Clerk and/or the Chairman of the Governing Authority are hereby authorized to execute the Bond Purchase Agreement and other Parish Documents, as described in Section 4 hereof, in order to evidence such approval.

SECTION 4. Approval of Parish Documents. The form and terms of the Loan Agreement, the Bond Purchase Agreement, the Control Agreement for Deposit Account (if required), the Continuing Disclosure Certificate and all other ancillary documents (the "Parish Documents") are hereby authorized and approved in the forms approved by bond counsel. The Loan Agreement shall obligate the Parish to pay to the Authority amounts necessary from GOMESA Revenues distributed to the Parish (the "Pledged Revenues") to allow the Authority to make principal and interest payments on the Bonds and to secure the payment thereof. The Parish does hereby irrevocably and irrepealably pledge and dedicate such Pledged Revenues in an amount sufficient for the payment of its obligations pursuant to the Loan Agreement. It is the intention of the Parish that, to the fullest extent permitted by law, this pledge shall be valid and binding from the time when it is made, that the Pledged Revenues so pledged and then or thereafter received by the Parish shall immediately be subject to the lien of such pledge without any physical delivery or further act, and that the lien of such pledge and the obligation to perform the contractual agreements contained herein and in the Loan Agreement shall have priority over any or all other obligations and liabilities of the Parish, and that this pledge shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise against the Parish, irrespective of whether such parties have notice thereof. The Pledged Revenues shall be and remain pledged for the security and payment of the Bonds in principal and interest until the Bonds shall have been fully paid and discharged.

SECTION 5. Preliminary Limited Offering Memorandum. The execution and delivery of a Preliminary Limited Offering Memorandum and a Limited Offering Memorandum, in the forms approved by bond counsel and the municipal advisor, are hereby ratified and approved.

SECTION 6. Execution of Documents; Further Authority. The Parish President and the Clerk and/or the Chairman of the Governing Authority are hereby authorized and directed to execute any and all documents and take all further action necessary or reasonably required to effect the Loan from the Authority evidenced by the Loan Agreement; to approve any changes to the Loan Agreement and all other ancillary documents approved by counsel to the Parish and bond counsel, such approval to be conclusively evidenced by their execution hereof; to carry out the provisions of this Ordinance and effect the completion of the Project; and to assist the Authority in carrying out its functions in connection with the financing

SECTION 7. Tax-Exemption of Bonds. The Parish covenants and agrees that, to the extent permitted by the laws of the State of Louisiana, it will comply with the requirements of the Internal Revenue Code of 1986 and any amendments thereto (the "Code") to establish, maintain and preserve the exclusion from "gross income" of interest on the tax-exempt Bonds under the Code. The Parish further covenants and agrees that it will not take any action, fail to take any action or permit any action within its control to be taken, or permit at any time or times any of the proceeds of the Bonds or any other funds of the Parish to be used directly or indirectly in any manner, the effect of which would be to cause the Bonds to be "arbitrage bonds" or would result in inclusion of interest on any Bonds in gross income under the Code, including, without limitation, (i) the failure to comply with the limitation on investment of Bond proceeds; or (ii) the failure to pay any required rebate of arbitrage earnings to the United State of America; or (iii) use of Bond proceeds in a manner that would cause the Bonds to be "private activity bonds."

SECTION 8. Request to the Authority. The Authority is hereby requested to take all actions necessary to issue and sell the Bonds.

SECTION 9. Effective Date. This Ordinance shall become effective immediately after adoption.

REPEAL: All ordinances or parts of Ordinances in conflict herewith are hereby repealed.

SEVERABILITY: If any provision of this Ordinance shall be held to be invalid, such invalidity shall not affect other provisions herein which can be given effect without the invalid provision and to this end the provisions of this Ordinance are hereby declared to be severable.

EFFECTIVE DATE: This Ordinance shall become effective fifteen (15) days after adoption.

MOVED FOR ADOPTION BY: \_\_\_\_\_SECONDED BY: \_\_\_\_\_

WHEREUPON THIS ORDINANCE WAS SUBMITTED TO A VOTE AND RESULTED IN THE FOLLOWING:

YEAS: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

ABSENT: \_\_\_\_\_

THIS ORDINANCE WAS DECLARED DULY ADOPTED AT A REGULAR MEETING OF THE PARISH COUNCIL ON THE 5 DAY OF NOVEMBER , 2020 ; AND BECOMES ORDINANCE COUNCIL SERIES NO \_\_\_\_\_.

\_\_\_\_\_  
MICHAEL R. LORINO, JR. , COUNCIL CHAIRMAN

ATTEST:

\_\_\_\_\_  
KATRINA L. BUCKLEY, COUNCIL CLERK

\_\_\_\_\_  
MICHAEL B. COOPER, PARISH PRESIDENT

Published Introduction: SEPTEMBER 23 , 2020

Published Adoption: \_\_\_\_\_ , 2020

Delivered to Parish President: \_\_\_\_\_ , 2020 at \_\_\_\_\_

Returned to Council Clerk: \_\_\_\_\_ , 2020 at \_\_\_\_\_