

## RESOLUTION CR-74-06

A RESOLUTION AUTHORIZING APPROVAL BY THE APPLICABLE ELECTED REPRESENTATIVE; AUTHORIZING THE CITY OF GROVE CITY, OHIO TO EXECUTE AND DELIVER A CONTRACTING POLITICAL SUBDIVISIONS AGREEMENT IN CONNECTION WITH THE ISSUANCE OF PORT AUTHORITY REVENUE BONDS OF THE ZANESVILLE-MUSKINGUM COUNTY PORT AUTHORITY; AND AUTHORIZING OTHER DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF SUCH BONDS

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WHEREAS, Grove City Church of the Nazarene, an Ohio nonprofit corporation (the "Borrower"), owns and operates certain facilities qualifying as "Port Authority Facilities", as defined in Section 4582.21(E), Ohio Revised Code, including certain facilities located in the City of Grove City, Ohio (the "City") including a facility located at 4770 Hoover Road, Grove City, Ohio (the "Local Facility"); and

WHEREAS, Section 4582.431(B) of the Ohio Revised Code provides that a port authority may enter into an agreement with one or more "Contracting Subdivisions", as that term is defined in Section 4582.21(K) of the Ohio Revised Code, whereby the port authority or any contracting subdivision undertakes, and is authorized by the port authority or any contracting subdivision, to exercise any power, perform any function, or render any service, on behalf of the port authority or a contracting subdivision, which the port authority or the contracting subdivision is authorized to exercise, perform or render; and

WHEREAS, the Zanesville-Muskingum County Port Authority (the "Issuer") and the City (collectively, the "Contracting Subdivisions") desire to enter into a Contracting Political Subdivisions Agreement pursuant to Section 4582.431(B), Ohio Revised Code, for the purpose of refinancing through the Issuer Port Authority Facilities, including the Local Facility, located within the jurisdiction of the City; and

WHEREAS, the Issuer anticipates issuing its Port Authority Revenue Bonds, in one or more series (the "Bonds"), to refinance the acquisition, construction, renovation and/or equipping the Local Facility; and

WHEREAS, it is necessary and desirable in connection with the issuance of the Bonds and for the public purposes hereinabove recited to authorize a Contracting Political Subdivisions Agreement;

NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GROVE CITY, STATE OF OHIO, THAT:

SECTION 1. The City Administrator of the City is hereby authorized and directed to execute and deliver on behalf of the City a Contracting Political Subdivisions Agreement with the Issuer, for the purpose of permitting the Issuer to issue revenue bonds to refinance Port Authority Facilities within the jurisdiction of the City, including the Local Facility.

SECTION 2. The Contracting Political Subdivisions Agreement shall be substantially in the form presented to this City Council and on file with the Clerk of the City Council, subject to such changes, insertions and omissions as may be approved by this City Council, which approval shall be conclusively evidenced by the execution of the Contracting Political Subdivisions Agreement as aforesaid, and based solely on representations of the Borrower, it is hereby determined that the Contracting Political Subdivisions Agreement will promote the Authorized Purposes set forth in Section 4582.21(B), Ohio Revised Code, will better provide for the health and welfare of the people of the State of Ohio by enhancing the availability, efficiency and economy of Port Authority Facilities.

SECTION 3. The Bonds shall not be, and are not, general obligations, debt or bonded indebtedness of the City or any Contracting Subdivision and the holders or owners of the Bonds shall not have the right to have excises or taxes levied by the City or any Contracting Subdivision for the payment of principal of, or interest or premium, if any, on such revenue bonds. Such payment shall be made only from funds provided by the Borrower.

SECTION 4. The Mayor or City Administrator of the City hereby is authorized to execute and deliver on behalf of the City such other certificates, documents and instruments in connection with the issuance and public sale of the Bonds, and the delivery of the Contracting Political Subdivisions Agreement, as may be required, necessary or appropriate, including, without limitation, applicable elected representative approvals for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended. Such documents, including the ones specifically authorized hereby, shall be subject to such changes, insertions and omissions as may be approved by this City Council, which approval shall be conclusively evidenced by the execution thereof by the official executing the same.

SECTION 5. All resolutions, ordinances, orders or parts thereof in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

SECTION 6. This resolution shall take effect at the earliest opportunity allowed by law.

  
Richard D. Lester, President of Council

  
Cheryl L. Grossman, Mayor

Passed: 11-06-06  
Effective: 11-06-06

Attest:   
Tami K. Kelly, MMC, Clerk of Council

I Certify that this resolution is correct as to form.   
Thomas R. Clark, Director of Law

CR-74-06

**CONTRACTING POLITICAL SUBDIVISIONS AGREEMENT**

**BY AND BETWEEN**

**ZANESVILLE-MUSKINGUM COUNTY PORT AUTHORITY**

**AND**

**CITY OF GROVE CITY, OHIO,**

**Dated as of November 1, 2006**

**CONTRACTING POLITICAL SUBDIVISIONS AGREEMENT  
BETWEEN THE ZANESVILLE-MUSKINGUM COUNTY PORT AUTHORITY  
AND THE CITY OF GROVE CITY, OHIO**

THIS AGREEMENT is made and entered into as of the 1st day of November, 2006, by and between the ZANESVILLE-MUSKINGUM COUNTY PORT AUTHORITY (the "Issuer") and the CITY OF GROVE CITY, OHIO (the "City" and together with the Issuer, the "Contracting Political Subdivisions"), each a political subdivision of the State of Ohio constituting a "contracting subdivision" as that term is defined in Section 4582.21(K), Ohio Revised Code, which have heretofore adopted or will adopt, appropriate resolutions approving participation in a financing program for the Grove City Church of the Nazarene, an Ohio nonprofit corporation (the "Borrower") which financing program is further described herein (the "Program"), in order to finance and refinance "Port Authority Facilities," as that term is defined in Section 4582.21(E), Ohio Revised Code, located within the jurisdiction of the City for the benefit of the Borrower.

WHEREAS, pursuant to the Constitution and laws of the State of Ohio, and particularly Chapter 4582, Ohio Revised Code, port authorities are authorized to issue revenue bonds for the purpose of paying the cost of Port Authority Facilities, and to loan the proceeds thereof to any person or governmental entity for the acquisition, construction, furnishing and equipping of Port Authority Facilities; and

WHEREAS, pursuant to Section 4582.431(B) a port authority may enter into an agreement with one or more contracting subdivisions, whereby the port authority or any contracting subdivision undertakes, and is authorized by the port authority or any contracting subdivision, to exercise any power, perform any function, or render any service, on behalf of the port authority or a contracting subdivision, which the port authority or the contracting subdivision is authorized to exercise, perform or render; and

WHEREAS, it is determined and declared that it is necessary and for the best interests of the citizens, residents, and inhabitants of the respective jurisdictions served by the Contracting Subdivisions, that the Contracting Subdivisions cooperate in taking action to provide for and promote the public health, safety, and general welfare of the people of the jurisdictions served by the Contracting Subdivisions by the adoption and implementation of the Program, so that the Borrower, which owns or leases, or intends to own or lease, Port Authority Facilities located within the jurisdictions of the Contracting Subdivisions may finance and refinance the costs of Port Authority Facilities, including reimbursement of such costs, qualifying under Chapter 4582, Ohio Revised Code, to promote Authorized Purposes, as defined in Section 4582.21(B), Ohio Revised Code; and

WHEREAS, the Program and this Contracting Political Subdivisions Agreement (the "Agreement") will better provide for the health and welfare of the people of the State of Ohio by enhancing the availability, efficiency and economy of Port Authority Facilities and the services rendered thereby; and

WHEREAS, it is necessary, desirable, and authorized by Chapter 4582, Ohio Revised Code that such Contracting Subdivisions approve the issuance by the Issuer of revenue bonds to provide funds needed for the Program; and

WHEREAS, it is deemed advisable that the Contracting Subdivisions enter into this Agreement to provide for the issuance of revenue bonds to finance the Program and this Agreement and the Program will promote the Authorized Purposes stated in Section 4582.21(B), Ohio Revised Code; and

WHEREAS, each of the Contracting Subdivisions has duly adopted a resolution authorizing the execution of this Agreement by such Contracting Subdivision; and

WHEREAS, Grove City Church of the Nazarene (the "Borrower") shall be a party to this Agreement solely for the purpose of granting indemnification to the City; and

WHEREAS, pursuant to the Program, the Issuer intends to issue its Port Authority Facilities Revenue Bonds in one or more series, and may from time to time determine to issue additional revenue bonds, in order to finance and refinance the costs of Port Authority Facilities, for the benefit of the Contracting Subdivisions;

NOW, THEREFORE, THE ZANESVILLE-MUSKINGUM COUNTY PORT AUTHORITY AND THE CITY OF GROVE CITY, OHIO, HEREBY AGREE AS FOLLOWS:

## **ARTICLE I**

### **ISSUANCE OF BONDS BY CONTRACTING SUBDIVISIONS**

The Contracting Subdivisions hereby jointly associate for the purpose of authorizing the Issuer to issue revenue bonds (the "Bonds") to finance the Program (as defined in the Preambles hereto) within the City of Grove City, Ohio, pursuant to Chapter 4582, Ohio Revised Code, under the name of the Issuer.

The Port Authority Facilities in the City of Grove City, Ohio financed from the proceeds of the Bonds have been or shall be owned by or leased to the Borrower or an affiliate of the Borrower and the proceedings authorizing such Bonds may provide for the pledging of all or any part of loan payments and the investment income therefrom, to be received by or on behalf of the Contracting Subdivisions pursuant to any loan agreements entered into in connection with the issuance of the Bonds, and such proceedings may provide that, as security for the Bonds, such Contracting Subdivisions agree to pledge, and/or grant security interests in such loan payments, and in any other funds or revenues contributed to or received by the Contracting Subdivisions in connection with such Program; such pledged loan payments to be assigned to the Issuer and/or a financial institution serving as trustee for the holders of such Bonds.

The City specifically authorizes the Issuer to act on behalf of the City, in carrying out all actions and executing all documentation necessary to implement the Program and issue the Bonds, including the adoption of legislation and the execution of a purchase agreement with the purchase of such Bonds to authorize and secure the Bonds, and the Issuer hereby accepts the appointment of it to act on behalf of the City in such capacity.

Any Bonds issued pursuant to this Agreement shall be allocated to the Issuer, for purposes of Section 265(b)(3)(C)(iii) of the Internal Revenue Code of 1986, as amended. The parties hereto acknowledge that such allocation bears a reasonable relationship to the respective benefits received by the parties hereto.

## **ARTICLE II**

### **ADDRESSES AND PLACES OF BUSINESS**

The principal offices and places of business of the Contracting Subdivisions are as follows:

Issuer:           Zanesville-Muskingum County Port Authority  
                    205 North Fifth Street  
                    Zanesville, Ohio 43701  
                    Attn: Executive Director

City of Grove City, Ohio:

Grove City, Ohio  
4035 Broadway Avenue  
Grove City, Ohio 43123  
Attn: Law Director

### **ARTICLE III**

#### **DURATION; ADDING CONTRACTING SUBDIVISIONS**

This Agreement shall be effective from and after its execution by the Contracting Subdivisions. The duration of this Agreement from and after said effective date shall be until the date of final payment and retirement of all Bonds issued by the Issuer. Pursuant to this Agreement the Issuer may issue one or more series of Bonds which are in furtherance of the Program for an indefinite term.

## **ARTICLE IV**

### **NO SEPARATE GOVERNING BODY; COSTS**

There shall be no separate governing body of this Agreement. The Agreement is undertaken by the Contracting Subdivisions in order to refinance the acquisition, construction and equipping of Port Authority Facilities within the jurisdiction of the City in an economic and efficient manner, with all proceedings and documents being signed by authorized representatives of the Issuer, and the Bonds may be executed with the manual or facsimile signature of the appropriate official or officials of the Issuer.

The financing and staffing for the Program shall be provided from the proceeds from the sale of the Bonds, earnings thereon, loan payments from the Borrower or its affiliates and fees paid in connection with the Program, and the City shall not be obligated to provide funds for the Program from any other sources, and shall not be required to establish and maintain a budget for the Program.

## **ARTICLE V**

### **PURPOSE; OBJECTS; POWERS**

The purpose of this Agreement, its objects, and the powers of the Contracting Subdivisions hereunder, shall be as follows:

(a) To adopt the Program, as set out in the Preambles hereto, and to take such steps as may be deemed to be reasonably necessary for the promotion of the public health, safety, and general welfare of the citizens and inhabitants of the jurisdictions served by the Contracting Subdivisions in connection therewith.

(b) To finance the Program through the issuance of port authority revenue bonds under Section 4582.48, Ohio Revised Code, by the Issuer, to refinance the acquisition, construction and equipping of Port Authority Facilities located within the City of Grove City, Ohio, and to evidence such obligations in any legal manner.

(c) To cooperate with each other and with any other governmental agency in accomplishing any of the stated purposes of this Agreement, including the holding of joint public hearings.

(d) To do all of the foregoing and generally to take any and all action necessary and incident to the general purposes of this Agreement and as may be necessary or desirable to carry out the purposes of the Program.

(e) No Contracting Subdivision shall have any power to issue certificates or shares or declare dividends, and this Agreement is not formed for and shall not be operated for profit of any private individual, partnership, corporation, or other entity, but is created solely to carry out the purposes and to exercise the powers set out above.

**ARTICLE VI**  
**GENERAL PROVISIONS**

The parties further agree to the following general provisions:

(a) Prohibition of Arbitrage.

The Issuer agrees that sums derived from the proceeds of the Bonds and from the revenues, bonds, and assets and loan payments pledged to the Bonds shall not be used or invested in a manner which would cause such Bonds to be treated as "arbitrage bonds" within the meaning of Sections 103(b)(2) or 148 of the Internal Revenue Code of 1986, as amended.

(b) Limitation on Use of Proceeds of Bonds and Revenues Derived in Connection with the Issuance of Revenue Bonds.

All of the proceeds of the Bonds and of the loan payments paid by the Borrower or its affiliates in order to pay debt service on the Bonds shall be used exclusively for the purposes herein set out, including payment of expenses incidental thereto; no part of the proceeds of the Bonds, the investment income derived therefrom, or the revenues securing the Bonds shall inure to the benefit of any representative of any of the Contracting Subdivisions, and shall not inure to the benefit of any private shareholder or individual.

(c) Limitation Regarding Responsibilities of Contracting Subdivisions.

The City shall have no responsibility for, and makes no representations in connection with, the issuance of Bonds and the compliance with federal and state law, including, without limitation, the provisions of Section 4582.37 of the Ohio Revised Code, in connection therewith; provided that the Issuer shall have only those responsibilities, in connection with the issuance of Bonds, specifically set forth in the documents delivered by the Issuer in connection with the issuance of such Bonds.

## **ARTICLE VII**

### **TERMINATION OF AGREEMENT; WITHDRAWAL OF CONTRACTING SUBDIVISIONS; AMENDMENTS**

(a) Any Contracting Subdivision may terminate this Agreement and withdraw from the proposed Program at any time prior to the issuance of the Bonds or other obligations of the Contracting Subdivisions, upon thirty days' written notice to the other Contracting Subdivision, and may otherwise withdraw upon such Notice upon the following conditions:

(1) Such termination at that time shall not, in the opinion of recognized Bond Counsel, constitute an act of default in connection with any outstanding bonds, or any obligation(s) of such terminating Contracting Subdivision under any agreement with any of the other Contracting Subdivisions; and

(2) Provisions as to the written satisfaction of the rights of bondholders and the other Contracting Subdivisions, by the firm of Bond Counsel employed by the Issuer, shall be made for the protection of bondholders and of the Trustee designated in the proceedings authorizing such bonds;

(b) Provided, further, that the Contracting Subdivisions shall have the right at any time, to agree on any other method of partial or complete termination, to whatever extent may be permissible, in the opinion of recognized Bond Counsel and the Program's investment banker, without adversely affecting the rating or status of the Bonds, the exemption of interest thereon from taxation, or other rights of bondholders; and

(c) This Agreement may be amended at any time, including, without limitation, amendments which add additional contracting subdivisions as parties to this Agreement, in accordance with Article III hereof.

## ARTICLE VIII

### **BONDS SHALL NOT CONSTITUTE GENERAL OBLIGATION INDEBTEDNESS OF CONTRACTING SUBDIVISIONS, AND NO OFFICIAL SHALL HAVE ANY PERSONAL LIABILITY FOR BONDS OR ANY INDEBTEDNESS IN CONNECTION THEREWITH**

Bonds issued pursuant to this Agreement shall be revenue obligations of the Issuer, payable solely from and secured by a pledge of the proceeds of the Bonds until disbursed, the investment of such proceeds (including loans purchased with such proceeds), and all revenues, funds, proceeds of insurance, and other assets pledged under the trust indenture authorizing and securing the Bonds, which amount shall be pledged to be set aside as a special fund or funds for that purpose, and such Bonds shall not constitute general obligations, debt or pledge of the faith and credit of the Issuer or any Contracting Subdivision within the meaning of the Constitution and laws of the State of Ohio and the holders or owners thereof shall not be given the right, and shall have no right, to have excises or taxes levied for the payment of bond service charges.

None of the officials of the Contracting Subdivisions, or of any of the members of the legislative bodies of the jurisdictions served by the Contracting Subdivisions or their officers or employees, shall be liable in their personal capacities on such Bonds, bond proceedings, other agreements or the contract created pursuant to this Agreement.

This Agreement shall be construed and enforced in accordance with the laws of the State of Ohio.

This Agreement may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original constituting but one and the same instrument.

## ARTICLE IX

### INDEMNIFICATION

The Borrower releases the City from, agrees that the City shall not be liable for, and shall indemnify the City against, all liabilities, claims, costs and expenses, including attorneys fees and expenses, imposed upon, incurred or asserted against the City on account of: (a) any loss or damage to property or injury to or death of or loss by any person that may be occasioned by any cause whatsoever pertaining to the acquisition, construction, equipping, installation, maintenance, operation or use of the Local Facilities; (b) any breach or default on the part of the Borrower in the performance of any covenant or agreement of the Borrower under the documents related to the Bonds or any related document, or arising from any act or failure to act by the Borrower, or any of the Borrower's agents, contractors, servants, employees or licensees; (c) the authorization, issuance, sale, trading, redemption or servicing of the Bonds, and the provision of any information or certification furnished in connection therewith concerning the Bonds.

In case any action or proceeding is brought against the City in respect of which indemnity may be sought hereunder, the party seeking indemnity promptly shall give notice of that action or proceeding to the Borrower, and the Borrower upon receipt of that notice shall have the obligation and the right to assume the defense of the action or proceeding; provided, that failure of a party to give that notice shall not relieve the Borrower from any of the Borrower's obligations under this Article unless that failure materially prejudices the defense of the action or proceeding by the Borrower. An indemnified party at its own expense may employ separate counsel and participate in the defense. The Borrower shall not be liable for any settlement made without the Borrower's consent.

The indemnification set forth above is intended to and shall include the indemnification of all affected officials, directors, officers and employees of the City. That indemnification is intended to and shall be enforceable by the City to the full extent permitted by law.

IN TESTIMONY WHEREOF, witness the execution hereof by the Zanesville-Muskingum County Port Authority by its duly authorized officer, duly authorized by proceedings of its board of directors as of the date first above written.

**ZANESVILLE-MUSKINGUM COUNTY  
PORT AUTHORITY**

By: \_\_\_\_\_  
Executive Director

IN TESTIMONY WHEREOF, witness the execution hereof by the City of Grove City, Ohio by its duly authorized officers, duly authorized by proceedings of its City Council as of the date first above written.

**CITY OF GROVE CITY, OHIO**

By: \_\_\_\_\_  
City Administrator

The form of this Agreement is hereby  
Approved by the Law Director of the  
City of Grove City, Ohio

By: \_\_\_\_\_  
Law Director

IN TESTIMONY WHEREOF, witness the execution hereof by Grove City Church of the Nazarene by its duly authorized officers, as of the date first written above.

**GROVE CITY CHURCH OF THE  
NAZARENE**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Title: \_\_\_\_\_

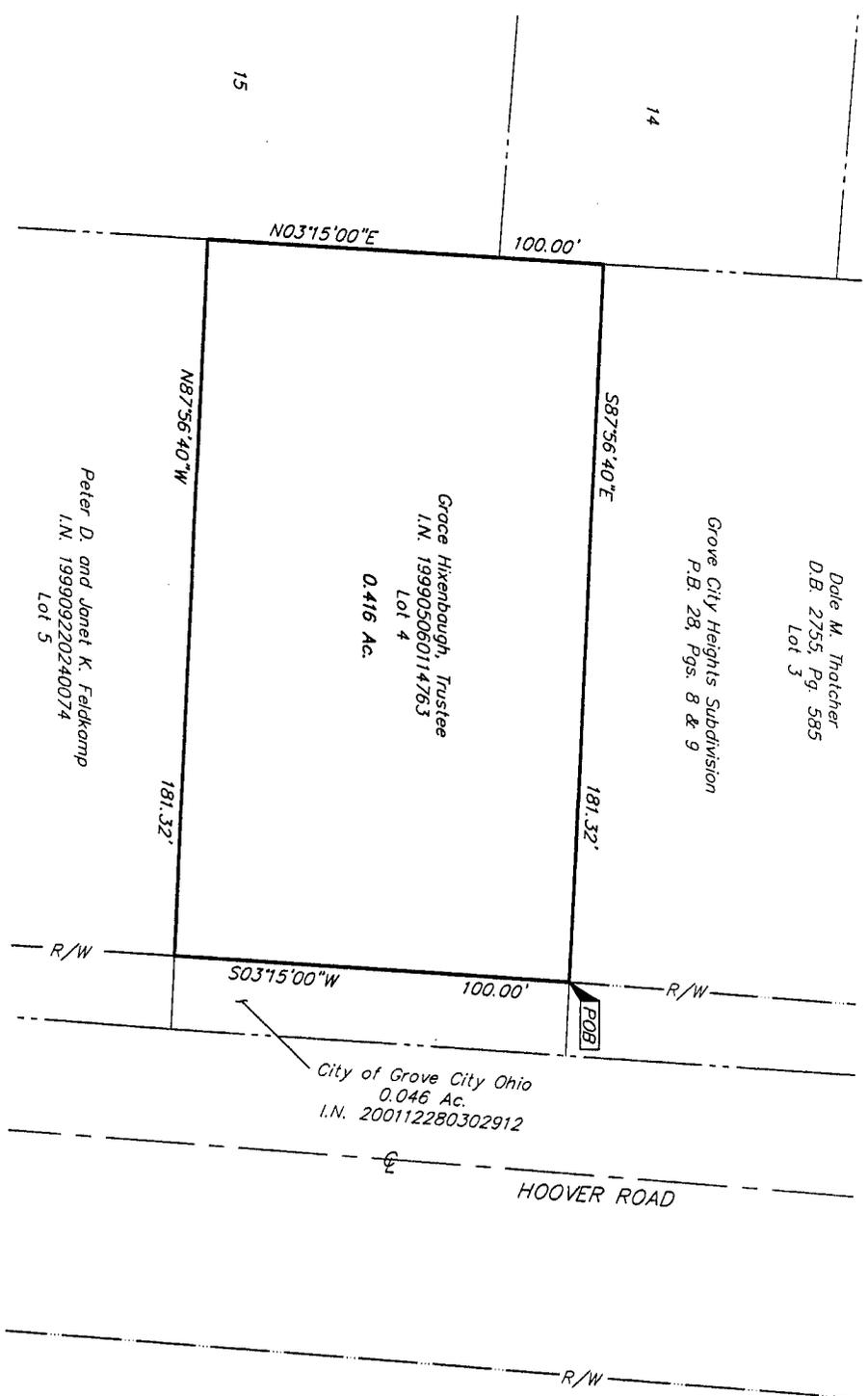


Ernst, Messeroff, Henthorn & Tibon, Inc.  
 Engineers, Surveyors, Planners, Architects  
 550 New Albany Road, Columbus, Ohio 43215  
 Phone: 614.775.4500

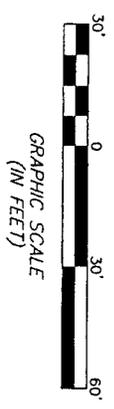
2-74-06  
**ZONING EXHIBIT**  
**VIRGINIA MILITARY SURVEY NO. 1383**  
 CITY OF GROVE CITY, FRANKLIN COUNTY, OHIO

Date: September 7, 2006  
 Scale: 1" = 30'  
 Job No. 2006-0000

RECEIVED  
 SEP 08 2006  
 GC PLANNING COMMISSION



- = STONE FND.
  - = MON. FND.
  - = I.P. FND.
  - = I.P. SET
  - = MAG. NAIL FND.
  - = MAG. NAIL SET
  - ▲ = RR. SPK. FND.
  - △ = RR. SPK. SET
  - ◆ = P.K. NAIL FND.
- I.P. Set are 13/16" I.D. iron pipe with cap inscribed EMHT INC



By \_\_\_\_\_  
 Professional Surveyor No. 8250