

## Legislation Text

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Amending Ordinance (Bill No. 190935) of the Council of The City of Philadelphia, approved by the Mayor on December 18, 2019, to authorize the refunding of additional series of outstanding general obligation bonds; authorizing the purchase by The City of Philadelphia, from time to time, of any of its outstanding general obligation debt; authorizing the amendment, novation or termination, from time to time, of any agreement to manage interest costs incurred in connection with The City of Philadelphia's general obligation debt; further amending said Ordinance (Bill No. 190935) to authorize the payment by The City of Philadelphia from proceeds of general obligation refunding bonds of any required settlement payments and related required amounts in connection with the termination of any such agreements to manage interest costs and additionally authorizing the payment of such settlement payments and related amounts from other legally available funds; and authorizing certain other actions.

*THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:*

SECTION 1. Ordinance (Bill No. 190935) of the Council of The City of Philadelphia (the "City"), approved by the Mayor on December 18, 2019 (the "2019 Refunding Ordinance") is hereby amended to provide that the proceeds of the general obligation refunding bonds of the City, issued from time to time pursuant to the 2019 Refunding Ordinance, may also be used to provide funds for and towards the refunding of all or a portion of any of the City's general obligation bonds shown on Exhibit A hereto (collectively, the "Additional Prior Bonds"). This amendment is intended to expand, and not limit, the original authorization of general obligation bond refunding candidates set forth in Exhibit A to the 2019 Refunding Ordinance.

SECTION 2. Pursuant to 53 P.S. Section 12589, or other applicable law, the City is hereby authorized to purchase: (i) any of its outstanding general obligation debt authorized to be refunded with proceeds of general obligation refunding bonds pursuant to the 2019 Refunding Ordinance or (ii) any of its outstanding general obligation debt from other funds as may be legally available. Any purchases made pursuant to the preceding clause (i) or (ii) may be made, from time to time, in whole or in part, at purchase prices determined by the City's Director of Finance, plus accrued interest ("Bond Purchases"). Bond Purchases may be made in secondary market transactions or pursuant to one or more tender offer programs. The Mayor, City Controller and City Solicitor, or a majority of them (in this Ordinance, called the "Bond Committee") or the Director of Finance is authorized, on behalf of the City, from time to time, to enter into agreements with any bank, securities broker-dealer or other appropriate entity in connection with Bond Purchases that the Bond Committee or Director of Finance determines are necessary or desirable in connection therewith. The officers and agents of the City are authorized to prepare any necessary or customary offering or other documents and take all other necessary or customary actions in connection with any such tender offer program or otherwise in connection with Bond Purchases. Any general obligation debt so purchased shall be canceled.

SECTION 3. The Bond Committee or the Director of Finance is authorized, on behalf of the City, from time to time, to provide for the amendment, novation or termination of all or a portion of any interest rate hedging agreement or other derivative financial instrument (collectively, "Hedging Documents") related to the City's general obligation debt outstanding from time to time ("Hedged Debt"), and to execute any amendments to Hedging Documents as the Bond Committee or the Director of Finance determines are necessary or desirable in connection with the refunding of any Hedged Debt or as will otherwise assist the City in managing its interest costs.

In lieu of an amendment to an existing Hedging Document, the Bond Committee or the Director of Finance is authorized, to the extent otherwise permitted by law, to enter a new Hedging Document which serves the same purpose as the existing instrument.

SECTION 4. The 2019 Refunding Ordinance is also amended to expressly provide that in connection with the termination of all or a portion of any Hedging Document, the City may fund the payment of any required settlement amount to a

counterparty and related required amounts (collectively, “Hedge Settlement Amounts”) from the proceeds of general obligation refunding bonds authorized pursuant to the 2019 Refunding Ordinance. The City may also fund the payment of Hedge Settlement Amounts from other legally available funds of the City.

SECTION 5. The Bond Committee is further authorized to make all such covenants and to take any and all such other actions on behalf of the City as may be necessary or appropriate in connection with the consummation of the transactions contemplated herein or as may be necessary to effect this Ordinance.

SECTION 6. The authorizations set forth within this Ordinance shall not be construed to result in an increase in the authorized debt of the City.

Exhibit A  
Additional Prior Bonds

General Obligation Refunding Bonds, Series 2020A (Federally Taxable)

General Obligation Bonds, Series 2021A (Tax-Exempt)

General Obligation Refunding Bonds, Series 2021B (Federally Taxable)