

ORDINANCE NO. 10-07

AN ORDINANCE AUTHORIZING THE EXECUTION OF A LINKED DEPOSIT LOAN PROGRAM AGREEMENT; AUTHORIZING THE MAYOR OF THE VILLAGE OF SPENCER, OHIO, TO EXECUTE THE LINKED DEPOSIT LOAN PROGRAM AGREEMENT AND AUTHORIZING RELATED MATTERS AND DECLARING AN EMERGENCY

WHEREAS, pursuant to Ohio Revised Code Section 135.80 (the "Act"), the Medina County Treasurer (the "Treasurer") on behalf of Medina County, Ohio (the "County") has established a linked deposit low-interest loan program referred to as the Medina County Treasurer's Linked Deposit Program (the "County Treasurer's Linked Deposit Program") with local lending institutions for the purpose of enhancing housing of the residents of the County.

WHEREAS, the Village of Spencer, Ohio (the "Community") has determined to participate in the County Treasurer's Linked Deposit Program;

WHEREAS, through the County Treasurer's Linked Deposit Program, qualified financial institutions will provide low-interest loans to eligible borrowers for certain housing repairs and improvements (each a "Linked Deposit Loan");

WHEREAS, in order for dwellings in the Community to be eligible to participate in the County Treasurer's Linked Deposit Program, the Community must execute a Medina County Treasurer's Linked Deposit Program, the Community must execute a Medina County Treasurer's Linked Deposit Loan Program Agreement (a "Loan Agreement") with the Treasurer, whereby the Community agrees to perform program monitoring for Linked Deposit Loans made to its residents;

The Council of the Community has properly advertised and complied with the procedure to properly implement ordinances and hereby determines that it is necessary to proceed with the County Treasurer's Linked Deposit Program;

NOW, THEREFORE, BE IT ORDAINED by the Council of the Village of Spencer, Ohio, three-fourths (3/4) of its members concurring herein as follows:

Section 1. Determination by Legislative Authority. This Legislative Authority hereby determines that it is necessary and a proper municipal public purpose and in the best interest of the Community to proceed with the County Treasurer's Linked Deposit Program, pursuant to [the authority of the Charter of the Community] and this Ordinance.

Section 2. Authorization for Mayor to Execute a Linked Deposit Loan Agreement. The Mayor is further directed to take all steps necessary to effect due execution and delivery of the Linked Deposit Loan Agreement pursuant to the Act, whereby the Community will agree, among other things, to perform program monitoring for the residents of the Community that receive a Linked Deposit Loan.

Section 3. Compliance with Open Meeting Laws. It is found and determined that all formal actions of this Legislative Authority concerning and relating to the passage of this Ordinance were taken in an open meeting of this Legislative Authority, and that all deliberations

of this Legislative Authority and of any of its committees that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Revised Code.

Section 4. Findings and Recitals of Validity. It is further found and determined, and is hereby represented and recited, that [the provisions of the Community's Charter] the rules of the Legislative Authority and its ordinances and resolutions have been fully complied with and that this Ordinance was passed in conformity therewith.

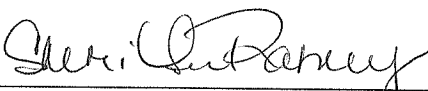
Section 5. Governing Law. The provisions of this Ordinance are subject to the laws of the State of Ohio.

Section 6. Effective Date. This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare within the Community for the reasons set forth and defined in the preamble to this ordinance; and provided it receives the affirmative vote of two-thirds of all the members elected to Council, this Ordinance shall take effect and be in force immediately upon its passage by the Council and approval by the Mayor; otherwise it shall take effect and be in force after the earliest period allowed by law.

Passed: May 16, 2007

TOMMY RAMEY, Mayor

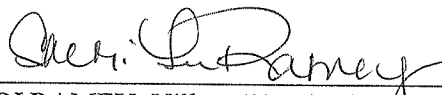
ATTEST:



SHERI RAMEY, Village Fiscal Officer

CERTIFICATE

I hereby certify that this is a true and correct copy of Ordinance No. 10-07 passed by the Council of the Village of Spencer, Ohio, at its regular meeting held on May 16, 2007.



SHERI RAMEY, Village Fiscal Officer
Village of Spencer, Ohio

**PARTICIPATING COMMUNITY
LINKED DEPOSIT PROGRAM AGREEMENT**

THIS LINKED DEPOSIT PROGRAM AGREEMENT, made and entered into as of _____, between the Board of County Commissioners of Medina County, Ohio (the "Board of County Commissioners") and the Village of Spencer, Ohio, (the "Community") a political subdivision duly organized and existing under the laws of the State of Ohio, under the following circumstances summarized in the following recitals:

WHEREAS, pursuant to Ohio Revised Code Section 135.80 (the "Act"), the Medina County, Ohio Treasurer (the "Treasurer") on behalf of Medina County, Ohio (the "County") has established a linked deposit loan program referred to as the Medina County Treasurer's Linked Deposit Program (the "Linked Deposit Program") for the purpose of enhancing housing in the participating communities; and

WHEREAS, through the Linked Deposit Program, certain eligible lending institutions (each an "Eligible Lending Institution"), pursuant to an agreement between the Treasurer and each Eligible Lending Institution (such an agreement hereafter referred to as a "Participating Bank Agreement"), will provide loans at a below-market interest rate (each a "Linked Deposit Loan") to owners of real property located in, and used as housing for residents of, the Community ("Eligible Borrowers") for certain housing repairs and improvements pursuant to the terms of an agreement between the Treasurer and such Eligible Lending Institution; and

WHEREAS, pursuant to Ordinance No. 10-07 duly passed by the Community's Council, the Community has determined and is authorized to participate in the Linked Deposit Program; and

WHEREAS, in order for the owners of residential real property in the Community to participate in the Linked Deposit Program, the Community and the Board of County Commissioners must execute this Participating Community Linked Deposit Program Agreement (the "Agreement"); and

WHEREAS, the Board of County Commissioners pursuant to Ohio Revised Code Section 307.15 and a resolution duly adopted by the Board of County Commissioners is authorized to enter into this Agreement with the Community and is further authorized to perform certain functions on behalf of the Community as hereinafter provided;

NOW, THEREFORE, the Community and Board of County Commissioners agree as follows:

Section 1. Community's Agreement to Participate in Treasurer's Linked Deposit Program; Duties.

(a) The Community hereby agrees to (i) participate in the Linked Deposit Program, (ii) assist in the marketing of the Linked Deposit Program to Eligible Borrowers, (iii)

comply with all rules and regulations relating thereto, whether such rules and regulations are now in effect or are hereafter enacted, including, without limitation, the monitoring of all outstanding Linked Deposit Loans made by an Eligible Lending Institution to Eligible Borrowers under the Linked Deposit Program for compliance with the rules, regulations and any procedural provisions of the Linked Deposit Program, which rules, regulations and procedural provisions, and forms relating thereto, are set forth in the attached Exhibit A, (iv) prepare the following reports on the following periodic schedule, which shall, upon preparation, be immediately delivered to the Treasurer: (A) quarterly a Project Monitoring Report, as hereinafter defined, and (B) quarterly an Exception Report, as hereinafter defined, and (v) quarterly a Monitoring Questionnaire, as hereinafter defined, relating to each Linked Deposit Loan which shall be retained by the Community unless otherwise instructed by the Treasurer and which shall serve as source data for preparation of the Project Monitoring Report.

(b) For purposes of this Agreement, (i) "Project Monitoring Report" shall mean a report, in form and substance as hereafter agreed upon by the Treasurer and the Community, setting forth monitoring information, as hereafter agreed upon by the Treasurer and the Community, about each Linked Deposit Loan of an Eligible Borrower; (ii) "Monitoring Questionnaire" shall mean a questionnaire, in form and substance as hereafter agreed upon by the Treasurer and the Community, relating to obtaining the information about each Linked Deposit Loan of an Eligible Borrower necessary to prepare the Project Monitoring Report and (iii) "Exception Report" shall mean a report, in form and substance as hereafter agreed upon by the Treasurer and the Community, setting forth the name of each Eligible Borrower, and pertinent Linked Deposit Loan information, in each case where the intended purpose of the Linked Deposit Loan was not and will not be accomplished in accordance with the rules and regulations of the Linked Deposit Program.

Section 2. Duties of the County. After a Linked Deposit Loan is made to an Eligible Borrower, the Board of County Commissioners shall cause the Treasurer (a) to use moneys from the County's portfolio of inactive funds to place a certificate of deposit with the Eligible Lending Institution in accordance with the provisions of the applicable Participating Bank Agreement, (b) forward to the Community pertinent information regarding such Linked Deposit Loan for purposes of the Community's performance of its monitoring obligations hereunder.

Section 3. Representations of the Community. The Community makes the following representations:

(a) the Council of the Community has duly passed Ordinance Number 10-07, authorizing and directing its execution, delivery and performance of this Agreement;

(b) the Community is in full compliance with all eligibility requirements for, and conditions precedent to, participation in the Linked Deposit Program; and

(c) this Agreement constitutes a legal, valid and binding obligation of the Community enforceable against the Community in accordance with its terms.

Section 4. Representations of the Board of County Commissioners. The Board of County Commissioners makes the following representations:

(a) the Board of County Commissioners has authorized pursuant to Resolution Number _____ the execution, delivery and performance of this Agreement; and

(b) this Agreement constitutes a legal, valid and binding obligation of the County enforceable against the County in accordance with its terms.

Section 5. Term and Termination.

(a) The term of this Agreement is ongoing unless program is terminated by the Board of Medina County Commissioners.

(b) This Agreement shall be terminable upon ninety (90) written notice given by either party to the other at such other party's notice address, as set forth in Section 7 of this document, provided that both the Board of County Commissioners and the Community, respectively, shall remain obligated to perform any duties and obligations created under Section 1 hereof which remain outstanding at the time of the termination of this Agreement. Upon termination of this Agreement by either party, the Community shall prepare a Linked Deposit Program Termination Report, as hereinafter defined, which shall be delivered to the Treasurer. For purposes of this Agreement, "Linked Deposit Program Termination Report" shall mean a report, in form and substance as hereafter agreed upon by the Treasurer and the Community, setting forth information, as hereafter agreed upon by the Treasurer and the Community, about each Linked Deposit Loan of an Eligible Borrower which is still outstanding and any other matters agreed upon by the parties hereto.

Section 6 Severability. If any provision of this Agreement, or any obligation or agreement contained herein is determined by a court to be invalid or unenforceable, that determination shall not affect any other provision, obligation or agreement, each of which shall be construed and enforced as if the invalid or unenforceable portion were not contained herein. That invalidity or unenforceability shall not affect any valid and enforceable application thereof, and each such provision, obligation or agreement shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 7. Notices. All communications hereunder will be in writing and, if sent to the County, will be mailed, delivered or faxed and confirmed to:

Medina County Treasurer
County Administration Building
144 N. Broadway St.
Medina, OH 44256
Attention: Administrator -- Linked Deposit Loan Program
Fax No.: (330) 725-9174

and, if sent to the Community, will be mailed, delivered or faxed and confirmed to:

Community of the Village of Spencer, Ohio
Spencer Municipal Building
Village of Spencer
P.O. Box 336
Spencer, OH 44275

Attention: Sheri Ramey, Village Fiscal Officer

Fax No.: (330)648-2907

Section 8. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio.

Section 10. Amendments. This Agreement, exclusive of Exhibit A attached hereto which may be amended without such written consent, may be effectively amended, changed, modified or altered in writing, and such writing shall be consented to and signed by both the Community and the Board of County Commissioners.

Section 11. Entire Agreement. This Agreement and the terms and provisions hereof embody the entire agreement and understanding among the parties hereto and supersede all prior agreements and understandings relating to the subject matter hereof.

IN WITNESS WHEREOF, the Community and the Board of County Commissioners have caused this Agreement to be duly executed in their respective names, all as of the date set forth above.

MEDINA COUNTY BOARD OF COUNTY COMMISSIONERS

Patricia G. Geissman, Commissioner Date

Stephen D. Hambley, Commissioner Date

Sharon A. Ray, Commissioner Date

VILLAGE OF SPENCER, OHIO

By: Tommy Ramey
TOMMY RAMEY

Title: Mayor

Date: 6/6/07

Approved as to form:

[Ass't.] Medina County Prosecuting Attorney

Gregory A. Huber, Solicitor for the Village of Spencer, Ohio

EXHIBIT A

Rules and Regulations regarding Participation in the Linked Deposit Program

The following requirements relating to Linked Deposit Program, together with all requirements under the Participating Bank Agreement, a copy of the form of which has been delivered with this Agreement, shall constitute the Rules and Regulations for purposes of this Agreement.

<u>Eligible Borrowers:</u>	Any corporation, partnership, limited liability company, unincorporated association, trust or natural person that: <ol style="list-style-type: none">owns Eligible Property and must have full value on county auditor's record at time of Linked Deposit loan applicationis current on property tax payments to Medina County andqualifies for a Linked Deposit Loan based on the Participating Bank's underwriting standards
<u>Eligible Property:</u>	Real property used as a tenant residence or owner-occupied residence that: <ol style="list-style-type: none">is located in the Community of the Village of Spencer, Ohio; andmeets the Participating Bank's customary and usual appraisal standards required for the granting of a loan to improve residential real property; andis not exempt from real property taxes; andhas an appraised dwelling value of up to \$200,000 (as determined from the records of the Medina County Auditor at the time of the Linked Deposit Loan)
<u>Eligible Program Purposes:</u>	The costs of construction, alteration, repair, maintenance or improvement of an Eligible Property, which construction, alteration, repair, maintenance or improvement (i) protects for safety/health issues or allows for handicapped accessibility into the dwelling (i.e ramp), improves or upgrades the basic livability of the Eligible Property or brings the Eligible Property into compliance with local building code standards, (ii) enhances the value of the Eligible Property and (iii) is made in compliance with all local building code standards.
<u>Ineligible Program Purposes</u>	The costs of constructing new residential housing and the refinancing of an existing loan of any kind, whether or not related to residential real property improvements, are not Eligible Program Purposes. In addition, the costs of any improvement or addition to the Eligible Property, which is not used by or is not in the possession of a majority of the residents of properties similar to the Eligible Property, including, without limitation, swimming pool, satellite dish, hot tub, any building not attached to the house (i.e. shed, barn, garage, etc.), sprinkling system, landscaping, deck, or patio are not Eligible Program Purposes.