



# **CITY OF SPARTANBURG**

SOUTH CAROLINA

## **CITY COUNCIL AGENDA**

City Council Meeting

City Council Chambers

145 West Broad Street

Spartanburg, SC

Monday, November 27, 2017

5:30 p.m.

**I. Moment of Silence**

**II. Pledge of Allegiance**

**III. Approval of the Minutes of the November 13, 2017 City Council Meeting**

**IV. Approval of the Agenda of the November 27, 2017 City Council Meeting**

**V. Public Comment**

\*Citizen Appearance forms are available at the door and should be submitted to the City Clerk

**VI. Resolution**

**A. Creating an Honorary Sign in Memory of Dr. Bryan E. “Doc” Lindsay to be Placed Near the Duncan Park Amphitheatre Stage**

**Presenter: Mitch Kennedy, Community Services Director**

**B. Expressing the City’s Support of the New Markets Tax Credits, Historic Tax Credits, and Tax Exempt Private Activity Bonds**

**Presenter: Ed Memmott, City Manager**

**C. Affirming the City of Spartanburg’s Commitment to Encourage All Residents, Civic Institutions, Businesses and Partners to Promote Policies and Practices to Support a Neighborly Community**

**Presenter: Ed Memmott, City Manager**

**D. In Support of Extension of the Deferred Action for Childhood Arrivals (DACA) Program and Permanent Legal Status for Dreamers**

**Presenter: Ed Memmott, City Manager**

**VII. Ordinance**

- A. Authorizing the Issuance and Sale of Not Exceeding \$4,715,000 General Obligation Refunding Bonds, Series 2017, of the City of Spartanburg, South Carolina for the Purpose of Refunding Certain Maturities of the City's \$6,995,000 Original Principal Amount General Obligation Bonds, Series 2010; Fixing the Form and Details of the Bonds; Providing for the Payment of the Bonds; Authorizing the Mayor or the City Manager to Determine Certain Matters Relating to the Bonds; Providing for the Disposition of the Proceeds of the Bonds; and Other Matters Relating Thereto (First Reading)  
Presenter: Chris Story, Assistant City Manager**

**VIII. Other Business**

- A. Boards and Commissions – Storm Water Appeals Board and Design Review Board  
Presenter: Connie McIntyre, City Clerk**

**IX. City Council Updates**

**X. Adjournment**

*\* Non-Agenda Items*

*City Code Sec. 2-57. Citizen Appearance. Any citizen of the City of Spartanburg may speak at a regular meeting on any matter pertaining to City Services and operations germane to items within the purview and authority of City Council, except personnel matters, by signing a Citizen's Appearance form prior to the meeting stating the subject and purpose for speaking. No item considered by Council within the past twelve (12) months may be added as an agenda item other than by decision of City Council. The forms may be obtained from the Clerk and maintained by the same. Each person who gives notice may speak at the designated time and will be limited to a two (2) minute presentation.*

*\*Agenda Items*

*City Code Sec. 2-56. Addressing Council, Comments or Remarks to Council on Agenda Items Not Requiring Public Hearing. On agenda items not requiring a Public Hearing, please provide to the City Clerk prior to the opening of the meeting, your desire to speak on an agenda item. Remarks shall be limited to five (5) minutes and total remarks on any agenda item shall not exceed twenty (20) minutes.*





**City Council Meeting  
City Council Chambers  
145 West Broad Street  
Spartanburg, SC  
Monday, November 13, 2017  
5:30 p.m.**

**(These minutes are subject to approval at the  
November 27, 2017 City Council meeting.)**

**City Council met this date with the following Councilmembers present: Mayor Junie White, Mayor pro tem Stille, Councilmembers Jerome Rice, Sterling Anderson, Rosalyn Henderson Myers, Erica Brown and Alan Jenkins. Assistant City Manager Chris Story and City Attorney Cathy McCabe were also in attendance. Notice of the meeting was posted with the Media 24 hours in advance according to the Freedom of Information Act. All City Council meetings are recorded for a complete transcript.**

- I. Moment of Silence - observed**
- II. Pledge of Allegiance - recited**
- III. Approval of the Minutes of the October 23, 2017 City Council Meeting –**  
*Councilmember Rice made a motion to approve the minutes as received.  
Councilmember Brown seconded the motion, which carried unanimously 7 to 0.*
- IV. Approval of the Agenda of the November 13, 2017 City Council Meeting –**  
*Mayor pro tem Stille made a motion to approve the agenda as received. Councilmember Henderson Myers seconded the motion, which carried unanimously 7 to 0.*
- V. Public Comment**  
\*Citizen Appearance forms are available at the door and should be submitted to the City Clerk  
**Bill Bledsoe** came forward to express concern regarding Smart Meters.
- VI. Resolution**
  - A. Confirming the City of Spartanburg has Legal Authority to Acquire the Former Naval Reserve Center, 704 Howard Street, Spartanburg, SC 29303**  
**Presenter: Mitch Kennedy, Community Services Director**  
**Mr. Kennedy presented the item to Council as follows:**  
“Staff has been working for more than 2 years to gain control of the former Piedmont Community Actions (PCA) site at 704 Howard Street to support the development of the New Dr. TK Gregg Community Center. The site was the Former Naval Reserve Center before use by PCA, and is owned by the United States Federal Government. Recently, the US Department of Health and Human

Services turned the property over to the General Services Administration for \ disposition.

Staff submitted the appropriate paper work to the General Services Administration to receive an application to acquire Surplus Federal Property. The City's desired use of the property for parks and recreation purposes requires the City to submit an application to U.S. Department of The Interior National Park Service. The City must use the property in perpetuity for a public park or recreational purposes as set forth in its application.

The application requires a Resolution or Certification of Authority to Acquire Property.

**ACTION REQUESTED:** Approve Resolution that the City of Spartanburg has legal authority to acquire the former Naval Reserve Center at 704 Howard Street, Spartanburg, SC, 29303

**BUDGET AND FINANCIAL DATA:** The City will be responsible for any environmental abatement and demolition costs. Staff is in the process of fully evaluating the property and will define all costs prior to accepting title.”

*Councilmember Rice stated that he was on the board of Piedmont Community Actions and would need to recuse himself from the vote.*

*Mayor pro tem Stille made a motion to approve the resolution. Councilmember Anderson seconded the motion, which carried unanimously 6 to 0.*

## **VII. Ordinance – Second Reading**

### **A. Approving a Development Agreement Between the City of Spartanburg and Forge Capital Partners, LLC (Second Reading)**

**Presenter: Ed Memmott, City Manager**

**Mr. Memmott** presented the item to Council as follows:

“The proposed development agreement with Forge Capital has been amended since first reading. Language has been added to indicate that the project site will be conveyed with easements for storm water piping and detention. Clarifying language was also added to indicate that the city would engage in its best efforts to obtain necessary property tax reduction. No other changes were made to the proposed development agreement. A copy of the revised Development Agreement is included for your review.

**ACTION REQUESTED:** Second reading approval of an ordinance authorizing the City Manager to enter into a Development Agreement with Forge Capital Partners, LLC for a 200 unit apartment project.

**BUDGET AND FINANCIAL DATA:** Project will have significant favorable impact on the City.”

*Mayor pro tem Stille made a motion to approve the ordinance as presented on second reading. Councilmember Anderson seconded the motion, which carried unanimously 7 to 0.*

## VIII. Consent Agenda

**A. Accepting the Property Owned by Mabel H. Hospital, and Being Located at 447 Ransdell Drive, and that Portion of Ransdell Drive and Hollis Drive Abutting Said Property, and is Further Identified on Spartanburg county tax Map as 7-10-09, Parcel 093.900 as a Part and Parcel of the City of Spartanburg and Declaring said Property Annexed to and as Part and Parcel of the City of Spartanburg (Second Reading)**  
**Presenter: Natalia Rosario, Planner III**

**B. Accepting the Property Owned by Barbara S. Shepherd, and Being Located at 443 Ransdell Drive, and that Portion of Ransdell drive Abutting Said Property, and is Further Identified on Spartanburg County Tax Map as 7-10-09, Parcel 094.00 as a Part and Parcel of the City of Spartanburg and Declaring Said Property Annexed to and a Part and Parcel of the City of Spartanburg (Second Reading)**  
**Presenter: Natalia Rosario, Planner III**

*Councilmember Brown made a motion to approve the consent agenda on second reading. Councilmember Henderson Myers seconded the motion, which carried unanimously 7 to 0.*

## IX. Other Business

**A. Discussion of the Potential Local Impact of Federal Tax Reform on Local Community and Economic Development Efforts**  
**Presenter: Ed Memmott, City Manager**

**Mr. Memmott** briefed Council on the potential impact of pending federal tax reform on local community and economic development efforts.

*Councilmember Anderson made a motion to bring a resolution back to council regarding the tax reform. Councilmember Brown seconded the motion, which carried unanimously 7 to 0.*

**B. Discussion of TK Gregg Project**  
**Presenter: Ed Memmott, City Manager**

**Mr. Memmott** briefed Council on the TK Gregg Community Center, sharing information for two (indoor or outdoor pool) for the project. He stated that he wanted to reacquaint Council with costs for the two options to make sure Council had the information needed to make a decision.

*A lengthy and contentious discussion ensued. In the course of the discussion, Councilmember Rice made a motion to approve “the indoor swim center” at the TK Gregg Community Center. Mayor White seconded the motion. Another lengthy and contentious discussion ensued. Mayor White called for the vote. Mayor White, Councilmembers Rice, Brown, Anderson, and Henderson Myers voted in favor of the motion. Mayor pro tem Stille and Councilmember Jenkins voted against the motion. Motion carried with a 5 to 2 vote.*

*(video of the discussion is available at [www.cityofspartanburg.org](http://www.cityofspartanburg.org). click on city council)*

**C. Boards and Commissions – Civil Service Commission**  
**Presenter: Connie McIntyre, City Clerk**  
*Ms. McIntyre presented Kenneth Myers’ application to Council for consideration of appointment to the Civil Service Commission. Councilmember Henderson Myers recused herself from as Mr. Myers is her husband. Councilmember Anderson made a motion to waive the rules and appoint Mr. Myers to the Civil Service Commission. Councilmember Rice seconded the motion, which carried unanimously 6 to 0.*

**D. Approval of the 2018 City Council Meeting Schedule**  
**Presenter: Connie McIntyre, City Clerk**  
*Ms. McIntyre presented the 2018 City Council meeting schedule to Council for approval. Councilmember Rice made a motion to approve the 2018 schedule as presented. Councilmember Jenkins seconded the motion, which carried unanimously 7 to 0.*

**X. City Council Updates**  
*Council gave updates on their recent activity.*

**XI. Executive Sessions**  
**Councilmember Rice** made a motion to adjourn to Executive Sessions for the reasons stated. Councilmember Jenkins seconded the motion, which carried unanimously 7 to 0. Council adjourned to Executive Sessions at 6:59 p.m.

**A. Executive Session Pursuant to Section 30-4-70 (a) (5) of the South Carolina Code to Discuss Matters Relating to Encouraging a New Investment in the City**

**B. Executive Session Pursuant to Section 3-4-40 (2) Concerning a Personnel Matter Related to the City Attorney**

**C. Executive Session Pursuant to Section 3-4-40 (2) Related to Evaluation of the City Manager**

**Council may take action on matters discussed in Executive Session after exiting Executive Session.**

*Council reconvened at 8:20 p.m. Mayor White stated that discussion was held regarding A, B, and C with no decisions made.*

**XII. Adjournment**

*Councilmember Jenkins made a motion to adjourn the meeting. Councilmember Henderson Myers seconded the motion, which carried unanimously 7 to 0. The meeting adjourned at 8:22 p.m.*



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**Connie S. McIntyre, City Clerk**





## REQUEST FOR CITY COUNCIL ACTION

**TO:** Ed Memmott, City Manager  
**FROM:** Mitch Kennedy, Community Services Director  
**SUBJECT:** Resolution, Honorary Sign in Memory of Dr. Bryan E. ‘Doc’ Lindsay  
**DATE:** November 22, 2017

### **BACKGROUND:**

City Council and Staff recently heard comments from City resident Don Bramblett regarding the previous contributions of Dr. Bryan E. “Doc” Lindsay to the City’s Special Events efforts. Staff, with the leadership of Mr. Bramblett has compiled the contributions of Dr. Lindsay.

The attached Resolution reconciles Dr. Lindsay’s contributions and a recommendation to create a sign at Duncan Park in his memory.

### **ACTION REQUESTED:**

Approve Resolution that creates an Honorary Sign in Memory of Dr. Bryan E. “Doc” Lindsay to be placed near the Duncan Park Amphitheatre Stage.

### **BUDGET AND FINANCIAL DATA:**

NA

**RESOLUTION**

**CREATING AN HONORARY SIGN IN MEMORY OF  
DR. BRYAN E. "DOC" LINDSAY TO BE PLACED NEAR THE DUNCAN PARK  
AMPHITHEATRE STAGE**

Whereas, Dr. Bryan E. "Doc" Lindsay, one of Spartanburg's most active citizens died on March 7, 1995;

Whereas, Dr. Bryan E. "Doc" Lindsay, was a Professor of Fine Arts at USC Spartanburg and charter member of the ABC Steering Committee;

Whereas, Dr. Bryan E. "Doc" Lindsay, was an art educator, music conductor, poet, song-writer, performer and consultant, and also chaired the Creative Writing subcommittee;

Whereas, Dr. Bryan E. "Doc" Lindsay, was the creator and organizer of music for Jazz In The Park concerts at the annual Spartanburg Spring Fling Festival;

Whereas, Dr. Bryan E. "Doc" Lindsay's commitment to improve the quality of life of Spartanburg citizens, his love of music and his ability to inspire others earned him the respect and gratitude of the arts community and the people of Spartanburg.

Whereas, Dr. Bryan E. "Doc" Lindsay is being memorialized for his dedication and extraordinary commitment to the citizens of Spartanburg with a sign that will be placed at the Duncan Park Amphitheatre Stage;

Whereas, the City Council has determined that this memorial sign will be to the benefit of the citizens and the City of Spartanburg;

**NOW, THEREFORE, THE MAYOR AND COUNCIL MEMBERS OF THE  
CITY OF SPARTANBURG, IN COUNCIL ASSEMBLED DO HEREBY RESOLVE:**

1. A sign reading Dr. Bryan "Doc" Lindsay Stage of Performing Arts will be installed near the Duncan Park Amphitheatre Stage.
2. This Resolution shall become effective immediately upon its enactment.

DONE AND RATIFIED THIS \_\_\_ DAY OF NOVEMBER 2017.

\_\_\_\_\_  
Junie L. White, Mayor

ATTEST:

\_\_\_\_\_  
Connie McIntyre, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Cathy H. McCabe, City Attorney





## **REQUEST FOR CITY COUNCIL ACTION**

**TO:** Mayor and Members of City Council

**FROM:** Ed Memmott, City Manager

**SUBJECT:** Resolution Encouraging Congress to Maintain Historic Tax Credits, New Markets Tax Credits, and Tax Exempt Status of Private Activity Bond Financing

**DATE:** November 21, 2017

### **BACKGROUND:**

Pending federal tax reform legislation could eliminate several financing tools that have been extensively utilized in S for economic and community development purposes in Spartanburg. The New Markets Tax Credit and Historic Tax Credit programs have leveraged millions in private investments in downtown and in our most challenged neighborhoods.

Tax exempt private activity bonds have been used extensively to fund affordable housing projects and other projects by undertaken by non-profits and colleges. If the tax exempt status of private activity bonds is lost, it will have significant impact on our redevelopment efforts in Spartanburg.

### **ACTION REQUESTED:**

Consider and take action on a resolution to encourage Congress to maintain these tax credit and the tax exempt status of private activity bonds.

**BUDGET AND FINANCIAL DATA:** N/A

**A RESOLUTION**

**EXPRESSING THE CITY’S SUPPORT OF THE NEW MARKETS TAX CREDITS, HISTORIC TAX CREDITS, AND TAX EXEMPT PRIVATE ACTIVITY BONDS**

WHEREAS, direct federal grant funding to support local community and economic development has steadily declined over the past 30 years; and

WHEREAS, the loss of direct funding has been offset to some extent by the availability of certain federal tax credits and tax exempt bond financing; and

WHEREAS, the City of Spartanburg has extensively utilized New Markets Tax Credits and Historic Tax Credits (collectively “Credits”) over the past few years; and

WHEREAS, housing developers and the Spartanburg Housing Authority have utilized tax exempt Private Activity Bonds to finance affordable housing projects in Spartanburg; and

WHEREAS, impactful projects such as The Montgomery Building, Aug Smith Building, Drayton Mills, CC Woodson Community Center, South Church Plaza, Saint John Street Garage, and Downtown Memorial Airport Terminal are examples of the critical projects that benefited from the Credits; and

WHEREAS, the city’s community redevelopment projects associated with the Northside Initiative and future efforts such as redevelopment of the Highland Community as well as the Spartanburg Housing Authority’s Rental Assistance Demonstration projects will suffer with the loss of the tax exempt status of Private Activity Bonds, and

WHEREAS, the city’s work in our downtown and in our most challenged neighborhoods will be put at risk with the loss of these federal tools.

NOW, THEREFORE, BE IT RESOLVED By the Mayor and Members of the City Council of the City of Spartanburg, in Council duly assembled:

Section 1. That the Spartanburg City Council expresses its support of the Credits and Private Activity Bonds and urges the President of the United States and the United States Congress to continue these valuable programs that stimulate private investment and job creation.

Section 2. That each South Carolina Congressional Member be forwarded a copy of this Resolution.

Section 3. This Resolution shall become effective upon the date of enactment.

DONE AND RATIFIED this \_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY





## **REQUEST FOR CITY COUNCIL ACTION**

**TO:** Mayor and Members of City Council  
**FROM:** Ed Memmott, City Manager  
**SUBJECT:** Resolution Expressing Spartanburg's Values as a Neighborly Community  
**DATE:** November 21, 2017

### **BACKGROUND:**

In response to interest expressed by Council, staff has drafted a resolution that expresses City values and aspirations as a neighborly community that is welcoming of all people.

### **ACTION REQUESTED:**

Consider and take action on the attached resolution.

**BUDGET AND FINANCIAL DATA:** N/A

**A RESOLUTION**

**AFFIRMING THE CITY OF SPARTANBURG’S COMMITMENT  
TO ENCOURAGE ALL RESIDENTS, CIVIC INSTITUTIONS,  
BUSINESSES AND PARTNERS TO PROMOTE POLICIES AND  
PRACTICES TO SUPPORT A NEIGHBORLY COMMUNITY**

WHEREAS, the City of Spartanburg strives to support a vibrant community where all residents have the opportunity to participate in its social, civic, and economic fabric; and all residents have the opportunity to enhance the community by bringing their individual perspectives and contributions; and

WHEREAS, the City of Spartanburg strives to support a vibrant community where all new residents are welcomed and made to feel part of this tightly knit community; and where residents are provided the opportunity to actively engage in public, private, and civic institutions through volunteerism and involvement in neighborhood and local government activities; and

WHEREAS, the City of Spartanburg strives to support a vibrant community where all residents enjoy community safety by developing effective partnerships among all individuals and groups to ensure broad-based, effective involvement in the prevention of crime and threats to public safety; and

WHEREAS, the City of Spartanburg strives to provide professional, efficient, and high-quality services to all residents; and to partner with other government entities on local and regional issues that affect the community.

NOW, THEREFORE, BE IT RESOLVED By the Mayor and Members of the City Council of the City of Spartanburg, in Council duly assembled:

Section 1. The City of Spartanburg affirms its commitment to build a community where all residents are welcomed, accepted, and given the opportunity to connect with each other without bias in pursuit of common goals; and to encourage individual residents, community institutions, civic groups, and business leaders to join in a community-wide effort to adopt policies and practices to promote unity, inclusion, understanding, and equity.

Section 2. This Resolution shall become effective upon the date of enactment.

DONE AND RATIFIED this \_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY





## **REQUEST FOR CITY COUNCIL ACTION**

**TO:** Mayor and Members of City Council

**FROM:** Ed Memmott, City Manager

**SUBJECT:** Resolution Encouraging Congress to Extend Immigration Protection to Childhood Arrivals

**DATE:** November 21, 2017

### **BACKGROUND:**

In response to interest expressed by Council, staff has drafted a resolution that encourages Congress to extend protection to childhood immigrant arrivals. Typically referred to as Dreamers, these residents immigrated to the United States as young children. Unless their immigration status is resolved by Congress, these residents may become subject to deportation.

### **ACTION REQUESTED:**

Consider and take action on a resolution to encourage Congress to take action on childhood arrivals.

**BUDGET AND FINANCIAL DATA:** N/A

**A RESOLUTION**

**IN SUPPORT OF EXTENSION OF THE DEFERRED ACTION FOR  
CHILDHOOD ARRIVALS (DACA) PROGRAM AND PERMANENT  
LEGAL STATUS FOR DREAMERS**

WHEREAS, DACA was established to protect young undocumented immigrants who came to the United States as children from deportation and to provide them with authorization to work in the United States; and

WHEREAS, to be eligible for DACA, an individual must have been brought to this Country as a minor, must demonstrate lawful conduct, and must have continued to pursue an education; and

WHEREAS, close to 800,000 individuals have qualified for DACA status, of which nearly 7,000 are South Carolina residents; and

WHEREAS, these DACA individuals, known as Dreamers, live in the City of Spartanburg, attend Spartanburg schools and colleges, fill important roles in our workforce, and provide contributions and innovations to our culture and local economy.

NOW, THEREFORE, BE IT RESOLVED By the Mayor and Members of the City Council of the City of Spartanburg, in Council duly assembled:

Section 1. The City of Spartanburg encourages Congress to act quickly to pass a permanent legislative solution for the Dreamers to allow them to continue to live in and fully contribute to our city through employment, pursuit of education and cultural achievements with an ultimate path to citizenship.

Section 2. A copy of this Resolution shall be provided to the South Carolina Congressional Delegation.

Section 3. This Resolution shall become effective upon the date of enactment.

DONE AND RATIFIED this \_\_\_\_ day of \_\_\_\_\_, 2017.

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MAYOR

ATTEST:

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CITY CLERK

APPROVED AS TO FORM:

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CITY ATTORNEY

## VII. A



## REQUEST FOR COUNCIL ACTION

**TO:** Spartanburg City Council  
**FROM:** Chris Story, Assistant City Manager  
**SUBJECT:** Refinancing remaining 2010 General Obligation Bonds  
**DATE:** November 22, 2017

The attached ordinance authorizes the refinancing of the remaining 2010 General Obligation bonds. We are not extending the term of the debt or increasing the city's obligations. We are simply seeking to take advantage of lower interest rates to achieve annual savings of approximately \$25,000 annually.

As you recall, there is a chance that federal tax reforms under currently under consideration could impact transactions of this nature. Therefore we are seeking to close this transaction prior to the end of 2017. To meet that timeline, we will need to hold a very brief special meeting on December 4<sup>th</sup>.

Please let us know if you have any questions or concerns.

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ORDINANCE NO. \_\_

AUTHORIZING THE ISSUANCE AND SALE OF NOT EXCEEDING \$[4,715,000] GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017, OF THE CITY OF SPARTANBURG, SOUTH CAROLINA FOR THE PURPOSE OF REFUNDING CERTAIN MATURITIES OF THE CITY'S \$6,995,000 ORIGINAL PRINCIPAL AMOUNT GENERAL OBLIGATION BONDS, SERIES 2010; FIXING THE FORM AND DETAILS OF THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS; AUTHORIZING THE MAYOR OR THE CITY MANAGER TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE DISPOSITION OF THE PROCEEDS OF THE BONDS; AND OTHER MATTERS RELATING THERETO.

Enacted: \_\_\_\_\_, 2017

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BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SPARTANBURG, SOUTH CAROLINA, AS FOLLOWS:

SECTION 1. Definitions. Unless the context shall clearly indicate some other meaning, the terms defined in this Section shall have, for all purposes of this Ordinance, the meanings hereinafter specified, with the definitions equally applicable to both the singular and plural forms and vice versa. The term:

“2010 Bond Ordinance” shall mean the Ordinance No. 12-604.4-9.27.10 of the City enacted by the City Council on September 27, 2010, authorizing the issuance and sale of the Bonds to be Refunded.

“Bonds of 2010” shall mean the \$6,995,000 original principal amount General Obligation Bonds, Series 2010, dated December 1, 2010, currently outstanding in the principal amount of \$5,280,000.

“Bond Act” shall mean Title 5, Chapter 21, Article 5 and Title 11, Chapter 27, Code of Laws of South Carolina 1976, as amended.

“Bondholders” or the term “Holders” or any similar term shall mean the registered owner or owners of any outstanding Bond or Bonds.

“Bonds to be Refunded” shall mean all or a portion of the Bonds of 2010 maturing on April 1, 2021, to and including April 1, 2030.

“City” shall mean the City of Spartanburg, South Carolina.

“City Council” shall mean the City Council of the City of Spartanburg, South Carolina.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Constitution” shall mean the Constitution of the State of South Carolina, 1895, as amended.

“Escrow Agent” shall mean Regions Bank, the paying agent for the Bonds of 2010.

“Escrow Agreement” shall mean the Escrow Agreement dated the date of its execution between the City and the Escrow Agent.

“Government Obligations” shall mean cash and, to the extent permitted by Section 6-5-10 of the South Carolina Code or any other authorization relating to the investment of funds by the School District, any of the following: (1) United States Treasury Obligations –State and Local Government Series; (2) United States Treasury bills, notes, bonds or zero coupon treasury bonds all as traded on the open market; (3) direct obligations of the U.S. Treasury which have been stripped by the Treasury itself, including CATS TIGRS and similar securities; (4) obligations of any agencies or instrumentalities which are backed by the full faith and credit of the United States of America; (5) bonds or debentures issued by any Federal Home Loan Bank or consolidated bonds or debentures issued by the Federal Home Loan Bank Board; (6) obligations of the Federal National Mortgage Association; (7) general obligations of the State or any of its political units which, at the time of purchase, carry an AAA rating from Standard & Poor’s or an Aaa rating from Moody’s Investors Service; or (8) any legally permissible combination of any of the foregoing. Government Obligations must be redeemable only at the option of the holder thereof.

“Interest Payment Dates” shall mean April 1 and October 1 of each year commencing on such date as determined by the Mayor (or in his absence the Mayor Pro Tempore) or the City Manager.

“Ordinance” shall mean this Ordinance.

“Paying Agent” shall mean a bank or trust company or the City’s Finance Director.

“Record Date” shall mean the fifteenth (15<sup>th</sup>) day of the month immediately preceding each Interest Payment Date on the Bonds or the date of notice of any proposed redemption, if any, of the Bonds.

“Refunding Act” shall mean Title 11, Chapter 15, Article 5, Title 11, Chapter 21 and Title 11, Chapter 27 of the Code of Laws of South Carolina 1976, as amended.

“Registrar” shall mean a bank or trust company or the City Clerk of the City.

“S.C. Code” shall mean the Code of Laws of South Carolina 1976, as amended.

“Series 2017 Bonds” shall mean the General Obligation Refunding Bonds, Series 2017, authorized to be issued pursuant to Section 3 hereof.

“State” shall mean the State of South Carolina.

SECTION 2. Findings and Determinations. The City Council hereby finds and determines:

(a) The City is an incorporated municipality located in Spartanburg County, South Carolina, and as such possesses all powers granted to municipalities by the Constitution and laws of this State.

(b) Article X, Section 14 of the Constitution provides that general obligation debt may be incurred by the governing body of each city of the State of South Carolina for any public and corporate purpose in an amount not exceeding eight percent of the assessed value of all taxable property of such city.

(c) The Refunding Act authorizes and provides the procedure for the issuance of general obligation bonds whose proceeds are to be used to pay, in whole or in part, sums due on general obligation bonds previously issued and further provides that any issuer (defined to include a municipality) may issue general obligation bonds to such extent as such issuer shall be indebted by way of principal, interest, and redemption premium upon any outstanding general obligation bonds.

(d) Pursuant to applicable constitutional and statutory authorizations including, without limitation, the Bond Act, the City has issued the Bonds of 2010. The Bonds of 2010 are currently outstanding in the principal amount of \$5,280,000. The principal amounts of the Bonds of 2010 maturing on and after April 1, 2021 are subject to redemption at the option of the City on or after April 1, 2020, at par, together with the interest accrued thereon to the date fixed for redemption.

(e) The assessed value of all taxable property in the City is not less than \$132,579,096. Eight percent (8%) of such sum is \$10,606,327. As of the date hereof, the outstanding general obligation debt of the City subject to the limitation imposed by Article X, Section 14(7)(a) of the Constitution is \$5,280,000, representing the outstanding principal balance of the Bonds of 2010. The outstanding principal amount of the Bonds to be Refunded (\$4,275,000) will be refunded with a portion of the proceeds of the Series 2017 Bonds. The Bonds of 2010 maturing on April 1 in each of the years 2018 to and including 2020 outstanding in the aggregate principal amount of \$1,005,000 will not be refunded.

Excluding the principal of the Bonds to be Refunded, the City may incur \$9,601,327 of general obligation debt within its applicable constitutional debt limitation.

(f) Based on current market conditions and projections of savings, the City Council finds that it is in the best interest of the City to effect a refunding of the Bonds to be Refunded because a savings can be effected through the refunding and redemption of such Bonds to be Refunded. The City Council recognizes, however, that current market conditions may change and that, as of the date of enactment of this Ordinance, a determination cannot be made as to the amount of such savings, if any, will be realized through the refunding of the Bonds to be Refunded, and that the Mayor (or in his absence the Mayor Pro Tempore) or City Manager are authorized and empowered to determine certain matters relating to such refunding as set forth in Section 4 of this Ordinance. There can be no assurance that market conditions at the time of the sale of the Series 2017 Bonds will be similar to the prevailing rates on the date of the enactment of this Ordinance. If the rates of interest on the Series 2017 Bonds authorized by this Ordinance do not result in satisfactory debt service savings, the Mayor (or in his absence the Mayor Pro Tempore) or the City Manager will be empowered to reject bids for the purchase of the Series 2017 Bonds.

(g) The proceeds of the Series 2017 Bonds authorized by this Ordinance shall be used to refund the Bonds to be Refunded and to pay costs of issuance of the Series 2017 Bonds. The issuance of the Series 2017 Bonds authorized by this Ordinance for such purpose is necessary, and such Series 2017 Bonds will be issued for a corporate purpose and a public purpose of the City.

(h) The City Manager has distributed or caused to be distributed a Notice of Sale in the form attached hereto as Exhibit A hereto to various banks, financial institutions and other prospective purchasers of the Series 2017 Bond.

(g) It is now in the best interest of the City for the City Council to provide for the issuance and sale of general obligation refunding bonds of the City in a principal amount of not exceeding \$[4,715,000] pursuant to the aforesaid provisions of the Constitution and laws of the State of South Carolina in order to effect the refunding of the Bonds to be Refunded.

**SECTION 3. Authorization and Details of Series 2017 Bonds.** Pursuant to the aforesaid provisions of the Constitution and laws of the State of South Carolina, there is hereby authorized to be issued general obligation refunding bonds of the City (the “Refunding Bonds” or the “Series 2017 Bonds”) to effect a refunding of the Bonds to be Refunded. The Series 2017 Bonds shall be issued in a principal amount determined by the Mayor (or in his absence the Mayor Pro Tempore) or City Manager which amount will be sufficient to provide for the payment of the principal of and accrued interest on the Bonds to be Refunded to the date fixed for redemption of the Bonds to be Refunded and all costs of issuance incurred in connection with the issuance of the Series 2017 Bonds. The Refunding Bonds shall be designated “(principal amount issued) General Obligation Refunding Bonds, Series 2017, of the City of Spartanburg, South Carolina.”

The Series 2017 Bonds shall be issued as fully registered Bonds; shall be dated as of the date of their initial delivery or such other date as the Mayor (or in his absence the Mayor Pro Tempore) or City Manager determine; shall be in denominations of \$1,000 or any integral multiple thereof not exceeding the principal amount of the Bonds maturing in each year unless issued as a single Bond in the entire principal amount of the issue; shall bear interest from their date payable on each Interest Payment Date at such rate or rates as may be determined at the time of the sale thereof by the Mayor (or in his absence the Mayor Pro Tempore) or City Manager; and shall mature serially in successive annual installments payable on April 1 of each year as determined by the Mayor (or in his absence the Mayor Pro Tempore) or City Manager pursuant to Section 4 hereof. Interest on the Series 2017 Bonds shall be calculated on the basis of a 360-day year comprised of twelve 30-day months, unless otherwise agreed upon by the Mayor (or in his absence the Mayor Pro Tempore) or City Manager. Both the principal of and interest on the Bonds shall be payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts.

SECTION 4. Authority to Determine Certain Matters. The City Council hereby authorizes the Mayor or the City Manager to offer the Series 2017 Bonds for sale at such date and time and in such manner as he may determine. The City Council hereby further authorizes the Mayor or the City Manager to:

- (a) determine the original issue date of the Series 2017 Bonds;
- (b) determine the aggregate principal amount of the Series 2017 Bonds, provided such aggregate principal amount shall not exceed \$[4,715,000];
- (c) determine the maturities and principal amounts of the Bonds to be Refunded that are to be refunded and designate the redemption date thereof;
- (d) determine the Interest Payment Dates, including the first Interest Payment Date, and the respective maturity dates and principal amounts maturing on such dates;
- (e) designate the Paying Agent and Registrar for the Series 2017 Bonds;
- (f) determine the optional and mandatory redemption dates and terms for the Series 2017 Bonds;
- (g) determine the date and time of sale of the Series 2017 Bonds;
- (h) receive bids for the Series 2017 Bonds on behalf of the County, determine the interest rate or rates on the Series 2017 Bonds, and award the sale of the Series 2017 Bonds to the bidder which provides the most advantageous proposal therefor in accordance with the terms of the Notice of Sale for the Series 2017 Bonds;
- (i) make adjustments to the principal amounts of the Series 2017 Bonds immediately following the sale thereof;
- (j) determine whether to publish a notice of the adoption of this Ordinance as provided in Section 11-27-40(8) of the South Carolina Code;
- (k) negotiate and execute all other contracts and approve any other matters necessary to effect the issuance of the Series 2017 Bonds; and
- (l) approve any other matters necessary to effect the issuance of the Series 2017 Bonds and the refunding of the Bonds to be Refunded.

After the sale of the Series 2017 Bonds, the Mayor or the City Manager shall submit a written report to the City Council setting forth the results of the sale of the Series 2017 Bonds.

SECTION 5. Redemption Provisions; Refunding of the Bonds to be Refunded. The Series 2017 Bonds may be subject to redemption prior to maturity at such time or times and upon such terms and conditions as the Mayor or City Manager agrees upon. If less than all the Series 2017 Bonds of any maturity are called for redemption, the Series 2017 Bonds of such maturity to be redeemed shall be selected by lot by the Registrar. In the event the Series 2017 Bonds or any portion thereof shall be called for redemption, notice of the redemption, describing the Series 2017 Bonds to be redeemed, specifying the redemption date and the redemption price payable on such redemption, shall be mailed by first-class mail, postage prepaid, to the registered owner thereof as shown on the registry books of the City kept by the

Registrar not less than ten (10) days (or such greater number of days as determined by the City Manager) and not more than sixty (60) days (or such lesser number of days as determined by the City Manager) prior to the redemption date. If the Series 2017 Bonds or any portion thereof shall have been duly called for redemption and notice of the redemption mailed as aforesaid, and if on or before the date fixed for redemption payment thereof shall be duly made or provided for, interest on the Series 2017 Bonds to be redeemed shall cease to accrue from and after the redemption date specified in such notice. The notice may further state that the redemption of the Series 2017 Bonds being called for redemption is conditional upon the Paying Agent receiving on or before the redemption date of sufficient money for the redemption thereof.

The refunding of any or all of the Bonds to be Refunded shall be effected with a portion of the proceeds of the Series 2017 Bonds which proceeds shall be used for the payment of the principal of such Bonds to be Refunded as and when such Bonds to be Refunded mature and are called for redemption in accordance with the respective provisions of the 2010 Bond Ordinance, at the redemption price thereof, together with accrued interest on such Bonds to be Refunded to the date fixed for redemption.

Upon the delivery of the Refunding Bonds, the principal proceeds thereof, less costs of issuance, together with certain other available funds (if any) as determined by the City Manager shall be deposited with the Escrow Agent and held by it under the Escrow Agreement in a special trust account. The City Manager is hereby authorized and directed for and on behalf of the City to execute such agreements and give such directions as shall be necessary to carry out the provisions of this Ordinance, including the execution and delivery of the Escrow Agreement. The Escrow Agreement shall be dated the date of delivery of the Series 2017 Bonds to the Purchaser thereof. The City Manager is also authorized to prepare, file and execute subscriptions for securities or take bids for the purchase of securities (and contract with professionals to assist with the solicitation and purchase of such securities) to be subject to the Escrow Agreement, and to give such directions as shall be necessary to carry out the provisions of this Ordinance.

SECTION 6. Registration of the Series 2017 Bonds. The City shall cause the Books of Registry to be kept at the offices of the Registrar, for the registration and transfer of the Series 2017 Bonds. Upon presentation at its office for such purpose, the Registrar shall register or transfer, or cause to be registered or transferred, on such Books of Registry, the Series 2017 Bonds under such reasonable regulations as the Registrar may prescribe.

Each Bond shall be transferable only upon the Books of Registry of the City, which shall be kept for such purpose at the principal office of the Registrar, by the registered owner thereof in person or by his duly authorized attorney upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney. Upon the transfer of any such Bond, the Registrar on behalf of the City shall issue in the name of the transferee a new fully registered Bond or Bonds of the same aggregate principal amount, interest rate and maturity as the surrendered Bond. Any Bond surrendered in exchange for a new registered Bond pursuant to this Section shall be canceled by the Registrar.

The City, the Registrar and the Paying Agent may deem or treat the person in whose name any fully registered Bond shall be registered upon the Books of Registry as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Bond and for all other purposes and all such payments so made to any such registered owner or upon his order and shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the City nor the Registrar or the Paying Agent shall be affected by any notice to the contrary. In all cases in which the privilege of transferring Bonds is exercised, the City shall execute and the Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. Neither the City nor the Registrar or the Paying Agent shall be obliged to make any such transfer of Bonds during the fifteen (15) days preceding an Interest Payment Date on such Bonds.

With the consent of the Purchaser of the Series 2017 Bonds, and notwithstanding any provision to the contrary contained in this Ordinance or in the Series 2017 Bonds, the Series 2017 Bonds may be sold or transferred by the Purchaser thereof only to purchasers (“Qualified Investors”) who execute an investment letter delivered to the City, in form satisfactory to the City (the “Investment Letter”), containing certain representations, warranties and covenants as to the suitability of such purchasers to purchase and hold the Series 2017 Bonds. Such restrictions shall be set forth on the face of the Series 2017 Bonds and shall be complied with by each transferee of the Series 2017 Bonds.

**SECTION 7. Execution of Series 2017 Bonds.** The Series 2017 Bonds shall be executed in the name of the City with the manual or facsimile signature of the Mayor of the City (or in his absence the Mayor Pro Tempore) attested by the manual or facsimile signature of the City Clerk of the City under a facsimile of the seal of the City which shall be impressed, imprinted or reproduced thereon. The Series 2017 Bonds shall not be valid or become obligatory for any purpose unless there shall have been endorsed thereon a certificate of authentication. Each Series 2017 Bond shall bear a certificate of authentication manually executed by the Registrar in substantially the form set forth herein.

**SECTION 8. Form of Series 2017 Bonds.** The Series 2017 Bonds shall be in substantially the following form. In the event the Bonds are issue as a single Bond for each separate maturity, the form of bond may be revised accordingly.

(FORM OF BOND)

THIS BOND MAY BE SOLD OR TRANSFERRED IN WHOLE OR IN PART ONLY TO A PURCHASER OR TRANSFEREE CONSTITUTING A QUALIFIED INVESTOR (AS SUCH TERM IS DEFINED IN THE HEREAFTER DEFINED ORDINANCE UNDER WHICH THIS BOND IS ISSUED), AND ONLY UPON SUCH QUALIFIED INVESTOR DELIVERING TO THE CITY AN INVESTMENT LETTER IN THE FORM REQUIRED UNDER THE ORDINANCE.

UNITED STATES OF AMERICA  
 STATE OF SOUTH CAROLINA  
 CITY OF SPARTANBURG  
 GENERAL OBLIGATION REFUNDING BOND, SERIES 2017

KNOW ALL MEN BY THESE PRESENTS, that the City of Spartanburg, South Carolina (the “City”), is justly indebted and, for value received, hereby promises to pay to \_\_\_\_\_, in \_\_\_\_\_, \_\_\_\_\_ (the “Bank”), its successors or registered assigns, the principal amount of \$\_\_\_\_\_ together with interest on the unpaid principal balance hereof at the rate of \_\_\_\_% per annum. This Bond is payable in annual installments on April 1 in each of the years and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>

Interest on this Bond shall be calculated on the basis of a 360-day year comprised of twelve 30-day

months.

Both the principal of and interest on this Bond are payable at the office of the Finance Director of the City, as paying agent (the "Paying Agent") without presentation and surrender of this Bond in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts; provided, however, the Purchaser agrees to surrender this Bond before or within a reasonable time after its final maturity.

This Bond is issued pursuant to and in accordance with the Constitution and laws of the State of South Carolina, including Article X, Section 14 of the Constitution of the State of South Carolina, 1895, as amended; Title 11, Chapter 15, Article 5, Code of Laws of South Carolina 1976, as amended; Title 11, Chapter 21, Code of Laws of South Carolina 1976, as amended; Title 11, Chapter 27, Code of Laws of South Carolina 1976, as amended; and Ordinance No. \_\_\_\_\_ duly enacted on \_\_\_\_\_, 2017, by the City Council (the "Ordinance").

For the payment of the principal and interest of this Bond as they respectively mature and for the creation of such sinking fund as may be necessary to provide for the prompt payment thereof, the full faith, credit, taxing power and resources of the City are hereby irrevocably pledged, and there shall be levied and collected annually upon all taxable property in the City an *ad valorem* tax, without limitation as to rate or amount, sufficient for such purposes.

[This Bond is subject to redemption at the option of the City, in whole or in part, at any time prior to its final maturity at the principal amount thereof to be redeemed, together with interest accrued thereon to the date fixed for redemption, without payment of any premium or penalty.]

This Bond is transferable as provided in the Ordinance, only upon the registration books of the City kept for that purpose at the office of the Clerk of the City, in Spartanburg, South Carolina, as Registrar, by the registered holder in person or by his duly authorized attorney upon surrender of this Bond together with a written instrument of transfer reasonably satisfactory to the Registrar duly executed by the registered holder or his duly authorized attorney. Thereupon a new fully registered Bond or Bonds in the same aggregate principal amount, interest rate, and maturity date shall be issued to the transferee in exchange therefor as provided in the Ordinance. The City, the Registrar and the Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute owner thereof for the purpose of receiving payment of or on account of the principal hereof and interest due hereon and for all other purposes.

Under the laws of the State of South Carolina, this Bond and the interest hereon are exempt from all State, county, municipal, school district and all other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of the State of South Carolina to exist, to happen and to be performed precedent to or in the issuance of this Bond exist, have happened and have been performed in regular and due time, form and manner as required by law; that the amount of this Bond, together with all other indebtedness of the City, does not exceed the applicable limitation of indebtedness under the laws of the State of South Carolina; and that provision has been made for the levy and collection annually upon all taxable property of the City of an *ad valorem* tax, without limitation as to rate or amount, sufficient for the payment of the principal and interest of this Bond as they respectively mature and for the creation of such sinking fund as may be necessary to provide for the prompt payment thereof.

IN WITNESS WHEREOF, THE CITY OF SPARTANBURG, SOUTH CAROLINA, has caused this Bond to be signed with the (manual or facsimile) signature of the Mayor of the City, attested by the

(manual or facsimile) signature of the Clerk of the City under the seal of the City impressed or affixed hereon and this Bond to be dated the \_\_\_\_ day of \_\_\_\_\_, 2017.

CITY OF SPARTANBURG, SOUTH CAROLINA

(SEAL)

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Clerk

**SECTION 9. Security for Series 2017 Bonds.** The full faith, credit, taxing power and resources of the City are hereby irrevocably pledged for the payment of the principal and interest of the Series 2017 Bonds as they respectively mature and for the creation of such sinking fund as may be necessary to provide for the prompt payment thereof. There shall be levied and collected annually upon all taxable property in the City an *ad valorem* tax, without limitation as to rate or amount, sufficient for such purposes. The appropriate official of the City shall be notified as to the delivery of and payment for the Series 2017 Bonds and is hereby directed to levy and collect annually upon all taxable property in the City an *ad valorem* tax, without limitation as to rate or amount.

**SECTION 10. Defeasance.** The obligations of the City under this Ordinance and the pledges, covenants and agreements of the City herein made or provided for, shall be fully discharged and satisfied as to any portion of the Series 2017 Bonds, and such Bond or Bonds shall no longer be deemed to be outstanding hereunder when:

(a) such Bond or Bonds shall have been purchased by the City and surrendered to the City for cancellation or otherwise surrendered to the City or the Paying Agent and is canceled or subject to cancellation by the City or the Paying Agent; or

(b) payment of the principal of and interest on such Bonds either (1) shall have been made or caused to be made in accordance with the terms thereof, or (2) shall have been provided for by irrevocably depositing with the Paying Agent in trust and irrevocably setting aside exclusively for such payment, (a) moneys sufficient to make such payment, or (b) Government Obligations maturing as to principal and interest in such amounts and at such times as will ensure the availability of sufficient moneys to make such payment and all necessary and proper fees, compensation and expenses of the Paying Agent. At such time as the Bonds shall no longer be deemed to be outstanding hereunder, such Bonds shall cease to draw interest from the maturity date thereof and, except for the purposes of any such payment from such moneys or Government Obligations, shall no longer be secured by or entitled to the benefits of this Ordinance.

**SECTION 11. Exemption from State Taxes.** Both the principal of and interest on the Series 2017 Bonds shall be exempt, in accordance with the provisions of Section 12-2-50 of the S.C. Code from all State, county, municipal, school district and all other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

SECTION 12. Sale of Series 2017 Bonds, Notice of Sale and Notice of Use of Proceeds. The Series 2017 Bonds shall be sold pursuant to the Notice of Sale which has been distributed to prospective bidders as determined by the City Manager in substantially the form attached hereto as Exhibit A. A summary of such Notice of Sale shall be published in a newspaper having general circulation in the State and/or in a financial publication published in the City of New York not less than seven (7) days prior to the date set for such sale. Upon the issuance of the Series 2017 Bonds, notice of the purpose for which the proceeds of the Series 2017 Bonds shall be used shall be published in a financial paper published in the City of New York.

SECTION 13. Deposit and Use of Proceeds. A portion of the proceeds derived from the sale of the Series 2017 Bonds necessary to provide for the payment of the Series 2017 Bonds to be Refunded shall be deposited with the Escrow Agent pursuant to the Escrow Agreement. The remaining proceeds, if any, shall be deposited with the Finance Director in a special fund to the credit of the City and shall be applied solely to the purposes for which the Series 2017 Bonds have been issued, including payment of costs of issuance of the Series 2017 Bonds, except that the accrued interest, if any, shall be used to discharge in part the first interest to become due on the Series 2017 Bonds.

SECTION 14. Federal Tax Covenants. The City hereby covenants and agrees with the holders of the Series 2017 Bonds that it will not take any action which will, or fail to take any action which failure will, cause interest on the Series 2017 Bonds to become includable in the gross income of the bondholders for federal income tax purposes pursuant to the provisions of the Code and regulations promulgated thereunder in effect on the date of original issuance of the Series 2017 Bonds and that no use of the proceeds of the Series 2017 Bonds shall be made which, if such use had been reasonably expected on the date of issue of the Bonds would have caused the Bonds to be “arbitrage bonds”, as defined in the Code, and to that end the City hereby shall:

- (a) comply with the applicable provisions of Section 103 and Sections 141 through 150 of the Code and any regulations promulgated thereunder so long as the Series 2017 Bonds are outstanding;
- (b) establish such funds, make such calculations and pay such amounts, in the manner and at the times required in order to comply with the requirements of the Code relating to required rebates of certain amounts to the United States; and
- (c) make such reports of such information at the time and places required by the Code.

The City Manager or Finance Director is hereby authorized to adopt written procedures to ensure the City’s compliance with federal tax matters relating to the Series 2017 Bonds.

SECTION 15. Filings with Central Repository. In accordance with Section 11-1-85 of the S.C. Code, the City covenants that it will file or cause to be filed with a central repository for further availability in the secondary bond market when requested: (a) a copy of the annual audit of the City within thirty (30) days of the City’s receipt thereof; and (b) within thirty (30) days of the occurrence thereof, relevant information of an event which, in the opinion of the City, adversely affects more than five (5%) of the City’s revenue or its tax base.

SECTION 16. Miscellaneous. The City Council hereby authorizes the City Manager to retain McNair Law Firm, P.A. as bond counsel in connection with the issuance of the Series 2017 Bonds. The City Council further authorizes the Mayor, Mayor Pro Tempore, City Administrator, Finance Director, City Clerk, and City Attorney to execute such documents and instruments as may be necessary to effect the issuance of

the Series 2017 Bonds or the refunding of the Bonds to be Refunded, or to make modifications in any documents including but not limited to the form of the Bond or Notice of Sale.

SECTION 17. Ratification of Prior Acts. All actions heretofore taken by the City Manager, Assistant City Manager, Finance Director, City Attorney and other officials and personnel of the City in connection with the dissemination of the Notice of Sale referenced herein, the discussion or negotiation of the sale of the Series 2017 Bond with prospective purchasers thereof, or the issuance of the Series 2017 Bonds shall be and hereby are ratified and approved.

SECTION 17. Effective Date and Repeal. All orders, resolutions, ordinances and parts thereof, procedural or otherwise, in conflict herewith or the proceedings authorizing the issuance of the Series 2017 Bonds are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its passage and approval. This Ordinance shall be effective upon its enactment on December 4, 2017. This Ordinance shall be forthwith codified in the Code of City Ordinances in the manner required by law.

[Signature page follows]

Enacted by the City Council of the City of Spartanburg, South Carolina, this 4<sup>th</sup> day of December, 2017.

CITY OF SPARTANBURG, SOUTH CAROLINA

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Mayor

(SEAL)

ATTEST:

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Clerk

First Reading: November 27, 2017  
Second Reading: December 4, 2017

[Signature page]

Exhibit A

**NOTICE OF SALE**

To: Financial institutions interested in the purchase, through private placement, of a tax exempt, non-bank qualified, fixed rate obligation issued by the City of Spartanburg, SC (“City”)

cc: Mike Burns (as Bond Counsel to the City)  
Brandon Norris (as Bond Counsel to the City)

From: Brent Robertson, Stifel (as Placement Agent to the City)  
Alice Cao, Stifel (as Placement Agent to the City)

Re: Official Notice of Sale  
\$4,680,000 City of Spartanburg, SC  
General Obligation Refunding Bond, Series 2017 (the “2017 Bond”)

Date: November 20, 2017

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**Background.** Pursuant to Ordinance No. 12-604.4-9.27 enacted by the City Council of the City on September 27, 2010, the City issued \$6,995,000 original principal amount General Obligation Bonds, Series 2010 (the “2010 Bonds”) on December 1, 2010. Proceeds of the 2010 Bonds were used by the City to defray the costs of (i) closure of the Arkwright Landfill, (ii) acquiring, constructing, and installing park equipment to be located in Stewart Park and other park facilities of the City, and (iii) paying for costs of issuance of the 2010 Bonds. The 2010 Bonds are binding general obligations of the City and the full faith, credit, and taxing power of the City are irrevocably pledged for payment of the 2010 Bonds. There shall be levied and collected annually upon all taxable property in the City an ad valorem tax, without limitation as to rate or amount, sufficient for the payment of the principal and interest on the 2010 Bonds. The 2010 Bonds are presently rated AA- by Standard & Poor’s (stable outlook).

Pursuant to an ordinance of the City scheduled for enactment by the City Council on December 4, 2017 (the “2017 Bond Ordinance”)<sup>1</sup>, the 2017 Bond is being issued for the purpose of advance refunding for savings the callable portions of the 2010 Bonds and paying costs of issuance of the 2017 Bond. Upon its issuance, the 2017 Bond will be secured by the same full faith and credit pledge as that securing the unrefunded portions of the 2010 Bonds described above. Please note that the City will not be applying to Standard & Poor’s for a rating on the 2017 Bond.

**Request for Offers.** The City is interested in receiving tax exempt, non-bank qualified, fixed rate private placement offers from financial institutions for purchase of the 2017 Bond. Details of the 2017 Bond are as follows:

1. Time and Place of Sale: Bids for the purchase of the 2017 Bond will be received on behalf of the City by the City Manager at City Hall, Office of the Purchasing Manager, 145 West Broad Street, Spartanburg, South Carolina, until 12:00 PM, South Carolina time, on December 14, 2017.
2. Estimated Par Amount<sup>2</sup>: \$4,680,000
3. Principal Payment Schedule<sup>3</sup>: 4/1/2018 \$ 55,000

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<sup>1</sup> A copy of the form of 2017 Bond Ordinance will be made available upon request to Lisa Morris at [lmorris@mcnair.net](mailto:lmorris@mcnair.net).

<sup>2</sup> To allow the City to accomplish its refinancing needs, the par amount of the 2017 Bond is subject to adjustment up or down based on mutual agreement of the City and the purchaser of the 2017 Bond.

4/1/2019	50,000
4/1/2020	55,000
4/1/2021	410,000
4/1/2022	420,000
4/1/2023	430,000
4/1/2024	440,000
4/1/2025	445,000
4/1/2026	455,000
4/1/2027	465,000
4/1/2028	475,000
4/1/2029	485,000
4/1/2030	495,000

4. Dated and Delivery Date<sup>4</sup>: December 28, 2017.
5. Average Life: Based on the amortization schedule provided in item 3 above, the estimated average life of the 2017 Bond is 7.700 years.
6. Interest Payments: Semiannually (calculated on a 30/360 basis) each April 1 beginning April 1, 2018
7. Security: The 2017 Bond is a binding general obligation of the City and the full faith, credit, and taxing power of the City are irrevocably pledged for payment of the 2017 Bond. There shall be levied and collected annually upon all taxable property in the City an ad valorem tax, without limitation as to rate or amount, sufficient for the payment of the principal and interest on the 2017 Bond.
8. Prepayment: Unless otherwise noted by a bidder within their bid, all offers will be presumed by the City to be pre-payable at any time with no pre-payment penalty, yield maintenance payment, or make-whole call premium.
9. Attachments: (a) FY 2016 CAFR of the City<sup>5</sup>
10. Debt Service Reserve Fund: There will be no debt service reserve fund for the 2017 Bond.
11. Additional Debt: The City has no plans for additional long term bonded indebtedness at this time which would impact security for or repayment of the 2017 Bond.
12. Adjustment to Interest Rate: Bids containing rates of interest which may adjust upon the occurrence of specified events, including changes in the Internal Revenue Code, changes in the bidder's capital requirements or cost of capital, or for any other reason (other than loss of tax exemption due to the actions or omissions of the City), will be rejected.

**Due Date and Other Matters.** Requests for further information or clarification should be communicated to the City (Dennis Locke, Finance Director, at [dlocke@cityofspartanburg.org](mailto:dlocke@cityofspartanburg.org) or 864/596-2119), Stifel (Brent Robertson at [robertsonb@stifel.com](mailto:robertsonb@stifel.com) or 803/331-3848 and Alice Cao at [caoa@stifel.com](mailto:caoa@stifel.com) or

<sup>3</sup> Subsequent to acceptance of the winning offer, the City reserves the option to adjust the principal maturity schedule of the 2017 Bond so as to accomplish its desired debt service savings structure.

<sup>4</sup> Subject to change based on mutual agreement of the City and the purchaser of the 2017 Bond, but in no event after December 31, 2017.

<sup>5</sup> Hard copy disseminations of this Request for Offers will not include a hard copy of the City's FY 2016 CAFR. Hard copy recipients of the Request for Offers may contact the City, Stifel, or McNair Law Firm to request an electronic version of the FY 2016 CAFR.

404/504-2769), and/or McNair Law Firm (Mike Burns at [mburns@mcnair.net](mailto:mburns@mcnair.net) or 864/271-4940, or Brandon Norris at [bnorris@mcnair.net](mailto:bnorris@mcnair.net) or 864/271-4940).

The City requests that each bidder reference the following bid number in its offer to purchase the 2017 Bond: Bid Number: Proposal No. 1718-12-14-1. Offers must be delivered no later than 12:00 PM South Carolina time on December 14, 2017 as follows:

Email Bids: Offers may be emailed to the attention of Carl F. Wright, Purchasing Manager of the City, at [cwright@cityofspartanburg.org](mailto:cwright@cityofspartanburg.org), with copies to the following parties:

- Stifel, [robertsonb@stifel.com](mailto:robertsonb@stifel.com) and [caoa@stifel.com](mailto:caoa@stifel.com)
- McNair Law Firm, [mburns@mcnair.net](mailto:mburns@mcnair.net) and [bnorris@mcnair.net](mailto:bnorris@mcnair.net)

Sealed Bids: Offers may be enclosed in a sealed envelope marked "Offer to Purchase \$4,680,000 General Obligation Refunding Bond, Series 2017, of the City of Spartanburg, South Carolina" and should be mailed or hand delivered to:

City of Spartanburg, South Carolina  
Attn.: Carl F. Wright, Purchasing Manager  
145 West Broad Street  
Spartanburg, South Carolina 29306

Offers should indicate any fees which the successful purchaser expects the City to pay in connection with the 2017 Bond, including but not limited to commitment, origination or underwriting fees, and fees and expenses of its legal counsel, if any (and, if so represented, the identity of such legal counsel); any such fees and expenses will be considered as additional interest costs when evaluating bids.

The successful purchaser of the 2017 Bond will be required to execute a letter to the City acknowledging, among other things, that (1) no official statement or other offering material has been furnished other than the Official Notice of Sale; (2) the purchaser had an opportunity to make inquiries of, and receive answers from or on behalf of such officials, employees, agents and attorneys of the City; (3) the purchaser has knowledge and experience in financial and business matters and that it is capable of evaluating the merits and risks of its investment in the 2017 Bond and is financially able to bear the economic risk of its investment in the 2017 Bond; (4) the purchaser is acquiring the 2017 Bond as a vehicle for making a commercial loan and without a present view to the distribution or resale thereof (subject, nevertheless, to any requirement of law that the disposition of its property shall at all times be under its control) within the meaning of the Federal securities laws; and (5) the purchaser is acquiring the 2017 Bond solely for its own account and no other person now has any direct or indirect beneficial ownership or interest therein.

The purchaser will also be requested to covenant that it will not voluntarily dispose of all or any portion of the 2017 Bond unless it procures from each assignee thereof, for the benefit of the City, such representations and covenants in form and content substantially the same as those made by the purchaser.

The City will determine which offer is in its best interests using a variety of factors, including the lowest cost of funds being offered (expressed as the true interest cost of the 2017 Bond), optional redemption provisions (if any), and any other criteria the City deems relevant in its sole discretion. The winning bid is expected to be awarded the day bids are received and by no later than the following business day. Offers should be final and binding for no less than 30 days from deadline for receipt of offers, and offers subject to further credit review and/or approval may be rejected. The City strongly discourages the submission of a bid which would require any modification to the 2017 Bond Ordinance, authorizing issuance of the 2017 Bond, which is expected to be enacted prior to the time of sale of the 2017 Bond as set forth herein. Further, the City reserves sole discretion to waive any irregularities in the bidding process or the bids received and may reject any or all bids received for any reason or no reason at all.

## VIII. A



City of spartanburg  
SOUTH CAROLINA

### Boards and Commissions Nominee Form

(Please print or type information)

BOARD/COMMITTEE: Storm Water Appeals Board

CITY RESIDENT: YES  NO  SEX:  M  F RACE: White

NAME: Bryan Overcash

ADDRESS: 1535 Barberrry Lane Spartanburg SC 29302  
Street City, State, Zip Code

BUSINESS PHONE: 582-5475 HOME PHONE: 680-2006 MAIL: BOvercash@freemangasch

OCCUPATION: Senior Management

EMPLOYER: Freeman Gas

OTHER VOLUNTEER OR CIVIC ACTIVITIES: SCHSL Registered Swim Official

WHY ARE YOU INTERESTED IN SERVING ON THIS BOARD? I am interested in this Board because now more than ever while the City is growing so fast. The oversight and protection of one of its greatest assets, its streets is paramount

RECOMMENDED BY: Laure Stille

DO YOU PRESENTLY SERVE ON OTHER GOVERNMENTAL BOARDS OR COMMISSIONS?

YES  NO  IF YES, PLEASE LIST: \_\_\_\_\_

11-9-17  
DATE

Return via MAIL or Email to:

Connie S. McIntyre, City Clerk  
City of Spartanburg  
PO Drawer 1749  
Spartanburg, SC 29304  
Email: [cmcintyre@cityofspartanburg.org](mailto:cmcintyre@cityofspartanburg.org)



City of spartanburg  
SOUTH CAROLINA

### Boards and Commissions Nominee Form

(Please print or type information)

BOARD/COMMITTEE: Design Review Board

CITY RESIDENT: YES  NO  SEX:  M  F RACE: White

NAME: Kevin James DeMark

ADDRESS: 1051 Woodburn Road Spartanburg, South Carolina 29302  
Street City, State, Zip Code

BUSINESS PHONE: 327.4050 HOME PHONE: 706.2195 EMAIL: kdemark@gmail.com

OCCUPATION: National Director of Facilities

EMPLOYER: OTO Development LLC

OTHER VOLUNTEER OR CIVIC ACTIVITIES: Served as UM School of Architecture Alumni  
Eagle Scout President

Served on the board of Animal Allies

WHY ARE YOU INTERESTED IN SERVING ON THIS BOARD? To help the city of Spartanburg  
preserve its history and still grow.

RECOMMENDED BY: Chris Story

DO YOU PRESENTLY SERVE ON OTHER GOVERNMENTAL BOARDS OR COMMISSIONS?

YES  NO  IF YES, PLEASE LIST: \_\_\_\_\_

11/05/2017  
DATE

Return via MAIL or Email to:

Connie S. McIntyre, City Clerk  
City of Spartanburg  
PO Drawer 1749  
Spartanburg, SC 29304  
Email: [cmcintyre@cityofspartanburg.org](mailto:cmcintyre@cityofspartanburg.org)