

ORDINANCES INTRODUCED

- 14.31.12** AN ORDINANCE AUTHORIZING CERTAIN PROJECTS BY THE CITY OF ALBANY, NEW YORK AT A MAXIMUM ESTIMATED COST OF \$135,000.00 AND AUTHORIZING THE ISSUANCE OF \$135,000.00 SERIAL BONDS OF SAID CITY TO PAY THE COST THEREOF (AFD COMMUNICATION TERMINALS)
- 15.31.12** AN ORDINANCE AUTHORIZING CERTAIN PROJECTS BY THE CITY OF ALBANY, NEW YORK AT A MAXIMUM ESTIMATED COST OF \$65,000.00 AND AUTHORIZING THE ISSUANCE OF \$65,000.00 SERIAL BONDS OF SAID CITY TO PAY THE COST THEREOF (PARAMEDIC RIG)
- 16.31.12** AN ORDINANCE AUTHORIZING CERTAIN PROJECTS BY THE CITY OF ALBANY, NEW YORK AT A MAXIMUM ESTIMATED COST OF \$240,000.00 AND AUTHORIZING THE ISSUANCE OF \$240,000.00 SERIAL BONDS OF SAID CITY TO PAY THE COST THEREOF (DEFIBRILLATORS)

RESOLUTIONS INTRODUCED

**13.31.12R RESOLUTION OF THE COMMON COUNCIL AMENDING THE CITY
OF ALBANY DEBT POLICY**

Council Member Sano introduced the following:

Ordinance Number 14.31.12

AN ORDINANCE AUTHORIZING CERTAIN PROJECTS BY THE CITY OF ALBANY, NEW YORK AT A MAXIMUM ESTIMATED COST OF \$135,000.00 AND AUTHORIZING THE ISSUANCE OF \$135,000.00 SERIAL BONDS OF SAID CITY TO PAY THE COST THEREOF (AFD COMMUNICATION TERMINALS)

The City of Albany, in Common Council convened, does hereby ordain and enact:

Section 1. The objects or purposes to be authorized and financed pursuant to this ordinance are set forth below, together with estimates of the maximum estimated costs thereof; determinations of the periods of probable usefulness thereof and the subparagraphs of Section 11.00(a) of the New York Local Finance Law pursuant to which it is determined; the maximum amount of the bonds to be issued with respect to such object or purpose and the maximum term of the obligations to be issued with respect to each project or purpose.

Object or Purpose: Police and fire alarm systems and signal systems.

Local Finance Law Section 11.00(a) Subparagraph 25

Period of Probable Usefulness: 10 years

Maximum Term of Obligations: 5 years

Maximum Estimated Cost: \$135,000.00

Maximum Amount of Bonds: \$135,000.00

Treasurer's Bond Authorization Numbers: N-12

Treasurer's Project Numbers: GH 34108214

Section 2. The plan of financing such objects or purposes is the issuance of \$135,000.00 serial bonds hereby authorized to be issued.

Section 3. It is hereby ordered and directed that the projects specified above be undertaken and the amounts set forth as the maximum estimated costs are hereby appropriated therefore. The Board of Contract and Supply is hereby authorized to take such necessary and further steps to carry out the provisions of this section.

Section 4. Pending the sale of the bonds herein authorized, the temporary use of funds from the City's general fund, pursuant to the provisions of section 165.10 of the New York Local Finance Law, is hereby authorized. The City reasonably expects to reimburse such temporary expenditures with the proceeds of the bonds or bond anticipation notes authorized by section 1 of this ordinance. This ordinance shall constitute the City's "official intent" to reimburse such temporary expenditures in accordance with United States Treasury Regulation section 1.150-2.

Section 5. The faith and credit of the City of Albany, New York are hereby irrevocably pledged for the payment of the principal of and interest on such bonds as the same respectively become due and payable. An annual appropriation shall be made in each year sufficient to pay the principal of and interest on such bonds becoming due and payable in such year and such debt service payments may be made in substantially level or declining amounts as may be authorized by law. There shall annually be levied on all taxable real property of said City, a tax sufficient to pay the principal of and interest on such bonds as the same become due and payable.

Section 6. Subject to the provisions of the New York Local Finance Law, the power to authorize the issuance of and to sell bond anticipation notes in anticipation of the issuance and sale of the serial bonds herein authorized, including renewals of such notes, is hereby delegated in the City Treasurer, as chief fiscal officer of the City of Albany. Such notes shall be of such terms, form and contents, and shall be sold in such manner, as may be prescribed by said City Treasurer, consistent with the provisions of Local Finance Law.

Section 7. The City Treasurer is further authorized to take such actions and execute such documents as may be necessary to ensure the continued status of the interest on the bonds authorized by this resolution and any notes issued in anticipation thereof, as excludable from federal income taxation pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and to designate the bonds authorized by this resolution, and any notes issued in anticipation thereof as "qualified tax-exempt bonds" in accordance with Section 265(b)(3)(B)(i) of the Code.

Section 8. The City Treasurer is further authorized to enter into a continuing disclosure agreement with the initial purchaser of the bonds or notes authorized by this resolution, containing provisions which are satisfactory to such purchaser in compliance with the provisions of Rule 15c12-12, promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934.

Section 9. The validity of such bonds and bond anticipation notes may be contested only if:

(a) Such obligations are authorized for an object or purpose for which said City is not authorized to expend money, or

(b) The provisions of law which should be complied with at the date of publication of this ordinance pursuant to Section 8 hereof are not substantially complied with, and an action, suit or proceeding contesting such validity is commenced within twenty days after the date of such publications, or

(c) Such obligations are authorized in violation of the provisions of the Constitution.

Section 10. Upon this ordinance taking effect, the Clerk of the Common Council is hereby authorized and directed to publish the same together with a notice in substantially the form set forth in section 81.00 of the New York Local Finance Law.

Section 11. It is hereby determined that except as hereinafter specified, the authority and funding of the projects aforesaid constitute either unlisted of Type II actions under the New York State Environmental Quality Review Act and the regulations promulgated thereunder having no adverse effect upon the environment.

Section 12. This ordinance shall be dated March 5, 2012 and shall take effect upon its approval by the Board of Estimate and Apportionment of the City of Albany.

**APPROVED AS TO FORM
February 24, 2012**

Corporation Counsel

Council Member Sano introduced the following:

Ordinance Number 15.31.12

AN ORDINANCE AUTHORIZING CERTAIN PROJECTS BY THE CITY OF ALBANY, NEW YORK AT A MAXIMUM ESTIMATED COST OF \$65,000.00 AND AUTHORIZING THE ISSUANCE OF \$65,000.00 SERIAL BONDS OF SAID CITY TO PAY THE COST THEREOF (PARAMEDIC RIG)

The City of Albany, in Common Council convened, does hereby ordain and enact:

Section 1. The objects or purposes to be authorized and financed pursuant to this ordinance are set forth below, together with estimates of the maximum estimated costs thereof; determinations of the periods of probable usefulness thereof and the subparagraphs of Section 11.00(a) of the New York Local Finance Law pursuant to which it is determined; the maximum amount of the bonds to be issued with respect to such object or purpose and the maximum term of the obligations to be issued with respect to each project or purpose.

Object or Purpose: Motor vehicles.

Local Finance Law Section 11.00(a) Subparagraph 29

Period of Probable Usefulness: 5 years

Maximum Term of Obligations: 5 years

Maximum Estimated Cost: \$65,000.00

Maximum Amount of Bonds: \$65,000.00

Treasurer's Bond Authorization Numbers: Q-12

Treasurer's Project Numbers: GH 34108217

Section 2. The plan of financing such objects or purposes is the issuance of \$65,000.00 serial bonds hereby authorized to be issued.

Section 3. It is hereby ordered and directed that the projects specified above be undertaken and the amounts set forth as the maximum estimated costs are hereby appropriated therefore. The Board of Contract and Supply is hereby authorized to take such necessary and further steps to carry out the provisions of this section.

Section 4. Pending the sale of the bonds herein authorized, the temporary use of funds from the City's general fund, pursuant to the provisions of section 165.10 of the New York Local Finance Law, is hereby authorized. The City reasonably expects to reimburse such temporary expenditures with the proceeds of the bonds or bond anticipation notes authorized by section 1 of this ordinance. This ordinance shall constitute the City's "official intent" to reimburse such temporary expenditures in accordance with United States Treasury Regulation section 1.150-2.

Section 5. The faith and credit of the City of Albany, New York are hereby irrevocably pledged for the payment of the principal of and interest on such bonds as the same respectively become due and payable. An annual appropriation shall be made in each year sufficient to pay the principal of and interest on such bonds becoming due and payable in such year and such debt service payments may be made in substantially level or declining amounts as may be authorized by law. There shall annually be levied on all taxable real property of said City, a tax sufficient to pay the principal of and interest on such bonds as the same become due and payable.

Section 6. Subject to the provisions of the New York Local Finance Law, the power to authorize the issuance of and to sell bond anticipation notes in anticipation of the issuance and sale of the serial bonds herein authorized, including renewals of such notes, is hereby delegated in the City Treasurer, as chief fiscal officer of the City of Albany. Such notes shall be of such terms, form and contents, and shall be sold in such manner, as may be prescribed by said City Treasurer, consistent with the provisions of Local Finance Law.

Section 7. The City Treasurer is further authorized to take such actions and execute such documents as may be necessary to ensure the continued status of the interest on the bonds authorized by this resolution and any notes issued in anticipation thereof, as excludable from federal income taxation pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and to designate the bonds authorized by this resolution, and any notes issued in anticipation thereof as "qualified tax-exempt bonds" in accordance with Section 265(b)(3)(B)(i) of the Code.

Section 8. The City Treasurer is further authorized to enter into a continuing disclosure agreement with the initial purchaser of the bonds or notes authorized by this resolution, containing provisions which are satisfactory to such purchaser in compliance with the provisions of Rule 15c12-12, promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934.

Section 9. The validity of such bonds and bond anticipation notes may be contested only if:

(a) Such obligations are authorized for an object or purpose for which said City is not authorized to expend money, or

(b) The provisions of law which should be complied with at the date of publication of this ordinance pursuant to Section 8 hereof are not substantially complied with, and an action, suit or proceeding contesting such validity is commenced within twenty days after the date of such publications, or

(c) Such obligations are authorized in violation of the provisions of the Constitution.

Section 10. Upon this ordinance taking effect, the Clerk of the Common Council is hereby authorized and directed to publish the same together with a notice in substantially the form set forth in section 81.00 of the New York Local Finance Law.

Section 11. It is hereby determined that except as hereinafter specified, the authority and funding of the projects aforesaid constitute either unlisted of Type II actions under the New York State Environmental Quality Review Act and the regulations promulgated thereunder having no adverse effect upon the environment.

Section 12. This ordinance shall be dated March 5, 2012 and shall take effect upon its approval by the Board of Estimate and Apportionment of the City of Albany.

**APPROVED AS TO FORM
February 24, 2012**

Corporation Counsel

Council Member Sano introduced the following:

Ordinance Number 16.31.12

AN ORDINANCE AUTHORIZING CERTAIN PROJECTS BY THE CITY OF ALBANY, NEW YORK AT A MAXIMUM ESTIMATED COST OF \$240,000.00 AND AUTHORIZING THE ISSUANCE OF \$240,000.00 SERIAL BONDS OF SAID CITY TO PAY THE COST THEREOF (DEFIBRILLATORS)

The City of Albany, in Common Council convened, does hereby ordain and enact:

Section 1. The objects or purposes to be authorized and financed pursuant to this ordinance are set forth below, together with estimates of the maximum estimated costs thereof; determinations of the periods of probable usefulness thereof and the subparagraphs of Section 11.00(a) of the New York Local Finance Law pursuant to which it is determined; the maximum amount of the bonds to be issued with respect to such object or purpose and the maximum term of the obligations to be issued with respect to each project or purpose.

Object or Purpose: Fire-fighting vehicles and apparatus.

Local Finance Law Section 11.00(a) Subparagraph 27

Period of Probable Usefulness: 20 years

Maximum Term of Obligations: 20 years

Maximum Estimated Cost: \$240,000.00

Maximum Amount of Bonds: \$240,000.00

Treasurer's Bond Authorization Numbers: P-12

Treasurer's Project Numbers: GH 34108216

Section 2. The plan of financing such objects or purposes is the issuance of \$240,000.00 serial bonds hereby authorized to be issued.

Section 3. It is hereby ordered and directed that the projects specified above be undertaken and the amounts set forth as the maximum estimated costs are hereby appropriated therefore. The Board of Contract and Supply is hereby authorized to take such necessary and further steps to carry out the provisions of this section.

Section 4. Pending the sale of the bonds herein authorized, the temporary use of funds from the City's general fund, pursuant to the provisions of section 165.10 of the New York Local Finance Law, is hereby authorized. The City reasonably expects to reimburse such temporary expenditures with the proceeds of the bonds or bond anticipation notes authorized by section 1 of this ordinance. This ordinance shall constitute the City's "official intent" to reimburse such temporary expenditures in accordance with United States Treasury Regulation section 1.150-2.

Section 5. The faith and credit of the City of Albany, New York are hereby irrevocably pledged for the payment of the principal of and interest on such bonds as the same respectively become due and payable. An annual appropriation shall be made in each year sufficient to pay the principal of and interest on such bonds becoming due and payable in such year and such debt service payments may be made in substantially level or declining amounts as may be authorized by law. There shall annually be levied on all taxable real property of said City, a tax sufficient to pay the principal of and interest on such bonds as the same become due and payable.

Section 6. Subject to the provisions of the New York Local Finance Law, the power to authorize the issuance of and to sell bond anticipation notes in anticipation of the issuance and sale of the serial bonds herein authorized, including renewals of such notes, is hereby delegated in the City Treasurer, as chief fiscal officer of the City of Albany. Such notes shall be of such terms, form and contents, and shall be sold in such manner, as may be prescribed by said City Treasurer, consistent with the provisions of Local Finance Law.

Section 7. The City Treasurer is further authorized to take such actions and execute such documents as may be necessary to ensure the continued status of the interest on the bonds authorized by this resolution and any notes issued in anticipation thereof, as excludable from federal income taxation pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and to designate the bonds authorized by this resolution, and any notes issued in anticipation thereof as "qualified tax-exempt bonds" in accordance with Section 265(b)(3)(B)(i) of the Code.

Section 8. The City Treasurer is further authorized to enter into a continuing disclosure agreement with the initial purchaser of the bonds or notes authorized by this resolution, containing provisions which are satisfactory to such purchaser in compliance with the provisions of Rule 15c12-12, promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934.

Section 9. The validity of such bonds and bond anticipation notes may be contested only if:

(a) Such obligations are authorized for an object or purpose for which said City is not authorized to expend money, or

(b) The provisions of law which should be complied with at the date of publication of this ordinance pursuant to Section 8 hereof are not substantially complied with, and an action, suit or proceeding contesting such validity is commenced within twenty days after the date of such publications, or

(c) Such obligations are authorized in violation of the provisions of the Constitution.

Section 10. Upon this ordinance taking effect, the Clerk of the Common Council is hereby authorized and directed to publish the same together with a notice in substantially the form set forth in section 81.00 of the New York Local Finance Law.

Section 11. It is hereby determined that except as hereinafter specified, the authority and funding of the projects aforesaid constitute either unlisted of Type II actions under the New York State Environmental Quality Review Act and the regulations promulgated thereunder having no adverse effect upon the environment.

Section 12. This ordinance shall be dated March 5, 2012 and shall take effect upon its approval by the Board of Estimate and Apportionment of the City of Albany.

**APPROVED AS TO FORM
February 24, 2012**

Corporation Counsel

Council Member introduced the following:

Resolution Number 13.31.12R

RESOLUTION OF THE COMMON COUNCIL AMENDING THE CITY OF ALBANY DEBT POLICY

WHEREAS, the Albany City Charter provides that the Common Council shall by resolution establish and review periodically a comprehensive debt policy (a “Debt Policy”) for determining appropriate levels of debt and various criteria in connection with the issuance of debt; and

WHEREAS, the City of Albany (the “City”) recognizes that a Debt Policy is an important aspect of sound fiscal management and the bond rating agencies and the Government Finance Officers Association have recognized the need for municipalities such as the City to adopt and abide by a Debt Policy; and

WHEREAS, a Debt Policy will establish the parameters for City’s issuance of future indebtedness and managing outstanding indebtedness including, but not limited to, serial bonds and statutory installment bonds, but excluding bond anticipation notes, revenue anticipation notes, tax anticipation notes and capital leases (collectively, “General Obligation Debt”) and General Government Revenue; and

WHEREAS, a Debt Policy will also provide guidance on the timing and purposes for which General Obligation Debt may be issued, the types and amounts of permissible debt, and the methods of sale that may be used; and

WHEREAS, a Debt Policy formally recognizes an obligation for full and timely repayment of all debt as an essential requirement for accessing capital markets and adherence to a Debt Policy will help ensure that the City will maintain a sound position and that its credit rating is protected; and

WHEREAS, the Debt Policy is to be used in conjunction with the City’s capital budget and capital plan.

NOW, THEREFORE, BE IT RESOLVED, that the Common Council of the City of Albany hereby adopts the following Debt Policy which shall be reviewed annually:

I. Purposes of Issuing General Obligation Debt

The purpose of debt issuance is to meet the City’s capital needs for constructing, reconstructing, rehabilitating and/or renovating utility systems, buildings, infrastructure, roadways and sidewalks, for purchasing vehicles, machinery, equipment, apparatus and other capital items for which the use of operating funds is not feasible or advisable. The City will prepare and adopt

annually a five-year Capital Plan to identify and establish an orderly plan for meeting the City's infrastructure and capital needs.

II. Guidelines for Issuing Debt:

A. The bond maturity of any purpose approved for debt issuance will not exceed the expected useful life of the purpose for which the debt is issued, irrespective of the period of probable usefulness permitted by section 11.0 of the New York State Local Finance Law (the "Law"); the "useful life" of any subject for which debt is issued shall be determined by the chief fiscal officer in consultation with the City's Corporation Counsel;

B. Proposed purposes for debt financing will be individually analyzed by the chief fiscal officer and the Budget Director to review tax impact and future costs resulting from the proposed resulting indebtedness;

C. While New York State law permits the approval of projects for debt financing by resolution, the City of Albany has traditionally approved and will continue to approve all projects by ordinance of the Common Council requiring a two-thirds majority vote;

D. The Common Council will not authorize indebtedness for unspecified purposes;

E. In any year, prior to approving any authorization for bonding, the Common Council will obtain from the City's chief fiscal officer a statement describing the city's debt service obligations, overall level of debt, as well as overlapping debt;

F. Total bond authorizations in any year shall not exceed the total approved as part of the Capital Plan passed in connection with that year's budget, except in cases of a public health or safety emergency declared by the Mayor, or indebtedness deemed necessary by a two-thirds vote of the entire membership of the Common Council.

III. Debt Limits

Effective no later than January 1, 2010 the City's General Obligation Debt service, as a percentage of the City's General Governmental Expenditures, shall not exceed ten percent (10%). However, the debt limit may be exceeded based on purchases authorized and deemed necessary to address a public health or public safety emergency declared by the Mayor or for indebtedness deemed necessary by a two-thirds vote of the entire membership of the Common Council. General Obligation Debt service [~~which is totally supported by dedicated~~] relating to projects or purposes which generate revenue for the City shall be excluded from the calculation of the 10% debt limit threshold referred herein. However, the chief fiscal officer shall prepare and annually update the total debt and interest attributed to such obligations.

IV. Capital Leases

A. In addition to General Obligation Debt, as authorized by the Common Council, the City may enter into capital leases to acquire machinery, equipment, furniture and fixtures when it is in the best interest of the City, as determined by the Chief Fiscal Officer.

B. While capital leases do not affect the City's constitutional debt limit, these obligations, shall be included when calculating the City's General Obligation Debt service.

C. While such non-appropriation obligation debt is not backed by the full faith and credit of the City of Albany, City will treat these obligations as it does general obligation debt.

V. Credit Objectives

The City of Albany will strive to maintain or improve its current bond rating. The City will also maintain relationships with rating agencies that assign ratings to the City's various debt obligations. The City will keep the rating agencies informed of the City's financial position by providing them with copies of the City's annual budget and annual financial statements.

VI. Methods of Sale

The Chief Fiscal Officer will select a method of sale that is most advantageous based on the conditions of financial markets, transaction-specific and issuer-related conditions and in accordance with the Law. Debt obligations shall generally be issued through competitive sale. If the Chief Fiscal Officer, after consulting with the City's financial advisor and bond counsel, determines that a competitive sale would not result in the best outcome for the City, then a negotiated sale, private placement or other method may be chosen, subject to any limitations provided by the Law.

VII. Advance/Current Refunding of Debt

The City may issue advance-refunding or current-refunding bonds (a "Refunding") in accordance with federal tax law and the Law. A Refunding may be used to reduce outstanding principal, reduce interest costs, or to eliminate restrictive debt covenants. Prior to recommending a refunding, the Chief Fiscal Officer shall demonstrate that savings, net of all issuance costs and cash contribution to the Refunding, will total at least three percent (3%) of interest and principal owed, unless otherwise permitted by the Common Council.

VIII. Disclosures

The City will ensure that at all times is in compliance with its continuing disclosure obligations as provided for by Securities and Exchange Commission Rule 15c2-12.

The City will disclose the preceding ten (10) fiscal years debt ratios in the annual financial statements.

The City will disclose an estimate of the subsequent five fiscal years debt ratios in the operating and capital improvements budgets.

IX. Savings Clause

Failure to comply with the provisions of this resolution will not invalidate any proceedings of the City or the debt issued by the City.

To: Nala R. Woodard, City Clerk
From: Patrick K. Jordan, Assistant Corporation Counsel
Re: Request for Common Council Legislation
Supporting Memorandum
Date: February 24, 2012

RESOLUTION NUMBER 13.31.12R

TITLE

RESOLUTION OF THE COMMON COUNCIL AMENDING THE CITY OF ALBANY DEBT POLICY

GENERAL PURPOSE OF LEGISLATION

To ensure the intent of the debt policy that was adopted in 2008 is reflected in the language of the resolution. The intent of the original sponsor and the Council was not to include City projects or activities that generate revenues that go into the City's General Fund in calculating the 10% cap.

NECESSITY FOR LEGISLATION AND ANY CHANGE TO EXISTING LAW

In order to ensure the intent of the policy adopted in 2008, as it was understood and passed by the Common Council, is reflected by the resolution's language.

EXPLANATION OF DEADLINE OR REQUESTED TIME FRAME FOR PASSAGE

N/A

SPECIFICS OF BIDDING OR OTHER PROCUREMENT PROCESS (if applicable)

N/A

SPECIFICS OF REAL PROPERTY SALE OR ACQUISITION (if applicable)

N/A

FISCAL IMPACT(S)

N/A
