

August 22, 1983

Special Meeting, August 22, 1983

PROCEEDINGS OF COUNCIL

COUNCIL CHAMBER

Special meeting.

August 22, 1983.

The ninety-seventh meeting of the City Council of Charleston was held this date convening at 5:00 p.m., in City Hall.

Notice of this meeting was sent to the local news media August 19, 1983. Notice of the meeting was published in SATURDAY, August 20, 1983.

PRESENT

The Honorable Joseph P. Riley, Jr., Mayor; and, Councilmembers Gaillard, Richardson, Jefferson, Christopher, Scott, Tecklenburg, Stephens and Cochran -- 9.

The meeting was opened with a moment of silent prayer by Councilmember Richardson.

The Mayor thanked the Councilmembers for attending this meeting. He then stated the first item on the agenda, and the main purpose in calling this meeting, was to consider giving second reading to a bill providing for the issuance and sale of \$6 Million General Obligation Parking Facilities Bonds, Series 1983, of the City of Charleston, South Carolina, dated September 1, 1983, and other matters relating thereto.

On motion of Councilmember Jefferson, the subject bill received second reading. The bill passed second reading on motion of Councilmember Scott and third reading on motion of Councilmember Tecklenburg. On the further motion of Councilmember Christopher, the rules were suspended and the bill immediately was ratified as:

Ratification

Number 1983-45

AN ORDINANCE

PROVIDING FOR ISSUANCE AND SALE OF SIX MILLION DOLLARS (\$6,000,000) GENERAL OBLIGATION PARKING FACILITIES BONDS, SERIES 1983, OF THE CITY OF CHARLESTON, SOUTH CAROLINA, DATED SEPTEMBER 1, 1983, AND OTHER MATTERS RELATING THERETO.

BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF CHARLESTON, IN COUNCIL ASSEMBLED:

ARTICLE I

FINDINGS OF FACT

Section 1.01

As an incident to the adoption of this Ordinance, and the issuance of the bonds provided for herein, the City Council of the City of Charleston (Council) finds, as a fact, that each of the statements hereinafter set forth are in all respects true and correct:

1. The Municipal Bond Act, codified as Sections 5-21-210 to 5-21-500 of the 1976 Code of Laws of South Carolina, as amended (the Municipal Bond Act), authorizes any incorporated city or town of

the State to issue general obligation bonds for any corporate purpose of such city or town. Paragraph 4 of Section 14 of Article X of the Constitution of South Carolina provides that an incorporated municipality may incur general obligation debt for a purpose which is a public purpose and a corporate purpose of the municipality. Municipally owned off street parking facilities constitute such an authorized purpose within the constraints of both the Municipal Bond Act and the Constitution.

2. Paragraph 7(a) of Section 14 of Article X permits incorporated municipalities to incur general obligation debt without an election to the extent of not exceeding 8% of the assessed value of all taxable property of such municipalities. It permits bonded debt without dollar limit if the bonds are approved by referendum. The bonds authorized by this Ordinance were approved by referendum conducted June 8, 1982 and thus are not chargeable against the 8% debt limit. The referendum resulted in a vote of 5,981 in favor and 1,041 opposed to the bond issue.

3. The total assessed value of all taxable property located within the City of Charleston for the year 1982, which is the latest final assessed value thereof, is the sum of \$87,682,531 and the 8% debt limit of the City is \$7,014,602.48. At the present time the City of Charleston has outstanding general obligation debt which is chargeable against this debt limit in the amount of \$4,650,000. The City could utilize this non-referendum capacity to meet any cost overrun on the Project described in paragraphs 8 and 9 of this Article I.

4. The proceeds of the bonds to be authorized by this Ordinance will be used to pay on September 15, 1983, the principal of, and interest on, a \$5,500,000 bond anticipation note of the City of Charleston. These principal and interest requirements amount to \$5,878,950. The Bond Anticipation Note was issued in anticipation of the issuance of \$6 million general obligation bonds of the City of Charleston pursuant to the authorization of the Municipal Bond Act. The proceeds derived from the sale of the notes are being used to pay a portion of the costs of acquiring and constructing two public parking facilities.

5. These public parking facilities are being constructed as a result of the significant development taking place and planned for in the Central Business District of the City of Charleston and as a direct result of the significant increase of the City's tourism industry. In addition, the City is currently experiencing peak periods of traffic and parking congestion in the East Bay/Broad Street area which is the center of employment, business, cultural and tourist activities within the City.

6. In response to the need for parking and effective traffic management, City Council approved a Waterfront Park Master Plan, prepared by Sasaki and Associates and accepted a comprehensive Peninsula Traffic and Parking Study prepared by the firm of Post, Buckley, Schuh and Jernigan, Inc., Consulting Engineers and Planners. The Waterfront Park Master Plan identified two sites as most appropriate for the construction of two vitally needed parking facilities. The construction of these facilities will permit orderly growth in this area while maintaining the historic character and livability of the neighborhoods most affected.

7. The Peninsula Traffic and Parking Study indicated that even with the two planned parking facilities, there will still be a parking deficiency of approximately 1,000 spaces in the target area within the next 10 years. As a result of these findings, the City held the bond referendum referred to above.

8. The garages will be located at East Bay and Prioleau Streets and at Concord and Cumberland Streets. Final design for the garages has been completed by the firm of Sasaki and Associates, Inc. in cooperation with Mitchell, Small, Donahue and Logan. Attention to design details assures that the garages blend in with the historic surroundings. Land has been acquired and bids have been taken for the construction. The bid of the construction firm of Ruscon Construction has been approved by Charleston City Council in the amount of \$5,733,000 to construct the 997 space facilities. A contract is expected to be executed by the City within the next few weeks. A \$1,000,000 Urban Development Action Grant has been secured to help defray the costs of constructing the two garages.

9. The Concord/Cumberland Street Garage will be six levels and the East Bay/Prioleau Street Garage will be four levels in height. The garages will be operated by the Department of Traffic and Transportation of the City.

10. By reason of the facts above set forth, City Council has determined to avail itself of the authorizations of the Municipal Bond Act and to make provision for the issuance of Six Million Dollars (\$6,000,000) of general obligation bonds, whose tenor and terms shall be as prescribed herein.

ARTICLE II

DEFINITIONS AND CONSTRUCTION

Section 2.01 Definitions

As used in this Ordinance, unless the context otherwise requires, the following terms shall have the following respective meanings:

"Act" or "Municipal Bond Act" means Sections 5-21-210, et . seq., Code of Laws of the State of South Carolina 1976, as amended.

"Authorized Investments" mean and include any of the following securities, if and to the extent that the same are at the time legal for investment of the City's funds:

(i) Obligations of the United States and agencies thereof;

(ii) General obligations of the State or any of its political units;

(iii) Savings and Loan Associations to the extent that the same are insured by an agency of the federal government;

(iv) Certificates of deposit where the certificates are collaterally secured by securities of the type described in (i) and (ii) above held by a third party as escrow agent or custodian, of a market value of not less than the amount of the certificates of deposit so secured, including interest; provided, however, such collateral shall not be required to the extent the same are insured by an agency of the federal government; or

(v) Repurchase agreements with banks which are members of the Federal Deposit Insurance Corporation, the underlying securities of which are obligations of the type described in (i) and (ii) above and which are fully collateralized by obligations of the same type.

"Authorized Officer" means the Mayor, the Director of Administrative Services and any other officer or employee of the City designated from time to time as an Authorized Officer by resolution of City Council, and when used with reference to any act or document also means any other person authorized by resolution of City Council to perform such act or sign such document.

"Bond" or "Bonds" means any of the General Obligation Parking Facilities Bonds, Series 1983, authorized by this Ordinance.

"Bondholder" or "Registered Holder" or "Holders of Bonds" or similar term means, when used with respect to a Bond or Bonds, any person whose name shall be registered in the registration books maintained by the Registrar as the owner of any Bond Outstanding.

"Bond Payment Date" means each March 1 and September 1 on which interest on any of the Bonds shall be payable or on which both a Principal installment and interest shall be payable.

"City" means the City of Charleston, South Carolina.

"City Council" means the City Council of the City of Charleston, South Carolina.

"Corporate Trust Office", when used with respect to any Paying Agent or Registrar, means the office at which its principal corporate trust business shall be administered.

"Fiduciary" means the Paying Agent or the Registrar and their successors and assigns.

"Government Obligations" means and includes direct general obligations of the United States of America or agencies thereof or obligations, the payment of principal or interest on which, in the opinion of the Attorney General of the United States of America, is fully and unconditionally guaranteed by the United States of America.

"Ordinance" means this Ordinance as the same may be amended or supplemented from time to time in accordance with the terms hereof.

"Outstanding", when used in this Ordinance with respect to Bonds means, as of any date, all Bonds theretofore authenticated and delivered pursuant to this Ordinance except:

- (i) any Bond cancelled or delivered to the Registrar for cancellation on or before such date;
- (ii) any Bond (or any portion thereof) deemed to have been paid in accordance with the provisions of Section 6.01 hereof and;
- (iii) any Bond in lieu of or in exchange for which another Bond shall have been authenticated and delivered pursuant to Section 3.09 of this Ordinance.

"Paying Agent" means any bank, trust company or national banking association which is authorized to pay the principal or Redemption Price of or interest on any Bonds and having the duties, responsibilities and rights provided for in this Ordinance, and its successor or successors and any other corporation or association which at any time may be substituted in its place pursuant to this Ordinance. Any institution named as a Paying Agent may also act as Registrar.

"Person" means an individual, a partnership, a corporation, a trust, a trustee, an unincorporated organization, or a government or an agency or political subdivision thereof.

"Principal Installment" means, as of any date of calculation, the principal amount of all Bonds due on a specified date.

"Record Date" means the 15th day of the month next preceding each Bond Payment Date.

"Redemption Price", when used with respect to a Bond or portion thereof to be redeemed, means the principal amount of such Bond or such portion thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to this Ordinance.

"Registrar" means any bank, trust company, or national banking association which is authorized to maintain the list of those who from time to time shall be the Registered Holders of the Bonds and which shall effect the transfer of Bonds in accordance with the provisions of this Ordinance and which has the duties, responsibilities, and rights provided for in this Ordinance, and its successor or successors and any other corporation or association which at any time may be substituted in its place pursuant to this Ordinance. Any institution named as Registrar may also act as Paying Agent.

Section 2.02 Construction

In this Ordinance, unless the context otherwise requires:

- (a) Articles and Sections referred to by number shall mean the corresponding Articles and Sections of this Ordinance.
- (b) The terms "hereby", "hereof", "hereto", "herein", "hereunder" and any similar term refer to this Ordinance, and the term "hereafter" shall mean after, and the term "heretofore" shall mean before, the date of adoption of this Ordinance.

(c) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders, and words importing the singular number shall mean and include the plural number and vice versa.

(d) Words importing the redemption of a Bond or the calling of a Bond for redemption do not include or connote the payment of such Bond at its stated maturity or the purchase of such Bond.

(e) Any fiduciary shall be deemed to hold an Authorized Investment in which money is invested pursuant to the provisions of this Ordinance, even though such Authorized Investment is evidence only by a book entry or similar record of investment.

ARTICLE III

ISSUANCE OF BONDS

Section 3.01

Pursuant to the Act there shall be issued by the City of Charleston, South Carolina, Six Million Dollars (\$6,000,000) of general obligation bonds of the City of Charleston, South Carolina, which shall be designated as General Obligation Parking Facilities Bonds, Series 1983, whose principal proceeds shall be applied (i) on September 15, 1983, to pay principal and interest accrued on the \$5,500,000 Bond Anticipation Notes referred to in Article I and (ii) thereafter to costs incurred or to be incurred for construction of the off-street parking facilities in the City of Charleston described in Article I.

Section 3.02

The General Obligation Parking Facilities Bonds, Series 1983, shall be dated September 1, 1983, and shall mature in annual series or installments, in numerical order, as follows:

\$125,000 on March 1 in the year 1986;

\$150,000 on March 1 in each of the years 1987 to 1989, inclusive;

\$225,000 on March 1 in the year 1990;

\$250,000 on March 1 in each of the years 1991 to 1993, inclusive;

\$350,000 on March 1 in each of the years 1994 and 1995;

\$450,000 on March 1 in the year 1996;

\$500,000 on March 1 in the year 1997;

\$900,000 on March 1 in the year 1998; and

\$950,000 on March 1 in each of the years 1999 and 2000.

Pursuant to the provisions of Section 4.01 hereof, certain Bonds have been made subject to redemption at the option of the City.

The bonds shall be issued in the form of fully registered bonds in the denomination of \$5,000 or any multiple thereof not exceeding the principal amount of bonds maturing in each year.

Section 3.03

The Bonds shall bear such rate or rates of interest, payable on March 1 and September 1 of each year, beginning March 1, 1984, as shall at the sale of such Bonds reflect the lowest interest cost to the City, at a price of not less than par and accrued interest to the date of delivery, but

(a) all Bonds of the same maturity shall bear the same rate of interest;

- (b) if any rate of interest in the lowest bid is in excess of seven per centum (7%) per annum, the award of the Bonds will be subject to the approval of the South Carolina State Budget and Control Board;
- (c) each rate of interest shall be a multiple of 1/20th of one per centum (1%);
- (d) no rate of interest named shall be more than one and one half per centum (1 1/2%) higher than the lowest rate of interest named; and
- (e) any premium offered must be paid in cash as a part of the purchase price.

For the purposes of this Section, interest cost shall mean the aggregate of interest on the Bonds from September 1, 1983, until their respective maturities, less any sum named by way of premium.

Section 3.04

Each Bond shall be authenticated on the date of its delivery. Interest on the Bonds shall be paid by check or draft mailed from the Corporate Trust Office of the Paying Agent to the person in whose name the Bond is registered on the February 15 or August 15 next preceding the Bond Payment Date at the address shown by the registration books. The Bonds shall bear interest from the March 1 or the September 1 to which interest has been paid next preceding the authentication date thereof; provided, however, if the authentication date of any Bond is a March 1 or a September 1, such Bond or Bonds shall bear interest from the earlier of such authentication date or the date to which interest has last been paid; provided further, however, that if the authentication date of any Bond precedes March 1, 1984 or if the City shall fail to pay interest on March 1, 1984, then such Bond or Bonds shall bear interest from September 1, 1983.

Principal of the Bonds, when due, shall be paid upon presentation of such Bonds at the Corporate Trust Office of the Paying Agent. The Paying Agent and the Registrar shall be such financial institution as may be agreed upon by the Mayor and the successful bidder to act in such capacities or, in the event of a failure to agree, at the Corporate Trust Office of a financial institution designated by the Mayor.

The Bonds may be presented for registration of transfers and exchanges to the Corporate Trust Office of the Registrar.

Section 3.05

(a) The Bonds shall be signed by the Mayor and by the Director of Administrative Services of the City of Charleston, attested by the Clerk of the City Council, and the corporate seal of the City of Charleston shall be reproduced thereon. The Bonds may be executed by facsimile signatures provided at least one signature shall be a manual signature. The facsimile signatures utilized may be those of the officers who are in office on the date of the final adoption of this Ordinance. The manual signature appearing on the Bonds shall be that of a person holding office on the occasion that the Bonds shall have been printed and have been made ready for delivery. In case any officer whose signature or facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery.

(b) No Bond shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless there shall be endorsed on such Bond a certificate of authentication in the form set forth in the form of Bond attached as Exhibit "A" to this Ordinance, duly executed by the manual signature of an authorized officer of the Registrar and such certificate of authentication upon any Bond executed on behalf of the City shall be conclusive evidence that the Bond so authenticated has been duly issued hereunder and that the Registered Holder thereof is entitled to the benefit of the terms and provisions of this Ordinance.

Section 3.06 Exchange of Bonds

Bonds, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the Registered Holder or his duly authorized attorney, may, at the option of the Registered Holder thereof, be exchanged for an equal aggregate principal amount of Bonds in any authorized denomination of the same interest rate and maturity and containing the same redemption provisions. So long as any of the Bonds remain Outstanding, the City shall make all necessary provisions to permit the exchange of Bonds at the Corporate Trust Office of the Registrar.

Section 3.07 Transferability and Registry

Bonds outstanding shall at all times be payable, both as to each Principal Installment, Redemption Price and interest to a Person, and shall be transferable, only in accordance with the provisions for registration and transfer contained in this Ordinance and in the Bonds. So long as any of the Bonds remain Outstanding, the City shall maintain and keep, at the office of the Registrar, books for the registration and transfer of Bonds, and, upon presentation thereof for such purpose at the Corporate Trust Office of the Registrar, the City shall register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as it or the Registrar may prescribe, any Bond, except that only under the circumstances described in Section 3.17 hereof shall any Bond be registered or transferred to bearer. So long as any of the Bonds remain Outstanding, the City shall make all necessary provisions to permit the transfer of Bonds at the Corporate Trust Office of the Registrar.

Section 3.08 Transfer of Bonds

Each Bond shall be transferable only upon the Registration books of the City, which shall be kept for such purpose at the Corporate Trust Office of the Registrar which shall be maintained for such purpose by the Registrar. Upon the presentation and surrender of any Bond by the Registered Holder of such Bond in person or by his attorney duly authorized in writing, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered Holder or his duly authorized attorney, a transfer of such Bond may be effected. Upon surrender for transfer of any such Bond, the City shall execute and the Registrar shall authenticate and deliver, in the name of the Person who is the transferee, one or more new Bonds of the same aggregate principal amount, maturity and rate of interest and containing the same redemption provisions as the surrendered Bond. All action taken by the Registrar pursuant to this Section shall be deemed to be the action of the City.

Section 3.09 Regulations with Respect to Exchanges and Transfers

All Bonds surrendered in any exchange or transfer shall forthwith be cancelled by the Registrar. For each such exchange or transfer of Bonds, the City or the Registrar may make a charge sufficient to reimburse it or them for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the Registered Holder requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The City shall not be obligated to (i) issue, exchange or transfer any Bond during the 15 days next preceding any Bond Payment Date of the Bonds, (ii) issue, exchange or transfer any Bond during a period beginning at the opening of business 15 days next preceding any selection of bonds to be redeemed and ending at the close of business on the date of the mailing of notice of such redemption, or (iii) transfer or exchange any Bonds called or being called for redemption.

Section 3.10 Mutilated, Destroyed, Lost and Stolen Bonds

(a) If any mutilated Bond is surrendered to the Registrar and the Registrar and the City receive evidence to their satisfaction of the destruction, loss or theft of any Bond, and if there is delivered to an Authorized Officer or the City such security or indemnity as may be required to save the Fiduciaries and the City harmless, then, in the absence of notice that such Bond has been acquired

by a bona fide purchaser, the City shall execute, and upon request by the City, the Registrar shall authenticate and deliver, in

exchange for any such mutilated Bond or in lieu of any such destroyed, lost or stolen Bond, a new Bond of like tenor and principal amount, bearing a number unlike that of a Bond contemporaneously or previously Outstanding. The Registrar shall thereupon cancel any such mutilated Bond so surrendered. In case any such mutilated, destroyed, lost or stolen Bond has become or shall become due and payable within one year, the City in its discretion may, instead of issuing a new Bond, pay such Bond at its maturity.

(b) Upon the issuance of any new Bond under this Section, the City may require the payment of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto and any other expenses, including counsel fees or other fees, of the City or the Fiduciaries connected therewith.

(c) Each new Bond issued pursuant to this Section in lieu of any destroyed, lost or stolen Bond, shall constitute an additional contractual obligation of the City, whether or not the destroyed, lost or stolen Bond shall at any time be enforceable by anyone, and shall be entitled to all the benefits hereof equally and proportionately with any and all other Bonds duly issued pursuant to this Ordinance. All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds and shall preclude (to the extent lawful) all other rights or remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds.

In the event that a check representing interest on a Bond is mutilated, destroyed, lost or stolen and evidence of such destruction, loss or theft satisfactory to the City and the Registrar is received, then under such conditions as the Mayor shall approve, including the reimbursement of any expenses that may have been incurred, the Paying Agent shall cause to be issued a replacement check in substitution for such mutilated, destroyed, lost or stolen check.

Section 3.11 Registered Holder As Owner of Bond

The City, the Registrar and any Paying Agent may treat the Registered Holder of any Bond as the absolute owner thereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the Principal Installment or Redemption Price of and interest on such Bond and for all other purposes, and payment of Principal Installment, Redemption Price and interest shall be made only to, or upon the order of, such Registered Holder. All payments to such Registered Holder 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 any Paying Agent shall be affected by any notice to the contrary.

Section 3.12 Cancellation of Bonds

The Registrar shall destroy all Bonds surrendered to it for cancellation and shall deliver a certificate to that effect to the Director of Administrative Services. No such Bonds shall be deemed Outstanding under this Ordinance and no Bonds shall be issued in lieu thereof.

Section 3.13 Payments Due on Saturdays, Sundays and Holidays

In any case where the Bond Payment Date or the date fixed for redemption of any Bonds shall be a Saturday or Sunday or shall be, at the place designated for payment, a legal holiday or a day on which banking institutions are authorized by law to close, then payment of interest on or Principal Installment or Redemption Price of the Bonds need not be made on such date but may be made on the next succeeding business day not a Saturday, Sunday or a legal holiday or a day upon which banking institutions are authorized by law to close, with the same force and effect as if made on the Bond Payment Date or the date fixed for redemption, and no interest shall accrue for the period after such date.

Section 3.14

Both the principal and interest of the Bonds shall be exempt from all State, County, Municipal, School District, and all other taxes or assessments of the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate or transfer taxes.

Section 3.15

For the punctual payment of the principal and interest of the Bonds, as they respectively mature, and for the creation of a sinking fund to aid in the retirement and payment thereof, the full faith, credit and taxing power of the City of Charleston, are hereby irrevocably pledged, and there shall be levied and collected annually upon all taxable property in the City of Charleston an ad valorem tax, without limitation as to rate or amount, sufficient for such purpose. Such levy may be reduced in any year to the extent of any net revenues derived from operation of the parking facilities in the hands of the City and available for debt service.

Section 3.16

The form of the Bonds and the registration certificate to be endorsed thereon shall be substantially as set forth in Exhibit A attached hereto and incorporated herein.

A copy of the approving legal opinion to be rendered shall be printed on the back of each Bond, and preceding the same a certificate of authentication shall appear, which shall be signed on behalf of the City by a facsimile signature of the Clerk of the City Council. Said certificate of authentication shall be in form substantially as follows:

"IT IS HEREBY CERTIFIED that the following is a true and correct copy of the complete legal opinion of Messrs. Sinkler Gibbs & Simons, Attorneys & Counsellors at Law, Charleston, South Carolina, the original of which was manually executed, dated and issued as of the date of delivery of and payment for the Bonds, and a copy of which is on file with the Paying Agent.

CITY OF CHARLESTON, SOUTH CAROLINA

By

Clerk of the City Council"

Section 3.17 Conversion of Bonds into Bonds in Coupon Form

City Council finds that:

- (a) as of the date of the adoption of this Ordinance, Section 310(b)(1) of the Tax Equity and Fiscal Responsibility Act of 1982, Public Law No. 97-248, provides that any debt obligation (defined therein in such fashion as to include the Bonds) required by Section 310 (b)(1) to be issued in registered form loses its exemption from federal income taxation if it is not issued in registered form; and
- (b) the constitutionality of the sanction imposed by Section 310(b)(1) is under challenge in a proceeding pending in the Supreme Court of the United States (South Carolina v. Regan, No. 94, Original); and
- (c) if such challenge is successful it may become possible to exchange the bonds as originally issued in registered form for coupon bonds payable to bearer; and
- (d) the right to effect the exchange, in the event such exchange does not disturb the tax exempt status of the interest on the Bonds, will enhance the marketability and value thereof.

On the basis on the foregoing findings, City Council agrees that if it shall hereafter receive an opinion from a firm of nationally recognized bond counsel to the effect that the Bonds as then Outstanding in registered form may be converted into and exchanged for coupon bonds payable to

bearer, and that the issuance of coupon Bonds will not result in the imposition of any penalty upon the City, then under such circumstances, but at the expense of the then Bondholders, City Council agrees that it will, at the request of the then Bondholders, convert and exchange the Bonds as then Outstanding for coupon Bonds payable to bearer in denomination of \$5,000 each of the same maturity and interest rate and containing the same redemption provisions and containing such other provisions as are generally applicable to coupon bonds payable to bearer and otherwise to be in such form as City Council shall prescribe.

ARTICLE IV

REDEMPTION OR PURCHASE OF BONDS

Section 4.01 Authorization of Redemption

All Bonds maturing subsequent to March 1, 1993 shall be subject to redemption, in whole or in part, but if in part in inverse chronological order of maturity, at the option of the City on March 1, 1993 and all subsequent Bond Payment Dates at the following redemption prices (expressed as percentages of the principal amount to be redeemed) plus interest accrued to the date fixed for redemption:

Dates of Redemption	Redemption Price
March 1, 1993 and September 1, 1993	102 1/2%
March 1, 1994 and September 1, 1994	102%
March 1, 1995 and September 1, 1995	101 1/2%
March 1, 1996 and September 1, 1996	101%
March 1, 1997 and September 1, 1997	100 1/2%
March 1, 1998 and thereafter	100%

Section 4.02 City's Election to Redeem

In the event that the City shall elect to redeem Bonds, it shall give notice to the Registrar and Paying Agent, of each optional redemption. Such notice shall specify the date fixed for redemption and the amount and maturities of the Bonds which are to be redeemed. Such notice shall be given at least 60 days prior to the date fixed for redemption or such lesser number of days as shall be acceptable to the Registrar.

Section 4.03 Notice of Redemption

(a) When any Bonds are to be redeemed, the Registrar shall give notice of the redemption of the Bonds in the name of the City to the Registered Holders of the Bonds to be redeemed specifying (i) the Bonds and maturities to be redeemed; (ii) the redemption date; (iii) the Redemption Price; (iv) the numbers and other distinguishing marks of the Bonds to be redeemed unless all of the Bonds Outstanding are to be redeemed; (v) the place or places where amounts due upon such redemption will be payable; and (vi) in the case of Bonds to be redeemed in part only, the respective portions of the principal thereof to be redeemed. Such notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, together with interest accrued to the redemption date, and that, from and after such date, interest thereon shall cease to accrue. The Registrar shall mail by registered or certified mail a copy of such notice, postage prepaid, not less than 30 days and not more than 60 days before the redemption date to the Registered Holders of all Bonds or portions of Bonds which are to be redeemed at their addresses which appear upon the registration books, but failure to so mail any such notice to any of such Registered Holders shall not affect the validity of the proceedings for the redemption of Bonds held by Registered Holders to whom written notice has been mailed. The obligation of the Registrar to give the notice required by this Section shall not be conditioned upon the prior payment to the Paying Agent of money or the delivery to the Paying Agent of Authorized Investments sufficient to pay the Redemption Price of the Bonds to which such notice relates or the interest thereon to the redemption date. Provided always, that if pursuant to Section 3.17 hereof the Bonds shall have been converted into coupon form then in such event notice of redemption shall be given by publication at least once, not less than 30 days and not more than 60 days before the redemption date, in a financial journal published in the City of New York, New York.

(b) Notice of redemption having been given as provided in subsection (a) hereof, the Bonds or portions thereof so to be redeemed shall, on the date fixed for redemption, become due and payable at the Redemption Price specified therein plus interest accrued to the redemption date, and upon presentation and surrender thereof at the place specified in such notice, such Bonds or portions thereof shall be paid at the Redemption Price, plus interest accrued to the redemption date. On and after the redemption date (unless the City shall default in the payment of the Redemption Price and accrued interest), such Bonds shall cease to bear interest and shall no longer be considered as Outstanding hereunder. If money sufficient to pay the Redemption Price and accrued interest has not been made available by the City to the Paying Agent on the redemption date, such Bonds shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

Section 4.04 Selection by Registrar of Bonds to be Redeemed

(a) If less than all of the Bonds of like maturity are to be redeemed, the particular Bonds or portions of Bonds to be redeemed shall be selected, not less than 45 days before the date fixed for redemption, by the Registrar by lot.

(b) In making such selection, the Registrar shall treat each Bond to be redeemed as representing that number of bonds of the lowest authorized denomination as is obtained by dividing the principal amount of such Bond by such denomination. If any Bond is to be redeemed in part, the portion to be so redeemed shall be in a principal amount of an authorized denomination.

(c) The Registrar shall promptly notify the City in writing of the Bonds so selected for redemption.

Section 4.05 Deposit of Redemption Price

On or before any date fixed for redemption of any Bonds, cash and/or a principal amount of non-callable government Obligations maturing or redeemable at the option of the Registered Holder thereof not later than the date fixed for redemption which, together with income to be earned on such Government Obligations prior to such date fixed for redemption, will be sufficient to provide

cash to pay the Redemption Price of and interest accrued on all Bonds or portions thereof which are to be redeemed on such date, shall be deposited with the Paying Agent.

Section 4.06 Partial Redemption of Bonds

In the event part but not all of a Bond Outstanding shall be selected for redemption, upon presentation and surrender of such Bond by the Registered Holder thereof or his attorney duly authorized in writing (with, if the City or the Paying Agent so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the City and the Registrar duly executed by, the Registered Holder thereof or his attorney duly authorized in writing) to the Registrar, the City shall execute and the Registrar shall authenticate and deliver to or upon the order of such Registered Holder, without charge therefor, for the unredeemed portion of the principal amount of the Bonds so surrendered, a Bond or Bonds of any authorized denomination of like tenor. Bonds so presented and surrendered shall be cancelled.

Section 4.07 Purchases of Bonds Outstanding

Purchases of Bonds Outstanding may also be made by the City at any time with money available to it from any source at a price not greater than par plus interest accrued to the date of purchase. Upon any such purchase the City shall deliver such Bonds to the Registrar for cancellation.

ARTICLE V

SALE AND DISPOSITION OF PROCEEDS

Section 5.01 Form of Notice -- Time of Sale -- Disposition of Proceeds

The bonds shall be sold on a date to be fixed by the Mayor of the City of Charleston, at not less than par, plus accrued interest to the date of their delivery, on the terms and conditions set forth in "Exhibit B" attached hereto and made a part and parcel hereof. The proceeds derived from the sale of the Bonds shall be disposed of and applied as follows:

- (1) The premium, if any, received from the sale thereof, shall be placed by the Director of Administrative Services in the sinking fund established for the bonds.
- (2) The accrued interest, if any, shall be used to discharge, in part, the first interest to become due on the Bonds.
- (3) The principal proceeds shall be deposited in a special fund and shall be applied solely for the purposes for which said Bonds are issued.

Section 5.02 Advertisement of Sale

Advertisement of the sale of the Bonds shall be published at least once in THE DAILY BOND BUYER, a financial journal published in the City of New York, State of New York, not less than ten (10) days prior to the date set by the Mayor for the sale of the bonds.

ARTICLE VI

DEFEASANCE

Section 6.01 Discharge of Ordinance -- Where and How Bonds are Deemed to have been Paid and Defeased

If all of the Bonds issued pursuant to this Ordinance, and all interest thereon shall have been paid and discharged, then the obligations of the City under this Ordinance and all other rights granted hereby shall cease and determine. The Bonds shall be deemed to have been paid and discharged within the meaning of this Article under each of the following circumstances, viz.:

(a) The Paying Agent shall hold, at the stated maturities of the Bonds, in trust and irrevocably appropriated thereto, sufficient moneys for the payment of the Principal Installments and interest thereon; or

(b) If default in the payment of any principal of the Bonds or any interest thereon shall have occurred on any Bond Payment Date, and thereafter tender of such payment shall have been made, and at such time as the Paying Agent shall hold in trust and irrevocably appropriated thereto, sufficient moneys for the payment thereof to the date of the tender of such payment; or

(c) If the City shall elect to provide for the payment of the Bonds prior to their stated maturities and shall have deposited with the Paying Agent, in an irrevocable trust moneys which shall be sufficient, or Government Obligations, the principal of and interest on which when due will provide moneys, which together with moneys, if any, deposited with the Paying Agent at the same time, shall be sufficient to pay when due the Principal Installments or Redemption Price and interest, due and to become due on the Bonds on and prior to their maturity dates or redemption date, as the case may be. In the event that the City shall elect to redeem Bonds prior to their stated maturities, the City shall proceed in the manner prescribed by Article IV hereof.

Neither the Government Obligations nor moneys deposited with the Paying Agent pursuant to this Section nor the payments of principal thereof or interest thereon shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the Principal Installments of, or Redemption Price and interest on, the Bonds; provided that any cash received from such payments of principal of or interest on Government Obligations deposited with the Paying Agent, if not then needed for such purpose, shall to the extent practicable, be invested and reinvested in Government Obligations maturing at times and in amounts sufficient to pay when due the Principal Installments or Redemption Price and interest, to become due on the Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments not required for the payment of the Principal Installments, or Redemption Price and interest, may be paid over to the City, as received by the Paying Agent, free and clear of any trust, lien or pledge.

ARTICLE VII

CONCERNING THE FIDUCIARIES

Section 7.01 Fiduciary; Appointment and Acceptance of Duties

The financial institution chosen pursuant to Section 3.04 hereof to act initially as Paying Agent and Registrar hereunder, shall accept the duties and trusts imposed upon it by this Ordinance and shall agree in writing to perform such trusts but only upon the terms and conditions set forth in this Article VII. Similarly, each financial institution appointed as a successor Registrar or as a successor Paying Agent shall signify its acceptance of the duties and trusts imposed by this Ordinance by a written acceptance.

Section 7.02 Responsibilities of Fiduciaries

The recitals of fact contained herein and in the Bonds shall be taken as the statements of the City and no Fiduciary shall be deemed to assume any responsibility for the correctness of the same except in respect of the authentication certificate of the Registrar endorsed on the Bonds. No Fiduciary shall be deemed to make any representations as to the validity or sufficiency of this Ordinance or of any Bonds or as to the security afforded by this Ordinance, and no Fiduciary shall incur any liability in respect thereof. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect hereof or to advance any of its own moneys, unless indemnified to its reasonable satisfaction. No Fiduciary shall be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct.

Section 7.03 Evidence on Which Fiduciaries May Act

(a) Each Fiduciary, upon receipt of any notice, resolution, request, consent order, certificate, report, opinion, Bond, or other paper or document furnished to it pursuant to any provision of this Ordinance, shall examine such instrument to determine whether it conforms to the requirements of this Ordinance and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with counsel, who may or may not be of counsel to the City, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Ordinance in good faith and in accordance therewith.

(b) Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Ordinance, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Ordinance; but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable.

(c) Except as otherwise expressly provided in this Ordinance any request, order, notice or other direction required or permitted to be furnished pursuant to any provision thereof by the City to any Fiduciary shall be sufficiently executed if executed in the name of the City by an Authorized Officer.

Section 7.04 Compensation

The City shall pay to each Fiduciary from time to time reasonable compensation based on the then standard fee schedule of the Fiduciary for all services rendered under this Ordinance, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under this Ordinance. Subject to the provisions of Section 7.02 hereof, the City further agrees to indemnify and save each Fiduciary harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder and which are not due to its negligence or willful misconduct; provided, however, that any specific agreement between the City and a Fiduciary with respect to the compensation of such Fiduciary shall control the compensation to be paid to such Fiduciary.

Section 7.05 Certain Permitted Acts

Any Fiduciary may become the owner or underwriter of any Bonds, notices or other obligations of the City or conduct any banking activities with respect to the City, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, any Fiduciary may act as depository for and permit any of its officers or directors to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Ordinance.

Section 7.06 Resignation of Any Fiduciary

Any Fiduciary may at any time resign and be discharged of the duties and obligations created by this Ordinance by giving not less than 60 days' written notice to the City and not less than 30 days' written notice to the Registered Holders of the Bonds as (established by the books of registration) prior to the next succeeding Bond Payment Date, and such resignation shall take effect upon the date specified in such notice unless a successor shall have been appointed previously by the City pursuant to Section 7.08 hereof in which event such resignation shall take effect immediately upon the appointment of such successor. In no event, however, shall such a resignation take effect until a successor has been appointed.

Section 7.07 Removal of Fiduciary

Any Fiduciary may be removed at any time by an instrument or concurrent instruments in writing, filed with the City and such Fiduciary, and signed by the Bondholders representing a majority in principal amount of the Bonds then Outstanding or their attorneys in fact duly authorized, excluding any Bonds held by or for the account of the City.

Section 7.08 Appointment of Successor Fiduciaries

In case any Fiduciary hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor shall be appointed by the State. Every such Fiduciary appointed pursuant to the provisions of this Section shall be a trust company or bank organized under the

laws of the United States of America or any state thereof and which is in good standing, within or outside the State of South Carolina, having a stockholders' equity of not less than \$25,000,000 if there be such an institution willing, qualified and able to accept the trust upon reasonable and customary terms.

If in a proper case no appointment of a successor Fiduciary shall be made by the City pursuant to the foregoing provisions of this Section within 45 days after any Fiduciary shall have given to the City written notice as provided in Section 7.06 hereof or after a vacancy in the office of such Fiduciary shall have occurred by reason of its removal or inability to act, the former Fiduciary or any Bondholder may apply to any court of competent jurisdiction to appoint a successor. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor.

Section 7.09 Transfer of Rights and Property to Successor

Any successor Fiduciary appointed under this Ordinance shall execute, acknowledge and deliver to its predecessor, and also to the City, an instrument accepting such appointment, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Fiduciary, with like effect as if originally named in such capacity; but the Fiduciary ceasing to act shall nevertheless, at the request of the City, or at the written request of the successor Fiduciary, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Fiduciary all the right, title and interest of the predecessor Fiduciary in and to any property held by it under this Ordinance, and shall pay over, assign and deliver to the successor Fiduciary any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the City be required by such successor Fiduciary for more fully and certainly vesting in and confirming to such successor any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the City. Any such successor Fiduciary shall promptly notify the Paying Agent and depositaries, if any, of its appointment as Fiduciary.

Section 7.10 Merger or Consolidation

Any corporation into which any Fiduciary may be merged or converted or with which it may be consolidated or any corporation resulting from any merger, conversion or consolidation to which it may be party or any corporation to which any Fiduciary may sell or transfer all or substantially all of its corporate trust business, provided such corporation shall be a bank or trust company organized under the laws of the United States of America or any state thereof, and shall be authorized by law to perform all the duties imposed upon it by this Ordinance, shall be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act.

Section 7.11 Adoption of Authentication

In case any of the Bonds contemplated to be issued under this Ordinance shall have been authenticated but not delivered, any successor Registrar may adopt the certificate of authentication of any predecessor Registrar so authenticating such Bonds and deliver such Bonds so authenticated. In case any such Bonds shall not have been authenticated, any successor Registrar may authenticate such Bonds in the name of the predecessor Registrar or in the name of the successor Registrar, and in all such cases such certificate shall be of full force and effect.

ARTICLE VIII

MISCELLANEOUS

Section 8.01 Failure to Present Bonds

Anything in this Ordinance to the contrary notwithstanding, any money held by the Paying Agent in trust for the payment and discharge of any of the Bonds, or the interest thereon, which remains unclaimed for such period of time, after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, that the Registered Holder thereof shall no longer be able to enforce the payment thereof, the Paying Agent shall at the written request of the City pay such money to the City as its absolute property and free from trust, and the Paying Agent shall thereupon be released and discharged with respect thereto and the Bondholders shall look only to the City for the payment of such Bonds; provided, further, the Paying Agent shall forward to the City all moneys which remain unclaimed for a period of five years from a Bond Payment Date; provided, however, that before being required to make any such payment to the City, the Paying Agent, at the expense of the City, may conduct such investigations as may in the opinion of the Paying Agent be necessary to locate those who would take if the Registered Holder shall have died.

Section 8.02 Severability of Invalid Provisions

If any one or more of the covenants or agreements provided in this Ordinance should be contrary to law, then such covenants or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this Ordinance.

Section 8.03 Ordinance to Constitute Contract

In consideration of the purchase and acceptance of the Bonds by those who shall purchase and own the same from time to time, the provisions of this Ordinance shall be deemed to be and shall constitute a contract between the City and the Registered Holders from time to time of the Bonds, and such provisions are covenants and agreements with such Registered Holders which the City hereby determines to be necessary and desirable for the security and payment thereof. The pledge hereof and the provisions, covenants, and agreements herein set forth to be performed on behalf of the City shall be for the equal benefit, protection, and security of the Registered Holders of any and all of the Bonds, all of which shall be of equal rank without preference, priority or distinction of any Bonds over any other Bonds.

ARTICLE IX

DIRECTION TO INDEX

Section 9.01

This Ordinance shall take effect upon second reading and shall be forthwith codified in the Code of City Ordinances as required by law, and the same shall be indexed under the general heading "BOND ISSUE -- \$6,000,000 GENERAL OBLIGATION PARKING FACILITIES BONDS, SERIES 1983, OF THE CITY OF CHARLESTON, SOUTH CAROLINA".

Immediately after second reading, notice of this Ordinance shall be published in THE NEWS & COURIER, a newspaper of general circulation in Charleston County.

DONE IN COUNCIL DULY ASSEMBLED this _____ day of August, 1983.

(SEAL)

Mayor

Attest:

Clerk of Council

EXHIBIT "A"

(FORM OF BOND)

(FACE OF BOND)

UNITED STATES OF AMERICA STATE OF SOUTH CAROLINA CITY OF CHARLESTON GENERAL OBLIGATION
PARKING FACILITIES BONDS SERIES 1983

No. A- _____

Interest Rate	Maturity Date	Original Issue Date	CUSIP
---------------	---------------	---------------------	-------

Registered Holder:

Principal Amount: DOLLARS

THE CITY OF CHARLESTON, SOUTH CAROLINA (the "City") acknowledges itself indebted and for value received hereby promises to pay, solely as hereinafter provided, to the Registered Holder named above, or registered assigns, the Principal Amount set forth above on the Maturity Date stated above, unless this Bond be subject to redemption and shall have been redeemed prior thereto as hereinafter provided, upon presentation and surrender of this Bond at the Corporate Trust Office of _____ in the City of _____, State of _____ (the "Paying Agent"), and to pay interest on such Principal Amount at the annual Interest Rate stated above (calculated on the basis of a 360-day year of twelve 30-day months), until the obligation of the City with respect to the payment of such Principal Amount shall be discharged. This Bond shall bear interest from the March 1 or the September 1 to which interest

has been paid next preceding the authentication date hereof, unless the authentication date hereof is a March 1 or a September 1, in which event this Bond shall bear interest from the earlier of such authentication date or the date to which interest has last been paid; provided that if the authentication date hereof precedes March 1, 1984 or if the City shall fail to pay interest on March 1, 1984, then this Bond shall bear interest from September 1, 1983. Interest on this Bond is payable on March 1 and September 1 of each year beginning March 1, 1984. The interest so payable on any March 1 or September 1 shall be paid to the person in whose name this Bond is registered at the close of business on the 15th day of February or August next preceding such March 1 or September 1.

REFERENCE IS MADE TO THE FURTHER PROVISIONS OF THIS BOND SET FORTH ON THE REVERSE HEREOF WHICH SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH HEREIN.

This Bond shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been duly executed by the Registrar.

IN WITNESS WHEREOF, the City of Charleston has caused this Bond to be signed by the facsimile signature of the Mayor of the City of Charleston and by the manual signature of the Director of Administrative Services of the City, the Seal of the City of Charleston to be reproduced hereon and the same to be attested by the facsimile signature of the Clerk of the City Council of the City of Charleston.

(SEAL)

Mayor

Director of Administrative Services

Attest:

Clerk, City Council of the

City of Charleston

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue described in the within mentioned Ordinance.

By: REGISTRAR

Authorized Officer

Date: (Back of Bond)

CITY OF CHARLESTON, GENERAL OBLIGATION PARKING FACILITIES BONDS

SERIES 1983

Interest hereon shall be payable by check or draft mailed at the times provided herein from the office of the Paying Agent to the person in whose name this Bond is registered at the address shown on the registration books. The principal of, redemption premium, if any, and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts; provided, however, that payment of the interest on this Bond shall be effected by check or draft as set forth above.

This Bond is one of an issue of Bonds in the aggregate principal amount of Six Million Dollars (\$6,000,000) of like tenor, except as to number, rate of interest, date of maturity and redemption provisions, issued pursuant to and in accordance with the Constitution and Statutes of the State of South Carolina, including particularly the provisions of Sections 5-21-210, et. seq., Code of Laws of South Carolina, 1976, as amended, and an Ordinance (the "Ordinance") duly adopted by the City Council of the City of Charleston for the purpose of raising funds for purposes authorized by said Act.

Certain capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Ordinance. Certified copies of the Ordinance are on file in the office of the Registrar and in the office of the Paying Agent.

For the payment of the principal of and interest on this Bond as the same shall become due, there are pledged the full faith, credit and taxing power of the City of Charleston.

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

Except under the circumstances hereinafter described, the Bonds are issuable only as fully registered Bonds without coupons in the denomination of \$5,000 or any multiple thereof not

exceeding the principal amount of the Bonds maturing in such year. The City has agreed that if at any time hereafter, changes in law permit the conversion of the Bonds into coupon bonds payable to bearer without such conversion resulting in the loss or diminution of the tax exempt status of the interest on the Bonds under federal laws or regulations or the imposition of any penalty upon the City, it will at such time, but at the expense of the then Registered Holders of the Bonds, provide for the exchange of the Bonds as then outstanding in registered form for coupon bonds payable to bearer in the denomination of \$5,000 and of like maturity, interest rate and redemption provisions.

This Bond is transferable, as provided in the Ordinance, only upon the registration books kept for that purpose at the Corporate Trust Office of the Registrar by the Registered Holder in person or by his duly authorized attorney, upon (i) surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or his duly authorized attorney and (ii) payment of the charges, if any, prescribed in the Ordinance. Thereupon a new fully registered Bond or Bonds of the same interest rate, maturity and redemption provisions and in a like aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Ordinance. The City, the Paying Agent and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal or Redemption Price hereof and interest due hereon and for all other purposes.

For every exchange or transfer of the Bonds, the City, the Paying Agent, or the Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

The Bonds maturing subsequent to March 1, 1993, are, at the option of the City, subject to redemption in whole or in part, but if in part, in inverse chronological order of maturity, on March 1, 1993, and on all subsequent interest payment dates at the following redemption prices (expressed as percentages of the principal amount to be redeemed) plus interest accrued to the date fixed for redemption:

Dates of Redemption	Redemption Price
March 1, 1993 and September 1, 1993	102 1/2%
March 1, 1994 and September 1, 1994	102%
March 1, 1995 and September 1, 1995	101 1/2%
March 1, 1996 and September 1, 1996	101%
March 1, 1997 and September 1, 1997	100 1/2%

March 1, 1998 and thereafter 100%

If less than all of the Bonds of like maturity are to be redeemed, the particular Bonds or portions of Bonds to be redeemed shall be selected not less than 45 days prior to the date fixed for redemption by the Registrar by lot. Bonds in a denomination of more than \$5,000 may be redeemed in part from time to time in one or more units of \$5,000 in the manner provided in the Ordinance.

In the event that any Bonds are to be called for redemption as aforesaid, the Paying Agent shall give notice of the redemption of the Bonds in the name of the City specifying (i) the principal amount and the maturities of the Bonds to be redeemed; (ii) the redemption date; (iii) the Redemption Price; (iv) the numbers and other distinguishing marks of the Bonds to be redeemed unless all of the Outstanding Bonds are to be redeemed; (v) the place or places where amounts due upon such redemption will be payable; and (vi) in the case of Bonds to be redeemed in part only, the respective portions of the principal thereof to be redeemed. Such notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, together with interest accrued to the redemption date, and that, from and after such date, interest thereon shall cease to accrue. The Paying Agent shall mail a copy of such notice, postage prepaid, not less than 30 days before the redemption date to the Registered Holders of any Bonds or portions of Bonds which are to be redeemed at their last addresses appearing upon the registration books, but failure to so mail any such notice to any one of such Registered Holders shall not affect the redemp-

tion of those registered Bonds to whose Registered Holders such notice was mailed. Provided that, if the Bonds shall have been converted into coupon form, then in such event, notice of redemption shall be given by publication at least once, not less than 30 days and not more than 60 days prior to the redemption date, in a financial journal published in the City of New York, New York.

On the specified redemption date (unless the City shall default in the payment of the redemption price and accrued interest), all Bonds so called for redemption shall cease to bear interest, shall no longer be secured by the Ordinance and shall no longer be considered as Outstanding.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and Statutes of the State of South Carolina to exist, be performed or happen precedent to or in the issuance of this Bond, exist, have been performed and have happened, that the amount of this Bond, together with all other indebtedness of the City of Charleston, South Carolina, does not exceed any limit prescribed by such Constitution or Statutes, and that provision has been made for the allocation, on an annual basis, of sufficient tax revenues to provide for the punctual payment of the principal of and interest on this Bond and the issue of Bonds of which this Bond is one.

EXHIBIT B

OFFICIAL NOTICE OF SALE

\$6,000,000 GENERAL OBLIGATION BONDS, SERIES 1983, OF THE
CITY OF CHARLESTON, SOUTH CAROLINA

SEALED PROPOSALS, addressed to the City Council of the City of Charleston, South Carolina (the Council), will be received by it until 12:00 Noon (Local Time) on

Tuesday, August 23, 1983

at which time said proposals will be publicly opened in Council Chambers at the City Hall, Charleston, South Carolina, for the purchase of SIX MILLION DOLLARS (\$6,000,000) GENERAL OBLIGATION BONDS, SERIES 1983, OF THE CITY OF CHARLESTON, SOUTH CAROLINA. The bonds bear date the first day of September, 1983. The bonds will mature as follows:

\$125,000 on March 1 in the year 1986;
 \$150,000 on March 1 in each of the years 1987 to 1989, inclusive;
 \$225,000 on March 1 in the year 1990;
 \$250,000 on March 1 in each of the years 1991 to 1993, inclusive;
 \$350,000 on March 1 in each of the years 1994 and 1995;
 \$450,000 on March 1 in the year 1996;
 \$500,000 on March 1 in the year 1997;
 \$900,000 on March 1 in the year 1998; and
 \$950,000 on March 1 in each of the years 1999 and 2000.

The bonds will be issued in the form of fully registered bonds in the denomination of \$5,000 or any multiple thereof not exceeding the principal amount of the bonds maturing in each year.

The bonds maturing subsequent to March 1, 1993, will be subject to redemption at the option of the City, in whole or in part, but if in part, in inverse chronological order of maturity, on March 1, 1993, and on all subsequent interest payment dates at the following redemption prices (expressed as percentages of the principal amount to be redeemed) plus interest accrued to the date fixed for redemption:

Dates of Redemption	Redemption Price
March 1, 1993 and September 1, 1993	102 $\frac{1}{2}$ %
March 1, 1994 and September 1, 1994	102%
March 1, 1995 and September 1, 1995	101 $\frac{1}{2}$ %
March 1, 1996 and September 1, 1996	101%
March 1, 1997 and September 1, 1997	100 $\frac{1}{2}$ %
March 1, 1998 and thereafter	100%

Bonds in denomination of more than \$5,000 may be redeemed in one or more multiples of \$5,000, and if less than all bonds of a single maturity are to be redeemed, the bonds to be redeemed shall be determined by lot within such maturity by the Registrar.

The bonds will bear interest from September 1, 1983 at a rate or rates to be named by the bidder, payable semi-annually on March 1 and September 1 of each year (the Bond Payment dates) commencing March 1, 1984. Both principal and interest will be paid in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts.

Interest on the Bonds will be paid by check or draft mailed from the Corporate Trust Office of the Paying Agent to the person in whose name the Bond is registered on the February 15 or August 15 next preceding the Bond Payment Date at the address shown by the Registration Books.

Principal of the Bonds, when due, will be paid upon presentation and surrender of such bonds at the Corporate Trust Office of the Paying Agent. The Paying Agent and the Registrar shall be such financial institution as may be agreed upon by the Mayor and the successful bidder to act as Paying Agent and Registrar of the Bonds or, in the event of a failure to agree, at the Corporate Trust Office of a financial institution designated by the Mayor to act in such capacities.

Bidders are invited to name the rate or rates of interest which the bonds are to bear, and they will be awarded to the bidder offering to take them at the lowest net interest cost to the City, at a price of not less than par and accrued interest to the date of delivery. Bidders may name any number of rates of interest, but

- (a) all bonds of the same maturity shall bear the same rate of interest;
- (b) if any rate of interest in the lowest bid is in excess of seven per centum (7%) per annum, the award of the bonds will be subject to the approval of the South Carolina State Budget and Control Board;
- (c) each rate of interest shall be a multiple of 1/20th of one per centum (1%);
- (d) no rate of interest named shall be more than one and one-half per centum (1 1/2%) higher than the lowest rate of interest named; and
- (e) any premium offered must be paid in cash as a part of the purchase price.

Net interest cost will be determined by deducting premium, if any, from the aggregate of interest on the bonds from September 1, 1983, until their respective maturities. Bidders are requested to present tabulations showing aggregate interest cost in dollars and cents, but such tabulations are not required and will not be regarded as part of the bid. The right is reserved to reject all proposals and to waive technicalities, but no auction sale will be conducted.

If the net interest cost in the lowest bid does not exceed seven per centum (7%) per annum, bids will be accepted or rejected by 2:00 P.M. (local time) on the day of the sale; if, however, the net interest cost in the lowest bid is in excess of seven per centum (7%) per annum, bids will be accepted or rejected by 3:00 P.M. on the day of the sale or at such earlier time as the approval of the South Carolina State Budget and Control Board may be obtained.

The bonds will be general obligation bonds of the City of Charleston, payable as to both principal and interest from an ad valorem tax upon all taxable property in the City, without limit as to rate or amount.

No proposal for the purchase of less than all of the bonds, or, at a price less than par and accrued interest to the date of delivery will be considered.

The City has agreed that if at any time hereafter, changes in law permit the conversion of the Bonds here offered into coupon bonds payable to bearer without such conversion resulting in the loss or

diminution of the tax exempt status of the interest on the Bonds under federal laws or regulations, or causing the imposition of any penalty upon the City, it will at such time, but at the expense of the then owners of the Bonds, provide for the exchange of the Bonds, as then outstanding in registered form, for coupon bonds payable to bearer in the denomination of \$5,000 and of like maturity and interest rate and containing the same redemption provisions.

Purchasers will be furnished with the printed bonds and an opinion on their validity by Sinkler Gibbs & Simons, a copy of which will be printed on the back of each bond, and with the usual closing proofs, which will include (a) a certificate that there is no litigation threatened or pending to restrain the issuance or sale of the bonds, (b) certificates establishing that the bonds are not "arbitrage" bonds, within the meaning of Section 103(c) of the Internal Revenue Code of 1954, as amended, and the applicable regulations issued thereunder as are in effect on the occasion of the delivery of the bonds, and (c) certifications by appropriate officials to the effect that the Official State-

ment, as of its date and as of the date of delivery of the bonds, does not contain an untrue statement of a material fact and does not omit to state a material fact which should be included therein for the purpose for which the Official Statement is intended to be used, or which is necessary to make the statements contained therein, in the light of the circumstances in which they were made, not misleading.

It is anticipated the CUSIP identification numbers will be printed on the bonds, but neither the failure to print such numbers on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereto to accept delivery of and pay for the bonds in accordance with the terms of this Official Notice of Sale.

Persons wishing copies of the Official Statement or further information should communicate with Mr. James W. Etheredge, Director of Administrative Services, City Hall, Charleston, South Carolina, telephone number 803/577-6970.

EACH BID should be enclosed in a sealed envelope and marked "PROPOSAL FOR CITY OF CHARLESTON GENERAL OBLIGATION BONDS, SERIES 1982," and be directed to the City Council of Charleston, and must be accompanied by a cashier's check, a treasurer's check, or a certified check upon an incorporated bank or trust company for One Hundred Twenty Thousand Dollars (\$120,000), payable to the Director of Administrative Services of the City of Charleston, as a good faith deposit. The check of the successful bidder will be applied in part payment for the bonds or to secure the City from any loss resulting from the failure of such bidder to comply with the terms of his bid. The good faith deposit will be returned to the successful bidder if the city shall fail to deliver the bonds as provided in this notice of sale. No interest will be allowed on the good faith deposit of the successful bidder.

Payment for the bonds must be made in Federal or other immediately available funds.

The bonds will be delivered to the purchasers, at their option, in Charleston or Columbia, South Carolina, in Charlotte, North Carolina, in Atlanta, Georgia, or in New York, New York, on or before September 15, 1983.

There is no official bid form. Each bid shall be conditioned in accordance with this Notice of Sale.

JOSEPH P. RILEY, JR., Mayor

Charleston, South Carolina

As information, the Mayor stated the City of Charleston was reviewed by the bond rating agencies, and the City maintained its AA bond rating, which, he pointed out, was excellent. He added that there was no city in South Carolina which enjoyed a better bond rating than the City of Charleston. He felt this was a tribute to the stewardship which this City Council had given to the City and its finances.

Next, the Mayor stated there were two matters which, if they could be attended to before the next regular meeting of City Council, would be helpful.

One matter concerned approving the request of Miller/Wihry/Lee for authorization to retain Law Engineering to perform the soil and concrete testing which will be required for the Hampton Park renovation project. The firm would be retained in accordance with the provisions in the design contract for additional professional services required. The Director of the Parks Department recommended approval of this request with the stipulation that an upset limit of \$3,000 be established for these services. Funds for this work will come from the C.D./HCRS budget for this project.

The other matter concerned awarding a contract to Truluck Construction Company for the low bid of \$1,350, for the placement of a 1.5 inch asphalt surface course over the previously prepared Streets and Sidewalks Division's TOC surface on Middle Atlantic Wharf between Prioleau and Concord Streets. The Mayor pointed out Middle Atlantic Wharf will be used more because of the Waterfront Park project.

The two above-stated matters were approved on motion of Councilmember Stephens, seconded by Councilmembers Gaillard and Christopher.

Lastly, the Mayor stated it appeared he would have to be out of the city September 27th. No objection was expressed to the September 27th City Council meeting being rescheduled for Wednesday, September 28th. Councilmember Stephens so moved. His motion was seconded by Councilmember Christopher, and carried. The Mayor pointed out that the September 28th meeting was scheduled to be held at the Business and Technology Center.

City Council received the following report from the City Planning and Zoning Commission, and on motion of Councilmember Scott, scheduled a public hearing for September 28th to consider the issues mentioned in the report:

TO THE MAYOR AND COUNCILMEMBERS,

THE CITY COUNCIL OF CHARLESTON:

The City Planning and Zoning Commission has studied the following requests and recommends the following:

1. 2206 Heriot Street (TM# 464-13-0-8). Request rezoning of 2206 Heriot Street from Single-Family Residential (SR-1) to Light Industrial (LI). The property is owned by Robert A. Garner, Jr. ETAL, Grid Map #11.

The Commission recommends approval of rezoning from Single-Family Residential (SR-1) to Light Industrial (LI).

2. Lots 1, 2, 3, and 4 Block G Ashley Hall Plantation Road (TM# 353-9-0-15, 16, 17, and 18). Request rezoning from Single-Family Residential (SR-1) to Diverse Residential (DR-1F). The property is owned by W. C. Varn, Grid Map #3.

The Commission recommends approval of rezoning from Single-Family Residential (SR-1) to Diverse Residential (DR-1F).

3. Final review of Proposed Ordinance and Procedures to Post Notices for Public Hearings.

The Commission recommends approval of the adoption of the administrative procedures to post notices. It is also recommended that the Planning and Zoning Commission, the zoning Board of Adjustment, and the Board of Architectural Review adopt the proposed ordinances and administrative procedures as attached. The Board of Adjustment has voted to accept the administrative procedures and the ordinance.

Reverting to the \$6 Million General Obligation Parking Facilities Bonds, the Mayor informed City Council bids on the bonds would be received the following day at Noon, in City Council Chamber. He invited the Councilmembers to attend the bid opening if it was possible for them to do so. He expressed the hope that the City would get a good interest rate. The two parking garages were feasible at 11% interest, he said. He was hopeful the City would get a better rate than that.

There being no further business, the meeting was adjourned on motion of Councilmember Gaillard.

MARY R. WRIXON

Clerk of Council