

ORDINANCE NO. 2008-02-02

AN ORDINANCE TO AMEND ORDINANCE NO. 2007-03-06 ENTITLED "AN ORDINANCE PROVIDING FOR THE PAYMENT OF AN OCCUPATIONAL LICENSE FEE"

BE IT ORDAINED by the City Council ("Council") of the City of Leeds ("City") at a regular meeting, duly assembled, a quorum being present, as follows:

WHEREAS, The Council of the City of Leeds adopted Ordinance No. 2006-02-03 on February 20, 2006, which levied a one (1%) percent occupational license fee payable in accordance with its terms ("2006 Ordinance"); and,

WHEREAS, the 2006 Ordinance mandated that the occupational license fees thereunder be deposited in a special fund designated as the "Occupational Tax Fund" for a period of eight (8) months from the effective date of the 2006 Ordinance; and,

WHEREAS, the 2006 Ordinance further mandated that the funds deposited into the "Occupational Tax Fund" be applied by the City for the payment of the City's indebtedness on its 2000 A & B and 2002 A & B series bonds; and,

WHEREAS, the 2006 Ordinance was set to expire by its own terms unless renewed or extended by the Council on or prior to December 31, 2007; and,

WHEREAS, the Council thereafter adopted Ordinance No. 2007-03-06 on March 5, 2007, ("2007 Ordinance") extending the imposition of the City's occupational license fee in Section 11 thereof until such time as the "...Bond Debt Reduction Escrow...account has reach an amount sufficient to retire the City of Leeds 2000 A & B and 2002 A & B series bonds or such time the City Council suspends the debt reduction plan, or on December 31, 2012, unless the license fees levied herein and the terms and provisions of this Ordinance shall be renewed or extended by a vote of the City Council prior to the expiration date provided for herein..."; and,

WHEREAS, following the retirement of its 2000 A & B and 2002 A & B bonds, the City desires to extend the collection of its occupational license fee by pledging those fees to the Leeds City Board of Education (the "Board") pursuant to a Funding Agreement dated as of March 1, 2008, between the City and the Board to secure the payment by the Board of its Rental Payments under a Lease Agreement dated as of March 1, 2008, between the Public Educational Building Authority of the City of Leeds (the "Authority") and the Board (the "Lease"), which payments secure the Educational Facilities Revenue Bonds Series 2008 to be issued by the Authority (the "Education Bonds") but only if the Education Bonds are issued and then only for as long as the Education Bonds remain outstanding.

WHEREAS, to that effect, the City Council desires to amend the 2007 Ordinance by deleting Section 11 in its entirety and substituting the following in its place:

Section 11. Use of License Fees. All revenues derived from the levy of occupational license fees shall be deposited in a special fund entitled the Debt Reduction Fund and first used to retire the City of Leeds 2000 A & B and 2002 A & B series bonds ("City Bonds"). At such time as the City Bonds are no longer outstanding (by retirement or otherwise), the occupational license fees levied hereunder shall be pledged to the Leeds City Board of Education (the "Board") pursuant to a Funding Agreement dated as of March 1, 2008, between the City and the Board to secure the payment by the Board of its Rental Payments under a Lease Agreement dated as of March 1, 2008, between the Public Educational Building Authority of the City of Leeds (the "Authority") and the Board (the "Lease"), which payments secure the Educational Facilities Revenue Bonds Series 2008 to be issued by the Authority (the "Education Bonds") but only if the Education Bonds are issued and then only for as long as the Education Bonds remain outstanding.

WHEREAS, the City Council desires to supplement the 2007 Ordinance by adding the following new Section 12:

Section 12. Expiration. The license fees levied and the terms and provisions of this Ordinance shall expire at such time as the City Bonds and the Education Bonds are no longer outstanding unless the license fees levied herein and the terms and provisions of this Ordinance shall be renewed or extended by a vote of the City Council.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEEDS, ALABAMA AS FOLLOWS:

1. Ordinance No. 2007-03-06 be and the same is hereby amended by deleting Section 11 thereof in its entirety and substituting the following in its place:

Section 11. Use of License Fees. All revenues derived from the levy of occupational license fees shall be deposited in a special fund entitled the Debt Reduction Fund and first used to retire the City of Leeds 2000 A & B

and 2002 A & B series bonds ("City Bonds"). At such time as the City Bonds are no longer outstanding (by retirement or otherwise), the occupational license fees levied hereunder shall be pledged to the Leeds City Board of Education (the "Board") pursuant to a Funding Agreement dated as of March 1, 2008, between the City and the Board to secure the payment by the Board of its Rental Payments under a Lease Agreement dated as of March 1, 2008, between the Public Educational Building Authority of the City of Leeds (the "Authority") and the Board (the "Lease"), which payments secure the Educational Facilities Revenue Bonds Series 2008 to be issued by the Authority (the "Education Bonds") but only if the Education Bonds are issued and then only for as long as the Education Bonds remain outstanding.

2. Ordinance No. 2007-03-06 be and the same is hereby supplemented by adding the following new Section 12:

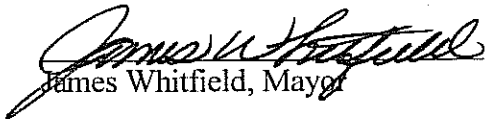
Section 12. Expiration. The license fees levied and the terms and provisions of this Ordinance shall expire at such time as the City Bonds and the Education Bonds, if issued, are no longer outstanding unless the license fees levied herein and the terms and provisions of this Ordinance shall be renewed or extended by a vote of the City Council.

3. That all of the provisions of Ordinance 2007-03-06 not in conflict with the foregoing be and the same shall remain in full force and effect.


4. That the provisions of this Ordinance shall become immediately effective upon its adoption.

ADOPTED this the 21st day of February, 2008.

APPROVED:


James Whitfield, Mayor

ATTEST:


Kevin Fouts, Acting City Clerk

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