

**LEGAL NOTICE
ORDINANCE NO 649**

AN ORDINANCE TO PROVIDE FOR THE ISSUANCE OF THE CITY OF PRICHARD'S \$100,000 GENERAL OBLIGATION STREET IMPROVEMENT WARRANT

BE IT ORDAINED by the City Council of the City of Prichard, Alabama, as follows:

Section 1. **FINDINGS RESPECTING THE IMPROVEMENTS.** The City Council (herein called "the council") of the City of Prichard (herein called "the city") has ascertained and found and does hereby declare as follows: The city did heretofore by its Improvement Ordinance No. 630 adopted by the council and approved by the mayor of the city on October 10, 1955, provide for the construction of certain street improvements in the city; on December 5, 1955, the council adopted and the said mayor approved Ordinance No. 632 of the city, which amended said Improvement Ordinance No. 630 and ratified and confirmed it, as so amended (the street improvements provided for in said Improvement Ordinance No. 630, as amended by said Ordinance No. 632, excluding the additional width of four (4) feet specified to be added to the paving on a portion of Diaz Street by the provisions of Section 3 of said Ordinance No. 632, being herein called "the improvements"); the improvements are now under construction and have not yet been completed; the cost of the improvements is now estimated to be \$300,000; the city has heretofore issued no securities for the purpose of paying the cost of construction of the improvements; the city does not now have and will not have available prior to completion of the improvements moneys sufficient to pay the cost thereof; it will be necessary for the city to borrow the sum of \$100,000 on the faith and credit of the city for the purpose of paying the cost of the improvements and in evidence thereof to issue the warrant of the city hereinafter authorized; and no part of the proceeds from said warrant will be used to pay the cost of constructing the aforesaid additional width of paving on Diaz Street provided for in Section 3 of said Ordinance No. 632.

Section 2. **AUTHORIZATION OF WARRANT.** Pursuant to the provisions of the constitution and laws of the State of Alabama, including particularly Section 466 of Title 37 of the Code of Alabama of 1940, and for the purpose of raising funds to pay costs incurred and to be incurred in construction of the improvements,

there is hereby authorized to be borrowed from The Merchants National Bank of Mobile the principal sum of \$100,000, to be evidenced by one General Obligation Street Improvement Warrant (herein called "the warrant") of the city in the principal amount of \$100,000, which shall be dated May 1, 1956, which shall mature in five annual installments of principal in the amount of \$20,000 each, payable on the first day of May in each of the years 1957 to 1961, inclusive, and which shall bear interest from its date until its maturity at the rate of 4% per annum payable, with respect to the then unpaid balance of principal, on May 1, 1957, and thereafter quarterly on the first day of each succeeding August, October, February and May until and including May 1, 1961. The principal of and the interest on the warrant shall be payable in lawful money of the United States of America at the Prichard Branch of The Merchants National Bank of Mobile in the City of Mobile in the State of Alabama.

Section 3. **PREPAYMENT PRIVILEGE.** The city reserves the privilege of prepaying all or part of the principal of the warrant at any time prior to maturity; provided, that if a portion only of the principal of the warrant then remaining unpaid shall be paid prior to maturity, the portion of principal so prepaid must be an amount equal to \$1,000 or a multiple thereof, and the portion of the principal so prepaid shall be deemed to be that part of the then outstanding principal having the latest maturity; and provided, further, that all accrued and un-

paid interest with respect to any part of all of the principal that shall be so paid prior to maturity shall be paid simultaneously with the payment of the principal so prepaid.

Section 4. **EXECUTION OF THE WARRANT.** The warrant shall be executed and the corporate seal of the city shall be affixed thereto by the mayor, and the city clerk shall attest the same by affixing her signature thereto. The warrant shall be registered by the city treasurer in the records maintained by her as a claim against the city and against the assessments hereinafter pledged for payment thereof. Said officers are hereby directed so to execute, attest and register the warrant.

Section 5. **GENERAL OBLIGATION AND SPECIAL PLEDGE.** The indebtedness evidenced and ordered paid by the warrant is and shall be a general obligation of the city for the payment of the principal of and interest on which the full faith and credit of the city are hereby irrevocably pledged. In addition thereto, there are hereby irrevocably pledged for payment of the principal of and the interest on the warrant all assessments that may be hereafter made pursuant to the provisions of said Improvement Ordinance No. 630, as amended as aforesaid, against the properties specially benefitted by the improvements, together with all proceeds from such assessments. The liens which the city may at any time have upon said properties as security for such assessments are hereby transferred and assigned for the benefit of the warrant with power in the holder thereof to enforce the said liens either at law or in equity.

Section 6. AGREEMENTS RESPECTING ASSESSMENTS. The city agrees that it will promptly complete the construction of the improvements, and upon completion thereof the city will take all steps necessary to cause valid assessments to be made against the properties benefitted thereby in the manner and to the extent provided for in the said Improvement Ordinance No. 630, as amended as aforesaid, and under the laws of Alabama. The city agrees that it will undertake to collect all assessments made with respect to the improvements, pursuant to said improvement ordinance, promptly as and when such assessments become due and payable, and further agrees that in the event any of the owners of any of the properties against which such assessments shall be made has elected or should elect to pay the same in installments in the manner authorized under the laws of Alabama and any such installment shall remain unpaid for as long as one year after the same shall become due and payable, the city thereupon will take all steps necessary to enforce the lien of any assessments of which an installment is so unpaid by sale of the properties against which such assessment was made. All proceeds collected from said assessments and from the enforcement of any such liens shall be deposited by the city from time to time as collected in a special fund separate and apart from all other funds of the city. Such special fund shall constitute a trust fund for the benefit of the holder of the warrant and shall be used solely for the payment thereof.

Section 7. FORM OF WARRANT. The warrant and the provisions for assignment thereof shall be in substantially the following form:

(Form of Warrant)
\$100,000 \$100,000
UNITED STATES OF AMERICA
STATE OF ALABAMA
CITY OF PRICHARD
GENERAL OBLIGATION
STREET IMPROVEMENT
WARRANT

The City Treasurer of the City of Prichard (herein called "the city"), a municipal corporation in the State of Alabama, is hereby ordered to pay to The Merchants National Bank of Mobile, or its assigns, the principal sum of
ONE HUNDRED THOUSAND
DOLLARS

in five annual installments of \$20,000 each, payable on the 1st day of May in each of the years 1957 to 1961, inclusive, with interest at the rate of 4% per annum, with respect to the then unpaid balance of principal, payable on May 1, 1957, and thereafter quarterly on the first day of each succeeding August, Oct-

ober, February, and May until and including May 1, 1961. Both the principal hereof and the interest hereon shall be payable in lawful money of the United States of America at the Prichard Branch of The Merchants National Bank of Mobile in the City of Prichard in the State of Alabama. The city reserves the privilege of prepaying all or part of the principal of this warrant at any time prior to maturity; provided, that if a portion only of the principal then remaining unpaid shall be paid prior to maturity, the portion of principal so prepaid must be an amount equal to \$1,000 or a multiple thereof, and the portion of the principal so prepaid shall be deemed to be that part of the then outstanding principal having the latest maturity, and provided, further, that all accrued and unpaid interest with respect to any part or all of the principal hereof that shall be so paid prior to maturity shall be paid simultaneously with the payment of the principal so prepaid.

This warrant has been issued pursuant to the applicable provisions of the constitution and laws of the State of Alabama, including particularly Section 466 of Title 37 of the Code of Alabama of 1940, and an ordinance of the city duly adopted by the governing body of the city, for the purpose of paying costs incurred and to be incurred in making improvements to certain public streets in the city. The indebtedness evidenced and ordered paid by this warrant is a general obligation of the city, for the payment of the principal of and interest on which the full faith and credit of the city have been irrevocably pledged.

It is hereby certified and recited that the indebtedness evidenced and ordered paid by this warrant is lawfully due without condition, abatement or offset of any description; that this warrant has been registered in the manner provided by law; that all con-

ditions, actions and things required by the constitution and laws of the State of Alabama to exist, be performed or happen precedent to and in the issuance of this warrant exist, have been performed and have happened; and that the indebtedness evidenced and ordered paid by this warrant, together with all other indebtedness of the city, was at the time the same was created and is now within every debt and other limit prescribed by the constitution and laws of the State of Alabama.

IN WITNESS WHEREOF, the city has caused this warrant to be executed and its official seal to be hereto affixed by its mayor, has caused the same to be attested by its city clerk, both of whom have hereunto subscribed their signatures, and has caused this warrant to be dated May 1, 1956.

CITY OF PRICHARD

By G. V. DISMUKES, Mayor
Attest:

BERNIECE H. CENTANNE,
City Clerk

(Form of Assignment)

For value received, this warrant and the indebtedness thereby evidenced and ordered paid are hereby transferred and assigned, without recourse or warranty, to

Section 8. DELIVERY OF THE WARRANT; USE OF PROCEEDS THEREFROM. The city treasurer is hereby authorized and directed to deliver the warrant to the said lender upon payment to the city treasurer, for the account of the city, of the principal amount of the warrant plus interest accrued thereon to the date of such delivery. The proceeds from the warrant shall be used solely for the purpose for which it is authorized to be issued.

Adopted and approved this 7th day of May, 1956.

G. V. DISMUKES, Mayor
Authenticated:

BERNIECE H. CENTANNE,
City Clerk

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of May 10, 1956.

Approved: