

NOTICE OF SALE

CITY OF ROCHESTER NEW YORK

\$17,980,000 BOND ANTICIPATION NOTES, 2024 SERIES II **(the "Notes")**

SALE DATE:	February 7, 2024	TELEPHONE: (716) 662-3910
TIME:	11:00 AM (Prevailing Time)	FACSIMILE: (716) 662-6684
PLACE OF SALE:	Capital Markets Advisors, LLC 4211 N. Buffalo Rd., Suite 19 Orchard Park, New York 14127	
DATE OF NOTES:	February 27, 2024	
MATURITY DATE:	February 27, 2025	

Telephone proposals or faxed proposals and proposals via iPreo's Electronic Bid Submission System ("Parity") will be received at the place and time on the Sale Date as herein indicated, for the purchase at not less than par of the Notes. No other form of electronic bidding service bids will be accepted. The number for telephone proposals is (716) 662-3910. The number for FAX proposals is (716) 662-6684. Bidders submitting proposals via facsimile must use the "Proposal for Notes" form attached hereto.

Proposals may be submitted in accordance with this Notice of Sale until the time specified herein. No proposal will be accepted after the time for receiving proposals specified above. Any proposal received by the time for receiving proposals specified herein, which have not been modified or withdrawn by the bidder, including those communicated electronically via Parity, shall constitute an irrevocable offer to purchase the Notes pursuant to the terms herein and therein provided. Bidders shall not submit a bid that modifies the terms contained in this Notice of Sale or adds additional conditions not set forth in the Notice of Sale.

The Notes will provide original (\$15,870,000) and renewal (\$2,110,000) financing in the amount of \$17,980,000. The proceeds of the Series II Notes shall be applied to finance water supply facilities (\$5,166,000), local works (\$145,000), parking (\$3,086,000), library (\$963,000), War Memorial (\$731,000), and general City purposes including street construction and reconstruction (\$7,889,000).

Said Notes are general obligations of the City of Rochester (the "City") and the faith and credit of such City are pledged for payment of the principal of and interest on such Notes as required by the New York State Constitution. All of the taxable real property within the City is subject to certain statutory limitations imposed by Chapter 97 of the Laws of 2011 of the State of New York (the "Tax Levy Limit Law"). See "Legal Matters and the Tax Levy Limit Law" and "Tax Levy Limit Law" in the Official Statement of the City dated January 30, 2024 prepared in connection with the issuance of the Notes. The Notes will not be subject to redemption prior to maturity. Interest will be calculated on a 30-day month and a 360-day year basis, payable at maturity.

The Notes will be issued as registered Notes, and at the option of the purchaser, will be registered in the name of the purchaser or registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), as book-entry notes.

If the Notes are issued registered to the purchaser, a single note certificate will be issued for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on such Notes will be payable at such bank(s) or trust company(ies) authorized to do business in the

State of New York as may be selected by the successful bidder(s).

For book-entry only notes registered to Cede & Co., a single note certificate will be issued for each note bearing the same rate of interest and CUSIP number. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Notes. Principal of and interest on said Notes will be paid in lawful money of the United States of America (Federal Funds) by the City to Cede & Co., as nominee for DTC.

Bids may be made for all or a portion of the Notes (\$10,000,000 minimum) and must state a single rate of interest therefor in a multiple of 1/100th or 1/8th of one per centum per annum. Conditional bids will be rejected.

Prospective bidders wishing to submit an electronic bid via Parity must be contracted customers of Parity. Prospective bidders who do not have a contract with Parity must call (212) 849-5021 to become a customer. By submitting an electronic bid for the Notes, a bidder represents and warrants to the City that such bidder's bid for the purchase of the Notes is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Notes.

Each prospective bidder who wishes to submit an electronic bid shall be solely responsible to register to bid via Parity. Each qualified prospective bidder shall be solely responsible to make necessary arrangements to access Parity for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the City nor Parity shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the City nor Parity shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by Parity. The City is using Parity as a communications mechanism, and not as the City's agent, to conduct the electronic bidding for the City's Notes. The City is not bound by any advice or determination of Parity as to whether any bid complies with the terms of this Notice of Sale. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via Parity are the sole responsibility of the bidders, and the City is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in registering to bid, or submitting or modifying a bid for the Notes, it should telephone Parity and notify the City's Municipal Advisor, Capital Markets Advisors, LLC at (716) 662-3910 (provided that the City shall have no obligation to take any action whatsoever upon receipt of such notice).

The Notes will be awarded to the bidder(s) complying with the terms of this Notice of Sale and offering to purchase the Notes at the lowest net interest cost, that being the rate of interest which will produce the least interest cost over the life of the Notes, after accounting for the premium offered, if any; provided, however, that if two or more bidders offer to purchase the Notes at the same lowest net interest cost, then such award will be made to one of said bidders selected by lot or by another customary method from among all said bidders.

The right is reserved by the City to award to any bidder(s) all or any part of the Notes which such bidder(s) offers to purchase and, in such event, the premium, if any, specified by such bidder(s) will be pro-rated. In any event, award of the Notes will be made on the basis of the bid or combination of bids offering to purchase the Notes on terms most favorable to the City.

The right is also reserved to reject any or all bids and any bid not complying with the terms of this notice will be rejected.

Award of the Notes is expected to be made promptly after opening of the bids, but the successful bidder(s) may not withdraw proposals until two hours after the time set forth above on the day of such bid opening and then only if such award has not been made prior to the withdrawal. The Notes will be delivered and shall be paid for on or about the Date of Notes at such place and on such business day and at such hour, as the Sale Officer and successful bidder(s) shall mutually agree.

CUSIP identification numbers will be printed on the Notes if Bond Counsel is provided with such numbers by the close of business on the Sale Date of the Notes, but neither the failure to print such number on any Note nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery and pay for the Notes in accordance with the terms hereof. All expenses in relation to the printing of CUSIP

numbers on the Notes shall be paid for by the City; provided, however, that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the purchaser.

Each successful bidder will be furnished without cost with the approving opinion of the law firm of Woods Oviatt Gilman LLP, Rochester, New York ("Bond Counsel") to the effect that the Notes are valid and legally binding general obligations of the City for which the City has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the City is subject to the levy of ad valorem real estate taxes to pay the Notes and the interest thereon without limitation of rate or amount, subject only to the limitations imposed by the Tax Levy Limit Law. Said opinion shall also contain further statements to the effect that (a) the enforceability of rights or remedies with respect to such Notes may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights or remedies heretofore or hereafter enacted, and (b) said law firm has not been requested to examine or review and has not examined or reviewed the accuracy or sufficiency of the Official Statement of the City relating to the Notes, or any additional proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relative to the City which have been or may be furnished or disclosed to purchasers of the Notes, and expresses no opinion with respect to such financial or other information, or the accuracy or sufficiency thereof.

Any successful bidder may at his option refuse to accept the Notes if prior to their delivery the Arbitrage and Use of Proceeds Certificate (the "Certificate") referred to below in form and tenor satisfactory to Bond Counsel is not delivered or, if any income tax law of the United States of America is hereafter enacted which shall provide that the interest thereon is taxable, or shall be taxable at a future date for federal income tax purposes, and in any such case he will be relieved from his contractual obligation arising from the acceptance of his proposal.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Notes in order that interest on the Notes be and remain excludable from gross income under Section 103 of the Code. As part of the City's contractual obligation arising from its acceptance of the successful bidder's proposal, the City will furnish the successful bidder, concurrently with the delivery of the Notes, with its Certificate which will contain provisions and procedures relating to compliance with the requirements of the Code and a certification to the effect that the City will comply with the provisions and procedures set forth therein, and that it will do and perform all acts and things necessary or desirable to assure that interest paid on the Notes is excludable from gross income under Section 103 of the Code.

Under the Code, interest on the Notes is to be taken into account in the computation of certain taxes that may be imposed with respect to corporations, including, without limitation, the foreign branch profits tax. In addition under the Code, an individual who owns the Notes may be required to include in gross income a portion of his or her Social Security or railroad retirement payments and interest on the Notes will be included as disqualified income when computing the earned income credit. Prospective purchasers should consult their tax advisors with respect to the computation of alternative minimum tax or foreign branch profits tax liability, the earned income credit, or the inclusion of Social Security or other retirement payments in gross income.

The opinion of Bond Counsel shall also contain further statements to the effect that, under existing statutes and court decisions and assuming continuing compliance with the Arbitrage and Use of Proceeds Certificate, (i) interest on the Notes is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code and (ii) interest on the Notes is not treated as a preference item in calculating the alternative minimum tax imposed on individuals. We observe that, for tax years beginning after December 31, 2022, interest on the Note will be included in the adjusted financial statement income of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. In rendering its opinion, Bond Counsel shall rely on certain representations, certifications of fact, and statements of reasonable expectations made by the City in connection with the Notes, and shall assume compliance by the City with certain ongoing certifications in the Arbitrage and Use of Proceeds Certificate to comply with applicable requirements of the Code to assure the exclusion of interest on the Notes from gross income under Section 103 of the Code.

Further, such opinion shall state that, under existing statutes, interest on the Notes is exempt from New York State and New York City personal income taxes.

Obligation of Winning Bidder(s) to deliver an Issue Price Certificate at Closing

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Notes, is a good faith offer which the bidder believes reflects current market conditions, and is not a “courtesy bid” being submitted for the purpose of assisting in meeting the competitive sale requirements relating to the establishment of the “issue price” of the Notes pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds (the “Competitive Sale Requirements”). The Municipal Advisor will advise the winning bidder(s) if the Competitive Sale Requirements were met at the same time it notifies the winning bidder(s) of the award of the Notes. **Bids will not be subject to cancellation in the event that the Competitive Sale Requirements are not satisfied.**

The winning bidder(s) shall, within one (1) hour after being notified of the award of the Notes, advise the Municipal Advisor by electronic or facsimile transmission of the reasonably expected initial public offering price or yield of each maturity of the Notes (the “Initial Reoffering Prices”) as of the date of the award.

By submitting a bid, the winning bidder(s) agrees (unless the winning bidder is purchasing the Notes for its own account and not with a view to distribution or resale to the public) that if the Competitive Sale Requirements are not met, it will elect and satisfy either option (1) or option (2) described below. Such election must be made on the bid form submitted by each bidder.

(1) **Hold the Price.** The winning bidder(s):

(a) will make a bona fide offering to the public of all of the Notes at the Initial Reoffering Prices and provide Bond Counsel with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel,

(b) will neither offer nor sell to any person any Notes within a maturity at a price that is higher, or a yield that is lower, than the Initial Reoffering Price of such maturity until the earlier of (i) the date on which the winning bidder has sold to the public at least 10 percent of the Notes of such maturity at a price that is no higher, or a yield that is no lower, than the Initial Reoffering Price of such maturity or (ii) the close of business on the 5th business day after the date of the award of the Notes, and

(c) has or will include within any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, language obligating each underwriter to comply with the limitations on the sale of the Notes as set forth above.

(2) **Follow the Price.** The winning bidder(s):

(a) will make a bona fide offering to the public of all of the Notes at the Initial Reoffering Prices and provide the Issuer with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel,

(b) will report to the Issuer information regarding the first price that at which at least 10 percent of the Notes within each maturity of the Notes have been sold to the public,

(c) will provide the Issuer with reasonable supporting documentation or certifications of such sale prices the form of which is acceptable to Bond Counsel. This reporting requirement, which may extend beyond the closing date of the Notes, will continue until such date that the requirement set forth in paragraph (b) above for each maturity of the Notes is satisfied, and

(d) has or will include within any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, language obligating each underwriter to comply with the reporting requirement described above.

For purposes of the “hold the price” or “follow the price” requirement, a “maturity” refers to Notes that have the same interest rate, credit and payment terms.

Regardless of whether or not the Competitive Sale Requirements were met, the winning bidder shall submit to the Issuer a certificate (the “Reoffering Price Certificate”), satisfactory to Bond Counsel, prior to the delivery of the Notes stating the applicable facts as described above. The form of Reoffering Price Certificate is available by contacting Bond Counsel or the Municipal Advisor.

If the winning bidder has purchased the Notes for its own account and not with a view to distribution or resale to the public, then, whether or not the Competitive Sale Requirements were met, the Reoffering Price Certificate will recite such facts and identify the price or prices at which the purchase of the Notes was made.

For purposes of this Notice, the “public” does not include the winning bidder or any person that agrees pursuant to a written contract with the winning bidder to participate in the initial sale of the Notes to the public (such as a retail distribution agreement between a national lead underwriter and a regional firm under which the regional firm participates in the initial sale of the Notes to the public). In making the representations described above, the winning bidder must reflect the effect on the offering prices of any “derivative products” (e.g., a tender option) used by the bidder in connection with the initial sale of any of the Notes.

The City will provide a reasonable number of Official Statements to each successful bidder within five (5) business days following receipt of a written request therefor made to the City and its Municipal Advisor. Such request may specify the applicable (a) offering price(s), (b) selling compensation, (c) rating(s), (d) credit enhancement, and (e) identify the complete name of such bidder and any participating underwriters, and if so, the Official Statement will be modified or supplemented by the information so specified. Neither the City nor its Municipal Advisor shall be liable in any manner for any delay, inaccuracy, or omission on the part of any successful bidder with respect to such request, nor shall the City's failure, as a result thereof, to provide the Official Statement (whether or not modified or supplemented) within the above time period, constitute cause for a failure or refusal by such bidder to accept delivery of and pay for the Notes in accordance with the terms hereof.

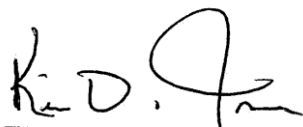
The Official Statement is in a form “deemed final” by the City for purposes of the Securities and Exchange Commission Rule 15c2-12 (“Rule 15c2-12”). In order to assist bidders in complying with Rule 15c2-12 and as part of the City’s contractual obligation arising from its acceptance of the successful bidder's proposal, at the time of the delivery of the Notes the City will provide an executed copy of its “Undertaking to Provide Notices of Material Events.” Said undertaking will constitute a written agreement or contract of the City for the benefit of holders of and owners of beneficial interests in the Notes, to provide to the Electronic Municipal Market Access (“EMMA”) System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto, notice of the occurrence of certain material events, as enumerated in said Rule 15c2-12.

The obligations hereunder to deliver or accept the Notes pursuant hereto shall be conditioned on the availability to each successful bidder at the time of delivery of the Notes of said approving opinion; of certificates in form and tenor satisfactory to said law firm evidencing the proper execution and delivery of the Notes and receipt of payment therefor and including a statement, dated as of the date of delivery, to the effect that there is no litigation pending or (to the knowledge of the signer or signers thereof) threatened relating to the Notes; and of the several certificates as described in the Official Statement under the heading “Documents Accompanying Delivery of the Notes.”

The Notes will **not** be designated by the City as “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Code.

Copies of the Notice of Sale and the Official Statement may be obtained from the offices of Capital Markets Advisors, LLC, telephone number (716) 662-3910.

CITY OF ROCHESTER, NEW YORK

By: 

Kim D. Jones
Director of Finance

Dated: January 30, 2024

PROPOSAL FOR THE NOTES

Kim D. Jones
Director of Finance
City of Rochester, New York
c/o Capital Markets Advisors, LLC
4211 N. Buffalo Rd., Suite 19
Orchard Park, NY 14127

February 7, 2024

TELEPHONE: (716) 662-3910

FACSIMILE: (716) 662-6684

**CITY OF ROCHESTER
NEW YORK
\$17,980,000 BOND ANTICIPATION NOTES, 2024 SERIES II
(the "Notes")**

DATED: February 27, 2024

MATURITY: February 27, 2025

Bid No.	Principal Amount	Interest Rate	Premium	Net Interest Cost
1	\$	%	\$	%
2	\$	%	\$	%
3	\$	%	\$	%
4	\$	%	\$	%
5	\$	%	\$	%

Signature:

Name of Bidder:

Address of Bidder:

Telephone Contact of Bidder (Area Code):

Facsimile Contact of Bidder (Area Code):

Bid Form Continued on the Following page

Please select one of the following (if no option is selected, the book-entry-only option will be assumed to have been selected by the purchaser):

- ☐ Book-Entry-Only registered to Cede & Co.
- ☐ Registered in the Name of the Purchaser

Please check one of the following:

- ☐ We are purchasing the Notes for our own account and not with a view to distribution or resale to the public.
- ☐ In the event the Competitive Sale Requirements are not met, we hereby elect to
 - ☐ Hold the Price
 - ☐ Follow the Price