

RESOLUTION NO. 130549

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA AUTHORIZING A LOAN IN A PRINCIPAL AMOUNT NOT EXCEEDING \$15,000,000 TO ADVANCE REFUND A PORTION OF THE CITY'S CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2005 AND TO PAY THE COSTS OF SUCH LOAN; APPROVING THE FORM OF A REFUNDING REVENUE NOTE, SERIES 2014, A LOAN AGREEMENT AND AN ESCROW DEPOSIT AGREEMENT; DELEGATING TO THE MAYOR, THE MAYOR-COMMISSIONER PRO TEMPORE, THE CITY MANAGER, THE ADMINISTRATIVE SERVICES DIRECTOR OR THE FINANCE DIRECTOR TO ESTABLISH THE LOAN AMOUNT; APPOINTING THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. TO ACT AS ESCROW AGENT UNDER SUCH ESCROW DEPOSIT AGREEMENT; APPOINTING ROBERT THOMAS CPA, LLC AS VERIFICATION AGENT WITH RESPECT TO THE DEFEASANCE OF THE BONDS BEING REFUNDED; PROVIDING OTHER DETAILS WITH RESPECT THERETO; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA (the "Issuer") that:

Section 1. Authority for this Resolution. This Resolution is adopted pursuant to the Charter of the Issuer, Chapter 166, Florida Statutes, Article VIII, Section 2, Constitution of the State of Florida, and other applicable provisions of law (collectively, the "Act").

Section 2. Definitions. Words and phrases used herein in capitalized form and not otherwise defined herein (including, without limitation, in the preamble hereto) shall have the meanings ascribed thereto in the Loan Agreement (hereinafter defined) and, in addition, the following words and phrases shall have the following meanings:

"Authorized Signatories" means any one or more of the Mayor, the Mayor-Commissioner Pro Tempore, the City Manager, the Administrative Services Director or the Finance Director of the Issuer.

"Loan Amount" means the amount established pursuant to the terms hereof, not exceeding \$15,000,000.

Section 3. Authorization of Transaction. In order to obtain funds to advance refund the City of Gainesville, Florida Capital Improvement Revenue Bonds, Series 2005 maturing on October 1 of the years 2016 through 2025 (the "Refunded Bonds") and to pay the costs of the Loan (hereinafter defined), the Issuer is authorized to obtain a loan (the "Loan") and to borrow an amount equal to the Loan Amount from TD Bank, N.A. (the "Bank"), the Bank having been selected through a request for proposals process.

Because of prevailing and anticipated market conditions and the nature of the Loan, and taking into account the advice of Public Financial Management, Inc., the Issuer's financial advisor (the "Financial Advisor"), it is not feasible, cost effective or advantageous to enter into the Loan through a competitive sale and it is in the best interest of the Issuer to accept the terms

of the Loan from the Bank in a principal amount of the Loan Amount, at a negotiated sale upon the terms and conditions outlined herein and in the Loan Agreement (as hereinafter defined) and as determined by the Authorized Signatories executing the Loan Agreement in accordance with the terms hereof.

Prior to its execution and delivery of the Loan Documents and the Escrow Deposit Agreement, as such terms are hereinafter defined, the Issuer shall have received from the Bank a disclosure statement containing the information required by Section 218.385(6), Florida Statutes, and a Truth-in-Bonding Statement pursuant to Section 218.385(3), Florida Statutes, and no further disclosure is or shall be required by the Issuer.

Section 4. Loan Agreement and Note. The Issuer is authorized to execute a Loan Agreement with the Bank in substantially the form attached hereto as Exhibit "A" (the "Loan Agreement") and to make and deliver to the Bank the Refunding Revenue Note, Series 2014 (the "Note") in the form attached to the Loan Agreement. The forms and terms of the Loan Agreement and the Note (collectively, the "Loan Documents") attached hereto are hereby approved, and the Authorized Signatories are authorized on behalf of the Issuer to execute and deliver the same, with such changes, insertions, omissions and filling of blanks as may be approved by the Authorized Signatories, such approval to be conclusively evidenced by the execution thereof by the Authorized Signatories signing the same. The Authorized Signatories executing the Note are hereby delegated the authority to establish the Loan Amount, which shall not in any event exceed \$15,000,000, the execution of the Note showing such amount on its face being conclusive evidence of such establishment. The Clerk of the Commission or any Deputy Clerk of the Commission or any Acting Clerk of the Commission may authenticate or attest the signatures of the Authorized Signatories on the Loan Documents.

Section 5. Escrow Deposit Agreement. The form and terms of the Escrow Deposit Agreement attached hereto as Exhibit B (the "Escrow Agreement") are hereby approved by the Issuer, and the Authorized Signatories are authorized to execute and deliver the same on behalf of the Issuer, with such changes, insertions, omissions and filling of blanks as may be approved by the Authorized Signatories, such approval to be conclusively evidenced by the execution thereof by the Authorized Signatories. The Clerk of the Commission or any Deputy Clerk of the Commission or any Acting Clerk of the Commission may authenticate or attest the signatures of the Authorized Signatories on the Escrow Agreement. The Bank of New York Mellon Trust Company, N.A. is hereby appointed as Escrow Agent (the "Escrow Agent"), and shall undertake the duties as such under the terms of the Escrow Agreement, and to the extent applicable, this Resolution.

In connection with the refunding of the Refunded Bonds the Authorized Signatories are hereby authorized to cause proceeds of the Loan and other legally available funds, and earnings thereon, to be invested in United States Treasury Securities -- State and Local Government Series ("SLGS") or other obligations permitted to be used to accomplish the defeasance of the Refunded Bonds in such amounts, at such times, maturing at such times and having such rate or rates of interest as such officer shall determine is necessary or desirable; and any authorized officer of the Escrow Agent or of PFM Asset Management LLC, an affiliate of the Financial Advisor, is hereby authorized in the name and on behalf of the Issuer to submit subscriptions to the Bureau of Public Debt of the United States Department of the Treasury for the purchase of

book-entry form SLGS, and to take such other action as such person deems necessary or appropriate to effectuate such purposes or to purchase such other obligations.

The Issuer hereby authorizes the redemption of the Refunded Bonds on October 1, 2015, at par.

Section 6. Loan Agreement and Note Not to be General Obligation or Indebtedness of the Issuer. The Loan Agreement and Note and the obligations of the Issuer thereunder shall not be deemed to constitute general obligations or a pledge of the faith and credit of the Issuer, the State of Florida or any political subdivision thereof within the meaning of any constitutional, legislative or charter provision or limitation, but shall be payable solely from and secured by a lien upon and a pledge of (i) the Non-Ad Valorem Revenues (as defined in the Loan Agreement) actually budgeted and appropriated and deposited into the Refunding Revenue Note, Series 2014 Debt Service Account, which is hereby created (the "Debt Service Account"), to pay debt service payments and all other amounts due and payable on or under the Loan Agreement and the Note and (ii) all funds on deposit in the Debt Service Account (including any investment securities on deposit therein) and all investment earnings on any such funds (collectively, the "Pledged Funds"), in the manner and to the extent herein and in the Loan Agreement provided. No holder or owner of the Note shall ever have the right, directly or indirectly, to require or compel the exercise of the ad valorem taxing power of the Issuer or any other political subdivision of the State of Florida or taxation in any form on any real or personal property for any purpose, including, without limitation, for the payment of debt service with respect thereto, or to maintain or continue any activities of the Issuer which generate user service charges, regulatory fees or other non-ad valorem revenues, nor shall any holder or owner of the Note be entitled to payment of such principal and interest from any other funds of the Issuer other than the Pledged Funds, all in the manner and to the extent herein and in the Loan Agreement provided. The Loan Agreement and the Note and the indebtedness evidenced thereby shall not constitute a lien upon any real or personal property of the Issuer, or any part thereof, or any other tangible personal property of or in the Issuer, but shall constitute a lien only on the Pledged Funds, all in the manner and to the extent provided herein and in the Loan Agreement.

Funds in the Debt Service Account, until applied to the payment of debt service on the Note, may be invested in investments authorized by law and meeting the Issuer's written investment policy, which investments shall mature no later than the date on which moneys therein shall be needed to pay such debt service.

Section 7. Pledge. The payment of the principal of, premium, if any, and interest under the Note and other payments due under the Loan Agreement shall be secured forthwith equally and ratably by an irrevocable lien on the Pledged Funds, all in the manner and to the extent provided herein and in the Loan Agreement. The Issuer does hereby irrevocably pledge such Pledged Funds to the payment of the principal of, premium, if any, and interest on the Note and other payments due under the Loan Agreement.

Section 8. Application of Proceeds. The proceeds of the Loan shall be (i) deposited to the Escrow Deposit Fund created under the Escrow Deposit Agreement to be applied to defease the Refunded Bonds and (ii) applied to pay the costs of issuance of the Note.

Section 9. Separate Accounts. The moneys required to be accounted for in the Debt Service Account may be deposited in a single bank or other account, and funds allocated to such account may be invested, together with other funds of the Issuer, in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of moneys on deposit therein and such investments for the various purposes of such account. The designation and establishment of the Debt Service Account shall not be construed to require the establishment of any completely independent, self-balancing fund or account, but rather is intended solely to constitute an earmarking of certain moneys or revenues for certain purposes.

Section 10. Verification Agent. Robert Thomas CPA, LLC is hereby appointed as verification agent with respect to the defeasance of the Refunded Bonds.

Section 11. Severability. If any provision of this Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable in any context, the same shall not affect any other provision herein or render any other provision (or such provision in any other context) invalid, inoperative or unenforceable to any extent whatever.

Section 12. Applicable Provisions of Law. This Resolution shall be governed by and construed in accordance with the laws of the State of Florida.

Section 13. Authorizations. The Authorized Signatories are hereby authorized to execute and deliver on behalf of the Issuer the Loan Documents as provided hereby. All officials and employees of the Issuer, including, without limitation, the Authorized Signatories, are authorized and empowered, collectively or individually, to take all other actions and steps and to execute all instruments, documents, and contracts on behalf of the Issuer as they shall deem necessary or desirable in connection with the completion of the Loan and the carrying out of the intention of this Resolution.

Section 14. Repealer. All resolutions or parts thereof in conflict herewith are hereby repealed.

Section 15. Effective Date. This Resolution shall take effect immediately upon its adoption.

Passed and duly adopted in public session of the City Commission of the City of Gainesville, Florida on the 6th day of February, 2014.

CITY COMMISSION OF THE CITY OF
GAINESVILLE, FLORIDA

ATTESTED:

By: _____
Mayor Edward B. Braddy

By: _____
Clerk of the Commission Kurt Lannon

APPROVED AS TO FORM AND
LEGALITY:

By: _____
City Attorney Nicolle Shalley

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EXHIBIT "A"

**FORM OF LOAN AGREEMENT
(WITH ATTACHED FORM OF NOTE)**

EXHIBIT "B"

FORM OF ESCROW DEPOSIT AGREEMENT