

RESOLUTION NO. 210533

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA FOR THE PURPOSE OF AMENDING RESOLUTION NO. 171089 ADOPTED BY THE CITY ON MAY 17, 2018, AUTHORIZING AND APPROVING THE FORM OF AN ALLONGE TO ITS VARIABLE RATE SUBORDINATED UTILITIES SYSTEM REVENUE BOND, 2018 SERIES A ORIGINALLY PURCHASED BY STI INSTITUTIONAL & GOVERNMENT, INC; PROVIDING OTHER DETAILS WITH RESPECT THERETO; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Gainesville, Florida (the "City") adopted on January 30, 2003 its Amended and Restated Utilities System Revenue Bond Resolution (the "Senior Bond Resolution"), as amended, supplemented and restated and authorized thereunder Subordinated Indebtedness;

WHEREAS, the City on December 8, 2003 adopted its Amended and Restated Subordinated Utilities System Revenue Bond Resolution supplementing the Senior Bond Resolution (the "Subordinated Bond Resolution" and together with the Senior Bond Resolution, the "Bond Resolution") authorizing the issuance of Subordinated Indebtedness junior and subordinated in all respects to the security interest in and pledge and assignment of the Trust Estate created by the Senior Bond Resolution as security for the Bonds;

WHEREAS, pursuant to Resolution No. 171089 (the "2018 Resolution") adopted by the City on May 17, 2018, the City issued its Variable Rate Subordinated Utilities System Revenue Bond, 2018 Series A, as amended by the Allonge dated July 30, 2021 (the "Bond"); and

WHEREAS, the Bond was issued for the purpose of evidencing a revolving line of credit as Subordinated Indebtedness pursuant to the Subordinated Bond Resolution to finance from time to time the Cost of Acquisition and Construction of the System, such projects as shall be included in the then-approved capital improvement plan for the System; and

WHEREAS, the City and STI Institutional & Government, Inc. (the "Purchaser"), as the sole holder of the Bond, have agreed to extend the maturity date and make certain other amendments to the 2018 Resolution and the Bond; and

WHEREAS, it is hereby determined to be necessary to and desirable to authorize the approval of amendments to the 2018 Resolution and the Bond in the manner provided herein;

NOW, THEREFORE, BE IT RESOLVED by City Commission of the City that:

Section 1. Authority. This Resolution is adopted pursuant to the Constitution of the State of Florida, Chapter 166, Florida Statutes, Part II, Chapter 159, Florida Statutes 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 2018 Resolution.

"Authorized Officer" or "Authorized Officers" means the "Authorized Officers of the City," as defined in the Senior Bond Resolution.

Section 3. Amendments to the 2018 Resolution. The following amendments shall become effective on the date of the Allonge approved herein:

(a) The following definitions are added to Section 1.02 of the 2018 Resolution:

"Alternative Benchmark Rate" means a rate of interest per annum equal to the Prime Rate minus two and 5/10 percent (2.5%) which shall adjust daily with changes in the Prime Rate.

"Benchmark" means the Index referred to in the Bond, which is initially Daily Simple SOFR, and thereafter as provided herein, the then-current Successor Rate.

"Conforming Changes" means, with respect to any Successor Rate, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions and other technical, administrative or operational matters) that Purchaser decides may be appropriate to reflect the adoption and implementation of such Successor Rate and to permit the administration thereof by Purchaser in a manner Purchaser decides is reasonably necessary in connection with the administration of the loan as evidenced by the Bond.

"Daily Simple SOFR" means, for any day of determination (a "SOFR Rate Day"), an interest rate per annum equal to SOFR for (i) that day if such SOFR Rate Day is a U.S. Government Securities Business Day or (ii) the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day if such SOFR Rate Day is not a U.S. Government Securities Business Day. If by 5:00 pm (New York City time) on any U.S. Government Securities Business Day immediately following any SOFR Rate Day, SOFR in respect of such SOFR Rate Day has not been published on the SOFR Administrator's Website, subject to Section 3.05(3) of hereof, then SOFR for such SOFR Rate Day will be SOFR as published for the first preceding U.S. Government Securities Business Day for which such SOFR was published on the SOFR Administrator's Website; so long as such immediately preceding U.S. Government Securities Business Day is not more than three (3) US Government Securities Business Days prior to the SOFR Rate Day. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the City.

"Index" means Daily Simple SOFR.

"Relevant Governmental Body" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

"Relevant Governmental Body Recommended Rate" means, in respect of any relevant day the rate (inclusive of any spreads or adjustments which may be positive or

negative) recommended as the replacement for the Benchmark by the Relevant Governmental Body (which rate may be produced by the Federal Reserve Bank of New York or another administrator).

"SOFR" means the secured overnight financing rate as such rate appears on the SOFR Administrator's Website as quoted by Bloomberg Finance L.P., provided that if SOFR would be less than zero percent (0%), then SOFR shall be deemed to be zero percent (0%).

"SOFR Administrator" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"SOFR Administrator's Website" means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"U.S. Government Securities Business Day" means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

(b) The following definition in Section 1.02 of the 2018 Resolution are amended and restated in their entirety to read as follows:

"Applicable Percentage" means 79%.

"Interest Rate" means a per annum rate equal to (i) the Applicable Percentage multiplied by the sum of the Index plus the Applicable Spread, (ii) after an Event of Taxability, the Taxable Rate, and (iii) during the continuance of an Event of Default or a 2018A Event of Default, the Default Rate.

"Interest Rate Determination Date" means each day which Daily Simple SOFR adjusts.

"Prime Rate" means, for any day, a rate per annum equal to Purchaser's announced Prime Rate, and shall change effective on the date any change in Purchaser's Prime Rate is publicly announced as being effective; provided however, if the Bond is governed by Subtitles 9 or 10 of Title 12 of the Commercial Law Article of the Annotated Code of Maryland, "Prime Rate" shall mean the Wall Street Journal Prime Rate, which is the Prime Rate published in the "Money Rates" section of the Wall Street Journal from time to time, and shall change effective on the date any change in such rate is reported; further provided if either rate referenced in this paragraph is at any time less than zero percent (0%), then such rate shall be deemed to be zero percent (0%).

(c) The following defined terms are deleted from Section 1.02 of the 2018 Resolution in their entirety: "Base Rate," "LIBOR Business Day," and "LIBOR Rate".

(d) All references in the 2018 Resolution to "SunTrust Bank" shall be mean Truist Bank as successor by merger to SunTrust Bank.

(e) Section 3.05(3) of the 2018 Resolution is amended and restated in its entirety to read as follows:

(3) Effect of Benchmark Transition Event; Inability to Determine SOFR.

(a) In the event Purchaser determines in its sole discretion that (i) there is a public announcement by the administrator of a Benchmark or a Relevant Governmental Body that such Benchmark will cease or has ceased to be published; (ii) a public announcement is made by the administrator of a Benchmark or any Relevant Governmental Body that the Benchmark is no longer representative; or (iii) a Relevant Governmental Body has determined that Purchaser may no longer utilize the Benchmark for purposes of setting interest rates; (each a "Benchmark Transition Event"), Purchaser will have no obligation to make, fund or maintain a loan based on the Benchmark and, on a date and time determined by Purchaser without any further action or consent of by City, the first available alternative set forth in the order below that can be determined by Purchaser shall replace the Benchmark ("Successor Rate"):

(X) Relevant Governmental Body Recommended Rate; or

(Y) Alternative Benchmark Rate.

(b) In connection with the implementation of a Successor Rate, Purchaser will have the right to make Conforming Changes from time to time and, except as described herein, any amendments implementing such Successor Rate or Conforming Changes will become effective without any further action or consent of City. Notwithstanding anything else herein, if at any time any Successor Rate as so determined would otherwise be less than zero percent (0%), the Successor Rate will be deemed to be zero percent (0%). For avoidance of doubt, following the implementation of a Successor Rate, the Index under the Bond will be the Successor Rate.

(c) Purchaser will notify (in one or more notices) City of the implementation of any Successor Rate. Any determination or decision that may be made by Purchaser pursuant to this Section 3.05(3), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in Purchaser's sole discretion and without consent from City.

(d) In the event Purchaser determines in its sole discretion that Purchaser cannot make, fund, or maintain a loan based upon the Benchmark due to illegality or the inability to ascertain or determine said rate on the basis provided for herein ("Unavailability Period") and a Benchmark Transition Event has not occurred, then at the election of Purchaser the Benchmark shall convert to the Alternative Benchmark Rate for purposes of calculating the Interest Rate on the then outstanding principal balance and for interest accruing on any fundings or advances requested by City and, thereafter, the Interest Rate on the Bond shall adjust simultaneously with any fluctuation in the

Alternative Benchmark Rate. In the event Purchaser determines that the circumstances giving rise the Unavailability Period have ended, at such time as determined by Purchaser the Benchmark will revert to the prior Benchmark (provided a Benchmark Transition Event has not occurred). Purchaser shall provide notice, which may be after the implementation of the Alternative Benchmark Rate as contemplated hereunder, to City of any Benchmark change that is made pursuant to this Section 3.05(3). For avoidance of doubt, following conversion to the Alternative Benchmark Rate, the Interest Rate under the Bond will be the Alternative Benchmark Rate plus the Applicable Spread and any interest rate floor provided for in the Bond.

(e) Notwithstanding the foregoing, in connection with a change to a Successor Rate the Purchaser shall give the City at least 30 days advance notice of such changes and describing any Conforming Changes and if there shall be delivered to the Purchaser an opinion of Bond Counsel to the effect that the change to the Successor Rate, including the Conforming Changes, could adversely affect the exclusion from gross income for federal income tax purposes of interest on the 2018 Series A Bond (a "Tax Event Opinion") such change to the Successor Rate shall be deferred until such time, not to exceed 60 days from the date that the original notice was delivered to the City, as there shall be delivered to the Purchaser either (a) an opinion of Bond Counsel that the change to the change to the Successor Rate, including the Conforming Changes, will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the 2018 Series A Bond or an opinion to the affect that interest on the outstanding Advances is excludable to the holder thereof for federal income tax purposes; provided, however, if such opinion shall not be delivered the interest rate shall be the Taxable Rate adjusted to the Successor Rate, including the Conforming Changes.

Section 4. Allonge to Bond. The form and terms of the Second Allonge to Bond (the "Allonge") in the form attached as Exhibit "A" hereto are hereby approved, and the Mayor is authorized to execute and deliver the same, with such changes, insertions, omissions and filling of blanks as may be approved by the Mayor, such approval to be conclusively evidenced by the execution thereof by the Mayor; provided, however the Allonge shall not be executed unless the maturity date shall be at least three (3) years from the date of delivery of the Allonge and the next subsequent Mandatory Purchase Date shall not be less than twelve months from the date of delivery of the Allonge. The Clerk is hereby authorized to attest the signature of the Mayor on any documents requiring the same, and to affix thereto or impress thereon, the seal of the City, if required by such documents, subject to the approval of the City Attorney as to form and legality. The Clerk is also authorized to certify copies of any instruments, resolutions and records of the City in connection with the issuance and delivery of the Allonge. No further action of the City Commission shall be necessary in connection with an extension of the Mandatory Tender Date by the Purchaser and any such Authorized Officer is hereby authorized to do all things necessary or convenient in connection with such extension on terms not inconsistent herewith.

Section 5. 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 6. Authorizations. The Authorized Officers, collectively or individually, upon satisfaction of the conditions set forth herein, are hereby authorized to execute the Allonge, subject to completion thereof, and with such changes therein as the officer(s) executing the same may approve as necessary and desirable and in the best interests of the City, such approval to be evidenced by the execution and delivery thereof, subject to the approval of the City Attorney as to form and legality. The Clerk of the Commission of the City is hereby authorized to cause the seal of the City to be affixed to each foregoing documents and to attest the same, to the extent required therein. Such officers are each hereby authorized to deliver such agreements on behalf of the City. The Authorized Officers, individually and collectively and the officers, attorneys and other agents or employees of the City are each hereby authorized to do all acts and things required of them by the Bond Resolution or the Bond or desirable or consistent with the requirements of the Bond Resolution or the Bond for the full punctual and complete performance of all the terms, covenants and agreements contained herein or in the Bond or the Bond Resolution, and each Authorized Officer, employee, attorney and officer of the City is hereby authorized and directed to execute and deliver any and all papers and instruments, and to be and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated hereunder.

Section 7. Applicable Provisions of Law. This Resolution shall be governed by and construed in accordance with the laws of the State of Florida.

Section 8. Repealer. All resolutions or parts thereof in conflict herewith are hereby repealed.

Section 9. Effective Date. This Resolution shall take effect immediately upon its adoption.

PASSED AND DULY ADOPTED this ____ day of _____, 2021.

CITY OF GAINESVILLE, FLORIDA

Mayor

ATTESTED:

City Clerk

Approved as to Form and Legality:

City Attorney

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EXHIBIT "A" TO RESOLUTION
FORM OF ALLONGE

**Second Allonge to
CITY OF GAINESVILLE, FLORIDA
VARIABLE RATE SUBORDINATED UTILITIES SYSTEM
REVENUE BOND, 2018 SERIES A
(Registered No. RA-1)
(the "Bond")**

Effective as of the date hereof, the following change is hereby made to the Bond:

1. The Maturity Date is amended to _____, 2024.
2. The Mandatory Purchase Date is amended to _____, 20____, unless waived by the Registered Owner in accordance with the definition of Mandatory Purchase Date in the Bond Resolution.
3. Except as expressly amended hereby, the terms of the Bond remain in full force and effect. This Second Allonge shall be stapled or otherwise affixed to the Bond by the holder thereof. All references to the term "Bond" or "2018 Series A Bond" in the Bond or any other documents related to the Bond shall mean the Bond as amended by this Second Allonge.

IN WITNESS WHEREOF, the CITY OF GAINESVILLE, FLORIDA has caused this Second Allonge to be signed in its name and on its behalf by the manual signature of its Mayor, and its corporate seal to be hereunto affixed, imprinted, engraved or otherwise reproduced and attested by the manual signature of its City Clerk.

CITY OF GAINESVILLE, FLORIDA

Mayor

Dated: _____, 2021

Attested:

City Clerk

Approved as to Form and Legality:

City Attorney

U.S. BANK NATIONAL ASSOCIATION,
Trustee

By: _____
Authorized Officer

Consented to by STI Institutional & Government, Inc., as the sole holder of the Bond:

STI INSTITUTIONAL & GOVERNMENT, INC.,
as sole holder of the Bond

By: _____
Name: Lisa Hayes
Title: Authorized Agent

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