

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA, AUTHORIZING THE NEGOTIATION OF A LOAN IN AN AGGREGATE AMOUNT NOT TO EXCEED \$2,000,000 FROM THE FIRST FLORIDA GOVERNMENTAL FINANCING COMMISSION FOR THE PURPOSE OF FINANCING THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION AND EQUIPPING OF VARIOUS CAPITAL PROJECTS; APPROVING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND TAX REGULATORY AGREEMENT WITH THE FIRST FLORIDA GOVERNMENTAL FINANCING COMMISSION; APPROVING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE CERTIFICATE; PROVIDING OTHER MATTERS IN CONNECTION WITH THE MAKING OF SUCH LOAN; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, participating Florida counties and cities (the "Members") have created the First Florida Governmental Financing Commission (the "Commission") pursuant to Chapter 163, Part I, Florida Statutes and that certain Interlocal Agreement dated November 26, 1985 (as amended from time to time, the "Interlocal Agreement") among its members, which currently include Broward County, the City of Boca Raton, the City of Gainesville, the City of Hollywood, the City of St. Petersburg and the City of Sarasota, for the purpose of issuing its bonds to make loans to participating Members for qualified projects; and

WHEREAS, the Commission is in the process of issuing its First Florida Governmental Financing Commission Improvement and Refunding Revenue Bonds, Series 2007 (the "Bonds") in one or more series and is seeking to make loans (the "Loans") to Members; and

WHEREAS, it is hereby determined that a need exists to borrow funds to finance the cost of the acquisition, construction, reconstruction and equipping of certain capital projects within the City of Gainesville, Florida (the "Borrower") including, without limitation, the acquisition of properties for and construction/reconstruction of roadway and other transportation projects, and miscellaneous capital projects (collectively, the "Project"); and

WHEREAS, it is determined to be in the best interest of the Borrower to borrow funds from the Commission from the proceeds of the Bonds for purposes of financing the cost of the Project; and

WHEREAS, the Borrower desires to authorize the receipt of a Loan from the proceeds of the Bonds for the purpose of the Project based upon the conditions hereafter stated.

NOW THEREFORE, BE IT ADOPTED BY THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA, as follows:

SECTION 1. This Resolution is adopted pursuant to Chapter 166, Part II, Florida Statutes, the municipal charter of the Borrower, and other applicable provisions of law.

SECTION 2. The Borrower hereby authorizes financing the cost of the Project using proceeds of the Bonds through a Loan.

SECTION 3. Due to the complicated nature of the transaction described above and the ability of the Commission to access additional markets and for the Borrower to receive the benefits of lower interest rates and issuance costs, it is hereby determined that it is in the best interest of the Borrower that the Loan to the Borrower be made from the proceeds of the Bonds, as opposed to the Borrower borrowing funds pursuant to a public sale.

SECTION 4. The City Manager, Administrative Services Director or the Finance Director or any other appropriate officers of the Borrower are hereby authorized and directed to execute and deliver a Loan Agreement (the "Loan Agreement") to evidence the Loan, to be entered into by and between the Borrower and the Commission in substantially the form attached hereto as Exhibit A and a Tax Regulatory Agreement (the "Tax Regulatory Agreement"), to be entered into by and between the Borrower, the Commission and U.S. Bank National Association, as Trustee (the "Trustee"), on substantially the form attached hereto as Exhibit B, each with such changes, insertions and omissions as may be approved by the City Manager, Administrative Services Director or the Finance Director, the execution thereof being conclusive evidence of such approval, subject to the approval of the City Attorney as to form and legality.

SECTION 5. The amount of the Loan of the Borrower evidenced by the Loan Agreement shall not exceed \$2,000,000. Such Loan shall be made at a discount which shall include a pro-rata portion of costs of issuance incurred by the Commission and shall bear interest and shall be repayable according to the terms and conditions set forth in the Loan Agreement authorized pursuant to Section 4 hereof with such changes, insertions and omissions as may be approved by the City Manager, Administrative Services Director or the Finance Director, subject to the approval of the City Attorney as to form and legality, but such Loan shall bear interest at a true interest cost rate not in excess of 5.25%, and shall mature no later than July 1, 2027. The prepayment provisions, if any, relating to such Loan shall be as provided in the Loan Agreement.

SECTION 6. The Bonds will be issued pursuant to a Trust Indenture (the "Trust Indenture") to be executed by the Commission and the Trustee, and such Trust Indenture, in substantially the form as attached hereto as Exhibit C is hereby approved, with such changes, insertions and omissions as may be approved and/or authorized by the Commission.

SECTION 7. The City Manager, Administrative Services Director or the Finance Director or any other appropriate officers of the Borrower are hereby authorized and directed to

execute and deliver a Continuing Disclosure Certificate (the "Continuing Disclosure Certificate") to be executed by the Borrower in substantially the form attached hereto as Exhibit D with such changes, insertions and omissions as may be approved by the City Manager, Administrative Services Director or the Finance Director, the execution thereof being conclusive evidence of such approval, subject to the approval of the City Attorney as to form and legality.

SECTION 8. The Borrower hereby expresses its intent to be reimbursed from proceeds of a future tax-exempt financing or financings for amounts advanced by the Borrower in connection with the financing of a portion of the Project. Pending reimbursement upon the future issuance of debt, the Borrower expects to use other legally available funds to make advances in connection with the Project. It is reasonably expected that the total amount of debt to be incurred by the Borrower with respect to the Project, including potential costs incurred in issuing such debt, will not exceed \$2,000,000. This Resolution is intended to constitute a "declaration of official intent" within the meaning of Section 1.150-2 of the Income Tax Regulations which were promulgated pursuant to the Internal Revenue Code of 1986, as amended, with respect to the debt incurred, in one or more financings, to finance a portion of the Project.

SECTION 9. The City Manager, Administrative Services Director or the Finance Director, or any other appropriate officers of the Borrower are hereby authorized and directed to execute any and all certifications or other instruments or documents required by this Resolution, the Loan Agreement, the Tax Regulatory Agreement, the Trust Indenture, the Continuing Disclosure Certificate or any other document required by the Commission as a prerequisite or precondition to making the Loan, subject to the approval of the City Attorney as to form and legality, and any such representation made therein shall be deemed to be made on behalf of the Borrower. All action taken to date by the officers of the Borrower in furtherance of the issuance of the Bonds and the making of the Loan is hereby approved, confirmed and ratified.

SECTION 10. The officials of the Borrower authorized herein to execute documents are hereby authorized to approve the final rates of interest applicable to the Loan, and the prepayment provisions thereof, if any, on behalf of the Borrower.

SECTION 11. The Loan Agreement shall not be executed and delivered unless and until the Borrower has received all information required by Section 218.385, Florida Statutes.

SECTION 12. Pursuant to subsequent resolution, prior to execution of the Loan Agreement, the Borrower may establish such additional terms as it may so determine to be in the best interests of the Borrower.

SECTION 13. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA this 12th day of March, 2007.

CITY OF GAINESVILLE, FLORIDA

(SEAL)

By: _____
Name: Pegeen Hanrahan
Title: Mayor

ATTESTED BY:

By: _____
Name: Kurt M. Lannon
Title: Clerk of the City Commission

Approved as to form and legality:

By: _____
Name: Marion J. Radson
Title: City Attorney

EXHIBIT A

FORM OF LOAN AGREEMENT

EXHIBIT B

FORM OF TAX REGULATORY AGREEMENT

EXHIBIT C

FORM OF TRUST INDENTURE

EXHIBIT D

FORM OF CONTINUING DISCLOSURE CERTIFICATE