

RESOLUTION NO. 000398

A RESOLUTION OF CITY OF GAINESVILLE, FLORIDA, AUTHORIZING THE NEGOTIATION OF A LOAN IN AN AGGREGATE AMOUNT NOT TO EXCEED \$2,000,000 FROM THE FLORIDA MUNICIPAL LOAN COUNCIL (CAPITAL PROJECTS AND EQUIPMENT ACQUISITION PROGRAM); APPROVING THE ACQUISITION, CONSTRUCTION AND ERECTION OF CERTAIN CAPITAL PROJECTS; APPROVING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT WITH THE FLORIDA MUNICIPAL LOAN COUNCIL; AUTHORIZING THE EXECUTION AND DELIVERY OF A NOTE; APPROVING THE EXECUTION AND DELIVERY OF A DISCLOSURE AGREEMENT; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION WITH THE MAKING OF SUCH LOAN; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, participating governmental units (the "Members") have created the Florida Municipal Loan Council (the "Council") pursuant to a certain Interlocal Agreement and pursuant to Chapter 163, Part I, Florida Statutes, for the purpose of issuing its bonds to make loans to participating governmental units for qualified projects; and

WHEREAS, City of Gainesville, Florida (the "Borrower"), a municipal corporation, is duly created and existing pursuant to the Constitution and laws of the State of Florida (the "State"); and

WHEREAS, the Borrower finds and declares that there is a substantial need for the financing or refinancing of qualifying projects permitted by Florida Statutes and the State Constitution; and

WHEREAS, the Borrower possesses the ability to finance such projects on its own, but has determined that a pooled financing program involving a limited number of local governmental units which regularly undertake projects requiring significant debt financing within the State of Florida would provide for low cost financing or refinancing of such projects through economies of scale, administrative support and access to expertise in accessing the capital markets; and

WHEREAS, it is anticipated that the benefits of a pooled financing by the Borrower with a limited number of governmental units through the Florida Municipal Loan Council may be obtained through promises to repay loans under the program and supported by a general

covenant to budget and appropriate for such purpose, by a specific pledge of taxes or revenues or by a general obligation; and

WHEREAS, by pooling the respective financial needs of these certain various local governmental units, the Borrower will be able to access additional markets and expects to receive the benefits of lower interest rates on more favorable terms associated with such a large scale financing with such benefits being obtained for and inuring to the Borrower; and

WHEREAS, the Council is in the process of issuing its Florida Municipal Loan Council Revenue Bonds (Capital Projects and Equipment Acquisition Program), Series 2000 (the "Bonds") and is seeking to make loans (the "Loans") to governmental units; and

WHEREAS, it is hereby determined that a need exists to borrow funds to finance or refinance the cost of the acquisition, construction and/or equipping of the qualifying projects set forth on Exhibit A attached hereto (the "Project"); and

WHEREAS, it is determined to be in the best interest of the Borrower to borrow funds from the Council from the proceeds of the Bonds to finance the cost of the Project.

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

**SECTION 1. AUTHORITY.** This Resolution is adopted pursuant to Chapter 166, Florida Statutes, and other applicable provisions of law.

**SECTION 2. PROJECT.** The refinancing and/or financing of the acquisition, construction and erection of the Project, as identified in Exhibit A, is hereby approved.

**SECTION 3. NEGOTIATED LOAN.** Due to the complicated nature of the financing and the ability of the Council 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. LOAN AMOUNT.** The amount of the Loan of the Borrower evidenced by the Loan Agreement shall not exceed \$2,000,000. Such Loan shall be repayable according to the terms and conditions set forth in the Loan Agreement authorized pursuant to Section 5 hereof with such changes, insertions and omissions as may be approved by the Mayor and the City Clerk. The redemption provisions, if any, relating to such Loan shall be as provided in the Loan Agreement.

**SECTION 5. AUTHORIZED OFFICERS.** The Mayor and the Clerk of the Commission or any other appropriate officers of the Borrower are hereby authorized and directed to execute and deliver a Loan Agreement to evidence the Loan, to be entered into by and between the Borrower and the Council in substantially the form attached hereto as Exhibit B

with such changes, insertions and omissions as may be approved by the Mayor and the Clerk of the Commission, subject of the approval of the City Attorney as to form and legality, the execution thereof being conclusive evidence of such approval.

Further, the Mayor and the Clerk of the Commission or any other appropriate officers of the Borrower are hereby authorized and directed to execute and deliver a Continuing Disclosure Agreement concerning compliance with existing or proposed rules of the Securities and Exchange Commission concerning continuing disclosure by the Borrower, to be entered into by and between the Underwriter, the Borrower and the Council in substantially the form attached hereto as Exhibit C with such changes, insertions and omissions as may be approved by the Mayor and the Clerk of the Commission, subject to the approval of the City Attorney as to form and legality the execution thereof being conclusive evidence of such approval.

**SECTION 6. NOTE.** The Mayor and Clerk of the Commission, or any other appropriate officers of the Borrower is hereby authorized and directed to execute and deliver a Note from the Borrower to the Council relating to the Loan, in substantially the form attached to the Loan Agreement as Exhibit B with such changes, insertions and omissions as may be approved by the Mayor and the Clerk of the Commission, subject to the approval of the City Attorney as to form and legality, the execution thereof being conclusive evidence of such approval.

**SECTION 7. INDENTURE.** The Borrower hereby acknowledges and consents to the Bonds being issued pursuant to a Master Trust Indenture and a Supplemental Trust Indenture (collectively, the "Indenture") to be executed by the Council and a bank or trust company to be selected by the Council, as Trustee.

**SECTION 8. OTHER INSTRUMENTS.** The Mayor, the Finance Director, the Clerk of the Commission or any other appropriate officers of the Borrower are hereby authorized and directed to execute, subject to the approval of the City Attorney as to form and legality, any and all certifications or other instruments or documents required by this Resolution, the Loan Agreement, the Indenture or any other document required by the Council as a prerequisite or precondition to making the Loan (including but not limited to the execution of all tax documents relating to the tax exempt status of the Loan), and any such representations and agreements 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 9. ADDITIONAL INFORMATION.** 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 10. ADDITIONAL TERMS.** Pursuant to subsequent resolution, the Borrower may establish such additional terms as it may so determine to be in the best interests of the Borrower.

**SECTION 11. EFFECTIVE DATE.** This Resolution shall take effect immediately upon its adoption.


**ADOPTED** this 11<sup>th</sup> day of September, 2000.

  
Paula M. DeLaney, Mayor

ATTEST:

  
Kurt Lannon  
Clerk of the Commission

APPROVED AS TO FORM AND LEGALITY:

  
Marion J. Radson, City Attorney

**SEP 26 2000**

(SEAL)