

RESOLUTION NO. 150852

PASSED April 7, 2016

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA AUTHORIZING: A LOAN IN A PRINCIPAL AMOUNT OF NOT TO EXCEED \$12,000,000 TO REFUND THE CITY'S REVENUE NOTE, SERIES 2009, REFUND THE CITY'S LOAN FROM THE FIRST FLORIDA GOVERNMENTAL FINANCING COMMISSION UNDER A LOAN AGREEMENT DATED AS OF MARCH 1, 2005, REFUND THE CITY'S LOAN FROM THE FIRST FLORIDA GOVERNMENTAL FINANCING COMMISSION UNDER A LOAN AGREEMENT DATED AS OF APRIL 1, 2007, AND TO PAY THE COSTS OF SUCH LOAN; APPROVING THE FORM OF A REFUNDING REVENUE NOTE, SERIES 2016A, A LOAN AGREEMENT AND AN ESCROW DEPOSIT AGREEMENT; A LOAN IN A PRINCIPAL AMOUNT OF NOT TO EXCEED \$7,000,000 TO FINANCE THE COSTS OF ROAD IMPROVEMENTS AND EXTENSIONS AND PAYING OTHER COSTS NECESSARY OR INCIDENTAL THERETO, APPROVING THE FORM OF A REVENUE NOTE SERIES 2016B, AND A LOAN 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 AMOUNTS; APPOINTING U.S. BANK NATIONAL ASSOCIATION, TO ACT AS ESCROW AGENT UNDER EACH OF THE ESCROW DEPOSIT AGREEMENTS; 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 hereinafter defined 2016A Loan Agreement and 2016B Loan Agreement, as applicable 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.

"Bank" means T.D. Bank, N.A.

"2016A Loan Amount" means not to exceed \$12,000,000.

"2016B Loan Amount" means not to exceed \$7,000,000.

"2016A Note" means the Issuer's Refunding Revenue Note, Series 2016A in substantially the form attached as Exhibit "A" to the 2016A Loan Agreement."

"2016B Note" means the Issuer's Revenue Note, Series 2016B in substantially the form attached as Exhibit "B" to the 2016B Loan Agreement.

"Notes" means collectively, the 2016A Note and 2016B Note.

Section 3. Authorization of Transactions. In order to obtain funds to refund (i) the City of Gainesville, Florida Revenue Note, Series 2009 (the "Refunded Series 2009 Note"), (ii) the Issuer's outstanding obligations under a Loan Agreement dated March 1, 2005 between the First Florida Governmental Financing Commission and the Issuer (the "Refunded Series 2005 Loan"), (iii) the Issuer's outstanding obligations under a Loan Agreement dated April 1, 2007 between the First Florida Governmental Financing Commission and the Issuer payable on and after June 20, 2018 (the "Refunded Series 2007 Loan", together with the Refunded Series 2009 Note and the Refunded Series 2005 Loan, the "Refunded Loans"), and (iv) to pay the costs of issuance thereof, the Issuer is authorized to obtain a loan (the "2016A Loan") and to borrow an amount up to the 2016A Loan Amount from the Bank, the Bank having been selected through a request for proposals process.

In order to obtain funds to (i) to finance road improvements and extensions and paying other costs necessary or incidental thereto, more particularly described on Exhibit "A" hereto (the "2016 Project"), and (ii) to pay the costs of issuance thereof, the Issuer is authorized to obtain a loan (the "2016B Loan" and together with the 2016A Loan, the "Loans"), and to borrow an amount up to the 2016B Loan Amount from 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 Loans, 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 Loans through a competitive sale and it is in the best interest of the Issuer to accept the terms of the Loans from the Bank in a principal amount of up to the respective 2016A Loan Amount and 2016B Loan Amount, at a negotiated sale upon the terms and conditions outlined herein and in

the respective Loan Agreements (as hereinafter defined) and as determined by the Authorized Signatories executing the respective Loan Agreements in accordance with the terms hereof.

Prior to its execution and delivery of the Loan Agreements, 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 Agreements and Revenue Notes. With respect to the 2016A Loan, the issuer is authorized to execute the 2016A Loan Agreement with the Bank in substantially the form attached hereto as Exhibit "B" and to make and deliver to the Bank the 2016A Note in the form attached to the 2016A Loan Agreement.

With respect to the 2016B Loan, the Issuer is authorized to execute a 2016B Loan Agreement with the Bank in substantially the form attached as Exhibit "C" and to make and deliver to the Bank the 2016B Note in the form attached to the 2016B Loan Agreement.

The forms and terms of the 2016A Loan Agreement and the 2016A Note (collectively, the "2016A Loan Documents") and the 2016B Loan Agreement and 2016B Note (collectively the "2016B Loan Documents" and together with the 2016A Loan Documents, 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 are hereby delegated the authority to execute the 2016A Note and the 2016B Note in the amounts not exceeding the 2016A Loan Amount and 2016B Loan Amount, respectively. 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 2016A Loan Documents and 2016B Loan Documents.

Section 5. Escrow Deposit Agreements. The form and terms of the Escrow Deposit Agreement relating to the Refunded Series 2009 Note and attached hereto as Exhibit "D" (the "Series 2009 Note Escrow Deposit Agreement") and relating to the Refunded Series 2005 Loan and Refunded Series 2007 Loan, attached hereto as Exhibit "E" (the "Pooled Loans Escrow Deposit Agreement" and together with the Series 2009 Note Escrow Deposit Agreement, the "Escrow Agreements") 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 Agreements. U.S. Bank National Association is hereby appointed as Escrow Agent (the "Escrow Agent") under each of the Escrow Agreements, and shall undertake the duties as such under the terms of the Escrow Agreements, and to the extent applicable, this Resolution.

In connection with the refunding of the Refunded Loans the Authorized Signatories are hereby authorized to cause proceeds of the 2016A 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 Loans 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 (i) the redemption of the Refunded Series 2009 Note on May 1, 2019, at par and (ii) the defeasance of the Refunded Series 2005 Loan and Refunded Series 2007 Loan and the redemption thereof in accordance with their respective terms on the earliest practical redemption dates.

Section 6. Creation of Funds and Accounts. There is hereby created and established the "City of Gainesville Capital Improvement Debt Service Account – Series 2016A" (the "2016A Debt Service Account") and the "City of Gainesville Capital Improvement Debt Service Account – Series 2016B" (the "2016B Debt Service Account" together with the 2016A Debt Service Account, the "Debt Service Accounts").

Section 7. Loan Agreements and Revenue Notes Not to be General Obligations or Indebtedness of the Issuer. The Loan Agreements and the Notes 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 (a) with respect to the 2016A Loan (i) the Non-Ad Valorem Revenues (as defined in the 2016A Loan Agreement) actually budgeted and appropriated and deposited into the Debt Service Account for the 2016A Note, to pay debt service payments and all other amounts due and payable on or under the 2016A Loan Agreement and the 2016A Note and (ii) all funds on deposit in the 2016A Debt Service Account (including any investment securities on

deposit therein) and all investment earnings on any such funds (collectively, the "2016A Pledged Funds"), in the manner and to the extent herein and in the 2016A Loan Agreement provided; (b) with respect to the 2016B Loan (i) the Non-Ad Valorem Revenues (as defined in the 2016B Loan Agreement) actually budgeted and appropriated and deposited into the Debt Service Account for the 2016B Note, to pay debt service payments and all other amounts due and payable on or under the 2016B Loan Agreement and the 2016B Note and (ii) all funds on deposit in the 2016B Debt Service Account (including any investment securities on deposit therein) and the Project Account (as hereinafter described) and all investment earnings on any such funds (the "2016B Pledged Funds" and together with the 2016A Pledged Funds, the "Pledged Funds"), in the manner and to the extent herein and in the 2016B Loan Agreement provided.

No holder or owner of the Notes 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 Notes be entitled to payment of such principal and interest from any other funds of the Issuer other than the 2016A Pledged Funds with respect to the 2016A Loan and the 2016B Pledged Funds with respect to the 2016B Loan, all in the manner and to the extent herein and in the respective Loan Agreements. The Loan Agreements and the Notes 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 2016A Pledged Funds with respect to the 2016A Loan and the 2016B Pledged Funds with respect to the 2016B Loan, all in the manner and to the extent provided herein and in the Loan Agreements.

Funds deposited into each 2016A Debt Service Account and 2016B Debt Service Account, until applied to the payment of debt service on the 2016A Note and 2016B Note, respectively, 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 8. Pledge. The payment of the principal of, premium, if any, and interest under the 2016A Note and other payments due under the 2016A Loan Agreement shall be secured forthwith equally and ratably by an irrevocable lien on the 2016A Pledged Funds, all in the manner and to the extent provided herein and in the 2016A Loan Agreement. The Issuer does hereby irrevocably pledge such 2016A Pledged Funds to the payment of the principal of, premium, if any, and

interest on the 2016A Note and other payments due under the 2016A Loan Agreement.

With respect to the 2016B Loan, the payment of the principal of, premium, if any, and interest under the 2016B Note and other payments due under the 2016B Loan Agreement shall be secured forthwith equally and ratably by an irrevocable lien on the 2016B Pledged Funds, all in the manner and to the extent provided herein and in the 2016B Loan Agreement. The Issuer does hereby irrevocably pledge such 2016B Pledged Funds to the payment of the principal of, premium, if any, and interest on the 2016B Note and other payments due under the 2016B Loan Agreement.

Section 9. The Project Account There is hereby created and established a Project Account (the "Project Account") into which shall be deposited the proceeds of the 2016B Loan. Moneys in the Project Account shall be applied to pay the costs of the 2016 Project and the costs of the 2016B Loan, and, until applied to payment of the costs of the 2016 Project or the costs of the 2016B Loan, 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 for costs of the 2016 Project or costs of the 2016B Loan. Any funds on deposit in the Project Account and determined by the Issuer not to be needed to pay the Costs of the 2016 Project or the cost of issuance of the 2016B Loan and 2016B Note shall be transferred by the Issuer to the 2016B Debt Service Account.

Section 10. Application of Proceeds. The proceeds of the 2016A Loan shall be, as applicable, (i) deposited to the Series 2009 Note Escrow Deposit Agreement to refund the Refunded Series 2009 Note, (ii) deposited to the Pooled Loans Escrow Deposit Agreement to defease the Refunded Series 2005 Loan and the Refunded Series 2007 Loan, and (iii) applied to pay costs of issuance of the 2016A Loan, except as otherwise expressly provided hereby.

The proceeds of the 2016B Loan shall be, as applicable, (i) deposited into the Project Account to finance the costs of the 2016 Project, and (ii) applied to pay the costs of issuance of the 2016B Loan.

Section 11. Separate Accounts; Trust Funds. The moneys required to be accounted for in the Debt Service Accounts may be deposited in a single bank or other account, and funds allocated to such accounts 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 Accounts or Project 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.

The Debt Service Accounts created hereunder and the Project Account and any accounts created therein constitute trust funds for the purposes herein and in any subsequent resolution provided. The Issuer may at any time and from time to time deposit moneys from any one or more of the funds and accounts established hereby with a depository permitted under applicable law. Any such depository or depositories shall perform at the direction of the Issuer the duties of the Issuer in depositing, transferring and disbursing moneys to and from each of such funds and accounts as herein set forth, and all records of such depository in performing such duties shall be open at all reasonable times to inspection by the Issuer and its agents and employees.

Section 12. 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 13. Applicable Provisions of Law. This Resolution shall be governed by and construed in accordance with the laws of the State of Florida.

Section 14. 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, select a verification agent and 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 15. Repealer. All resolutions or parts thereof in conflict herewith are hereby repealed.

Section 16. Effective Date. This Resolution shall take effect immediately upon its adoption.

[Signature Page Follows]

Passed and duly adopted in public session of the City Commission of the City of Gainesville, Florida on the 7th day of April, 2016.

CITY COMMISSION OF THE CITY
OF GAINESVILLE, FLORIDA

By: Ed B. Buddy
Mayor

ATTESTED:

By: [Signature]
Clerk of the Commission

APPROVED AS TO FORM AND
LEGALITY:

By: Nicole M. Shalley
City Attorney

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EXHIBIT "A" TO RESOLUTION

PROJECT DESCRIPTION

The 2016 Project includes reconstruction of SE 4th Street along with other paving and repaving projects and other transportation or road improvement projects within the City.

EXHIBIT "B" TO RESOLUTION
FORM OF 2016A LOAN AGREEMENT
(WITH ATTACHED FORM OF NOTE)