

RESOLUTION NO. 31523

A RESOLUTION CONSENTING TO THE EXECUTION AND DELIVERY BY THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA OF CERTAIN DOCUMENTS PROVIDING FOR THE RELEASE OF A PORTION OF DEBT SERVICE RESERVE ACCOUNT MONIES OF THE INDUSTRIAL DEVELOPMENT BOARD IN CONNECTION WITH THE INDUSTRIAL DEVELOPMENT BOARD'S CHATTANOOGA LEASE RENTAL REVENUE REFUNDING BONDS, SERIES 2018A (TAX-EXEMPT) AND CHATTANOOGA LEASE RENTAL REVENUE REFUNDING BONDS, SERIES 2018C (TAXABLE); DIRECTING THE TRUSTEE FOR SUCH BONDS TO ENTER INTO CERTAIN DOCUMENTS IN CONNECTION THEREWITH AND AUTHORIZING CERTAIN ACTIONS RELATED THERETO

WHEREAS, pursuant to and in accordance with the provisions of the Constitution and laws of the State of Tennessee, including particularly, but without limitation, the provisions of Title 7, Chapter 53 of the Tennessee Code Annotated entitled "Industrial Development Corporations", as amended, the provisions of Title 12, Chapter 2, Part 3, of the Tennessee Code Annotated entitled "Sales and Leases by Municipalities to and from Not-for-Profit Corporations," as amended (collectively, the Act"), and the terms of an Indenture of Trust, dated as of October 1, 2000 (the "Original Indenture"), by and between The Industrial Development Board of the City of Chattanooga (the "Board"), an industrial development corporation and a public instrumentality of the City of Chattanooga (the "City"), duly organized and operating under the Act, and The Bank of New York Mellon Trust Company, N.A (as successor to First Tennessee Bank National Association), as trustee (the "Trustee"), the Board issued its Chattanooga Lease Rental Revenue Bonds, Series 2000 (the "Series 2000 Bonds") to finance the cost of designing, acquiring, constructing and equipping a public conference center, convention center expansion, a development resource center, a public parking garage, and related infrastructure improvements and projects located within the boundaries of the City (which facilities together with the land on which they are located, are hereinafter referred to as the "Project"), which Project was owned by the Chattanooga Downtown Redevelopment Corporation, formerly known as the Southside Redevelopment Corporation, a Tennessee nonprofit corporation ("Corporation"); and

WHEREAS, in accordance with the Act, the Board and the Corporation entered into that certain Loan Agreement (the "Loan Agreement"), dated as of October 1, 2000, as amended, whereby the Board agreed to finance the costs of the Project, and the Corporation agreed to pay to the Board those amounts sufficient to pay, when due, debt service on those bonds issued pursuant to the Indenture (as such term is hereinafter defined) (the "Bonds"), and in turn, the Corporation entered into a Conference Center Complex and Parking Garage Lease Agreement, dated as of October 1, 2000, as amended, with the City, whereby the City agreed to pay those amounts sufficient to pay, when due, debt service on the Bonds; and

WHEREAS, for the purpose of refunding the Series 2000 Bonds, the Board issued its (i) \$56,110,000 Chattanooga Lease Rental Revenue Refunding Bonds, Series 2007 (the "Series 2007 Bonds"), pursuant to the Original Indenture, as supplemented and amended by that certain First Supplement to the Indenture of Trust, dated as of April 17, 2007 (the "First Supplemental Indenture"), and (ii) \$66,955,000 Chattanooga Lease Rental Revenue Refunding Bonds, Series 2010 (the "Series 2010 Bonds"), pursuant to the Original Indenture, as supplemented and amended by the First Supplemental Indenture and that certain Second Supplement to the Indenture of Trust, dated as of September 30, 2010 (the "Second Supplemental Indenture"); and

WHEREAS, for the purpose of refunding the Series 2007 Bonds and Series 2010 Bonds, the Board issued its \$32,235,000 Chattanooga Lease Rental Revenue Refunding Bonds, Series 2018A (Tax-Exempt) (the "Series 2018A Bonds"), \$16,655,000 Chattanooga Lease Rental Revenue Refunding Bonds, Series 2018B (Taxable) (the "Series 2018B Bonds"), \$28,200,000 Chattanooga Lease Rental Revenue Refunding Bonds, Series 2018C (Taxable) (the "Series 2018C Bonds"); and \$10,660,000 Chattanooga Lease Rental Revenue Refunding Bonds, Series 2018D (Taxable) (the "Series 2018D Bonds"), pursuant to the Original Indenture, as supplemented and amended by the First Supplemental Indenture, the Second Supplemental Indenture and that certain Third Supplement to the Indenture of Trust, dated as of October 1, 2018 (the "Third Supplemental Indenture" and, together with the Original Indenture, the First Supplemental Indenture and the Second Supplemental Indenture, the "Indenture"); and

WHEREAS, the Indenture establishes a debt service reserve account (the "Debt Service Reserve Account") for the Bonds and requires that a certain amount of monies (the "Debt Service Reserve Requirement") be deposited in the Debt Service Reserve Account for use in the event that other monies are insufficient to pay debt service on the Bonds when due; and

WHEREAS, to provide for the investment and reinvestment of amounts deposited and held in the Debt Service Reserve Account, the Board entered into that certain Debt Service Reserve Forward Delivery Agreement, dated as of October 24, 2000 (the "Original Forward Delivery Agreement"), by and among the Board, the Trustee and Wells Fargo Bank, National Association (successor to First Union National Bank), as provider (the "Provider"), as amended by that certain First Amendment to Debt Service Reserve Forward Delivery Agreement, dated as of January 24, 2011 (the "First Amendment to the Forward Delivery Agreement"), and that certain Second Amendment to Debt Service Reserve Forward Delivery Agreement, dated as of November 6, 2018 (the "Second Amendment to the Forward Delivery Agreement" and, together with the Original Forward Delivery Agreement and the First Amendment to the Forward Delivery Agreement, the "Forward Delivery Agreement"); and

WHEREAS, a portion of the Project has been sold, the Series 2018B Bonds and the Series 2018D Bonds have heretofore been redeemed in connection such sale, and the Series 2018A Bonds and Series 2018C Bonds (collectively, the "Outstanding Bonds") are now the only Bonds outstanding; and

WHEREAS, now that the Series 2018B Bonds and the Series 2018D Bonds have been redeemed, the Debt Service Reserve Requirement provided in the Indenture may be reduced accordingly; and

WHEREAS, the Board, the Trustee, the Provider, and Raymond James Capital Funding, Inc., as holder of the Outstanding Bonds (the "Lender"), agree that the Indenture, the Forward Delivery Agreement and all other related documents be supplemented and amended, as applicable, to reduce the Debt Service Reserve Requirement for the Outstanding Bonds to that amount provided in the Amending Documents (as defined below), to provide that such corresponding lesser amount be held in the Debt Service Reserve Account for the Outstanding Bonds and to provide that any monies held in the Debt Service Reserve Account for the Outstanding Bonds that exceed the Debt Service Reserve Requirement, as reduced, be released to the Board for use in a manner consistent with the Amending Documents and applicable law; and

WHEREAS, for the purposes provided above, the Board has, by prior resolution, determined it is in its best interest to (i) execute and deliver (a) that certain Fourth Supplement to the Indenture of Trust, by and between the Board and the Trustee and to be consented to by the Lender (the "Fourth Supplemental Indenture"), (b) that certain Third Amendment to the Debt Service Reserve Forward Delivery Agreement, by and among the Board, the Trustee and the Provider (the "Third Amendment to the Forward Delivery Agreement"), and (c) such other documents and agreements, as necessary or advisable, to carry out and comply with the provisions of the foregoing and to remain in compliance with

applicable laws and regulations, including but not limited to federal tax rules and regulations applicable to the Debt Service Reserve Account (collectively, the "Amending Documents") and (ii) take such actions as contemplated by the foregoing; and

WHEREAS, per the terms of the Indenture, in order for the Fourth Supplemental Indenture to be effective, the City and Corporation must consent to its execution and delivery; and

WHEREAS, per the terms of the Loan Agreement, in order for the Trustee to execute the Third Amendment to the Forward Delivery Agreement, the City must direct the Trustee to do so; and

WHEREAS, to ensure the effectiveness of the Amending Documents, the City hereby desires to consent to, direct the execution and delivery of and otherwise authorize the Amending Documents; and

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE:

Section 1. (a) The City hereby consents to the execution and delivery of the Fourth Supplemental Indenture and, if and as required, all other Amending Documents and further authorizes and directs the Mayor, the Clerk, the City Finance Officer and any other officer of the City, on behalf of the City, to execute and deliver any and all such documents necessary to evidence such consent.

(b) The City hereby directs the Trustee to execute and deliver the Third Amendment to the Forward Delivery Agreement and, if and as required, any other Amending Documents, and further authorizes and directs the Mayor, the Clerk, the City Finance Officer and any other officer of the City, on behalf of the City, to execute and deliver any and all such documents necessary to evidence such direction.

(c) The Fourth Supplemental Indenture and the Third Amendment to the Forward Delivery Agreement shall be in substantially the forms approved by the Board, with such completions, omissions, insertions, and changes as may be approved by the officer executing it, his or her execution to constitute conclusive evidence of his or her approval of any such completions, omissions, insertions, and changes; *provided, however,* that any other Amending Documents, are, if and as applicable, hereby consented to, approved and authorized in the form and substance approved by the Chairman or Vice Chairman of the Board.

Section 2. The officers of the City are further hereby authorized, empowered and directed to take all appropriate actions as necessary to make the Amending Documents effective and to carry out the terms of the Amending Documents and are further hereby authorized to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the foregoing.

Section 3. All acts and doings of the Mayor, Clerk, City Finance Officer and any other officer of the City which are in conformity with the purposes and intent of this Resolution and in furtherance of the transactions contemplated in such Amending Documents, shall be and the same hereby are in all respects, authorized, approved and confirmed.

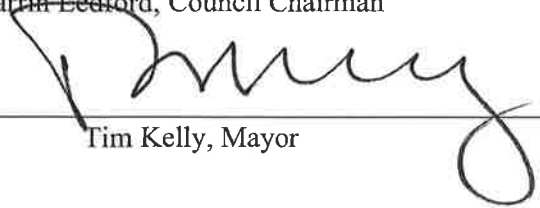
Section 4. All resolutions or parts thereof of the City in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 5. This Resolution shall take effect from and after its adoption, the welfare of the City requiring it.

Duly passed and approved this March 14, 2023:



Darrin Ledford, Council Chairman



Tim Kelly, Mayor

WITNESS:



Nicole Gwyn, Clerk

