

RESOLUTION NO. 29596

A RESOLUTION APPROVING THE ISSUANCE BY THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA, TENNESSEE, OF CHATTANOOGA LEASE RENTAL REVENUE REFUNDING BONDS SERIES 2018 AND AUTHORIZING CERTAIN AMENDMENTS TO THE CONFERENCE CENTER COMPLEX AND PARKING GARAGE LEASE AGREEMENT AND AUTHORIZING CERTAIN ACTIONS RELATING 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 entitled “Industrial Development Corporations,” as amended, the provisions of Title 12, Chapter 2, Part 3, of the Tennessee Code 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, as amended (the “Indenture”) between The Industrial Development Board of the City of Chattanooga (the “Issuer”), an industrial development corporation and a public instrumentality of the City of Chattanooga duly organized and operating under the Act, and The Bank of New York Mellon Trust Company N.A (as successor trustee to First Tennessee Bank National Association), as trustee (the “Trustee”), the Issuer 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, a convention center expansion and refurbishing, a development resource center and a public parking garage and related infrastructure

improvements and projects (which facilities together with the land on which they are located, are hereinafter referred to collectively as the “Project”); and

WHEREAS, The Issuer loaned the proceeds of the Series 2000 Bonds to Chattanooga Downtown Redevelopment Corporation (formerly known as Southside Redevelopment Corporation) (the “Corporation”) to enable the Corporation to acquire, construct, improve, and equip the Project; and

WHEREAS, Pursuant to the Conference Center Complex and Parking Garage Lease Agreement, dated as of October 1, 2000 as amended by the first and second amendment thereto, (the “Lease Agreement”) between the Corporation, as lessor and the City of Chattanooga, Tennessee (the “City”), as lessee, the Corporation leased the Project to the City for public use in return for rentals sufficient to pay, when due, principal of, premium, if any, and interest on the Series 2000 Bonds in addition to certain operating expenses of the Corporation; and

WHEREAS, The Issuer issued its Chattanooga Lease Rental Revenue Refunding Bonds Series 2007 (the “Series 2007 Bonds”) and its Chattanooga Lease Rental Revenue Refunding Bonds Series 2010 (the “Series 2010 Bonds”) to refund the Series 2000 Bonds; and

WHEREAS, The Issuer has proposed refunding the Series 2007 Bonds and the Series 2010 Bonds by the issuance of its Chattanooga Lease Rental Revenue Refunding Bonds Series 2018 (the “Refunding Bonds”) to be secured by rentals payable by the City pursuant to the Lease Agreement; and

WHEREAS, It is proposed that the City approve the issuance of the Refunding Bonds by the Issuer and the City participate in the savings related to such refunding; and

WHEREAS, It is proposed that in order to participate in the savings related to the refunding, the City should enter a Third Amendment to the Lease Agreement (the “Amendment”) to provide the changes necessary to assist the Issuer in the refunding to take advantage of savings to the City.

NOW, THEREFORE,

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

SECTION 1. That it is necessary, advantageous, desirable and in the best interests of the City and its residents that the City Council approve the issuance of the Refunding Bonds by the Issuer to refund certain maturities of the Series 2007 Bonds and the Series 2010 Bonds.

SECTION 2. That the Mayor and/or City Finance Officer are hereby authorized to negotiate the terms of such amendments to the Lease Agreement related to the above-mentioned refunding and the execution, delivery and performance of the Amendment by and between the Corporation and the City be and the same are hereby authorized.

SECTION 3. The Mayor and City Finance Officer are hereby authorized and empowered to approve the terms of the Refunding Bonds, including the principal amount, interest rates and maturities and that the Mayor and City Finance Officer are hereby authorized and empowered to execute, deliver, or cause to be executed and delivered the Amendment. Following adoption of this Resolution, the Mayor and City Finance Officer are hereby authorized to recommend to the Corporation and the Issuer that Raymond James & Associates, Inc. act as underwriter for the Refunding Bonds.

SECTION 4. The Mayor and City Finance Officer are hereby authorized and empowered to take such other actions and to execute, deliver and file any such further agreements, documents, certificates, notices and instruments as may be required or as the Mayor and City Finance Officer may deem necessary or appropriate in furtherance of or in connection with the issuance of the Refunding Bonds and the foregoing Resolution and to effectuate fully the purposes and intent thereof and further, that it be, and it is hereby, confirmed that all such actions taken by the Mayor and City Finance Officer are taken by the Mayor and City Finance Officer as representative of the City and not in his or her personal capacity.

ADOPTED: August 28, 2018