

THE PARKING AUTHORITY OF THE CITY OF LANCASTER

RESOLUTION NO. 2016-8

AUTHORIZING AND DIRECTING THE ISSUANCE OF THE AUTHORITY'S GUARANTEED PARKING REVENUE BONDS, SERIES A OF 2016 IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$9,550,000 (THE "2016A BONDS"); APPROVING THE TERMS OF, AND AUTHORIZING AND DIRECTING THE EXECUTION, AUTHENTICATION AND DELIVERY OF, THE 2016A BONDS SECURED BY THE INDENTURE DESCRIBED HEREIN; SETTING FORTH THE SECURITY FOR THE 2016A BONDS; APPROVING THE FORM OF AND AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF A SECOND SUPPLEMENTAL TRUST INDENTURE, GUARANTY AGREEMENT AND REIMBURSEMENT AGREEMENT; ACCEPTING THE PURCHASE CONTRACT FOR THE 2016A BONDS; APPROVING THE FORM OF AND AUTHORIZING THE USE AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND THE PREPARATION AND EXECUTION OF A FINAL OFFICIAL STATEMENT; AUTHORIZING THE DISPOSITION OF THE PROCEEDS OF THE 2016A BONDS AND OTHER AVAILABLE AUTHORITY FUNDS; PROVIDING FOR THE ADVANCE REFUNDING OF THE AUTHORITY'S OUTSTANDING FEDERALLY TAXABLE GUARANTEED PARKING REVENUE BONDS, SERIES B OF 2007, ALL AS MORE FULLY DESCRIBED HEREIN; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT IN CONNECTION WITH THE ISSUANCE OF THE 2016A BONDS; AUTHORIZING ALL NECESSARY OR APPROPRIATE ACTION IN CONNECTION WITH THE FOREGOING; AND RESCINDING ALL INCONSISTENT RESOLUTIONS.

WHEREAS, The Parking Authority of the City of Lancaster (the "Authority") is a body corporate and politic, organized by the City of Lancaster, Lancaster County, Pennsylvania (the "City") and existing under and is governed by The Parking Authority Law, 53 Pa.C.S. §5501 et seq., as amended and supplemented (the "Act"); and

WHEREAS, the Authority has been duly authorized to plan, design, locate, acquire, hold, construct, improve, maintain and operate, own, lease as lessor or lessee, land and facilities devoted to the parking of vehicles; and

WHEREAS, at the request of City, the Authority has constructed certain parking facilities (collectively, the “Parking System”); and

WHEREAS, to provide money for and toward the cost of refunding certain outstanding bonds and the financing of certain capital additions, the Authority has heretofore issued its (i) \$20,385,000 Guaranteed Parking Revenue Bonds, Series A of 2007 (the “2007A Bonds”) and its \$9,075,000 Federally Taxable Guaranteed Parking Revenue Bonds, Series B of 2007 (the “2007B Bonds”), under and pursuant to the Trust Indenture dated as of September 15, 2007 (the “Original Indenture”) by and between the Authority and Fulton Bank, N.A., as trustee (the “Trustee”); and (ii) \$19,530,000 Guaranteed Parking Revenue Bond, Series of 2016 (the “2016 Bond”) pursuant to the First Supplemental Indenture dated as of February 11, 2016 (the “First Supplemental Indenture”) by and between the Authority and the Trustee, supplementing the Original Indenture; and

WHEREAS, the 2016 Bond was structured as a draw-down loan, and the proceeds thereof to be drawn from time to time by the Authority to provide funds for the following purposes: (i) to advance refund a portion of the outstanding 2007A Bonds (the “2016 Refunding Project”); (ii) to finance capital projects of the Authority (the “2016 Capital Project”), and (iii) to pay the costs of issuance of the 2016 Bond; and

WHEREAS, as of the date of this Resolution the Authority has only drawn proceeds of the 2016 Bond in an amount sufficient to pay the costs of issuance of the 2016 Bond; and

WHEREAS, the Authority has determined to no longer undertake the 2016 Capital Project; and

WHEREAS, the 2007B Bonds and the 2016 Bond remain outstanding under the Original Indenture; and

WHEREAS, the Authority desires to authorize any and all action necessary or appropriate in connection with its determination to no longer undertake the 2016 Capital Project, including the execution and delivery of any documents to amend, if required, provisions of the 2016 Bond or any documents or instruments executed by the Authority in connection with the issuance of the 2016 Bond (the “2016 Bond Modification Project”); and

WHEREAS, the Authority has determined to issue its Guaranteed Parking Revenue Bonds, Series A of 2016 in the maximum aggregate principal amount of \$9,550,000 (the “2016A Bonds”) to provide for (i) the advance refunding of the outstanding 2007B Bonds, and (ii) the payment of costs and expenses of issuing the 2016A Bonds ((i) and (ii) collectively, the “2016A Refunding Project”); and

WHEREAS, the 2016A Bonds will be issued as a series of Additional Bonds (as defined in the Original Indenture) under and secured by a Second Supplemental Trust Indenture (the “Second Supplemental Indenture”) by and between the Authority and the Trustee, amending and supplementing the Original Indenture (the Original Indenture, the First Supplemental Indenture, and the Second Supplemental Indenture collectively, the “Indenture”); and

WHEREAS, in order to further secure payment of the 2016A Bonds, the City will enter into a guaranty agreement with the Authority and the Trustee (the "Guaranty Agreement"), as authorized by the Pennsylvania Local Government Unit Debt Act, 53 Pa. Cons. Stat. §8001 *et seq.*, as amended (the "Debt Act"), providing for the unconditional guarantee by the City of the timely payment of the principal of, and interest on, the 2016A Bonds and the pledge by the City of its full faith, credit and taxing power to discharge all of its obligations under the Guaranty Agreement; and

WHEREAS, the Authority will enter into a reimbursement agreement with the City (the "Reimbursement Agreement") defining certain obligations of the Authority in order to induce the City to enter into the Guaranty Agreement; and

WHEREAS, the Authority will cause to be prepared and submitted to the City a report (the "Self-Liquidating Debt Report") in accordance with Section 8026(a) of the Debt Act to qualify all of the debt of the City incurred pursuant to the Guaranty Agreement as self-liquidating debt under the Debt Act and to exclude such debt from the debt limit of the City; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority and the citizens of the City served by the Authority's Parking System to proceed with the redemption and advance refunding of the 2007B Bonds in order to achieve debt service savings over the life of the 2007B Bonds; and

WHEREAS, RBC Capital Markets, LLC (the "Underwriter") is expected to present to this Board a form of Bond Purchase Agreement (the "Purchase Contract") for the purchase of the 2016A Bonds; and

WHEREAS, the Authority expects to determine, after due deliberation and investigation, to accept the Purchase Contract and to award the 2016A Bonds to the Underwriter at the price and pursuant to the terms set forth therein; and

WHEREAS, there has also been presented to this Board a Preliminary Official Statement (the "Preliminary Official Statement") in connection with the public offering and sale of the 2016A Bonds; and

WHEREAS, the Authority desires to approve the content and form of the Preliminary Official Statement and to authorize the use and distribution thereof in connection with the public offering and sale of the 2016A Bonds; and

WHEREAS, certain action is required to be taken by the Authority as a prerequisite to the public offering of the 2016A Bonds, the execution and delivery of the Purchase Contract in connection therewith and the issuance of the 2016A Bonds.

NOW, THEREFORE, the Board of the Authority hereby resolves as follows:

Section 1. Authorizing the 2016 Bond Modification Project. The 2016 Bond Modification Project as heretofore described is hereby authorized and directed to be undertaken.

Section 2. Authorizing the 2016A Refunding Project. The 2016A Refunding Project as heretofore described is hereby authorized and directed to be undertaken.

Section 3. Authorizing Issuance of 2016A Bonds; Terms of 2016A Bonds; Execution, Authentication and Delivery Thereof. For the purpose of providing funds to finance the 2016A Refunding Project, the Authority hereby authorizes and directs the issuance of the 2016A Bonds in the maximum aggregate principal amount of \$9,550,000.

The 2016A Bonds initially shall be dated as of such date, shall bear interest, mature and be subject to redemption, all as set forth in the Purchase Contract referenced below and the Indenture, subject to the conditions herein set forth. The 2016A Bonds may be in the form of a single, fully registered bond for each maturity of the 2016A Bonds, in denominations equal to the principal amount of the 2016A Bonds maturing on each maturity date (unless and until replacement certificates are issued in accordance with the terms of the 2016 Indenture), and shall be registered in the name of The Depository Trust Company, or its nominee, Cede & Co. Payment of the principal or redemption price of, and interest on, the 2016A Bonds shall be made to the registered owner of each 2016A Bond in the manner and at the times set forth in the 2016A Bonds and in the Indenture.

The 2016A Bonds shall be executed by the manual or facsimile signature of the Chairman or Vice Chairman of the Board of the Authority and shall have the corporate seal or a facsimile thereof impressed thereon, duly attested by the manual or facsimile signature of the Secretary or Assistant Secretary of the Authority and such officers are hereby authorized and directed to execute, or cause to be executed, the 2016A Bonds in such manner.

The Chairman or Vice Chairman of the Authority is further authorized and directed to deliver the 2016A Bonds to the Trustee for authentication and delivery, and the Trustee is hereby requested, authorized and directed to authenticate and deliver the same to, or upon the order of, the Chairman or Vice Chairman of the Authority in accordance with the provisions of the Second Supplemental Indenture.

Payment of the principal of the 2016A Bonds shall be made to the registered owner thereof, when due, in lawful money of the United States of America at the designated office of the Trustee. Interest on the 2016A Bonds is to be paid by check mailed to the registered owner of the 2016A Bonds as his or her name appears on the registration books of the Authority kept for that purpose by the Trustee.

Section 4. Security for 2016A Bonds; Limited Obligations; Confirmation of Trustee. The 2016A Bonds shall be secured by the Second Supplemental Indenture from the Authority to the Trustee, whose appointment as trustee under the Second Supplemental Indenture is hereby ratified and confirmed. Under the terms of the Second Supplemental Indenture the Pledged Revenues (as defined in the Indenture) are assigned, transferred and pledged to the Trustee for, *inter alia*, the payment of the principal of, and interest on, the 2016A Bonds and such assignment, transfer and pledge is hereby confirmed. The 2016A Bonds shall also be secured by a guaranty of the City pursuant to the Guaranty Agreement.

The 2016A Bonds shall not in any manner pledge the credit or taxing power of the Commonwealth of Pennsylvania, or of any political subdivision thereof (other than the City under the Guaranty Agreement); nor shall they be deemed to be obligations of the Commonwealth of Pennsylvania or any political subdivision thereof (other than the City under the Guaranty Agreement); nor shall the Commonwealth of Pennsylvania or any political subdivision thereof (other than the City under the Guaranty Agreement), be liable for the payment of the principal of, and interest on, such obligations but they shall be secured upon and be payable from the sources referred to above and from such other moneys as may be available for such purpose.

Section 5. Approval of Second Supplemental Indenture. The Chairman or Vice Chairman of the Authority, upon receipt of favorable advice from the Authority's solicitor and McNees Wallace & Nurick LLC, bond counsel for the 2016A Bonds ("Bond Counsel"), is hereby authorized and directed to execute the Second Supplemental Indenture in such form on behalf of the Authority, subject to such changes and modifications, if any, as may be approved by such Chairman or Vice Chairman, the execution of the Second Supplemental Indenture to be conclusive evidence of such approval, and the Secretary or Assistant Secretary of the Authority is hereby authorized and directed to cause the corporate seal of the Authority to be affixed thereto and to attest the same. The Chairman or Vice Chairman of the Authority is further authorized and directed to acknowledge the same on behalf of the Authority and to deliver the Second Supplemental Indenture to the Trustee.

Section 6. Approval of Guaranty Agreement. The Chairman or Vice Chairman of the Authority, upon receipt of favorable advice from the Authority's solicitor and Bond Counsel with respect thereto, is hereby authorized and directed, upon execution thereof by the City, to execute the Guaranty Agreement in such form, subject to such changes and modifications, if any, as may be approved by such Chairman or Vice Chairman, the execution of the Guaranty Agreement to be conclusive evidence of such approval, and the Secretary or Assistant Secretary of the Authority is hereby authorized and directed to affix thereto the corporate seal of the Authority and to attest the same. The Chairman or Vice Chairman of the Authority is further authorized and directed to acknowledge the same on behalf of the Authority and to deliver the Guaranty Agreement to the City and the Trustee.

Section 7. Approval of Reimbursement Agreement. The Chairman or Vice Chairman of the Authority, upon receipt of favorable advice from the Authority's solicitor and Bond Counsel with respect thereto, is hereby authorized and directed, upon execution thereof by the City, to execute the Reimbursement Agreement in such form, subject to such changes and modifications, if any, as may be approved by such Chairman or Vice Chairman, the execution of the Reimbursement Agreement to be conclusive evidence of such approval, and the Secretary or Assistant Secretary of the Authority is hereby authorized and directed to affix thereto the corporate seal of the Authority and to attest the same. The Chairman or Vice Chairman of the Authority is further authorized and directed to acknowledge the same on behalf of the Authority and to deliver the Reimbursement Agreement to the City.

Section 8. Approval, Acceptance and Execution of Purchase Contract. The Chairman or Vice Chairman of the Authority, upon receipt of favorable advice from the Authority's solicitor and Bond Counsel with respect thereto, is hereby authorized and directed to

accept, approve, execute and deliver the Purchase Contract for the 2016A Bonds as presented to the Authority by the Underwriter. The Authority further authorizes and directs that (i) the 2016A Bonds be awarded to the Underwriter upon the terms and conditions set forth in the Purchase Contract, and (ii) the 2016A Bonds shall be delivered to the Underwriter after execution and authentication thereof, upon receipt of the full purchase price plus accrued interest and the performance of all other conditions of the Purchase Contract as fully executed.

The Chairman or Vice Chairman of the Authority is hereby authorized and directed to execute the Purchase Contract in such form as the Authority's solicitor and Bond Counsel may advise and the officer executing the Purchase Contract may approve, such approval to be conclusively evidenced by the execution thereof, and to deliver a signed copy thereof to the Underwriter.

Section 9. Approval of Preliminary Official Statement, Official Statement and Use and Distribution Thereof. The Preliminary Official Statement presented at this meeting (a copy of which shall be filed with the records of the Authority), is hereby approved and is hereby found to be an official statement relating to the 2016A Bonds that the Authority "deems final" as of its date for purposes of paragraph (b)(1) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Rule"). The Chairman or Vice Chairman of the Authority is hereby authorized to execute one or more copies of the Preliminary Official Statement. The use and distribution by the Underwriter of the Preliminary Official Statement prior to the date hereof in connection with the public offering of the 2016A Bonds in the form presented to this meeting is hereby ratified and confirmed and the distribution thereof on and after the date hereof is hereby approved. An Official Statement in substantially the same form as the Preliminary Official Statement, with such changes, if any, as may be advised by the Authority's solicitor and Bond Counsel and as may be approved by the Authority officer executing the same, such approval to be conclusively evidenced by the execution thereof, is hereby authorized and directed to be prepared and upon its preparation, to be executed by the Chairman or Vice Chairman of the Authority. The Authority hereby further approves the distribution and use of the Official Statement as so prepared and executed in connection with the public offering and sale of the 2016A Bonds.

Section 10. Advance Refunding Project; Notice of Redemption. The Authority hereby authorizes the advance refunding and redemption of the 2007B Bonds in accordance with the provisions of this Resolution and the Indenture. In connection therewith, the Chairman or Vice Chairman is authorized and directed to execute and deliver such notices, directions or other instruments as may be necessary or appropriate in connection with such advance refunding and redemption, including an Escrow Deposit Agreement, if any (the "Escrow Agreement").

The proper officers of the Authority, with respect to the advance refunding of the 2007B Bonds, are hereby authorized and directed to contract with Fulton Bank, N.A. (the "Escrow Agent"), as the true and lawful attorney and agent of the Authority, to effect the payment and the redemption and payment, including payment of interest, of the 2007B Bonds pursuant to the terms and provisions of the Escrow Agreement. The form, terms and conditions of the Escrow Agreement, when presented, reviewed and acceptable to the Authority's solicitor and Bond Counsel (copies of which shall be filed with the records of the Authority), are hereby approved. The Chairman or Vice Chairman of the Authority is hereby authorized and directed to

execute the Escrow Agreement in such form on behalf of the Authority, subject to such changes and modifications, if any, as may be approved by the Chairman or Vice Chairman, with the advice of the Authority's solicitor and Bond Counsel, the execution of the Escrow Agreement to be conclusive evidence of such approval, and the Secretary or Assistant Secretary is hereby authorized and directed to affix thereto the corporate seal of the Authority and to attest the same.

The Escrow Agent, in the name, place and stead of the Authority, shall mail with respect to the 2007B Bonds a notice of redemption as required by the terms of the Indenture and the Escrow Agreement. In addition, the Escrow Agent is hereby authorized and directed to mail, as required by the Escrow Agreement, a notice of refunding of the 2007B Bonds. Such notice, in the form attached to the Escrow Agreement, is hereby approved, subject to such changes, variations, omissions, insertions and modifications, if any, as may be approved by the Chairman or Vice Chairman, with the advice of the Authority's solicitor and Bond Counsel, the execution of the Escrow Agreement to be conclusive evidence of such approval. The Authority hereby agrees to provide for payment of the expenses of such mailings, and gives and grants to Escrow Agent full authority to do and perform all and every act and thing whatsoever requisite and necessary to effectuate such purposes as the Authority might do on its own behalf, and hereby ratifies and confirms all that said agent shall do or cause to be done by virtue thereof.

Section 11. Confirmation of Appointment of Bond Counsel. This Authority hereby confirms its appointment of the firm of McNees Wallace & Nurick LLC, Lancaster, Pennsylvania, to serve as Bond Counsel in connection with the 2016A Bonds.

Section 12. Disposition of 2016A Bond Proceeds. The Authority, upon receipt of the proceeds of the 2016A Bonds, together with the other funds made available by the Authority as set forth in the Closing Receipt, Closing Statement and Settlement Reconciliation (the "Closing Receipt") delivered at settlement for the 2016A Bonds, shall deposit the same with the Trustee to be held and disbursed all as provided in the Second Supplemental Indenture and the Closing Receipt.

Section 13. Preparation of Self-Liquidating Debt Report. The Authority hereby authorizes and directs the preparation of the Self-Liquidating Debt Report and the submission thereof to the City and the Pennsylvania Department of Community and Economic Development for the purposes of the Debt Act, as it relates to the Authority's issuance of the 2016A Bonds.

Section 14. Liability of Authority. No covenant, stipulation, obligation or agreement contained in this Resolution, the Second Supplemental Indenture, the Guaranty Agreement, the Reimbursement Agreement, the 2016A Bonds or other related and appropriate documents shall be deemed to be a covenant, stipulation, obligation or agreement of any past, present or future member, officer, agent or employee of the Authority in his or her individual capacity and neither the members of the Authority nor any officer executing the 2016A Bonds shall be liable personally on the 2016A Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

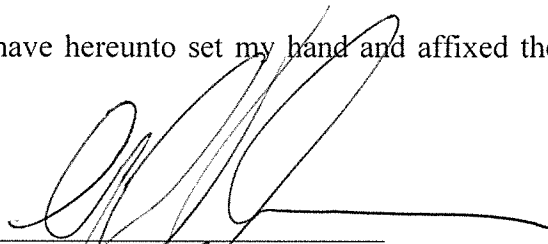
Section 15. Authorizing Incidental Actions. The proper officers of the Authority are hereby authorized, directed and empowered on behalf of the Authority to execute any and all papers and documents, including any continuing disclosure agreements, enabling the

Underwriter to meet the requirements imposed upon it by SEC Rule 15c2-12(b)(5) and any certificates described in the Purchase Contract, and to do or cause to be done any and all acts and things necessary or proper in connection with the 2016 Bond Modification Project and the 2016A Refunding Project or otherwise for the carrying out of the provisions of this Resolution, of the Indenture and the Second Supplemental Indenture; and in the issuance, sale and delivery to the Underwriter of the 2016A Bonds.

Section 16. Rescinding Inconsistent Resolutions. All resolutions or parts of resolutions inconsistent herewith be and the same hereby are rescinded, canceled and annulled.

I, the undersigned officer of The Parking Authority of the City of Lancaster, DO HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution duly and unanimously adopted by the Board of the Authority at a public meeting of the Authority held the 27th day of October, 2016, after notice thereof had been duly given as required by law, at which meeting a quorum was present and voting and is now in full force and effect on the date of this certification.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Authority this 27th day of October, 2016.



Secretary

(SEAL)