

THE PARKING AUTHORITY OF THE CITY OF LANCASTER

RESOLUTION NO. 2019-3

AUTHORIZING AND DIRECTING THE ISSUANCE OF THE AUTHORITY'S GUARANTEED PARKING REVENUE BONDS IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$38,000,000 (THE "2019 BONDS"); APPROVING THE TERMS OF, AND AUTHORIZING AND DIRECTING THE EXECUTION, AUTHENTICATION AND DELIVERY OF, THE 2019 BONDS SECURED BY THE INDENTURE DESCRIBED HEREIN; SETTING FORTH THE SECURITY FOR THE 2019 BONDS; APPROVING THE FORM OF AND AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF A THIRD SUPPLEMENTAL TRUST INDENTURE, GUARANTY AGREEMENT AND REIMBURSEMENT AGREEMENT; ACCEPTING THE PURCHASE CONTRACT FOR THE 2019 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 2019 BONDS AND OTHER AVAILABLE AUTHORITY FUNDS; PROVIDING FOR THE FINANCING OF CERTAIN CAPITAL PROJECTS, ALL AS MORE FULLY DESCRIBED HEREIN; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT IN CONNECTION WITH THE ISSUANCE OF THE 2019 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"); (ii) \$9,075,000 Federally Taxable Guaranteed Parking Revenue Bonds, Series B of 2007 (the "2007B Bonds"); (iii) \$19,530,000 Guaranteed Parking Revenue Bond, Series of 2016 (the "2016 Bond"); and (iv) \$8,630,000 Guaranteed Parking Revenue Bonds, Series A of 2016 (the "2016A Bonds"); and

WHEREAS, all of the 2007A Bonds and the 2007B Bonds have heretofore been refunded or paid at maturity, and are no longer outstanding under the Existing Indenture (hereinafter defined), and by reason of such refunding and payment the 2016 Bond and the 2016A Bonds are collectively referred to as the "Outstanding Bonds;" and

WHEREAS, in connection with the issuance of, and as security for, the Outstanding Bonds, (i) the Authority entered into a Trust Indenture dated as of September 15, 2007 (the "Original Indenture"), as amended and supplemented by a First Supplemental Indenture dated as of February 11, 2016 (the "First Supplemental Indenture"), as further amended and supplemented by a Second Supplemental Indenture, dated as of December 15, 2016 (the "Second Supplemental Indenture", and together with the First Supplemental Indenture and the Second Supplemental Indenture, the "Existing Indenture"), by and between the Authority and Fulton Bank, N.A., as trustee (the "Trustee"); and

WHEREAS, the Authority desires to undertake a project (the "Capital Project") consisting the financing of the design, planning, acquisition and construction of an approximately 300 vehicle parking facility and public library located at 151 North Queen Street in the City of Lancaster, Pennsylvania, and related commercial retail space adjacent thereto; and

WHEREAS, the Authority has determined to issue its Guaranteed Parking Revenue Bonds, Series A of 2019 (the "Series A Bonds") and its Guaranteed Parking Revenue Bonds, Series B of 2019 (Federally Taxable) (the "Series B Bonds", and together with the Series A Bonds, the "2019 Bonds"), in the maximum aggregate principal amount of \$38,000,000 to provide funds for (i) the Capital Project; (ii) capitalized interest on the 2019 Bonds; (iii) funding a deposit to the Debt Service Reserve Fund established pursuant to the Indenture with respect to the 2019 Bonds; and (iv) paying the costs of issuing the 2019 Bonds (collectively, the "2019 Project"); and

WHEREAS, the 2019 Bonds will be issued as a series of Additional Bonds under the Existing Indenture, as amended and supplemented by a Third Supplemental Indenture (the "Third Supplemental Indenture", together with the Existing Indenture, the "Indenture"), between the Authority and the Trustee; and

WHEREAS, in order to further secure payment of the 2019 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 2019 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 2019 Project; and

WHEREAS, Boenning & Scattergood, Inc. (the "Underwriter") is expected to present to this Board a form of Bond Purchase Agreement (the "Purchase Contract") for the purchase of the 2019 Bonds; and

WHEREAS, the Authority expects to determine, after due deliberation and investigation, to accept the Purchase Contract and to award the 2019 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 2019 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 2019 Bonds; and

WHEREAS, certain action is required to be taken by the Authority as a prerequisite to the public offering of the 2019 Bonds, the execution and delivery of the Purchase Contract in connection therewith and the issuance of the 2019 Bonds.

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

Section 1. Authorizing the 2019 Project. The 2019 Project as heretofore described is hereby authorized and directed to be undertaken.

Section 2. Authorizing Issuance of 2019 Bonds; Terms of 2019 Bonds; Execution, Authentication and Delivery Thereof. For the purpose of providing funds to finance the 2019 Project, the Authority hereby authorizes and directs the issuance of the 2019 Bonds in the maximum aggregate principal amount of \$38,000,000.

The 2019 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 2019 Bonds may be in the form of a single, fully registered bond for each maturity of each series of the 2019 Bonds, in denominations equal to the principal amount of the 2019 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 2019 Bonds shall be made to the registered owner of each 2019 Bond in the manner and at the times set forth in the 2019 Bonds and in the Indenture.

The 2019 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 2019 Bonds in such manner.

The Chairman or Vice Chairman of the Authority is further authorized and directed to deliver the 2019 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 Third Supplemental Indenture.

Payment of the principal of the 2019 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 2019 Bonds is to be paid by check mailed to the registered owner of the 2019 Bonds as his or her name appears on the registration books of the Authority kept for that purpose by the Trustee.

Section 3. Security for 2019 Bonds; Limited Obligations; Confirmation of Trustee. The 2019 Bonds shall be secured by the Third Supplemental Indenture from the Authority to the Trustee, whose appointment as trustee under the Third Supplemental Indenture is hereby ratified and confirmed. Under the terms of the Third 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 2019 Bonds and such assignment, transfer and pledge is hereby confirmed. The 2019 Bonds shall also be secured by the guaranty of the City pursuant to the Guaranty Agreement.

The 2019 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 4. Approval of Third Supplemental Indenture. The Chairman or Vice Chairman of the Authority, upon receipt of favorable advice from the Authority's solicitor and McNeese Wallace & Nurick LLC, bond counsel for the 2019 Bonds ("Bond Counsel"), is hereby authorized and directed to execute the Third 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 Third 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 Third Supplemental Indenture to the Trustee.

Section 5. 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 6. 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 7. Approval, Acceptance and Execution of Purchase Contract. The Chairman, Vice Chairman, Executive Director or Deputy Executive Director 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 2019 Bonds as presented to the Authority by the Underwriter, subject to the following conditions: (a) the maximum aggregate principal amount of the 2019 Bonds shall not exceed \$38,000,000 (exclusive of original issue discount); (b) the latest maturity date of the 2019 Bonds shall not be later than September 1, 2044; (c) the maximum rate of interest on the 2019 Bonds shall not exceed 6% per annum; and (d) the purchase price for the 2019 Bonds, including underwriting discount and net original issue discount or original issue premium, shall not be less than 95.0% nor more than 110.0% of the aggregate principal amount of the 2019 Bonds. The Authority further authorizes and directs that (i) the 2019 Bonds be awarded to the Underwriter upon the terms and conditions set forth in the Purchase Contract, and (ii) the 2019 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.

Section 8. 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 2019 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 2019 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 2019 Bonds.

Section 9. 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 2019 Bonds.

Section 10. Disposition of 2019 Bond Proceeds. The Authority, upon receipt of the proceeds of the 2019 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 2019 Bonds, shall deposit the same with the Trustee to be held and disbursed all as provided in the Third Supplemental Indenture and the Closing Receipt.

Section 11. 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 2019 Bonds.

Section 12. Liability of Authority. No covenant, stipulation, obligation or agreement contained in this Resolution, the Third Supplemental Indenture, the Guaranty Agreement, the Reimbursement Agreement, the 2019 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 2019 Bonds shall be liable personally on the 2019 Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 13. Authorizing Incidental Actions. The proper officers of the Authority, including, but not limited to, the Executive Director and Deputy Executive Director, 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 any application for, and issuance of, municipal bond insurance, if applicable, and to do or cause to be done any and all acts and things necessary or proper in connection with the 2019 Project or otherwise for the carrying out of the provisions of this Resolution, of the Indenture and the Third Supplemental Indenture; and in the issuance, sale and delivery to the Underwriter of the 2019 Bonds, including if applicable the purchase of municipal bond insurance and the payment of the premiums therefor from the proceeds of the 2019 Bonds.

Section 14. 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 22nd day of August, 2019, 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 22nd day of August, 2019.


Assistant Secretary

(SEAL)