

**THE PARKING AUTHORITY OF THE CITY OF LANCASTER**

**RESOLUTION NO. 2020-3**

AUTHORIZING AND DIRECTING THE APPLICATION AND USE OF CERTAIN FUNDS TO BE RECEIVED BY THE AUTHORITY FROM THE CITY OF LANCASTER REVITALIZATION AND IMPROVEMENT ZONE AUTHORITY; AUTHORIZING AND DIRECTING THE YIELD-RESTRICTION OF CERTAIN SUB-ACCOUNTS WITHIN THE DEBT SERVICE RESERVE FUND OF THE INDENTURE; 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 is 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**, the Authority has heretofore authorized the undertaking of a project (the “Capital Project”) consisting of 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**, to provide money for and toward the cost of Capital Project, the Authority has heretofore issued its Guaranteed Parking Revenue Bonds, Series A of 2019 (the “2019A Bonds”), and Guaranteed Parking Revenue Bonds, Series B of 2019 (Federally Taxable) (the “2019B Bonds”, and together with the 2019A Bonds, the “Outstanding Bonds”); and

**WHEREAS**, the Outstanding Bonds were issued under and pursuant to a Trust Indenture dated as of September 15, 2007, as amended and supplemented (collectively, the “Existing Indenture”), with Fulton Bank, N.A., as trustee (the “Trustee”); and

**WHEREAS**, the Authority has determined to issue its Guaranteed Parking Revenue Bonds, Series B of 2020 (the “2020B Bonds, and together with the Outstanding Bonds, the “Bonds”), to, *inter alia*, finance additional costs related to the Capital Project; and

**WHEREAS**, the 2020B Bonds will be issued as a series of Additional Bonds under the Existing Indenture, through the execution and delivery by the Authority of the Fourth

Supplemental Indenture dated as of November 15, 2020 (the “Fourth Supplemental Indenture”, and together with the Existing Indenture, the “Indenture”); and

**WHEREAS**, in connection with the undertaking of the Capital Project, the Authority entered into a certain Contract dated November 27, 2018 (the “Grant Agreement”), with the City of Lancaster Revitalization and Improvement Zone Authority (the “CRIZ Authority”), pursuant to which the CRIZ Authority agreed to provide annual funding to the Authority for the Capital Project, such annual funding to be applied to either the payment of debt service on the Bonds or the funding of debt service reserve funds with respect to the Bonds; and

**WHEREAS**, the Authority has established pursuant to the Existing Indenture the following accounts within the Debt Service Reserve Fund established therein: (i) the Series A of 2019 Debt Service Fund Sub-Account of the Debt Service Reserve Fund with respect to the 2019A Bonds (the “2019A DSRF Account”); and (ii) the Series B of 2019 Debt Service Fund Sub-Account of the Debt Service Reserve Fund with respect to the 2019B Bonds (the “2019B DSRF Account”); and

**WHEREAS**, the Authority will establish pursuant to the Fourth Supplemental Indenture the Series B of 2020 Debt Service Reserve Fund Sub-Account of the Debt Service Reserve Fund with respect to the 2020B Bonds (the “2020B DSRF Account”, and together with the 2019A DSRF Account and the 2019B DSRF Account, the “DSRF Accounts”); and

**WHEREAS**, each of the DSRF Accounts is pledged solely for the payment of the debt service on the series of Bonds to which it relates; and

**WHEREAS**, the CRIZ Authority has provided notice to the Authority of the expected amount of funding available to the Authority in 2020 for the payment of debt service on the Bonds or the funding of debt service reserve funds with respect to the Bonds (the “2020 CRIZ Increment”), pending approval of the CRIZ Authority on November 24, 2020; and

**WHEREAS**, the Authority desires to approve the application of the 2020 CRIZ Increment to the funding of debt service reserve funds with respect to the Bonds, by the deposit of the 2020 CRIZ Increment in the DSRF Accounts.

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

**Section 1. Authorizing the Use of the 2020 CRIZ Increment.** The application and use of the 2020 CRIZ Increment for deposit to the DSRF Accounts for the Bonds is hereby authorized and directed to be undertaken. The 2020 CRIZ Increment shall be allocated among the DSRF Accounts *pro rata*, based on the outstanding principal amount of each series of Bonds:

**Section 2. Yield-Restriction of DSRF Accounts.** The Authority hereby authorizes and directs that the 2019A DSRF Account and the 2020B DSRF Account be yield-restricted, such that any investment of the funds held in such accounts shall be limited to a rate of return not in excess of the arbitrage yield of the series of Bonds to which such DSRF Account relates.

The Authority covenants and agrees to take any and all action necessary or appropriate in connection with the funds held in the DSRF Accounts to ensure that the interest on the 2019A Bonds and the 2020B Bonds remains exempt from federal income taxation, and that such Bonds will not be classified as “arbitrage bonds” under Section 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereto.

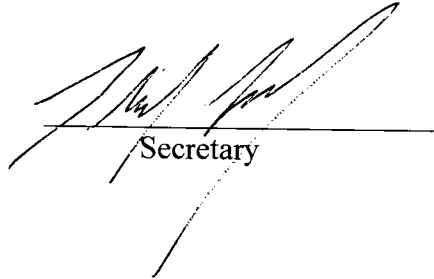
**Section 3. Authorizing Incidental Actions.** The proper officers of the Authority, including, but not limited to, the Executive Director and Deputy Executive Director, are hereby authorized, directed and empowered on behalf of the Authority to execute any and all papers and documents, and to do or cause to be done any and all acts and things necessary or proper in connection with the application or use of the 2020 CRIZ Increment or otherwise for the carrying out of the provisions of this Resolution.

**Section 4. 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 \_\_\_ day of November, 2020, 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 17 day of November, 2020.



  
Secretary