

RESOLUTION NO. 670-2015

A RESOLUTION OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT AUTHORIZING THE LEXINGTON CENTER CORPORATION TO ENTER INTO A LOAN AGREEMENT WITH THE KENTUCKY BOND DEVELOPMENT CORPORATION FOR THE PURPOSE OF BORROWING AN AMOUNT NOT TO EXCEED \$15,000,000 TO PAY COSTS OF VARIOUS CAPITAL IMPROVEMENTS AND AUTHORIZING THE KENTUCKY BOND DEVELOPMENT CORPORATION TO ISSUE BONDS PAYABLE FROM PAYMENTS TO BE MADE BY THE LEXINGTON CENTER CORPORATION UNDER THE LOAN AGREEMENT

WHEREAS, Lexington Center Corporation (the "Corporation") is organized and operated as an agency and instrumentality of the Lexington-Fayette Urban County Government in the acquisition, financing and refinancing of public projects and has, pursuant to KRS Chapters 58 and 65, on the authorization and direction of, and on behalf of Lexington-Fayette Urban County Government, issued and there are currently outstanding its Mortgage Revenue Refunding Bonds, Series 2008A (the "2008A Bonds") under a Mortgage and Trust Indenture dated as of May 22, 1996, as supplemented and amended (the "Indenture"), which were issued to refinance bonds previously issued by the Corporation to finance the acquisition, construction and renovation of one or more public projects leased to Lexington-Fayette Urban County Government pursuant to a Lease, as defined in the Indenture, for rentals sufficient to pay the principal of, interest, and premium, if any, on such bonds; and

WHEREAS, the Corporation has evidenced a desire to have the costs of certain capital improvements to the arena and convention facilities (the "Project") that are subject to the Indenture and the Lease, including costs incident to the financing of the Project, paid with the proceeds of bonds, notes or other obligations issued under another indenture, in accordance with Section 6.9 of the Indenture; and

WHEREAS, public agencies, including Lexington-Fayette Urban County Government, have entered and will enter into an Interlocal Cooperation Agreement dated September 19, 2014, as authorized under Sections 65.210 through Section 65.300 (the "Interlocal Act"), inclusive, of the Kentucky Revised Statutes, as amended, which authorizes public agencies to cooperate and act jointly in exercising any and all powers, privileges and authority capable of exercise by such public agencies in their respective individual capacities; and

WHEREAS, in order to provide a vehicle for economically funding or financing various governmental and economic development purposes of public agencies in the Commonwealth of Kentucky, the Kentucky League of Cities Economic Development Finance Program (the "Program") has been established under the Agreement and, under the Program, the Kentucky Bond Development Corporation (the "Issuer") has been established; and

WHEREAS, the Program and the Project will benefit the public health, safety and general welfare of the citizens of Lexington-Fayette Urban County Government; and

WHEREAS, the Corporation has evidenced a desire to have the costs of the Project, including costs incident to the authorization, sale and issuance of the Bonds (as defined below) and other financing costs, financed with the proceeds of the issuance and sale by the Issuer of the Bonds in one or more series; and

WHEREAS, the Issuer has the power, pursuant to Chapter 103 of the Kentucky Revised Statutes (the "Act") and the Program to issue its revenue bonds in order to provide for the financing and refinancing of projects, including the Project, in accordance with the public purposes of the Interlocal Act and the Act; and

WHEREAS, the Bonds will be payable solely from payments received by the Issuer from the Corporation under one or more loan agreements related to the Bonds; and

WHEREAS, the Corporation and the Issuer anticipate that they will enter into, at the appropriate time, a loan agreement with respect to the Bonds (the "Loan Agreement") under which (i) the Issuer will agree to issue the Bonds for the purposes described in this Resolution and (ii) the Corporation will make payments under the Loan Agreement which are sufficient to pay the principal of and interest on the Bonds together with all costs related to the Bonds and any other related charges as the same come due and payable;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1. Purpose. The Council of the Lexington-Fayette Urban County Government (the "Council") hereby finds, determines and declares that all statements of fact set forth in the preambles to this Resolution are true and correct in all respects, and such preambles are incorporated into the body of this Resolution by reference as if set forth at length herein. The Council further finds, determines and declares that the issuance of the Bonds by the Issuer will be in the best interest of the Lexington-Fayette Urban County Government and in the furtherance of the public purposes and functions of the Lexington-Fayette Urban County Government in connection with facilitating the financing of the Project, which will be in the public interest.

Section 2. Authorization of Loan Agreement. The Corporation, acting by authority of the Lexington-Fayette Urban County Government, is hereby authorized to take such actions as may be necessary to enter into one or more Loan Agreements with the Issuer for an aggregate principal amount not to exceed \$15,000,000, to provide payments which are sufficient to pay the principal of, interest on and costs related to revenue bonds (the "Bonds") to be issued by the Issuer under the Program and the Act in one or more series, to be dated appropriately in accordance with their date of sale and delivery, with such series designation as may be deemed appropriate. The maturity, security provisions, redemption provisions, form of Bonds, conditions of sale and all other terms and provisions incident to the Bonds and the Loan Agreement shall be in accordance with the Program and the Act.

Section 3. Affirmation of Obligations Related to Bonds. The obligations of the Lexington-Fayette Urban County Government with respect to the 2008A Bonds are hereby ratified and affirmed. The Council hereby further finds, determines and declares that the Bonds are obligations of the Corporation pursuant to the Loan Agreement, secured by a pledge of Revenues, as defined in the Indenture, on a basis that is subordinate to the pledge of such Revenues to the payment of the 2008A Bonds, and that the Lexington-Fayette Urban County Government intends to take such actions as are required to assure that the Revenues are sufficient to satisfy all payment obligations of the Corporation under the Loan Agreement and of LFUGC under the Lease, as defined in the Indenture.

Section 4. Open Meetings. That the Lexington-Fayette Urban County Government hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in open meetings of the Lexington-Fayette Urban County Government, and that all deliberations of the Lexington-Fayette Urban County Government and of its committees, if any, which resulted in formal action, were taken in meetings open to the public, in full compliance with all applicable legal requirements.

Section 5. Repeal of Conflicting Actions. All ordinances, resolutions, orders or other legislative or administrative actions or parts thereof of this governing body in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

Section 6. Effective Date of Resolution. This Resolution shall become effective immediately upon the date of its passage.

INTRODUCED AND GIVEN FIRST READING at a duly convened meeting of Urban County Council of Lexington-Fayette Urban County Government on the 22nd day of October, 2015.

INTRODUCED AND GIVEN SECOND READING, ENACTED AND ADOPTED at a duly convened meeting of Urban County Council of Lexington-Fayette Urban County Government held on the 5th day of November, 2015, signed by the Mayor, attested under seal by the Clerk of Urban County Council, and ordered to be published, filed and indexed as provided by law.



Jim Gray
Mayor

ATTEST:




Martha J. N. Allen
Urban County Council Clerk

CERTIFICATE

I, the undersigned, Urban County Council Clerk of Lexington-Fayette Urban County Government, do hereby certify that the foregoing Resolution is a true and complete copy of a certain Resolution duly adopted by the Urban County Council of said Lexington-Fayette Urban County Government at a lawfully convened meeting of the Urban County Council of Lexington-Fayette Urban County Government held on November 5, 2015.

I do hereby further certify that said Resolution has not been amended, modified, superseded or repealed and that same remains in full force and effect as of the date of this Certificate.

WITNESS my hand as of this 5th day of November, 2015.

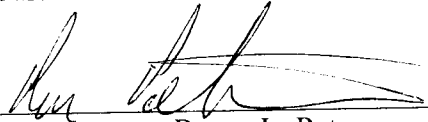


Martha J. N. Allen
Urban County Council Clerk

CERTIFICATE

I do hereby certify that the title to this enactment contains an accurate synopsis of the contents thereof and may be used to satisfy the reading and publication requirements of law.

DINSMORE & SHOHL LLP



Roger L. Peterman