

RESOLUTION NO. _____

A RESOLUTION OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT AUTHORIZING THE ADVERTISEMENT FOR BIDS AND THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT FOR THE PURCHASE OF THE PRINCIPAL AMOUNT OF ITS (I) OF TAXABLE GENERAL OBLIGATION BONDS, SERIES 2016A (HISTORIC COURTHOUSE PROJECT), IN AN AGGREGATE PRINCIPAL AMOUNT OF \$22,000,000 (WHICH AMOUNT MAY BE INCREASED OR DECREASED BY AN AMOUNT OF UP TO TEN PERCENT (10%)); AND (II) TAX-EXEMPT VARIOUS PURPOSE GENERAL OBLIGATION BONDS, SERIES 2016B IN AN AGGREGATE PRINCIPAL AMOUNT OF \$10,000,000 (WHICH AMOUNT MAY BE INCREASED BY AN AMOUNT OF UP TO TEN PERCENT (10%)).

WHEREAS, the Lexington-Fayette Urban County Government has previously determined it to be in the public interest to restore, rehabilitate and adaptively re-use the historic Fayette County Courthouse (the "Historic Courthouse Project") located at 215 West Main Street in downtown Lexington, Fayette County, Kentucky which Historic Courthouse Project will help preserve the history and architecture of Lexington and Fayette County, enhance the economic development of downtown Lexington, assist in elimination of blight, and reinforce and promote additional redevelopment activities in downtown Lexington and Fayette County; and

WHEREAS, the Lexington-Fayette Urban County Government has determined that it is in the public interest to provide economic development assistance to the Historic Courthouse Project and the necessity of financing in the form of an interim development loan and an economic redevelopment grant in the amount of \$22,000,000 to be provided pursuant to the issuance of Series 2016A Bonds (as defined below); and

WHEREAS, the Lexington-Fayette Urban County Government has determined to proceed with the advertisement of bids for the purchase of its Taxable General Obligation Bonds, Series 2016A (Historic Courthouse Project), in the principal amount of \$22,000,000, (which amount may be increased or decreased by an amount of up to ten percent (10%)) (the "Series

2016A Bonds"), in order to (i) provide funds to finance a portion the Historic Courthouse Project, and (ii) pay the costs of issuing the Series 2016A Bonds; and

WHEREAS, the Lexington-Fayette Urban County Government, has previously determined the necessity of financing (i) the design and infrastructure improvements for Town Branch Commons Corridor an innovative multimodal greenway that will link two regional trail systems, the Legacy Trail and Town Branch Trail, and through its unique linear park-like design and stormwater management systems, TBCC will create a livable, sustainable streetscape in downtown Lexington and will connect established and emerging neighborhoods to each other, downtown, and adjacent higher education institutions and provide project enhancements including completing critical gaps in trail and pedestrian infrastructure, separating bike infrastructure from vehicles, improving pedestrian facilities, and installing corridor safety improvements and traffic calming features, (collectively, the "Town Branch Commons Corridor Project"); (ii) streetscape and sidewalk improvements located in the Versailles Road area; and (iii) street improvements including widening, opening, extending, realigning, grading, repaving, resurfacing otherwise rehabilitating and improving streets, roads, thoroughfares, avenues, expressways, sidewalks, plazas and other public ways throughout Lexington, Fayette County, (collectively, the Town Branch Commons Corridor Project, items (ii) and (iii) above are hereinafter referred to as the "Series 2016B Project"); and

WHEREAS, the Lexington-Fayette Urban County Government has determined to proceed with the advertisement of bids for the purchase of its Tax-Exempt Various Purpose General Obligation Bonds, Series 2016B, in one or more subseries in the principal of \$10,000,000, (which amount may be increased by an amount of up to ten percent (10%)) (the "Series 2016B Bonds" and together with the Series 2016A Bonds, the "Series 2016 Bonds"), in

order to (i) provide funds to finance a portion of the Series 2016B Project, and (ii) pay the costs of issuing the Series 2016B Bonds.

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

SECTION 1. The Lexington-Fayette Urban County Government, an urban county government and political subdivision of the Commonwealth of Kentucky, shall issue its Series 2016A Bonds in one or more subseries in the principal amount of \$22,000,000, (which amount may be increased or decreased by an amount of up to ten percent (10%)), in order to provide funds for (i) the Historic Courthouse Project as identified above; and (ii) pay the costs of issuing the Series 2016A Bonds. The Lexington-Fayette Urban County Government shall also issue its Series 2016B Bonds in a principal amount of \$10,000,000 (which amount may be increased by an amount of up to ten percent (10%)) in order to finance (i) the Series 2016B Project as identified above; and (ii) pay the costs of issuing the Series 2016B Bonds.

SECTION 2. The Lexington-Fayette Urban County Government shall comply with the requirements of KRS Chapter 66 by advertising for bids for the purchase of the Series 2016 Bonds. The Mayor, the Clerk of the Urban County Council, the Commissioner of Finance and/or Chief Administrative Officer are hereby authorized to prepare such instruments and to distribute such information as shall be necessary to accomplish the foregoing, including preparation of a Preliminary Official Statement (the "Preliminary Official Statement") which Preliminary Official Statement is to be deemed final in accordance with Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). In order to enable prospective purchasers to submit bids for the purchase of the Series 2016 Bonds, the Lexington-Fayette Urban County Government hereby

covenants and agrees that it will execute, comply with and carry out all of the provisions of a continuing disclosure certificate (the "Continuing Disclosure Certificate") in connection with the issuance of the Series 2016 Bonds. Failure to comply with any such provisions of the Continuing Disclosure Certificate shall not constitute a default on the Series 2016 Bonds; however, any holder of the Series 2016 Bonds, including the beneficial owners of the Series 2016 Bonds, may take such action as may be necessary and appropriate, including seeking specific performance, to cause the Lexington-Fayette Urban County Government to comply with its obligations under the Continuing Disclosure Certificate. Further, the Mayor is hereby authorized and directed on behalf of the Lexington-Fayette Urban County Government to execute all such instruments as shall be necessary to accomplish all of the foregoing.

SECTION 3. Such proposals shall be received and reviewed by the Commissioner of Finance and shall be acted upon by the Mayor on that same day in accordance with the terms of the bond ordinance with respect to the Series 2016 Bonds. The Lexington-Fayette Urban County Government hereby approves the "Notice of Bond Sale," substantially in the form attached hereto to be published as required by law.

SECTION 4. The Mayor shall, in a certificate of award accepting the successful bid for the Series 2016A Bonds and the Series 2016B Bonds (collectively, the "Certificate of Award"), determine the exact principal amount of Series 2016 Bonds to be issued, the subseries designations of the Series 2016 Bonds, the rate or rates of interest which said Series 2016 Bonds shall bear, redemption provisions and the interest rate or rates on said Series 2016 Bonds shall be automatically fixed at the rate or rates set out in the successful bid accepted by said Certificate of Award. The proceeds of the sale of the Series 2016A Bonds shall be applied to the costs of the Historic Courthouse Project and paying the costs of issuance of the Series 2016A Bonds, and

shall be expended as provided in the bond ordinance authorizing the Series 2016A Bonds. The proceeds of the sale of the Series 2016B Bonds shall be applied to the costs of the Series 2016B Project and paying the costs of issuance of the Series 2016B Bonds, and shall be expended as provided in the bond ordinance authorizing the Series 2016B Bonds.

SECTION 5. In the event that no bid shall be accepted for the purchase of the Series 2016 Bonds, bids may again be solicited for the purchase of the Series 2016 Bonds at a future date and hour at the discretion of the Mayor and the Commissioner of Finance, without the necessity of further authorization by the Urban County Council of the Lexington-Fayette Urban County Government.

SECTION 6. All resolutions or orders or parts thereof, if any, in conflict with the provisions of this Resolution, are to the extent of such conflict, hereby repealed.

SECTION 7. This Resolution shall become effective upon the date of its passage.

INTRODUCED AND GIVEN FIRST READING AND SECOND READING AND ADOPTED at a duly convened meeting of Urban County Council of the Lexington-Fayette Urban County Government held on the ____ day of _____, 2016, 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 Allen
Urban County Council Clerk

CERTIFICATE

I, the undersigned, Urban County Council Clerk of the 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 the Lexington-Fayette Urban County Government held on _____, 2016, signed by the Mayor and now in full force and effect, all as appears from the official records of the Lexington-Fayette Urban County Government in my possession and under my control.

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 ____ day of _____, 2016.

Martha 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.

**PECK, SHAFFER & WILLIAMS, A DIVISION
OF DINSMORE & SHOHL LLP**

John C. Merchant, Esq.

EXHIBIT A

FORM OF NOTICE OF BOND SALE

Notice is hereby given that electronic bids will be received by the Commissioner of Finance and/or Chief Administrative Officer of the Lexington-Fayette Urban County Government until 11:00 A.M., E.D.T., on _____, May _____, 2016 (or at such later time and date announced at least forty-eight hours in advance via the BiDCOMP™/PARITY™ system) for the purchase of (i) a principal amount of approximately \$22,000,000 of Taxable General Obligation Bonds, Series 2016A (Historic Courthouse Project), (the "Series 2016A Bonds"); and (ii) a principal amount approximately \$10,000,000 of Tax-Exempt Various Purpose General Obligation Bonds, Series 2016B, (the "Series 2016B Bonds" and together with the Series 2016A Bonds, the "Series 2016 Bonds"). The Series 2016 Bonds will be dated their date of initial delivery, being fully registered bonds in denominations in multiples of \$5,000 (within the same maturity). The Series 2016A Bonds mature as to principal in varying amounts on August 1 in varying amounts in each of the years 2017 through _____. Electronic bids may be submitted via BiDCOMP™/PARITY™, in the manner described below. The Series 2016B Bonds mature as to principal in varying amounts on August 1 in varying amounts in each of the years 2017 through _____. Electronic bids may be submitted via BiDCOMP™/PARITY™, in the manner described below.

Bids must be on the Official Bid Form contained in the Preliminary Official Statement, available from the undersigned, at www.idealprospectus.com, or from the Financial Advisor: J.J.B. Hilliard, W.L. Lyons, LLC, 500 West Jefferson Street, Louisville, Kentucky 40202, Attention Mr. Greg Phillips (502) 588-8462 or Mr. Chip Sutherland (502) 588-8462. The Preliminary Official Statement has been deemed "final" by the Corporation within the meaning of Securities and Exchange Commission Rule 15c2-12. For further information regarding PARITY®, potential bidders may contact PARITY®, telephone (800) 850-7422. In order to assist bidders in complying with the continuing disclosure requirements of the Rule, the Lexington-Fayette Urban County Government will undertake in a Continuing Disclosure Certificate to be delivered at closing, to provide to the applicable repositories annual reports and notices of certain material events with respect to the Series 2016 Bonds. Reference is made to the Official Terms and Conditions of Bond Sale contained in the Preliminary Official Statement for further details and bidding conditions.

Sale of the Series 2016 Bonds subject to the approving legal opinion of Peck, Shaffer & Williams, a division of Dinsmore & Shohl LLP, Bond Counsel, Lexington, Kentucky. The Series 2016 Bonds have not been designated as "qualified tax-exempt obligations" within the meaning of §265(b)(3) of the Internal Revenue Code of 1986, as amended.

The Lexington-Fayette Urban County Government reserves the right to reject any and all bids or to waive informality.

**LEXINGTON-FAYETTE URBAN COUNTY
GOVERNMENT**

By: _____ /s/ Jim Gray
Mayor