

RESOLUTION NO. 2019-31

OF THE

CITY OF PENSACOLA, FLORIDA

ADOPTED JULY 18, 2019

RELATING TO:

NOT TO EXCEED

\$58,200,000

CITY OF PENSACOLA, FLORIDA
URBAN CORE REDEVELOPMENT REFUNDING
AND IMPROVEMENT REVENUE BOND,
SERIES 2019

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RESOLUTION NO. 2019-31

A RESOLUTION OF THE CITY OF PENSACOLA, FLORIDA AUTHORIZING THE ISSUANCE BY THE CITY OF AN URBAN CORE REDEVELOPMENT REFUNDING AND IMPROVEMENT REVENUE BOND, SERIES 2019, IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$58,200,000 TO FINANCE THE ADVANCE REFUNDING OF THE OUTSTANDING CITY OF PENSACOLA, FLORIDA REDEVELOPMENT REVENUE BONDS, SERIES 2009B (FEDERALLY TAXABLE – BUILD AMERICA BONDS – DIRECT PAYMENT) AND CERTAIN COMMUNITY REDEVELOPMENT IMPROVEMENTS IN THE URBAN CORE COMMUNITY REDEVELOPMENT AREA AS DESCRIBED HEREIN; PLEDGING AS SECURITY FOR THE PAYMENT OF SAID SERIES 2019 BOND THE TAX INCREMENT REVENUES OF THE URBAN CORE COMMUNITY REDEVELOPMENT AREA; PROVIDING FOR THE RIGHTS, SECURITY, AND REMEDIES FOR THE REGISTERED OWNER OF THE SERIES 2019 BOND; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AUTHORIZING THE AWARD OF THE SALE OF THE SERIES 2019 BOND; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT AND APPOINTING AN ESCROW HOLDER THEREUNDER; APPOINTING A VERIFICATION AGENT; AUTHORIZING FURTHER OFFICIAL ACTION IN CONNECTION WITH THE DELIVERY OF THE SERIES 2019 BOND; PROVIDING CERTAIN AMENDMENTS TO RESOLUTION NO. 33-09; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN INTERLOCAL AGREEMENT BETWEEN THE CITY AND THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PENSACOLA, FLORIDA; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL OF INCONSISTENT PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PENSACOLA, FLORIDA, that:

Section 1. Authority for this Resolution.

This Resolution is adopted pursuant to the Constitution of the State of Florida, Chapter 163, Part III, Florida Statutes, Chapter 166, Part II, Florida Statutes, the municipal charter of the City of Pensacola, Florida (the "Issuer"), and other applicable provisions of law (collectively, the "Act"), and pursuant to Section 15.J of Resolution No. 33-09 duly adopted by the Issuer on October 8, 2009, as amended and supplemented (collectively, the "Original Resolution"). This Resolution shall be deemed a supplement to the Original Resolution (as supplemented hereby, the "Resolution").

Section 2. Definitions.

All terms defined in the Original Resolution shall have the same meaning herein, unless the text otherwise expressly requires. Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations. The following terms shall have the following meanings herein:

"Act" shall have the meaning ascribed thereto in Section 1 of this Resolution.

"Agency" means The Community Redevelopment Agency of the City of Pensacola, Florida, created pursuant to Resolution No. 55-80 adopted by the City Council on September 25, 1980, as confirmed and ratified by Resolution No. 65-81 adopted by the City Council on September 22, 1981.

"Authorized Investments" means, with respect to the Series 2019 Bond, and after payment or defeasance of the 2009 Bonds, any investment, obligation, agreement or other financial instrument to the extent not inconsistent with the terms of the investment policy of the Issuer and applicable law.

"Bond Counsel" means Bryant Miller Olive P.A. or any subsequent nationally recognized bond counsel appointed by to the Issuer.

"Business Day" means any day of the year other than a day on which the Lender or the Issuer are lawfully closed for business.

"Charter" means the municipal charter of the Issuer.

"Chief Financial Officer" means the Chief Financial Officer of the Issuer, or his or her designee.

"City Administrator" means the City Administrator of the Issuer, or any acting or interim City Administrator, or his or her designee.

"City Attorney" means the City Attorney of the Issuer, or his or her designee.

"Clerk" means the Clerk of the Issuer, any acting, deputy, or assistant Clerk, or his or her designee.

"Date of Delivery" means July 25, 2019, or such other date which shall be agreed upon by the Issuer and the Lender.

"Default" or "Event of Default" shall mean, with respect to the Series 2019 Bond, an Event of Default as defined and described in Section 16(A) hereof.

"Financial Advisor" means RBC Capital Markets, LLC.

"Interest Payment Date" means, with respect to the Series 2019 Bond, each April 1 and October 1, commencing October 1, 2019, and continuing to the Maturity Date.

"Interlocal Agreement" means the Interlocal Agreement between the Issuer and the Agency and relating to the Series 2019 Bond, the form of which is approved pursuant to Section 24 hereof.

"Issuer" means the City.

"Lender" means BBVA Mortgage Corporation, an Alabama corporation f/k/a Compass Mortgage Corporation, and its successors and assigns.

"Maturity Date" means December 31, 2043.

"Maximum Annual Non-Ad Valorem Debt Service" shall mean the maximum annual debt service requirement on a consolidated basis of all Non-Ad Valorem Revenue Obligations then outstanding for the then current or any subsequent Fiscal Year.

"Mayor" means the Mayor of the Issuer or the City Administrator or Chief Financial Officer on behalf of the Mayor.

"Non-Ad Valorem Revenue Obligations" shall mean obligations evidencing indebtedness for borrowed money (i) payable from or secured by a pledge of or lien on one or more Non-Ad Valorem Revenues or covenant to budget and appropriate Non-Ad Valorem Revenues, or (ii) payable directly or indirectly from a covenant to budget and appropriate Non-Ad Valorem Revenues, but only if the Issuer reasonably expects to apply Non-Ad Valorem Revenues to the payment of debt service, directly or indirectly, on such obligations and only to the extent that amounts other than Non-Ad Valorem Revenues available and pledged to pay such obligations during the prior Fiscal Year for which audited financial statements are available were less than the maximum annual debt service for such obligations for the then current or any subsequent Fiscal Year. Non-Ad Valorem Revenue Obligations shall not include indebtedness for borrowed money payable from or secured by a pledge or lien on Non-Ad Valorem Revenues of any enterprise fund of the Issuer.

"Non-Ad Valorem Revenues" shall mean the revenues of the Issuer in the General Fund which are legally available for payment of principal of and interest on the Series 2019 Bond in each year and which are derived by the Issuer from all sources other than ad valorem taxation on real and personal property. By subsequent resolution duly adopted, the Issuer may include in the definition of Non-Ad Valorem Revenues additional revenues from sources other than ad valorem taxation on real and personal property, so long as such revenues are legally available for payment of principal of and interest on the Series 2019 Bond in each year.

"Parity Obligations" shall mean, collectively, the Issuer's outstanding Redevelopment Revenue Bonds, Series 2009A dated as of December 21, 2009 and Urban Core Redevelopment Revenue Bond, Series 2017 dated as of November 15, 2017.

"Paying Agent" means an officer of the Issuer or the bank or trust company which the Issuer may from time to time designate to serve as paying agent for the Series 2019 Bond, initially, the Chief Financial Officer.

"Payment Date" means any Interest Payment Date or Principal Payment Date.

"Permitted Lenders" means any bank, trust company, savings institution, insurance company, dealer, investment company or qualified institutional buyer as contemplated by Section 517.061(7), Florida Statutes, that is engaged as a regular part of its business in making loans and is authorized to do business in the State of Florida.

"Principal Payment Date" means, with respect to the Series 2019 Bond, each April 1 commencing April 1, 2021, and continuing through and including the Maturity Date.

"Project Costs" means a portion of the cost of undertaking the Series 2019 Project including, but not limited to: engineering, legal, accounting, and financial expenses; expenses for estimates of costs and of revenues; expenses for plans, specifications and surveys; fees of fiscal agents, financial advisors or consultants; administrative expenses relating solely to the Series 2019 Project; costs of issuance with respect to the Series 2019 Bond; the cost of acquiring and constructing the Series 2019 Project, reimbursement to the Issuer for any sums heretofore expended for the foregoing purposes and such other costs and expenses as may be necessary or incidental to the financing or refinancing of the Series 2019 Project.

"Project Fund" means the Project Fund established with respect to the Series 2019 Bond pursuant to Section 13(B) hereof.

"Proposal" means the proposal for the purchase of the Series 2019 Bond submitted to the Issuer by the Lender, attached hereto as Exhibit D, and accepted by the Issuer with such changes as agreed to by the Issuer and the Lender.

"Refunded Bonds" means the City of Pensacola, Florida Redevelopment Revenue Bonds, Series 2009B (Federally Taxable – Build America Bonds – Direct Payment), presently outstanding in the aggregate principal amount of \$38,925,000.

"Registered Owner" shall have the meaning ascribed thereto in the Original Resolution, and with respect to the Series 2019 Bond, shall mean the Lender.

"Registrar" shall mean, with respect to the Series 2019 Bond, the Chief Financial Officer.

"Regulations" means the Income Tax Regulations promulgated by the Internal Revenue Service under Sections 103 and 141 through 150 of the Code.

"Resolution" shall have the meaning ascribed thereto in Section 1 hereof.

"Series 2019 Bond" means the City of Pensacola, Florida, Urban Core Redevelopment Refunding and Improvement Revenue Bond, Series 2019, authorized herein, in substantially the form attached hereto as Exhibit A, with such changes, modifications, insertions or deletions as are authorized herein.

"Series 2019 Project" means capital improvements included in the SCAPE Waterfront Plan (such as the construction of certain street and streetscape projects and Bruce Beach improvements), the Community Maritime Park Day Marina, sidewalk repairs and improvements and certain other community redevelopment capital improvements to the Urban Core Community Redevelopment Area included in Urban Core Community Redevelopment Plan, the costs of which are eligible for payment from Tax Increment Revenues.

"Tax Certificate" means the Issuer's Tax Certificate as to Arbitrage and the Provisions of Sections 141-150 of the Internal Revenue Code of 1986, as amended, dated as of the Delivery Date.

"Tax Increment Revenues" shall have the meaning ascribed thereto in the Original Resolution and includes the tax increment revenues paid into the Urban Core Community Redevelopment Trust Fund.

"Urban Core Community Redevelopment Area" means the "Redevelopment Area" as defined in the Original Resolution and includes the area designated as a community redevelopment area pursuant to the Act, Resolution No. 54-80 adopted by the City Council on September 25, 1980, as readopted and reaffirmed by Resolution No. 65-81 adopted by the City Council on September 22, 1981, and known generally as the "Urban Core Community Redevelopment Area".

"Urban Core Community Redevelopment Plan" means the Urban Core Community Redevelopment Area Plan approved by the Issuer pursuant to Resolution No. 02-10 adopted by the City Council on January 14, 2010, as the same may be amended from time to time.

"Urban Core Community Redevelopment Trust Fund" means "Redevelopment Trust Fund" as defined in the Original Resolution and includes the Urban Core Community Redevelopment Trust Fund established under Section 163.387, Florida Statutes, and Ordinance 13-84 of the Issuer enacted on March 8, 1984, into which the Tax Increment Revenues are deposited from time to time.

Section 3. Findings.

(A) Pursuant to Resolution No. 54-80 adopted by the City Council on September 25, 1980, and as confirmed and ratified pursuant to Resolution 65-81 adopted by the City Council on September 22, 1981, the City Council found and determined that an area designated therein as the "Pensacola Inner City" is a blighted area as therein described, that a combination of rehabilitation, conservation and redevelopment of the Pensacola Inner City is necessary, that there exists a need for a community redevelopment agency to function in the City to carry out community redevelopment purposes pursuant to Part II, Chapter 163, Florida Statutes, and that

the Pensacola Inner City is appropriate for community redevelopment projects and is thereby designated a community redevelopment area.

(B) Pursuant to Resolution No. 55-80 adopted by the City Council on September 25, 1980, and as readopted and reaffirmed pursuant to Resolution 65-81 adopted by the City Council on September 22, 1981, the City Council declared itself to be the "Community Redevelopment Agency" in the City and vested all rights, powers, duties, privileges and immunities vested in a community redevelopment agency pursuant to Part III, Chapter 163, Florida Statutes, in the City Council, subject to all responsibilities and liabilities imposed or incurred, and enumerated certain powers of an Executive Committee therein described and certain powers of the City Council, including the power to issue revenue bonds.

(C) Resolution No. 22-10 adopted by the City Council on August 19, 2010, amended the composition of the Agency pursuant to the City's Charter which became effective on January 10, 2011, such that the Agency be comprised of the members of the City Council seated pursuant to the Charter and that such City Council assume the powers of the Executive Committee therein dissolved. An Interlocal Agreement dated April 12, 2017, between the City and the Agency, provides the Mayor certain executive authority and supervision over the daily operations of the Agency for the current Fiscal Year.

(D) Pursuant to Resolution 65-81 adopted by the City Council on September 22, 1981, the City Council designated the boundaries and found and determined that an area designated therein as the "Urban Core Community Redevelopment Area" is a blighted area as therein described and that the rehabilitation, conservation and redevelopment is necessary and in the public interest.

(E) Pursuant to Ordinance No. 13-84 enacted by the City Council on March 8, 1984, the Urban Core Community Redevelopment Trust Fund was established and provided that funds allocated to and deposited in such fund shall be used for the purpose of financing the implementation of the Urban Core Community Redevelopment Plan. The Urban Core Community Redevelopment Trust Fund is required to be maintained and administered as a separate account of the City for the purposes expressed in such ordinance and Chapter 163, Florida Statutes.

(F) On January 14, 2010, the City Council adopted Resolution No. 02-10 approving an "Urban Core Community Redevelopment Plan 2010" for the Urban Core Community Redevelopment Area.

(G) Pursuant to the Interlocal Agreement, the Agency shall acknowledge the Issuer's issuance of the Series 2019 Bond and confirm, consent to and accept the terms thereof and as set forth herein. The Agency will further pledge the Tax Increment Revenues to the City and covenant to fund, pay, reimburse and repay the Issuer the amounts due under the Series 2019 Bond and hereunder, including payment of the principal of and interest on the Series 2019 Bond

from Tax Increment Revenues or from any other funds of the Agency legally available for such purpose.

(H) Pursuant to the Original Resolution, the Agency previously issued the Refunded Bonds.

(I) In order to achieve significant debt service savings, it is in the best financial interests of the Agency and the Issuer to issue the Series 2019 Bond in part to finance the advance refunding of the Refunded Bonds. The principal amortizations of the Series 2019 Bond maturing prior to April 1, 2040, the latest maturity date of the Refunded Bonds, exceed the principal amount of the Refunded Bonds and therefore, the portion of the Series 2019 Bonds attributable to the refunding of the Refunded Bonds does not mature later than the final maturity date of the Refunded Bonds in compliance with Section 163.385(1)(a), Florida Statutes.

(J) The Issuer has determined that it is necessary and in the best interests of the health, safety and welfare of the Issuer and its inhabitants that the Issuer undertake the Series 2019 Project and that the Series 2019 Project shall constitute and serve the purposes of "community redevelopment" within the meaning and in accordance with the Act. Issuance of the Series 2019 Bond to finance the Series 2019 Project serves a paramount public purpose.

(K) The Issuer is without currently available funds to pay the cost of the Series 2019 Project, and it is necessary and desirable that the Issuer borrow the moneys necessary to provide for payment of the Series 2019 Project.

(L) The Series 2019 Bond will be payable from the Pledged Revenues on a parity with the Parity Obligations, as and to the extent provided herein, and any Additional Parity Obligations hereafter issued in accordance with the Original Resolution. The Pledged Revenues are not currently pledged or encumbered to pay any obligations of the Agency or the Issuer except for payment of the Parity Obligations and, on a subordinate basis, the Interlocal Agreement between the Issuer and the Agency dated November 15, 2017. It is estimated that the Pledged Revenues will be sufficient to pay the principal of and interest on the Series 2019 Bond herein authorized and to pay the Parity Obligations, as the same become due, and to make all deposits required by the Resolution or otherwise required to be paid from the Pledged Revenues.

(M) Section 15.J. of the Original Resolution provides for the issuance of Additional Parity Obligations under the terms, limitations and conditions provided therein.

(N) The City Council hereby accepts the Report and Certificate of the Chief Financial Officer attached hereto as Exhibit G in satisfaction of the requirements of Section 15.J.(a) and (c) of the Original Resolution with respect to the issuance of the Series 2019 Bond. The Issuer has complied, or will comply prior to delivery of the Series 2019 Bond, with all the terms, conditions and restrictions contained in the Original Resolution. The Issuer is therefore legally entitled to issue the Series 2019 Bond as an "Additional Parity Obligation".

(O) The Series 2019 Bond herein authorized shall be on a parity and rank equally, as to lien on and source and security for payment from the Pledged Revenues, to the extent described herein and in the Original Resolution, and in all other respects, with the Parity Obligations and any Additional Parity Obligations hereafter issued in compliance with the Original Resolution. The Original Resolution shall remain in effect with respect to the Series 2019 Bond after the Parity Obligations are retired.

(P) The principal of and interest on the Series 2019 Bond and all required Sinking Fund and other payments shall be limited obligations of the Issuer, payable solely from and secured by an irrevocable lien upon and pledge of the Pledged Revenues on a parity with the Parity Obligations and any Additional Parity Obligations hereafter issued, as provided herein and in the Original Resolution, and to the extent Pledged Revenues are insufficient, from certain Non-Ad Valorem Revenues budgeted and appropriated for such purposes, all as further described herein. The Series 2019 Bond shall not constitute an indebtedness, liability, general or moral obligation, or a pledge of the faith, credit or taxing power of the Issuer, the State, or any political subdivision or public agency thereof, within the meaning of any constitutional or statutory provisions. Neither the State, nor any political subdivision or public agency thereof, nor the Issuer shall be obligated (1) to levy ad valorem taxes on any property to pay the principal of the Series 2019 Bond, the interest thereon or other costs incidental thereto or to continue or maintain activities or services which generate Non-Ad Valorem Revenues, or (2) to pay the same from any other funds of the Issuer, except from the Pledged Revenues, and to the extent budgeted and appropriated therefor, the Non-Ad Valorem Revenues, all in the manner provided herein and in the Original Resolution.

The Series 2019 Bond shall not constitute a lien upon any property of the Issuer, but shall constitute a lien only on the Pledged Revenues on a parity with the Parity Obligations and any Additional Parity Obligations hereafter issued, all in the manner provided herein and in the Original Resolution.

(Q) It is necessary and desirable to provide for the securing of the Series 2019 Bond, the issuance of the Series 2019 Bond and the taking of all other action in connection therewith.

(R) It is necessary and desirable to approve the estimated costs of issuance to be paid by the Issuer in connection with the delivery of the Series 2019 Bond.

(S) The Financial Advisor, after discussing terms upon which they would purchase the Series 2019 Bond with several potential purchasers, is recommending the Issuer award the Series 2019 Bond in a negotiated sale to the Lender pursuant to the terms in the Proposal.

(T) The Issuer has received an offer from the Lender to purchase the Series 2019 Bond.

Section 4. Authorization of Series 2019 Bond, Authorization of Refunding of Refunded Bonds, Authorization of Series 2019 Project.

(A) Subject and pursuant to the provisions hereof and of the Original Resolution, an obligation of the Issuer to be known as the "City of Pensacola, Florida Urban Core Redevelopment Refunding and Improvement Revenue Bond, Series 2019" is hereby authorized to be issued under and secured by the Resolution in A principal amount not to exceed \$58,200,000 for the purposes of financing the advance refunding of the Refunded Bonds and the Series 2019 Project and paying the costs of issuing the Series 2019 Bond. Such Series 2019 Bond shall be issued as an "Additional Parity Obligation" under the Original Resolution. The Series 2019 Bond shall not constitute BABs as defined in the Original Resolution.

(B) The advance refunding and defeasance of the Refunded Bonds in accordance with the terms of the Original Resolution and the Escrow Deposit Agreement hereinafter authorized are hereby authorized.

(C) The financing and/or reimbursing of the Series 2019 Project is hereby authorized. The City Council and the proper officers of the Issuer are hereby directed to take all action and steps deemed necessary to construct the Series 2019 Project, which are not inconsistent with the terms and provisions of this Resolution.

Section 5. Award of Series 2019 Bond.

Because of the characteristics of the Series 2019 Bond, prevailing and expected market conditions it is in the best interest of the Issuer and shall effectuate the purpose of Chapter 163, Part III, Florida Statutes to accept the offer of the Lender to purchase the Series 2019 Bond at a private negotiated sale. Prior to the issuance of the Series 2019 Bond, the Issuer shall receive from the Lender a Lender's Certificate, in substantially the form attached hereto as Exhibit B and a Disclosure Letter containing the information required by Section 218.385, Florida Statutes, in substantially the form attached hereto as Exhibit C.

The Issuer hereby accepts the Proposal of the Lender; provided, however, in the event of any inconsistencies as between such Proposal and the Series 2019 Bond and the Resolution, the provisions of the Series 2019 Bond and the Resolution shall control.

Section 6. The Resolution to Constitute Contract.

In consideration of the acceptance of the Series 2019 Bond authorized to be issued hereunder by those who shall be Registered Owners of the same from time to time, the Resolution shall be deemed to be and shall constitute a contract between the Issuer and such Registered Owners.

Section 7. Description of the Series 2019 Bond.

The Series 2019 Bond shall be dated the Date of Delivery and shall be subject to the following terms:

(A) Principal Amount. The Series 2019 Bond shall be in a principal amount not to exceed \$58,200,000.

(B) Interest Rate. The interest rate on the Series 2019 Bond shall be a fixed rate equal to 3.40% per annum. Interest on the Series 2019 Bond shall be calculated using a 360-day year consisting of twelve 30-day months and shall be paid by wire transfer or other medium acceptable to the Issuer and the Lender.

(C) Principal and Interest Payment Dates. Principal on the Series 2019 Bond shall be paid annually on each Principal Payment Date, in amounts specified in Schedule 1 attached to the Series 2019 Bond, and shall mature on the Maturity Date. Interest on the Series 2019 Bond shall be paid semi-annually on each Interest Payment Date.

(D) Prepayment of the Series 2019 Bond. The Issuer may prepay the Series 2019 Bond in whole on or in part on any date prior to the tenth anniversary of the date of issuance thereof, upon at least 10 days prior written notice to the Registered Owner subject to the "make whole" provisions provided in Schedule 2 attached to the Series 2019 Bond. The Issuer may prepay the Series 2019 Bond in whole or in part on any Payment Date on or after the tenth anniversary of the date of issuance upon at least 10 days prior written notice to the Registered Owner at a price of par plus accrued interest to the date of prepayment. All prepayments in part shall be applied against principal amortization installments in such order as determined by the Issuer.

(E) Form of Series 2019 Bond. The Series 2019 Bond shall be in substantially the form attached hereto as Exhibit A, with such variations, omissions and insertions as may be necessary, desirable and authorized or permitted by this Resolution. The Mayor is hereby authorized to approve the final principal amortization schedule attached as Schedule 2 to the Series 2019 Bond as shall comply with the terms of the Original Resolution and shall be accepted by the Lender; provided that the aggregate principal amount of the Series 2019 Bond shall not exceed \$58,200,000.

(F) Original Denomination. The Series 2019 Bond shall originally be issued in a single denomination in an amount equal to the original principal amount authorized hereunder.

Section 8. Execution and Delivery of Series 2019 Bond.

Notwithstanding the provisions of Section 8 of the Original Resolution and pursuant to Section 4.01(1) of its Charter, the Issuer hereby authorizes the Mayor to execute the Series 2019 Bond, such execution to be attested under seal by the City Clerk, approved as to content by the Chief Financial Officer and designated as legal in form and valid as drawn by the City Attorney

and further authorizes the Mayor to deliver the Series 2019 Bond to the Lender, and to take such other actions as shall be necessary to consummate the loan. In case any one or more of the officers who shall have signed or sealed the Series 2019 Bond or whose facsimile signature shall appear thereon shall cease to be such officer of the Issuer before the Series 2019 Bond so signed and sealed has been actually sold and delivered, such Series 2019 Bond may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Series 2019 Bond had not ceased to hold such office. The Series 2019 Bond may be signed and sealed on behalf of the Issuer by such person who at the actual time of the execution of such Series 2019 Bond shall hold the proper office of the Issuer, although, at the date of such Series 2019 Bond, such person may not have held such office or may not have been so authorized. The Issuer may adopt and use for such purposes the facsimile signatures of any such persons who shall have held such offices at any time after the date of the adoption of this Resolution, notwithstanding that either or both shall have ceased to hold such office at the time the Series 2019 Bond shall be actually sold and delivered

Section 9. Registration and Exchange of the Series 2019 Bond.

The Series 2019 Bond shall be in fully registered form. There shall be a Registrar who shall be responsible for maintaining the Register. The person in whose name ownership of a Series 2019 Bond is shown on the Register shall be deemed the Registered Owner thereof by the Issuer and the Registrar, who may treat the Registered Owner as the absolute owner of the Series 2019 Bond for all purposes, whether or not the Series 2019 Bond shall be overdue, and any notice to the contrary shall not be binding upon the Issuer or the Registrar.

Ownership of the Series 2019 Bond may be transferred or assigned only as a whole and only upon the Register. Transfer of the Series 2019 Bond (i) shall be restricted to Permitted Lenders and (ii) is not permitted in the event the remaining principal amount outstanding of the Series 2019 Bond is less than \$100,000. The Series 2019 Bond shall contain a legend that provides that the Registered Owner thereof shall not transfer the Series 2019 Bond except as provided herein.

Upon surrender to the Registrar for transfer or exchange of the Series 2019 Bond accompanied by an assignment or written authorization for exchange, whichever is applicable, duly executed by the Registered Owner or its attorney duly authorized in writing, the Registrar shall deliver in the name of the transferee a new fully registered Series 2019 Bond of the same amount, maturity and interest rate as the Series 2019 Bond surrendered. Provided, however, that any assignment or transfer by the Registered Owner of the Series 2019 Bond shall be in whole and not in part.

The Series 2019 Bond presented for transfer, exchange, redemption or payment (if so required by the Issuer or the Registrar) shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guaranty of signature satisfactory to the Registrar, duly executed by the Registered Owner or by his duly authorized attorney.

The Issuer and the Registrar may charge the Registered Owner a sum sufficient to reimburse them for any expenses incurred in making any exchange or transfer after the first such exchange or transfer following the delivery of such Series 2019 Bond. The Registrar or the Issuer may also require payment from the Registered Owner or his transferee, as the case may be, of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto by any governmental entity other than the Issuer. Such charges and expenses shall be paid before any such new Series 2019 Bond shall be delivered.

The new Series 2019 Bond delivered upon any registered transfer or exchange shall be a valid obligation of the Issuer, evidencing the same debt as the Series 2019 Bond surrendered, shall be secured under this Resolution, and shall be entitled to all of the security and benefits hereof to the same extent as the Series 2019 Bond surrendered.

Whenever a Series 2019 Bond shall be delivered to the Registrar for cancellation, upon payment of the principal amount thereof, or for replacement, transfer or exchange, such Series 2019 Bond shall be cancelled and destroyed by the Registrar, and counterparts of a certificate of destruction evidencing such destruction shall be furnished to the Issuer.

Section 10. Application of Provisions of the Original Resolution.

(A) The Series 2019 Bond shall for all purposes be considered upon issuance to be an "Additional Parity Obligation" and a "Bond" issued under the authority of the Original Resolution, and shall be entitled to all the protection and security provided therein for the Parity Obligations with respect to the Pledged Revenues, and shall be in all respects entitled to the same security, rights and privileges enjoyed by the Parity Obligations with respect to the Pledged Revenues; provided that, anything provided in the Resolution to the contrary notwithstanding, the Series 2019 Bond shall not share in any subaccount of the Reserve Account hereafter established for any Additional Parity Obligations hereafter issued unless the resolution authorizing the same expressly provides otherwise.

The covenants and pledges contained in the Original Resolution shall be applicable to the Series 2019 Bond in like manner as applicable to the Parity Obligations, except to the extent the same are applicable in accordance with the terms of the Original Resolution solely to the Parity Obligations and except as specifically set forth therein and herein. The principal of and interest on the Series 2019 Bond shall be payable from the applicable funds and accounts established pursuant to the Original Resolution, all as provided herein and in the Original Resolution, on a parity with the Parity Obligations and any Additional Parity Obligations hereafter issued. The Pledged Revenues shall be deposited in the Revenue Fund as provided in the Original Resolution and applied to the payment of the Series 2019 Bond, on a parity with the Parity Obligations and any Additional Parity Obligations hereafter issued.

The Series 2019 Bond shall not be entitled to payment from any moneys in the Reserve Account or any subaccount of the Reserve Account hereafter established and no deposit to any subaccount of the Reserve Account is being made with respect to the Series 2019 Bond. Whenever

the moneys in the Sinking Fund are insufficient for payment of all amounts due thereunder, any amounts therein shall be applied ratably to all of the Bonds outstanding, including the Series 2019 Bond; provided, however, moneys in any subaccount of the Reserve Account hereafter established shall be applied solely to pay the Bond Service Requirement in respect to such Additional Parity Obligations then outstanding entitled to payment from such subaccount, which shall not include the Series 2019 Bond.

(B) Upon the issuance of the Series 2019 Bond, the Issuer shall, in each month thereafter, increase the amounts of the deposits from Pledged Revenues in the Revenue Fund on a parity with the other payments to the Sinking Fund pursuant to Section 15.C. of the Original Resolution to provide for the payment of the principal (including principal amortization installments) and interest required in respect of the Series 2019 Bond.

(C) The gross amount required to pay principal of or interest and principal amortization installments on the Series 2019 Bond on any payment date shall be deposited in trust for such purposes with the Paying Agent in immediately available funds on such payment date. In accordance with the Original Resolution, any provision hereof to the contrary notwithstanding, so long as the Issuer is not in default in the payment of principal, premium, if any, and interest on the Bonds, then the failure to deposit the Pledged Revenues into the Revenue Fund and Sinking Fund in the amounts required hereunder and under the Original Resolution shall not be deemed a default thereunder or hereunder so long as the full amount of such deposits necessary to make all such payments with respect to the Bonds are deposited in such funds on or prior to the date such payments are due.

Section 11. Additional Covenants.

Until the principal of and interest on the Series 2019 Bond shall have been paid in full or provision for payment of the Series 2019 Bond shall have been made in accordance with the provisions of the Resolution, the Issuer covenants with the Registered Owner of the Series 2019 Bond as follows:

(A) Disposition of Pledged Revenues. To the extent permitted by the Original Resolution and applicable law, those portions of the Tax Increment Revenues paid by Escambia County, Florida and the Downtown Improvement Board shall be deposited to the credit of the Sinking Fund and used to pay the Bond Service Requirement on the Series 2019 Bond prior to that portion of the Tax Increment Revenues paid by the City. To the extent Tax Increment Revenues and other amounts therein are insufficient to make such payments, the Issuer shall deposit prior to each Payment Date, Non-Ad Valorem Revenues budgeted and appropriated therefor as provided in Section 12 hereof sufficient to cause the amount on deposit in the Principal Account and Interest Account, respectively, to be sufficient to pay the principal of and interest on the Series 2019 Bond becoming due and payable on such Payment Date.

Pursuant to Section 15.C.(6) of the Original Resolution, Tax Increment Revenues in excess of the amounts necessary to make the deposits required hereby and by the Original Resolution

may be used by the Agency and the Issuer for any lawful purpose of the Urban Core Community Redevelopment Trust Fund and of the Issuer, respectively.

(B) Tax Covenant. Neither the Issuer, nor any third party over whom the Issuer has control, will make any use of, or permit an omission of use, of the proceeds of the Series 2019 Bond at any time during the term of the Series 2019 Bond which would cause the Series 2019 Bond to be (a) a "private activity bond" within the meaning of Section 103(b)(1) of the Code or (b) an "arbitrage bond" within the meaning of Section 103(b)(2) of the Code. The Issuer covenants throughout the term of the Series 2019 Bond to comply with the requirements of the Code and the Regulations, as amended from time to time, and to take all actions, and to not permit the omission of any actions, necessary to maintain the exclusion from gross income for purposes of the Code of interest on the Series 2019 Bond, including, without limitation, the payment of arbitrage rebate, if required.

The Issuer hereby makes each of the representations, warranties and covenants contained in the Tax Certificate. By this reference, all terms, conditions, and covenants in said Tax Certificate are incorporated in and made a part of this Resolution.

(C) Financial Statements. The Issuer shall provide to the Lender, at no cost to the Lender, audited financial statements of the Issuer prepared in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States for each Fiscal year thereof within five (5) days of receipt, but no later than 180 days after the close of such Fiscal Year.

(D) Annual Budget and Other Information. The Issuer will prepare its annual budget in accordance with the Act, and will provide at no cost to the Lender a copy of its final annual budget for each Fiscal Year within thirty (30) days of the beginning of each Fiscal Year, and the Issuer shall provide the Lender such other financial or public information as the Lender may reasonably request.

(E) Additional Debt. The Issuer covenants and agrees that it will not issue debt obligations which are secured by or payable from Non-Ad Valorem Revenues unless its Non-Ad Valorem Revenues for the most recent two (2) Fiscal Years for which audited financial statements are available (average of actual receipts over the prior two (2) years) plus reasonably projected receipts of any new source of Non-Ad Valorem Revenues that has been levied to the extent not fully reflected in such audited financial statements less Non-Ad Valorem Revenues arising from and accounted for in any enterprise fund of the Issuer (except those funds which have been transferred from any retained earnings of such enterprise fund to the Issuer's general fund for general fund expenditure) shall equal at least two (2.0) times the combined Maximum Annual Non-Ad Valorem Debt Service on all Non-Ad Valorem Revenue Obligations, including Non-Ad Valorem Revenue Obligations proposed to be issued.

Debt service on any Non-Ad Valorem Revenue Obligations shall be computed in accordance with the requirements of the documents under which such portion of the Non-Ad Valorem Revenue Obligations were issued or incurred; provided, however, that for purposes of this Section 12.E., interest on any Non-Ad Valorem Revenue Obligations which bear interest at a variable rate of interest shall be deemed to bear interest at the greater of (i) 1.25 times the most recent 20 Bond Index published by *The Bond Buyer*, or (ii) 1.25 times actual average interest rate during the prior Fiscal Year of the Issuer. The maximum annual debt service on Non-Ad Valorem Revenue Obligations, whether bearing interest at a fixed or variable interest rate, constituting Balloon Indebtedness, shall be determined assuming such Non-Ad Valorem Revenue Obligations are amortized over 20 years from the date of original issuance on an approximately level debt service basis. For purposes of the foregoing sentence, "Balloon Indebtedness" means Non-Ad Valorem Revenue Obligations, 25% or more of the original principal of which matures during any one Fiscal Year.

(F) No Impairment. The Issuer covenants with the Registered Owner that it will not, without the written consent of the Registered Owner, enact any ordinance or adopt any resolution which repeals, impairs, or modifies in any manner adverse to the Registered Owner the Tax Increment Revenues.

(G) Receipt of Pledged Revenues. The Issuer covenants to do all things necessary or required on its part by the Act, or other applicable provisions of law, to enforce the collection and receipt of the Tax Increment Revenues. The Issuer shall exercise all legally available remedies to enforce such collection and receipt now or hereafter available under law.

(H) Expenditure of Proceeds. Proceeds of the Series 2019 Bond shall be expended only for costs which are eligible for payment from Tax Increment Revenues.

Section 12. Covenant to Budget and Appropriate.

To the extent that receipts of the Pledged Revenues are insufficient in any Fiscal Year to pay the Bond Service Requirement on the Series 2019 Bond, the Issuer covenants to budget and appropriate sufficient Non-Ad Valorem Revenues to cure such deficiency. Nothing herein shall be deemed to pledge ad valorem taxation revenues or to permit or constitute a mortgage or lien upon any assets or property owned by the Issuer, and neither the Lender nor any other person may compel the levy of ad valorem taxes on real or personal property within the boundaries of the Issuer for the purpose of making up such deficiency or maintain or continue any program or services which generate Non-Ad Valorem Revenues. The obligations hereunder do not constitute a general obligation indebtedness of the Issuer within the meaning of any constitutional, statutory or charter provision or limitation, and neither the Lender nor any other person shall have the right to compel the exercise of the ad valorem taxing power of the Issuer or taxation of any real or personal property therein for the payment by the Issuer of its obligations hereunder. Except to the extent expressly set forth herein, this Resolution and the obligations of the Issuer hereunder shall not be construed as a limitation on the ability of the Issuer to pledge or covenant to budget and appropriate said Non-Ad Valorem Revenues or any revenues or taxes of the Issuer for other

legally permissible purposes. Notwithstanding any provisions of this Resolution or the Series 2019 Bond to the contrary, the Issuer shall never be obligated to maintain or continue any of the activities of the Issuer which generate user service charges, regulatory fees or any Non-Ad Valorem Revenues or the rates for such services or regulatory fees. Neither this Resolution nor the obligations of the Issuer hereunder shall be construed as a pledge of or a lien on all or any Non-Ad Valorem Revenues of the Issuer other than Pledged Revenues, but shall be payable solely as provided in this Section and are subject in all respects to the provisions of Section 166.241, Florida Statutes, and are subject, further, to the funding of services and programs which are for essential public purposes affecting the health, welfare and safety of the inhabitants of the Issuer.

The amount of Non-Ad Valorem Revenues available to be budgeted and appropriated to make the Bond Service Requirements with respect to the Series 2019 Bond hereunder are subject to the satisfaction of funding requirements for obligations secured by an express pledge of or lien on Non-Ad Valorem Revenues and funding of essential governmental services of the Issuer; however, such obligation to pay the Bond Service Requirements of the Series 2019 Bond is cumulative and would carry over from Fiscal Year to Fiscal Year.

Section 13. Application of Proceeds of Series 2019 Bond.

Simultaneously with the delivery of the Series 2019 Bond to the Lender, proceeds of the Series 2019 Bond shall be applied as follows:

(A) The Issuer shall pay all costs and expenses in connection with the preparation, issuance and sale of the Series 2019 Bond.

(B) Proceeds of the Series 2019 Bond, together with other legally available funds of the Issuer provided for such purpose, including funds held in the funds and accounts established under the Original Resolution for the payment of the Refunded Bonds, sufficient to defease the Refunded Bonds and to pay other costs in connection with the Refunded Bonds shall be deposited in the Escrow Account established under the Escrow Deposit Agreement, all as set forth and as directed by the terms of the Escrow Deposit Agreement.

(C) Proceeds of the Series 2019 Bond remaining after application pursuant to (A) and (B) above shall be deposited into a separate account of the Issuer hereby created and established to be known as the "City of Pensacola, Florida, Urban Core Redevelopment Refunding and Improvement Revenue Bond, Series 2019 Project Fund" (the "Project Fund") and shall be used by the Issuer to pay Project Costs. Monies in the Project Fund shall be invested in Authorized Investments, and all income derived therefrom shall be deposited in the Project Fund until the Series 2019 Project has been completed, at which time such income, together with any balance remaining in the Project Fund, shall be deposited to the credit of the Sinking Fund and used to pay principal of and interest on the Series 2019 Bond.

To the extent there are no other available funds held hereunder, the Issuer shall use any remaining funds in the Project Fund to pay principal of and interest on the Series 2019 Bond.

Such fund shall be kept separate and apart from all other funds of the Issuer and the moneys on deposit therein shall be withdrawn, used and applied by the Issuer solely for the purposes set forth herein. Such proceeds shall be and constitute trust funds for such purpose and there is hereby created a lien in favor of the Series 2019 Bond upon such money until so applied by the Issuer solely for the purposes set forth herein.

Section 14. Amendment.

This Resolution shall not be modified or amended in any respect subsequent to the issuance of the Series 2019 Bond, except with the written consent of the Registered Owner.

Section 15. Limitation of Rights.

With the exception of any rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Resolution or the Series 2019 Bond is intended or shall be construed to give to any person other than the Issuer and the Registered Owner any legal or equitable right, remedy, or claim under or with respect to this Resolution or any covenants, conditions, and provisions herein contained; this Resolution and all of the covenants, conditions, and provisions hereof being intended to be and being for the sole and exclusive benefit of the Issuer and the Registered Owner.

Section 16. Events of Default; Notice and Remedies.

(A) Events of Default. The following shall be "Events of Default" hereunder, and the terms "Default" and "Events of Default" shall mean (except where the context clearly indicates otherwise), any one or more of the following events:

(1) Failure by the Issuer to make any payment of principal of or interest on the Series 2019 Bond within five (5) days of the date due.

(2) Failure by the Issuer to observe and perform any other covenant, condition or agreement on its part to be observed or performed hereunder or under the Original Resolution for a period of thirty (30) days after written notice of such failure was or was by the terms hereof required to be delivered to the Issuer by the Registered Owner, unless the Registered Owner shall agree in writing to an extension of such time prior to its expiration;

(3) The making of any warranty, representation or other statement by the Issuer or by an officer or agent of the Issuer herein or in any instrument furnished in compliance with or in reference to the Resolution which is false or misleading in any material adverse respect;

(4) The filing of a petition against the Issuer or the Agency under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, if an order for relief is entered under such petition or such petition is not dismissed within ninety (90) days of such filing;

(5) The filing by the Issuer or the Agency of a voluntary petition in bankruptcy or seeking relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or the consent by the Issuer or the Agency to the filing of any petition against it under such law; or

(6) The admission by the Issuer or the Agency of its insolvency or bankruptcy or its inability to pay its debts as they become due or that it is generally not paying its debts as such debts become due, or the Issuer's or Agency's becoming insolvent or bankrupt or making an assignment for the benefit of creditors, or the appointment by court order of a custodian (including without limitation a receiver, liquidator or trustee) of the Issuer or any of its property taking possession thereof and such order remaining in effect or such possession continuing for more than sixty (60) days.

In accordance with Section 15.G. of the Original Resolution, the Registered Owner of the Series 2019 Bond may either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights, including the right to the appointment of a receiver, existing under the laws of the State, or granted and contained in the Original Resolution, and may enforce and compel the performance of all duties required in the Original Resolution or by any applicable statutes to be performed by the Issuer or any officer thereof.

(B) Notice of Defaults. The Issuer shall within five (5) Business Days after it acquires knowledge thereof, notify the Registered Owner of the Series 2019 Bond in writing (a) upon the happening, occurrence, or existence of any Event of Default that the Registered Owner is not otherwise aware of, or (b) any event or condition which with the passage of time or giving notice, or both, would constitute an Event of Default, and shall provide the Registered Owner of the Series 2019 Bond, with such written notice, a detailed statement by the Chief Financial Officer of all relevant facts and the action being taken or proposed to be taken by the Issuer with respect thereto. Regardless of the date of receipt of such notice by the Registered Owner of the Series 2019 Bond, such date shall not in any way modify the date of occurrence of the actual Event of Default.

(C) Remedies. For all Events of Default, the Registered Owner may sue to protect and enforce any and all rights, including the right to specific performance, existing under the laws of the State, of the United States of America, or granted and contained herein, and to enforce and compel the performance of all duties required by the Resolution or by any applicable laws to be performed by the Issuer, the City Council or by any officer thereof, and may take all steps to enforce the Resolution or the Issuer's rights under the Interlocal Agreement to the full extent permitted or authorized by the laws of the State or the United States of America. The Issuer hereby agrees to reimburse the Registered Owner for all reasonable legal and collection costs incurred by the Registered Owner in connection with the exercise of any remedies hereunder. The Registered Owner may exercise any remedies under the Resolution without any consent of any other holder, owner or creditor of any Bonds issued under the Resolution.

The right to accelerate and to declare immediately due and payable all or any portion of the principal of the Series 2019 Bond upon the occurrence of an Event of Default ("Right of Acceleration") shall not be a remedy hereunder; unless, however, any Additional Parity Obligation issued in accordance with the terms hereof or the Original Resolution includes a Right of Acceleration. The Issuer shall provide notice thereof to the Registered Owner within ten (10) days of the delivery of such Additional Parity Obligation, together with a copy of any loan document, security agreement, or other agreement evidencing such Additional Parity Obligation. Upon the execution and delivery of an Additional Parity Obligation that includes the Right of Acceleration as a remedy, the Right of Acceleration shall be a remedy hereunder from and after the effective date of such Additional Parity Obligation for so long as such obligation is outstanding, regardless of whether the Issuer fails to provide such notice.

The Issuer and the Registered Owner each waives, to the fullest extent permitted by law, any right to trial by jury in respect of any litigation based upon the Series 2019 Bond or arising out of, under or in conjunction with the Series 2019 Bond or the Resolution.

Section 17. Severability.

If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Series 2019 Bond issued hereunder.

Section 18. Business Days.

In any case where the date for making any payment or the last date for performance of any act or the exercise of any right, as provided herein, shall be other than a Business Day, then such payment or performance shall be made on the succeeding Business Day with the same force and effect as if done on the nominal date provided herein, provided that interest on any monetary obligation hereunder shall accrue at the applicable rate to and including the date of such payment.

Section 19. Applicable Provisions of Law.

This Resolution shall be governed by and construed in accordance with the laws of the State.

Section 20. Rules of Interpretation.

Unless expressly indicated otherwise, references to sections or articles are to be construed as references to sections or articles of this instrument as originally executed. Use of the words "herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter," and other equivalent words refer to this Resolution and not solely to the particular portion in which any such word is used.

Section 21. Captions.

The captions and headings in this Resolution are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Resolution.

Section 22. No Personal Liability.

No recourse shall be had for the payment of the principal of and interest on the Series 2019 Bond or for any claim based on the Series 2019 Bond or hereon, against any present or former member, officer or employee of the City Council or the City or any person executing the Series 2019 Bond.

Section 23. Approval of Escrow Deposit Agreement; Appointment of Escrow Holder and Verification Agent.

The form of the Escrow Deposit Agreement attached hereto as Exhibit E, is hereby approved, subject to such changes, insertions and omissions and such filling of blanks therein as may be made in such form and approved by the Mayor, such execution and delivery to be conclusive evidence of such approval. The Escrow Deposit Agreement shall be executed in the name of the Issuer by the Mayor, attested under seal by the City Clerk, approved as to substance by the Chief Financial Officer, and designated legal in form and valid as drawn by the City Attorney. The Escrow Deposit Agreement may be signed and sealed on behalf of the Issuer by any person who at the actual time of the execution of such Escrow Deposit Agreement shall hold the appropriate office of the Issuer, although at the date thereof the person may not have been so authorized. TD Bank, N.A. is hereby appointed as Escrow Holder under the Escrow Deposit Agreement. Integrity Public Finance Consulting LLC is hereby appointed as Verification Agent with respect to the defeasance of the Refunded Bonds.

Subject to the execution and delivery of the Series 2019 Bond, the Issuer hereby elects to irrevocably call the Refunded Bonds for early redemption on April 1, 2020, or such other date as determined by the Mayor in the Escrow Deposit Agreement (the "Refunded Bonds Redemption Date"). The Issuer directs TD Bank, N.A., in its capacity as Paying Agent for the Refunded Bonds (the "2009B Paying Agent"), to mail a notice of the redemption of the Refunded Bonds not less than thirty (30) days prior to such redemption date to each holder thereof in accordance with the requirements of Section 11 of the Original Resolution, in the form to be prepared by Bond Counsel. Furthermore, upon issuance of the Series 2019 Bond, the Issuer hereby directs the 2009B Paying Agent to mail a notice of defeasance to each holder of the Refunded Bonds in the form to be prepared by Bond Counsel.

Section 24. Approval of Interlocal Agreement.

The form of Interlocal Agreement between the Issuer and the Agency and relating to the Series 2019 Bond, attached hereto as Exhibit E, is hereby approved. The Interlocal Agreement with such non-material omissions, insertions and variations as may be necessary and/or desirable and approved by the Mayor, the City Administrator, City Attorney, the Clerk or the Chief

Financial Officer prior to the execution thereof, which necessity and/or desirability and approval shall be presumed by the execution thereof by the Mayor. The Issuer hereby authorizes the Mayor to execute the Interlocal Agreement, such execution to be attested under seal by the City Clerk, approved as to content by the Chief Financial Officer and designated as legal in form and valid as drawn by the City Attorney.

Section 25. Authorizations.

The Mayor, City Administrator, City Attorney, the Clerk, the Chief Financial Officer and such other authorized officers, employees and agents of the Issuer are each designated agents of the Issuer in connection with the issuance, execution and delivery of the Series 2019 Bond, the refunding and defeasance of the Refunded Bonds and the execution and delivery of the Interlocal Agreement and are authorized and empowered, collectively or individually, to take all actions and steps to execute and deliver any and all instruments, documents or contracts on behalf of the Issuer which are necessary or desirable in connection with the execution and delivery of the Series 2019 Bond, the refunding and defeasance of the Refunded Bonds and the Interlocal Agreement and which are not inconsistent with the terms and provisions hereof and other actions relating to the Series 2019 Bond and the Interlocal Agreement heretofore taken by the Issuer.

Section 26. Repealer.

This Resolution supersedes all prior actions of City Council inconsistent herewith. All resolutions or portions thereof in conflict with the provisions of this Resolution are hereby repealed to the extent of any such conflict; provided, however, that nothing herein shall effect any vested rights of the Holder or holders of the Parity Obligations.

Section 27. Amendment to Original Resolution.

Effective upon the payment, or redemption or defeasance pursuant to Section 17 of the Original Resolution of all of the 2009 Bonds, subsection 15.J.(b) of the Original Resolution is hereby amended in its entirety to read as follows:

(b) There shall have been filed with the City Council of the Issuer a certificate of the City's Chief Financial Officer (i) setting forth the amount of Tax Increment Revenues for the Fiscal Year immediately preceding the date of sale of the proposed Additional Parity Obligations or, if determined or determinable based upon the adopted final budgets of the applicable taxing authorities, for the Fiscal Year in which such Additional Parity Obligations are sold, and (ii) stating that the Tax Increment Revenues described in (i) above equal at least 1.25 times the Maximum Bond Service Requirement on all Bonds then outstanding and on the proposed Additional Parity Obligations with respect to which such certificate is made.

By acceptance of the Series 2019 Bond, the Lender, as the initial registered owner of the Series 2019 Bond, shall be deemed to have irrevocably consented in writing to the amendment to the Original Resolution provided in this Section.

[Remainder of page intentionally left blank]

Section 27. Effective Date.

This Resolution shall become effective on the fifth business day after adoption, unless otherwise provided pursuant to Section 4.03(d) of the Charter of the Issuer.

Adopted: July 18, 2019

[SEAL]

Approved: _____
Andy Terhaar, Council President

ATTEST:

Ericka L. Burnett, City Clerk

EXHIBIT A

FORM OF SERIES 2019 BOND

TRANSFER OF REGISTRATION OF THIS BOND IS RESTRICTED AS HEREIN DESCRIBED AND AS DESCRIBED IN THE HEREIN DEFINED RESOLUTION.

No. R-1

\$ _____

**CITY OF PENSACOLA, FLORIDA
URBAN CORE REDEVELOPMENT REFUNDING
AND IMPROVEMENT REVENUE BOND,
SERIES 2019**

Interest Rate

3.40%

Maturity Date

December 31, 2043

Date of Issue

July 25, 2019

REGISTERED OWNER: BBVA MORTGAGE CORPORATION

PRINCIPAL AMOUNT: _____ DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that the City of Pensacola, Florida (the "Issuer"), for value received, hereby promises to pay to the Registered Owner designated above, or registered assigns, solely from the sources hereinafter mentioned, in installments, on the Principal Payment Dates indicated in Schedule 1 attached hereto and on the Maturity Date, or sooner as provided herein, the Principal Amount shown above and the interest on the outstanding Principal Amount hereof from the date of this Bond or from the most recent date to which interest has been paid, whichever is applicable, until payment of such Principal Amount, at the Interest Rate described above, with all unpaid interest being due on the Maturity Date or upon the earlier payment of principal hereunder upon presentation and surrender hereof at the office of the Chief Financial Officer for the Issuer, as Registrar and Paying Agent. The principal of, premium, if any, and interest on this Bond are payable in lawful money of the United States of America. Interest due hereon shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The Issuer may prepay this Bond in whole or in part on any date prior to July 25, 2029, upon at least 10 days prior written notice to the Registered Owner subject to the make-whole provisions provided in Schedule 2 hereof. The Issuer may prepay this Bond in whole or in part on an Payment Date after July 25, 2029 upon at least 10 days prior written notice to the Registered Owner at a price of par plus accrued interest to the date of prepayment.

This Bond is being issued in the principal amount \$_____ to finance the cost of advance refunding the Issuer's outstanding Redevelopment Revenue Bonds, Series 2009B (Federally Taxable – Build America Bonds – Direct Payment) and the costs of the Series 2019 Project of the Issuer under the authority of and in full compliance with the Constitution of the State of Florida, Chapter 163, Part III, Florida Statutes, Chapter 166, Part II, Florida Statutes, the municipal charter of the Issuer and other applicable provisions of law, and Resolution No. 33-09 (“Resolution No. 33-09”), duly adopted by the City Council of the Issuer on October 8, 2009, as amended and supplemented, and as particularly supplemented by Resolution No. 2019-31 (“Resolution No. 2019-31”), duly adopted by the City Council of the Issuer on July 18, 2019 (collectively, the "Resolution"), to which reference should be made to ascertain those terms and conditions. The terms and provisions of the Resolution, including, without limitation, the definitions therein, are hereby incorporated as a part of this Bond. The principal of this Bond shall be disbursed by the Registered Owner hereof to the Issuer in immediately available funds on the Date of Issue in accordance with the Resolution.

This Bond is payable from and secured solely by the Pledged Revenues consisting primarily of the Tax Increment Revenues and, to the extent Tax Increment Revenues are insufficient to pay the Bond Service Requirements of this Bond under the Resolution, from certain Non-Ad Valorem Revenues budgeted and appropriated to cure such deficiencies, all in the manner provided in, and subject to the terms and conditions of, the Resolution. The lien upon and pledge of the Pledged Revenues securing this Bond is on a parity with the Issuer's outstanding Redevelopment Revenue Bonds, Series 2009A and Urban Core Redevelopment Revenue Bond, Series 2017 (collectively, the "Parity Obligations") and any Additional Parity Obligations hereafter issued, all in the manner provided in the Resolution. Anything provided in the Resolution to the contrary notwithstanding, this Bond shall not be entitled to payment from moneys in the Reserve Account and no deposit to the Reserve Account is being made with respect to this Bond.

The principal of and interest on this Bond and all required Sinking Fund and other payments shall be limited obligations of the Issuer, payable solely from and secured by an irrevocable lien upon and pledge of the Pledged Revenues on a parity with the Parity Obligations and any Additional Parity Obligations hereafter issued in accordance with the Resolution, as provided the Resolution, and to the extent Pledged Revenues are insufficient, from certain Non-Ad Valorem Revenues budgeted and appropriated for such purposes, all as further described in the Resolution. This Bond shall not constitute an indebtedness, liability, general or moral obligation, or a pledge of the faith, credit or taxing power of the Issuer, the State, or any political subdivision or public agency thereof, within the meaning of any constitutional or statutory provisions. Neither the State of Florida, nor any political subdivision or public agency thereof, nor the Issuer shall be obligated (1) to levy ad valorem taxes on any property to pay the principal hereof, the interest hereon, or other costs incidental hereto or to continue or maintain activities or services which generate Non-Ad Valorem Revenues, or (2) to pay the same from any other funds of the Issuer, except from the Pledged Revenues, and to the extent budgeted and appropriated therefor, the Non-Ad Valorem Revenues, all in the manner provided in the

Resolution. Reference is made to the Resolution for the provisions relating to the security for payment of this Bond and the duties and obligations of the Issuer hereunder.

The Registered Owner may sue to protect and enforce any and all rights, including the right to specific performance, existing under the laws of the State of Florida, of the United States of America, or granted and contained in the Resolution, and to enforce and compel the performance of all duties required by the Resolution or by any applicable laws to be performed by the Issuer, the City Council or by any officer thereof, and may take all steps to enforce the Resolution to the full extent permitted or authorized by the laws of the State of Florida or the United States of America.

The Issuer waives its right to trial by jury in the event of any proceedings in state or federal courts to enforce the terms of this Bond or of the Resolution, and the Registered Owner, by its acceptance of this Bond, waives its right to trial by jury in any such proceedings.

In and by the Resolution the Issuer has made certain covenants and agreements with the Registered Owner of the Bond, and reference is hereby made to the Resolution for a description of such covenants and agreements. Pursuant to the Resolution, the Issuer has reserved the right to issue Additional Parity Obligations, payable on a parity with this Bond, in the manner, and upon the terms and conditions provided in the Resolution.

Ownership of this Bond may be transferred or assigned only as a whole and only upon the Register. Transfer of this Bond (i) shall be restricted to Permitted Lenders and (ii) is not permitted in the event the remaining principal amount outstanding thereof is less than \$100,000.

By acceptance hereof, the Registered Owner hereof is deemed to have irrevocably consented in writing to the amendment to Resolution No. 33-09 provided in Section 26 of Resolution No. 2019-31.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of the State of Florida to be performed, to exist and to happen precedent to and in the issuance of this Bond, have been performed, exist and have happened in regular and due form and time as so required.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the City of Pensacola, Florida, has issued this Bond and has caused the same to be executed by the manual signature of the Mayor, attested under seal by the City Clerk, approved as to substance by the Chief Financial Officer, and designated legal in form and valid as drawn by the City Attorney, as of the Dated Date set forth above.

CITY OF PENSACOLA, FLORIDA

[SEAL]

By: _____
Grover C. Robinson, IV, Mayor

ATTEST:

By: _____
Ericka L. Burnett City Clerk

Approved as to Substance:

By: _____
Richard Barker, Jr.
Chief Financial Officer

Legal in Form and Valid as Drawn:

By: _____
Susan Woolf
City Attorney

CERTIFICATE OF AUTHENTICATION OF REGISTRAR

This Bond constitutes the Urban Core Redevelopment Refunding and Improvement Revenue Bond, Series 2019, as herein described. The Principal Amount, Interest Rate, Maturity Date and Registered Owner shown above are correct in all respects and have been recorded, along with the applicable federal taxpayer identification number and the address of the Registered Owner, in the Register maintained at the principal office of the undersigned.

CHIEF FINANCIAL OFFICER OF THE
CITY OF PENSACOLA, FLORIDA, as
Registrar

Date of Authentication

SCHEDULE 1 TO SERIES 2019 BOND

BOND SERVICE REQUIREMENTS FOR THE SERIES 2019 BOND

Principal Payment Date (April 1)	Amortization Installment
2021	\$
2022	
2023	
2024	
2025	
2026	
2027	
2028	
2029	
2030	
2031	
2032	
2033	
2034	
2035	
2036	
2037	
2038	
2039	
2040	
2041	
2042	
December 31, 2043*	
Total	\$

* Maturity Date

SCHEDULE 2
SERIES 2019 BOND
MAKE-WHOLE PROVISIONS

On any date on or after July 25, 2029, the Series 2019 Bond is subject to prepayment prior to maturity at the option of the Issuer, in whole or in part, upon not less than ten (10) days prior written notice to the Registered Owner, at a price of par plus accrued interest to the date of prepayment.

On any date prior to July 25, 2029, the Series 2019 Bond is subject to prepayment prior to maturity at the option of the Issuer, in whole or in part, upon not less than ten (10) days prior written notice to the Registered Owner; provided, however, if the Issuer makes any prepayment of the outstanding principal amount of the Series 2019 Bond pursuant to this paragraph, the Issuer shall pay to the Registered Owner a prepayment fee equal to the quotient of (i) the product of (a) AYD, times (b) Average Principal, times (c) Percent Prepaid, times (d) Days Remaining, divided by (ii) 360.

Definitions:

"**AYD**" means the difference (but not less than zero) between: (i) the U.S. Treasury constant maturity yield, as reported in the H.15 Report for the date on which the Series 2019 Bond was issued, for a maturity that is the same as the term of the Series 2019 Bond upon issuance (rounded to the nearest whole number of months) or, if no such maturity is reported, an interpolated yield based on the reported maturity that is next shorter than, and the maturity reported that is next longer than, the term of the Series 2019 Bond upon issuance, and (ii) the U.S. Treasury constant maturity yield, as reported in the H.15 Report for the Prepayment Date for a maturity that is the same as the remaining term of the Series 2019 Bond at the Prepayment Date (rounded to the nearest whole number of months) or, if no such maturity is reported, then the interpolated yield using the method described in (i) above, but based on the remaining term of the Series 2019 Bond on the Prepayment Date. If the H.15 Report is not available for any day, then the H.15 Report for the immediately preceding day on which yields were last reported will be used.

"**H.15 Report**" means the Federal Reserve Board's Statistical Release H.15, "Selected Interest Rates". Weekly releases of, and daily updates to, H.15 Reports generally are available at the Federal Reserve Board's website, www.federalreserve.gov. If the H.15 Report is replaced or otherwise unavailable, the Registered Owner may designate the replacement report or another report reasonably comparable to the H.15 Report, which shall be used in place of the H.15 Report.

"**Average Principal**" means the simple average of (i) the principal balance on the Prepayment Date, and (ii) the principal balance scheduled, as of the Prepayment Date (taking into account any prior prepayments), but for the prepayment, to be due at the maturity date of the Series 2019 Bond (plus any accrued and unpaid fees or other sums owed under the Resolution or the Series 2019 Bond).

"Percent Prepaid" means the percentage determined by dividing the principal amount of the Series 2019 Bond being prepaid by the principal balance outstanding on the Prepayment Date.

"Days Remaining" means the number of days from the Prepayment Date through the maturity date of the Series 2019 Bond.

"Prepayment Date" means the date on which Registered Owner receives the prepayment.

The Issuer agrees that all loan fees and prepaid charges, if any, are earned fully as of the date of the Series 2019 Bond and will not be subject to refund, except as required by law. Subject to the prepayment conditions provided herein, the Issuer may prepay all or any part of the outstanding Series 2019 Bond. Prepayment in full shall consist of payment of the remaining principal amount outstanding, together with all accrued and unpaid interest and all other amounts, costs and expenses for which the Issuer is responsible under the Resolution or Series 2019 Bond. Prepayment in part shall consist of payment of any portion of the remaining principal amount outstanding. So long as the Lender is the Registered Owner of the Series 2019 Bond and unless otherwise agreed to by the Lender in writing and provided that the Issuer is current on all amounts due under the Resolution and Series 2019 Bond, payments applied to the repayment of the Series 2019 Bond before Lender's creation of a billing statement for the next payment due will be applied entirely to principal, and payments applied to the repayment of the Series 2019 Bond after the creation of such billing statement will be applied according to that billing statement. Unless otherwise agreed by the Lender in writing and provided that the Issuer is current on all amounts due, payments applied to the replacement of the Series 2019 Bond before Lender's creation of a billing statement for the next payment due shall not relieve the Issuer of the Issuer's obligation to continue making, uninterrupted, payments under the Series 2019 Bond. The Issuer agrees not to send any prepayments marked "paid in full", "without recourse", or similar language. If the Issuer sends such a payment, the Registered Owner may accept it without losing any of its rights under the Series 2019 Bond, and the Issuer will remain obligated to pay any further amounts owed or that may become owed to the Owner. So long as the Lender is the Registered Owner of the Series 2019 Bond, all written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount, must be mailed or delivered to: BBVA Mortgage Corporation, PO Box 3096, Birmingham AL 35202.

EXHIBIT B

FORM OF PURCHASER'S CERTIFICATE

We certify that the following are true and correct in relation to the loan by BBVA Mortgage Corporation (the "Lender") of \$_____ evidenced by the Urban Core Redevelopment Refunding and Improvement Revenue Bond, Series 2019 (the "Bond") dated July 25, 2019, and issued by the City of Pensacola, Florida (the "Issuer") pursuant to Resolution No. 33-09 duly adopted by the Issuer on October 8, 2009, as amended and supplemented, and as particularly supplemented by Resolution No. 2019-31, duly adopted by the Issuer on July 18, 2019 (the "Resolution"). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto by the Resolution.

1. The Lender is an "accredited investor" within the meaning of Regulation D under the Securities Act of 1933 (the "1933 Act") or a "qualified institutional buyer" (as defined under Rule 144A of the 1933 Act).

2. The Lender is a corporation that is engaged as a regular part of its business in making loans.

3. The Lender has made its own inquiry and analysis with respect to the Issuer, the Bond and the security therefor, and other material factors affecting the security for and payment of the Bond.

4. The Lender has received the financial information requested by the Lender from the Issuer in connection with the Bond and has been afforded the opportunity to examine such documents and receive such written information concerning the terms and conditions of the Bond and the financial condition and creditworthiness of the Issuer as the Lender has deemed necessary to receive in connection with determining whether to make the loan evidenced by the Bond.

5. The Lender has not relied upon any representations made by any officials of the Issuer, its agents, employees, counsel or representatives, in reaching its decision to make the loan evidenced by the Bond, other than the certificates, opinions, resolutions, or other documents executed in relation to the delivery to the Lender of the Bond, but has relied solely upon the documentation referred to in this and the preceding paragraph.

6. The Lender understands that (i) the loan is evidenced by the Bond, (ii) there is only one Bond and the aggregate principal amount of the Bond is the Principal Amount set forth on such Bond, (iii) the Bond may not be transferred except in whole, and (iv) any transfer (A) must be to a Permitted Lender, (B) is not permitted in the event the remaining principal amount outstanding of the Bond is less than \$100,000, and (C) is subject to consent of the Issuer, which consent shall not be unreasonably withheld.

“Permitted Lender” means any bank, trust company, savings institution, insurance company, dealer, investment company or qualified institutional buyer as contemplated by Section 517.061(7), Florida Statutes that is engaged as a regular part of its business in making loans and is authorized to do business in the State of Florida.

7. The Lender is not acting as a broker or other intermediary and is acquiring the Bond, as evidence of a privately negotiated loan, from its own capital for its own accounts and not with a view to the resale or other distribution of all or any part thereof or any interest therein to others.

8. The Lender acknowledges that it is permitted to transfer the Bond only upon compliance with the requirements of the Resolution and the Bond.

9. The interest rate established for the Bond was established at arms length between the Lender and the Issuer.

10. The Lender further represents, warrants and covenants that:

(i) it is not funding the loan represented by the Bond for the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of Chapter 517, Florida Statutes;

(ii) it understands that no CUSIP will be obtained with respect thereto;
and

(iii) it understands the Bond carries no rating from any credit rating agency.

This letter is furnished by us as Lender based solely on our knowledge on the day hereof and is solely for the benefit of the Issuer and Bryant Miller Olive P.A., as Bond Counsel for the Issuer, and may not be relied upon by or published or communicated to, any other person without our express written consent. The Lender disclaims any obligation to supplement this letter to reflect any facts or circumstances that may hereafter come to the Lender’s attention.

BBVA MORTGAGE CORPORATION

By: _____

Name: John Gormley

Title: Authorized Signatory

EXHIBIT C

FORM OF DISCLOSURE LETTER

The undersigned, as Lender, proposes to negotiate with the City of Pensacola, Florida (the "Issuer") for the private purchase of its \$_____ Urban Core Redevelopment Refunding and Improvement Revenue Bond, Series 2019 ("Series 2019 Bond"). Prior to the award of the Series 2019 Bond, the following information is hereby furnished to the Issuer:

1. Set forth is an itemized list of the nature and estimated amounts of expenses to be incurred for services rendered to us (the "Lender") in connection with the issuance of the Series 2019 Bond (such fees and expenses to be paid by the Issuer):

\$[_____]
Legal Fees

2. (a) No other fee, bonus or other compensation is estimated to be paid by the Lender in connection with the issuance of the Series 2019 Bond to any person not regularly employed or retained by the Lender (including any "finder" as defined in Section 218.386(1)(a), Florida Statutes), except as specifically enumerated as expenses to be incurred by the Lender, as set forth in paragraph 1 above.

(b) No person has entered into an understanding with the Lender, or to the knowledge of the Lender, with the Issuer, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the Issuer and the Lender or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Series 2019 Bond.

3. The amount of the underwriting spread expected to be realized by the Lender is \$0.

4. The management fee to be charged by the Lender is \$0.

5. Truth-in-Bonding Statement:

The Series 2019 Bond is being issued primarily to finance the advance refunding of the Issuer's Redevelopment Revenue Bonds, Series 2009B (Federally Taxable – Build America Bonds – Direct Payment) and the cost of the Series 2019 Project as defined in Resolution No. 2019-31 adopted by the Issuer on July 18, 2019 (the "2019 Resolution") and reimburse the Issuer for any Project Costs, as defined in the 2019 Resolution. Unless earlier prepaid, the Series 2019 Bond is expected to be repaid by December 31, 2043. At a fixed interest rate of 3.40%, total interest paid over the life of the Series 2019 Bond is projected to equal \$_____ and issuance of the Series 2019 Bond will result in a projected maximum of approximately \$_____ of Pledged

Revenues of the Issuer not being available to finance other services of the Issuer during the life of the Series 2019 Bond.

6. The name and address of the Lender is as follows:

BBVA Mortgage Corporation
5055 Bayou Boulevard
Pensacola, Florida 32503

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Letter on behalf of the Lender this 25th day of July, 2019.

BBVA MORTGAGE CORPORATION

By: _____

Name: John Gormley

Title: Authorized Signatory

EXHIBIT D

PROPOSAL OF LENDER

EXHIBIT E

FORM OF ESCROW DEPOSIT AGREEMENT

THIS ESCROW DEPOSIT AGREEMENT, dated as of July 25, 2019, by and between the CITY OF PENSACOLA, FLORIDA (the "Issuer"), and TD BANK, N.A., as Escrow Holder, and its successors and assigns (the "Escrow Holder");

WITNESSETH:

WHEREAS, the Issuer previously issued its Redevelopment Revenue Bonds, Series 2009B (Federally Taxable – Build America Bonds – Direct Payment) (the "Series 2009B Bonds"); and

WHEREAS, the Issuer now desires to advance refund all of the Series 2009B Bonds (the "Refunded Bonds") and has issued its Urban Core Redevelopment Refunding and Improvement Revenue Bonds, Series 2019 (the "Series 2019 Bonds") in part to finance such advance refunding; and

WHEREAS, the execution of this Escrow Deposit Agreement and full performance of the provisions hereof shall defease and discharge the Issuer's obligations relating to the Refunded Bonds; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Issuer and the Escrow Holder agree as follows:

SECTION 1. Definitions. As used herein, the following terms mean:

- (a) "Agreement" shall mean this Escrow Deposit Agreement.
- (b) "Bond Counsel" shall mean Bryant Miller Olive P.A., or any other law firm nationally-recognized in the area of public finance appointed by the Issuer.
- (c) "Escrow Account" shall mean the account hereby created and entitled Escrow Account established and held by the Escrow Holder pursuant to this Agreement in which cash and investments will be held for payment of the principal, interest, and redemption premium, if any, on the Refunded Bonds.
- (d) "Government Obligations" shall mean securities of the type which are described in the definition of "Federal Securities" in Section 2 of the Refunded Bonds Resolution and which are specifically described on Schedule C attached hereto.
- (e) "Issuer" shall mean the City of Pensacola, Florida.

(f) "Refunded Bonds" shall have the meaning ascribed above.

(g) "Refunded Bonds Redemption Date" shall mean April 1, 2020.

(h) "Refunded Bonds Resolution" shall mean Resolution No. 33-09 adopted by the Issuer on October 8, 2009, as amended and supplemented.

(i) "Series 2019 Bonds" shall have the meaning ascribed above.

(j) "Total Debt Service for the Refunded Bonds" shall mean the sum of the principal of and interest remaining unpaid with respect to the Refunded Bonds in accordance with Schedule A attached hereto, taking into account that, pursuant to Resolution No. 2019-31 adopted by the Issuer on July 18, 2019, the Refunded Bonds shall be called for early redemption on the Refunded Bonds Redemption Date.

SECTION 2. Deposit of Funds. The Issuer hereby irrevocably deposits \$_____, with the Escrow Holder for deposit into the Escrow Account, in immediately available funds, which the Escrow Holder acknowledges receipt of, to be held in irrevocable trust by the Escrow Holder separate and apart from other funds of the Escrow Holder and the Issuer and applied solely as provided in this Agreement. An amount equal to \$_____ of such funds are being derived from proceeds of the Series 2019 Bond. **[An amount equal to \$_____ of such funds are being derived from the Sinking Fund established under the Refunded Bonds Resolution from amounts held for payment of the Refunded Bonds.]**

SECTION 3. Use of Funds. The Escrow Holder acknowledges receipt of the sum described in Section 2 and agrees:

(a) to hold the funds and investments purchased pursuant to this Agreement in irrevocable escrow during the term of this Agreement for the sole benefit of the holders of the Refunded Bonds;

(b) to immediately invest \$_____ of such funds derived from the proceeds of the Series 2019 Bond and other legally available funds of the Issuer in the Government Obligations set forth on Schedule C attached hereto and to hold such securities and \$_____ of such funds uninvested in cash in accordance with the terms of this Agreement;

(c) in the event the securities described on Schedule C cannot be purchased, substitute securities may be purchased upon the written direction of the Issuer upon confirmation that the principal of the Government Obligations, the interest to be earned thereon, and the initial cash balance in the Escrow Account will not be less than the Total Debt Service for the Refunded Bonds, and that such Government Obligations mature on or prior to the Refunded Bonds Redemption Date; and

(d) there will be no investment or reinvestment of funds except as set forth in this Section 3 and except as set forth in Section 5.

SECTION 4. Payment of Refunded Bonds and Expenses.

(a) Refunded Bonds. On the dates and in the amounts set forth on Schedule A, the Escrow Holder shall transfer to TD Bank, N.A., the Paying Agent for the Refunded Bonds (the "Paying Agent"), in immediately available funds solely from amounts available in the Escrow Account, a sum sufficient to pay the principal of and interest on the Refunded Bonds, as shown on Schedule A.

(b) Expenses. The Issuer shall pay the fees and expenses of the Escrow Holder as set forth on Schedule B attached hereto. In addition, if the Escrow Holder is required by a governmental agency or court proceeding initiated by a third party to undertake efforts beyond that which is set forth herein but related thereto (other than due to the Escrow Holder's negligence or willful misconduct), the Escrow Holder shall notify the Issuer of the same in writing and the Issuer shall promptly pay the Escrow Holder for such extraordinary fees, costs and expenses reasonably and necessarily incurred in connection therewith. The Escrow Holder shall have no lien or claim on the funds held in the Escrow Account for the payment of any fees or expenses of the Escrow Holder, and the Escrow Holder acknowledges and agrees that such amounts shall be unsecured obligations of the Issuer.

(c) Surplus. After making the payments from the Escrow Account described in Subsections 4(a) and any payments described in 4(b) above, the Escrow Holder shall retain in the Escrow Account any remaining cash in the Escrow Account in excess of the Total Debt Service for the Refunded Bonds until the termination of this Agreement pursuant to the terms of Section 12 hereof, and shall then pay any remaining funds to the Issuer to be used to pay debt service on the Series 2019 Bond on the next interest payment date.

(d) Priority of Payments. The holders of the Refunded Bonds shall have an express first priority security interest in the funds and Government Obligations in the Escrow Account until such funds and Government Obligations are used and applied as provided in this Agreement.

SECTION 5. Reinvestment.

(a) Except as provided in Section 3 and in this Section 5, the Escrow Holder shall have no power or duty to invest any funds held under this Agreement or to sell, transfer or otherwise dispose of or make substitutions of the Government Obligations held hereunder.

(b) At the written direction of the Issuer, the Escrow Holder shall sell, transfer or otherwise dispose of any of the Government Obligations acquired hereunder and shall substitute

other Government Obligations. Upon delivery of a verification report that the principal of and interest on such substitute Government Obligations and any remaining cash balance in the Escrow Account will be sufficient to timely pay the Total Debt Service on the Refunded Bonds and an opinion of Bond Counsel to the effect that substitution of such Government Obligations will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series 2019 Bond.

Subsection 4(c) above notwithstanding, cash in excess of the Total Debt Service for the Refunded Bonds caused by substitution of Government Obligations, as confirmed by the required verification report shall, as soon as practical, be paid to the Issuer.

SECTION 6. No Redemption or Acceleration of Maturity. The Issuer will not accelerate the maturity of, or exercise any option to redeem before maturity, any Refunded Bonds, except as set forth on Schedule A attached hereto.

The Escrow Holder, in its capacity as the Paying Agent, shall (i) redeem the remaining outstanding principal amount of Refunded Bonds on the Refunded Bonds Redemption Date, (ii) give notice of such redemption on behalf of the Issuer substantially in the form attached hereto as Exhibit "A" as required by the Refunded Bonds Resolution, (iii) simultaneously with the publication of such notice of redemption, file a copy of the same on the Electronic Municipal Market Access web portal of the Municipal Securities Rulemaking Board, and (iv) upon execution and delivery hereof, promptly file notice of defeasance of the Refunded Bonds on behalf of the Issuer with EMMA substantially in the form attached hereto as Exhibit "B."

SECTION 7. Responsibilities of Escrow Holder. The Escrow Holder and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Account, the acceptance of the funds deposited therein, the purchase of the Government Obligations, the retention of the Government Obligations or the proceeds thereof or for any payment, transfer or other application of moneys by the Escrow Holder in accordance with the provisions of this Agreement or by reason of any non-negligent or non-willful act, omission or error of the Escrow Holder made in good faith in the conduct of its duties. The Escrow Holder shall, however, be responsible for its negligent or willful failure to comply with its duties required hereunder, and its negligent or willful acts, omissions or errors hereunder. The duties and obligations of the Escrow Holder shall be determined solely by the express provisions of this Agreement and no implied duties or covenants shall be read into this Agreement against the Escrow Holder. The Escrow Holder may consult with counsel, who may or may not be counsel to the Issuer, at the Issuer's expense, and in reliance upon the opinion of such counsel, shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Holder shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the Issuer. The Escrow

Holder may conclusively rely upon and shall be fully protected in acting and relying upon any notice, order, requisition, request, consent, certificate, order, opinion (including an opinion of counsel), affidavit, letter, telegram or other paper or document in good faith deemed by it to be genuine and correct and to have been signed or sent by the proper person or persons.

The Escrow Holder may act through its agents and attorneys appointed with due care, and shall not be responsible for any willful misconduct or negligence on the part of any such person so appointed. Any payment obligation of the Escrow Holder hereunder shall be paid from, and is limited to funds available under this Agreement; the Escrow Holder shall not be required to expend its own funds for the performance of its duties hereunder. Notwithstanding any provision herein to the contrary, in no event shall the Escrow Holder be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Holder has been advised of the likelihood of such loss or damage and regardless of the form of action. The Escrow Holder shall not be responsible or liable for any failure or delay in the performance of its obligation under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; pandemic; riots; interruptions; loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Escrow Holder shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

SECTION 8. Resignation of Escrow Holder. The Escrow Holder may resign and thereby become discharged from the duties and obligations hereby created, by notice in writing given to the Issuer, any rating agency then providing a rating on the Refunded Bonds, and the Paying Agent for the Refunded Bonds not less than sixty (60) days before such resignation shall take effect. Such resignation shall not take effect until the appointment of a new Escrow Holder hereunder.

SECTION 9. Removal of Escrow Holder.

(a) The Escrow Holder may be removed at any time by an instrument or concurrent instruments in writing, executed by the holders of not less than fifty-one percentum (51%) in aggregate principal amount of the Refunded Bonds then Outstanding, such instruments to be filed with the Issuer, and published by the Issuer once in a newspaper of general circulation in the territorial limits of the Issuer, not less than thirty (30) days before such removal is to take effect as stated in said instrument or instruments. A photographic copy of any instrument filed with the Issuer under the provisions of this paragraph shall be delivered by the Issuer to the Escrow Holder.

(b) The Escrow Holder may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provisions of this Agreement with respect to the duties and obligations of the Escrow Holder by any court of competent jurisdiction upon the application of the Issuer or the holders of not less than five percentum (5%) in aggregate principal amount of the Refunded Bonds then Outstanding.

(c) The Escrow Holder may not be removed until a successor Escrow Holder has been appointed in the manner set forth herein.

SECTION 10. Successor Escrow Holder.

(a) If, at any time hereafter, the Escrow Holder shall resign, be removed, be dissolved or otherwise become incapable of acting, or shall be taken over by any governmental official, agency, department or board, the position of Escrow Holder shall thereupon become vacant. If the position of Escrow Holder shall become vacant for any of the foregoing reasons or for any other reason, the Issuer shall immediately appoint an Escrow Holder to fill such vacancy and, upon such appointment, all assets held hereunder shall be transferred to such successor. The Issuer shall mail a notice of any such appointment made by it to the holders of the Refunded Bonds within thirty (30) days after such appointment and cause such notice to be filed on EMMA.

(b) At any time within one year after such vacancy shall have occurred, a majority in principal amount of the Refunded Bonds then Outstanding, by an instrument or concurrent instruments in writing, executed by the group of Bondholders and filed with the Issuer, may appoint a successor Escrow Holder, which shall supersede any Escrow Holder theretofore appointed by the Issuer. Photographic copies of each such instrument shall be delivered promptly by the Issuer, to the predecessor Escrow Holder and to the Escrow Holder so appointed by such Bondholders. In the case of conflicting appointments made by the such Bondholders under this paragraph, the first effective appointment made during the one year period shall govern.

(c) If no appointment of a successor Escrow Holder shall be made pursuant to the foregoing provisions of this Section within thirty (30) days of the delivery of the notice of resignation or removal, the holder of any Refunded Bonds then Outstanding, or any retiring Escrow Holder, may apply to any court of competent jurisdiction to appoint a successor Escrow Holder. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Escrow Holder.

(d) Any corporation or association into which the Escrow Holder may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor Escrow Holder hereunder and vested with all the trust,

powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any parties hereto, anything herein to the contrary notwithstanding, provided such successor shall have reported total capital and surplus in excess of \$15,000,000, provided that such successor Escrow Holder assumes in writing all the trust, duties and responsibilities of the Escrow Holder hereunder.

SECTION 11. Payment to Escrow Holder. The Escrow Holder hereby acknowledges that it has agreed to accept compensation under the Agreement pursuant to the terms of Schedule B attached hereto for services to be performed by the Escrow Holder pursuant to this Agreement. The Escrow Holder shall not be compensated from amounts on deposit in the Escrow Account, and the Escrow Holder shall have no lien or claim against funds in the Escrow Account for payment of obligations due it under this Section.

SECTION 12. Indemnity. Whether or not any action or transaction authorized or contemplated hereby shall be undertaken or consummated, the Issuer hereby agrees to the extent allowed by Florida law to indemnify, protect, save and keep harmless the Escrow Holder and its respective successors, agents and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and attorneys' disbursements and expenses) of whatsoever kind and nature which may be imposed on, incurred by or asserted against the Escrow Holder at any time, whether or not the same may be indemnified against by the Issuer or any other Person under any other agreement or instrument, by reason of or arising out of the execution and delivery of this Agreement, the establishment of the Escrow Deposit Trust Fund, the acceptance by the Escrow Holder of the funds herein described, the purchase, retention or disposition of the Government Obligations or the proceeds thereof, or any payment, transfer or other application of funds or securities by the Escrow Holder in accordance with the provisions of this Agreement; provided, however, that the Issuer shall not be required to indemnify the Escrow Holder for any expense, loss, costs, disbursements, damages or liability resulting from its own negligence or misconduct. The indemnities contained in this Section 12 shall survive the termination of this Agreement.

SECTION 13. Term. This Agreement shall commence upon its execution and delivery and shall terminate when the Refunded Bonds have been paid and discharged in accordance with the proceedings authorizing the Refunded Bonds, except as provided in Section 7.

SECTION 14. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the Issuer or the Escrow Holder to be performed should be determined by a court of competent jurisdiction to be contrary to law, notice of such event shall be sent to the municipal bond insurer(s) for the Refunded Bonds, if any, as well as Moody's Investors Service, Inc., Fitch Ratings and Standard & Poor's Ratings Services (but only to the extent such agencies have a rating outstanding on any of the Refunded Bonds), and while such covenant or agreements herein contained shall be null and void, they shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 15. Amendments to this Agreement. This Agreement is made for the benefit of the Issuer and the holders from time to time of the Refunded Bonds, and it shall not be repealed, revoked, altered or amended in whole or in part without the written consent of all holders of Refunded Bonds, the Escrow Holder and the Issuer; provided, however, that the Issuer and the Escrow Holder may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Escrow Holder, for the benefit of the holders of the Refunded Bonds any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Holder; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Escrow Holder shall, at its option, be entitled to request, at the Issuer's expense, and rely exclusively upon an opinion of nationally recognized attorneys on the subject of municipal bonds acceptable to the Issuer with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Refunded Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section. Prior written notice of such amendments, together with proposed copies of such amendments, shall be provided to Moody's Investors Service, Inc., Fitch Ratings, and Standard & Poor's Ratings Services (but only to the extent such agencies have a rating outstanding on any of the Refunded Bonds).

SECTION 16. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

SECTION 17. Governing Law. This Agreement shall be governed by and construed under the laws of the State of Florida without regard to conflict of law principles.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers and their corporate seals to be hereunto affixed and attested as of the date first above written.

CITY OF PENSACOLA, FLORIDA

[SEAL]

By: _____
Grover C. Robinson, IV, Mayor

ATTEST:

By: _____
City Clerk

Approved as to Substance:

By: _____
Richard Barker, Jr.
Chief Financial Officer

Legal in Form and Valid as Drawn:

By: _____
Susan Woolf
City Attorney

[Signature page to Escrow Deposit Agreement]

TD BANK, N.A., as Escrow Holder

By: _____

Name: _____

Title: _____

[Signature page to Escrow Deposit Agreement]

EXHIBIT A

FORM OF NOTICE OF REDEMPTION

**CITY OF PENSACOLA, FLORIDA
REDEVELOPMENT REVENUE BONDS, SERIES 2009B
(FEDERALLY TAXABLE – BUILD AMERICA BONDS – DIRECT PAYMENT)**

Dated Date and Issue Date: December 21, 2009

NOTICE IS HEREBY GIVEN by the City of Pensacola, Florida (the "Issuer"), pursuant to the provisions of 11 of Resolution No. 33-09 adopted by the Issuer on October 8, 2009, as amended and supplemented (the "Resolution"), that the above-referenced Bonds are hereby called for redemption on April 1, 2020 (the "Redemption Date") at the redemption price of 100% of the principal amount thereof, plus interest accrued thereon to, but excluding the Redemption Date (the "Redemption Price").

The maturity dates, principal amounts, interest rates and CUSIP numbers of the Bonds are as follows:

Maturity Dates (April 1)	Principal Amounts	Interest Rates	Cusip Number
2024	\$5,235,000	6.829%	709515CK4
2033	15,890,000	7.263%	709515CL2
2040	17,800,000	7.210%	709515CJ7
	<u>\$38,925,000</u>		

Payment for the Bonds will be made upon presentation and surrender at the principal corporate trust office of TD Bank, N.A., 1006 Astoria Boulevard, Cherry Hill, New Jersey 08034, 1/888-751-9000 Ext. 222-5151.

From and after the Redemption Date, the Bonds called for redemption shall be due and payable at the Redemption Price herein specified. Interest on the Bonds called for redemption shall cease to accrue on the Redemption Date.

All terms used herein which are not defined herein shall have the meanings assigned to them in the Resolution.

IMPORTANT NOTICE

Under the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act"), 28% will be withheld if tax identification number is not properly certified.

**The Undersigned shall not be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness indicated in the Redemption Notice. It is included solely for the convenience of the Holders.*

Dated: _____, 2020

TD BANK, N.A.,
Paying Agent and Registrar

EXHIBIT B

NOTICE OF DEFEASANCE

CITY OF PENSACOLA, FLORIDA
REDEVELOPMENT REVENUE BONDS, SERIES 2009B
(FEDERALLY TAXABLE – BUILD AMERICA BONDS – DIRECT PAYMENT)

Dated Date and Issue Date: December 21, 2009

NOTICE IS HEREBY GIVEN for and on behalf of the City of Pensacola, Florida (the "Issuer"), that its Redevelopment Revenue Bonds, Series 2009B (Federally Taxable – Build America Bonds – Direct Payment), as more particularly described below (the "Defeased Bonds"), have been legally defeased:

Maturity Dates (April 1)	Principal Amounts	Interest Rates	Cusip Number
2024	\$5,235,000	6.829%	709515CK4
2033	15,890,000	7.263%	709515CL2
2040	17,800,000	7.210%	709515CJ7
	<u>\$38,925,000</u>		

The Defeased Bonds will be called for redemption on April 1, 2020. The Issuer has deposited cash and [direct obligations of the United States of America] (collectively, the "Escrow Funds") in irrevocable escrow in an escrow account (the "Escrow Account") established with TD Bank, N.A., Cherry Hill, New Jersey (the "Escrow Holder"), pursuant to an Escrow Deposit Agreement dated as of July 25, 2019, by and between the Issuer and the Escrow Holder, the proceeds of which will be sufficient to pay the maturing principal of and interest on the Defeased Bonds on April 1, 2020. On and after July 25, 2019, the holders of the Defeased Bonds shall solely be secured by the Escrow Funds on deposit in the Escrow Account, and the Defeased Bonds shall be legally defeased. This notice does not constitute a notice of redemption and no Defeased Bonds should be delivered to the Issuer as a result of the publication.

DATED this ____ day of July, 2019.

TD BANK, N.A., as Escrow Holder

SCHEDULE A

TOTAL DEBT SERVICE
FOR THE REFUNDED BONDS

Period Ending	Interest	Principal Maturity	Principal Redeemed	Total
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SCHEDULE B

EXPENSES TO BE PAID TO ESCROW HOLDER

Upfront fee of \$350.00, plus out of pocket expenses

SCHEDULE C

SCHEDULE OF GOVERNMENT OBLIGATIONS
TO BE PURCHASED ON JULY __, 2019

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Type</u>
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EXHIBIT F

FORM OF INTERLOCAL AGREEMENT

[Follows]

INTERLOCAL AGREEMENT

between

THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PENSACOLA, FLORIDA

and

THE CITY OF PENSACOLA, FLORIDA

**INTERLOCAL AGREEMENT
URBAN CORE REDEVELOPMENT REFUNDING
AND IMPROVEMENT REVENUE BONDS**

This INTERLOCAL AGREEMENT made and entered into this ____ day of July, 2019 (herein, the "Agreement"), by and between THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PENSACOLA, FLORIDA, a public body corporate and politic of the State of Florida (the "Agency"), and the CITY OF PENSACOLA, FLORIDA, a municipal corporation of the State of Florida (the "City");

WITNESSETH:

WHEREAS, on September 25, 1980, the City Council of the City (the "City Council") adopted Resolution No. 55-80 which created the Community Redevelopment Agency of the City of Pensacola, Florida and declared the City Council to be the Agency as provided in Section 163.357, Florida Statutes; and

WHEREAS, pursuant to Resolution 65-81 adopted by the City Council on September 22, 1981, the City Council designated the boundaries and found and determined that an area designated therein as the "Urban Core Community Redevelopment Area" is a blighted area as therein described and that the rehabilitation, conservation and redevelopment is necessary and in the public interest; and

WHEREAS, pursuant to Sections 163.2520 and 163.387, Florida Statutes, on March 8, 1984, the City Council enacted Ordinance No. 13-84, creating and establishing the Urban Core Community Redevelopment Trust Fund; and

WHEREAS, pursuant to Resolution No. 15-84, on March 17, 1984, the City Council approved the Community Redevelopment Plan for the Urban Core Community Redevelopment Area, dated March 1984 (the "1984 Plan") and the Community Redevelopment Project described therein, which 1984 Plan was modified and amended pursuant to Resolution No. __-89 adopted by the City Council on April 6, 1989, and subsequently repealed and replaced with the "Urban

Core Community Redevelopment Plan 2010" pursuant to Resolution No. 02-10 adopted by the City Council on January 14, 2010; and

WHEREAS, the Agency is responsible for implementation of community redevelopment plans providing for the redevelopment, rehabilitation and improvement of community redevelopment areas in the City; and

WHEREAS, the City and the Agency have determined to redevelop and revitalize the Urban Core Community Redevelopment Area as a visibly attractive, economically viable, and socially desirable area of the City; and

WHEREAS, pursuant to Resolution No. 33-09 adopted by the City Council of the City on October 8, 2009 (the "Original Bond Resolution"), the City previously issued its City of Pensacola, Florida Redevelopment Revenue Bonds, Series 2009A (the "Series 2009A Bonds") and Redevelopment Revenue Bonds, Series 2009B (Federally Taxable-Build America Bonds – Direct Payment) in the original aggregate principal amount of \$45,640,000 (the "2009B Bonds" and, together with the Series 2009A Bonds, the "2009 Bonds") to finance the 2009 Project (as defined in the Original Bond Resolution) in the Urban Core Community Redevelopment Area; and

WHEREAS, pursuant to Section 15.M. of the Original Bond Resolution, the City provided a covenant to budget and appropriate Non-Ad Valorem Revenues (as defined in the Original Bond Resolution) sufficient after application of other Pledged Revenues and Federal Direct Payments (as such terms are defined in the Original Bond Resolution) to pay debt service on the 2009 Bonds in order to provide additional credit support for the 2009 Bonds; and

WHEREAS, at the request of the Agency, the City previously issued its City of Pensacola, Florida Urban Core Redevelopment Revenue Bond, Series 2017 (the "2017 Bond") in the original aggregate principal amount of \$8,000,000, pursuant to the Original Bond Resolution, as supplemented by Resolution No. 17-78 adopted by the City Council of the City on November 9, 2017 (the "2017 Resolution") to finance the 2017 Project (as defined in the 2017 Resolution) in the Urban Core Community Redevelopment Area; and

WHEREAS, pursuant to Section 12 of the 2017 Resolution, the City has covenanted to budget and appropriate Non-Ad Valorem Revenues to the extent Pledged Revenues are all insufficient in any Fiscal Year to pay debt service on the 2017 Bond in an amount sufficient to cure such deficiency in order to provide additional credit support for the 2017 Bonds; and

WHEREAS, at the request of the Agency, the City is issuing its City of Pensacola, Florida Urban Core Redevelopment Refunding and Improvement Revenue Bond, Series 2019 (the "2019 Bond") in the original aggregate principal amount of \$_____, pursuant to the Original Bond Resolution, as supplemented by Resolution No. 2019-31 adopted by the City Council of the City on July 18, 2019 (the "2019 Resolution" and, together with the Original Resolution, the "Bond

Resolution") to finance the advance refunding of the 2009B Bonds and the 2019 Project (as defined in the 2019 Resolution) in the Urban Core Community Redevelopment Area; and

WHEREAS, pursuant to Section 12 of the 2019 Resolution, the City has covenanted to budget and appropriate Non-Ad Valorem Revenues to the extent Pledged Revenues are all insufficient in any Fiscal Year to pay debt service on the 2019 Bond in an amount sufficient to cure such deficiency in order to provide additional credit support for the 2019 Bonds; and

WHEREAS, in accordance with the intent and purpose of Section 163.01, Florida Statutes, the parties have elected to enter into this Agreement to jointly and collectively provide for the acceptance by the Agency of the issuance of the 2019 Bond by the City and to document and evidence the intent and obligation of the Agency to repay the City any payment by the City from Non-Ad Valorem Revenues for debt service on the 2019 Bond pursuant to Section 12 of the 2019 Resolution, as provided herein; and

WHEREAS, the City Council and the Agency have determined that this Agreement, the refunding of the 2009B Bond and the 2019 Project and expenditures contemplated hereunder serve public purposes and are appropriate and necessary undertakings in furtherance of redeveloping the Urban Core Community Redevelopment Area consistent with the Urban Core Community Redevelopment Plan.

NOW, THEREFORE, in consideration of the mutual covenants of and benefits derived from this Agreement, the sufficiency of which is hereby acknowledged by the City and the Agency agree as follows:

Section 1. Authority. This Agreement is entered into pursuant to and under the authority of the City Charter; Section 163.01, Florida Statutes; the Community Redevelopment Act of 1969 (the "Act"), codified in Part III, Chapter 163, Florida Statutes; Chapter 166, Florida Statutes, and other applicable law, as amended and supplemented.

Section 2. Incorporation of Recitals. The recitals set forth above are hereby incorporated into the terms of this Agreement.

Section 3. Definitions. Unless the context otherwise requires, all terms used herein shall have the meanings assigned to such terms in the Bond Resolution.

Section 4. 2019 Bond Accepted; Obligation to Repay City.

(A) The City's issuance of the 2019 Bond is hereby acknowledged by the Agency, and the Agency hereby confirms, consents to and accepts the terms thereof and as set forth in the Bond Resolution.

(B) The Agency hereby covenants to fund, pay, reimburse and repay the City the amounts due under the 2019 Bond and the Bond Resolution, including payment of the principal of and interest on the 2019 Bond. The Agency hereby pledges the Tax Increment Revenues to the City and shall pay the amounts due hereunder from Tax Increment Revenues or from any other funds of the Agency legally available for such purpose. To the extent that the Pledged Revenues are insufficient to fully pay the principal of and interest on the 2019 Bond all in accordance with the Bond Resolution, and the City has budgeted, appropriated and used any Non-Ad Valorem Revenues for the payment thereof in accordance with the terms of Section 12 of the 2019 Resolution with respect to the 2019 Bond (an "Advance"), the Agency shall repay such Advance and pay interest on such Advance at the "WSJ Prime Rate" published by *The Wall Street Journal* or such other prime rate as published by such other publication as the City's Chief Financial Officer may reasonably designate in substantially equal annual installments commencing in the Fiscal Year following the date of such Advance with the final installment due December 31, 2043. In the event Tax Increment Revenues are not sufficient in any year to pay an installment then due, such installment shall be treated as an additional Advance and amortized as provided above. The obligations of the Agency described in this Section 4.(B) are cumulative and shall continue until amounts due hereunder and under the Bond Resolution are fully paid. The obligation of the Agency to pay the City the amount of any Advance and interest thereon shall be junior and subordinate in all respects to the Agency's obligation hereunder to make payments sufficient to pay the 2009A Bonds, the 2017 Bond, the 2019 Bond and any Additional Parity Obligations issued in accordance with the Bond Resolution. Anything provided herein or in the Bond Resolution to the contrary notwithstanding, and to the extent permitted by applicable law, that portion of the Tax Increment Revenues paid by Escambia County, Florida and the Downtown Improvement Board shall be applied to make payments required hereunder prior to that portion of the Tax Increment Revenues paid by the City.

Section 5. Term. This Agreement shall become effective upon execution by the Parties and continue in full force and effect until the obligations hereunder approved by this Agreement, including principal and accumulated interest, has been fully repaid.

Section 6. Amendments. This Agreement may be amended by the mutual written agreement of all parties at any time and from time to time, which amendments shall become effective upon filing thereof in the public records of Escambia County, Florida, pursuant to Section 163.01(11), Florida Statutes.

Section 7. Assignment. No party to this Agreement may, directly or indirectly, assign or transfer any or all of their duties, rights, responsibilities, or obligations under this Agreement to any other party or person not a party to this Agreement, without the express prior approval of the other party to this Agreement.

Section 8. Severability. The provisions of this Agreement are severable, and it is the intention of the parties hereto to confer the whole or any part of the powers herein provided for and if any of the provisions of this Agreement or any other powers granted by this Agreement

shall be held unconstitutional, invalid or void by any court of competent jurisdiction, the decision of said court shall not affect or impair any of the remaining provisions of this Agreement. It is hereby declared to be the intent of the parties hereto that this Agreement would have been adopted, agreed to, and executed had such unconstitutional, invalid or void provision or power not been included therein.

Section 9. Controlling Law; Venue. Any and all provisions of this Agreement and any proceeding seeking to enforce and challenge any provision of this Agreement shall be governed by the laws of the State of Florida. Venue for any proceeding pertaining to this Agreement shall be Escambia County, Florida.

Section 10. Members Not Liable.

(A) All covenants, stipulations, obligations and agreements contained in this Agreement shall be deemed to be covenants, stipulations, obligations and agreements of the City and the Agency, respectively, to the full extent authorized by the Act and provided by the Constitution and laws of the State of Florida.

(B) No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future individual member of a governing body or agent or employee of the Agency or the City in his or her individual capacity, and neither the members of the governing body of the Agency or the City or any official executing this Agreement shall individually be liable personally or shall be subject to any accountability by reason of the execution by the City or the Agency of this Agreement or any act pertaining hereto or contemplated hereby.

Section 11. Third Party Beneficiaries. Nothing in this Agreement, expressed or implied, is intended or shall be construed to confer upon any person, firm or corporation other than the parties hereto, any right, remedy, or claim, legal or equitable, under or by reason of this Agreement or any provision hereof.

Section 12. Notices.

(A) Any notice, demand, direction, request or other instrument authorized or required by this Agreement to be given or filed with a party hereto shall be deemed sufficiently given or filed for all purposes of this Agreement if and when sent by registered mail, return receipt requested, transmitted by a facsimile machine with confirmation of delivery, or by personal hand delivery:

To the CRA:	The Community Redevelopment Agency of the City of Pensacola, Florida 222 W. Main St. Pensacola, Florida 32502 Attention: Administrator
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To the City: City of Pensacola
222 W. Main St.
Pensacola, Florida 32502
Attention: Mayor

(B) The addresses to which any notice, demand, direction or other instrument authorized to be given or filed may be changed from time to time by a written notice to that effect delivered to all the parties, which change shall be effective immediately or such other time as provided in the notice.

Until notice of a change of address is received, a party may rely upon the last address received. Notice shall be deemed given, if notice is by mail on the date mailed to the address set forth above or as changed pursuant to this Article.

Section 13. Execution of Agreement. This Agreement shall be executed in the manner normally used by the parties hereto. If any officer whose signature appears on this Agreement ceases to hold office before all officers shall have executed this Agreement or prior to the filing and recording of this Agreement as provided in this Article, his or her signature shall nevertheless be valid and sufficient for all purposes. This Agreement shall bear the signature of, or may be signed by, such individuals as at the actual time of execution of this Agreement thereby shall be the proper and duly empowered officer to sign this Agreement and this Agreement shall be deemed to have been duly and properly executed even though on the Effective Date any such individual may not hold such office.

Section 14. Limited Obligation. Neither the full faith and credit of the City, the Agency or of the State of Florida or any political subdivision thereof is pledged to meet the funding obligations hereunder, and no party shall ever have the right to compel any exercise of any ad valorem taxing power of the City, the Agency or of the State of Florida or any political subdivision thereof, directly or indirectly to enforce any payment or funding of money provided for hereunder. This Agreement shall not constitute a lien upon any property of the City or the Agency except in the manner and to the express extent described herein.

Section 15. City and Agency Not Liable. Nothing contained in this Agreement shall be construed or deemed, nor is intended, or impose any obligation upon the City or the Agency except to the extent expressly assumed by the City or the Agency, respectively.

Section 16. Filing with County Clerk of the Court. The City is hereby authorized and directed after approval of this Agreement by the Agency and the City and the execution hereof to submit this Agreement to the Clerk of the Court of Escambia County, Florida, for filing in the public records of Escambia County, Florida, as provided by Section 163.01(11), Florida Statutes.

IN WITNESS WHEREOF, the parties hereto, by and through the undersigned, have entered into this Interlocal Agreement as of the day and year first above written.

**COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF
PENSACOLA, FLORIDA**

Attest:

Jewel Cannada-Wynn, Chairwoman

Ericka L. Burnett, City Clerk

CITY OF PENSACOLA, FLORIDA

Legal in Form and Valid as Drawn:

Grover C. Robinson, IV, Mayor

Susan Woolf, City Attorney

Attest:

Approved as to Content:

Ericka L. Burnett, City Clerk

Richard Barker, Jr.
Chief Financial Officer

Approved as to Content:

M. Helen Gibson
Community Redevelopment Agency
Administrator

[Signature Page to Interlocal Agreement]

EXHIBIT G

REPORT AND CERTIFICATE OF CHIEF FINANCIAL OFFICER

July 25, 2019

On October 8, 2009, City Council approved resolution No. 33-09 providing for the issuance of the Redevelopment Revenue Bonds, Series 2009A and Redevelopment Revenue Bonds, Series 2009B (Federally Taxable - Build America Bonds - Direct Payments). Resolution No. 33-09 allows for the issuance of additional parity obligations provided the Chief Financial Officer [Director of Finance] of the City of Pensacola provides certain assurances as outlined in Section 15.J.(a) and 15.J.(c), collectively referred to as the Report and Certificate of the Chief Financial Officer.

The Chief Financial Officer hereby reports that the Urban Core Redevelopment Refunding and Improvement Revenue Bond, Series 2019 estimated costs of projects proposed to be financed total \$17,744,000 and include improvements included in the SCAPE Waterfront Plan (such as the construction of certain street and streetscape projects and Bruce Beach improvements), the Community Maritime Park Day Marina, sidewalk repairs and improvements and certain other community redevelopment improvements to the Urban Core Community Redevelopment Area included in the Urban Core Redevelopment Plan. These projects are expected to be completed within thirty-six (36) months of the bond closing date. The Bond Service Requirements estimated as of this date are set forth in Schedule 1 attached hereto. Projected annual expenses of the operation and maintenance of the projects are not expected to exceed \$275,000 per year. There are no projected annual costs for renewals, replacements or additions related to the projects nor is there expected to be any annual revenues derived from facilities proposed to be constructed.

The Chief Financial Officer hereby certifies that the annual budgeted revenues for fiscal year 2019 and the proposed annual budgeted revenues for fiscal year 2020 will be sufficient to pay all fiscal year 2019 expenditures and proposed budgeted 2020 expenditures, respectively, to be incurred in the operation of the Urban Core Community Redevelopment Area, the Bond Service Requirement on the Redevelopment Revenue Bonds, Series 2009A, the Urban Core Redevelopment Revenue Bond, Series 2017 and the Urban Core Redevelopment Refunding and Improvement Revenue Bond, Series 2019.

[Remainder of page intentionally left blank]

Dated the day and first written above.

CHIEF FINANCIAL OFFICER OF THE
CITY OF PENSACOLA, FLORIDA

SCHEDULE 1 TO REPORT AND CERTIFICATE OF CHIEF FINANCIAL OFFICER

ESTIMATED BOND SERVICE REQUIREMENTS

Period Ending (September 30)	2019 Bond	2017 Bond	2009A Bonds	Aggregate Bond Service Requirement
2019	\$0.00	\$408,500.00	\$1,225,137.50	\$1,633,637.50
2020	1,345,295.00	404,000.00	1,224,937.50	2,974,232.50
2021	3,446,760.00	399,500.00		3,846,260.00
2022	3,446,780.00	395,000.00		3,841,780.00
2023	3,440,100.00	390,500.00		3,830,600.00
2024	3,441,890.00	386,000.00		3,827,890.00
2025	3,431,810.00	381,500.00		3,813,310.00
2026	3,430,200.00	377,000.00		3,807,200.00
2027	3,431,720.00	372,500.00		3,804,220.00
2028	3,566,200.00	636,000.00		4,202,200.00
2029	3,564,050.00	639,852.00		4,203,902.00
2030	3,559,690.00	644,056.00		4,203,746.00
2031	3,553,120.00	647,576.00		4,200,696.00
2032	3,554,340.00	651,412.00		4,205,752.00
2033	3,553,010.00	655,528.00		4,208,538.00
2034	3,544,130.00	659,888.00		4,204,018.00
2035	3,537,870.00	664,456.00		4,202,326.00
2036	3,534,060.00	670,196.00		4,204,256.00
2037	3,532,530.00	675,036.00		4,207,566.00
2038	3,523,110.00	679,976.00		4,203,086.00
2039	3,515,970.00	684,980.00		4,200,950.00
2040	3,510,940.00	691,012.00		4,201,952.00
2041	4,207,850.00			4,207,850.00
2042	4,207,730.00			4,207,730.00
2043	4,203,360.00			4,203,360.00
2044*	4,203,160.00			4,203,160.00
Total	\$88,285,675.00	\$12,114,468.00	\$2,450,075.00	\$102,850,218.00

*Final maturity for the 2019 Bond occurs on December 31, 2043.