

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$50,000,000 AGGREGATE PRINCIPAL AMOUNT OF CAPITAL IMPROVEMENT REVENUE AND REFUNDING BONDS, SERIES 2016A; AWARDED THE NEGOTIATED SALE OF SUCH BONDS AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT WITH MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED AND THE OTHER UNDERWRITERS NAMED THEREIN FOR SUCH BONDS; FIXING OR PROVIDING FOR THE DETERMINATION OF THE DATE, DENOMINATIONS, MATURITIES, INTEREST RATES, REDEMPTION PROVISIONS, AND OTHER DETAILS WITH RESPECT TO SUCH BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; AUTHORIZING THE REFUNDING OF CERTAIN PRIOR OBLIGATIONS OF THE CITY; AUTHORIZING THE USE AND APPROVING THE FORM OF A PRELIMINARY OFFICIAL STATEMENT AND A FINAL OFFICIAL STATEMENT IN CONNECTION WITH THE DISTRIBUTION OF SUCH BONDS AND OTHER ACTION IN CONNECTION WITH THE ISSUANCE AND DELIVERY OF SUCH BONDS; APPOINTING AN ESCROW AGENT AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT; DESIGNATING A PAYING AGENT AND REGISTRAR FOR SUCH BONDS AND A VERIFICATION AGENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE CERTIFICATE; ADOPTING A BOOK-ENTRY SYSTEM OF REGISTRATION FOR THE BONDS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Commission (the "City Commission") of the City of Hollywood, Florida (the "City") has, by a resolution duly adopted on this date (the "Authorizing Resolution"), authorized the issuance of its Capital Improvement Revenue Bonds in one or more Series and now desires to authorize the issuance of its not to exceed \$50,000,000 Capital Improvement Revenue and Refunding Bonds, Series 2016A (the "Series 2016A Bonds"); and

WHEREAS, the City desires to supplement the Authorizing Resolution by adoption of this resolution (this "Supplemental Resolution," and together with the Authorizing Resolution, as amended and supplemented hereby being collectively referred to hereinafter as the "Resolution"); and

WHEREAS, the City hereby finds that the present favorable rates in the municipal bond market and the present volatility of such rates require that the terms of the Bonds be negotiated at private sale rather than offered by competitive bid at public

sale and, therefore, has determined to sell the Series 2016A Bonds at private, negotiated sale; and

WHEREAS, Merrill Lynch, Pierce, Fenner & Smith Incorporated has submitted a Bond Purchase Agreement in the form attached hereto as Exhibit A (the "Purchase Contract") offering to purchase on its own behalf and on behalf of the other underwriters named therein (collectively, the "Underwriters") the Series 2016A Bonds, subject to compliance by the City with the provisions thereof and hereof, and the City does hereby find and determine that it is in the best financial interest of the City that the terms expressed in the Purchase Contract be accepted by the City; and

WHEREAS, the City desires to approve the form of and ratify the use and distribution of a Preliminary Official Statement, in substantially the form attached hereto as Exhibit B (the "Preliminary Official Statement") in connection with the marketing of the Series 2016A Bonds, to designate a Paying Agent and Registrar for the Series 2016A Bonds, to provide for a book-entry system of registration for the Series 2016A Bonds, and to authorize the taking of all necessary action in connection with the delivery of the Series 2016A Bonds; and

WHEREAS, the City desires to apply a portion of the proceeds of the Series 2016A Bonds to finance or to reimburse the City for the cost of certain projects (collectively, the "Series 2016A Project") described more particularly in Exhibit C; and

WHEREAS, the City desires to approve the form and authorize the execution and delivery of one or more Escrow Deposit Agreements between the City and The Bank of New York Mellon Trust Company, N.A. (in such capacity, the "Escrow Agent"), in substantially the form attached as Exhibit D, in order to facilitate the refunding of certain outstanding obligations of the City with a portion of the proceeds of the Series 2016A Bonds; and

WHEREAS, the City desires to approve the form and authorize the execution and delivery of a Continuing Disclosure Certificate, in substantially the form attached as Exhibit E (the "Continuing Disclosure Certificate"), in order to facilitate compliance with Rule 15c2-12 of the United States Securities and Exchange Commission (the "Rule");

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA:

Section 1. Definitions. All capitalized terms used in this Supplemental Resolution shall have the meaning ascribed to such terms in the Authorizing Resolution unless the context otherwise requires.

Section 2. Findings. The recitals to this Supplemental Resolution are incorporated into this Supplemental Resolution as findings and determinations of the City Commission. The City Commission further finds and determines that it is necessary, advantageous, desirable and in the best interests of the City and its residents that the Series 2016A Bonds be issued to finance and refinance the Series 2016A Project.

Section 3. Authority for this Supplemental Resolution. This Supplemental Resolution is adopted pursuant to the Act.

Section 4. Authorization and Description of the Series 2016A Bonds. The City hereby authorizes the issuance of a Series of Bonds pursuant to the Authorizing Resolution in an initial aggregate principal amount not to exceed \$50,000,000 to be known as the "City of Hollywood, Florida, Capital Improvement Revenue and Refunding Bonds, Series 2016A" for the purpose of providing funds which, together with other available funds of the City, will be used to (A) finance or reimburse the City for the costs of acquiring, constructing, and installing all or a portion of the Series 2016A Project, as more particularly described in Exhibit C hereto, (B) refund the following loans to the City of the proceeds of certain revenue bonds of First Florida Governmental Financing Commission (the "Commission"): (i) the loan from the Commission to the City pursuant to the Loan Agreement, dated as of June 1, 2006, between the Commission and the City, currently outstanding in the aggregate principal amount of \$11,000,000 (the "2006 Loan"), and (ii) the loan from the Commission to the City pursuant to the Loan Agreement, dated as of April 1, 2007, between the Commission and the City, currently outstanding in the aggregate principal amount of \$1,060,000 (the "2007 Loan"), (C) prepay the following promissory notes of the City in favor of Branch Banking and Trust Company ("BB&T"): (i) the promissory note issued pursuant to the Loan Agreement, dated as of May 1, 2009, between BB&T and the City, in the original principal amount of \$12,245,660 and currently outstanding in the aggregate principal amount of \$6,022,592.31 (the "2009B Note"), and (ii) the promissory note issued pursuant to the Loan Agreement, dated as of January 1, 2010, between BB&T and the City, in the original principal amount of \$8,700,000 and currently outstanding in the aggregate principal amount of \$5,913,834.31 (the "2010 Note" and, together with the 2006 Loan, the 2007 Loan, and the 2009B Note, the "Prior Obligations"), and (D) pay certain costs associated with the issuance of the Series 2016A Bonds and the refunding of the Prior Obligations.

The Series 2016A Bonds will be issued as Serial and/or Term Bonds in fully registered form without coupons. The Series 2016A Bonds will be dated, bear interest payable on such date or dates at the rates, and mature in the amounts and be subject to redemption, all as set forth in the Purchase Contract, subject to the parameters set forth in Section 6 hereof.

Section 5. No Debt Service Reserve Account. The Series 2016A Bonds will not have a Debt Service Reserve Requirement and no subaccount of the Debt Service Reserve Account shall be established with respect to the Series 2016A Bonds.

Section 6. Sale of the Series 2016A Bonds. The sale of the Series 2016A Bonds to the Underwriters pursuant to the terms of the Purchase Contract is hereby approved, subject to completion as hereinafter provided. The form of the Purchase Contract presented at this meeting and attached hereto as Exhibit A is hereby approved and the Mayor (for purposes of this Supplemental Resolution the term "Mayor" shall mean the Mayor or Vice Mayor) and the City Manager or Financial Services Director are each hereby authorized to finalize and, when final, to execute and deliver the Purchase

Contract in substantially the form presented at this meeting, with such changes, modifications, deletions, and insertions as the Mayor and City Manager or Financial Services Director, with the advice of Bond Counsel and the City Attorney, may deem necessary and appropriate. Prior to execution, the Purchase Contract shall be completed to provide (i) the principal amount of the Series 2016A Bonds, (ii) the redemption provisions of the Series 2016A Bonds, which shall allow redemption in whole or in part at the option of the City not later than ten (10) years after the Date of Issue and thereafter at a redemption premium not in excess of 101%, (iii) the interest rates on the Series 2016A Bonds, provided that the true interest cost of the Series 2016A Bonds shall not exceed 4% per annum, (iv) the final maturity date of the Series 2016A Bonds, which shall not be later than July 1, 2031, and (v) the gross underwriting spread or compensation to the Underwriters, which shall not exceed 0.5% of the principal amount of the Series 2016A Bonds, all as approved by the Mayor and City Manager or Financial Services Director and the City's Financial Advisor prior to execution, such approval to be conclusively evidenced by execution and delivery of the Purchase Contract by the Mayor and City Manager or Financial Services Director.

The City hereby finds, determines, and declares that the present favorable rates in the municipal bond market and the present volatility of such rates require that the sale of the Series 2016A Bonds be negotiated at private sale. The negotiated sale of the Series 2016A Bonds is hereby authorized pursuant to Section 218.385, Florida Statutes. The Underwriters shall provide the City with the information required by Section 218.385, Florida Statutes, in connection with the negotiated sale of the Series 2016A Bonds, prior to sale in the form attached as Exhibit A to the Purchase Contract.

Section 7. Approval of Preliminary Official Statement and Final Official Statement for Series 2016A Bonds. The form and distribution of the Preliminary Official Statement relating to the Series 2016A Bonds attached hereto as Exhibit B, is hereby approved, in substantially the form presented at this meeting, with such changes, modifications, deletions, and insertions as the Mayor and City Manager or Financial Services Director, with the advice of Bond Counsel and the City Attorney, may deem necessary and appropriate for the Preliminary Official Statement to be deemed final; and the City Manager or Financial Services Director is authorized to execute a "deemed final" certificate, as required by the Rule of the United States Securities Exchange Commission. The City hereby approves the execution and distribution of a final Official Statement in substantially the form as the Preliminary Official Statement with such changes, modifications, deletions, and insertions as the Mayor and the City Manager or Financial Services Director, with the advice of Bond Counsel and the City Attorney, may deem necessary and appropriate. The Mayor and the City Manager or Financial Services Director are hereby authorized and directed to execute and deliver the Official Statement on behalf of the City, and thereupon to cause the Official Statement to be delivered to the Underwriters. Execution by the Mayor and the City Manager or Financial Services Director of the Official Statement shall be deemed to be conclusive evidence of approval of any such changes, modifications, deletions, and insertions.

Section 9. Authorization of Refunding of Prior Obligations. The prepayment or redemption, as the case may be and to the extent the same are callable, and the

refunding of the Prior Obligations from proceeds of the Series 2016A Bonds and, if necessary, other legally available funds of the City, is hereby authorized.

The City authorizes, concurrently with or prior to the delivery of the Series 2016A Bonds, (i) a portion of such proceeds of the Series 2016A Bonds and a portion of the moneys held on deposit to the credit of the funds and accounts securing the 2006 Loan to be transferred and deposited to the credit of the 2006 Account of the Escrow Fund established pursuant to the hereinafter mentioned Escrow Deposit Agreement (the "Escrow Fund"), (ii) a portion of such proceeds of the Series 2016A Bonds and a portion of the moneys held on deposit to the credit of the funds and accounts securing the 2007 Loan to be transferred and deposited to the credit of the 2007 Account of the Escrow Fund, (iii) a portion of such proceeds of the Series 2016A Bonds and a portion of the moneys held on deposit to the credit of the funds and accounts securing the 2009B Note to be transferred and deposited to the credit of the 2009B Account of the Escrow Fund, and (iv) a portion of such proceeds of the Series 2016A Bonds and a portion of the moneys held on deposit to the credit of the funds and accounts securing the 2010 Note to be transferred and deposited to the credit of the 2010 Account of the Escrow Fund, the specific amounts to be so transferred and deposited being as set forth in a certificate executed by the Financial Services Director and delivered at the time of issuance of the Series 2016A Bonds.

Section 10. Use of Proceeds. All of the proceeds of the Series 2016A Bonds shall be (a) applied to refund the Prior Obligations, (b) deposited into the Project Fund created by the Authorizing Resolution, and (c) applied to pay costs associated with the issuance of the Series 2016A Bonds and the refunding of the Prior Obligations. The establishment of the Series 2016A Account of the Project Fund is hereby authorized, and within that account a Capitalized Interest Subaccount into which shall be deposited such amounts, if any, as set forth in a certificate executed by the Financial Services Director and delivered at the time of issuance of the Series 2016A Bonds.

Section 11. Execution of Paying Agent Agreement and Authorization of all other Necessary Action. The Mayor, City Manager or Financial Services Director is hereby authorized to execute and deliver a Paying Agent Agreement between the City and the Paying Agent and Registrar in a form to be approved by the City Attorney. The Mayor, City Manager, Financial Services Director and any other proper officers of the City are hereby authorized to execute and deliver any and all other instruments, documents and contracts on behalf of the City which are necessary or desirable in connection with the execution and delivery of the Series 2016A Bonds and the refunding of the Prior Obligations and which are not inconsistent with the terms and provisions of the Resolution and other actions relating to the Series 2016A Bonds heretofore taken by the City.

Section 12. Authorization of Execution of Escrow Deposit Agreement. The Mayor, City Manager or Financial Services Director is hereby authorized to execute and deliver one or more Escrow Deposit Agreements between the City and the Escrow Agent for the holders of all or a portion of the Prior Obligations (collectively, the "Escrow Deposit Agreement"). The Escrow Deposit Agreement shall be in substantially the form

annexed hereto as Exhibit D with such changes, modifications, deletions and insertions, as the Mayor, City Manager or Financial Services Director, with the advice of Bond Counsel and the City Attorney, may deem necessary and appropriate. Execution and delivery of the Escrow Deposit Agreement by the Mayor shall be conclusive evidence of approval of such changes. All of the provisions of the Escrow Deposit Agreement, when executed and delivered by the City as authorized herein and when duly authorized, executed, and delivered by the Escrow Agent, shall be deemed to be a part of this Supplemental Resolution as fully and to the same extent as if incorporated verbatim herein.

Section 13. Designation of Paying Agent and Registrar. The Bank of New York Mellon Trust Company, N.A. is hereby designated and approved as Paying Agent and Registrar for the Series 2016A Bonds.

Section 14. Designation of Verification Agent. GNP Services, CPA, PA is hereby designated and approved as verification agent with respect to the refunding of the Prior Obligations.

Section 15. Book-Entry System of Registration. The Series 2016A Bonds shall initially be issued in book-entry form. The Depository Trust Company ("DTC"), or any successor thereto, is hereby designated and approved as Securities Depository for the Series 2016A Bonds.

The City reserves the right to initially issue the Series 2016A Bonds directly to the beneficial Registered Owners if the City determines that use of the book-entry system would cause the interest on the Series 2016A Bonds to be included in gross income pursuant to the Internal Revenue Code of 1986, as amended, or is otherwise not in the best interests of the City or the Owners.

Section 16. Continuing Disclosure. The City hereby covenants and agrees that, in order to provide for compliance by the City with the secondary market disclosure requirements of the Rule, it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. The City does hereby authorize and approve the execution and delivery of the Continuing Disclosure Certificate by the Mayor and the Director of Financial Services, as attested by the City Clerk under the seal of the City. The Continuing Disclosure Certificate shall be in substantially the form attached hereto as Exhibit E, with such changes, amendments, modifications, omissions and additions as shall be approved by the Mayor and the Director of Financial Services. The execution and delivery of the Continuing Disclosure Certificate by the Mayor and the Director of Financial Services shall constitute conclusive evidence of the approval thereof. Notwithstanding any other provision of this Resolution, failure of the City to comply with the Continuing Disclosure Certificate shall not be considered an event of default under the Resolution; provided, however, any Series 2016A Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Section 16 and the Continuing Disclosure Certificate.

Section 17. Severability of Invalid Provisions. 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 2016A Bonds.

Section 18. Repealing Clause. Upon the issuance of the Series 2016A Bonds, all resolutions or parts thereof of the City in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 19. Effective Date. This Supplemental Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

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PETER BOBER, MAYOR

ATTEST:

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PATRICIA A. CERNY, MMC, CITY CLERK

APPROVED AS TO FORM AND LEGALITY  
for the use and reliance of the  
City of Hollywood, Florida, only

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JEFFREY P. SHEFFEL, CITY ATTORNEY