BEFORE THE CITY COMMISSION
CITY OF STUART, FLORIDA

RESOLUTION NO. 94-2020

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA AUTHORIZING THE ISSUANCE OF A TAXABLE NON-AD VALOREM REVENUE NOTE, SERIES 2020 OF THE CITY IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED $5,050,000 TO FINANCE ALL OR A PORTION OF THE COSTS OF ACQUISITION, DESIGN, RENOVATION, AND EQUIPPING OF ALL OR A PORTION OF REAL PROPERTY TO BE USED FOR CITY HALL PURPOSES AND TO BE USED FOR COMMUNITY REDEVELOPMENT PURPOSES AND TO PAY COSTS OF ISSUANCE THEREOF, AS FURTHER DESCRIBED HEREIN; MAKING CERTAIN FINDINGS OF PUBLIC PURPOSE AND PARAMOUNT PUBLIC PURPOSE; PROVIDING THAT THE NOTE SHALL BE A LIMITED OBLIGATION OF THE CITY PAYABLE FROM NON-AD VALOREM REVENUES BUDGETED, APPROPRIATED, AND DEPOSITED AS PROVIDED HEREIN; PROVIDING FOR THE RIGHTS, SECURITIES AND REMEDIES FOR THE OWNER OF THE NOTE; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA that:

Section 1: *Authority for this Resolution*. This Resolution is adopted pursuant to the Constitution and the laws of the State of Florida, Chapter 166, Part II, Florida Statutes, Chapter 163, Part III, Florida Statutes, Chapter 159, Part VII, Florida Statutes, the Charter of the City of Stuart, Florida (the "Issuer"), and other applicable provisions of law (collectively, the "Act").

Section 2: *Definitions*. All capitalized undefined terms shall have the same meanings as set forth in this Resolution, as hereinafter defined. In addition, the following terms, unless the context otherwise requires, shall have the meanings specified in this section. Words importing the singular number shall include the plural number in each case and vice versa.

"Business Day" shall mean any day except any Saturday or Sunday or day on which the Principal Office of the Owner is lawfully closed.

"City Attorney" shall mean the City Attorney of the Issuer or any acting or interim City Attorney or his or her designee.

"City Clerk" shall mean the City Clerk or any assistant or deputy City Clerk of the Issuer.

"City Manager" shall mean the City Manager or any assistant or deputy City Manager of the Issuer.

"Debt Service Fund" shall mean the Debt Service Fund established with respect to the Note pursuant to Section 10 hereof.

"Financial Services Director" shall mean the Financial Services Director of the Issuer or any assistant, interim or deputy thereof.

"Fiscal Year" shall mean the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be prescribed by law.

"Issuer" shall mean the City of Stuart, Florida, a municipal corporation created and existing pursuant to the Constitution and the laws of the State of Florida.

"Maturity Date" shall mean October 1, 2030.

"Mayor" shall mean the Mayor or Vice Mayor of the Issuer, or the Mayor's designee.

"New City Hall" means at least approximately 22,000 square feet portion of an existing building within the city limits of the Issuer to be used for City Hall purposes.

"Non-Ad Valorem Revenues" shall mean all legally available revenues of the Issuer other than ad valorem tax revenues.

"Note" shall mean the Taxable Non-Ad Valorem Revenue Note, Series 2020 authorized by Section 4 hereof.

"Note Counsel" shall mean, Bryant Miller Olive P.A., or other national recognized bond counsel firm.

"Original Purchaser" shall mean JPMorgan Chase Bank, N.A.

"Owner" or "Owners" shall mean the Person or Persons in whose name or names the Note shall be registered on the books of the Issuer kept for that purpose in accordance with provisions of this Resolution. The Original Purchaser shall be the initial Owner of the Note.

"Permitted Lender" shall mean any affiliate of the Original Purchaser or any bank, trust company, savings institution, insurance company or qualified institutional buyer under Rule 144A promulgated under the Securities Act of 1933.

"Person" shall mean natural persons, firms, trusts, estates, associations, corporations, partnerships and public bodies.

"Pledged Revenues" shall mean the Non-Ad Valorem Revenues budgeted, appropriated and deposited in the Debt Service Fund and any proceeds of the Note on deposit in the Project Fund as provided herein.

"Principal Office" shall mean with respect to the Original Purchaser, 1450 Brickell Ave, Floor 15, Miami, Florida 33131, or such other office as the Original Purchaser may designate to the Issuer in writing.

"Project" shall mean, collectively, the acquisition, design, renovation, and equipping of New City Hall space in an existing building being acquired and the redevelopment of Real Property to be Redeveloped; provided, however, ”Project” does not include Remainder Space.

"Project Fund" shall mean the Project Fund established with respect to the Note pursuant to Section 11 hereof.

"Real Property to be Redeveloped" means of real property to New City Hall within city limits, as described in plans on file at the offices of the Issuer, as such plans may be modified from time to time.

"Remainder Space" means that portion of the building, being acquired by the Issuer together with New City Hall that is not expected to be used as a public facility.

"Resolution" shall mean this Resolution, pursuant to which the Note is authorized to be issued, including any supplemental resolution(s).

"State" shall mean the State of Florida.

Section 3: *Findings.*

(A) The Issuer deems it necessary, desirable, in the best interests of the Issuer and its citizens and to serve a public purpose that all or a portion of the costs of New City Hall be financed.

(B) The Issuer deems it necessary, desirable, in the best interests of the Issuer and its citizens and to serve a paramount public purpose that all or a portion of the costs of the Real Property to be Redeveloped be financed. The Issuer anticipates to use the Property to be Redeveloped for community development or redevelopment purposes to promote private enterprise and enhance the tax base, including without limitation, to be used to address the severe

affordable and/or workforce housing shortage. Such community redevelopment by the Issuer will foster increased economic activity within the city limits of the Issuer by providing a more vibrant community in and for the Issuer and its inhabitants, and for preserving the continued health, welfare, and safety of the Issuer and its citizens.

(C) The Remainder Space will not be financed with proceeds of the Note; rather, the Remainder Space will be purchased with other legally available funds of the Issuer.

(D) Debt service on the Note will be secured by a covenant to budget, appropriate and deposit Non-Ad Valorem Revenues as provided herein. The Pledged Revenues will be sufficient to pay the principal and interest on the Note herein authorized, as the same become due, and to make all deposits required by this Resolution.

(E) The Issuer shall never be required to levy ad valorem taxes or use the proceeds thereof to pay debt service on the Note or to make any other payments to be made hereunder or to maintain or continue any of the activities of the Issuer which generate user service charges, regulatory fees or any Non-Ad Valorem Revenues. The Note shall not constitute a lien on any property owned by or situated within the city limits of the Issuer other than Pledged Revenues.

(F) It is estimated that the Non-Ad Valorem Revenues will be available after satisfying funding requirements for obligations having an express lien on or pledge thereof and after satisfying funding requirements for essential governmental services of the Issuer, in amounts sufficient to provide for the payment of the principal of and interest on the Note and all other payment obligations hereunder.

(G) The Issuer, after soliciting proposals in response to a request for loan proposals distributed by the Issuer on June 18, 2020 for financing all or a portion of the costs of the Project and receiving multiple responses complying with the structure described in such request, has selected the Original Purchaser to purchase the Note.

Section 4: *Authorization of Note and Project.* Subject and pursuant to the provisions of this Resolution, an obligation of the Issuer to be known as the "City of Stuart, Florida Taxable Non-Ad Valorem Revenue Note, Series 2020," is hereby authorized to be issued under and secured by this Resolution in the principal amount of not to exceed $5,050,000 for the purpose of financing a portion of all or a portion of the costs of the Project and the costs of issuance thereof. The financing of all or a portion of the costs of the Project is hereby authorized.

Because of the characteristics of the Note, prevailing market conditions, and additional savings to be realized from an expeditious sale of the Note, it is in the best interest of the Issuer to accept the offer of the Original Purchaser to purchase the Note at a private negotiated sale, which was based upon a competitive selection process. Prior to the issuance of the Note, the Issuer shall receive from the Original Purchaser a Purchaser'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.

Section 5: *This Resolution to Constitute Contract.* In consideration of the purchase and acceptance of the Note authorized to be issued hereunder by those who shall be the Owners

thereof from time to time, this Resolution shall constitute a contract between the Issuer and the Original Purchaser or any subsequent Owner. The covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Owners, all of which shall be of equal rank and without preference, priority or distinction of the Note over any other thereof, except as expressly provided therein and herein.

Section 6: *Description of the Note*. The Note shall be dated the date of its execution and delivery, which shall be a date agreed upon by the Issuer and the Original Purchaser, subject to the following terms:

(A) Interest Rate. The Note shall have an initial fixed interest rate equal to 1.295% per annum (subject to adjustment upon the occurrence of certain events as provided herein and in the Note) (calculated on a 30/360 day count basis).

(B) Principal and Interest Payment Dates. Interest on the Note shall be paid semi-annually on each April 1 and October 1, commencing April 1, 2021. Principal on the Note shall be paid in the amounts and on the dates set forth in the Note with a final maturity date of the Maturity Date.

(C) Prepayment of the Note. The Note shall not be subject to prepayment prior to the Maturity Date.

(D) Form of the Note. The Note is to be in substantially the form set forth in Exhibit A attached hereto, together with such non-material changes as shall be approved by the Mayor and the City Manager, such approvals to be conclusively evidenced by the execution thereof by the Mayor and the City Manager.

(E) Original Denomination. The Note shall originally be issued in a single denomination equal to the original not to exceed principal amount authorized hereunder.

Section 7: *Execution and Authentication of Note.* The Note shall be executed in the name of the Issuer by its Mayor and City Manager and attested and countersigned by its City Clerk, subject to the approval of the City Attorney as to form and legality, and the corporate seal of the Issuer or a facsimile thereof shall be affixed thereto or reproduced thereon. In case any one or more of the officers of the Issuer who shall have signed or sealed any of the Note shall cease to be such officer or officers of the Issuer before the Note so signed and sealed shall have been actually sold and delivered, such Note may nevertheless be sold and delivered as if the persons who signed or sealed such Note had not ceased to hold such offices. The Note may be signed and sealed on behalf of the Issuer by such person who at the actual time of the execution of such Note shall hold the proper office, although at the date of such execution of the Note such person may not have held such office or may not have been so authorized.

Section 8: *Registration and Exchange of the Note; Persons Treated as Owner*. The Note is initially registered to the Original Purchaser. So long as the Note shall remain unpaid, the Issuer will keep books for the registration and transfer of the Note. The Note shall be transferable only upon such registration books. Notwithstanding anything herein to the contrary, the Original Purchaser may in the future make transfers or enter into participation agreements or securitization transactions with respect to the Note; provided, however, such transfers shall be only

to the Permitted Lenders and the Note may not be transferred in a denomination of less than $100,000 (or the total principal amount outstanding thereunder if less than $100,000).

The Person in whose name the Note shall be registered shall be deemed and regarded as the absolute Owner thereof for all purposes, and payment of principal and interest on such Note shall be made only to or upon the written order of the Owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Section 9: *Payment of Principal and Interest; Limited Obligation*. The Issuer promises that it will promptly pay the principal of and interest on the Note at the place, on the dates and in the manner provided therein according to the true intent and meaning hereof and thereof. The Note is secured by a pledge of and lien upon the Pledged Revenues in the manner and to the extent described herein. The Note shall not be or constitute a general obligation or indebtedness of the Issuer as a "bond" within the meaning of Article VII, Section 12 of the Constitution of Florida, but shall be payable solely from the Pledged Revenues in accordance with the terms hereof. No Owner shall ever have the right to compel the exercise of any ad valorem taxing power or the use of ad valorem tax revenues to pay such Note, or be entitled to payment of such Note from any funds of the Issuer except from the Pledged Revenues as described herein.

Section 10: *Covenant to Budget and Appropriate*. (A) Subject to the next paragraph, the Issuer covenants and agrees and has a positive and affirmative duty to appropriate in its annual budget, by amendment, if necessary, from Non-Ad Valorem Revenues, and to deposit into the Debt Service Fund hereinafter created, amounts sufficient to pay principal of and interest on the Note and all other payments due hereunder not being paid from other amounts as the same shall become due. Such covenant and agreement on the part of the Issuer to budget, appropriate and deposit such amounts of Non-Ad Valorem Revenues shall be cumulative to the extent not paid, and shall continue until such Non-Ad Valorem Revenues or other legally available funds in amounts sufficient to make all such required payments shall have been budgeted, appropriated, deposited and actually paid. No lien upon or pledge of such budgeted Non-Ad Valorem Revenues shall be in effect until such monies are budgeted, appropriated and deposited as provided herein. The Issuer further acknowledges and agrees that the obligations of the Issuer to include the amount of such amendments in each of its annual budgets and to pay such amounts from Non-Ad Valorem Revenues may be enforced in a court of competent jurisdiction in accordance with the remedies set forth herein.

Until such monies are budgeted, appropriated and deposited as provided herein, such covenant to budget and appropriate does not create any lien upon or pledge of such Non-Ad Valorem Revenues, nor does it preclude the Issuer from pledging in the future its Non-Ad Valorem Revenues (except as provided in Section 18 hereof), nor does it require the Issuer to levy and collect any particular Non-Ad Valorem Revenues, nor does it give the Owner a prior claim on the Non-Ad Valorem Revenues as opposed to claims of general creditors of the Issuer. Such covenant to budget and appropriate Non-Ad Valorem Revenues is subject in all respects to the prior payment of obligations secured by a lien on and pledge of specific components of the Non-Ad Valorem Revenues heretofore or hereafter entered into (including the payment of debt service on bonds and other debt instruments). Anything in this Resolution to the contrary notwithstanding, it is understood and agreed that all obligations of the Issuer hereunder shall be payable solely from the

portion of Non-Ad Valorem Revenues budgeted, appropriated and deposited as provided for herein and nothing herein shall be deemed to pledge ad valorem tax power or ad valorem taxing revenues or to permit or constitute a mortgage or lien upon any assets owned by the Issuer and no holder of the Note nor any other person, may compel the levy of ad valorem taxes on real or personal property within the boundaries of the Issuer or the use or application of ad valorem tax revenues in order to satisfy any payment obligations hereunder or to maintain or continue any of the activities of the Issuer which generate user service charges, regulatory fees, or any other Non-Ad Valorem Revenues. Notwithstanding any provisions of this Resolution or the Note 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. The covenant to budget, appropriate and deposit as herein described is subject to the requirement that the Issuer is prohibited by law from expending moneys not appropriated or in excess of its current budgeted revenues and surpluses. Until such monies are budgeted, appropriated and deposited as provided herein, neither this Resolution nor the obligations of the Issuer hereunder shall be construed as a pledge of or a lien on all or any legally available Non-Ad Valorem Revenues of the Issuer, but shall be payable solely as provided herein and is further subject to the availability of Non-Ad Valorem Revenues after satisfaction of funding requirements for obligations having an express lien on or pledge of such revenues and funding requirements for essential governmental services of the Issuer.

There is hereby created and established the "City of Stuart, Florida Taxable Non-Ad Valorem Revenue Note, Series 2020 Debt Service Fund," which fund shall be a trust fund held by the Financial Services Director, which shall be held solely for the benefit of the Owner. The Debt Service Fund shall be deemed to be held in trust for the purposes provided herein for such Debt Service Fund. The money in such Debt Service Fund shall be continuously secured in the same manner as state and municipal deposits are authorized to be secured by the laws of the State. The designation and establishment of the Debt Service Fund in and by this Resolution shall not be construed to require the establishment of a completely independent, self-balancing fund as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues and assets of the Issuer for certain purposes and to establish certain priorities for application of such revenues and assets as herein provided. The Issuer may at any time and from time to time appoint one or more depositaries to hold, for the benefit of the Owner of the Note, the Debt Service Fund established hereby. Such depository or depositaries shall perform at the direction of the Issuer the duties of the Issuer in depositing, transferring and disbursing moneys to and from such Debt Service Fund as herein set forth, and all records of such depository in performing such duties shall be open at all reasonable times to inspection by the Issuer and its agent and employees. Any such depository shall be a bank or trust company duly authorized to exercise corporate trust powers and subject to examination by federal or state authority, of good standing, and having a combined capital, surplus and undivided profits aggregating not less than fifty million dollars ($50,000,000).

(B) Until applied in accordance with this Resolution, the Non-Ad Valorem Revenues of the Issuer on deposit in the Debt Service Fund and other amounts on deposit from time to time therein, plus any earnings thereon, are pledged to the repayment of the Note.

Section 11. *Application of Proceeds of Note*. The proceeds received from the sale of the Note shall be applied by the Issuer simultaneously with the delivery of the Note to the Original Purchaser, as follows:

(1) The Issuer shall pay all costs and expenses in connection with the preparation, issuance and sale of the Note; and

(2) Remaining proceeds shall be deposited in the Project Fund.

The Issuer covenants and agrees to establish a special fund to be designated "City of Stuart, Florida Taxable Non-Ad Valorem Revenue Note, Series 2020, Project Fund." The Project Fund shall be deemed to be held in trust for the purposes provided herein for such Project Fund. The money in such Project Fund shall be continuously secured in the same manner as state and municipal deposits are authorized to be secured by the laws of the State. The designation and establishment of the Project Fund by this Resolution shall not be construed to require the establishment of a completely independent, self-balancing fund as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain assets of the Issuer for certain purposes and to establish certain priorities for application of such assets as herein provided. Amounts on deposit from time to time in the Project Fund, plus any earnings thereon, are pledged to the repayment of the Note. All or a portion of the costs of the Project will be paid from the Project Fund. The Issuer may at any time and from time to time appoint one or more depositaries to hold, for the benefit of the Owner of the Note, the Project Fund established hereby. Such depository or depositaries shall perform at the direction of the Issuer the duties of the Issuer in depositing, transferring and disbursing moneys to and from such Project Fund as herein set forth, and all records of such depository in performing such duties shall be open at all reasonable times to inspection by the Issuer and its agent and employees. Any such depository shall be a bank or trust company duly authorized to exercise corporate trust powers and subject to examination by federal or state authority, of good standing, and having a combined capital, surplus and undivided profits aggregating not less than fifty million dollars ($50,000,000).

Section 12: *Amendment*. This Resolution shall not be modified or amended in any respect subsequent to the issuance of the Note, except with the written consent of all of the Owners of the Note.

Section 13: *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 Note is intended or shall be construed to give to any Person other than the Issuer and the 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 Owner.

Section 14: *Note Mutilated, Destroyed, Stolen or Lost*. In case any of the Note shall become mutilated, or be destroyed, stolen or lost, the Issuer shall issue and deliver a new Note of like tenor as the Note so mutilated, destroyed, stolen or lost, in exchange and in substitution for such mutilated Note, or in lieu of and in substitution for the Note destroyed, stolen or lost and upon the Owner furnishing the Issuer proof of ownership thereof and indemnity reasonably

satisfactory to the Issuer and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer may incur. The Note so surrendered shall be canceled.

Section 15: *Impairment of Contract*. The Issuer covenants with the Owner of the Note that it will not, without the written consent of the Owner of the Note, enact any ordinance or adopt any resolution which repeals, impairs or amends in any manner adverse to the Owner the rights granted to the Owner hereunder.

Section 16: *Holdover Tenant Covenant; Financial Information*.

The New City Hall will be financed with proceeds of the Note. The New City Hall has several commercial holdover tenants with lease agreements. The Issuer covenants and agrees with the Owner that it will not renew or extend any such leases upon termination beyond the fifth anniversary date of the Note, based on its intent to use the New City Hall as its future city hall and to satisfy a municipal purpose.

Not later than 270 days after the close of each Fiscal Year, the Issuer shall provide the Owner with its Comprehensive Annual Financial Report including annual financial statements for each Fiscal Year of the Issuer, prepared in accordance with applicable law and generally accepted accounting principles and audited by an independent certified public accountant. The Issuer shall provide the Owner with a copy of its resolution adopting its annual budget and any revisions to its capital improvement program within thirty (30) days of the adoption of the same, and such other financial information and operating data regarding the Issuer as the Owner may reasonably request.

Section 17: *Events of Default; Remedies of Owners of the Note.* The following shall constitute "Events of Default": (i) if the Issuer fails to pay any payment of principal of or interest on the Note or other debt payable from any Non-Ad Valorem Revenues as the same becomes due and payable; (ii) if the Issuer defaults in the performance or observance of any covenant or agreement contained in this Resolution or the Note (other than set forth in (i) above) and fails to cure the same within thirty (30) days following notice thereof; or (iii) filing of a petition by or against the Issuer relating to bankruptcy, reorganization, arrangement or readjustment of debt of the Issuer or for any other relief relating to the Issuer under the United States Bankruptcy Code, as amended, or any other insolvency act or law now or hereafter existing, or the involuntary appointment of a receiver or trustee for the Issuer, and the continuance of any such event for 90 days undismissed or undischarged.

Upon the occurrence and during the continuation of any Event of Default, the Owner may, in addition to any other remedies set forth in this Resolution or the Note, either at law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State, or granted or contained in this Resolution, and may enforce and compel the performance of all duties required by this Resolution, or by any applicable statutes to be performed by the Issuer.

In case of an Event of Default pursuant to clause (i) above and upon written declaration of the Owner of at least 100% of the principal amount of the Note, the entire debt then remaining unpaid under the Note shall be immediately due and payable.

Section 18: *Anti-Dilution Test; Coverage Covenant.*

(A) The Issuer may incur additional debt secured by all or a portion of the Non-Ad Valorem Revenues only if the total amount of Non-Ad Valorem Revenues for the prior Fiscal Year were at least 1.5 times the maximum annual debt service of all debt (including all long-term financial obligations appearing on the Issuer's most recent audited financial statements and the debt proposed to be incurred) to be paid from Non-Ad Valorem Revenues (collectively, "Debt"), including any Debt payable from one or several specific revenue sources. Notwithstanding anything herein to the contrary, for purposes of the calculation, Debt shall not include any indebtedness the debt service on which is reasonably expected to be paid from sources other than Non-Ad Valorem Revenues.

For purposes of calculating maximum annual debt service if the terms of the Debt are such that interest thereon for any future period of time is to be calculated at a rate which is not then susceptible of precise determination ("Variable Rate Debt"), interest on such Variable Rate Debt shall be computed at an interest rate equal to the higher of 4% per annum or The Bond Buyer 40 Index shall be assumed.

For purposes of calculating maximum annual debt service, balloon indebtedness shall be assumed to amortize in up to 30 years on a level debt service basis. In the event that the Issuer is required to fund a reserve fund, the funding of such reserve fund shall be included in the calculation of debt service. For purposes of this paragraph, "balloon indebtedness" includes indebtedness if 25% or more of the principal amount thereof comes due in any one year.

(B) While the Note remains outstanding, not later than 270 days after the close of each Fiscal Year, the Issuer shall provide the Owner, on an annual basis, with the calculations described in subsection (A) above, in form and substance reasonably acceptable to the Owner. In the event the coverage calculation described in subsection (A) above is less than 1.5 times for any Fiscal Year, the interest rate on the Note shall be increased to 3.295% (the "Increased Rate") retroactive to the first day of the succeeding Fiscal Year, until such time as the Issuer shall provide the Owner with a new coverage calculation described in subsection (A) above, in form and substance reasonably acceptable to the Owner, reflecting the coverage calculation described in subsection (A) above is at least 1.5 times. Subject to the Issuer making all requisite payments of debt service under the Note at the Increased Rate, failure to meet the covenant described in this Section 18(B) shall not be considered an Event of Default.

Section 19: *Severability.* If any one or more of the covenants, agreements or provisions of this Resolution should 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 separate from the remaining covenants, agreements or provisions of this Resolution or of the Note issued thereunder.

Section 20: *Business Days.* In any case where the due date of interest on or principal of a Note is not a Business Day, then payment of such principal or interest need not be made on such date but may be made on the next succeeding Business Day, provided that credit for payments made shall not be given until the payment is actually received by the Owners.

Section 21: *Applicable Provisions of Law.* This Resolution shall be governed by and construed in accordance with the laws of the State.

Section 22: *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 23: *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 24: *Members of the City Commission Not Liable.* No covenant, stipulation, obligation or agreement contained in this Resolution shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, agent or employee of the Issuer in his or her individual capacity, and neither the members of the City Commission nor any Person executing the Note shall be liable personally on the Note or this Resolution or shall be subject to any personal liability or accountability by reason of the issuance or the execution of the Note or this Resolution.

Section 25: *Authorizations*. The Mayor, the City Manager, the City Attorney, the City Clerk and such other officials and employees of the Issuer as may be designated by the City Manager are each designated as agents of the Issuer in connection with the execution and delivery of the Note and are authorized and empowered, collectively or individually, to take all action and steps and to execute all instruments, documents, and contracts on behalf of the Issuer that are necessary or desirable in connection with the execution and delivery of the Note, and which are specifically authorized or are not inconsistent with the terms and provisions of this Resolution.

Section 26: *Open Meeting Findings.* It is hereby found and determined that all official acts by the City Commission concerning and relating to the adoption of this Resolution and all prior resolutions affecting the City Commission's ability to issue the Note were taken in an open meeting of the City Commission and that all deliberations of the City Commission or any of its committees that resulted in such official acts were in meetings open to the public, in compliance with all legal requirements, including Section 286.011, Florida Statutes.

Section 27: *Repealer.* All resolutions or portions thereof in conflict herewith are hereby repealed.

Section 28: *Effective Date.* This Resolution shall be in full force and take effect immediately upon its passage and adoption.

Commissioner _____ offered the foregoing resolution and moved its adoption. The motion was seconded by Commissioner _____ and upon being put to a roll call vote, the vote was as follows:

	YES	NO	ABSENT	ABSTAIN
MICHAEL J. MEIER, MAYOR				
EULA R. CLARKE, VICE MAYOR				
BECKY BRUNER, COMMISSIONER				
MERRITT MATHESON, COMMISSIONER				
VACANT, COMMISSIONER				

ADOPTED this ___ day of _____, 2020.

ATTEST:

_____
MARY R. KINDEL
CITY CLERK

_____
MICHAEL J. MEIER
MAYOR

APPROVED AS TO FORM
AND CORRECTNESS:

_____
MICHAEL J. MORTELL
CITY ATTORNEY

EXHIBIT A

[FORM OF NOTE]

Dated Date: August 5, 2020 $5,050,000

Interest Rate 1.295%
(subject to adjustment as described below)

STATE OF FLORIDA
CITY OF STUART, FLORIDA
TAXABLE NON-AD VALOREM REVENUE NOTE, SERIES 2020

KNOW ALL MEN BY THESE PRESENTS that the City of Stuart, Florida (the "Issuer"), a municipal corporation created and existing pursuant to the Constitution and the laws of the State of Florida, for value received, promises to pay from the sources hereinafter provided, to the order of JPMorgan Chase Bank, N.A. or registered assigns (hereinafter, the "Owner"), the principal sum of $5,050,000, on the dates and in the amounts as hereinafter described, together with interest on the principal balance at the "Interest Rate" described below, calculated on a 30/360-day basis, however, that such interest rate shall in no event exceed the maximum interest rate permitted by applicable law. This Note shall have a final "Maturity Date" of October 1, 2030.

The Interest Rate is equal to 1.295% (subject to adjustment as described herein and in the hereinafter defined Resolution).

Interest shall be payable to the Owner on each April 1 and October 1, commencing on April 1, 2021.

A final payment in the amount of the remaining principal balance, together with all accrued and unpaid interest hereon, shall be due and payable in full on the Maturity Date.

This Note shall not be subject to prepayment prior to the Maturity Date.

If any date for the payment of principal and interest hereon shall fall on a day which is not a Business Day the payment due on such date shall be due on the next succeeding day which is a Business Day, but the Issuer shall not receive credit for the payment until it is actually received by the Owner.

All payments by the Issuer pursuant to this Note shall apply first to accrued interest, then to other charges due the Owner, and the balance thereof shall apply to principal.

THIS NOTE DOES NOT CONSTITUTE A GENERAL INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISION OR LIMITATION, AND IT IS EXPRESSLY AGREED BY THE HOLDER OF THIS NOTE THAT SUCH NOTEHOLDER SHALL NEVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE ISSUER OR TAXATION OF ANY REAL OR PERSONAL PROPERTY THEREIN OR THE USE OF AD VALOREM TAX REVENUES FOR THE PAYMENT OF THE PRINCIPAL

OF AND INTEREST ON THIS NOTE OR THE MAKING OF ANY OTHER PAYMENTS PROVIDED FOR IN THE RESOLUTION.

This Note is issued pursuant to the Constitution and the laws of the State of Florida, Chapter 166, Part II, Florida Statutes, Chapter 163, Part III, Florida Statutes, Chapter 159, Part VII, Florida Statutes, the Charter of the Issuer and other applicable provisions of law, and a resolution duly adopted by the Issuer on July 27, 2020, as amended and supplemented from time to time (herein referred to as the "Resolution"), and is subject to all the terms and conditions of the Resolution. All terms, conditions and provisions of the Resolution including, without limitation, remedies in the Event of Default are by this reference thereto incorporated herein as a part of this Note. Payment of the Note is secured by a covenant to budget, appropriate and deposit Non-Ad Valorem Revenues in the Debt Service Fund of the Issuer and a pledge of the lien upon the Pledged Revenues, in the manner and to the extent described in the Resolution. Terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto in the Resolution.

Unless earlier prepaid, the principal amount of this Note shall be paid in the following amounts on the following dates:

Dates	Amounts
10/1/2021	$465,000
10/1/2022	485,000
10/1/2023	490,000
10/1/2024	495,000
10/1/2025	505,000
10/1/2026	510,000
10/1/2027	515,000
10/1/2028	520,000
10/1/2029	530,000
10/1/2030	535,000

This Note may be exchanged or transferred by the Owner hereof to any Permitted Lender, but only upon the registration books maintained by the Issuer and in the manner provided in the Resolution.

Upon and during the continuance of an Event of Default, this Note shall bear interest at the Default Rate. For purposes of this Note, the term "Default Rate" shall mean the lesser of (i) 3.295% per annum, or (ii) the maximum interest rate permitted by applicable law. The Default Rate shall be determined as of the day immediately following the date on which any amount payable to the Owner hereunder is not paid when due.

The Issuer to the extent permitted by law hereby waives presentment, demand, protest and notice of dishonor.

It is hereby certified, recited and declared that all acts, conditions and prerequisites required to exist, happen and be performed precedent to and in the execution, delivery and the issuance of this Note do exist, have happened and have been performed in due time, form and

manner as required by law, and that the issuance of this Note is in full compliance with and does not exceed or violate any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Issuer has caused this Note to be signed by its Mayor and City Manager, on behalf of the City Commission, either manually or with facsimile signature, and the seal of the Issuer to be affixed hereto or imprinted or reproduced hereon, and attested and countersigned by the City Clerk and approved as to form and legality by the Interim City Attorney, either manually or with facsimile signature, and this Note to be dated the Date of Issuance set forth above.

CITY OF STUART, FLORIDA

(SEAL)

By:_____

Name: Michael J. Meier

Title: Mayor

By:_____

Name: David Dyess

Title: City Manager

ATTESTED AND COUNTERSIGNED: APPROVED AS TO FORM

AND LEGALITY:

By:_____ By:_____

Name: Mary R. Kindel
Title: City Clerk

Name: Michael J. Mortell
Title: City Attorney

EXHIBIT B

FORM OF PURCHASER'S CERTIFICATE

This is to certify that JPMorgan Chase Bank, N.A. (the "Purchaser") has not required the City of Stuart, Florida (the "Issuer") to deliver any offering document and has conducted its own investigation, to the extent it deems satisfactory or sufficient, into matters relating to business affairs or conditions (either financial or otherwise) of the Issuer in connection with the issuance by the Issuer of its $5,050,000 Taxable Non-Ad Valorem Revenue Note, Series 2020 (the "Note"). No inference should be drawn that the Purchaser, in the acceptance of said Note, is relying on Note Counsel or the City Attorney as to any such matters other than the legal opinions rendered by Note Counsel and by the City Attorney, Michael J. Mortell, Esq. ("General Counsel"). Any capitalized undefined terms used herein not otherwise defined shall have the meaning set forth in a resolution adopted by the City Commission of the Issuer on July 27, 2020 (the "Resolution").

We are aware that investment in the Note involves various risks, that the Note is not a general obligation of the Issuer or payable from ad valorem tax revenues, and that the payment of the Note is secured solely from the sources described in the Resolution (the "Note Security").

We have made such independent investigation of the Note Security as we, in the exercise of sound business judgment, consider to be appropriate under the circumstances.

We have knowledge and experience in financial and business matters and are capable of evaluating the merits and risks of our investment in the Note and can bear the economic risk of our investment in the Note.

We acknowledge and understand that the Resolution is not being qualified under the Trust Indenture Act of 1939, as amended (the "1939 Act"), and is not being registered, in reliance upon the exemption from registration under Section 3(a)(2) of the Securities Act of 1933, Section 517.051(1), Florida Statutes, and/or Section 517.061(7), Florida Statutes, and that neither the Issuer, Note Counsel nor the General Counsel shall have any obligation to effect any such registration or qualification.

We are not acting as a broker or other intermediary, and are purchasing the Note as an investment for our own account and not with a present view towards a resale or other distribution to the public. We understand that the Note may be transferred in whole or in part; provided, however, we understand that the Note may only be transferred in accordance with the limitations set forth in the Resolution.

We are a bank, trust company, savings institution, insurance company, dealer, investment company, pension or profit-sharing trust, or qualified institutional buyer as contemplated by Section 517.061(7), Florida Statutes. We are not purchasing the Note 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.

We are an "accredited investor" within the meaning of the Securities Act of 1933, as amended, and Regulation D thereunder.

DATED this 5th day of August, 2020.

JPMORGAN CHASE BANK, N.A.

By:_____
Name: Creedence Gonzalez
Title: Vice President

EXHIBIT C

FORM OF DISCLOSURE LETTER

The undersigned, as purchaser, proposes to negotiate with the City of Stuart, Florida (the "Issuer") for the private purchase of its $5,050,000 City of Stuart, Florida Taxable Non-Ad Valorem Revenue Note, Series 2020 (the "Note"). Prior to the award of the Note, 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 "Purchaser") in connection with the issuance of the Note (such fees and expenses to be paid by the Issuer):

$7,500

Greenberg Traurig, P.A., Purchaser's Counsel
Legal Fees

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

(b) No person has entered into an understanding with the Purchaser, or to the knowledge of the Purchaser, 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 Purchaser or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Note.

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

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

5. Truth-in-Bonding Statement:

The Note is being issued to finance all or a portion of the costs of the Project and pay costs of issuance thereof, as such term is defined in the hereinafter defined Resolution.

Unless earlier prepaid, the Note is expected to be repaid on October 1, 2030. At the initial fixed interest rate of 1.295%, total interest paid over the life of the Note is estimated to be $377,370.24.

The Note will be payable solely from a covenant to budget, appropriate and deposit from Non-Ad Valorem Revenues sufficient to make such payments, appropriated and deposited as described in a resolution of the Issuer adopted on July 27, 2020 (the "Resolution"). See the Resolution for a definition of Non-Ad Valorem Revenues. Issuance of the Note is estimated to result in an annual average of approximately $534,423.77 of revenues of the Issuer not being

available to finance the other services of the Issuer during the life of the Note. This paragraph is provided pursuant to Section 218.385, Florida Statutes.

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

JPMorgan Chase Bank, N.A.
1450 Brickell Ave, Floor 15
Miami, Florida 33131

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Letter on behalf of the Purchaser this 5th day of August, 2020.

JPMORGAN CHASE BANK, N.A.

By:_____
Name: Creedence Gonzalez
Title: Vice President