

**ORDINANCE NO. 22-\_\_\_\_\_**

**BE IT ORDAINED** by the City Council (the "Council") of the **CITY OF HUNTSVILLE, ALABAMA** (the "City"), as follows:

**Section 1. Findings.** The Council has ascertained and does hereby determine and declare as follows:

(a) the Public Building Authority of the City of Huntsville, a political subdivision of the State of Alabama (the "Authority"), was created by the City pursuant to Chapter 56 of Title 11 of the Code of Alabama 1975, as amended (the "Enabling Law") in order to own and lease certain public buildings to the City; and

(b) the City has determined it to be necessary, wise and in the public interest to cause to be constructed and developed a new municipal city hall and related parking and other facilities (the "Facility") on certain real property within the City (the "Site" and, together with the Facility, the "Project"), which the City will lease from the Authority and, further, which such Facility shall be financed through the issuance of the Series 2022 Bonds hereinafter described; and

(c) the Authority has authorized the execution of a Bond Purchase Agreement between it, as issuer of the Series 2022 Bonds, and Stifel, Nicolaus & Company, Incorporated and Piper Sandler & Co. (collectively, the "Underwriter"), as underwriter, respecting the issuance by the Authority of its \$74,285,000 Lease Revenue Bonds, Series 2022, dated their date of initial issuance (the "Series 2022 Bonds"), the proceeds of which shall be used to pay the costs of the Facility and the costs of issuing the Bonds; and

(d) the Project constitutes a "Project", as such term is defined in the Enabling Law, and the City has determined it necessary, wise and in the public interest that the City enter the Lease Agreement hereinafter authorized and that the City approve certain other matters in connection with issuance of the Bonds.

**Section 2. Authorization of Lease Agreement.** The Mayor is hereby authorized to execute and deliver, on behalf of the City, a Lease Agreement dated the date of the Series 2022 Bonds between the City and the Authority, which shall be in substantially the form attached hereto as Exhibit II and made a part hereof as if set forth in full herein and with such changes thereto as shall be approved by the Mayor and the Chairman of the Authority (the "Lease Agreement"). The City Clerk is hereby authorized to affix the seal of the City to the Lease Agreement and to attest the same; provided, however, that the Lease Agreement shall not be delivered on behalf of the City unless simultaneously with such delivery there shall be executed and delivered on behalf of the respective parties a Mortgage Indenture and Deed of Trust dated the date of the Series 2022 Bonds (the "Indenture") between the Authority and Regions Bank, as trustee thereunder, providing for the issuance of the Series 2022 Bonds, which Indenture shall be in substantially the form presented to the meeting of the Council at which this ordinance is adopted, with such changes thereto as shall be approved by the Chairman of the Authority, which form shall be attached to the minutes of said meeting as Exhibit I and is hereby adopted in all respects as if

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set out in full herein. The City agrees to include in its annual budget for each fiscal year the rental payments required to be made under the Lease Agreement.

**Section 3. Ratification of Preliminary Official Statement; Authorization of Official Statement.** Recognizing that the ability of the Authority to sell the Bonds depends upon the financial condition of the City, there has heretofore been prepared by the City and circulated by the Underwriter a Preliminary Official Statement dated February 9, 2022 (the "Preliminary Official Statement") with respect to the Series 2022 Bonds, a copy of which is attached as Exhibit II to the minutes of the meeting at which this Ordinance is adopted and which is hereby adopted in all respects as if set out in full herein. The actions of the Underwriter in circulating the Preliminary Official Statement, and the actions of the City, working with the Authority, in causing the Preliminary Official Statement to be prepared and "deemed final" as of its date for purposes of Rule 15c2-12 promulgated by the Securities Exchange Commission, are hereby ratified and affirmed. The Council hereby further authorizes and approves the Official Statement of the Authority with respect to the Series 2022 Bonds in substantially the form attached as Exhibit III to the minutes of the meeting at which this Ordinance is adopted, and which form is hereby adopted in all respects as if set out in full in this Ordinance. The Mayor, the Finance Director, and the City Clerk, or either of them, are hereby authorized to execute and deliver, on behalf of the City, such certificates as may be requested by the Authority or otherwise desirable respecting the accuracy of information contained in the Preliminary Official Statement and in the Official Statement respecting the City.

**Section 4. Approval of Series 2022 Bonds.** The Council hereby approves in all respects the terms and conditions (including, without limitation, the maturities, interest rates, principal maturity schedule, and provisions for redemption prior to maturity) of the Series 2022 Bonds, which such terms and conditions are contained in the Indenture. The Council hereby acknowledges its understanding of all provisions of the Lease Agreement and the Indenture, and the Council hereby approves the provisions of both such documents. The Council hereby further approves the sale of the Series 2022 Bonds to the Underwriter, which is purchasing the Series 2022 Bonds at and for a sale price of \$90,276,575.35, which sale price represents the initial par or face amount of the Series 2022 Bonds, plus original issue premium of \$16,251,572.85, less an underwriting discount of \$259,997.50.

**Section 5. City as Agent for Authority.** In order to proceed with the design, construction, development, equipping, installation and provision of the Project, it is necessary, wise and in the public interest that the City serve as agent for the Authority and be permitted to enter into contracts, agreements and other instruments by and on behalf of the Authority in connection with the design, construction, development, equipping, installation and provision of the Project. The Council hereby ratifies and affirms the Construction Agency Agreement (the "Agency Agreement"), and the execution thereof by the Mayor, a copy of which such Agency Agreement is attached as Exhibit IV. The Mayor is hereby further authorized to make such changes, amendments and modifications to the said Agency Agreement as the Mayor shall deem necessary or desirable in connection with the development, construction, and operation of the Project. The Council does hereby further authorize each of the Mayor, the City Clerk and the Finance Director to execute and deliver such documents, notices, orders, certificates or other

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instruments as such officer shall deem necessary or desirable to carry out the design, development, construction, equipping, installation, provision and operation of the Project.

**Section 6. Authorization of Continuing Disclosure Agreement.** In order to enable the Authority to comply with Rule 15c2-12 promulgated by the United States Securities and Exchange Commission, the Mayor, the Finance Director, and the City Clerk, or either of them, are hereby authorized to execute and deliver, on behalf of the City, a Continuing Disclosure Agreement dated the date of the Series 2022 Bonds (the "Continuing Disclosure Agreement") for the benefit of the beneficial owners of the Series 2022 Bonds, in substantially the form presented to the meeting at which this Ordinance is adopted (which form shall be attached as Exhibit V to the minutes of the meeting at which this Ordinance is adopted and which is hereby adopted in all respects as if set out in full herein). The Continuing Disclosure Agreement is to be entered into contemporaneously with the issuance of the Series 2022 Bonds in order to assist the Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission. The rights of enforcement of the said Continuing Disclosure Agreement shall be as provided therein, and in no event shall a default by the City thereunder constitute a default under the Lease Agreement, the Indenture, the Series 2022 Bonds, or any other document executed and delivered by the City or the Authority in connection with the issuance of the Series 2022 Bonds.

**Section 7. Concerning the Code.** (a) **General.** The City recognizes that the Code imposes certain conditions to the exemption from federal income taxation of interest income on the Series 2022 Bonds. Accordingly, the City agrees that it will continually comply with all requirements imposed by the Code as a condition to the exemption from federal income taxation of the interest income on the Series 2022 Bonds. With respect to any question arising under this Section 13, the City may rely upon an opinion of nationally recognized bond counsel acceptable to it.

(b) **Series 2022 Bonds not to be "Private Activity Bonds".** The City will not apply or permit the application of the proceeds of the Series 2022 Bonds in a manner that would cause the Series 2022 Bonds to be "private activity bonds" within the meaning of Section 141(a) of the Code.

(c) **Concerning the Arbitrage Provisions of the Code; Rebate.** The City agrees that it will comply with all provisions of the Code necessary to preclude the Series 2022 Bonds from being considered "arbitrage bonds" within the meaning of Section 148 of the Code, and the City will make timely rebate payments to the United States of America as required by Section 148(f) of the Code.

**Section 8. Additional Documents; Ratification of Certain Actions.** The Mayor, the City Clerk and the Finance Director, or either of them, are each hereby authorized and directed to execute such instruments, directions, orders, notices, agreements, certificates or other documents as shall be necessary or desirable in order to carry out the transactions contemplated by this Ordinance, the Lease Agreement, the Agency Agreement, the Indenture, or any other documents or transactions authorized under this Ordinance. The Mayor, the City Clerk and the Finance Director are each hereby authorized and directed to execute such certificates, agreements

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and other documents respecting the Internal Revenue Code of 1986, as amended (herein called the "Code"), as contemplated by this Ordinance, to the end that the interest income on the Series 2022 Bonds be and remain exempt from federal income taxation.

**Section 9. Disclaimer of Liability.** The Series 2022 Bonds shall not constitute or give rise to an obligation or debt of the City or a charge against the credit or taxing powers of the City, and nothing contained in this Ordinance shall ever be construed to the contrary.

ADOPTED this 24th day of February, 2022.

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President of the City Council of  
the City of Huntsville, Alabama

APPROVED this 24th day of February, 2022.

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Mayor of the City of  
Huntsville, Alabama

