



## REQUEST FOR COUNCIL ACTION

### City of Greenville, South Carolina

Agenda Item No.

14b

**TO:** Honorable Mayor and Members of City Council  
**FROM:** John F. McDonough, City Manager

Ordinance/First Reading
  Ordinance/Second & Final Reading
  Resolution/First & Final Reading
  Information Only

**AGENDA DATE REQUESTED:** March 23, 2020

**ORDINANCE/RESOLUTION CAPTION:**

THIRD SUPPLEMENTAL ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF NOT EXCEEDING \$37,000,000 CITY OF GREENVILLE, SOUTH CAROLINA HOSPITALITY TAX REVENUE BONDS, IN ONE OR MORE SERIES; AND OTHER MATTERS RELATING THERETO.

**SUMMARY BACKGROUND:**

The City has issued a certificate expressing its intention to issue debt to reimburse the City for costs related to the costs of the acquisition, construction, renovation, installation and equipping of various capital improvements in order to create and expand Unity Park, a regional park owned and operated by the City; and partially defraying the costs of the acquisition, construction, renovation, installation and equipping of various capital improvements in order to create a consolidated Parks and Recreation Maintenance Facility to serve Unity Park, Falls Park and other tourism-related facilities.

The Project has been included in the City's adopted budgets and CIP with funding provided through the issuance of Hospitality Tax revenue bonds, among other sources.

The attached ordinance authorizes the issuance of the Series 2020 Hospitality Tax Revenue Bonds in an amount not exceeding \$37 million with a final maturity date not later than 2041 (approximately twenty years). There is sufficient capacity in the Hospitality Tax fund to accommodate the estimated annual debt service. The repayment structure is based on level debt service payments of approximately \$2,000,000 in principal and interest.

First Tryon Advisors is serving as the City's financial consultant and solicited bids for the purchase of the Series 2020 bonds in February 2020. The expected closing date for the purchase is late April 2020. Haynsworth Sinkler Boyd is serving as the City's bond counsel.

**IMPACT IF DENIED:**

If denied, the City will be unable to reimburse the expenses incurred in the above named projects. If approved, the City will issue debt to reimburse the expenditures for these projects.

**FINANCIAL IMPACT:**

The annual debt service payments for the Hospitality Tax Fund will increase by an estimated \$2,000,000 annually beginning in FY22. Sufficient debt service coverage and revenue capacity is available in the Fund.

#### REQUIRED SIGNATURES

Department Director \_\_\_\_\_

OMB Director \_\_\_\_\_

DocuSigned by:

*Kai Nelson*

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City Attorney \_\_\_\_\_

City Manager \_\_\_\_\_

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*Michael Pitts*

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*John McDonough*

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**THIRD SUPPLEMENTAL ORDINANCE****PROVIDING FOR THE ISSUANCE AND SALE OF NOT EXCEEDING \$37,000,000 CITY OF GREENVILLE, SOUTH CAROLINA HOSPITALITY TAX REVENUE BONDS, IN ONE OR MORE SERIES; AND OTHER MATTERS RELATING THERETO**

**BE IT ORDAINED** by the City Council of the City of Greenville (the "**Council**"), the governing body of the City of Greenville, South Carolina (the "**City**"):

**Section 1. Findings of Fact.**

As an incident to the enactment of this ordinance, and the issuance of the bonds provided for herein, the Council finds that the facts set forth in this **Section 1** exist and the following statements are in all respects true and correct:

(a) On January 14, 2011, the Council enacted a General Bond Ordinance (the "**General Bond Ordinance**") providing for the issuance of Hospitality Tax Revenue Bonds.

(b) On January 14, 2011, the Council also enacted a First Supplemental Ordinance providing for the issuance and sale of its \$17,715,000 Hospitality Tax Revenue Refunding and Improvement Bonds, Series 2011 (the "**Series 2011 Bonds**"), which are currently Outstanding in the principal amount of \$7,215,000.

(c) On July 23, 2012, the Council enacted a Second Supplemental Ordinance providing for the issuance and sale of its \$3,967,000 Hospitality Tax Revenue Refunding Bond, Series 2012 (the "**Series 2012 Bond**"), which is currently Outstanding in the principal amount of \$1,801,000.

(d) The Council has determined that it is in the best interest of the City to issue a Series of Bonds for the purposes of (i) defraying the costs of the acquisition, construction, renovation, installation and equipping of various capital improvements in order to create and expand Unity Park, a regional park owned and operated by the City; (ii) partially defraying the costs of the acquisition, construction, renovation, installation and equipping of various capital improvements in order to create a consolidated Parks and Recreation Maintenance Facility to serve Unity Park, Falls Park and other tourism-related facilities (collectively, the "**Project**"), and (iii) paying Costs of Issuance related thereto

**Section 2. Definitions.** The terms defined above and in this **Section 2** and all words and terms defined in the General Bond Ordinance (the General Bond Ordinance, as from time to time amended or supplemented by Supplemental Ordinances, being defined as the "**Ordinance**") (except as herein otherwise expressly provided or unless the context otherwise requires), shall for all purposes of this Third Supplemental Ordinance have the respective meanings given to them in the Ordinance and in this **Section 2**.

"**2020 Construction Fund**" shall mean the Construction Fund established pursuant to **Section 6** hereof.

"**Completion Date**" shall be that date established pursuant to **Section 7** hereof.

**“Commitment Letter”** shall mean the commitment letter, term sheet, bond purchase agreement or purchase contract, as the case may be, of the Purchaser relating to the purchase of the Series 2020 Bonds.

**“Continuing Disclosure Undertaking”** means that certain Continuing Disclosure Undertaking, if any, relating to the Series 2020 Bonds, hereby authorized to be executed by the City Manager on behalf of the City and dated the date of issuance and delivery of the Series 2020 Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

**“Interest Payment Date”** shall mean, with respect to the Series 2020 Bonds, October 1, 2020, and any April 1 or October 1 thereafter until the principal of the Series 2020 Bonds has been paid in full.

**“Project”** shall mean the acquisition, construction, renovation, installation and equipping of (i) various capital improvements in order to create and expand Unity Park, a regional park owned and operated by the City, and (ii) a portion of a consolidated Parks and Recreation Maintenance Facility to serve Unity Park, Falls Park and other tourism-related facilities.

**“Purchaser”** shall mean the successful purchaser of the Series 2020 Bonds pursuant to a commitment letter or term sheet of the successful purchaser, if privately placed, or pursuant to a purchase contract or bond purchase agreement between the City and the successful investment banking firm, if publicly offered.

**“Series 2020 Bonds”** shall mean the City’s Hospitality Tax Revenue Bonds, Series 2020, in the aggregate principal amount of not exceeding \$37,000,000 authorized to be issued hereunder in one or more Series.

**“Trustee”** shall mean U.S. Bank National Association, its successors or assigns.

**Section 3. Authorization of Series 2020 Bonds, Maturities and Interest Rate.**

(a) There is hereby authorized to be issued one or more Series of Bonds designated “Hospitality Tax Revenue Bonds, Series 2020” (the **“Series 2020 Bonds”**) in the total principal amount of not exceeding Thirty-Seven Million Dollars (\$37,000,000) for the purpose of providing funds for (A) defraying the Project Costs and (B) paying the Costs of Issuance of the Series 2020 Bonds. The Series 2020 Bonds may be issued in one or more Series for the purpose described in this **Section 3**.

(b) The Series 2020 Bonds shall be issued in one or more Series and, at the direction of the City Manager, upon advice of the City’s Financial Advisor, as either fully-registered Bonds in the denominations of \$5,000 and integral multiples of \$5,000 or as a single fully-registered Bond in the denomination of \$37,000,000 or such lesser amount as is actually issued. If more than one Series of Bonds is issued hereunder, the Series designation will reflect such multiple Series as deemed appropriate by the City Manager by naming such subsequent Series “Series 2020A Bonds” and so forth. The Series 2020 Bonds shall be dated as of their date of delivery, shall mature on April 1 in the years and in the principal amounts, and shall be subject to mandatory sinking fund redemption on such dates and in such amounts, if any, as approved by the City Manager, upon advice of the Financial Advisor, provided that the aggregate principal amount may not exceed \$37,000,000 and the final maturity date shall not be later than April 1, 2041. The Series 2020 Bonds shall bear interest at such rate or rates as agreed to by the City and the Purchaser to be set forth in the Commitment Letter of the Purchaser; provided that the net interest rate shall not exceed 4.0% per annum. The Series 2020 Bonds shall be numbered R-1 and upward, as needed.

(c) Principal of and premium, if any, on the Series 2020 Bonds when due, shall be payable at the corporate trust office of the Trustee, in the City of St. Paul, Minnesota. Interest on the Series 2020 Bonds shall be payable from the date of initial issuance of the Series 2020 Bonds. No accrued interest shall be due. Interest on the Series 2020 Bonds (calculated on the basis of a 360-day year of twelve 30-day months) shall be payable on each Interest Payment Date, in each case to the Holders as of the immediately preceding Record Date, interest to be paid by the Trustee by check or draft mailed to each Holder at his address as it appears on the Books of Registry maintained at the corporate trust office of the Trustee, in the City of St. Paul, Minnesota; provided that payment to a Holder of \$1,000,000 or more may be made by wire transfer to an account within the continental United States in accordance with written instructions filed with the Trustee no later than the Record Date.

(d) The Series 2020 Bonds shall be executed on behalf of the City by the City Manager and attested by the City Clerk and be in substantially the form attached hereto as **Exhibit A**, with any necessary or appropriate variations, omissions, and insertions as are incidental to the series, numbers, denominations, maturities, interest rate or rates, redemption provisions, the purpose of issuance, and other details thereof or as are otherwise permitted or required by law or by the Ordinance, including this Third Supplemental Ordinance.

#### **Section 4. Optional and Mandatory Redemption of the Series 2020 Bonds.**

(a) The Series 2020 Bonds shall be subject to redemption prior to maturity upon the terms directed by the City Manager, upon advice of the City's Financial Advisor, and such terms shall be included or provided for in the Commitment Letter.

(b) A portion of the Series 2020 Bonds (the "**Term Bonds**") may be subject to mandatory sinking fund redemption as directed by the City Manager, upon advice of the City's Financial Advisor. Such Term Bonds shall be payable from amounts accumulated in the Bond Redemption Account in the Debt Service Fund in amounts sufficient to redeem such Term Bonds in the years specified in the Commitment Letter.

At its option, to be exercised on or before the sixtieth (60th) day next preceding any mandatory redemption date, the Council may (i) deliver to the Trustee for cancellation Series 2020 Bonds of a maturity subject to mandatory redemption in part on such redemption date, in any aggregate principal amount desired, or (ii) receive a credit in respect of its mandatory redemption obligation for any Series 2020 Bonds of a maturity subject to mandatory redemption in part on such redemption date, which, prior to such date, have been purchased or redeemed (otherwise than through the operation of the mandatory redemption requirement) by the Council and cancelled by the Trustee and not theretofore applied as a credit against any mandatory redemption obligation. Each such Series 2020 Bond so delivered or previously purchased or redeemed shall be credited by the Trustee at 100% of the principal amount thereof on the obligation of the City on such respective mandatory redemption obligations in chronological order, and the principal amount of such Series 2020 Bonds to be redeemed by operation of the mandatory redemption requirement shall be accordingly reduced.

**Section 5. Book-Entry System; Recording and Transfer of Ownership of Series 2020 Bonds.** If the Series 2020 Bonds are sold as publicly offered Bonds and at the direction of the City Manager, upon advice of the City's Financial Advisor, the Series 2020 Bonds will be available only in book-entry form in principal amounts of \$5,000 or any integral multiple thereof. In such case, the Depository Trust Company, New York, New York ("**DTC**"), will act as securities depository for the Series 2020 Bonds, and the ownership of one fully registered Series 2020 Bond for each maturity, each in the aggregate principal amount of such maturity, will be registered in the name of Cede & Co., as nominee for DTC.

So long as Cede & Co., as nominee of DTC, is the registered owner of the Series 2020 Bonds, references in this Supplemental Ordinance to the Bondholders or registered owners of the Series 2020 Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners. The City, the Trustee, the Registrar and the Paying Agent may treat DTC (or its nominee) as the sole and exclusive owner of the Series 2020 Bonds registered in its name for the purpose of payment of the principal of or interest or premium, if any, on the Series 2020 Bonds, giving any notice permitted or required to be given to Bondholders under the Ordinance, registering the transfer of Series 2020 Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever, and shall not be affected by any notice to the contrary. The City, the Trustee, the Registrar and the Paying Agent shall not have any responsibility or obligation to any DTC Participant, any person claiming a beneficial ownership interest in the Series 2020 Bonds under or through DTC or any DTC Participant, or any other person which is not shown on the registration books kept by the Registrar as being a Bondholder, with respect to the accuracy of any records maintained by DTC or any DTC Participant; the payment by DTC or any DTC Participant of any amount in respect of the principal of or interest or premium, if any, on the Series 2020 Bonds; any notice which is permitted or required to be given to Bondholders thereunder or under the conditions to transfers or exchanges adopted by the City or the Trustee; or any consent given or other action taken by DTC as a Bondholder.

While the book-entry system is used for the Series 2020 Bonds, the Trustee will give any notice of redemption or any other notice required to be given to holders of the Series 2020 Bonds only to DTC.

Neither the City, the Trustee, the Registrar nor the Paying Agent will have any responsibility or obligation to such DTC Participants, or the persons for whom they act as nominees, with respect to payments actually made to DTC or its nominee, Cede & Co., as registered owner of the Series 2020 Bonds in book-entry form, or with respect to the providing of notice for the DTC Participants, the Indirect Participants, or the Beneficial Owners of the Series 2020 Bonds in book-entry form.

For every transfer and exchange of a beneficial ownership interest in the Series 2020 Bonds, a Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto. If for any such reason the system of book-entry-only transfers through DTC is discontinued, Series 2020 Bond certificates will be delivered in fully registered form in denominations of \$5,000 or any integral multiple thereof in the names of Beneficial Owners or DTC Participants; provided, however, that in the case of any such discontinuance the City may within 90 days thereafter appoint a substitute securities depository which, in the City's opinion, is willing and able to undertake the functions of DTC upon reasonable and customary terms.

In the event the book-entry system is discontinued, the persons to whom Series 2020 Bond certificates are delivered will be treated as "Bondholders" for all purposes of the Ordinance, including the giving to the City or the Trustee of any notice, consent, request or demand pursuant to the Ordinance for any purpose whatsoever. In such event, the Series 2020 Bonds will be transferable to such Bondholders, interest on the Series 2020 Bonds will be payable as provided in Section 3(c) hereof.

**Section 6. 2020 Construction Fund.**

(a) There is hereby created and established the 2020 Construction Fund to be held by a Custodian selected by the City. The Trustee may serve in this capacity if determined by the City.

(b) Withdrawals from the 2020 Construction Funds shall be made only upon written certificate of an Authorized Representative. Except as set forth in paragraph (e) below, the City hereby authorizes the Trustee to disburse the moneys in the 2020 Construction Fund to the persons entitled

thereto in accordance with instructions of an Authorized Representative in the form referred to below, only for the purpose of paying Project Costs and Costs of Issuance.

(c) Payments made from the 2020 Construction Fund shall be made by the Trustee only upon receipt of the certificate below described:

1. A requisition signed by an Authorized Representative stating, with respect to each payment:

(i) the amount to be paid;

(ii) the nature and purpose of the obligation for which the payment is requested;

(iii) the person to whom the obligation is owed or to whom a reimbursable advance has been made;

(iv) that the obligation has been properly incurred and is a proper charge against the 2020 Construction Fund and has not been the basis of any previous withdrawal;

(v) that it has not received notice of any mechanic's, materialmen's or other liens or right to liens or other obligations (other than those being contested in good faith) which should be satisfied or discharged before payment of the obligation is made; and

(vi) that the payment does not include any amount which is then entitled to be retained under any holdbacks or retainages provided for in any agreement.

2. With respect to any requisition for payment for work, materials, or supplies, a certificate signed by an Authorized Representative certifying that, insofar as the obligation was incurred for work, materials, or supplies in connection with the acquisition, construction, or installation of the Project, the work was actually performed in a satisfactory manner, and the materials or supplies were actually used in or for the acquisition, construction, or installation or delivered to the Project for that purpose in accordance with the approved plans and specifications; and

3. Copies of all bills, invoices, or statements for all expenses for which the disbursement is requested.

(d) In making any payment from the 2020 Construction Fund, the Trustee may rely on directions, requisitions, and certifications delivered to it pursuant to this **Section 6**, and the Trustee shall not have any liability with respect to making payments in accordance with directions, requisitions, and certifications or any liability with respect to the proper application hereof by the City. The Trustee shall be liable only for its own negligent and willful misconduct. Any requisition made from the 2020 Construction Fund shall be in substantially the form attached hereto as **Exhibit B**.

(e) Promptly after the Completion Date, the Trustee shall transfer any moneys held in the 2020 Construction Fund and not needed to pay Project Costs or Costs of Issuance as set forth in a certificate of an Authorized Representative to the Debt Service Fund and such funds shall be used only to (i) pay the principal of, premium, if any, and interest on the Series 2020 Bonds; (ii) acquire outstanding Series 2020 Bonds at a price (exclusive of accrued interest) not exceeding the face amount thereof; or (iii)

be applied to other lawful purposes as permitted under the Enabling Act, provided an opinion of Bond Counsel is provided to the Trustee that such disposition will not jeopardize the tax-exemption of interest on the Series 2020 Bonds.

**Section 7. Establishment of Completion Date.** The Completion Date shall be evidenced to the Trustee by a certificate signed by an Authorized Representative stating that except for amounts retained for Project Costs incurred but not then due and payable, the Project has been completed in accordance with the approved plans and specifications therefor and all labor, services, materials, and supplies used in construction and improvement have been paid for, all other facilities necessary in connection with the Project have been constructed, acquired, and installed in accordance with the specifications therefor, and all costs and expenses incurred in connection therewith have been paid, and any other approvals or permits required by any government authority, for the use of the Project for its intended purposes have been obtained, including but not limited to, certificates that the construction and intended use of the Project are in compliance with all applicable zoning and building codes. Notwithstanding the foregoing, the certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of the certificate or which may subsequently come into being. It is the duty of the City to cause the certificate contemplated by this **Section 7** to be furnished as soon as the Project shall have been completed.

**Section 8. Use and Disposition of Series 2020 Bond Proceeds.** Upon the delivery of the Series 2020 Bonds and receipt of the proceeds thereof, such proceeds shall be deposited into the 2020 Construction Fund with U.S. Bank, National Association to be utilized to pay Project Costs and Costs of Issuance of the Series 2020 Bonds. Such proceeds shall be invested at the direction of the City in investments authorized for political subdivisions under State law.

**Section 9. Certain Findings and Determinations.** The City finds and determines:

(a) This Third Supplemental Ordinance supplements the Ordinance, constitutes and is a “Supplemental Ordinance” within the meaning of the quoted term as defined and used in the General Bond Ordinance, and is enacted under and pursuant to the Ordinance.

(b) The Series 2020 Bonds constitute and are “Bonds” within the meaning of the quoted word as defined and used in the Ordinance.

(c) The Pledged Fee Revenues pledged under the Ordinance are not encumbered by any lien or charge thereon or pledge thereof, other than the lien and charge thereon and pledge thereof created by the General Bond Ordinance, as amended and supplemented, providing for payment and security of the Bonds.

(d) As of the date hereof, the Series 2011 Bonds and the Series 2012 Bond constitute the only Outstanding obligations of the City secured by the Pledged Fee Revenues, and the Series 2020 Bonds have been authorized to be issued pursuant to the Ordinance and this Third Supplemental Ordinance.

(e) There does not exist an Event of Default, nor does there exist any condition which, after the passage of time or the giving of notice, or both, would constitute an Event of Default under the Ordinance.

(f) The Series 2020 Bonds are being issued to defray the Project Costs and to pay Costs of Issuance related thereto.

(g) There is no Debt Service Reserve Requirement for the Series 2020 Bonds. The 2011 Debt Service Reserve Fund Requirement for the Series 2011 Bonds has been met.

(h) An estimate of the Project Costs is \$37,000,000.

**Section 10. Continuing Disclosure.**

(a) Pursuant to Section 11-1-85 of the Code of Laws of South Carolina 1976, as amended, the City has covenanted to file with a central repository for availability in the secondary bond market, when requested, an annual independent audit, within 30 days of its receipt of the audit; and event specific information within 30 days of an event adversely affecting more than five (5%) percent of its revenue or tax base. The only remedy for failure by the City to comply with the covenant in this **Section 10(a)** shall be an action for specific performance of this covenant. The City specifically reserves the right to amend or repeal this covenant to reflect any change in or repeal of Section 11-1-85, without the consent of any Bondholder.

(b) In addition, if the Series 2020 Bonds are sold as publicly offered Bonds, the City hereby covenants and agrees for the benefit of the Holders of the Series 2020 Bonds that it will execute and deliver a Continuing Disclosure Undertaking to the Purchaser on the date of delivery of the Series 2020 Bonds in the form approved by the City Manager, and that it will comply with and carry out all of the provisions of such Continuing Disclosure Undertaking. Notwithstanding any other provision of this Supplemental Ordinance, failure of the City to comply with the Continuing Disclosure Undertaking shall not be considered an Event of Default under the Ordinance; however, any 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 paragraph.

Failure to comply with either paragraph (a) or (b) of this **Section 10** shall not constitute an Event of Default hereunder or under the Series 2020 Bonds.

**Section 11. Award of Series 2020 Bonds; Official Statement.**

(a) The Series 2020 Bonds are authorized to be sold to the Purchaser pursuant to the Commitment Letter, the form of which is to be approved by the City Manager. The City Manager is authorized to execute the Commitment Letter on behalf of the City provided the terms thereof are consistent herewith.

(b) If the Series 2020 Bonds are to be sold as publicly offered Bonds, the provisions of this **Section 11(b)** will apply. In such event, the Council hereby authorizes the use and distribution of the Preliminary Official Statement of the City relating to the Series 2020 Bonds, with any modification as the City Manager approves, in connection with the sale of the Series 2020 Bonds, and hereby authorizes the City Manager to deem it final within the meaning of S.E.C. Rule 15(c)(2)-12; the Council further authorizes the preparation and distribution of the final Official Statement following the sale of the Series 2020 Bonds. The City Manager is hereby authorized and directed to execute copies of the Official Statement and deliver them to the Purchaser. The City hereby authorizes the use of the Official Statement and the information contained therein in connection with the public offering and sale of the Series 2020 Bonds by the Purchaser.

(c) A copy of this Third Supplemental Ordinance shall be filed with the minutes of this meeting.



(d) The Council hereby authorizes and directs all of the officers and employees of the City to carry out or cause to be carried out all obligations of the City under the Ordinance and to perform all other actions as they shall consider necessary or advisable in connection with the issuance, sale, and delivery of the Series 2020 Bonds.

**Section 12. Tax Exemption of Series 2020 Bonds.**

(a) The Series 2020 Bonds and the interest thereon shall be exempt from all State, county, municipal, school district, and all other taxes or assessments in the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, or transfer taxes.

(b) The City shall not take any action or permit or suffer any action to be taken if the result would be to cause the Series 2020 Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

(c) The City shall not take, or permit or suffer to be taken, any action with respect to the gross proceeds of the Series 2020 Bonds which would cause the Series 2020 Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Code.

(d) Notwithstanding anything in this Ordinance to the contrary, the City, upon the advice of its Financial Advisor, may issue all or a portion of the Series 2020 Bonds as federally taxable bonds.

**Section 13. Interested Parties.** Nothing in the Ordinance expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than the City, the Trustee and the Registered Holders of the Series 2020 Bonds, any right, remedy or claim under or by reason of the Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in the Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Trustee and the Registered Holders of the Series 2020 Bonds.

**Section 14. Additional Provisions.** As supplemented herein, the General Bond Ordinance remains in full force and effect and shall govern the issuance of the Series 2020 Bonds.

**Section 15. Additional Documents.** The Mayor, the City Manager, the City Attorney, the Director of the Office of Management and Budget and the City Clerk, acting jointly or individually, are each fully authorized and empowered to take any further action and to execute and deliver any closing documents or agreements as may be necessary and proper to effect the issuance and delivery of the Series 2020 Bonds in accordance with the terms and conditions herein set forth, and the action of the officers or any one or more of them in executing and delivering any documents or agreements, in the form as he, she, or they shall approve, is hereby fully authorized.

**Section 16. Section Headings; Table of Contents.** The headings and titles of the several sections hereof, and any Table of Contents appended hereto or to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation, or effect of this Third Supplemental Ordinance.

**Section 17.**    **Notices.**

(a) All notices, certificates, or other communications hereunder or under the Ordinance shall be sufficiently given and shall be deemed given when mailed by registered mail, postage prepaid, addressed as follows:

If to the City:

City of Greenville  
206 South Main Street, 10<sup>th</sup> Floor (29601)  
P.O. Box 2207 (29602)  
Greenville, South Carolina  
Attention: Director of the Office of Management and Budget

If to the Trustee:

U.S. Bank National Association  
1441 Main Street, Suite 775  
Mail Code: EX-SC-WMSC  
Columbia, South Carolina 29201  
Attention: Corporate Trust Services

(b) The City and the Trustee may, by written notice given to the other party, designate any further or different addresses to which subsequent notice, certificates, or other communications shall be sent.

**Section 18.**    **Effective Date.** This Third Supplemental Ordinance shall become effective immediately upon its enactment.

[Signature page follows]

DONE, RATIFIED AND PASSED THIS THE \_\_\_\_ DAY OF \_\_\_\_\_, 2020.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY

REVIEWED:

\_\_\_\_\_  
CITY MANAGER

First Reading:        March 9, 2020  
Second Reading:     March 23, 2020

**EXHIBIT A**

**FORM OF BOND**

**UNITED STATES OF AMERICA  
STATE OF SOUTH CAROLINA  
CITY OF GREENVILLE  
HOSPITALITY TAX REVENUE BOND  
SERIES 2020**

NO. R-1

\$ \_\_\_\_\_

		<u>ORIGINAL ISSUE</u>	
<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE</u>	<u>[CUSIP]</u>

REGISTERED HOLDER: \_\_\_\_\_

PRINCIPAL SUM: \_\_\_\_\_ and no/100 Dollars

**KNOW ALL MEN BY THESE PRESENTS**, that the City of Greenville, South Carolina (the “*City*”), a body politic and corporate and a municipal corporation organized and existing under the laws of the State of South Carolina (the “*State*”), is justly indebted, and, for value received, hereby promises to pay, but only from the Pledged Fee Revenues (as defined in the Ordinance as hereinafter defined) pledged to the payment hereof, to the Registered Holder, or registered assigns, hereof on the Maturity Date set forth above, the Principal Sum set forth above subject to the principal maturity schedule set forth below (unless this bond be subject to redemption and shall have been duly called for previous redemption and payment of the redemption price made or provided for), and to pay interest on the Principal Sum from the date hereof or from the April 1 or October 1 next preceding the date of authentication to which interest shall have been paid, unless the date of authentication is an April 1 or October 1 to which interest shall have been paid, in which case from that date, interest being payable to the maturity hereof on April 1 and October 1 of each year (those dates being hereinafter referred to as the “*Interest Payment Dates*”), commencing October 1, 2020, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months), until payment of the Principal Sum.

Principal of this Bond is payable on April 1 in each of the years and in the amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
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The interest so payable and to be punctually paid or duly provided for on any Interest Payment Date will be paid to the person in whose name this bond is registered at the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding the Interest Payment Date (the "**Regular Record Date**"), mailed to the Registered Holder hereof by U.S. Bank National Association (the "**Trustee**") at his address as it appears on the registration books (the "**Books of Registry**") of the Trustee or at any other address as is furnished in writing by the Registered Holder to the Trustee; provided that payment to any Registered Holder of \$1,000,000 or more of the Series 2020 Bonds (as hereinafter defined) may be made by wire transfer to an account in the continental United States in accordance with written instructions filed thereto no later than the Regular Record Date. The principal of and premium, if any, of this bond, when due, shall be payable without presentation or surrender. Both the principal of and interest on this bond are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for the payment of public and private debts.

THIS BOND HAS BEEN ISSUED UNDER THE PROVISIONS OF SECTION 6-1-760 UTILIZING THE PROCEDURES OF TITLE 6, CHAPTER 17 OF THE CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED (COLLECTIVELY, THE "**ENABLING STATUTE**"), AND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN ANY STATE CONSTITUTIONAL PROVISIONS (OTHER THAN ARTICLE X, SECTION 14, PARAGRAPH 10 OF THE CONSTITUTION OF THE STATE OF SOUTH CAROLINA, 1895, AS AMENDED, AUTHORIZING OBLIGATIONS PAYABLE SOLELY FROM SPECIAL SOURCES PERMITTED THEREIN) OR STATUTORY LIMITATION AND SHALL NEVER CONSTITUTE NOR GIVE RISE TO A PECUNIARY LIABILITY OF THE CITY OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWER. THE FULL FAITH, CREDIT, AND TAXING POWERS OF THE CITY ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS BOND.

This bond and the interest hereon are exempt from all State, county, municipal, school district, and all other taxes or assessments of the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except estate, transfer or certain franchise taxes.

It is hereby certified and recited that all acts, conditions, and things required by the Constitution and Laws of the State to exist, to happen, and to be performed precedent to or in the issuance of this bond exist, have happened, and have been done and performed in regular and due time, form, and manner, and that the amount of this bond does not exceed any constitutional or statutory limitation thereon.

This bond shall not be entitled to any benefit under the Ordinance (as hereinafter defined) or become valid or obligatory for any purpose until it shall have been authenticated by the execution of the Certificate of Authentication which appears hereon by the signature of an authorized officer of the Trustee as Bond Registrar.

This bond is in the principal amount of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) (the "**Series 2020 Bonds**") and is issued pursuant to a General Bond Ordinance enacted by the City Council of the City on January 14, 2011, and a Third Supplemental Ordinance enacted by the City Council of the City on \_\_\_\_\_, 2020 (collectively, the "**Ordinance**"), and under and in full compliance with the Constitution and Statutes of the State, including particularly Article X, Section 14, Paragraph 10 of the Constitution of the State of South Carolina, 1895, as amended, and the Enabling Statute, to obtain

funds to (i) defray the Project Costs and (ii) pay Costs of Issuance related thereto (all as defined in the Ordinance).

[The Series 2020 Bond is issuable only as a single fully registered bond in the principal amount of \$\_\_\_\_\_.]

[The Series 2020 Bonds shall be subject to redemption prior to maturity, at the option of the City Council, \_\_\_\_\_, at the redemption price of \_\_\_\_\_, together, in each case, with the interest accrued on the principal amount to the date fixed for redemption.]

[The Series 2020 Bonds maturing on April 1, \_\_\_\_\_, are also subject to mandatory sinking fund redemption, prior to maturity, at par plus accrued interest to the redemption date on April 1, \_\_\_\_\_, and each April 1 thereafter, to and including April 1, \_\_\_\_\_, in the following principal amounts on the dates specified below:

<u>Year</u>	<u>Principal Amount</u>
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\_\_\_\_\_  
\*Final maturity.

The Series 2020 Bonds to be redeemed in compliance with the mandatory redemption requirements shall be selected by lot by the Trustee.]

In the event any portion or all of the Series 2020 Bonds shall be called for redemption, notice of redemption shall be given by first-class mail, not less than thirty (30) days and not more than sixty (60) days prior to the redemption date, to the Registered Holder of the Series 2020 Bond to be redeemed in whole or in part at the address shown on the Books of Registry. Interest on the Series 2020 Bonds or portion thereof to be redeemed shall cease to accrue from and after the redemption date specified in the notice, unless the City defaults in making due provisions for the payment of the redemption price thereof.

All principal, interest, or other amounts due hereunder shall be payable only to the Registered Holder hereof. The City designates the Trustee as the Bond Registrar and directs the Trustee as Bond Registrar to maintain the Books of Registry for the registration or transfer of this bond. This bond may not be transferred except by the Registered Holder hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Trustee as Bond Registrar duly executed by the Registered Holder of this bond or his duly authorized attorney. Any purported assignment in contravention of the foregoing requirements shall be, as to the City, absolutely null and void. The person in whose name this bond shall be registered shall be deemed and regarded as the absolute owner hereof for all purposes, and payment of the principal of and interest on this bond shall be made only to or upon the order of the Registered Holder or his legal representative. All payments made in this manner shall be valid and effective to satisfy and discharge the liability of the City upon this bond to the extent of the sum or sums paid. No person other than the Registered Holder shall have any right to receive payments, pursue remedies, enforce obligations, or exercise or enjoy any other rights under this

bond against the City. Notwithstanding the foregoing, nothing herein shall limit the rights of a person having a beneficial interest in this bond as against a person (including the Registered Holder) other than the City, as in the case where the Registered Holder is a trustee or nominee for two or more beneficial owners of an interest in this bond.

Neither the City nor the Trustee, as Bond Registrar, shall be required (a) to exchange or transfer the Series 2020 Bonds (i) from the Regular Record Date to the next succeeding Interest Payment Date or (ii) for a period of fifteen (15) days following any selection of the Series 2020 Bonds to be redeemed or thereafter until after the first publication or mailing of any notice of redemption or (b) to transfer the Series 2020 Bonds called for redemption.

The principal of, premium, if any, and interest on the Series 2020 Bonds are payable solely from the Pledged Fee Revenues (as defined in the Ordinance). The pledge of and lien on the Pledged Fee Revenues made to secure the payment of the Series 2020 Bonds have priority over all other pledges of and liens on the Pledged Fee Revenues except the pledge and lien in favor of Bonds (as defined in the Ordinance) issued or to be issued under the Ordinance on a parity with the Series 2020 Bonds.

No recourse shall be had for the payment of the principal of, premium, if any, and interest on the Series 2020 Bonds against the several funds of the City, except in the manner and to the extent provided in the Ordinance, nor shall the credit or taxing power of the City be deemed to be pledged to the payment of the Series 2020 Bonds. The Series 2020 Bonds shall not be a charge, lien, or encumbrance, legal or equitable, upon any property of the City or upon any income, receipts, or revenues of the City, other than the Pledged Fee Revenues that have been pledged to the payment thereof, and this bond is payable solely from the Pledged Fee Revenues pledged to the payment thereof, and the City is not obligated to pay the same except from the Pledged Fee Revenues.

Whenever the terms of this bond require any action be taken on a Saturday, Sunday, or legal holiday or bank holiday in the State or in any state where the corporate trust office of the Trustee is located, the action shall be taken on the first business day occurring thereafter.

The Ordinance contains provisions defining terms; sets forth the terms and conditions upon which the covenants, agreements, and other obligations of the City made therein may be discharged at or prior to the maturity of this bond with provisions for the payment thereof in the manner set forth in the Ordinance; and sets forth the terms and conditions under which the Ordinance may be amended or modified with or without the consent of the Registered Holder of this bond. Reference is hereby made to the Ordinance, to all the provisions of which any Registered Holder of this bond by the acceptance hereof thereby assents.

**IN WITNESS WHEREOF, THE CITY OF GREENVILLE, SOUTH CAROLINA**, has caused this bond to be signed in its name by the City Manager and attested by the City Clerk, under the Seal of the City, impressed or reproduced hereon.

**CITY OF GREENVILLE, SOUTH CAROLINA**

(SEAL)

\_\_\_\_\_  
City Manager

ATTEST:

\_\_\_\_\_  
City Clerk



**CERTIFICATE OF AUTHENTICATION**

This Bond is the Bond designated herein and issued under the provisions of the within-mentioned Ordinance.

**U.S. BANK NATIONAL ASSOCIATION  
as Bond Registrar**

\_\_\_\_\_  
Authorized Officer

Date of Authentication: \_\_\_\_\_

The following abbreviations, when used in the inscription on the face of this bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common  
TEN ENT - as tenants in entireties  
JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT - \_\_\_\_\_  
(Cust)

Custodian \_\_\_\_\_  
(Minor)

under Uniform Gifts to Minors Act \_\_\_\_\_  
(State)

Additional abbreviations may also be used, though not in the above list.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_  
(Social Security No. or other Identifying Number of Assignee \_\_\_\_\_) the within Bond of the CITY OF GREENVILLE, SOUTH CAROLINA, and does hereby irrevocably constitute and appoint \_\_\_\_\_ to transfer the within Bond on the books kept for registration thereof with full power of substitution in the premises.

DATED: \_\_\_\_\_

Signature Guaranteed: \_\_\_\_\_

NOTICE: Signature must be guaranteed by an institution who is a participant in the Securities Transfer Agent Medallion Program ("**STAMP**") or similar program.

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

**EXHIBIT B**

**FORM OF REQUISITION**

**§ \_\_\_\_\_**  
**City of Greenville, South Carolina**  
**Hospitality Tax Revenue Bonds**  
**Series 2020**

Requisition No.: \_\_\_\_\_

Total Requisition Amount: \$ \_\_\_\_\_

With regard to the General Bond Ordinance enacted on January 14, 2011, and the Third Supplemental Ordinance enacted on \_\_\_\_\_, 2020, (collectively, the **“Bond Ordinance”**) by the City Council of the City of Greenville, South Carolina (the **“City”**), authorizing the issuance of \$ \_\_\_\_\_ Hospitality Tax Revenue Bonds, Series 2020, of the City, the following information is submitted with respect to the Project Costs or the Costs of Issuance (as defined in the Bond Ordinance):

(a) The amount to be paid: \$ \_\_\_\_\_.

(b) The nature or purpose of the obligation for which this payment is requested is:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

(c) The name and address of the person, firm or corporation to whom such obligation is owed or to whom a reimbursable advance has been made and the manner of payment of such obligation or reimbursable advance:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

(d) This obligation has been properly incurred and is a proper charge against the 2020 Construction Fund and has not been the basis of any previous withdrawal.

(e) The City has not received notice of any mechanic’s, materialmen’s or other liens or right to liens or other obligations (other than those being contested in good faith) which should be satisfied or discharged before payment of such obligation is made.

(f) This payment does not include any amount which is currently entitled to be retained under any holdbacks or retainages provided for in any agreement.

With respect to a Project Cost, this obligation was incurred for work, material or supplies in connection with the acquisition, construction or installation of the Project (as defined in the Bond Ordinance); and such work was actually performed in a satisfactory manner and such materials or supplies were actually used in or for such acquisition, construction or installation or delivered to the Project for that purpose in accordance with the approved plans and specifications.

Attached is the written bill, invoice or statement for all expenses for which the disbursement is requested from the party providing the items or services for which payment is to be made.

**CITY OF GREENVILLE, SOUTH CAROLINA**

By: \_\_\_\_\_  
Authorized Representative

Dated: \_\_\_\_\_

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF GREENVILLE )

**CERTIFIED COPY OF ORDINANCE**

I, the undersigned City Clerk of the City of Greenville, South Carolina (the **“City”**), do hereby certify that attached hereto is a true, accurate and complete copy of an ordinance which was given two readings on two separate days, with an interval of at least six days between the readings, and received approval, by the City Council of the City (the **“Council”**) at its meetings of March 9, 2020 and March 23, 2020, at which meetings a quorum of members of the Council were present and voted, and an original of which ordinance is filed in the permanent records of the Council.

**IN WITNESS WHEREOF**, I have hereunto set my Hand this 23<sup>rd</sup> day of March, 2020.

**CITY OF GREENVILLE, SOUTH CAROLINA**

\_\_\_\_\_  
City Clerk

First Reading:            March 9, 2020  
Second Reading:        March 23, 2020