CITY OF GAINESVILLE

Work Session Agenda
Thursday, August 13, 2020, 9:00 AM
Administration Building, Board Room (3rd Floor)
300 Henry Ward Way, Gainesville, GA 30501
Mayor or Mayor Pro Tem Presides

DEPARTMENT ISSUES

Fire	Resolution: PNC Equipment Finance, LLC - Master Lease Purchase Agreement	Jerome Yarbrough

CITY MANAGER ISSUES

MAYOR/COUNCIL ISSUES

	Appointment(s): Chattahoochee Golf Course Advisory Committee	Danny Dunagan
	Ex-Officio Report(s)	

CITY ATTORNEY ISSUES

	Resolution: Issuance of Multi-Family Housing Revenue Bonds by the Housing Authority Benefiting Gainesville Leased Housing Associates IV, LLLP for Sycamore Ridge Apartments	Abb Hayes

CITY CLERK ISSUES

EXECUTIVE SESSION

ADJOURNMENT

Final: Wednesday, August 12, 2020, 8:00 AM

CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 8/7/2020

Presenter: Jerome Yarbrough

Item of Business: Resolution: PNC Equipment Finance, LLC - Master Lease Purchase Agreement

Meeting Date: 8/13/2020

Purpose of Request:
To begin the process of purchasing two 2021 Pierce Pumpers, along with loose equipment, for the Gainesville Fire Department. Due to the amount of funding that is required, along with the useful life of the pumpers, entering into a master lease purchase agreement would allow for other SPLOST VIII capital projects to be purchased in conjunction with the pumpers.

History/Background:
These two new pumpers will replace existing front line emergency response pumpers. Age and continued wear and tear continues to increase maintenance and repairs costs. These new units will allow the Fire Department to maintain safe, high quality units for firefighters as they respond to fires and other incidents such as medical, rescue, and HazMat.

This will be the second lease with PNC Equipment Finance, LLC.

Facts & Issues for Consideration:
The Master Lease Purchase Agreement is for five years with an interest rate of 2.03% beginning on the effective date of the lease. After the prepay discounts of $50,074.98 are applied, the amount to be financed is $1,383,099.02.

Department Recommendation:
Gainesville Fire Department, along with Financial Services, recommends the City of Gainesville enter into a five year master lease purchase agreement with PNC Equipment Finance, LLC.

Department Director:
Jerome Yarbrough

If funding is involved, are funds approved within the current budget?
Yes

Amount Requested:
Less than $1,400,000

Source of Funds:
SPLOST VIII

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
Master Lease Purchase Agreement with PNC Equipment Finance, LLC	Resolution
PNC Equipment Master Lease Purchase Agreement	Contract/Agreement/MOU
Gainesville Pumper	Powerpoint Presentation

RESOLUTION BR-2020 - ___

PNC Equipment Finance, LLC – Master Lease Purchase Agreement

WHEREAS, the City of Gainesville ("Municipality/Lessee") enters into a Master Lease Purchase Agreement with PNC Equipment Finance, LLC for a principal amount not exceeding $1,400,000; and

WHEREAS, the Municipality is a political subdivision of the State in which the Municipality is located ("State") and is duly organized and existing pursuant to the Constitution and laws of the State; and

WHEREAS, pursuant to applicable law, the governing body of the Municipality ("Governing Body") is authorized to acquire, dispose of and encumber real and personal property, including, without limitation, rights and interest in property, leases and easements necessary to the functions or operations of the Municipality; and

WHEREAS, the Governing Body hereby finds and determines that the execution of one Master Lease Purchase Agreement ("Lease") in the principal amount not exceeding the amount stated above for the purpose of acquiring the property ("Equipment") to be described in the Lease is appropriate and necessary to the functions and operations of the Municipality; and

WHEREAS, PNC Equipment Finance, LLC ("Lessor") shall act as Lessor under said Lease.

NOW, THEREFORE, BE IT RESOLVED THAT the Governing Body for the Municipality:
Section 1. Either one of the Mayor OR City Manager (each an "Authorized Representative") acting on behalf of the Municipality, is hereby authorized to negotiate, enter into, execute, and deliver one Lease in substantially the form set forth in the document presently before the Governing Body, which document is available for public inspection at the office of the Municipality. Each Authorized Representative acting on behalf of the Municipality is hereby authorized to negotiate, enter into, execute, and deliver such other documents relating to the Lease as the Authorized Representative deems necessary and appropriate. All other related contracts and agreements necessary and incidental to the Lease is hereby authorized.

Section 2. By a written instrument signed by any Authorized Representative, said Authorized Representative may designate specifically identified officers or employees of the Municipality to execute and deliver agreements and documents relating to the Lease on behalf of the Municipality.

Section 3. The aggregate original principal amount of the Lease shall not exceed the amount stated above and shall bear interest as set forth in the Leases and the Leases shall contain such options to purchase by the Municipality as set forth therein.

Section 4. The Municipality's obligations under the Lease shall be subject to annual appropriation or renewal by the Governing Body as set forth in each Lease and the Municipality's obligations under the Lease shall not constitute general obligations of the Municipality or indebtedness under the Constitution or laws of the State.

Section 5. As to the Lease, the Municipality reasonably anticipates to issue not more than $10,000,000 of tax-exempt obligations (other than "private activity bonds" which are not "qualified 501(c)(3) bonds") during the current calendar year in which each such Lease is issued and hereby designates each Lease as a qualified tax-exempt obligation for purposes of Section 265(b) of the Internal Revenue Code of 1986, as amended.

Section 6. This resolution shall take effect immediately upon its adoption and approval.

Adopted this ______ day of ___________, 2020.

____
C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

____
Denise O. Jordan, City Clerk

Master Lease-Purchase Agreement
Between
City of Gainesville and
PNC Equipment Finance, LLC

Document Index

- ❑ Master Lease-Purchase Agreement – Provided for your reference
- ❑ State of Georgia Addendum – Sign and title
- ❑ Lease Schedule with Schedule A-1 – Sign and title
- ❑ Escrow Rider – Sign, print and provide title
- ❑ Escrow Agreement
    - Exhibit 1 – General Investment Direction Letter
    - Exhibit 2 – Escrow Agent Fees and Expenses
    - Exhibit 3 – Requisition Request and Certificate of Acceptance
    - Money Market Escrow Investment Letter - Please sign or contact Scott Miller at 614-849-3402 with U.S Bank to select a different investment that meets your requirements.
- ❑ Vehicle Schedule Addendum – Sign and title
- ❑ Resolution – The resolution must reflect the title(s) of the individual(s) who have authorization to sign the documents.
- ❑ Incumbency Certificate – List your authorized signor(s) and title(s); have secretary or appropriate trustee attest to the information and signature(s) provided by signing and printing his/her name, title and date. **The person who validates the signatures should not sign the lease documents.** The resolution must reflect the title(s) of the individual(s) who have authorization to sign the documents.
- ❑ Opinion of Counsel Letter – Enclosed is a template. Please ask your attorney to prepare on his/her letterhead, and include all of the items in the template.
- ❑ Titled Vehicle Guidelines **-** The terms of your contract specify that the Lender be listed as the lienholder and hold the original title during the term of the lease. Please refer to this document to guide you through the transfer of title and vehicle registration process.
- ❑ Insurance Request Form – Fill in your insurer's information and sign. Please contact your insurer, prior to delivery, to obtain a certificate of insurance. Please enclose the certificate with the signed documentation or have the insurer fax the certificate directly to me.
- ❑ Four Party Agreement – Sign and title.
- ❑ Delivery & Acceptance Certificate – **At point of delivery, fill out this form and fax it to me. Please return the original via US Postal Service.**
- ❑ IRS FORM 8038-G – Sign, date, and title
- ❑ Minutes of Governing Body (approving the purchase & finance of equipment) – Please return a copy with the documents.
- ❑ Sales Tax Exemption Certificate – In File.
- ❑ Sales Contract or Purchase Order - Please provide a copy of the Sales Contract or a copy of the Purchase Order.

MASTER LEASE – PURCHASE AGREEMENT

Dated as of April 17, 2018

This Master Lease-Purchase Agreement together with all addenda, riders and attachments hereto, as the same may from time to time be amended, modified or supplemented ("Master Lease") is made and entered by and between PNC Equipment Finance, LLC ("Lessor") and the Lessee identified below ("Lessee").

LESSEE: City of Gainesville

1. **LEASE OF EQUIPMENT**. Subject to the terms and conditions of this Master Lease, Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor, all Equipment described in each Schedule signed from time to time by Lessee and Lessor.

2. **CERTAIN DEFINITIONS.** All terms defined in the Lease are equally applicable to both the singular and plural form of such terms. (a) "Schedule" means each Lease Schedule signed and delivered by Lessee and Lessor, together with all addenda, riders, attachments, certificates and exhibits thereto, as the same may from time to time be amended, modified or supplemented. Lessee and Lessor agree that each Schedule (except as expressly provided in said Schedule) incorporates by reference all of the terms and conditions of the Master Lease. (b) "Lease" means each Schedule and this Master Lease as incorporated into said Schedule. (c) "Equipment" means the property described in each Schedule, together with all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto. (d) "Lien" means any security interest, lien, mortgage, pledge, encumbrance, judgment, execution, attachment, warrant, writ, levy, other judicial process or claim of any nature whatsoever by or of any person.

3. **LEASE TERM**. The term of the lease of the Equipment described in each Lease ("Lease Term") commences on the first date any of such Equipment is accepted by Lessee pursuant to Section 5 hereof and, unless earlier terminated as expressly provided in the Lease, continues until Lessee's payment and performance in full of all of Lessee's obligations under the Lease.

4. **RENT PAYMENTS**.

4.1 For each Lease, Lessee agrees to pay to Lessor the rent payments in the amounts and at the times as set forth in the Schedule A-1 attached to the Schedule ("Rent Payments"). A portion of each Rent Payment is paid as and represents the payment of interest as set forth in the Schedule A-1. Rent Payments will be payable for the Lease Term in U.S. dollars, without notice or demand at the office of Lessor (or such other place as Lessor may designate from time to time in writing).

4.2 If Lessor receives any payment from Lessee after the due date, Lessee shall pay Lessor on demand as a late charge five per cent (5%) of such overdue amount, limited, however, to the maximum amount allowed by law.

4.3 EXCEPT AS SPECIFICALLY PROVIDED IN SECTION 6 HEREOF OR IN ANY WRITTEN MODIFICATION TO THE LEASE SIGNED BY LESSOR, THE OBLIGATION TO PAY RENT PAYMENTS UNDER EACH LEASE SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS AND SHALL NOT BE SUBJECT TO ANY SETOFF, DEFENSE, COUNTERCLAIM, ABATEMENT OR RECOUPMENT FOR ANY REASON WHATSOEVER.

5. **DELIVERY; ACCEPTANCE; FUNDING CONDITIONS**.

5.1 Lessee shall arrange for the transportation, delivery and installation of all Equipment to the location specified in the Schedule ("Location") by Equipment suppliers ("Suppliers") selected by Lessee. Lessee shall pay all costs related thereto unless Lessor otherwise agrees to pay such costs as stated in the Schedule.

5.2 Lessee shall accept Equipment as soon as it has been delivered and is operational. Lessee shall evidence its acceptance of any Equipment by signing and delivering to Lessor the applicable

Schedule. If Lessee signs and delivers a Schedule and if all Funding Conditions have been satisfied in full, then Lessor will pay or cause to be paid the costs of such Equipment as stated in the Schedule ("Purchase Price") to the applicable Supplier.

5.3 Lessor shall have no obligation to pay any Purchase Price unless all reasonable conditions established by Lessor ("Funding Conditions") have been satisfied, including, without limitation, the following: (a) Lessee has signed and delivered the Schedule and its Schedule A-1; (b) no Event of Default shall have occurred and be continuing; (c) no material adverse change shall have occurred in the Internal Revenue Code of 1986, as amended, and the related regulations and rulings thereunder (collectively, the "Code"); (d) no material adverse change shall have occurred in the financial condition of Lessee or any Supplier; (e) the Equipment is reasonably satisfactory to Lessor and is free and clear of any Liens (except Lessor's Liens); (f) all representations of Lessee in the Lease remain true, accurate and complete; and (g) Lessor has received all of the following documents, which shall be reasonably satisfactory, in form and substance, to Lessor: (1) evidence of insurance coverage required by the Lease, (2) an opinion of Lessee's counsel; (3) reasonably detailed invoices for the Equipment; (4) Uniform Commercial Code (UCC) financing statements; (5) copies of resolutions by Lessee's governing body, duly authorizing the Lease and incumbency certificates for the person(s) who will sign the Lease; (6) such documents and certificates relating to the tax-exempt interest payable under the Lease (including, without limitation, IRS Form 8038G or 8038GC) as Lessor may request; and (7) such other documents and information previously identified by Lessor or otherwise reasonably requested by Lessor.

6. **TERMINATION FOR GOVERNMENTAL NON-APPROPRIATIONS**.

6.1 For each Lease, Lessee represents and warrants: that it has appropriated and budgeted the necessary funds to make all Rent Payments required pursuant to such Lease for the remainder of the fiscal year in which the Lease Term commences; and that it intends to make Rent Payments for the full Lease Term as scheduled on the applicable Schedule A-1 so long as funds are appropriated in each fiscal year by its governing body. Lessee reasonably believes that moneys in an amount sufficient to make all Rent Payments can and will lawfully be appropriated and made available therefor. All Rent Payments shall be payable out of the general funds of Lessee or out of other funds legally available therefor. Lessor agrees that the Leases will not be general obligations of Lessee and that the Leases shall not constitute pledges of either the full faith and credit of Lessee or the taxing power of Lessee.

6.2 If Lessee's governing body fails to appropriate sufficient funds in any fiscal year for Rent Payments or other payments due under a Lease and if other funds are not available for such payments, then a "Non-Appropriation Event" shall be deemed to have occurred. If a Non-Appropriation Event occurs, then: (a) Lessee shall give Lessor immediate notice of such Non-Appropriation Event and provide written evidence of such failure by Lessee's governing body; (b) on the Return Date, Lessee shall return to Lessor all, but not less than all, of the Equipment covered by the affected Lease, at Lessee's sole expense, in accordance with Section 21 hereof; and (c) the affected Lease shall terminate on the Return Date without penalty or expense to Lessee, provided, that Lessee shall pay all Rent Payments and other amounts payable under the affected Lease for which funds shall have been appropriated or are otherwise available, provided further, that Lessee shall pay month-to-month rent at the rate set forth in the affected Lease for each month or part thereof that Lessee fails to return the Equipment under this Section 6.2. "Return Date" means the last day of the fiscal year for which appropriations were made for the Rent Payments due under a Lease.

7. NO WARRANTY BY LESSOR. **The Equipment is sold "AS IS". LESSEE ACKNOWLEDGES THAT LESSOR DID NOT MANUFACTURE THE EQUIPMENT. LESSOR DOES NOT REPRESENT THE MANUFACTURER, OWNER, OR DEALER, AND LESSEE SELECTED THE EQUIPMENT BASED UPON LESSEE'S OWN JUDGMENT. LESSOR MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE OR AS TO THE EQUIPMENT'S VALUE, DESIGN, CONDITION, USE, CAPACITY OR DURABILITY. LESSEE AGREES THAT REGARDLESS OF CAUSE, LESSOR IS NOT RESPONSIBLE FOR, AND LESSEE WILL NOT MAKE ANY CLAIM AGAINST LESSOR FOR, ANY DAMAGES, WHETHER CONSEQUENTIAL, DIRECT, SPECIAL OR INDIRECT INCURRED BY LESSEE IN CONNECTION WITH THE EQUIPMENT OR THIS MASTER LEASE – LEASE PURCHASE AGREEMENT. NEITHER THE MANUFACTURER, THE DEALER, NOR ANY SALESPERSON, EMPLOYEE OR AGENT OF THE DEALER OR MANUFACTURER, IS LESSOR'S AGENT OR HAS ANY AUTHORITY TO SPEAK FOR LESSOR OR TO BIND LESSOR IN ANY WAY.** For and during the Lease

Term, Lessor hereby assigns to Lessee any manufacturer's or Supplier's product warranties, express or implied, applicable to any Equipment and Lessor authorizes Lessee to obtain the customary services furnished in connection with such warranties at Lessee's sole expense. Lessee agrees that (a) all Equipment will have been purchased by Lessor in accordance with Lessee's specifications from Suppliers selected by Lessee, (b) Lessor is not a manufacturer or dealer of any Equipment and has no liability for the delivery or installation of any Equipment, (c) Lessor assumes no obligation with respect to any manufacturer's or Supplier's product warranties or guaranties, (d) no manufacturer or Supplier or any representative of said parties is an agent of Lessor, and (e) any warranty, representation, guaranty or agreement made by any manufacturer or Supplier or any representative of said parties shall not be binding upon Lessor.

8. **TITLE; SECURITY INTEREST**.

8.1 Upon Lessee's acceptance of any Equipment under its Lease, title to the Equipment shall vest in Lessee, subject to Lessor's security interest therein and all of Lessor's other rights under such Lease including, without limitation, Sections 6, 20 and 21 hereof.

8.2 As collateral security for the Secured Obligations, Lessee hereby grants to Lessor a first priority security interest in any and all of the Equipment (now existing or hereafter acquired) and any and all proceeds thereof. Lessee agrees to execute and deliver to Lessor all necessary documents to evidence and perfect such security interest, including, without limitation, Uniform Commercial Code (UCC) financing statements and any amendments thereto.

8.3 "Secured Obligations" means Lessee's obligations to pay all Rent Payments and all other amounts due and payable under all present and future Leases and to perform and observe all covenants, agreements and conditions (direct or indirect, absolute or contingent, due or to become due, or existing or hereafter arising) of Lessee under all present and future Leases.

9. **PERSONAL PROPERTY**. All Equipment is and will remain personal property and will not be deemed to be affixed or attached to real estate or any building thereon.

10. **MAINTENANCE AND OPERATION**. Lessee agrees it shall, at its sole expense: (a) repair and maintain all Equipment in good condition and working order, in accordance with manufacturer's instructions, and supply and install all replacement parts or other devices when required to so maintain the Equipment or when required by applicable law or regulation, which parts or devices shall automatically become part of the Equipment; and (b) use and operate all Equipment in a careful manner in the normal course of its operations and only for the purposes for which it was designed in accordance with the manufacturer's warranty requirements, and comply with all laws and regulations relating to the Equipment. If any Equipment is customarily covered by a maintenance agreement, Lessee will furnish Lessor with a maintenance agreement by a party reasonably satisfactory to Lessor. No maintenance or other service for any Equipment will be provided by Lessor. Lessee will not make any alterations, additions or improvements ("Improvements") to any Equipment without Lessor's prior written consent unless the Improvements may be readily removed without damage to the operation, value or utility of such Equipment, but any such Improvements not removed prior to the termination of the applicable Lease shall automatically become part of the Equipment.

11. **LOCATION; INSPECTION**. Equipment will not be removed from any fire station maintained and operated by the City of Gainesville, or if Equipment is rolling stock its permanent base will not be changed from, the Location without Lessor's prior written consent which will not be unreasonably withheld. Upon reasonable notice to Lessee, Lessor may enter the Location or elsewhere during normal business hours to inspect the Equipment.

12. **LIENS, SUBLEASES AND TAXES**.

12.1 Lessee shall keep all Equipment free and clear of all Liens except those Liens created under its Lease. Lessee shall not sublet or lend any Equipment or permit it to be used by anyone other than Lessee or Lessee's employees.

12.2 Lessee shall pay when due all Taxes which may now or hereafter be imposed upon any Equipment or its ownership, leasing, rental, sale, purchase, possession or use, upon any Lease or upon any Rent Payments or any other payments due under any Lease. If Lessee fails to pay such Taxes when due, Lessor shall have the right, but not the obligation, to pay such Taxes. If Lessor pays any such Taxes, then Lessee shall, upon demand, immediately reimburse Lessor therefor. “Taxes” means present and future taxes, levies, duties, assessments or other governmental charges that are not based on the net income of Lessor, whether they are assessed to or payable by Lessee or Lessor, including, without limitation (a) sales, use, excise, licensing, registration, titling, gross receipts, stamp and personal property taxes, and (b) interest, penalties or fines on any of the foregoing.

13. **RISK OF LOSS.**

13.1 Lessee bears the entire risk of loss, theft, damage or destruction of any Equipment in whole or in part from any reason whatsoever (“Casualty Loss”). No Casualty Loss to any Equipment shall relieve Lessee from the obligation to make any Rent Payments or to perform any other obligation under any Lease. Proceeds of any insurance recovery will be applied to Lessee’s obligations under this Section 13.

13.2 If a Casualty Loss occurs to any Equipment, Lessee shall immediately notify Lessor of the same and Lessee shall, unless otherwise directed by Lessor, immediately repair the same.

13.3 If Lessor determines that any item of Equipment has suffered a Casualty Loss beyond repair (“Lost Equipment”), then Lessee shall either: (a) immediately replace the Lost Equipment with similar equipment in good repair, condition and working order free and clear of any Liens (except Lessor’s Liens) and deliver to Lessor a bill of sale covering the replacement equipment, in which event such replacement equipment shall automatically be Equipment under the applicable Lease; or (b) on the next scheduled Rent Payment date, pay Lessor (i) all amounts owed by Lessee under the applicable Lease, including the Rent Payment due on such date plus (ii) an amount equal to the applicable Termination Value set forth in the Payment Schedule to the applicable Lease. If Lessee is making such payment with respect to less than all of the Equipment under a Lease, then Lessor will provide Lessee with the pro rata amount of the Rent Payment and Termination Value to be paid by Lessee with respect to the Lost Equipment.

13.4 Lessee shall bear the risk of loss for, shall pay directly, and shall defend against any and all claims, liabilities, proceedings, actions, expenses (including reasonable attorney’s fees), damages or losses arising under or related to any Equipment, including, but not limited to, the possession, ownership, lease, use or operation thereof. These obligations of Lessee shall survive any expiration or termination of any Lease. Lessee shall not bear the risk of loss of, nor pay for, any claims, liabilities, proceedings, actions, expenses (including attorney’s fees), damages or losses which arise directly from events occurring after any Equipment has been returned by Lessee to Lessor in accordance with the terms of the applicable Lease or which arise directly from the gross negligence or willful misconduct of Lessor.

14. **INSURANCE.**

14.1 (a) Lessee at its sole expense shall at all times keep all Equipment insured against all risks of loss or damage from every cause whatsoever for an amount not less than the Termination Value of the Equipment. Proceeds of any such insurance covering damage or loss of any Equipment shall be payable to Lessor as loss payee. (b) The Total Amount Financed as set forth on the Schedule A-1 does not include the payment of any premium for any liability insurance coverage for bodily injury and/or property damage caused to others and no such insurance will be purchased by Lessor. (c) Lessee at its sole expense shall at all times carry public liability and property damage insurance in amounts reasonably satisfactory to Lessor protecting Lessee and Lessor from liabilities for injuries to persons and damage to property of others relating in any way to any Equipment. Proceeds of any such public liability or property insurance shall be payable first to Lessor as additional insured to the extent of its liability, and then to Lessee.

14.2 All insurers shall be reasonably satisfactory to Lessor. Lessee shall promptly deliver to Lessor satisfactory evidence of required insurance coverage and all renewals and replacements thereof. Each insurance policy will require that the insurer give Lessor at least 30 days prior written notice of any cancellation of such policy and will require that Lessor’s interests remain insured regardless of any act, error, misrepresentation, omission or neglect of Lessee. The insurance maintained by Lessee shall be primary without any right of contribution from insurance which may be maintained by Lessor.

15. **PURCHASE OPTION**. Upon thirty (30) days prior written notice by Lessee to Lessor, and so long as there is no Event of Default then existing, Lessee shall have the option to purchase all, but not less than all, of the Equipment covered by a Lease on any Rent Payment due date by paying to Lessor all Rent

Payments then due (including accrued interest, if any) plus the Termination Value amount set forth on the Payment Schedule to the applicable Lease for such date. Upon satisfaction by Lessee of such purchase conditions, Lessor shall release its Lien on such Equipment and Lessee shall retain its title to such Equipment "AS-IS, WHERE-IS," without representation or warranty by Lessor, express or implied, except for a representation that such Equipment is free and clear of any Liens created by Lessor.

16. **LESSEE'S REPRESENTATIONS AND WARRANTIES**. With respect to each Lease and its Equipment, Lessee hereby represents and warrants to Lessor that:

(a) Lessee has full power, authority and legal right to execute and deliver the Lease and to perform its obligations under the Lease, and all such actions have been duly authorized by appropriate findings and actions of Lessee's governing body;

(b) the Lease has been duly executed and delivered by Lessee and constitutes a legal, valid and binding obligation of Lessee, enforceable in accordance with its terms;

(c) the Lease is authorized under, and the authorization, execution and delivery of the Lease complies with, all applicable federal, state and local laws and regulations (including, but not limited to, all open meeting, public bidding and property acquisition laws) and all applicable judgments and court orders;

(d) the execution, delivery and performance by Lessee of its obligations under the Lease will not result in a breach or violation of, nor constitute a default under, any agreement, lease or other instrument to which Lessee is a party or by which Lessee's properties may be bound or affected;

(e) there is no pending, or to the best of Lessee's knowledge threatened, litigation of any nature which may have a material adverse effect on Lessee's ability to perform its obligations under the Lease; and

(f) Lessee is a state, or a political subdivision thereof, as referred to in Section 103 of the Code, and Lessee's obligation under the Lease constitutes an enforceable obligation issued on behalf of a state or a political subdivision thereof.

17. **TAX COVENANTS**. Lessee hereby covenants and agrees that:

(a) Lessee shall comply with all of the requirements of Section 149(a) and Section 149(e) of the Code, as the same may be amended from time to time, and such compliance shall include, but not be limited to, keeping a complete and accurate record of any assignments of any Lease and executing and filing Internal Revenue Form 8038G or 8038GC, as the case may be, and any other information statements reasonably requested by Lessor;

(b) Lessee shall not do (or cause to be done) any act which will cause, or by omission of any act allow, any Lease to be an "arbitrage bond" within the meaning of Section 148(a) of the Code or any Lease to be a "private activity bond" within the meaning of Section 141(a) of the Code; and

(c) Lessee shall not do (or cause to be done) any act which will cause, or by omission of any act allow, the interest portion of any Rent Payments to be or become includable in gross income for Federal income taxation purposes under the Code.

(d) If Lessor either (i) receives notice, in any form, from the IRS; or (ii) reasonably determines, based on an opinion of independent tax counsel selected by Lessor and approved by Lessee, which approval Lessee shall not unreasonably withhold, that Lessor may not exclude the interest component of any Rent Payment under a Tax-Exempt Lease from federal gross income because Lessee breached a covenant contained herein, then Lessee shall pay to Lessor, within thirty (30) days after Lessor notifies Lessee of such determination, the amount which, with respect to Rent Payments previously paid and taking into account all penalties, fines, interest and additions to tax (including all federal, state and local taxes imposed on the interest component of all Rent Payments under such Tax-Exempt Lease due through the date of such event) that are imposed on Lessor as a result of the loss of the exclusion, will restore to Lessor the same after-tax yield on the transaction evidenced by such Tax-Exempt Lease (assuming tax at the highest marginal corporate tax rate) that it would have realized had the exclusion not been lost. Additionally, Lessee agrees that upon the occurrence of such an event with respect to a Tax-Exempt Lease, it shall pay additional rent to Lessor on each succeeding Rent Payment due date in such amount as will maintain such after-tax yield to Lessor. Lessor's determination of the amount necessary to maintain its after-tax yield as provided in this subsection (b) shall be conclusive (absent manifest error). Notwithstanding anything in a Tax-Exempt Lease to the contrary, any payment that Lessee is required to make pursuant to this subsection (b) shall be made only from Legally Available Funds.

18. **ASSIGNMENT**.

18.1 Lessee shall not assign, transfer, pledge, hypothecate, nor grant any Lien on, nor otherwise dispose of, any Lease or any Equipment or any interest in any Lease or Equipment.

18.2 Lessor may assign its rights, title and interest in and to any Lease or any Equipment, and/or may grant or assign a security interest in any Lease and its Equipment, in whole or in part, to any party at any time. Any such assignee or lien holder (an "Assignee") shall have all of the rights of Lessor under the applicable Lease. **LESSEE AGREES NOT TO ASSERT AGAINST ANY ASSIGNEE ANY CLAIMS, ABATEMENTS, SETOFFS, COUNTERCLAIMS, RECOUPMENT OR ANY OTHER SIMILAR DEFENSES WHICH LESSEE MAY HAVE AGAINST LESSOR.** Unless otherwise agreed by Lessee in writing, any such assignment transaction shall not release Lessor from any of Lessor's obligations under the applicable Lease. An assignment or reassignment of any of Lessor's right, title or interest in a Lease or its Equipment shall be enforceable against Lessee only after Lessee receives a written notice of assignment which discloses the name and address of each such Assignee. Lessee shall keep a complete and accurate record of all such assignments in the form necessary to comply with Section 149(a) of the Code. Lessee agrees to acknowledge in writing any such assignments if so requested.

18.3 Each Assignee of a Lease hereby agrees that: (a) the term Secured Obligations as used in Section 8.3 hereof is hereby amended to include and apply to all obligations of Lessee under the Assigned Leases and to exclude the obligations of Lessee under any Non-Assigned Leases; (b) said Assignee shall have no Lien on, nor any claim to, nor any interest of any kind in, any Non-Assigned Leases; and (c) Assignee shall exercise its rights, benefits and remedies as the assignee of Lessor (including, without limitation, the remedies under Section 20 of the Master Lease) solely with respect to the Assigned Leases. "Assigned Leases" means only those Leases which have been assigned to an Assignee pursuant to a written agreement; and "Non-Assigned Leases" means all Leases excluding the Assigned Leases.

18.4 Subject to the foregoing, each Lease inures to the benefit of and is binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

19. **EVENTS OF DEFAULT**. For each Lease, "Event of Default" means the occurrence of any one or more of the following events as they may relate to such Lease: (a) Lessee fails to make any Rent Payment (or any other payment) as it becomes due in accordance with the terms of the Lease, and any such failure continues for ten (10) days after the due date thereof; (b) Lessee fails to perform or observe any of its obligations under Sections 12.1, 14 or 18.1 hereof; (c) Lessee fails to perform or observe any other covenant, condition or agreement to be performed or observed by it under the Lease and such failure is not cured within thirty (30) days after receipt of written notice thereof by Lessor; (d) any statement, representation or warranty made by Lessee in the Lease or in any writing delivered by Lessee pursuant thereto or in connection therewith proves at any time to have been false, misleading or erroneous in any material respect as of the time when made; (e) Lessee applies for or consents to the appointment of a receiver, trustee, conservator or liquidator of Lessee or of all or a substantial part of its assets, or a petition for relief is filed by Lessee under any federal or state bankruptcy, insolvency or similar law, or a petition in a proceeding under any federal or state bankruptcy, insolvency or similar law is filed against Lessee and is not dismissed within sixty (60) days thereafter; or (f) Lessee shall be in default under any other Lease or under any other financing agreement executed at any time with Lessor.

20. **REMEDIES**. If any Event of Default occurs, then Lessor may, at its option, exercise any one or more of the following remedies:

(a) Lessor may require Lessee to pay (and Lessee agrees that it shall pay) all amounts then currently due under all Leases and all remaining Rent Payments due under all Leases during the fiscal year in effect when the default occurs together with interest on such amounts at the highest lawful rate from the date of Lessor's demand for such payment.

(b) Lessor may require Lessee to promptly return all Equipment to Lessor in the manner set forth in Section 21 (and Lessee agrees that it shall so return the Equipment), or Lessor may, at its option, enter upon the premises where any Equipment is located and repossess such Equipment without demand or notice, without any court order or other process of law and without liability for any damage occasioned by such repossession;

(c) Lessor may sell, lease or otherwise dispose of any Equipment, in whole or in part, in one or more public or private transactions, and if Lessor so disposes of any Equipment, then Lessor shall retain the entire proceeds of such disposition free of any claims of Lessee, provided, that the net proceeds of any such disposition shall be applied to amounts payable by Lessee under clause (a) above of this Section only to the extent that such net proceeds exceed the applicable Termination Value set forth in the applicable Schedule A-1;

(d) Lessor may terminate, cancel or rescind any Lease as to any and all Equipment;

(e) Lessor may exercise any other right, remedy or privilege which may be available to Lessor under applicable law or, by appropriate court action at law or in equity, Lessor may enforce any of Lessee's obligations under any Lease; and/or

(f) Lessor may require Lessee to pay (and Lessee agrees that it shall pay) all out-of-pocket costs and expenses incurred by Lessor as a result (directly or indirectly) of the Event of Default and/or of Lessor's actions under this section, including, without limitation, any attorney fees and expenses and any costs related to the repossession, safekeeping, storage, repair, reconditioning or disposition of any Equipment.

None of the above remedies is exclusive, but each is cumulative and in addition to any other remedy available to Lessor. Lessor's exercise of one or more remedies shall not preclude its exercise of any other remedy. No delay or failure on the part of Lessor to exercise any remedy under any Lease shall operate as a waiver thereof, nor as an acquiescence in any default, nor shall any single or partial exercise of any remedy preclude any other exercise thereof or the exercise of any other remedy.

21. **RETURN OF EQUIPMENT**. If Lessor is entitled under the provisions of any Lease, including any termination thereof pursuant to Sections 6 or 20 of this Master Lease, to obtain possession of any Equipment or if Lessee is obligated at any time to return any Equipment, then (a) title to the Equipment shall vest in Lessor immediately upon Lessors notice thereof to Lessee, and (b) Lessee shall, at its sole expense and risk, immediately de-install, disassemble, pack, crate, insure and return the Equipment to Lessor (all in accordance with applicable industry standards) within the state of Georgia selected by Lessor. Such Equipment shall be in the same condition as when received by Lessee (reasonable wear, tear and depreciation resulting from normal and proper use excepted), shall be in good operating order and maintenance as required by the applicable Lease, shall be free and clear of any Liens (except Lessor's Lien) and shall comply with all applicable laws and regulations. Until Equipment is returned as required above, all terms of the applicable Lease shall remain in full force and effect including, without limitation, obligations to pay Rent Payments and to insure the Equipment. Lessee agrees to execute and deliver to Lessor all documents reasonably requested by Lessor to evidence the transfer of legal and beneficial title to such Equipment to Lessor and to evidence the termination of Lessee's interest in such Equipment.

22. **LAW GOVERNING. Each Lease shall be governed by the laws of the state of the lessee (The "State").**

23. **NOTICES**. All notices to be given under any Lease shall be made in writing and either personally delivered or mailed by certified mail to the other party at its address set forth herein or at such address as the party may provide in writing from time to time. Any such notices shall be deemed to have been received five (5) days subsequent to mailing if sent by regular or certified mail, or on the next business day if sent by overnight courier, or on the day of delivery if delivered personally.

24. **FINANCIAL INFORMATION; INDEMNITY; POWER OF ATTORNEY**. Within thirty (30) days of their completion in each fiscal year of Lessee during any Lease Term, Lessee will deliver to Lessor upon Lessor's

request the publicly available annual financial information of Lessee. To the extent permitted by law, Lessee shall indemnify, hold harmless and, if Lessor requests, defend Lessor and its shareholders, affiliates, employees, dealers and agents against all Claims directly or indirectly arising out of or connected with (a) the manufacture, installation, use, lease, possession or delivery of the Equipment, (b) any defects in the Equipment, any wrongful act or omission of Lessee, or its employees and agents, or (c) any claims of alleged breach by Lessee of this Master Lease or any related document. "Claims" means all losses, liabilities, damages, penalties, expenses (including attorney's fees and costs), claims, actions and suits, whether in contract, tort or otherwise. Lessee hereby appoints Lessor its true and lawful attorney-in-fact (with full power of substitution) to prepare any instrument, certificate of title or financing statement covering the Equipment or otherwise protecting Lessor's interest in the Equipment, to sign Lessee's name with the same force and effect as if signed by Lessee, and to file same at the proper location(s); and make claims for, receive payment of, and execute and endorse all documents, checks or drafts for loss, theft, damage or destruction to the Equipment under any insurance.

25. **ANTI-MONEY LAUNDERING/INTERNATIONAL TRADE LAW COMPLIANCE**.

Lessee represents and warrants to Lessor, as of the date of this Master Lease, the date of each advance of proceeds pursuant to this Master Lease, the date of any renewal, extension or modification of this Master Lease or any Lease, and at all times until this Master Lease and each Lease has been terminated and all amounts thereunder have been indefeasibly paid in full, that: (a) no Covered Entity (i) is a Sanctioned Person; (ii) has any of its assets in a Sanctioned Country or in the possession, custody or control of a Sanctioned Person; or (iii) does business in or with, or derives any of its operating income from investments in or transactions with, any Sanctioned Country or Sanctioned Person in violation of any law, regulation, order or directive enforced by any Compliance Authority; (b) the proceeds of any Lease will not be used to fund any operations in, finance any investments or activities in, or, make any payments to, a Sanctioned Country or Sanctioned Person in violation of any law, regulation, order or directive enforced by any Compliance Authority; (c) the funds used to repay any Lease are not derived from any unlawful activity; and (d) each Covered Entity is in compliance with, and no Covered Entity engages in any dealings or transactions prohibited by, any laws of the United States, including but not limited to any Anti-Terrorism Laws. Lessee covenants and agrees that it shall immediately notify Lessor in writing upon the occurrence of a Reportable Compliance Event.

As used herein: "Anti-Terrorism Laws" means any laws relating to terrorism, trade sanctions programs and embargoes, import/export licensing, money laundering, or bribery, all as amended, supplemented or replaced from time to time; "Compliance Authority" means each and all of the (a) U.S. Treasury Department/Office of Foreign Assets Control, (b) U.S. Treasury Department/Financial Crimes Enforcement Network, (c) U.S. State Department/Directorate of Defense Trade Controls, (d) U.S. Commerce Department/Bureau of Industry and Security, (e) U.S. Internal Revenue Service, (f) U.S. Justice Department, and (g) U.S. Securities and Exchange Commission; "Covered Entity" means Lessee, its affiliates and subsidiaries, all guarantors, pledgors of collateral, all owners of the foregoing, and all brokers or other agents of Lessee acting in any capacity in connection with this Master Lease or any Lease; "Reportable Compliance Event" means that any Covered Entity becomes a Sanctioned Person, or is indicted, arraigned, investigated or custodially detained, or receives an inquiry from regulatory or law enforcement officials, in connection with any Anti-Terrorism Law or any predicate crime to any Anti-Terrorism Law, or self-discovers facts or circumstances implicating any aspect of its operations with the actual or possible violation of any Anti-Terrorism Law; "Sanctioned Country" means a country subject to a sanctions program maintained by any Compliance Authority; and "Sanctioned Person" means any individual person, group, regime, entity or thing listed or otherwise recognized as a specially designated, prohibited, sanctioned or debarred person or entity, or subject to any limitations or prohibitions (including but not limited to the blocking of property or rejection of transactions), under any order or directive of any Compliance Authority or otherwise subject to, or specially designated under, any sanctions program maintained by any Compliance Authority.

26**. USA PATRIOT ACT NOTICE.**

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each lessee that opens an account. What this means: when Lessee opens an account, Lessor will ask for the business name, business address, taxpayer identifying number and other information that will allow Lessor to identify Lessee, such as organizational documents. For some businesses and organizations, Lessor may also need to ask for identifying information and documentation relating to certain individuals associated with the business or organization.

27. **SECTION HEADINGS**. All section headings contained herein or in any Schedule are for convenience of reference only and do not define or limit the scope of any provision of any Lease.

28. **EXECUTION IN COUNTERPARTS**. Each Schedule to this Master Lease may be executed in several counterparts, each of which shall be deemed an original, but all of which shall be deemed one instrument. Only one counterpart of each Schedule shall be marked "Lessor's Original" and all other counterparts shall be deemed duplicates. An assignment of or security interest in any Schedule may be created through transfer and possession only of the counterpart marked "Lessor's Original."

29. **ENTIRE AGREEMENT; WRITTEN AMENDMENTS**. Each Lease, together with the exhibits attached thereto and made a part hereof and other attachments thereto, and other documents or instruments executed by Lessee and Lessor in connection therewith, constitute the entire agreement between the parties with respect to the lease of the Equipment covered thereby, and such Lease shall not be modified, amended, altered, or changed except with the written consent of Lessee and Lessor. Any provision of any Lease found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of the Lease.

30. **HEAVY-DUTY VEHICLE GREENHOUSE GAS EMISSION REDUCTION REGULATION**.

(a) If the equipment leased pursuant to the Lease is a tractor, the Lessee of this heavy-duty tractor understands that when using a heavy-duty tractor to pull a 53-foot or longer box-type trailer on a highway within California, the heavy-duty tractor must be compliant with sections 95300-95312, title 17, California Code of Regulations, and that it is the responsibility of the Lessee to ensure this heavy-duty tractor is compliant. The regulations may require this heavy-duty tractor to have low-rolling-resistance tires that are U.S. Environmental Protection Agency (U.S. EPA) SmartWay Verified Technologies prior to current or future use in California, or may entirely prohibit use of this tractor in California if it is a model year 2011 or later tractor and is not a U.S. EPA SmartWay Certified Tractor.

(b) If the equipment leased pursuant to the Lease is a trailer, the Lessee of this box-type trailer understands that when using a heavy-duty tractor to pull a 53-foot or longer box-type trailer on a highway within California, the box-type trailer must be compliant with sections 95300-95312, title 17, California Code of Regulations, and that it is the responsibility of the Lessee to ensure this box-type trailer is compliant. The regulations may require this trailer to have low-rolling-resistance tires and aerodynamic technologies that are U.S. Environmental Protection Agency SmartWay Verified Technologies prior to current or future use in California.

(c) Notwithstanding anything in the Lease to the contrary, the Lease does not prohibit the Lessee from modifying the trailer, at Lessee's cost, to be compliant with the requirements of the California Heavy-Duty Vehicle Greenhouse Gas Emission Reduction Regulation.

31. **IMPORTANT INFORMATION ABOUT PHONE CALLS**. By providing telephone number(s) to Lessor, now or at any later time, Lessee authorizes Lessor and its affiliates and designees to contact Lessee regarding Lessee account(s) with Lessor or its affiliates, whether such accounts are Lessee individual accounts or business accounts for which Lessee is a contact, at such numbers using any means, including but not limited to placing calls using an automated dialing system to cell, VoIP or other wireless phone number, or leaving prerecorded messages or sending text messages, even if charges may be incurred for the calls or text messages. Lessee consents that any phone call with Lessor may be monitored or recorded by Lessor.

City of Gainesville
("Lessee")

By:____

Title: Mayor

300 Henry Ward Way
Gainesville, GA 30503

PNC Equipment Finance, LLC
("Lessor")

By:____

Title Brian Bradshaw
Officer

155 East Broad Street, B4-B230-05-7
Columbus, OH 43215

STATE OF GEORGIA ADDENDUM*
TO

LEASE SCHEDULE NO. 1199632-1 DATED AS OF AUGUST 20, 2020

TO

MASTER LEASE PURCHASE AGREEMENT DATED AS OF APRIL 17, 2018

LESSEE:	LESSOR:
CITY OF GAINESVILLE 300 Henry Ward Way Gainesville, GA 30503	PNC Equipment Finance, LLC 155 East Broad Street, Locator B4-B230-05-7 Columbus, OH 43215

For and in consideration of the mutual promises and agreements contained in the Lease to which this Addendum is attached, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions. Each capitalized term used, but not defined, herein shall have the same meaning as when such term is used in the Lease Schedule to the Master Equipment Lease-Purchase Agreement described above (collectively, the *"Lease"*).

2. Amendment to Section 3 of the Master Lease. Section 3 of the Master Lease is hereby deleted and replaced with the following:

> 3. LEASE TERM.
>
> The term of each Lease (*"Lease Term"*) commences on, and interest accrues from, the date identified in the related Schedule as the Commencement Date and, in accordance with applicable Georgia law, the initial term shall continue in effect until midnight on December 31 of the calendar year in which such Lease was executed. The Lease Term under each Lease shall automatically renew for each succeeding calendar year for the remaining period of the stated Lease Term unless Lessee gives notice to Lessor by December 1 of a calendar year stating Lessee's intention not to renew such Lease for the period after December 31 of such calendar year. If Lessee delivers such notice of nonrenewal of the Lease Term under a Lease, such Lease shall terminate absolutely and without further obligation on the part of Lessee, including any obligation to pay Rent Payments for the period after termination, at the end of such calendar year. In the event that Lessee's governing body does not approve an appropriation of funds at any

* For use with Georgia counties, municipalities and county, independent or area school systems, but not the State of Georgia or any of its agencies or institutions.

time during the Lease Term under a Lease for the payment of Rent Payments and other amounts (if any) due and to become due for the succeeding fiscal year during the Lease Term for the Equipment subject to the related Lease, Lessee shall have the right to return such Equipment in accordance with Section 21 of the Master Lease (as incorporated by reference into the related Lease) and terminate such Lease on the last day of the fiscal year for which sufficient appropriations were received without penalty or expense to Lessee, except as to the portion of Rent Payments for which funds shall have been appropriated and budgeted. At least 15 days prior to the end of Lessee's fiscal year in which Lessee's governing body shall not have approved an appropriation of funds for the succeeding fiscal year, Lessee's chief finance or budgetary official shall certify in writing to Lessor that funds have not been appropriated for the succeeding fiscal year.

3. Amendment to Section 8 of the Master Lease. If Lessee is a county or municipality, Section 8 of the Master Lease is hereby deleted and replaced with the following:

8. TITLE; SECURITY INTEREST.

8.1. During the term of each Lease, title to the Equipment identified therein shall be vested in Lessor, subject to the rights of Lessee under such Lease. Upon the first to occur of (a) the day after the last scheduled Rent Payment under such Lease is paid in full or (b) the day after the Termination Value under such Lease is paid in full, Lessor shall transfer all of its right, title and interest in and to the Equipment under such Lease to Lessee without representation or warranty (except with respect to Lessor or anyone claiming by, through or under Lessor) "where is, as is" and "with all faults." Lessee, at its expense, will protect and defend Lessor's title to the Equipment identified in each Lease and will keep the Equipment under each Lease free and clear from any and all claims, liens, encumbrances and legal processes of Lessee's creditors and other persons.

8.2. Upon the first to occur of (a) the termination of the Lease Term under a Lease pursuant to Section 3 of the Master Lease (as incorporated by reference into such Lease) prior to the full stated Lease Term under such Lease or (b) an Event of Default under such Lease and a termination of Lessee's rights thereunder as provided therein, Lessor shall be entitled to repossess the Equipment identified in such Lease and otherwise to exercise its remedies as provided therein, in which event Lessee shall return such Equipment in accordance with Section 21 of the Master Lease.

4. Certificate of Compliance with Georgia Law. Lessee hereby agrees to complete, execute and deliver to Lessor with respect to each Lease, on the date of its execution and delivery, a Certificate of Compliance with Georgia Law in substantially the form attached to this Addendum as *Attachment 1*.

IN WITNESS WHEREOF, Lessor and Lessee have each caused this State of Georgia Addendum to be duly executed and delivered on this __ day of __________, 2020.

LESSEE: CITY OF GAINESVILLE	LESSOR: PNC EQUIPMENT FINANCE, LLC
By:____________________________ Printed Name:___________________ Title: __________________________	By:____________________________ Printed Name:___________________ Title: __________________________

ATTACHMENT 1 TO
STATE OF GEORGIA ADDENDUM

CERTIFICATE OF COMPLIANCE WITH GEORGIA LAW

LESSEE: <u>CITY OF GAINESVILLE</u>

LEASE SCHEDULE NO. 1199632-1 DATED AS OF AUGUST 20, 2020

TO

MASTER LEASE-PURCHASE AGREEMENT DATED AS OF APRIL 17, 2018

THE UNDERSIGNED HEREBY CERTIFIES AND REPRESENTS FOR AND ON BEHALF OF LESSEE (please check the appropriate box) THAT:

☐ *if Lessee is a county or municipality under the laws of the State of Georgia*: (a) the sum of (i) the aggregate principal component of Rent Payments under the Lease *plus* (ii) the amount of debt incurred by Lessee pursuant to Article IX, Section V, Paragraph I of the Constitution of Georgia does not exceed 10% of the assessed value of all taxable property within Lessee; (b) the Equipment financed pursuant to the Lease has not been the subject of a referendum which failed to receive the approval of Lessee's voters within the four calendar years immediately preceding the date of execution of the State of Georgia Addendum to which this Certificate is attached; and (c) Lessee's total obligation for each calendar year during the full stated Lease Term of the Lease to which this Certificate relates is the sum of the Rent Payments that are payable during each such calendar year as shown on the Payment Schedule attached to such Lease; or

☐ *if Lessee is a county, independent or area school system under the laws of the State of Georgia*: (a) the total combined annual payments for Lessee's contracts under Georgia Code §20-2-506 and contracts of such school system under Article IX, Section III, Paragraph I of the Constitution of Georgia in any calendar year, excluding guaranteed energy savings contracts, does not exceed an amount equal to 7.5 percent of the total local revenue collected for maintenance and operation of the school system in the most recently completed fiscal year; (b) the Lease to which this Certificate relates is not being entered into within four calendar years immediately following an election on the proposed issuance of bonded debt for goods, materials, real or personal property, services or supplies which are the same as or substantially similar to the Equipment financed pursuant to such Lease and which proposal was defeated by Lessee's electors; (c) if the Lease to which this Certificate relates constitutes a "guaranteed energy savings contract" (within the meaning of Section 20-2-506(a)(2) of the Official Code of Georgia Annotated), Lessee has documented the historical energy cost of each structure affected for a period of at least one year prior to the date of such Lease and shall document the monthly energy cost and monthly energy savings of each affected structure for the Lease Term under such Lease; (d) Lessee's total obligation for each calendar year during the full stated Lease Term of the Lease to which this Certificate relates is the sum of the Rent Payments that are payable during each such calendar year as shown on the Payment Schedule attached to such Lease; and (e) the Lease to which this Certificate relates complies and will comply with the applicable provisions of the Official Code of Georgia Annotated, and regulations thereunder, relating to state allocated capital outlay funds and entitlements.

DATED this ___ day of _____________, _______.

AUTHORIZED SIGNATURE: X _________________________________

PRINTED NAME: X _________________________________

TITLE: X _________________________________

LEASE SCHEDULE NO. 1199632-1

Dated As Of August 20, 2020

This Lease Schedule (this "Schedule") is attached and made a part of the Master Lease-Purchase Agreement referenced below, together with all exhibits, schedules, addenda, and other attachments thereto, executed by Lessee and Lessor (the "Lease"). Unless otherwise defined herein, capitalized terms will have the same meaning ascribed to them in the Master Lease. All terms and conditions of the Master Lease are incorporated herein by reference. To the extent that there is any conflict between the terms of the Lease and this Schedule, the terms of this Schedule shall control.

Master Lease-Purchase Agreement dated April 17, 2018

1. **EQUIPMENT DESCRIPTION.** As used in the Lease, "Equipment" means all of the property described in Schedule A-1 attached to this Schedule and all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto.

2. **RENTAL PAYMENTS; LEASE TERM.** The Rental Payments to be paid by the Lessee to Lessor, the commencement date thereof and the lease term of this Lease Schedule are set forth on the Schedule A-1 attached to this Lease Schedule.

3. **ESSENTIAL USE; CURRENT INTENT OF LESSEE.** Lessee represents that the use of the Equipment is essential to Lessee's proper, efficient and economic functioning or to the services that Lessee provides to its citizens and the Equipment will be used by Lessee only for the purpose of performing its governmental or proprietary functions consistent with the permissible scope of its authority. Lessee currently intends for the full Lease Term: to use the Equipment; to continue this Lease; and (if applicable) to make Rent Payments if funds are appropriated in each fiscal year by its governing body.

4. **ACCEPTANCE OF EQUIPMENT.** AS BETWEEN LESSEE AND LESSOR, LESSEE AGREES THAT (A) LESSEE HAS RECEIVED AND INSPECTED ALL EQUIPMENT; (B) ALL EQUIPMENT IS IN GOOD WORKING ORDER AND COMPLIES WITH ALL PURCHASE ORDERS, CONTRACTS AND SPECIFICATIONS; (C) LESSEE ACCEPTS ALL EQUIPMENT FOR PURPOSES OF THE LEASE "AS-IS, WHERE IS"; AND (D) LESSEE WAIVES ANY RIGHT TO REVOKE SUCH ACCEPTANCE.

5. **BANK QUALIFIED.** LESSEE CERTIFIES THAT IT HAS DESIGNATED THIS LEASE AS A QUALIFIED TAX-EXEMPT OBLIGATION IN ACCORDANCE WITH SECTION 265(b)(3) OF THE CODE, THAT IT HAS NOT DESIGNATED MORE THAN $10,000,000 OF ITS OBLIGATIONS AS QUALIFIED TAX-EXEMPT OBLIGATIONS IN ACCORDANCE WITH SUCH SECTION FOR THE CURRENT CALENDAR YEAR AND THAT IT REASONABLY ANTICIPATES THAT THE TOTAL AMOUNT OF TAX-EXEMPT OBLIGATIONS TO BE ISSUED BY LESSEE DURING THE CURRENT CALENDAR YEAR WILL NOT EXCEED $10,000,000.

6. **RE-AFFIRMATION OF THE MASTER LEASE-PURCHASE AGREEMENT.** Lessee hereby re-affirms all of its representations, warranties and obligations under the Master Lease Purchase Agreement (including, without limitation, its obligation to pay all Rental Payments, its disclaimers in Section 7 thereof and its representations in Section 6.1 and 16 thereof).

City of Gainesville ("Lessee")	PNC Equipment Finance, LLC ("Lessor")
By:______________________	By:______________________
Title:______________________	Title:______________________

Schedule A-1

1. EQUIPMENT LOCATION & DESCRIPTION:

City of Gainesville
725 Pine Street
Gainesville, GA 30501

Hall County

(2) 2021 Pierce Arrow XT Pumpers VIN#

Accessories and attachments including but not limited to hoses, hose attachments, fittings, valves, nozzles, and extraction tools.

2. LEASE PAYMENT SCHEDULE.

(a) Accrual Date: August 20 ,2020

(b) Amount Financed:

i.	Equipment Purchase Price	$1,253,174.00
i.	Purchase to be Escrowed	$180,000.00
ii.	Purchase Price Deduction	$0.00
	Prepay Discounts	$50,074.98
	Trade In	$0.00
iii.	Total Amount Financed (Cash Sale Price minus Purchase Price Deductions)	$1,383,099.02

(c) Payment Schedule:

Accrual Date: August 20, 2020

Rent Payment Number	Rent Payment Date	Rent Payment Amount	Interest Portion	Principal Portion	Termination Value
1	08/20/2021	293,691.61	28,076.91	265,614.70	1,151,008.85
2	08/20/2022	293,691.61	22,684.93	271,006.68	871,871.97
3	08/20/2023	293,691.61	17,183.50	276,508.11	587,068.62
4	08/20/2024	293,691.61	11,570.38	282,121.23	296,483.75
5	08/20/2025	293,691.61	5,843.31	287,848.30	1.00

City of Gainesville
("Lessee")

By:________________________________

Title:________________________________

PNC Equipment Finance, LLC
("Lessor")

By:________________________________

Title:________________________________

VEHICLE SCHEDULE ADDENDUM

Dated As Of August 20, 2020

Lease Schedule No. 1199632-1 Dated August 20, 2020

Lessee: City of Gainesville

Reference is made to the above Lease Schedule ("Schedule") to the Master Lease-Purchase Agreement identified in the Lease Schedule ("Master Lease") by and between PNC Equipment Finance, LLC ("Lessor") and the above Lessee ("Lessee"). This Addendum amends and modifies the terms and conditions of the Schedule and is hereby made a part of the Schedule. Unless otherwise defined herein, capitalized terms defined in the Master Lease shall have the same meaning when used herein.

NOW THEREFORE, as part of the valuable consideration to induce the execution of the Schedule, Lessor and Lessee hereby agree to amend the Schedule as follows:

1. In the event that any unit of Equipment covered by the Schedule is a vehicle or trailer under applicable State law, then the following provisions shall also apply to the Schedule to the extent permitted by law,

(a) each manufacturer's statement of origin and certificate of title shall state that Lessor has the first and sole lien on or security interest in such unit of Equipment;

(b) the public liability and property damage insurance required by the terms of the paragraph titled "Insurance in the Master Lease shall be in an amount not less than $1,000,000.00 per person insured and $2,000,000.00 combined single limit per unit per occurrence (provided, that if the unit of Equipment is a bus or other passenger vehicle, then such insurance amount shall be such larger amount as may be reasonably required by Lessor) and $1,000,000.00 for damage to property of others;

(c) Lessee shall furnish and permit only duly licensed, trained, safe and qualified drivers to operate any such unit of Equipment, and such drivers shall be agents of Lessee and shall not be agents of Lessor; and

(d) Lessee shall cause each such unit of Equipment to be duly registered and licensed as required by applicable State law with Lessor noted as lien holder and Lessee as owner.

2. Except as expressly amended by this Addendum and other modifications signed by Lessor, the Schedule remains unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as of the date first referenced above.

City of Gainesville ("Lessee")	PNC Equipment Finance, LLC ("Lessor")
By:______________________	By:______________________
Title:____________________	Title:____________________

CERTIFICATE OF INCUMBENCY

Lessee: City of Gainesville

Lease Schedule No.: 1199632-1 Dated: August 20, 2020

I, the undersigned Secretary/Clerk identified below, do hereby certify that I am the duly elected or appointed and acting Secretary/Clerk of the above Lessee (the “Lessee”), a political subdivision duly organized and existing under the laws of the State where Lessee is located, that I have the title stated below, and that, as of the date hereof, the individuals named below are the duly elected or appointed officers of the Lessee holding the offices set forth opposite their respective names.

[NOTE: Use same titles as Authorized Representatives stated in Resolutions.]

Name	Title	Signature
Name	Title	Signature

IN WITNESS WHEREOF, I have duly executed this certificate and affixed the seal of such Lessee as of the date set forth below.

________________________________ [SEAL]

Signature of Secretary/Clerk of Lessee

Print Name: ________________________

Official Title:________________________

Date: ________________________

FORM OF OPINION OF COUNSEL

(To Be Typed on Attorney's Letterhead Stationary)

Date: August 20, 2020

Lessee: City of Gainesville

Lessor: PNC Equipment Finance, LLC

Re: Lease Schedule No. 1199632-1 dated August 20, 2020, together with its Master Lease-Purchase Agreement dated April 17, 2018, by and between the above-named Lessee and the above-named Lessor

Gentlemen:

I have acted as counsel to Lessee with respect to the Lease Schedule, the Master Lease-Purchase Agreement and all other agreements described above or related thereto (collectively, the "Agreements") and various related matters, and in this capacity have reviewed a duplicate original or certified copy of the Agreements and such other documents as I have deemed necessary for the purposes of this opinion.

Based upon the examination of such documents, it is my opinion that:

1. Lessee is a political subdivision of the State of Georgia (the "State") duly organized, existing and operating under the Constitution and laws of the State.
2. Lessee is authorized and has power under State law to enter into all of the Agreements, and to carry out its obligations thereunder and the transactions contemplated thereby.
3. The Agreements and all other documents related thereto have been duly authorized, approved, and executed by and on behalf of Lessee, and each of the Agreements is a valid and binding contract of Lessee enforceable in accordance with its terms, except to the extent limited by State and Federal law affecting creditor's remedies and by bankruptcy, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights.
4. The authorization, approval and execution of the Agreements and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all applicable Local, State and Federal laws (including open meeting laws and public bidding and property acquisition laws).
5. To the best of my knowledge, there is no litigation or proceeding pending before any court, administrative agency or governmental body, that challenges: the organization or existence of Lessee; the authority of its officers; the proper authorization; approval and execution of any of the Agreements or any documents relating thereto; the appropriation of monies to make payments under the Agreements for the current fiscal year; or the ability of Lessee otherwise to perform its obligations under the Agreements and the transactions contemplated thereby.
6. Lessee is a political subdivision of the State as referred to in Section 103 of the Internal Revenue Code of 1986, as amended, and the related regulations and rulings thereunder.

Lessor, its Assignee and any of their assigns may rely upon this opinion.

Very truly yours,

Attorney

INSURANCE COVERAGE DISCLOSURE

PNC Equipment Finance, LLC, LESSOR

City of Gainesville , LESSEE

RE: INSURANCE COVERAGE REQUIREMENTS

1. In accordance with the Lease Schedule ("Schedule") to the Master Lease-Purchase Agreement identified in the Lease Schedule ("Master Lease"), Lessee certifies that it has instructed the insurance agent named below (please fill in name, address, and telephone number):

____

____

____

to issue: (check to indicate coverage)

a. All Risk Physical Damage Insurance on the leased Equipment evidenced by a Certificate of Insurance naming PNC Equipment Finance, LLC and/or its assigns as Lender Loss Payee.

Coverage Required: Termination Value Specified

b. Public Liability Insurance evidenced by a Certificate of Insurance naming PNC Equipment Finance, LLC and/or its assigns as an Additional Insured.

Minimum Coverage Required:

$1,000,000.00 per occurrence
$2,000,000.00 aggregate bodily injury liability
$1,000,000.00 property damage liability

Proof of insurance coverage will be provided to PNC Equipment Finance, LLC, Attn: Insurance Dept, 995 Dalton Ave., Cincinnati, OH 45203, prior to the time that the property is delivered to Lessee.

LESSEE: City of Gainesville

By: ________________________________ Title: ___________________________________

INSURANCE INFORMATION

Please provide the following information to your insurance company to help expedite receipt of the necessary coverage:

ITEMS WHICH NEED TO BE REFLECTED ON INSURANCE CERTIFICATE:

- PNC Equipment Finance, LLC must be named Lender Loss Payee and Additional Insured
- 30 Days' Notice of Cancellation
- Not Less than $2,000,000.00 limits on liability
- Certificate must reflect a short equipment description
- Certificate must reflect an expiration date

Certificate Holder Information:

PNC Equipment Finance, LLC, its successors and/or all assigns
Attn: Insurance Dept
995 Dalton Ave.
Cincinnati, OH 45203

Please send a FAX copy of certificate to Cheryl Lopez at 1-800-678-0602.

The original should be mailed to the same at:

PNC Equipment Finance, LLC
Attn: Insurance Dept
995 Dalton Ave.
Cincinnati, OH 45203

Please call Cheryl Lopez at 1-800-820-9041, ext. 4, if you have any questions.

ACTION REQUIRED

PNC EQUIPMENT FINANCE

August 20, 2020

City of Gainesville
300 Henry Ward Way
Gainesville, GA 30501

RE: Master Lease-Purchase Agreement dated April 17, 2018, ("Agreement"), Request for Leaese Schedule No. 1199632-1 ("Lease") by and between City of Gainesville ("Lessee") and PNC EQUIPMENT FINANCE, LLC ("Lender").

Dear Mr. Perry:

Thank you for choosing **PNC Equipment Finance, LLC** for your financing needs. Please refer to the second page, to guide you through the transfer of title and vehicle registration process.

As the Lessee, it is your responsibility that all titled equipment show evidence of Lender, as first and only lienholder on the title, per the contract terms. As Lender, PNC Equipment Finance, LLC agrees to give the Borrower 45 days, from the vehicle delivery date to have the titles processed with the respective titling agency with Lender, as ***first and only lienholder***.

We appreciate your business and are available to help you navigate the process. If you have any questions, you may call **855-531-1727** or email your questions to: PNCEFCollateral@pnc.com.

Very truly yours,

PNC EQUIPMENT FINANCE, LLC

Cheryl Kennedy-Lopez
Commercial Transaction Coordinator

ACTION REQUIRED

YOUR NEXT STEP

CUSTOMER'S RESPONSIBILITY TO TITLE AND REGISTER FINANCED EQUIPMENT TO SECURE LOAN

FOR OUR LESSEES/BORROWERS

If the Lessee/Borrower is completing title work and/or registration:

- The vendor or prior vehicle owner will provide you with a completed MSO/MCO or Title and Title Application. The Lessee/Borrower is responsible for all additional costs/fees associated with titling and registration. Such payments are not built in to your Lease/Loan.

FOR VENDORS OR PRIOR VEHICLE OWNERS

Proof of Origination/Ownership

- Please provide PNC Equipment Finance, LLC with a copy of the FRONT side of the MSO/MCO or Current Title and Title Application.

If the Vendor or Prior Owner is completing title work and/or registration:

- PNC Equipment Finance, LLC must receive a copy of the Title Application and reverse side of the Title/MSO/MCO showing Lessee/Borrower as Owner and PNC Equipment Finance, LLC as Lienholder prior to releasing funds.

TITLE INFORMATION

New title listing **PNC Equipment Finance, LLC** should appear as follows (*unless otherwise stated in your Lease/Loan agreement)*:

- **Owner: Lessee/Borrower**
- **Lienholder: "PNC Equipment Finance, LLC"**

Original Titles/MSO/MCO

- All Original Titles (or Lien Statements, when applicable) listing Lessee/Borrower as Owner and **PNC Equipment Finance, LLC** as Lienholder must be mailed to **PNC Equipment Finance, LLC** within 45 days of registration. **PNC Equipment Finance, LLC** will retain all titles subject to the terms of the Lease/Loan. An exception to this would be if your contract states that **PNC Equipment Finance, LLC** be named as the "*Owner*" of the titled equipment, i.e. TRAC lease.

Mail Title/MSO/MCO(s) to the following address:

- PNC Equipment Finance, LLC
  995 Dalton Avenue
  Cincinnati, OH 45203
  Attn: Collateral Department
- For questions, please call our Client Care Department at **855-531-1727** or email PNCEFCollateral@pnc.com

FOUR PARTY AGREEMENT

Dated as of August 20, 2020

Lessee means City of Gainesville

"Lease Schedule" means Lease Schedule No. 1199632-1 dated August 20, 2020, together with its Schedule A-1.

"Pierce" means Pierce Manufacturing Inc., the manufacturer of the Equipment.

"Supplier" means: Ten-8 Fire Equipment, Inc.

Reference is made to the Lease Schedule ("Lease Schedule") and to the Master Lease-Purchase Agreement ("Master Lease") identified in said Lease Schedule, described above between PNC Equipment Finance, LLC ("Lessor") and the Lessee identified above which relates to Equipment described in Schedule A-1 to the Lease Schedule ("Equipment") to be manufactured by Pierce and supplied by Supplier, an authorized dealer of Pierce fire equipment. For good and valuable consideration, receipt of which is hereby acknowledged, Lessee, Lessor, Pierce and Supplier hereby agree as follows:

1. Notwithstanding anything to the contrary in the Lease Schedule, Lessee hereby notifies Lessor that the Equipment has not yet been delivered to Lessee and the Equipment has not yet been accepted by Lessee for purposes of the Lease Schedule. Lessee agrees to execute and deliver to Lessor a Delivery and Acceptance Certificate in the form attached hereto as Exhibit A upon the circumstances set forth in said Certificate.

2. All parties agree that the Purchase Price of the Equipment shall be as set forth below if said Purchase Price is paid on or before the Advance Payment Date set forth below:

Purchase Price:	$1,253,174.00
To be Escrowed	$180,000.00
Vendor Discounts:	$50,074.98
Advance Payment Date:	August 20, 2020

3. Upon execution of the Lease Schedule and delivery of all documents required by Lessor, Lessee agrees that it shall pay the Lessee Down Payment stated below and Lessor agrees that it shall pay the balance of the Purchase Price (the "Amount Financed") stated below. Lessee agrees that the Lease Term and Lessee's obligation to pay Rent Payments shall commence on the date set forth in the Lease Schedule notwithstanding the delivery of the Equipment at a later date.

Lessee Down Payment:	$0.00
Trade In:	$0.00
Amount Financed:	$1,383,099.02

4. (a) Supplier anticipates that it shall deliver the Equipment to Lessee by the **Anticipated Delivery Date** set forth below.

Anticipated Delivery Date: July 20, 2021

(b) Supplier anticipates that it shall deliver the Equipment to Lessee no later than the **Outside Delivery Date** set forth below and that such Equipment shall comply with all specifications and requirements of Lessee and with the terms and conditions of any purchase order/purchase agreement relating thereto.

Outside Delivery Date: September 20, 2021

5. If for any reason whatsoever Supplier fails to deliver the Equipment to Lessee as set forth in **subparagraph 4(b)** of this Agreement by the Outside Delivery Date for any piece of Equipment (the "Delayed Equipment"), and the Lessee has not agreed to revise the Outside Delivery Date with respect to such Delayed Equipment, then Pierce hereby agrees as follows only for the Delayed Equipment:

(a) On the first business day after the Outside Delivery Date, Pierce shall pay to Lessee the Lessee Down Payment for the Delayed Equipment plus interest at the Prime Rate plus one percent (1%) per annum from the Advance Payment Date to the date of such payment;
(b) On the first business day after the Outside Delivery Date, Pierce shall pay to Lessor for the Delayed Equipment the Amount Financed plus interest at the Prime Rate plus one percent (1%) per annum from the Advance Payment Date to the date of such payment; and
(c) "Prime Rate" means the prime rate of interest as published from time to time in the Wall Street Journal.

If there is more than one piece of Equipment subject to the Lease, and some of the Equipment is delivered in accordance with subparagraph 4(b) of this Agreement, the payments owed pursuant to the Lease shall be modified to reflect only the obligations due on the Equipment that was delivered pursuant to subparagraph 4(b). The new payment obligation will be determined based on the amount financed for the Equipment delivered to the Lessee, and based on the interest rate in effect as of the date of Lease commencement.

6. If Pierce makes the payments described in **paragraph 5** for the Delayed Equipment under the circumstances set forth above and if Lessee has otherwise paid and performed its obligations under the Lease Schedule as of such payment date for the Delayed Equipment, then Lessee and Lessor agree that the Lease Schedule shall terminate as of the date of such payments by Pierce as to the Delayed Equipment only. Lessee's obligations shall continue unabated for the Equipment that was delivered pursuant to subparagraph 4(b). Pierce expressly agrees that the Lease Schedule identified herein shall be a "Lease" as such term is used in the Program Agreement, as amended, between Pierce and Lessor.

7. Supplier agrees that a performance bond (the "Performance Bond") will be issued which names Supplier as Principal, the Lessee as Obligee and the Lessor as Additional Obligee. The Performance Bond will apply solely to the terms and conditions of the purchase order/purchase agreement, including related equipment specifications and warranties, as issued by the Lessee and accepted by Pierce. The "Contract Date" referred to in the Performance Bond shall be the date of this Agreement.

8. Except as expressly set forth herein, the Lease Schedule and terms and conditions of the purchase order/purchase agreement for the Equipment remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the duly authorized officers of the parties set forth below execute this Agreement as of the date first written above.

City of Gainesville ("Lessee")	PNC Equipment Finance, LLC ("Lessor")
By: ____________________	By: ____________________
Title: ____________________	Title: ____________________
Pierce Manufacturing Inc. ("Pierce")	Ten-8 Fire Equipment, Inc. ("Supplier")
By: ____________________	By: ____________________
Title: ____________________	Title: ____________________

Exhibit A

DELIVERY & ACCEPTANCE CERTIFICATE

Lease Schedule No. 1199632-1

Reference is made to the above Lease Schedule (“Schedule”), which has been executed and delivered by the undersigned Lessee (“Lessee”) and PNC Equipment Finance, LLC (“Lessor”). This Certificate amends and supplements the terms and conditions of the Lease Schedule and is hereby made a part of the Lease Schedule. Unless otherwise defined herein, capitalized terms defined in the Master Lease-Purchase Agreement and the Lease Schedule shall have the same meaning when used herein; provided, that “Equipment” shall mean the Equipment described in the Schedule A-1 and in any attachment or exhibit to this Certificate.

Notwithstanding anything to the contrary, expressed or implied, in the Lease Schedule or its Schedule A-1, Lessee agrees as follows:

1. ACCEPTANCE OF EQUIPMENT. As of the Acceptance Date stated below and as between Lessee and Lessor, Lessee hereby agrees that: (a) Lessee has received and inspected all Equipment; (b) all Equipment is in good working order and complies with all purchase orders, contracts and specifications; (c) Lessee accepts all Equipment for purposes of the Lease “as-is, where-is”; and (d) Lessee waives any right to revoke such acceptance.

ACCEPTANCE DATE:__________________________

2. RENT PAYMENTS. Lessee hereby agrees that Lessee will pay the Rent Payments for the Equipment in the amounts and on the dates specified in Schedule A-1 to the Lease Schedule.

<u>City of Gainesville</u>
(“Lessee”)

By: _________________________________

Title: _________________________________

PNC Equipment Finance, LLC
INFORMATION REQUEST

LESSEE NAME: City of Gainesville

FEDERAL TAX I.D. # ____

BILLING ADDRESS:

____
Billing Contact

____
Street Address or Post Office Box

____
City, State and Zip

____
Phone Number Fax Number

____
Email Address

PHYSICAL ADDRESS (IF DIFFERENT):

____
Street Address or Post Office Box

____
City, State and Zip

Require Board Approval for Payments? _______ Yes _______ No

Board Meeting Date? ___________________

Require signed vouchers for payments? _______ Yes _______ No

We typically mail our invoices 30 days in advance. Taking into account a 7-day mail period, do you foresee any problem that would prevent the payment from being received on or before the due date?
______ Yes _______ No

Please list any special instructions below:

____
____
____

ESCROW RIDER

Dated As of August 20, 2020

Lease Schedule No.1199632-1   Dated August 20, 2020

MASTER LEASE-PURCHASE AGREEMENT DATED APRIL 17, 2018

LESSEE: CITY OF GAINESVILLE

Reference is made to the above Lease Schedule ("Schedule") to the Master Lease-Purchase Agreement identified in the Schedule ("Master Lease") by and between PNC Equipment Finance, LLC ("Lessor") and the above lessee ("Lessee"). As used herein, "Lease" shall mean the Schedule and the Master Lease, but only to the extent that the Master Lease related to the Schedule. This Addendum amends and modifies the terms and conditions of the Lease and is hereby made a part of the Lease. Unless otherwise defined herein, capitalized terms defined in the Master Lease shall have the same meaning when used herein.

NOW, THEREFORE, as part of the valuable consideration to induce the execution of the Lease, Lessor and Lessee hereby agree to amend the Lease as follows:

1. *"Escrow Agreement"* means the Escrow Agreement relating to a Schedule, dated the Commencement Date under such Schedule and substantially in the form attached to this Master Lease, among Lessor, Lessee and the escrow agent therein identified, with respect to the Escrow Fund established and to be administered thereunder. *"Escrow Fund"* means the fund of that name established pursuant to an Escrow Agreement.

2. Lessee and Lessor together with a mutually acceptable escrow agent agree to enter into an escrow agreement (Escrow Agreement") establishing a fund ("Equipment Acquisition Fund") from which the Purchase Price of the Equipment will be paid. The terms and conditions of the Escrow Agreement shall be satisfactory in form and substance, to Lessor and Lessee.

3. In order to provide financing to pay the costs to acquire and install the Equipment (*"Total Amount Financed")* as described in a Schedule, Lessor and Lessee hereby agree to execute and deliver an Escrow Agreement relating to such Schedule on the date on which the Funding Conditions for such Schedule are satisfied as provided in Section 5.3. If Lessee signs and delivers a Schedule and an Escrow Agreement and if all Funding Conditions have been satisfied in full, then Lessor will deposit or cause to be deposited into an Escrow Fund under the related Escrow Agreement an amount (which may include estimated investment earnings thereon) equal to the Purchase Price for the Equipment to be financed under the related Schedule.

4. Lessee shall, at its sole expense, arrange for the transportation, delivery and installation of all Equipment to the location specified in the Schedule (*"Location"*) by Equipment suppliers (*"Suppliers"*) selected by Lessee. Lessee shall accept Equipment for purposes of the related Lease as soon as it has been delivered and is operational.

Lessee shall evidence its acceptance of any Equipment by signing and delivering to Lessor a Certificate of Acceptance in the form and manner required by the applicable Escrow Agreement.

5. If a Non-Appropriation Event or an Event of Default occurs prior to Lessee's acceptance of all the Equipment under the related Schedule, the amount then on deposit in the Escrow Fund shall be applied to prepay the unpaid principal component of the Rent Payments in whole on the first business day of the month next succeeding the occurrence of either such Event plus accrued interest to the prepayment date; *provided, however,* that the amount to be prepaid by Lessee pursuant to this Section 6 shall first be paid from moneys in the related Escrow Fund and then from Legally Available Funds and other moneys available for such purpose as a result of the exercise by Lessor of its rights and remedies under the related Schedule. Any funds on deposit in the Escrow Fund on the prepayment date described in this Section 6 in excess of the unpaid principal component of the Rent Payments to be prepaid plus accrued interest thereon to the prepayment date shall be paid promptly to Lessee.

6. To the extent that Lessee has not accepted items of Equipment before the eighteen-month anniversary of the Commencement Date identified on the related Schedule, the amount then on deposit in the related Escrow Fund shall be applied to prepay the unpaid principal component of the Rent Payments in part, in inverse order of Rent Payments, on the first business day of the next month plus accrued interest to the prepayment date; *provided, however,* that the amount to be prepaid by Lessee pursuant to this Section 6 shall first be paid from moneys in the related Escrow Fund and then from Legally Available Funds. Notwithstanding any such partial prepayment, the related Schedule shall remain in full force and effect with respect to the portion of the Equipment accepted by Lessee during such eighteen-month period, and the portion of the principal component of Rent Payments remaining unpaid after such prepayment plus accrued interest thereon shall remain payable in accordance with the terms of the related Schedule. Upon Lessor's request, Lessee shall execute an amendment to the related Payment Schedule that reflects the change to the Rent Payments as a result of such partial prepayment.

7. As collateral security for Lessee's obligations to pay all Rent Payments and all other amounts due and payable under each Lease and to perform and observe all covenants, agreements and conditions (direct or indirect, absolute or contingent, due or to become due or existing or hereafter arising) of Lessee under such Lease, Lessee hereby grants to Lessor a first priority, exclusive security interest in any and all of the Equipment (now existing or hereafter acquired) under each Lease, moneys and investments held from time to time the Escrow Fund under each Escrow Agreement and any and all proceeds of any of the foregoing. Lessee agrees to execute and deliver to Lessor all necessary documents to evidence and perfect such security interest, including, without limitation, Uniform Commercial Code (UCC) financing statements and any amendments thereto and certificates of title or certificates of origin (or applications thereof) noting Lessor's interest thereon.

8. The Lease Term of the Lease shall commence on the earlier of the date specified in the Payment Schedule to the Lease or the date of Lessor's deposit of funds into the Equipment Acquisition Fund. Notwithstanding the statements regarding delivery and acceptance of the Equipment in the Schedule, the parties acknowledge that the Equipment will be delivered or installed as provided in the Escrow Agreement.

9. The delivery of documents and the satisfaction of any other conditions required by the Escrow Agreement or this Addendum shall be additional Funding Conditions for the Lease.

10. Upon Lessee's execution of the Escrow Agreement, Lessee hereby represents and warrants to Lessor that:

(a) Lessee has full power, authority and legal right to execute and deliver the Escrow Agreement and to perform its obligations under the Escrow Agreement, and all such actions have been duly authorized by appropriate findings and actions of Lessee's governing body;

(b) the Escrow Agreement has been duly executed and delivered by Lessee and constitutes a legal, valid and binding obligations of Lessee, enforceable in accordance with its terms; and

(c) the Escrow Agreement is authorized under, and the authorization, execution and delivery of the Escrow Agreement complies with, all applicable federal, state and local laws and regulations (including, but not limited to, all open meeting, public bidding and public investment (laws) and all applicable judgments and court orders.

11. The opinion of Lessee's legal counsel will include statements to the same effect as the representations of Lessee in paragraph 6 above.

12. It shall be an additional event of default under the Lease if lessee fails to pay or perform any of its obligations under the Escrow Agreement or this Addendum or if any of the representations of Lessee in the Escrow Agreement or this Addendum prove to be false, misleading or erroneous in any material respect.

Except as expressly amended by this Rider and other modifications signed by Lessor, the Lease remains unchanged and in full force and effect.

IN WITNESS WHEREOR, the parties hereto have executed this Rider as of the date first referenced above.

City of Gainesville	PNC Equipment Finance, LLC
(Lessee)	(Lessor)
By: ______________________________	By______________________________
Name: ____________________________	Name: ____________________________
Title: ____________________________	Title: ____________________________

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (*"Escrow Agreement"*) is made as of August 20, 2020 by and among PNC Equipment Finance, LLC (*"Lessor"*), City of Gainesville (*"Lessee"*) and U.S. BANK NATIONAL ASSOCIATION, as escrow agent (*"Escrow Agent"*).

Lessor and Lessee have heretofore entered into that certain Master Equipment Lease-Purchase Agreement dated as of April 17, 2018 (the *"Master Lease"*) and a Lease Schedule 1199632-1 thereto dated August 20, 2020 (the *"Schedule"* and, together with the terms and conditions of the Master Lease incorporated therein, the *"Lease"*). The Lease contemplates that certain equipment described therein (the *"Equipment"*) is to be acquired from the vendor(s) or manufacturer(s) thereof. After acceptance of the Equipment by Lessee, the Equipment is to be leased by Lessor to Lessee pursuant to the terms of the Lease.

The Lease further contemplates that Lessor will deposit an amount equal to the anticipated aggregate acquisition cost of the Equipment (the *"Purchase Price"*), being $180,000.00 , with Escrow Agent to be held in escrow and applied on the express terms set forth herein. Such deposit, together with all interest and other additions received with respect thereto (hereinafter the *"Escrow Fund"*) is to be applied to pay the vendor(s) or manufacturer(s) of the Equipment (the *"Vendor"*) its invoice cost (a portion of which may, if required, be paid prior to final acceptance of the Equipment by Lessee); and, if applicable, to reimburse Lessee for progress payments already made by it to the Vendor of the Equipment.

The parties desire to set forth the terms on which the Escrow Fund is to be created and to establish the rights and responsibilities of the parties hereto.

NOW, THEREFORE, in consideration of the sum of Ten Dollars ($10.00) in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. (a) Escrow Agent hereby agrees to serve as escrow agent upon the terms and conditions set forth herein. (b) The moneys and investments held in the Escrow Fund are irrevocably held in trust for the benefit of Lessee and Lessor, and such moneys, together with any income or interest earned thereon, shall be expended only as provided in this Escrow Agreement, and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of either Lessee or Lessor. Lessor, Lessee and Escrow Agent intend that the Escrow Fund constitute an escrow account in which Lessee has no legal or equitable right, title or interest until satisfaction in full of all conditions contained herein for the disbursement of funds by the Escrow Agent therefrom. However, if the parties' intention that Lessee shall have no legal or equitable right, title or interest until all conditions for disbursement are satisfied in full is not respected in any legal proceeding, the parties hereto intend that Lessor have a security interest in the Escrow Fund, and such security interest is hereby granted by Lessee to secure payment of all sums due to Lessor under the Lease. For such purpose, Escrow Agent hereby agrees to act as agent for Lessor in connection with the perfection of such security interest and agrees to note, or cause to be noted, on all books and records relating to the Escrow Fund, the Lessor's interest therein.

2. On such day as is determined to the mutual satisfaction of the parties (the *"Closing Date"*), Lessor shall deposit with Escrow Agent cash in the amount of the Purchase Price, to be held in escrow by Escrow Agent on the express terms and conditions set forth herein.

On the Closing Date, Escrow Agent agrees to accept the deposit of the Purchase Price by Lessor, and further agrees to hold the amount so deposited together with all interest and other additions received with respect thereto, as the Escrow Fund hereunder, in escrow on the express terms and conditions set forth herein.

3. Escrow Agent shall at all times segregate the Escrow Fund into an account maintained for that express purpose, which shall be clearly identified on the books and records of Escrow Agent as being held in its capacity as Escrow Agent. Securities and other negotiable instruments comprising the Escrow Fund from time to time shall be held or registered in the name of Escrow Agent (or its nominee). The Escrow Fund shall not, to the extent permitted by applicable law, be subject to levy or attachment or lien by or for the benefit of any creditor of any of the parties hereto (except with respect to the security interest therein held by Lessor).

4. The cash comprising the Escrow Fund from time to time shall be invested and reinvested by Escrow Agent in one or more investments as directed by Lessee in Exhibit 1. Escrow Agent will use due diligence to collect amounts payable under a check or other instrument for the payment of money comprising the Escrow Fund and shall promptly notify Lessee and Lessor in the event of dishonor of payment under any such check or other instruments. Interest or other amounts earned and received by Escrow Agent with respect to the Escrow Fund shall be deposited in and comprise a part of the Escrow Fund.

5. Upon request by Lessee and Lessor, Escrow Agent shall send monthly statements of account to Lessee and Lessor, which statements shall set forth all withdrawals from and interest earnings on the Escrow Fund as well as the investments in which the Escrow Fund is invested.

6. Escrow Agent shall take the following actions with respect to the Escrow Fund:

(a) Upon Escrow Agent's acceptance of the deposit of the Purchase Price, an amount equal to Escrow Agent's set-up fee, as set forth on Exhibit 2 hereto, shall be disbursed from the Escrow Fund to Escrow Agent in payment of such fee.

(b) From time to time, Escrow Agent shall pay to the Vendor of the Equipment payments then due and payable with respect thereto upon receipt of duly executed Requisition Request and Certificate of Acceptance form attached as Exhibit 3 hereto, subject to Lessor's prior written approval of each such Requisition Request and Certificate of Acceptance.

(c) If an Event of Default or Non-Appropriation Event occurs under the Lease prior to the Lessee's acceptance of all the Equipment or to the extent that funds have not been disbursed from the Escrow Fund within the eighteen-month period identified in the Lease, funds then on deposit in the Escrow Fund shall be applied to the prepayment of Rent Payments under the Lease as instructed by Lessor.

(d) Upon receipt by Escrow Agent of written notice from Lessor that the purchase price of the Equipment has been paid in full, Escrow Agent shall apply the then remaining Escrow Fund, first, to all outstanding fees and expenses incurred by Escrow Agent in connection herewith as evidenced by its statement forwarded to Lessor and Lessee, and, second, to Lessor for application against the interest component of Rent Payments under the Lease as provided therein, unless otherwise agreed by Lessor.

7. The fees and expenses, including any legal fees, of Escrow Agent incurred in connection herewith shall be the responsibility of Lessee. The basic fees and expenses of Escrow Agent shall be as set forth on Exhibit 2 hereto and Escrow Agent is hereby authorized to deduct such fees and expenses from the Escrow Fund as and when the same are incurred without any further authorization from Lessee or Lessor. Escrow Agent may employ legal counsel and other experts as it deems necessary for advice in connection with its obligations hereunder. Escrow Agent waives any claim against Lessor with respect to compensation hereunder.

8. Escrow Agent shall have no liability for acting upon any written instruction presented by Lessor in connection with this Escrow Agreement, which Escrow Agent in good faith believes to be genuine. Furthermore, Escrow Agent shall not be liable for any act or omission in connection with this Escrow Agreement except for its own negligence, willful misconduct or bad faith. Escrow Agent shall not be liable for any loss or diminution in value of the Escrow Fund as a result of the investments made by Escrow Agent.

9. Escrow Agent may resign at any time by giving thirty (30) days' prior written notice to Lessor and Lessee. Lessor may at any time remove Escrow Agent as Escrow Agent under this Escrow Agreement upon written notice. Such removal or resignation shall be effective on the date set forth in the applicable notice. Upon the effective date of resignation or removal, Escrow Agent will transfer the Escrow Fund to the successor Escrow Agent selected by Lessor.

10. This Escrow Agreement and the escrow established hereunder shall terminate upon receipt by Escrow Agent of the written notice from Lessor specified in Section 6(c) or Section 6(d) hereof.

11. In the event of any disagreement between the undersigned or any of them, and/or any other person, resulting in adverse claims and demands being made in connection with or for any moneys involved herein or affected hereby, Escrow Agent shall be entitled at its option to refuse to comply with any such claim or demand, so long as such disagreement shall continue, and in so refusing Escrow Agent may refrain from making any delivery or other disposition of any moneys involved herein or affected hereby and in so doing Escrow Agent shall not be or become liable to the undersigned or any of them or to any person or party for its failure or refusal to comply with such conflicting or adverse demands, and Escrow Agent shall be entitled to continue so to refrain and refuse so to act until:

(a) the rights of the adverse claimants have been finally adjudicated in a court assuming and having jurisdiction of the parties and the moneys involved herein or affected hereby; or

(b) all differences shall have been adjusted by agreement and Escrow Agent shall have been notified thereof in writing signed by all of the persons interested.

12. All notices (excluding billings and communications in the ordinary course of business) hereunder shall be in writing, and shall be sufficiently given and served upon the other party if delivered (a) personally, (b) by United States registered or certified mail, return receipt requested, postage prepaid, (c) by an overnight delivery by a service such as Federal Express or Express Mail from which written confirmation of overnight delivery is available, or (d) by facsimile with a confirmation copy by regular United States mail, postage prepaid, addressed to the other party at its respective address stated below the signature of such party or at such other address as such party shall from time to time designate in writing to the other party, and shall be effective from the date of mailing.

13. This Escrow Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns. No rights or obligations of Escrow Agent under this Escrow Agreement may be assigned without the prior written consent of Lessor.

14. This Escrow Agreement shall be governed by and construed in accordance with the laws in the state of the Escrow Agent's location. This Escrow Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and no waiver, consent, modification or change of terms hereof shall bind any party unless in writing signed by all parties.

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be duly executed as of the day and year first above set forth.

PNC Equipment Finance, LLC, as Lessor

By
Name: ___________________________________
Title: ____________________________________

Address: 995 Dalton Avenue
Cincinnati, OH 45203

City of Gainesville, as Lessee

By ____
Name: ___________________________________
Title: ____________________________________

Address: 300 Henry Ward Way
Gainesville, GA 30501

US Bank National Association, as Escrow Agent

By
Name: ___________________________________
Title: ____________________________________

Address: 10 W. Broad St., 12th Floor
CN OH BD12
Columbus, OH 43215

EXHIBIT 1

INVESTMENT DIRECTION LETTER

U.S. Bank National Association
10 W. Broad Street, 12th Floor
CN OH BD12
Columbus, OH 43215

Re: Escrow Agreement dated as of August 20, 2020,
among PNC Equipment Finance, LLC, as Lessor,
City of Gainesville as Lessee, and
U.S. Bank National Association, as Escrow Agent

Ladies and Gentlemen:

Pursuant to the above-referenced Escrow Agreement, $180,000.00 will be deposited in escrow with you on or about August 20, 2020. Such funds shall be invested in one or more of the following qualified investments in the amounts indicated:

	PLEASE CHECK DESIRED QUALIFIED INVESTMENTS:	AMOUNT OF INVESTMENT
☐	Direct general obligations of the United States of America;	$ __________
☐	Obligations – the timely payment of the principal of and interest on which is fully and unconditionally guaranteed by the United States of America;	$ __________
☐	General obligations of the agencies and instrumentalities of the United States of America acceptable to Lessor;	$ __________
☐	Money market funds whose investment parameters target investments in securities as described above;	$ __________

IF NONE OF THE ABOVE BOXES ARE CHECKED, INVESTMENT SHALL BE MADE IN MONEY MARKET FUNDS AS DESCRIBED IN THE FOURTH CATEGORY ABOVE, UNTIL LESSEE DIRECTS OTHERWISE.

Very truly yours,

CITY OF GAINESVILLE, AS LESSEE

By: ________________________________
Name: ______________________________
Title: ______________________________

Exhibit 2

Escrow Agent Fees and Expenses

Set-Up Fees

$250.00 payable from the Escrow Fund upon acceptance of escrow deposit.

Expenses

Any and all out-of-pocket expenses incurred by Escrow Agent will be the responsibility of Lessee and paid from the Escrow Fund.

U.S. BANK NATIONAL ASSOCIATION
MONEY MARKET ACCOUNT
DESCRIPTION AND TERMS

The U.S. Bank Money Market account is an U.S. Bank National Association ("U.S. Bank") interest-bearing time deposit account designed to meet the needs of U.S. Bank's Corporate Trust Services Escrow Group and other Corporate Trust customers of U.S. Bank. Selection of this investment includes authorization to place funds on deposit with U.S. Bank.

U.S. Bank uses the daily balance method to calculate interest on this account (actual/365 or 366) by applying a daily periodic rate to the principal balance in the account each day. Interest is accrued daily and credited monthly to the account. Interest rates are determined at U.S. Bank's discretion, and may be tiered based on customer deposit amount.

The owner of the account is U.S. Bank as Agent for its trust customers. U.S. Bank's trust department performs all account deposits and withdrawals. The deposit account is insured by the Federal Deposit Insurance Corporation up to $250,000.

AUTOMATIC AUTHORIZATION

In the absence of specific written direction to the contrary, U.S. Bank is hereby directed to invest and reinvest proceeds and other available moneys in the U.S. Bank Money Market Account.

City of Gainesville
Company Name

____
Signature of Authorized Directing Party

____
Trust Account Number – includes existing
and future sub-accounts unless otherwise directed

____
Title / Date

EXHIBIT 3

REQUISITION REQUEST AND CERTIFICATE OF ACCEPTANCE NO.________
(to be submitted with each requisition request for payment to the vendor)

-or-

____ (√) FINAL REQUISITION REQUEST AND CERTIFICATE OF ACCEPTANCE
(to be submitted with the final requisition request upon acceptance of the Equipment)

The Escrow Agent is hereby requested to pay from the Escrow Fund established and maintained under that certain Escrow Agreement dated as of August 20, 2020 (the *"Escrow Agreement"*) by and among PNC Equipment Finance, LLC (the *"Lessor"*), 1199632-1 (the *"Lessee"*), and U.S. Bank National Association (the *"Escrow Agent"*), the amount set forth below to the named payee(s). The amount shown is due and payable under a purchase order or contract (or has been paid by and not previously reimbursed to Lessee) with respect to equipment being leased under that certain Master Equipment Lease-Purchase Agreement dated as of April 17, 2018 (the *"Master Lease"*) and Lease Schedule 1199632-1 thereto dated August 20, 2020 (the *"Schedule"* and, together with the terms and conditions of the Master Lease incorporated therein, the *"Lease"*), by and between the Lessor and the Lessee, and has not formed the basis of any prior requisition request.

PAYEE	AMOUNT

Total requisition amount $______________

The undersigned, as Lessee under the Lease hereby certifies:

1. The items of the Equipment, as such term is defined in the Lease, fully and accurately described on the Equipment List attached hereto have been delivered and installed at the location(s) set forth therein.

2. A present need exists for the Equipment which need is not temporary or expected to diminish in the near future. The Equipment is essential to and will be used by the Lessee only for the purpose of performing one or more governmental functions of Lessee consistent with the permissible scope of Lessee's authority.

3. The estimated useful life of the Equipment based upon the manufacturer's representations and the Lessee's projected needs is not less than the Lease Term of lease with respect to the Equipment.

4. The Lessee has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes as of the date of this Certificate.

5. The Equipment is covered by insurance in the types and amounts required by the Lease.

6. No Event of Default or Non-Appropriation Event, as each such term is defined in the Lease, and no event which with the giving of notice or lapse of time, or both, would become such an Event of Default or Non-Appropriation Event has occurred and is continuing on the date hereof.

7. Sufficient funds have been appropriated by the Lessee for the payment of all Rent Payments due under the Lease during Lessee's current fiscal year.

8. Based on the foregoing, Lessor is hereby authorized and directed to fund the acquisition of the Equipment set forth on the Equipment List by paying, or causing to be paid, the manufacturer(s)/vendor(s) the amounts set forth on the attached invoices.

9. The following documents are attached hereto and made a part hereof:

(a) Copy of Invoice(s);

(b) Copies of Certificate(s) of Origin designating Lessor as lienholder if any part of the Equipment consists of motor vehicles, and evidence of filing; and

(c) Requisition for Payment

10. If this is the final acceptance of Equipment, then as of the Acceptance Date stated below and as between the Lessee and the Lessor, the Lessee hereby agrees that: (a) the Lessee has received and inspected all of the Equipment described in the Lease; (b) all Equipment is in good working order and complies with all purchase orders, contracts and specification; (c) the Lessee accepts all Equipment for purposes of the Lease "as-is, where-is"; and (d) the Lessee waives any right to revoke such acceptance.

If Lessee paid an invoice prior to the commencement date of the Lease and is requesting reimbursement for such payment, also attach a copy of evidence of such payment together with a copy of Lessee's Declaration of Official Intent and other evidence that Lessee has satisfied the requirements for reimbursement set forth in Treas. Reg. §1.150-2.

Acceptance Date: __________________

City of Gainesville,
as Lessee

By ______________________________________
Name: _________________________________
Title: __________________________________

Date: _____________________________________

PNC Equipment Finance, LLC,
as Lessor

By: __________________________
Title: ____________________________
Date: ____________________________


PROTECTION FROM EVERY
360°
ANGLE
ISO CLASS 1
FIRE
DEPT
EST. 1878
GAINESVILLE
GA
GAINESVILLE
FIRE DEPT.

CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 8/5/2020

Presenter: Danny Dunagan

Item of Business: Appointment(s): Chattahoochee Golf Course Advisory Committee

Meeting Date: 8/13/2020

Purpose of Request:
The purpose of this request is to address the upcoming expiring terms for members Jeff Lawson, Martha Shell and A. J. Kiker.

History/Background:
CGCAC members serve three-year terms. They follow the guidelines as set forth in the City Charter, Code of Ordinances and Business Resolution 2010-23

Facts & Issues for Consideration:
Jeff Lawson, Martha Shell and Dick Huff have confirmed a willingness to serve. The verification process has been completed with no concerns.

Department Recommendation:
To consider the nominations as submitted by the Mayor.

Department Director:
Danny Dunagan

If funding is involved, are funds approved within the current budget?
N/A

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
CGCAC Members	Backup Material
CGCAC Attendance Report	Backup Material

CHATTAHOOCHEE GOLF COURSE ADVISORY COMMITTEE

NOMINATED BY:	LAST NAME	FIRST NAME	APPOINTED/ TERM BEGAN	REAPPOINTED	EXPIRES
CCC	Weschler	Gene	6/5/2012 UE	12/16/2014 12/19/2017	12/19/2020
City Council	Worley	Bryson	8/15/2017		8/15/2020
City Council	Kiker Ineligible for Reappointment	AJ	6/22/2010	3/4/2014 8/15/2017	8/15/2020
City Council	Lawson	Jeff	8/15/2017		8/15/2020
City Council	Shell	Martha	8/15/2017		8/15/2020
City Council	Hulsey Resigned/Vacant	Mike	3/4/2014	11/21/2017	11/21/2020
CCC	Hicks	Will	6/22/2010	12/16/2014 12/19/2017	12/19/2020
CCC	Jacobs, III	John W. "Jay"	12/17/2019		12/17/2022
CCC	Smith	Mike	8/7/2018		8/7/2021
CCC	Peeples	Will	12/16/2014	12/19/2017	12/19/2020
Ex-Officio	Thompson	Zack	1/10/2017	1/9/2018 1/8/2019 1/7/2020	1/18/2021

TERM: Three year terms

CONTACT: Rodger Hogan, Golf Course

NOTES: Re-established: June 22, 2010. Original Committee began January 1, 2005
First appointees serve the initial term as shown. All successors serve 3 year terms.
Members continue to serve until a successor is appointed.
Staggered terms for December 2014 appointments.

UPDATED: 8/11/20 ag

CHATTAHOOCHEE GOLF COURSE ADVISORY COMMITTEE ATTENDANCE REPORT

MEETING			BOARD MEMBER										
	DATE	TYPE	Weschler	Worley	Kiker	Lawson	Shell	Hulsey	Hicks	Jacobs	Smith	Peeples	Thompson
1	7/11/2018		1	0	1	1	1	0	1	[redacted]	0	1	0
2	8/8/2018		1	0	1	1	1	1	1	[redacted]	1	1	1
3	9/12/2018		1	0	1	1	1	[redacted]	1	[redacted]	1	0	0
4	10/10/2018		1	0	0	0	1	[redacted]	1	[redacted]	1	1	0
5	11/14/2018		1	0	1	0	1	[redacted]	1	[redacted]	1	1	0
6	2/13/2019		1	0	1	0	1	[redacted]	1	[redacted]	0	1	1
8	4/10/2019		1	0	0	1	0	[redacted]	1	[redacted]	1	1	1
9	6/12/2019		1	0	1	0	1	[redacted]	0	[redacted]	0	1	1
10	7/11/2019		1	0	0	0	1	[redacted]	1	[redacted]	1	1	0
11	8/14/2019		1	0	1	0	1	[redacted]	1	[redacted]	1	1	0
12	9/11/2019		1	0	1	1	1	[redacted]	1	[redacted]	0	1	0
13	10/9/2019		1	0	1	1	1	[redacted]	1	[redacted]	1	1	1
14	11/13/2019		1	1	0	0	1	[redacted]	1	[redacted]	0	1	0
15	1/15/2020		1	0	1	0	0	[redacted]	0	1	1	1	1
16	3/11/2020		1	1	0	1	1	[redacted]	0	1	1	0	0
17	6/10/2020		1	1	0	1	1	[redacted]	0	1	1	1	1
18													
19													
20													
21													
22													
23													
24													
25													
26													
27													
28													
	TOTAL	**16**	**16**	**3**	**10**	**8**	**14**	**1**	**12**	**3**	**11**	**14**	**7**
	ATTENDANCE %		**100%**	**25%**	**63%**	**50%**	**88%**	**6%**	**75%**	**100%**	**69%**	**88%**	**44%**

TYPE MEETING: **R =** Regular Scheduled Meeting **C =** Called Meeting

ATTENDANCE: **0 =** Absent **1 =** Attended

NOTES: The absent marks highlighted in yellow for Mr. Bryson Worley are inaccurate. He attended several of the meetings but failed to sign the attendance sheet. I don't think he was aware he needed to sign it. Mr. Hulsey resigned from the Advisory Commitee and the August 8, 2018 meeting was his last one as a member.

Submitted By: Rodger Hogan **Date:** 8/11/2020

Recording Secretary

CITY OF GAINESVILLE

WORKSESSIONREQUEST

Date Submitted: 8/7/2020

Presenter: Abb Hayes

Item of Business: Resolution: Issuance of Multi-Family Housing Revenue Bonds by the Housing Authority Benefiting Gainesville Leased Housing Associates IV, LLLP for Sycamore Ridge Apartments

Meeting Date: 8/13/2020

Purpose of Request:
The purpose of this request is to authorize the issuance of revenue bonds on behalf of the Housing Authority.

History/Background:

Facts & Issues for Consideration:
The estimated aggregate principal amount of the bonds for the Sycamore Ridge Apartments Project is $24,000,000. This project consist of acquisition, construction, rehabilitation and equipping a 220-unit multi-family apartment project on approximately 18 acres located at 1240 Vineyard Way. Issuance of said bonds shall not represent or constitute a debt or pledge of faith and credit or the taxing power of the City.

Department Recommendation:
Adopt the resolution.

Department Director:
Bryan Lackey

If funding is involved, are funds approved within the current budget?
N/A

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

	Description	Type
🗋	Multi-Family Housing Revenue Bonds by the Housing Authority Benefiting Gainesville Leased Housing Associates IV, LLLP for Sycamore Ridge Apartments	Resolution
🗋	Sycamore Ridge Hearing Officer Certificate	Backup Material

RESOLUTION BR-2020-___

ISSUANCE OF MULTI-FAMILY HOUSING REVENUE BONDS BY THE HOUSING AUTHORITY BENEFITING GAINESVILLE LEASED HOUSING ASSOCIATES IV, LLLP FOR SYCAMORE RIDGE APARTMENTS

WHEREAS, the Housing Authority of the City of Gainesville, Georgia (the “Authority”) has considered the application of Gainesville Leased Housing Associates IV, LLLP, a Minnesota limited liability limited partnership (the “Borrower”), requesting the Authority assist the Borrower in financing the acquisition, rehabilitation, installation and equipping of a 220-unit multi-family housing apartment project located on an approximately 18-acre site at 1240 Vineyard Way, near the intersection of McEver Road and Browns Bridge Road, in the City of Gainesville, Georgia 30504 (the “Project”), through the issuance of the Authority’s multi-family housing revenue bonds in an aggregate principal amount currently estimated at approximately $24,000,000 (the “Bonds”), and a public hearing through teleconference was held on behalf of the Authority on June 5, 2020 with respect to such proposed issuance of the Bonds and financing of the Project; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), provides that the governmental unit having jurisdiction over the issue of multi-family housing revenue bonds and over the area in which any facility financed with the proceeds of the multi-family housing revenue bonds is located shall approve the issuance of such revenue bonds; and

WHEREAS, the Authority issues its revenue bonds on behalf of Gainesville, Georgia, (the “City”), the Project is to be located in the City, and the Mayor and Council of the City (the “Governing Body”) constitutes the elected legislative body of the City; and

WHEREAS, the Authority has delivered to the Governing Body a certificate regarding the conduct of the public hearing, which certificate has been filed with the minutes of this meeting.

NOW, THEREFORE, BE IT RESOLVED by the Governing Body, and it is hereby resolved by the authority of the same, as follows:

Section 1. The issuance of the Bonds by the Authority for the benefit of the Borrower in an aggregate principal amount currently estimated at approximately $24,000,000 to assist in the financing of the Project is hereby approved to the extent required by said Section 147(f) of the Code, as follows:

(a) the Project consists of the acquisition, construction, rehabilitation and equipping of a 220-unit apartment project located on an approximately 18-acre site at 1240 Vineyard Way in Gainesville, Georgia for the benefit of the Borrower;

(b) the initial owner of the Project is the Borrower; and

(c) the location of the Project is Gainesville, Georgia.

Section 2. Such approval by the Governing Body does not constitute an endorsement to a prospective purchaser of the bonds of the creditworthiness of the Borrower or the Project, and the Bonds shall not constitute an indebtedness or obligation of the State of Georgia or of any city, county, or political subdivision thereof but the Bonds shall be payable solely from the revenues derived from the Borrower and pledged to the payment thereof, and no owner of any of the Bonds shall ever have the right to compel any exercise of the taxing power of said State or of any city, county, or political subdivision thereof, not to enforce the payment thereof against any property of said State or of any such city, county, or political subdivision. THE BONDS SHALL NOT EVER REPRESENT OR CONSTITUTE A DEBT OR PLEDGE OF THE FAITH AND CREDIT OR THE TAXING POWER OF THE CITY OF GAINESVILLE, GEORGIA.

Section 3. All acts and doings of the officers and members of the Governing Body which are in conformity with the purposes and intent of this Resolution shall be, and the same hereby are, in all respects approved and confirmed.

Section 4. This resolution shall take effect immediately upon its adoption.

Adopted this ___ day of _______, 2020.

____

C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

____

Denise O. Jordan, City Clerk

CERTIFICATE OF HEARING OFFICER ON BEHALF OF THE
HOUSING AUTHORITY OF THE CITY OF GAINESVILLE, GEORGIA
REGARDING PUBLIC HEARING

The undersigned Hearing Officer on behalf of the Housing Authority of the City of Gainesville, Georgia (the "Authority") HEREBY CERTIFIES as follows:

(1) A Public Hearing was duly held on June 5, 2020 at 10:00 a.m., by telephone through the use of a toll-free teleconference, at phone number (877) 853-5247, with Meeting ID No. 816 2595 3754, pursuant to proper notice given in accordance with law as to the time and place of this hearing prior to such hearing. The hearing was open to the public. The time of the hearing and use of the toll free telephone call provided a reasonable opportunity for persons of differing views to be heard.

(2) The Hearing Officer announced the commencement of the public hearing on the application of Gainesville Leased Housing Associates IV, LLLP, a Minnesota limited liability limited partnership (the "Borrower"), and that the Authority had caused the publication of a notice at least seven (7) days prior to the hearing in the *The Times*, a newspaper having general circulation in Gainesville, Georgia (the "Notice"). A copy of the Notice is attached hereto together with an affidavit of publication as Exhibit "A".

(3) During the hearing, no persons asked to be heard with respect to the granting by the Authority of the financial assistance requested by the Borrower and the financing of the "Project" referred to in the Notice. Therefore no comments or objections were voiced by anyone.

No one else having appeared to speak on the matter, the Hearing Officer declared on the public hearing closed at 10:21 a.m.

(4) Based on the results of the hearing it is the recommendation of the undersigned on the behalf of the Authority that the Mayor and the Council of the City of Gainesville approve the issuance of the Bonds to the extent required by Section 147(f) of the Internal Revenue Code of 1986, as amended.

GIVEN under my hand and the official seal of the Authority, this 5th day of June, 2020.

I. Stewart Duggan
Hearing Officer

Exhibits Attached: "A" - Copy of Notice together with Affidavit of Publication

NOTICE OF PUBLIC HEARING ON PROPOSED
MULTIFAMILY HOUSING REVENUE BONDS
TO BE ISSUED BY THE HOUSING AUTHORITY OF
THE CITY OF GAINESVILLE, GEORGIA

Notice is hereby given that on the 5th day of June, 2020, at 10:00 a.m. a public hearing will be held and members of the public may participate by telephone through the use of a toll-free teleconference, at phone number (877) 853-5247, with Meeting ID No. 816 2595 3754. The hearing will be held concerning the proposed issuance of multifamily housing revenue bonds, in one or more series (the "Bonds") by the Housing Authority of the City of Gainesville, Georgia (the "Authority") in the aggregate principal amount of approximately $25,000,000, for the purpose of assisting Gainesville Leased Housing Associates IV, LLLP, a Minnesota limited liability limited partnership (hereinafter referred to as the "Borrower"), with the acquisition, rehabilitation, installation and equipping of an approximately 220-unit multifamily housing apartment project located on an approximately 18-acre site at 1240 Vineyard Way, 30504, near the intersection of McEver Road and Browns Bridge Road, in the City of Gainesville, Georgia 30504 (the "Project"). The hearing will be held before a hearing officer designated by the Authority, and may be continued or adjourned.

The Bonds, when and if issued, will be the limited obligation of the Authority and will not constitute a general obligation of the State of Georgia, the City of Gainesville, Georgia or the Authority, nor shall the Bonds be payable in any manner by taxation but are payable solely from the payments made by or on behalf of the Authority, pursuant to an agreement between the Authority and the Borrower which are pledged to the payment of the Bonds. The issuance of Bonds will be is in furtherance of the public purpose of the Authority.

Any person having views on the proposed issuance of the Bonds or the nature or location of the proposed project may be heard at such public hearing.

Housing Authority of the City of Gainesville,
Georgia

EXHIBIT
A

AFFIDAVIT OF PUBLICATION

State of Georgia
County of Hall

Personally appeared before the undersigned, Leah Nelson, who having been duly sworn, on oath, says that she is the Advertsing Director of THE TIMES, and that the Advertisement was Published in THE TIMES:

Ad#92409
PUBLIC HEARING
MULTIFAMILY HOUSING REVENUE BONDS
Published: 5/23

Affiant

Verified LN

Sworn to and Subscribed before me

This 29 **day of** June **, 2020**

Notary Public

MEGAN KATHLEEN LEWIS
NOTARY PUBLIC
COUNTY, GEORGIA

The Times

345 Green Street NW, P.O. Box 838
Gainesville, Georgia 30503

BRINSON, ASKEW, BERRY, SEIGLER, RICHARDSON & DAVIS **Classified Insertion Order**

MULTIFAMILY HOUSING REVENUE BONDS

Contact:

Address: BRINSON, ASKEW, BERRY, SEIGLER, RICHARDSON & DAVIS
PO BOX 5007
ROME GA 30162-5007
USA

Sales Rep: Legals Clerk
Phone: 706-291-8853
Email: BEnglish@brinson-askew.com
Fax: 706-234-3574

Order Date: 5/21/2020
Order Number: 92409
0
Advertiser No: 44251

Start Date	End Date	No. of Runs	No. of Publications	Description	Classification	Ad Size	Price
5/23/2020	5/23/2020	2	2	MULTIFAMILY HOUSING REVENUE BONDS	Public Hearings	332 Words	$60.00

Publications: Digital - Website, The Times

Features: Affidavit $20.00

NOTICE OF PUBLIC HEARING ON PROPOSED MULTIFAMILY HOUSING REVENUE BONDS TO BE ISSUED BY THE HOUSING AUTHORITY OF THE CITY OF GAINESVILLE, GEORGIA Notice is hereby given that on the 5th day of June, 2020, at 10:00 a.m. a public hearing will be held and members of the public may participate by telephone through the use of a toll-free teleconference, at phone number (877) 853-5247 with Meeting ID No. 816 2595 3754. The hearing will be held concerning the proposed issuance of multifamily housing revenue bonds, in one or more series (the "Bonds") by the Housing Authority of the City of Gainesville, Georgia (the "Authority") in the aggregate principal amount of approximately $25,000,000, for the purpose of assisting Gainesville Leased Housing Associates IV, LLLP, a Minnesota limited liability limited partnership (hereinafter referred to as the "Borrower"), with the acquisition, rehabilitation, installation and equipping of an approximately 220-unit multifamily housing apartment project located on an approximately 18-acre site at 1240 Vineyard Way, 30504, near the intersection of McEver Road and Browns Bridge Road, in the City of Gainesville, Georgia 30504 (the "Project"). The hearing will be held before a hearing officer designated by the Authority, and may be continued or adjourned. The Bonds, when and if issued, will be the limited obligation of the Authority and will not constitute a general obligation of the State of Georgia, the City of Gainesville, Georgia or the Authority, nor shall the Bonds be payable in any manner by taxation but are payable solely from the payments made by or on behalf of the Authority, pursuant to an agreement between the Authority and the Borrower which are pledged to the payment of the Bonds. The issuance of Bonds will be is in furtherance of the public purpose of the Authority. Any person having views on the proposed issuance of the Bonds or the nature or location of the proposed project may be heard at such public hearing. Housing Authority of the City of Gainesville, Georgia 92409 5/23

Run Count: 2 **Publication Count:** 2

SubTotal:	$40.00
Features:	$20.00
Total Price:	**$60.00**

Authorization To Run Advertisement

Printed Name

Signature