

SAXE GOTHA - LEXINGTON PUBLIC FACILITIES CORPORATION

Meeting of Board of Directors

A meeting of the Board of Directors of Saxe Gotha – Lexington Public Facilities Corporation will be held on Monday, February 6, 2023, in the Conference Center, Lexington Town Hall, 111 Maiden Lane, Lexington, South Carolina, beginning at 6:15 p.m. The agenda for said meeting is set forth below.

Agenda

- A. Call to order and roll call.
- B. FOIA compliance.
- C. Approval of minutes for meeting of February 22, 2022.
- D. Resolution authorizing issuance of Saxe Gotha – Lexington Public Facilities Corporation revenue bonds and bond anticipation notes; other matters relating thereto (Corley Mill Redevelopment Project Area)
- E. Resolution authorizing issuance of Saxe Gotha – Lexington Public Facilities Corporation revenue bonds and bond anticipation notes; other matters relating thereto (Ice House Redevelopment Project Area)
- F. Questions from the Media or Comments from the Public Regarding Agenda Items
- G. Adjourn.

MINUTES
Town of Lexington
Saxe Gotha – Lexington Public Facilities Corporation
Board of Directors Meeting
February 22, 2022

Town Council held a Saxe Gotha – Lexington Public Facilities Corporation Board of Directors Meeting on February 22, 2022 preceded by an Executive Session and followed by a Council Work Session (See separate Minutes) at 6:06 p.m. in the Municipal Complex Conference Center. The meeting was attended by: President Steve MacDougall, Vice-President Hazel Livingston, Board Members Todd Carnes, Ron Williams, Steve Baker and Todd Lyle. Secretary/Treasurer Kathy Maness was absent.

Staff members present were: Town Administrator Britt Poole, Assistant Town Administrator Stuart Ford, Assistant to the Town Administrator Wesley Crosby, Municipal Attorney Brad Cunningham, Transportation Director Randy Edwards, Police Chief Terrence Green, Building and Technology Director John Hanson, Utilities Director Allen Lutz, Utilities Supervisor Billy Gunter, Finance Director Kathy Pharr, Parks and Sanitation Director Dan Walker, Communications Manager Laurin Barnes, Downtown Venue Promoter Walker Brewer, Assistant Municipal Clerk Karen Hanner and Municipal Clerk Becky Hildebrand.

There were two (2) citizens present and no news media members were present.

OPENING STATEMENT and CALL TO ORDER: President MacDougall called the meeting to order at 6:11 p.m. and welcomed everyone to the Board of Directors meeting for the Saxe Gotha – Lexington Public Facilities Corporation. He introduced Board Members as follows:

Steve MacDougall	President
Hazel Livingston	Vice-President
Kathy Maness	Secretary/Treasurer (absent)
Todd Carnes	Board Member
Ron Williams	Board Member
Steve Baker	Board Member
Todd Lyle	Board Member

1. **Freedom of Information Act (FOIA) Compliance**

President MacDougall confirmed with the Municipal Clerk that in accordance with the South Carolina Freedom of Information Act, notice of the meeting was properly posted and the news media were informed of the meeting. Additionally, Board Members were given notice of the meeting and agenda via email in accordance with the By-Laws of the Corporation.

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2. **Approval of Minutes:** A motion was made by Board Member Williams and seconded by Vice-President Livingston to approve the minutes from the February 16, 2021 meeting as submitted. (Copy attached.) The motion was unanimously carried by all those present.

Assistant Town Administrator Ford gave a brief history of the Saxe Gotha – Lexington Public Facilities Corporation which was formed by the Town of Lexington to aid in the financing and construction of public facilities for the benefit of the Town. The Corporation was initially utilized in the construction of the original portion of the Town Hall complex. The Corporation issued Bonds in 1994 to fund the project and the Town paid the debt service on the original building in the form of lease payments to the Corporation. The Corporation is a blended Component Unit of the Town which means it is such an integral part of the Town that its accounting and financial reporting is fully incorporated within the Town’s financial statements. Therefore, the “lease payments” are shown as debt service payments of the Town in the Town’s financial statement.

As part of the creation of both the Icehouse and Corley Mill Tax Increment Financing Districts, the Town again utilized Saxe Gotha – Lexington to achieve the Town’s financing objectives which include obtaining the lowest possible financial cost, protect of the Town’ credit rating, and financial flexibility over the long term. Mr. Ford added that Icehouse TIF built the Amphitheater and will be used to construct the trail around the Old Mill Pond. Both projects related to these TIFs and BANs are on-going; therefore, rolling these BANs is appropriate at this time until we finish the projects. The debt service on the ultimate Bonds will be paid with TIF revenues and structured in such a way so if the TIF revenues are deficient in any year the Town would have an appropriation obligation to make the debt service.

Mr. Ford stated that the Board had before them Resolutions of the Corporation to issue Corporation Revenue Bond Anticipation Notes, Series 2022 (Corley Mill Redevelopment Project Area) Corporation BANs, Series 2022 (Corley Mill Area) and Corporation Revenue Bond Anticipation Notes, Series 2022 (Icehouse Redevelopment Project Area) Corporation BANs, Series 2022 (Icehouse). Also, included with each Resolution is the applicable form of the Trust Agreement with US Bank.

3. **Resolution Authorizing Issuance of Saxe Gotha – Lexington Public Facilities Corporation Revenue Bonds and Bond Anticipation Notes, and Other Matters Relating Thereto (Corley Mill Redevelopment Project Area):** The Corporation BANs, Series 2022 (Corley Mill) will refinance the \$3.415 Million 2021 BAN due on March 18, 2022. The 2022 BANs will have a not to exceed amount of \$3,800,000. The Corley Mill TIF Bond has an ultimate maximum authorization of \$10M for Corley Mill Redevelopment Project costs. This plan allows the Corporation to issue incremental BANs as funding for project costs as required. This allows for the appropriate spend down of bond

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proceeds in accordance with tax regulations and minimize interim interest on the BANs.

4. **Resolution Authorizing Issuance of Saxe Gotha – Lexington Public Facilities Corporation Revenue Bonds and Bond Anticipation Notes and Other Matters Relating Thereto (*Ice House Redevelopment Project Area*):** The Corporation BANs, Series 2022 (Icehouse) will refund the \$4,620,000 Series 2021 Icehouse BAN due on May 6, 2022 that provided interim financing for the Icehouse Redevelopment Projects. The 2022 BANs will have a not to exceed amount of \$5,000,000. The Icehouse BANs will be issued until all Icehouse Redevelopment Projects are completed.

Assistant Town Administrator Stuart Ford presented the Resolution items #3 and #4 and added that it also includes the Trust Agreement with US Bank which goes along with each financing. Action requested was Council's approval for both Resolutions so they could then go to the market in order to roll the BANs over. He confirmed that Council could vote on the Resolutions separately or together.

President MacDougall called for a motion if there were no further questions.

A motion was made by Vice-President Livingston and seconded by Board Member Lyle to approve and adopt both Resolutions as presented. The motion was unanimously carried by all those present.

QUESTIONS FROM THE NEWS MEDIA: None.

PUBLIC COMMENTS: None.

ADJOURNMENT: There being no further comments or questions, President MacDougall called for a motion to adjourn the meeting. A motion was made by Vice-President Livingston and seconded by Board Member Lyle to adjourn the meeting. The motion was unanimously carried by all those present (5). Board Member Williams was not present for the vote. The Saxe Gotha – Lexington Public Facilities Corporation Board of Directors Meeting adjourned at 6:18 p.m.

Respectfully submitted,

Becky P. Hildebrand, CMC
Municipal Clerk

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Saxe Gotha Lexington Public Facilities Corp.
February 22, 2022

APPROVED:

Kathy Maness
Secretary/Treasurer

APPROVED:

Steve MacDougall
President

FOIA COMPLIANCE – Public notification of this meeting was published, posted and mailed in compliance with the Freedom of Information Act and the Town of Lexington requirements.

Saxe Gotha – Lexington Public Facilities Corporation

Resolution and Draft Trust Agreement

Corley Mill Redevelopment Project Area

RESOLUTIONS OF
THE BOARD OF DIRECTORS OF
SAXE GOTHA-LEXINGTON PUBLIC FACILITIES CORPORATION

WHEREAS, the Town of Lexington, South Carolina (the “Town”), a municipal corporation under the laws of the State of South Carolina, has previously established the Corley Mill Redevelopment Project Area (the “Redevelopment Project Area”) as a “redevelopment project area” under the Tax Increment Financing Law (Title 31, Chapter 6 of the Code of Laws of South Carolina 1976, as amended) (the “TIF Act”), and has previously approved the Corley Mill Redevelopment Plan (the “Redevelopment Plan”) as a “redevelopment plan” under the TIF Act; and

WHEREAS, in compliance with the Redevelopment Plan, the Town Council has previously issued the Town’s Corley Mill Redevelopment Project Area Tax Increment Bond (the “TIF Bond”) in the principal amount of \$10,000,000 for the purpose of funding a portion of the costs of acquisition and construction of the Redevelopment Projects (as defined in the Redevelopment Plan); and

WHEREAS, the Corporation was created for the purposes of, among other things, to promote essential governmental endeavors and functions, primarily the construction of one or more projects, including, without limitation, the construction of public facilities for the Town of Lexington, South Carolina, and to finance the cost of such construction on behalf of the Town of Lexington subject to the limitations of South Carolina law and Internal Revenue Code Sections 115 and 501(c)(3); and

WHEREAS, the Town Council has previously requested the assistance of the Corporation in financing the costs of construction of the Redevelopment Projects, and the Corporation has previously provided the assistance requested by the Town Council, as follows:

- (i) The Corporation issued its Revenue Bond Anticipation Notes, Series 2022 (the “2022 Corporation BANs” and, collectively with any refunding bond anticipation notes issued by the Corporation, the “Corporation BANs”) for the purpose of providing interim financing (pending the issuance of the Corporation’s Revenue Bonds [the “Corporation Bonds” and, collectively with the Corporation BANs, referred to herein as the “Obligations”]) for the purchase of and funding of the first advance of proceeds under the TIF Bond from the Town;
- (ii) The Town has issued the TIF Bond as a cash-flow obligation payable solely from available incremental tax revenues available under the TIF Act and has sold it to the Corporation;
- (iii) The Town is using, and will continue to use, the proceeds received from the sale of the TIF Bond to defray the costs of acquisition and construction of the Redevelopment Projects;

- (iv) As a condition to the purchase of the TIF Bond by the Corporation, the Town entered into a Deposit and Reimbursement Agreement (the “Deposit and Reimbursement Agreement”) with the Corporation whereby the Town agreed to reimburse any shortfalls in the payment of the Obligations, subject to non-appropriation in any fiscal year by the Town Council; and

WHEREAS, the Corporation’s rights under the Reimbursement Agreement were assigned to U.S. Bank National Association (the “Trustee”), as Trustee under the Trust Agreement (defined below), as security for the payment of the Obligations; and

WHEREAS, the 2022 Corporation BANs mature on March 17, 2023, and the Corporation wishes to provide for the issuance of a series of its Revenue Bond Anticipation Notes to refund the 2022 Corporation BANs upon their maturity;

NOW, THEREFORE, BE IT:

RESOLVED, that in order to provide funds (i) to refund the 2022 Corporation BANs upon their maturity, and (ii) to finance the costs of issuance, the Corporation hereby authorises the sale and issuance of its not exceeding \$3,740,000 Revenue Bond Anticipation Notes, Series 2023 (Corley Mill Redevelopment Project Area) (the “Series 2023 BANs”).

RESOLVED, that for the payment of the Corporation’s Series 2023 BANs, the Corporation will pledge the security as is provided therefor in the Trust Agreement, by and between the Corporation and U.S. Bank Trust Company, National Association, as Trustee (the “Trustee”), as successor in interest to U.S. Bank National Association (the “Original Trustee”), a national banking association, dated as of March 1, 2018, between the Corporation and the Original Trustee, as amended and supplemented from time to time (the “Trust Agreement”). The Series 2023 BANs to be issued shall be styled “Saxe Gotha-Lexington Public Facilities Corporation Revenue Bond Anticipation Notes, Series 2023 (Corley Mill Redevelopment Project Area).”

RESOLVED, that the issuance of the Series 2023 BANs shall be part of a plan of finance to provide interim financing to the Town for funding the costs of acquisition and construction of the Redevelopment Projects pending the issuance of Corporation Bonds under the terms of the Trust Agreement to provide permanent financing by the Corporation under the plan of finance.

RESOLVED, that the terms of the Series 2023 BANs shall be set forth in the Trust Agreement as amended by a Sixth Supplemental Trust Agreement (the “Supplemental Trust Agreement”), the form of which is presented with this resolution and hereby approved by the Board of Directors of the Corporation, with such modifications, additions, changes, omissions, and amendments as shall be acceptable to the Chairman of the Corporation (the “Chairman”), and that the Chairman is hereby authorised and directed to execute and deliver the Supplemental Trust Agreement, in substantially the form submitted herewith, with any modifications, additions, changes, omissions, and amendments as may be approved by the Chairman, with the advice of counsel, his execution being conclusive evidence of his approval.

RESOLVED, that the Series 2023 BANs shall be sold, as approved by the Chairman, to Oppenheimer & Co. Inc. (the “Underwriter”), on terms as the Mayor and Assistant Town Administrator deem in the best interest of the Town, pursuant to a Bond Purchase Agreement (the “Purchase Agreement”), to be dated the sale date by and among the Underwriter, the Town, and the Corporation. The execution and delivery of the Purchase Agreement by the Chairman is hereby authorised and approved.

RESOLVED, that the Corporation hereby ratifies and agrees to the use of a Preliminary Official Statement and a final Official Statement (the “Final Official Statement” and, together with the Preliminary Official Statement, the “Official Statement”) for the purpose of marketing the Series 2023 BANs, the form of which is satisfactory to the Chairman.

RESOLVED, that the Corporation hereby delegates to the Chairman the authority to approve any final terms of the Series 2023 BANs and to enter into all agreements necessary to the issuance of the Series 2023 BANs as contemplated by the Official Statement, including a Continuing Disclosure Undertaking related to the Series 2023 BANs, and the Corporation hereby ratifies all such decisions made by the Chairman to date.

RESOLVED, that the officers of the Corporation be, and they hereby are, authorised to do any and all other or further things, and to execute any and all other or further documents, all on behalf of the Corporation, as they, in their sole discretion, may deem necessary or desirable to effectuate the purposes of the foregoing resolutions.

SIXTH SUPPLEMENTAL TRUST AGREEMENT

between

SAXE GOTHAM-LEXINGTON PUBLIC FACILITIES CORPORATION

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

Relating to the Issuance of
Revenue Bond Anticipation Notes,
Series 2023
(Corley Mill Redevelopment Project Area)

Dated as of March 1, 2023

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SIXTH SUPPLEMENTAL TRUST AGREEMENT

THIS SIXTH SUPPLEMENTAL TRUST AGREEMENT (this “Sixth Supplemental Agreement”), dated as of March 1, 2023, is made by and between SAXE GOTHA-LEXINGTON PUBLIC FACILITIES CORPORATION (the “Corporation”), a South Carolina nonprofit corporation, and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee (the “Trustee”), as successor in interest to U.S. BANK NATIONAL ASSOCIATION (the “Original Trustee”), a national banking association, and supplements that certain Trust Agreement dated as of March 1, 2018, between the Corporation and the Original Trustee (the “Trust Agreement”).

WITNESSETH:

WHEREAS, the Town of Lexington, South Carolina (the “Town”) is a body politic and corporate and a municipal corporation under the laws of the State of South Carolina (the “State”), and as such possesses all powers granted to municipalities by the Constitution and general laws of this State; and

WHEREAS, the Town has established the Corley Mill Redevelopment Project Area (the “Redevelopment Project Area”) as a “redevelopment project area” under the Tax Increment Financing Law (Title 31, Chapter 6 of the Code of Laws of South Carolina 1976, as amended) (the “TIF Act”), and has approved the Corley Mill Redevelopment Plan (the “Redevelopment Plan”) as a “redevelopment plan” under the TIF Act pursuant to which, and in accordance with the provisions of Section 31-6-70 of the TIF Act, taxes attributable to the increase in the current total equalised assessed valuation of all taxable real property in the Redevelopment Project Area over and above the total initial equalised assessed value of taxable real property in the Redevelopment Project Area must be allocated to and when collected must be paid to the Town which shall deposit the taxes (the “TIF Revenues”) into a special fund called the special tax allocation fund (the “Tax Allocation Fund”) for the purpose of paying Redevelopment Project Costs (as defined in the Redevelopment Plan) and obligations incurred in the payment of the costs and obligations; and

WHEREAS, in compliance with the Redevelopment Plan, the Town has issued the Town’s Corley Mill Redevelopment Project Area Tax Increment Bond, Series 2018 (the “TIF Bond”) in the principal amount of \$10,000,000 pursuant to the terms of the bond ordinance authorising the issuance of the TIF Bond (the “TIF Bond Ordinance”) for the purpose of funding a portion of the costs of acquisition and construction of the Redevelopment Projects (as defined in the Redevelopment Plan); and

WHEREAS, in the TIF Bond Ordinance, the Town Council of the Town has pledged the TIF Revenues deposited in the Tax Allocation Fund for the payment of the TIF Bond and other obligations and Redevelopment Project Costs; and

WHEREAS, the Corporation was created for the purposes of, among other things, to promote essential governmental endeavors and functions, primarily the construction of one or more projects, including, without limitation, the construction of public facilities for the Town,

and to finance the cost of such construction on behalf of the Town subject to the limitations of South Carolina law and Internal Revenue Code Sections 115 and 501(c)(3); and

WHEREAS, the Town has obtained, reviewed, and approved the Redevelopment Plan, which includes tables (the “Tables”) prepared by the Town’s consulting economist that set forth, among other things, estimated TIF Revenues; additionally, the Town has performed substantial other due diligence (the “Other Due Diligence”) concerning Redevelopment Project Costs, property valuations, and other matters related to the Redevelopment Projects; the Town expects, based on information contained in the Redevelopment Plan and its Other Due Diligence, that TIF Revenues will be sufficient in the aggregate, if received as set forth in the Tables, to make payments of debt service on the TIF Bond to the Corporation as the registered owner of the TIF Bond sufficient to fund or reimburse the Town for the fiscal appropriations needed to pay the debt service in full on the Bonds (as defined in the Trust Agreement); and

WHEREAS, based on such expectations and assurances of the Town, the Corporation has agreed to provide assistance to the Town in financing the costs of construction of the Redevelopment Projects as follows:

- (i) The Corporation issued its Revenue Bond Anticipation Notes, Series 2022 (Corley Mill Redevelopment Project Area), dated March 18, 2022 (the “2022 BANs”), under the Trust Agreement for the purpose of providing interim financing pending the issuance of the Corporation’s Revenue Bonds (the “Bonds”) for the purchase of the TIF Bond from the Town in accordance with the terms of the Bond Purchase Agreement, dated March 7, 2018 (the “Bond Purchase Agreement”), between the Town and the Corporation, and funding the second advance (an “Advance”) under the TIF Bond in the amount of \$1,000,000.00;
- (ii) The Town issued the TIF Bond as a draw-down bond, and as a cash-flow obligation payable solely from TIF Revenues available under the TIF Act, and sold it to the Corporation, which will fund Advances under the TIF Bond from time to time;
- (iii) The Town is using, and will continue to use the proceeds received from Advances under the TIF Bond to defray the costs of acquisition and construction of the Redevelopment Projects;
- (iv) As a condition to the purchase of the TIF Bond by the Corporation, the Town entered into a Deposit and Reimbursement Agreement (the “Deposit and Reimbursement Agreement”) with the Corporation and the Trustee whereby the Town agrees to reimburse any cash flow shortfalls in TIF Revenues available for the payment of the Bonds by paying debt service in full when due on the Bonds, subject to non-appropriation in any fiscal year by the Town Council of the Town, and reimbursing such payment from the TIF Revenues when available; and

WHEREAS, the Town has found and determined in the Redevelopment Plan, based upon the advice of its economic and engineering consultants and its Other Due Diligence, that the Redevelopment Projects to be funded by proceeds of the TIF Bond are necessary for the rehabilitation of the Redevelopment Project Area and constitute public improvements that will substantially benefit current and future residents of the Town; and

WHEREAS, the recitals contained in this Agreement set forth inducements for the pledges and covenants made by the Corporation hereunder but do not constitute limitations of, set-asides from, or conditions for the performance of such pledges and covenants;

WHEREAS, the Corporation's rights under the Deposit and Reimbursement Agreement have been assigned to the Trustee under the Trust Agreement and under an Assignment of Deposit and Reimbursement Agreement as security for the payment of the Obligations;

WHEREAS, the rights to receive debt service payments under the TIF Bond have been assigned to the Trustee under the Trust Agreement as security and the source of payment of the Bonds; and

WHEREAS, the obligations of the Town with respect to the Bonds and the Deposit and Reimbursement Agreement will not constitute debt obligations of the Town within the meaning of any State constitutional or statutory provision in that all pecuniary obligations of the Town thereunder are subject to non-appropriation by the Town Council of the Town as provided in the Deposit and Reimbursement Agreement; and

WHEREAS, pending the issuance of the Bonds, the Corporation may issue one or more series of BANs to provide interim financing for funding advances under the TIF Bond; and

WHEREAS, the Corporation has previously issued its 2022 BANs pursuant to the terms of the Trust Agreement and a Fifth Supplemental Agreement to provide interim financing for the costs of purchasing the TIF Bond and funding an Advance thereunder;

WHEREAS, the 2022 BANs mature on March 17, 2023, and the Corporation wishes to (i) provide for payment of the 2022 BANs upon their maturity by the issuance of a series of refunding revenue bond anticipation notes; and

WHEREAS, the Corporation has determined to issue its Revenue Bond Anticipation Notes, Series 2023 (Corley Mill Redevelopment Project Area) pursuant to the terms of the Trust Agreement and this Sixth Supplemental Agreement to provide interim financing for the costs of purchasing, and funding an Advance under, the TIF Bond;

NOW, THEREFORE, WITNESSETH, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

Section 1. Recitals Are True and Correct. The above-stated recitals are true and correct and incorporated herein as part of this Amendment.

Section 2. Supplement to Trust Agreement. This Sixth Supplemental Agreement supplements the Trust Agreement, as contemplated by Section 8.01(b) of the Trust Agreement, and sets forth the terms of the Corporation's Revenue Bond Anticipation Notes, Series 2023 (Corley Mill Redevelopment Project Area) (the "Series 2023 BANs"), as required by Sections 8.08 and 13.02(c) of the Trust Agreement.

The terms of the Series 2023 BANs are as follows:

- (a) The principal amount of the Series 2023 BANs shall be \$[_____];
- (b) The coupon interest rate of the Series 2023 BANs shall be [_____]%;
- (c) The principal of, and interest on, the Series 2023 BANs shall be payable on [March 15, 2024];
- (d) The Series 2023 BANs shall be issued in denominations of \$5,000 or any integral multiple thereof; and
- (e) [The Series 2023 BANs are not subject to redemption prior to their stated maturity date.]

All other terms, conditions, and provisions of the Trust Agreement not supplemented, amended, or modified herein shall remain unchanged and in full force and effect.

Section 3. Binding Effect. This Sixth Supplemental Agreement shall inure to the benefit of and shall be binding upon the Corporation and upon the Trustee, and their respective successors and assigns, subject, however, to the limitations contained herein.

Section 4. Counterparts. This Sixth Supplemental Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

Section 5. Governing Law. This Sixth Supplemental Agreement and the Series 2023 BANs shall be deemed to be contracts made under the laws of the State and for all purposes shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, the Corporation has caused this Sixth Supplemental Agreement to be executed and delivered for it and in its name and on its behalf by its President, and the Trustee has caused this Sixth Supplemental Agreement to be executed and delivered for it and in its name and on its behalf by its duly authorised officer, all as of the day and year first above written.

**SAXE GOTHA-LEXINGTON
PUBLIC FACILITIES CORPORATION**

By: _____
Its: President

Signature page to Sixth Supplemental Trust Agreement

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION,
as Trustee**

By: _____
Title: _____

Signature page to Sixth Supplemental Trust Agreement

Saxe Gotha – Lexington Public Facilities Corporation

Resolution and Draft Trust Agreement

Ice House Redevelopment Project Area

RESOLUTIONS OF
THE BOARD OF DIRECTORS OF
SAXE GOTHA-LEXINGTON PUBLIC FACILITIES CORPORATION

WHEREAS, the Town of Lexington, South Carolina (the “Town”), a municipal corporation under the laws of the State of South Carolina, has previously established the Ice House Redevelopment Project Area (the “Redevelopment Project Area”) as a “redevelopment project area” under the Tax Increment Financing Law (Title 31, Chapter 6 of the Code of Laws of South Carolina 1976, as amended) (the “TIF Act”), and has previously approved the Ice House Redevelopment Plan (the “Redevelopment Plan”) as a “redevelopment plan” under the TIF Act; and

WHEREAS, in compliance with the Redevelopment Plan, the Town Council has previously issued the Town’s Ice House Redevelopment Area Tax Increment Bond (the “TIF Bond”) in the principal amount of \$4,000,000 for the purpose of funding the costs of acquisition and construction of the Redevelopment Projects (as defined in the Redevelopment Plan); and

WHEREAS, the Corporation was created for the purposes of, among other things, to promote essential governmental endeavors and functions, primarily the construction of one or more projects, including, without limitation, the construction of public facilities for the Town of Lexington, South Carolina, and to finance the cost of such construction on behalf of the Town of Lexington subject to the limitations of South Carolina law and Internal Revenue Code Sections 115 and 501(c)(3); and

WHEREAS, the Town Council has previously requested the assistance of the Corporation in financing the costs of construction of the Redevelopment Projects, and the Corporation has previously provided the assistance requested by Town Council, as follows:

- (i) The Corporation issued its Revenue Bond Anticipation Notes, Series 2022 (Icehouse Redevelopment Project Area) (the “2022 Corporation BANs” and, collectively with any refunding bond anticipation notes issued by the Corporation, the “Corporation BANs”) for the purpose of providing interim financing (pending the issuance of the Corporation’s Revenue Bonds [the “Corporation Bonds” and, collectively with the Corporation BANs, referred to herein as the “Obligations”]) for the purchase of the TIF Bond from the Town;
- (ii) The Town has issued the TIF Bond as a cash-flow obligation payable solely from available incremental tax revenues available under the TIF Act and has sold it to the Corporation;
- (iii) The Town is using, and will continue to use, the proceeds received from the sale of the TIF Bond to defray the costs of acquisition and construction of the Redevelopment Projects;
- (iv) As a condition to the purchase of the TIF Bond by the Corporation, the Town entered into a Reimbursement Agreement (the “Reimbursement Agreement”)

with the Corporation whereby the Town agreed to reimburse any shortfalls in the payment of the Obligations, subject to non-appropriation in any fiscal year by the Town Council;

WHEREAS, the Corporation's rights under the Reimbursement Agreement were assigned to U.S. Bank National Association (the "Trustee"), as Trustee under the Trust Agreement (defined below), as security for the payment of the Obligations;

WHEREAS, the 2022 Corporation BANs mature on May 5, 2023, and the Corporation wishes to provide for the issuance of a series of its Revenue Bond Anticipation Notes to refund the 2022 Corporation BANs upon their maturity.

NOW, THEREFORE, BE IT:

RESOLVED, that in order to provide funds (i) to refund the 2022 Corporation BANs upon their maturity; and (ii) to finance the costs of issuance, the Corporation hereby authorises the sale and issuance of its not exceeding \$4,790,000 Revenue Bond Anticipation Notes, Series 2023 (Icehouse Redevelopment Project Area) (the "Series 2023 BANs").

RESOLVED, that for the payment of the Corporation's Series 2023 BANs, the Corporation will pledge the security as is provided therefor in the Trust Agreement, by and between the Corporation and U.S. Bank Trust Company, National Association, as Trustee (the "Trustee"), as successor in interest to U.S. Bank National Association (the "Original Trustee"), a national banking association, dated as of May 1, 2015, between the Corporation and the Original Trustee, as amended and supplemented from time to time (the "Trust Agreement"). The Series 2023 BANs to be issued shall be styled "Saxe Gotha-Lexington Public Facilities Corporation Revenue Bond Anticipation Notes, Series 2023 (Icehouse Redevelopment Project Area)".

RESOLVED, that the issuance of the Series 2023 BANs shall be part of a plan of finance to provide interim financing to the Town for funding the costs of acquisition and construction of the Redevelopment Projects pending the issuance of Corporation Bonds under the terms of the Trust Agreement to provide permanent financing by the Corporation under the plan of finance.

RESOLVED, that the terms of the Series 2023 BANs shall be set forth in the Trust Agreement, as amended by a Ninth Supplemental Trust Agreement (the "Supplemental Trust Agreement"), the form of which is presented with this resolution and hereby approved by the Board of Directors of the Corporation, with such modifications, additions, changes, omissions, and amendments as shall be acceptable to the Chairman of the Corporation (the "Chairman"), and that the Chairman is hereby authorised and directed to execute and deliver the Supplemental Trust Agreement, in substantially the form submitted herewith, with any modifications, additions, changes, omissions, and amendments as may be approved by the Chairman, with the advice of counsel, his execution being conclusive evidence of his approval.

RESOLVED, that the Series 2023 BANs shall be sold, as approved by the Chairman, to Oppenheimer & Co. Inc. (the "Underwriter"), on terms as the Mayor and Assistant Town Administrator deem in the best interest of the Town, pursuant to a Bond Purchase Agreement

(the “Purchase Agreement”), to be dated the sale date by and among the Underwriter, the Town, and the Corporation. The execution and delivery of the Purchase Agreement by the Chairman is hereby authorised and approved.

RESOLVED, that the Corporation hereby ratifies and agrees to the use of a Preliminary Official Statement and a final Official Statement (the “Final Official Statement” and, together with the Preliminary Official Statement, the “Official Statement”) for the purpose of marketing the Series 2023 BANs, the form of which is satisfactory to the Chairman.

RESOLVED, that the Corporation hereby delegates to the Chairman the authority to approve any final terms of the Series 2023 BANs and to enter into all agreements necessary to the issuance of the Series 2023 BANs as contemplated by the Official Statement, including a Continuing Disclosure Undertaking related to the Series 2023 BANs, and the Corporation hereby ratifies all such decisions made by the Chairman to date.

RESOLVED, that the officers of the Corporation be, and they hereby are, authorised to do any and all other or further things, and to execute any and all other or further documents, all on behalf of the Corporation, as they, in their sole discretion, may deem necessary or desirable to effectuate the purposes of the foregoing resolutions.

NINTH SUPPLEMENTAL TRUST AGREEMENT

between

SAXE GOTHA-LEXINGTON PUBLIC FACILITIES CORPORATION

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

Relating to the Issuance of
Revenue Bond Anticipation Notes
Series 2023
(Ice House Redevelopment Project Area)

Dated as of [May 1, 2023]

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NINTH SUPPLEMENTAL TRUST AGREEMENT

THIS NINTH SUPPLEMENTAL TRUST AGREEMENT (this “Ninth Supplemental Agreement”), dated as of [May 1, 2023], is made by and between SAXE GOTHA-LEXINGTON PUBLIC FACILITIES CORPORATION (the “Corporation”), a South Carolina nonprofit corporation, and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee (the “Trustee”), as successor in interest to U.S. BANK NATIONAL ASSOCIATION (the “Original Trustee”), a national banking association, and supplements that certain Trust Agreement dated as of May 1, 2015, between the Corporation and the Original Trustee (the “Trust Agreement”).

WITNESSETH:

WHEREAS, the Town of Lexington, South Carolina (the “Town”) is a body politic and corporate and a municipal corporation under the laws of the State of South Carolina (the “State”), and as such possesses all powers granted to municipalities by the Constitution and general laws of this State; and

WHEREAS, the Town has previously established the Ice House Redevelopment Project Area (the “Redevelopment Project Area”) as a “redevelopment project area” under the Tax Increment Financing Law (Title 31, Chapter 6 of the Code of Laws of South Carolina 1976, as amended) (the “TIF Act”), and has previously approved the Ice House Redevelopment Plan (the “Redevelopment Plan”) as a “redevelopment plan” under the TIF Act pursuant to which, and in accordance with the provisions of Section 31-6-70 of the TIF Act, taxes attributable to the increase in the current total equalised assessed valuation of all taxable real property in the Redevelopment Project Area over and above the total initial equalised assessed value of taxable real property in the Redevelopment Project Area must be allocated to and when collected must be paid to the Town which shall deposit the taxes (the “TIF Revenues”) into a special fund called the special tax allocation fund (the “Tax Allocation Fund”) for the purpose of paying Redevelopment Project Costs (as defined in the Redevelopment Plan) and obligations incurred in the payment of the costs and obligations; and

WHEREAS, in compliance with the Redevelopment Plan, the Town has previously issued the Town’s Ice House Redevelopment Area Tax Increment Bond, Series 2015, dated May 28, 2015 (the “TIF Bond”), in the principal amount of \$4,000,000 for the purpose of funding a portion of the costs of acquisition and construction of the Redevelopment Projects (as defined in the Redevelopment Plan); and

WHEREAS, in the bond ordinance authorising the issuance of the TIF Bond, the Town Council of the Town has pledged the TIF Revenues deposited in the Tax Allocation Fund for the payment of the TIF Bond and other obligations and Redevelopment Project Costs; and

WHEREAS, the Corporation was created for the purposes of, among other things, to promote essential governmental endeavors and functions, primarily the construction of one or more projects, including, without limitation, the construction of public facilities for the Town,

and to finance the cost of such construction on behalf of the Town subject to the limitations of South Carolina law and Internal Revenue Code Sections 115 and 501(c)(3); and

WHEREAS, the Town has previously obtained, reviewed, and approved the Redevelopment Plan, which includes tables (the “Tables”) prepared by the Town’s consulting economist that set forth, among other things, estimated TIF Revenues; additionally, the Town has performed substantial other due diligence (the “Other Due Diligence”) concerning Redevelopment Project Costs, property valuations, and other matters related to the Redevelopment Projects; the Town expects, based on information contained in the Redevelopment Plan and its Other Due Diligence, that TIF Revenues will be sufficient in the aggregate, if received as set forth in the Tables, to make payments of debt service on the TIF Bond to the Corporation as the registered owner of the TIF Bond sufficient to fund or reimburse the Town for the fiscal appropriations needed to pay the debt service in full on the Bonds (as defined in the Trust Agreement); and

WHEREAS, based on such expectations and assurances of the Town, the Corporation has previously agreed to provide assistance to the Town in financing the costs of construction of the Redevelopment Projects as follows:

- (i) The Corporation issued its Revenue Bond Anticipation Notes, Series 2022 (Ice House Redevelopment Project Area), dated May 6, 2022 (the “2022 BANs”), under the Trust Agreement for the purpose of providing interim financing pending the issuance of the Corporation’s Revenue Bonds (the “Bonds”) for the purchase of the TIF Bond from the Town in accordance with the terms of the Bond Purchase Agreement, dated May 20, 2015 (the “Bond Purchase Agreement”), between the Town and the Corporation;
- (ii) The Town issued the TIF Bond as a cash-flow obligation payable solely from available TIF Revenues available under the TIF Act and sold it to the Corporation;
- (iii) The Town is using, and will continue to use, the proceeds received from the sale of the TIF Bond to defray the costs of acquisition and construction of the Redevelopment Projects;
- (iv) As a condition to the purchase of the TIF Bond by the Corporation, the Town entered into a Deposit and Reimbursement Agreement, dated as of May 1, 2015 (the “Deposit and Reimbursement Agreement”), with the Corporation and the Trustee, whereby the Town agrees to reimburse any cash flow shortfalls in TIF Revenues available for the payment of the Bonds by paying debt service in full when due on the Bonds, subject to non-appropriation in any fiscal year by the Town Council of the Town, and reimbursing such payment from the TIF Revenues when available; and

WHEREAS, the Town has previously found and determined in the Redevelopment Plan, based upon the advice of its economic and engineering consultants and its Other Due Diligence,

that the Redevelopment Projects to be funded by proceeds of the TIF Bond are necessary for the rehabilitation of the Redevelopment Project Area and constitute public improvements that will substantially benefit current and future residents of the Town; and

WHEREAS, the recitals contained in this Agreement set forth inducements for the pledges and covenants made by the Corporation hereunder but do not constitute limitations of, set-asides from, or conditions for the performance of such pledges and covenants;

WHEREAS, the Corporation's rights under the Deposit and Reimbursement Agreement have been assigned to the Trustee under the Trust Agreement and under an Assignment of Deposit and Reimbursement Agreement as security for the payment of the Obligations;

WHEREAS, the rights to receive debt service payments under the TIF Bond have been assigned to the Trustee under the Trust Agreement as security and the source of payment of the Bonds; and

WHEREAS, the obligations of the Town with respect to the Bonds and the Deposit and Reimbursement Agreement will not constitute debt obligations of the Town within the meaning of any State constitutional or statutory provision in that all pecuniary obligations of the Town thereunder are subject to non-appropriation by the Town Council of the Town as provided in the Deposit and Reimbursement Agreement; and

WHEREAS, pending the issuance of the Bonds, the Corporation may issue one or more series of BANs to provide interim financing for the costs of the acquisition of the TIF Bond from the Town, as provided herein;

WHEREAS, the Corporation has previously issued its 2022 BANs pursuant to the terms of the Trust Agreement and a Eighth Supplemental Agreement to provide interim financing for the costs of purchasing the TIF Bond;

WHEREAS, the 2022 BANs mature on May 5, 2023, and the Corporation wishes to provide for payment of the 2022 BANs upon their maturity through the issuance of a series of refunding revenue bond anticipation notes; and

WHEREAS, the Corporation has determined to issue its Revenue Bond Anticipation Notes, Series 2023 (Ice House Redevelopment Project Area) pursuant to the terms of the Trust Agreement and this Ninth Supplemental Agreement to provide interim financing for the costs of purchasing the TIF Bond;

NOW, THEREFORE, WITNESSETH, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

Section 1. Recitals Are True and Correct. The above-stated recitals are true and correct and incorporated herein as part of this Amendment.

Section 2. Supplement to Trust Agreement. This Ninth Supplemental Agreement supplements the Trust Agreement, as contemplated by Section 8.01(b) of the Trust Agreement, and sets forth the terms of the Corporation’s Revenue Bond Anticipation Notes, Series 2023 (Ice House Redevelopment Project Area), (the “Series 2023 BANs”), as required by Sections 8.08 and 13.02(c) of the Trust Agreement.

The terms of the Series 2023 BANs are as follows:

- (a) The principal amount of the Series 2023 BANs shall be \$[_____];
- (b) The coupon interest rate of the Series 2023 BANs shall be [_____]%;
- (c) The principal of, and interest on, the Series 2023 BANs shall be payable on [May 3, 2024];
- (d) The Series 2023 BANs shall be issued in denominations of \$5,000 or any integral multiple thereof; and
- (e) [The Series 2023 BANs are not subject to redemption prior to their stated maturity date.]

All other terms, conditions, and provisions of the Trust Agreement not supplemented, amended, or modified herein shall remain unchanged and in full force and effect.

Section 3. Binding Effect. This Ninth Supplemental Agreement shall inure to the benefit of and shall be binding upon the Corporation and upon the Trustee, and their respective successors and assigns, subject, however, to the limitations contained herein.

Section 4. Counterparts. This Ninth Supplemental Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

Section 5. Governing Law. This Ninth Supplemental Agreement and the Series 2023 BANs shall be deemed to be contracts made under the laws of the State and for all purposes shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, the Corporation has caused this Ninth Supplemental Agreement to be executed and delivered for it and in its name and on its behalf by its duly authorised officer, and the Trustee has caused this Ninth Supplemental Agreement to be executed and delivered for it and in its name and on its behalf by its duly authorised officer, all as of the day and year first above written.

**SAXE GOTHA-LEXINGTON
PUBLIC FACILITIES CORPORATION**

By: _____

Its: President

Signature page to Ninth Supplemental Trust Agreement

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION,
as Trustee**

By: _____
Title: _____

Signature page to Ninth Supplemental Trust Agreement