

RESOLUTION NO. 1198

A RESOLUTION OF THE BROKEN ARROW ECONOMIC DEVELOPMENT AUTHORITY (THE "AUTHORITY") AUTHORIZING THE ISSUANCE OF ITS TAX INCREMENT REVENUE NOTE, TAXABLE SERIES 2019 (THE "NOTE") IN THE AGGREGATE PRINCIPAL AMOUNT OF \$7,565,000; WAIVING COMPETITIVE BIDDING AND AUTHORIZING THE NOTE TO BE SOLD ON A NEGOTIATED BASIS; APPROVING AND AUTHORIZING EXECUTION OF A SECURITY AGREEMENT BY AND BETWEEN THE CITY AND THE AUTHORITY PERTAINING TO A PLEDGE OF CERTAIN SALES TAX INCREMENT REVENUE AND AD VALOREM TAX INCREMENT REVENUE; APPROVING AND AUTHORIZING EXECUTION OF A GENERAL BOND INDENTURE AND A SERIES 2019 SUPPLEMENTAL NOTE INDENTURE (COLLECTIVELY, THE "INDENTURE") AUTHORIZING THE ISSUANCE AND SECURING THE PAYMENT OF THE NOTE; PROVIDING THAT THE ORGANIZATIONAL DOCUMENT CREATING THE AUTHORITY IS SUBJECT TO THE PROVISIONS OF THE INDENTURE; APPROVING AND AUTHORIZING THE TRANSFER OF FUNDS; AUTHORIZING AND DIRECTING THE EXECUTION OF THE NOTE AND OTHER DOCUMENTS RELATING TO THE TRANSACTION; AND CONTAINING OTHER PROVISIONS RELATING THERETO.

WHEREAS, the Broken Arrow Economic Development Authority (the "Authority") has been created by a Trust Indenture dated November 19, 1973, as amended by an Amendment to Trust Indenture dated March 11, 1982, all for the use and benefit of The City of Broken Arrow, Oklahoma (the "City"), under authority of and pursuant to the provisions of Title 60, Oklahoma Statutes 2011, Sections 176 to 180.4, inclusive, as amended and supplemented (the "Act"), the Oklahoma Trust Act and other applicable statutes of the State of Oklahoma; and

WHEREAS, the City has adopted and approved the Broken Arrow FlightSafety and Downtown Economic Development Project Plan (the "Project Plan") by Ordinance No. 3127 on October 19, 2010 (the "TIF Ordinance"), pursuant to the Oklahoma Local Development Act, Title 62, Oklahoma Statutes 2011, Section 850, *et seq.* as amended (the "Local Development Act"); and

WHEREAS, the City, by virtue of the TIF Ordinance, has created Increment District No. 1, City of Broken Arrow (the "Increment District"), pursuant to the Local Development Act; and

WHEREAS, on November 15, 2010, the Authority did issue its Promissory Note to Bank of Oklahoma, N.A., in the aggregate amount of \$9,715,000 (the "2010 Note") for the purpose of (i) financing certain Project Costs authorized under the Project Plan, including Job Retention Incentives paid to FlightSafety International Inc., pursuant to an Economic Development Agreement dated May 26, 2010 (the "Economic Development Agreement"), infrastructure improvements at the new FlightSafety site as detailed in the Economic Development Agreement, and certain land acquisition, infrastructure, public improvements, streetscapes, and landscaping for the downtown area, all along with related costs; and (ii) paying certain costs associated with the issuance of the 2010 Note; and

WHEREAS, the Authority desires to refund the 2010 Note for the purpose of obtaining more favorable financing terms; and

WHEREAS, the Authority deems it desirable and prudent to approve the transaction contemplated herein.

NOW, THEREFORE, BE IT RESOLVED BY THE TRUSTEES OF THE BROKEN ARROW ECONOMIC DEVELOPMENT AUTHORITY:

SECTION 1. INDEBTEDNESS AUTHORIZED. The Authority is authorized to incur an indebtedness by the issuance of its Tax Increment Revenue Note, Taxable Series 2019 for and on behalf of the City, in an aggregate principal amount of \$7,565,000 (the "Note") for the purpose of (i) refunding the outstanding amount of the 2010 Note; (ii) funding the Reserve Requirement of the Note; and (iii) paying certain costs associated with the issuance of the Note. The Note shall bear interest at the rate of ____% per annum and shall mature in principal installments as set forth on Exhibit "A" attached hereto.

SECTION 2. COMPETITIVE BIDDING WAIVED. Competitive bidding on the sale of said Note is waived and the Note is authorized to be sold to _____ (the "Purchaser"), at a price of par.

SECTION 3. SECURITY AGREEMENT. The Authority hereby approves and authorizes the execution of a Security Agreement between the City and the Authority (the "Security Agreement"), which Security Agreement pertains to a pledge of certain sales tax increment revenue and ad valorem tax increment revenue as security for the Note.

SECTION 4. INDENTURE. The General Bond Indenture, as supplemented and amended by a Series 2019 Supplemental Note Indenture (collectively, the "Indenture"), both by and between the Authority and BOKF, NA, as Trustee, authorizing the issuance of and securing the payment of the Note approved in Section 1 hereof, is hereby approved and the Chairperson or Vice Chairperson and Secretary or Assistant Secretary of the Authority are authorized and directed to execute and deliver same for and on behalf of the Authority.

SECTION 5. ORGANIZATIONAL DOCUMENT SUBJECT TO THE INDENTURE. The organizational document creating the Authority is subject to the provisions of the Indenture referenced in Section 4 hereof.

SECTION 6. TRANSFER OF FUNDS. The Authority hereby approves and authorizes the transfer of available funds in an amount sufficient to pay the initial principal and interest payment on April 1, 2019.

SECTION 7. EXECUTION OF NECESSARY DOCUMENTS. The Chairperson or Vice Chairperson and Secretary or Assistant Secretary of the Authority are hereby authorized and directed on behalf of the Authority to execute and deliver the Note to _____, as Purchaser, and are further authorized and directed to execute all necessary documentation and closing and delivery papers required by Bond Counsel; approve the disbursement of the proceeds of the Note, including any costs of issuance; to approve and make any changes to the documents approved by this Resolution, for and on behalf of the Authority, the execution and delivery of such documents being

conclusive as to the approval of any changes contained therein by the Authority; to make any transfers or disbursements of funds contemplated hereby; and to execute, record and file any and all the necessary financing statements and security instruments, including but not limited to the documents approved hereby, and to consummate the transaction contemplated hereby.

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PASSED AND APPROVED THIS 19TH DAY OF MARCH, 2019.

BROKEN ARROW ECONOMIC
DEVELOPMENT AUTHORITY

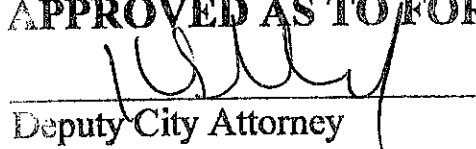
(SEAL)

By: _____
Chairperson

ATTEST:

By: _____
Secretary

APPROVED AS TO FORM:



Deputy City Attorney

CERTIFICATE
OF
AUTHORITY ACTION

I, the undersigned, hereby certify that I am the duly and acting Secretary of the Broken Arrow Economic Development Authority.

I further certify that the Trustees of the Broken Arrow Economic Development Authority held a Regular Meeting at 6:30 o'clock P.M., on March 19, 2019, after due notice was given in full compliance with the Oklahoma Open Meeting Act.

I further certify that attached hereto is a full and complete copy of a Resolution that was passed and approved by said Trustees at said meeting as the same appears in the official records of my office and that said Resolution is currently in effect and has not been repealed or amended as of this date.

I further certify that below is listed those Trustees present and absent at said meeting; those making and seconding the motion that said Resolution be passed and approved, and those voting for and against such motion:

PRESENT:

ABSENT:

MOTION MADE BY:

MOTION SECONDED BY:

AYE:

NAY:

WITNESS MY HAND THIS 19TH DAY OF MARCH, 2019.

BROKEN ARROW ECONOMIC
DEVELOPMENT AUTHORITY

(SEAL)

Secretary of Authority

EXHIBIT "A"

[Principal Payment Schedule]

Payment Date	Principal Amount
April 1, 2019	\$ _____
October 1, 2019	
April 1, 2020	
October 1, 2020	
April 1, 2021	
October 1, 2021	
April 1, 2022	
October 1, 2022	
April 1, 2023	
October 1, 2023	
April 1, 2024	
October 1, 2024	
April 1, 2025	
October 1, 2025	
April 1, 2026	
October 1, 2026	
April 1, 2027	
October 1, 2027	