
CITY OF COLUMBIA, SOUTH CAROLINA

FOURTH SUPPLEMENTAL ORDINANCE NO: 2019-025

PROVIDING FOR THE ISSUANCE AND SALE OF CITY OF COLUMBIA, SOUTH CAROLINA, SPECIAL OBLIGATION BONDS OR NOTES (HOSPITALITY FEE PLEDGE), SERIES 2019, IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$4,200,000, IN ORDER TO FINANCE THE ACQUISITION, RENOVATION AND EQUIPMENT OF CERTAIN CAPITAL PROJECTS; AUTHORIZING THE MAYOR, THE CITY MANAGER AND THE ASSISTANT CITY MANAGER FOR FINANCE AND ECONOMIC SERVICES, OR ANY TWO OF THEM ACTING TOGETHER, TO DETERMINE CERTAIN MATTERS WITH RESPECT TO THE BONDS OR NOTES; PRESCRIBING THE FORM AND DETAILS OF SUCH BONDS OR NOTES; AND OTHER MATTERS RELATING THERETO.

Enacted: May 21, 2019

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF COLUMBIA, SOUTH CAROLINA, IN COUNCIL ASSEMBLED:

Section 1. Definitions.

The terms in this Section 1 and all words and terms defined in the General Bond Ordinance No. 2011-63 (the "General Bond Ordinance") enacted by the City Council (the "Council") of the City of Columbia, South Carolina (the "City"), on August 30, 2011 (such General Bond Ordinance as from time to time amended or supplemented by Supplemental Ordinances being defined in the Ordinance as the "Ordinance") (except as herein otherwise expressly provided or unless the context otherwise requires) shall for all purposes of this Fourth Supplemental Ordinance have the respective meanings given to them in the Ordinance and in Section 1 hereof.

"2019 Bond" shall mean the City of Columbia, South Carolina, Special Obligation Bond or Note (Hospitality Fee Pledge), Series 2019, authorized to be issued hereunder in a principal amount of not exceeding \$4,200,000.

"Authorized Representative" shall mean the person or persons at the time designated to act on behalf of the City for the purpose of performing any act under this Fourth Supplemental Ordinance by a written certificate furnished to the Purchaser containing the specimen signature of such person or persons and signed on behalf of the City by its Mayor, City Manager and Assistant City Manager for Finance and Economic Services, or any two of them acting together.

"Bonds of 2012" shall mean the \$14,825,000 principal amount City of Columbia, South Carolina, Special Obligation Refunding Bonds (Hospitality Fee Pledge), Series 2012.

"Bonds of 2014" shall mean the \$26,175,000 principal amount City of Columbia, South Carolina, Special Obligation Bonds (Hospitality Fee Pledge), Series 2014.

"Bonds of 2017" shall mean the \$1,460,000 principal amount City of Columbia, South Carolina, Special Obligation Refunding Bonds (Hospitality Fee Pledge), Series 2017.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"First Supplemental Ordinance" shall mean First Supplemental Ordinance No. 2011-68 enacted by the Council on August 30, 2011, authorizing the Bonds of 2012.

"Interest Payment Date" shall mean any date as selected by the Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together, pursuant to Section 6 hereof.

"Outstanding Parity Bonds" shall have the meaning give to such term in Section 4.

"Principal Payment Date" shall have the meaning given to such term in Section 3(a).

"Purchaser" shall mean the purchaser of the 2019 Bond.

"Second Supplemental Ordinance" shall mean Second Supplemental Ordinance No. 2014-052 enacted by the Council on July 15, 2014, authorizing the Bonds of 2014.

“Third Supplemental Ordinance” shall mean Third Supplemental Ordinance No. 2017-051 enacted by the Council on June 20, 2017, authorizing the Bonds of 2017.

Section 2. Certain Findings and Determinations.

The City hereby finds and determines:

(a) The Ordinance, the Bond Act and the Hospitality Fee Act authorize the City to issue Bonds or Junior Bonds in order to finance the Costs of Acquisition and Construction of Projects (as such terms are defined in the General Bond Ordinance) and to refinance indebtedness incurred in connection therewith. This Fourth Supplemental Ordinance supplements the Ordinance, constitutes and is a “Supplemental Ordinance” within the meaning of such quoted term as defined and used in the Ordinance, and is enacted under and pursuant to the Ordinance.

(b) Subject to Section 6 hereof, the 2019 Bond constitutes and is a “Bond” or a “Junior Bond” within the meaning of the quoted word as defined and used in the Ordinance.

(c) The Hospitality Fees pledged under the Ordinance are not encumbered by any lien and charge thereon or pledge thereof, other than: (i) the lien and charge thereon and pledge thereof created by the General Bond Ordinance and the First Supplemental Ordinance for the payment and security of the Bonds of 2012; (ii) the lien and charge thereon and pledge thereof created by the General Bond Ordinance and the Second Supplemental Ordinance for the payment and security of the Bonds of 2014; (iii) the lien and charge thereon and pledge thereof created by the General Bond Ordinance and the Third Supplemental Ordinance for the payment and security of the Bonds of 2017; and (iv) the pledge thereof created by the General Bond Ordinance and this Fourth Supplemental Ordinance for the payment and security of the 2019 Bond, which pledge, subject to Section 6, may be on a parity with or junior and subordinate to the pledge thereof securing the Outstanding Parity Bonds and any other Bonds (as defined in the General Bond Ordinance) issued on a parity therewith.

(d) There does not exist an Event of Default (as defined in the General Bond Ordinance), nor does there exist any condition which, after the passage of time or the giving of notice, or both, would constitute such Event of Default.

(e) Article III of the General Bond Ordinance provides that one or more Series of Bonds or Junior Bonds may be issued for such purposes as may be permitted by the Hospitality Fee Act upon compliance with certain provisions of the General Bond Ordinance to secure funds to defray the Costs of Acquisition and Construction of one or more Projects authorized to be financed under the Hospitality Fee Act, or to refund Junior Bonds, or any other notes, bonds, or other obligations issued to finance or to aid in financing the acquisition, construction, improvement, enlargement or repair of Projects. Bonds issued upon compliance with Section 3.2 and Section 3.3 of the General Bond Ordinance shall be issued on a parity as to the Net Revenues of the System in all respects *inter sese*. Junior Bonds issued upon compliance with Section 3.5 of the General Bond Ordinance shall be secured by a pledge of Net Revenues junior and subordinate to any Bonds (as defined in the General Bond Ordinance).

(f) A vibrant tourism industry fosters and enhances the economic growth and well being of a community and its residents. Tourism has been and continues to be a major industry for the City. The City, through its Convention and Visitors Bureau, as well as surrounding counties and municipalities and community businesses, have taken various steps to promote tourism to the City and surrounding areas and to the City’s facilities and attractions. Moreover, as the City’s tourism industry expands, the City must make provision to increase municipal services and facilities in order to accommodate the needs of tourists and to attract additional tourism. Tourists enjoy and utilize the special benefits the City provides.

(g) By imposing the Hospitality Fees, the City has provided a method to alleviate the increased financial burden on resources of the City and its citizens in providing services and facilities needed to attract and support tourism. Moneys generated by the Hospitality Fees are or may be used to finance the acquisition, construction and renovation of facilities which will serve and attract visitors and tourists or to provide municipal services which serve visitors and tourists.

(h) The Council has been advised and recognizes that Hospitality Fees and the proceeds of the 2019 Bond must be used exclusively for tourism-related buildings, tourism-related cultural, recreational or historic facilities and roads and streets providing access to tourist destinations.

(i) The site now known as Finlay Park (the "Park") consists of a total of approximately 17 acres that spans three city blocks by two city blocks in downtown Columbia. Bordered by Laurel Street to the North, Assembly Street to the East, Taylor Street to the South and Gadsden Street to the West, the Park is easily accessed by pedestrians, bicyclists and transit riders. The Park also serves as a crucial link in the Vista Greenway which acts as a continuous pedestrian and cycling connection between the Vista district to the South and residential neighborhoods to the North, and as a lynchpin in the Capital City Passage segment of the Palmetto Trail, a 400+ mile statewide trail that connects the Low Country to the Midlands to the Upstate.

(j) The Park was first built in the 1840s under the supervision of Algernon Sidney Johnston, a local publisher and city council member. It featured trees, paths, reflecting pools, benches and a bandstand, and was named in his honor as "Sydney Park" in 1852. The Park was later sold to Seaboard Airline Railroad, which used the park as a switching yard and an industrial district for other businesses. In the mid-1980s, the City created a tax increment district known as the "Congaree Vista Redevelopment Project Area" and issued \$10,000,000 of tax increment bonds (the "TIF Bonds") to fund a variety of redevelopment projects to address blighted conditions in the district, including significant improvements to the Park. The TIF Bonds are no longer outstanding.

(k) Designed by renowned landscape architect Robert E. Marvin, the Park reopened in 1990 and featured a 40-foot waterfall, a three-acre lake, a large green space, a 2000-seat amphitheater, plaza/terrace gardens, park overlook, parking and restrooms. The Park was renamed in honor of Mayor Kirkman J. Finlay and was long considered the crown jewel of the City. Mr. Marvin described the Park as the "catalyst for the bigger dream of Congaree Vista" and noted that "the goal was to make the Park so popular and beautiful that everyone brought their out of town guests to the Park to show off their city."

(l) The Park is one of the only public spaces in downtown Columbia to have a multi-use path that many residents and visitors use for exercise, cycling and recreation. Since reopening in 1990, the Park has served as event space for a large number of downtown events. For example, the City has entertained residents and visitors (on average) at annually recurring events such as Bark in the Park (500), Shakespeare in the Park (10-15 shows per year, for 300 per show), Columbia Kids Day (800-1,000), the Mayor's Easter Eggstravaganza (700-1,200), Mayfest, Pride Parade (2,500), Gospel Fest (4,000), Halloween Carnival (500-1,300 total), the Summer Movie Series (5-10 events per year, for 200-500 each) and the Summer Concert Series (5-10 events per year, for 5,000-8,000 each).

(m) Since 1990, the Park has suffered considerable deterioration due to deferred maintenance and challenges in the original design that have led to infrastructure failures. The condition of the Park and the extensive amount of sub-standard surface parking in its vicinity creates an impediment to sound growth and redevelopment: this, despite the fact that it is located within walking distance of a revitalized Main Street and Vista area. Another impediment to redevelopment is the surrounding road network, which acts as a barrier to the flow of cyclists and pedestrians from Main Street or the Vista. Taylor Street is part of a one-way pair of streets that includes Hampton Street, motorists travelling on the six lanes of

traffic of these two streets travel at speeds up to or exceeding the posted speed limit. Assembly Street, with its 150-foot right-of-way is a challenge for even the most sprightly of pedestrians to cross.

(n) Adjacent to the Park and facing Assembly Street is a United States Postal Service (“USPS”) facility that sits on approximately 9.53 acres of privately owned land (the “Property”). While it still serves as the main USPS office, it no longer requires all of the building and site for its operations. The City has executed a Purchase and Sale Agreement pursuant to which it has agreed to purchase the Property, subject to normal closing conditions.

(p) It is believed that the Property represents a tremendous opportunity to the City to promote the redevelopment and use of the Park by tourists, visitors and citizens alike:

(1) the Property features ample amounts of surface parking (the “Parking”), which could potentially be used by patrons of the Park, and thereby alleviate the shortage of parking that has historically prevented enjoyment of the facilities;

(2) the Parking would also represent a significant asset that could promote interest and private development of portions of the Park or to renovate or replace one or more of the existing structures on the Property (each, a “Project” and, together, the “Projects”); and

(3) Given the proximity to the Vista, Main Street and other nearby commercial ventures, additional users of the Park or any Project would be expected to foster and stimulate economic activity at surrounding businesses, including additional ‘tourists’ within the meaning of the Hospitality Fee Act, and thereby generate additional revenues to alleviate the increased financial burden on resources of the City and its citizens in providing services and facilities needed to attract and support tourism.

(q) The Council has been advised and recognizes that Hospitality Fees and the proceeds of the 2019 Bond must be used exclusively for tourism-related buildings, tourism-related cultural, recreational or historic facilities, highways, roads, streets and bridges providing access to tourist destinations and water and sewer infrastructure serving tourism-related demand. For purposes of the Hospitality Fee Act, the term ‘tourist’ means “a person who does not reside in but rather enters temporarily, for reasons of recreation or leisure, the jurisdictional boundaries of a municipality for a municipal project”.

(r) In addition, the Council recognizes that the expenditure of public funds must be for a public purpose in accordance with the applicable provisions of the South Carolina Constitution and decisions of the South Carolina Supreme Court. Specifically, the cases of Byrd v. County of Florence, 315 S.E.2d 804 (1984) and Nichols v. The South Carolina Research Authority, 351 S.E.2d 155 (1986), formulate a four-point standard by which undertakings for financing economic development are tested for constitutionality. The City Attorney has reviewed this standard with the members of the City Council. In WDW Properties v. City of Sumter, 535 S.E.2d 631 (2000), the Byrd/Nichols test was applied by the Court to uphold the issuance by JEDA of tax-exempt industrial revenue bonds to finance a portion of the costs of renovation of existing buildings located within the Columbia/Sumter SC Empowerment Zone. In that case, the Court noted that the redevelopment projects were intended to be leased for commercial office and retail space, that the developer expected to create 20 full-time jobs and that “the Projects would ‘serve as the cornerstone for the revitalization of downtown Sumter and the surrounding communities.’”

(s) The successful development and operation of the Projects will promote tourism and, as a result thereof and the general redevelopment of the Park and/or the Property, foster and encourage tourists, visitors, residents and businesses to locate in or patronize such facilities or the surrounding area

(including tourism-generating facilities in close proximity to the Downtown area, the Congaree Vista Area and the Riverfront area, like the South Carolina State Museum, the EdVenture Children's Museum, the Three Rivers Greenway extension, Granby Riverwalk, Canal Front Park, the proposed Riverfront Park, the Riverbanks Zoo, the Woodrow Wilson Family Home, the Columbia Metropolitan Convention Center and the Colonial Life Arena, or the Robert Mills House, the Hampton-Preston Mansion and other nearby historic structures), which enhances the economic viability of the City through the redevelopment of nearby properties, the creation of additional jobs, the infusion of capital investment and increased commercial activity, thereby resulting in additional ad valorem property taxes, hospitality fees and other taxes and fees.

(t) As described in the evidentiary findings or statements referenced above, the benefits to the City as a result of the acquisition, renovation, redevelopment and improvement of the Property and the Projects are set forth, in part, herein:

(i) the Property and the Projects would promote, enhance, speed up and stimulate private development in and eliminate, remove and address the current blighted conditions of, the Park, all of which would enhance the aesthetic qualities of the surrounding areas;

(ii) the Property and the Projects would promote interest from visitors, tourists and City residents who want to study and/or learn about the architecturally and historically significant buildings located in or adjacent to the Park and other surrounding historic facilities within the City (including the nearby Robert Mills House and the Hampton-Preston Mansion), which may include exhibits, presentations or museum areas located in or near to the Park, and would be promoted and marketed by area tourism businesses and nonprofit organizations in their advertisements, on the Internet, and in materials provided for tours and/or self-guided tours of the City;

(iii) the City and its citizens have invested, and continue to invest, significant funds in and to promote its Downtown area, the Congaree Vista Area, the Riverfront area, and the areas in which other historic structures are located, including the nearby Robert Mills House and the Hampton-Preston Mansion; further, the Park serves as a connection between such areas and the approximately 181-acre development known as the Bull Street campus and, given its proximity to the intersection of Bull Street/Interstate I-277 and Elmwood Avenue/Interstate I-126, the Park serves as a gateway connector for people visiting and working in the City of Columbia;

(iv) the Property and the Projects would also foster and encourage tourists, visitors, residents and businesses to locate in or patronize such facilities or the surrounding area (including tourism-generating facilities in close proximity to the Downtown area, the Congaree Vista Area and the riverfront area, like the South Carolina State Museum, the EdVenture Children's Museum, the Three Rivers Greenway extension, Granby Riverwalk, Canal Front Park, the proposed Riverfront Park, the Columbia Metropolitan Convention Center and the Colonial Life Arena, or the Robert Mills House, the Hampton-Preston Mansion and other nearby historic structures), which enhances the economic viability of the City (including particularly the Congaree Vista Area and the area surrounding these facilities) through the redevelopment of nearby properties, the imposition and collection of additional *ad valorem* property taxes and increased commercial activity that would generate additional sales taxes and personal property taxes, hospitality fees, accommodations fees, tourism development fees, business license fees and other fees, as well as additional jobs and capital investment; and

(v) the historic and architectural characteristics of several facilities located on or adjacent to the Property and the Park may be significantly preserved and, like the South Carolina

State Museum, Confederate Printing Plant (now Publix), Robert Mills House, the Hampton-Preston Mansion, the structures on the Bull Street campus and other nearby historic structures, serve as examples of successful preservation, rehabilitation, redevelopment and re-adaptation, all of which are recognizable, signature properties that provide a gateway into the City of Columbia, including its Downtown area and the arts and entertainment district known as the Congaree Vista Area.

(u) After taking into consideration information presented to the City (including but not limited to those supporting the findings set forth above), the City Council makes the following additional findings and determinations with respect to the Property and the Projects supported thereby:

(1) The ultimate benefits to the public are multiple: the Property and the Projects (if any) would serve to foster tourism and stimulate economic activity on the Park, to increase the number of available jobs, to improve the appearance and enhance the aesthetic character of the Park and surrounding properties, to generate additional revenues (including Hospitality Taxes) and positively impact real property values of surrounding properties, to attract new businesses, to reinvigorate a downtown area that has been classified by the local, state and federal governments as economically distressed and to protect and preserve historically and architecturally significant features and encourage others to undertake historic preservation that would benefit downtown Columbia.

(2) The public will be the primary beneficiary of the acquisition of the Property and the Projects (if any), although one or more developers of the Projects will also benefit through the City's investment in the Property or the Projects.

(3) The acquisition of the Property and the Projects are not so speculative as to violate the public purpose doctrine based on the success of similar entertainment facilities that have been developed, such as other dilapidated or blighted properties that have been redeveloped, such as the South Carolina State Museum, the Confederate Printing Plant (now Publix), the 701 Whaley Arts Center, the Palmetto Compress Building and Warehouse and the facilities located at the Bull Street campus, all of which serve as examples of successful preservation, rehabilitation, redevelopment and re-adaptation, and the likelihood that (A) the Park will continue to decline in the absence of private development thereof, which requires public investments in infrastructure; and (B) any redevelopment of the Park will require significant amounts of infrastructure to be constructed and installed therein.

(4) The public interest is likely to be served to a substantial degree through the generation of tourist-related revenues and the creation of jobs, the improvement and enhancement of the appearance and aesthetic character of downtown Columbia, the reinvigoration of the Park and surrounding areas, the preservation of historical and architecturally significant features and the benefits, both tangible and intangible, that should result from that reinvigoration as they relate to the Projects.

(v) The City proposes to finance the acquisition, by construction or purchase, renovation and equipment of the Property, including certain related development costs or costs of studies associated with the redevelopment of Finlay Park in downtown Columbia (collectively, the "2019 Project") and pay issuance costs of the 2019 Bond. The estimated Costs of Acquisition and Construction of the 2019 Project (excluding any interest coming due on the 2019 Bond or Costs of Issuance) is approximately \$4,050,000. It is necessary and in the best interest of the City to authorize the issuance and sale of the 2019 Bond to the Purchaser in the principal amount of not exceeding \$4,200,000 in accordance with the Bond Act, the Hospitality Fee Act, the Ordinance and this Fourth Supplemental Ordinance for the purposes set forth above.

Section 3. Authorization of 2019 Bond.

(a) There is hereby authorized to be issued a series of Bonds or Junior Bonds (as such terms are defined in the General Bond Ordinance), subject to Section 6 hereof, designated "City of Columbia, South Carolina, Special Obligation [Bond][Note] (Hospitality Fee Pledge), Series 2019" (the "2019 Bond"), in the aggregate principal amount of not exceeding \$4,200,000; provided that the 2019 Bond shall be numbered and lettered in such a fashion as to maintain a proper record thereof and its name may be revised to reflect the purposes of issuance, priority of Hospitality Fee pledge, taxable or tax-exempt status and year of issuance, as appropriate. The proceeds of the 2019 Bond shall be used for the purposes set forth in Section 2(v) hereof.

The 2019 Bond shall bear interest at the rates per annum and mature on the date(s) and in the principal amount(s) (the "Principal Payment Dates"), all as determined by the Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together, pursuant to Section 6 hereof.

(b) The 2019 Bond shall originally be dated its date of delivery, or such other date as the Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together, shall determine pursuant to Section 6 hereof, and shall be issued in fully registered form, as a single bond representing the entire principal amount of the 2019 Bond, in the name of the Purchaser.

The 2019 Bond shall be subject to redemption prior to maturity, whether at the option of the City or upon the occurrence of some event, in whole or in part, at the times and at the redemption prices (expressed as a percentage of principal amount of the 2019 Bond to be redeemed), all as shall be determined by the Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together, pursuant to Section 6 hereof, together, in each such case, with the interest accrued on such principal amount to the date fixed for redemption.

(c) Principal of and redemption premium, if any, on the 2019 Bond shall be payable at the designated corporate trust office of the Paying Agent. Interest on the 2019 Bond shall be payable on each Interest Payment Date, in each case to the Holders as of the immediately preceding Record Date, such interest to be paid by the Paying Agent by check or draft mailed to each Holder at the address as it appears on the Books of Registry maintained at the designated corporate trust office of the Paying Agent, and in the case of a Holder of \$1,000,000 or more in principal amount of 2019 Bond, by wire transfer to an account within the continental United States upon the timely receipt of a written request of such Holder; notwithstanding the foregoing, payments of principal and interest of and redemption premium, if any, on the 2019 Bond may be made directly by the City to the Purchaser, pursuant to written instructions given to the City, as shall be determined by the Mayor, The City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together, pursuant to Section 6 hereof. Payment of the principal of and interest on such 2019 Bond may be payable to the Holder thereof without presentation and surrender of such 2019 Bond.

(d) The 2019 Bond shall be in substantially the form set forth in Exhibit A hereto, with such necessary or appropriate variations, omissions and insertions as are incidental to the numbers, maturities, dates, interest rate or rates, redemption provisions, the purpose of issuance and other details thereof or as are otherwise permitted or required by law or by the Ordinance, including this Fourth Supplemental Ordinance. The 2019 Bond shall be executed in the name and on behalf of the City by the manual or facsimile signature of the Mayor, attested by the manual or facsimile signature of the City Clerk under the seal of the City impressed, imprinted or reproduced thereon (or a facsimile thereof). The 2019 Bond shall be registered in the name of the Purchaser, as the registered owner, at the office of the City Clerk of the City of Columbia, South Carolina, on registry books to be kept for such purpose, and such registration shall be noted on the

registration attached to the 2019 Bond, after which no transfer of such 2019 Bond shall be effective unless made on such books by the registered owner in person or its duly authorized legal representative and similarly noted on the 2019 Bond.

(e) A copy of the approving opinion to be rendered on the 2019 Bond shall be printed on the back of such 2019 Bond, preceding the same a certificate shall appear, which shall be signed on behalf of the City by a facsimile signature of the City Clerk. Such certificate shall be in the form substantially as follows:

IT IS HEREBY CERTIFIED that the following is a true and correct copy of the approving opinion of Burr & Forman LLP d/b/a Burr Forman McNair, Columbia, South Carolina, the original of which was manually executed, dated and issued as of the date of the delivery of and payment for the bonds, and a copy of which is on file with the City.

CITY OF COLUMBIA, SOUTH CAROLINA

By: _____
City Clerk

Section 4. Payment of and Security for the 2019 Bond. The 2019 Bond, together with the interest thereon, shall be payable, in such coin or currency of the United States of America which at the time of such payment is legal tender for public and private debts, solely from the Hospitality Fees of the City in accordance with the provisions of this Fourth Supplemental Ordinance. Subject to Section 6 hereof, the 2019 Bond shall be secured by a pledge of Hospitality Fees, which pledge shall be either on a parity with or junior and subordinate to the pledge of Hospitality Fees securing the payment of the Bonds of 2012, the Bonds of 2014, the Bonds of 2017 (collectively, the “Outstanding Parity Bonds”) and any other Bonds (as defined in the General Bond Ordinance) issued in compliance with the provisions of the General Bond Ordinance.

The 2019 Bond does not constitute an indebtedness of the City within any State constitutional provisions (other than Article X, Section 14, Paragraph 10 of the South Carolina Constitution authorizing obligations payable solely from special sources not involving revenues from any tax or license) or statutory limitation. The 2019 Bond shall not be a debt of the City, nor a charge, lien or encumbrance, legal or equitable, upon any property of the City or upon any income, receipts or revenues thereof, other than the aforesaid Hospitality Fees of the City. No recourse shall be had for the payment of the 2019 Bond or the interest thereon against the general fund of the City, nor shall the credit or taxing power of the City be deemed to be pledged thereto. The full faith, credit and taxing powers of the City are not pledged to the payment of the principal of or interest on the 2019 Bond.

Section 5. 2019 Bond Proceeds Fund and 2019 Debt Service Fund.

(a) There is hereby created and established the 2019 Bond Proceeds Fund, which shall be held by the City or by a Custodian. The proceeds derived from the sale of the 2019 Bond shall be deposited to the 2019 Bond Proceeds Fund or shall be advanced from the Purchaser from time to time until such date as is mutually agreeable to the City and the Purchaser as determined, in writing, by an Authorized Representative and the amount of each advance shall be noted on the Certificate of Advances, if any, attached to the 2019 Bond. If the 2019 Bond Proceeds Fund is held by a Custodian, the Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any of them acting alone, is authorized and directed to negotiate, execute and deliver such agreements or other agreements with such bank or other

financial institution as may be necessary or desirable in connection therewith. The moneys on deposit in the 2019 Bond Proceeds Fund shall be used for the purposes described in Section 2(v) above.

Moneys held for the credit of the 2019 Bond Proceeds Fund shall be invested to the fullest extent practicable and reasonable, in Permitted Investments, maturing at such times and in such amounts as shall be required to provide moneys to make the payments required to be made from such account. The provisions of Section 6.10 of the General Bond Ordinance relating to the investment of funds are incorporated herein as if fully set forth herein.

Withdrawals from the 2019 Bond Proceeds Fund shall be made in the manner withdrawals from other funds of the City are made.

(b) In accordance with Section 6.6 of the General Bond Ordinance, the 2019 Debt Service Fund is hereby directed to be established by the Trustee on the date of the original delivery of the 2019 Bond for the benefit of the Holders of the 2019 Bond. Moneys held for the credit of the 2019 Debt Service Fund may be invested in Permitted Investments.

Section 6. Sale and Issuance of 2019 Bond; Approval of Purchaser.

(a) The Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together, are hereby authorized and empowered to undertake any one or more of the following actions: (1) determine the original issue date of the 2019 Bond; (2) determine the aggregate principal amount of the 2019 Bond, if less than authorized by this Fourth Supplemental Ordinance, and the principal amounts of each maturity thereof (which shall mature no later than three years following the date of issuance thereof); (3) determine whether the 2019 Bond will be issued on a taxable or tax-exempt basis, and as a Bond or Junior Bond (as such terms are defined in the General Bond Ordinance); (4) determine the Interest Payment Dates, including the initial Interest Payment Date, and the Principal Payment Dates for the 2019 Bond (which shall mature no later than three years following the date of issuance thereof); (5) determine the optional redemption terms and redemption price of the 2019 Bond; (6) determine the interest rate for the 2019 Bond (which rate shall not exceed 5% per annum); (7) determine whether payments of principal, redemption premium (if any) and interest will be made through the Paying Agent or directly to the Purchaser; (8) select the Purchaser and determine that the Purchaser's proposal of terms, if any (the "Proposal"), is fair and reasonable and in the best interest of the City; and (9) agree to any other terms, provisions and matters necessary or advisable to effect the issuance of the 2019 Bond.

(b) The Mayor and the City Manager, or either of them acting alone, are hereby authorized and directed to negotiate, execute and deliver the Proposal, and to take all actions, based upon advice of counsel, including the preparation and dissemination of requests for proposals and the preparation, publication and/or distribution of information, offering documents or private placement memoranda, all relating to the City, the 2019 Bond and the Hospitality Fees, to solicit interest and receive offers from financial institutions and institutional investors to purchase the 2019 Bond in a private offering (which, in all events, upon advice of counsel, may be in lieu of the Proposal), and to accept such offer which is in the best interest of the City and execute such documents as may be necessary in connection therewith. In the event of a conflict in the terms and provisions of such Proposal or other offers received from financial institutions and institutional investors and the General Bond Ordinance, this Fourth Supplemental Ordinance and any other documents authorized hereunder (collectively, the "Other Documents"), the terms and provisions of the General Bond Ordinance, this Fourth Supplemental Ordinance and the Other Documents shall prevail.

(c) A copy of this Fourth Supplemental Ordinance shall be filed with the minutes of the meeting at which this Fourth Supplemental Ordinance was enacted.

(d) The Council hereby authorizes and directs all of the officers and employees of the City to carry out or cause to be carried out all obligations of the City hereunder and to perform such other actions as they shall consider necessary or advisable in connection with the issuance, sale and delivery of the 2019 Bond.

(e) The Council hereby authorizes the Mayor and the City Manager, or either of them acting alone, or their designees to negotiate the terms of, and execute, in the name and on behalf of the City, and deliver investment agreements, forward delivery agreements, repurchase agreements and other agreements in connection with the 2019 Bond, to prepare and solicit bids for providers of such agreements and to execute, in the name and on behalf of the City, written confirmations of any such agreements and other documents as may be necessary in connection therewith.

Section 7. Disposition of Proceeds of 2019 Bond and Certain Other Moneys. The proceeds derived from the sale of the 2019 Bond, net of any fees payable to the purchaser thereof, shall be deposited with (or at the order of) the City or the Custodian, as applicable, into the 2019 Bond Proceeds Fund established in and pursuant to Section 5 hereof.

Section 8. Designation of Trustee, Registrar and Paying Agent.

Pursuant to the Ordinance, the Trustee is Regions Bank. The Council hereby designates Regions Bank as Registrar and Paying Agent for the 2019 Bond. The Registrar and Paying Agent shall signify their acceptances of their respective duties upon delivery of the 2019 Bond.

Section 9. Continuing Disclosure. If the 2019 Bond is issued as a tax-exempt obligation and for so long as and to the extent required pursuant to Section 11-1-85 of the Code of Laws of South Carolina 1976, as amended (“Section 11-1-85”), the City covenants that it will file with a central repository for availability in the secondary bond market when requested:

- (i) An annual independent audit, within 30 days of the City’s receipt of the audit; and
- (ii) Event-specific information within 30 days of an event adversely affecting more than 5% percent of Hospitality Fees or the City’s tax base.

The only remedy for failure by the City to comply with the covenant of this Section 9 shall be an action for specific performance of this covenant; and failure to comply shall not constitute a default or an “Event of Default” under the Ordinance or this Fourth Supplemental Ordinance. The City specifically reserves the right to amend or delete this covenant in order to reflect any change in Section 11-1-85, without the consent of any Holder of the 2019 Bond.

Section 10. Further Actions. The Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services and the City Clerk are hereby authorized and directed to take any and all such further actions as shall be deemed necessary or desirable in order to effectuate the issuance of the 2019 Bond. To that end, the Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services of the City, or any of them acting alone, are hereby authorized and directed to negotiate and execute such agreements or documents as may be necessary or desirable to effect such acquisition.

Section 11. Headings. The headings and titles of the several sections hereof shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation or effect of this Fourth Supplemental Ordinance.

Enacted by the City Council of the City of Columbia, South Carolina, this 21st day of May, 2019.



(SEAL)

ATTEST

Erika D. Moore

Clerk

CITY COUNCIL OF THE CITY OF COLUMBIA,
SOUTH CAROLINA

By: _____

Mayor

Date of First Reading: May 7, 2019
Date of Second Reading: May 21, 2019

EXHIBIT A

FORM OF 2019 BOND

CITY OF COLUMBIA, SOUTH CAROLINA
SPECIAL OBLIGATION [BOND][NOTE]
(HOSPITALITY FEE REDGE), SERIES 2019

No. R- _____

Interest Rate

Maturity Date
(As set forth in Schedule I herein)

Issue Date

Registered Holder:

Principal Amount:

THE CITY OF COLUMBIA, SOUTH CAROLINA (the "City") a public body corporate and politic and a political subdivision of the State of South Carolina (the "State"), created and existing by virtue of the laws of the State, acknowledges itself indebted and for value received hereby promises to pay, solely as hereinafter provided, to the Registered Owner named above or registered assigns, the Principal Amount on the Maturity Date (each as set forth or referenced above), unless this [Bond][Note] be subject to redemption and shall have been redeemed prior thereto as hereinafter provided, and to pay interest thereon at the annual Interest Rate stated above (calculated on the basis of a 360-day year of twelve (12) 30-day months), until the obligation of the City with respect to the payment of such Principal Amount shall be discharged. Interest on this [Bond][Note] shall be payable in [semiannual][annual] installments on [_____ 1 and] _____ 1 of each year beginning _____, [2019] (each, an "Interest Payment Date"), until maturity or earlier redemption. All payments shall be paid to the person in whose name this [Bond][Note] is registered pursuant to written instructions given to the City by the Registered Holder. The payments are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

THIS [BOND][NOTE] HAS BEEN ISSUED UNDER THE PROVISIONS OF TITLE 6, CHAPTER 17 AND CHAPTER 1, ARTICLE 7, CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED (COLLECTIVELY, THE "ACT"); THIS [BOND][NOTE] DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION (EXCEPT ARTICLE X, SECTION 14(10) OF THE STATE CONSTITUTION AUTHORIZING INDEBTEDNESS PAYABLE SOLELY FROM A SOURCE OF REVENUE DERIVED OTHER THAN A TAX OR LICENSE) OR STATUTORY LIMITATION. THE CITY IS NOT OBLIGATED TO PAY ANY OF THIS [BOND][NOTE] OR THE INTEREST THEREON EXCEPT FROM HOSPITALITY FEES (AS DEFINED IN THE HEREINAFTER DEFINED BOND ORDINANCES). THIS [BOND][NOTE] IS NOT A GENERAL OBLIGATION OF THE CITY, THE STATE, OR ANY POLITICAL SUBDIVISION THEREOF AND NEITHER THE FULL FAITH AND CREDIT NOR THE GENERAL CREDIT NOR TAXING POWERS OF THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF.

This [Bond][Note] is issued pursuant to and in accordance with the Constitution and statutes of the State, including particularly the Act, General Bond Ordinance No. 2011-63 duly enacted by the Council on August 30, 2011, as amended and supplemented (as so amended and supplemented, the "Bond Ordinances"), including as supplemented particularly by Fourth Supplemental Ordinance No. _____

duly enacted by the City Council of the City (the "Council") on _____, 2019 (the "Fourth Supplemental Ordinance" and, together with the Bond Ordinances, the "Ordinances") for the purpose of providing moneys, to finance the acquisition, by construction or purchase, renovation and equipment of the Property, including certain related development costs or costs of studies associated with the redevelopment of Finlay Park in downtown Columbia, and to pay issuance costs relating to this [Bond][Note], as more particularly permitted by the Fourth Supplemental Ordinance.

Certain capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Bond Ordinances. Certified copies of the Fourth Supplemental Ordinance and the Bond Ordinances are on file with the City and in the office of the Clerk of Court for Richland County, South Carolina.

The Ordinances contain provisions defining terms, set forth the revenues pledged for the payment of the principal of and interest on this [Bond][Note] and the Bonds of other series herewith which may hereafter be issued on a parity herewith under the Ordinances; set forth the nature, extent and manner of enforcement of the security of this [Bond][Note] and of such pledge, and the rights and remedies of the Holder hereof with respect thereto; set forth the terms and conditions upon which and the extent to which the Ordinances may be altered, modified and amended; set forth the terms and conditions upon which this [Bond][Note] is issued upon which other bonds may be hereinafter issued payable as to principal, premium, if any, and interest on a parity with this [Bond][Note] and equally and ratably secured herewith; sets forth the rights, duties and obligations of the City thereunder; and set forth the terms and conditions upon which the pledge made in the Ordinances for the security of this [Bond][Note] and upon which the covenants, agreements and other obligations of the City made therein may be discharged at or prior to the maturity or redemption of this [Bond][Note] with provisions for the payment thereof in the manner set forth in the Ordinances. Reference is hereby made to the Ordinances to all of the provisions of which any holder of this [Bond][Note] by the acceptance hereof thereby assents. The provisions of the Act and the Ordinances shall be a contract with the holder of this [Bond][Note].

This [Bond][Note] and the interest thereon is a special obligation of the City and is secured by and payable solely from a pledge of upon the Hospitality Fees imposed and collected by the City, which pledge is [on a parity with][junior and subordinate to] the pledge thereof securing the \$14,825,000 principal amount City of Columbia, South Carolina, Special Obligation Refunding Bonds (Hospitality Fee Pledge), Series 2012, the \$26,175,000 principal amount City of Columbia, South Carolina, Special Obligation Bonds (Hospitality Fee Pledge), Series 2014, the \$1,460,000 principal amount City of Columbia, South Carolina, Special Obligation Refunding Bonds (Hospitality Fee Pledge), Series 2017, and any other Bonds (as defined in the Bond Ordinances) issued hereafter.

This [Bond][Note] and the interest hereon is exempt from all State, county, municipal, school district, and all other taxes or assessments imposed within the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer and certain franchise taxes.

This [Bond][Note] is transferable only upon the registration books of the City kept for that purpose and maintained by the City, by the Holder hereof in person or by his duly authorized attorney, upon (a) surrender of this [Bond][Note] and an assignment with a written instrument of transfer satisfactory to the City, duly executed by the Holder hereof or his duly authorized attorney and (b) payment of the charges, if any, incurred as a consequence thereof. Thereupon a Bond of the same aggregate principal amount, maturity and interest rate shall be issued to the transferee in exchange therefor. The City may deem and treat the person in whose name this [Bond][Note] is registered as the

absolute owner hereof for the purpose of receiving payment of or on account of the principal or redemption price hereof and interest due hereon and for all other purposes.

For every exchange or transfer of this [Bond][Note], the City may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

[Redemption Provisions]

In the event this [Bond][Note] or a portion thereof is called for redemption, the City shall give notice of redemption by first-class mail, postage prepaid, to the Holder hereof as shown on the Books of Registry of the City not less than _____ days prior to the date fixed for the redemption thereof. If this [Bond][Note] be redeemable and shall have been duly called for redemption and notice of the redemption hereof mailed as aforesaid, and if on or before the date fixed for such redemption, payment thereof shall be duly made or provided for, interest hereon shall cease or accrue from and after the redemption date hereof.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and statutes of the State to exist, be performed or happen precedent to or in the issuance of this [Bond][Note], exist, have been performed and have happened, that the amount of this [Bond][Note], together with all other indebtedness of the City, does not exceed any limit prescribed by such Constitution or statutes.

IN WITNESS WHEREOF, THE CITY OF COLUMBIA, SOUTH CAROLINA has caused this [Bond][Note] to be signed by the manual or facsimile signature of its Mayor, its corporate seal to be reproduced hereon and the same to be attested by the manual or facsimile signature of its City Clerk.

CITY OF COLUMBIA, SOUTH CAROLINA

By: _____
Mayor

(SEAL)

ATTEST:

By: _____
City Clerk

[REGISTRATION

This [Bond][Note] has been registered in the name of _____ on the registry books kept by the City of Columbia, South Carolina.

Dated this ____ day of _____, 2019.

City Clerk, City of Columbia, South Carolina]

[CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue described in the within mentioned Ordinance.

Regions Bank, as Trustee

By: _____
Its: _____

Date: _____]

IT IS HEREBY CERTIFIED that the following is a true and correct copy of the approving opinion of Burr & Forman LLP d/b/a Burr Forman McNair, Columbia, South Carolina, the original of which was manually executed, dated and issued as of the date of the delivery of and payment for the bonds, and a copy of which is on file with the City.

THE CITY OF COLUMBIA, SOUTH CAROLINA

By: _____
City Clerk

FORM OF ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or type name and address of Transferee and Social Security or other identifying number of Transferee)

the within Bond and all rights and title thereunder, and hereby irrevocably constitutes and appoints attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____

STAMP Language

Signature Guaranteed: _____

NOTICE: Signature(s) must be guaranteed
By an institution which is a participant in the
Securities Transfer Agent Medallion Program
(STAMP) or similar program.

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