

ORDINANCE NO. **BG2026 - 9**

ORDINANCE APPROVING PROMISSORY NOTE AND LOAN AGREEMENT

ORDINANCE APPROVING A PROMISSORY NOTE AND LOAN AGREEMENT FOR THE FINANCING OF A PROJECT; PROVIDING FOR THE PAYMENT AND SECURITY OF THE PROMISSORY NOTE; CREATING A SINKING FUND; AUTHORIZING THE EXECUTION OF VARIOUS DOCUMENTS RELATED TO SUCH PROMISSORY NOTE; AND MAKING CERTAIN DESIGNATIONS REGARDING SUCH PROMISSORY NOTE

WHEREAS, the governing body of the City of Bowling Green, Kentucky (the “City”) has the power, pursuant to the Constitution and Laws of the Commonwealth of Kentucky, and particularly, KRS 66.011 et. seq. (the "Act"), to issue bonds or notes, subject to the requirements of the Act, to pay all or any portion of the costs of any public project that such city is authorized to acquire, improve or construct; and,

WHEREAS, the governing body of the City (the “Governing Body”) has previously determined, and hereby further determines, that the City has need and desires to purchase real property located at 940 Bryant Way for the construction of an East Precinct for the police department (the “Project”), all as further described in Municipal Orders Nos. 2026-73 and 2026-84, previously approved, adopted and hereby ratified and in full force and effect; and,

WHEREAS, the Governing Body has determined and hereby determines that it is in the best interests of the City that the City enter into a promissory note and loan agreement in the maximum principal amount of \$3,100,000 (the “Agreement”), with Pinnacle Bank (the “Lender”) as the financial institution offering the lowest fixed interest rate pursuant to the Request for Quotations posted on the City’s website.

NOW, THEREFORE, BE IT ORDAINED by the City of Bowling Green, Kentucky as follows:

1. Recitals and Authorization. The City hereby approves the Agreement, a form of which is

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attached hereto, the interest rate, principal payments, the final maturity date and other terms as described in the Agreement, and all collateral documents, to the extent defined and identified in the Agreement, each in substantially the form presented to this Governing Body. It is hereby found and determined that the Project identified in the Agreement is public property to be used for public purposes. It is further determined that it is necessary and desirable and in the best interests of the City to enter into the Agreement for the purposes therein specified, and the execution and delivery of the Agreement and all representations, certifications, and other matters contained in the closing memorandum with respect to the Agreement, or as may be required by the Lender before delivery of the Agreement, are hereby approved, ratified, and confirmed. The Mayor and City Clerk of the City are hereby authorized to execute the Agreement, together with such other agreements or certifications which may be necessary to accomplish the transaction contemplated by the Agreement.

2. General Obligation Pledge. Pursuant to the Constitution of the Commonwealth and Chapter 66 of the Kentucky Revised Statutes, as amended (the "General Obligation Statutes"), the obligation of the City created by the Agreement shall be a full general obligation of the City and, for the prompt payment of the Agreement Payments, the full faith, credit and revenue of the City are hereby pledged. During the period the Agreement is outstanding, there shall be and there hereby is levied on all the taxable property in the City, in addition to all other taxes, without limitation as to rate, a direct tax annually in an amount sufficient to pay the Payments, as described in Section 2 of the Agreement, when and as due, it being hereby found and determined that current tax rates are within all applicable limitations. The tax shall be and is hereby ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers in the same manner and at the same time that taxes for general purposes for each of the years are certified, extended and collected. The tax shall be placed before and in preference to all other items and for the full amount thereof; provided, however, that in each year to the extent that the other taxes of the City are available for the payment of the Payments and

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are appropriated for such purpose, the amount of such direct tax upon all of the taxable property in the City shall be reduced by the amount of such other taxes so available and appropriated.

There is hereby established, or it is acknowledged that there has heretofore been established, with the City a sinking fund (the "Sinking Fund"). The funds derived from said tax levy hereby required or other available taxes shall be placed in the Sinking Fund and, together with interest collected on the same, are irrevocably pledged for the payment of all obligations issued under the Act, including the Agreement herein authorized, when and as the same fall due. Amounts shall be transferred from the Sinking Fund to the Lender at the times and in the amounts required by the Agreement.

3. Severability. If any Section, paragraph, or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such Section, paragraph, or provision shall not affect any of the remaining provisions of this Ordinance.

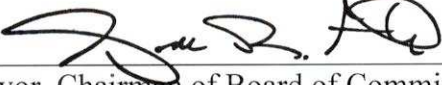
4. Open Meetings Law. This Governing Body hereby finds and determines that all formal actions relative to the adoption of this Ordinance were taken in an open meeting of this Governing Body, and that all deliberations of this Governing Body and of its committees, if any, which resulted in formal action, were in meetings open to the public, in full compliance with applicable legal requirements.

5. All prior Municipal Orders or Ordinances or parts of any Municipal Order or Ordinance in conflict herewith are hereby repealed.

6. This Ordinance is adopted pursuant to KRS 83A.060 in that it was introduced on May 19, 2026, and given final reading on June 2, 2026, and said Ordinance shall be in full force and effect upon signature, recordation and publication in summary pursuant to KRS Chapter 424.

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ADOPTED: June 2, 2026

APPROVED:   
Mayor, Chairman of Board of Commissioners

ATTEST:   
City Clerk

SPONSORED BY: Jeffery B. Meisel, City Manager