

RESOLUTION NO. _____, SERIES 2026

AN INDUCEMENT RESOLUTION OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT (THE “ISSUER”) AUTHORIZING THE EXECUTION OF A MEMORANDUM OF AGREEMENT BETWEEN THE ISSUER AND MGI LOUISVILLE, LLC, ITS AFFILIATES AND ASSIGNS (COLLECTIVELY, THE “COMPANY”) RELATING TO THE ACQUISITION, CONSTRUCTION, EQUIPPING AND INSTALLATION OF FACILITIES AT 501-504 AND 503 FRANKLIN STREET, UNADDRESSED E. WITHERSPOON STREET (PARCEL ID NO. 18D-0025-0000), UNADDRESSED FRANKLIN STREET (PARCEL ID NO. 18E-0020-0000), UNADDRESSED FRANKLIN STREET (PARCEL ID NO. 18E-0064-0000), UNADDRESSED JACKSON STREET (PARCEL ID NO. 18E-0016-0000), UNADDRESSED JACKSON STREET (PARCEL ID NO. 18E-0063-0000), 501 E. MAIN STREET, 300-304 JACKSON STREET, AND 100 N. HANCOCK STREET, LOUISVILLE, KENTUCKY, INCLUDING THE ACQUISITION, CONSTRUCTION, EQUIPPING AND INSTALLATION OF (I) BETWEEN 225 AND 300 MULTI-FAMILY DWELLING UNITS; (II) A PARKING STRUCTURE TO SUPPORT THE RESIDENTIAL UNITS, CONTAINING APPROXIMATELY 89 PARKING SPACES; (III) A HOTEL CONTAINING BETWEEN 134 AND 180 ROOMS; (IV) BETWEEN 38,800 AND 50,000 SQUARE FEET OF OFFICE SPACE; (V) BETWEEN 18,000 AND 22,000 SQUARE FEET OF RETAIL SPACE; (VI) A GARAGE TO BE OWNED AND OPERATED BY PARC CONTAINING NO FEWER THAN 575 PARKING SPACES; AND (VII) OTHER PUBLIC INFRASTRUCTURE IMPROVEMENTS (THE “PROJECT”); AGREEING TO UNDERTAKE THE ISSUANCE OF ONE OR MORE SERIES OF INDUSTRIAL BUILDING REVENUE BONDS AT THE APPROPRIATE TIME TO FINANCE THE COSTS OF ACQUIRING, CONSTRUCTING, EQUIPPING AND INSTALLING SAID FACILITIES; AND TAKING OTHER PRELIMINARY ACTION.

SPONSORED BY: COUNCIL MEMBER HERNDON

WHEREAS, MGI Louisville, LLC, a Texas limited liability company, its affiliates and its assigns (collectively, the “Company”) proposes the acquisition, construction, equipping and installation of (i) between 225 and 300 multi-family dwelling units; (ii) a parking structure to support the residential units, containing approximately 89 parking spaces; (iii) a hotel containing between 134 and 180 rooms; (iv) between 38,800 and 50,000 square feet of office space; (v) between 18,000 and 22,000 square feet of retail space; (vi) a

garage to be owned and operated by PARC containing no fewer than 575 parking spaces; and (vii) other public infrastructure improvements at 501-504 and 503 Franklin Street, Unaddressed E. Witherspoon Street (Parcel Id No. 18D-0025-0000), Unaddressed Franklin Street (Parcel Id No. 18E-0020-0000), Unaddressed Franklin Street (Parcel Id No. 18E-0064-0000), 501-504 Franklin Street, Unaddressed Jackson Street (Parcel Id No. 18E-0016-0000), Unaddressed Jackson Street (Parcel Id No. 18E-0063-0000), 501 E. Main Street, 300-304 Jackson Street, and 100 N. Hancock Street in the City of Louisville, Kentucky (collectively, the "Project"), all of which is in the downtown business district as provided for in Section 103.200 of the Kentucky Revised Statutes, and in this connection it has been determined that the Louisville/Jefferson County Metro Government (the "Issuer"), a consolidated local government and political subdivision of the Commonwealth of Kentucky, may assist the Company by causing the acquisition, construction, equipping and installation of the Project and by entering into at the appropriate time one or more lease agreements with MGI Louisville, LLC, its affiliates, its assigns, or a combination thereof, with reference thereto pursuant to authority of Sections 103.200 to 103.285, inclusive, of the Kentucky Revised Statutes (collectively, the "Act"), all in furtherance of the purposes of the Act and the public benefit of the residents and inhabitants of the Issuer; each such lease agreement to be upon such terms and conditions as the Act may require and the Issuer may deem advisable; and

WHEREAS, the acquisition, construction, equipping and installation of the Project by the Company will encourage the expansion of commerce in accordance with the public policy of the Commonwealth of Kentucky by promoting the economic development of the Commonwealth of Kentucky and the Issuer, will relieve conditions of unemployment, will

encourage the increase of industry and will improve the economic welfare of the people of the Issuer; and

WHEREAS, the Issuer is further authorized by the Act to issue one or more series of bonds, which term under the Act encompasses bonds, variable rate bonds, commercial paper bonds, bond anticipation notes or any other obligations for the payment of money issued by a city, county or other authority pursuant to the Act, for the purpose of defraying the cost of acquiring, constructing, equipping and installing an industrial building or buildings, as defined in the Act; discussions have occurred between representatives of the Company and the Issuer incident to the issuance of one or more series of industrial building revenue bonds by the Issuer; the Issuer has agreed with the Company to issue one or more series of such bonds upon compliance by the Company with certain conditions, requirements and obligations, and subject to the approval of the Issuer of the terms of all agreements, ordinances and other documents required incident to said bond issue; and the Issuer has authorized the Company to proceed with the acquisition, construction, equipping and installation of the Project, subject to reimbursement of the costs of the Project from the proceeds of such bonds, when, as and if issued; and

WHEREAS, based upon an estimate of the costs of the Project, the Issuer proposes to issue its industrial building revenue bonds in one or more series as determined by the Company and agreed to by the Issuer in an amount not to exceed TWO HUNDRED SEVENTY-FIVE MILLION DOLLARS (\$275,000,000) (the "Bonds"), each such series of Bonds to have a term of forty years, such Bonds to be sold and delivered by the Issuer to pay the costs of the Project, together with costs incident to the

authorization, sale and issuance of such Bonds, but with such contributions from the Company as may be necessary; and

WHEREAS, the Issuer proposes to enter into at the appropriate time one or more lease agreements with MGI Louisville, LLC, its affiliates, its assigns, or any combination thereof, with respect to the Project, whereby the Company will covenant and agree to pay amounts sufficient to provide for the payment of principal of and premium, if any, and interest on the Bonds, together with all trustee and paying agents' fees in connection with the Bonds as the same become due and payable; the liability of the Company under this instrument or any other instrument related to the issuance of the Bonds shall be limited to its interest in the Project to be financed thereby and no party shall have the right to obtain payment from the Company or from any assets of the Company other than such Project; and

WHEREAS, it is deemed necessary and advisable that a Memorandum of Agreement between the Issuer and the Company be executed setting forth the preliminary agreements of the parties with respect to the acquisition, construction, equipping and installation of the Project, the issuance of the Bonds to defray the costs thereof and the payments to be made by the Company with respect to the Project.

NOW, THEREFORE, BE IT ORDAINED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT (THE "COUNCIL") AS FOLLOWS:

SECTION I: It is hereby found, determined and declared that (i) the recitals set forth in the preamble to this Resolution, which are incorporated in this Section by reference, are true and correct; (ii) the total amount of money necessary to be provided by the Issuer for the acquisition, construction, equipping and installation of the Project to

be financed by the Bonds will not exceed TWO HUNDRED SEVENTY-FIVE MILLION DOLLARS (\$275,000,000), with the understanding that such maximum amount may be increased by subsequent official action of the Issuer, upon the Company's request, each such series of Bonds to have a term of forty years; (iii) the Company has represented that it will have sufficient financial resources to acquire, construct, equip and install the Project and to place it in operation and to continue to operate, maintain and insure the Project throughout the term of the Bond issue, meeting when due the obligations of the proposed lease agreement or lease agreements; and (iv) sufficient safeguards will be provided by the lease agreement or lease agreements to insure that all money provided by the Issuer from the proceeds of the sale of the Bonds will be expended by way of direct expenditure or reimbursement, solely and only for the purposes of the Project.

SECTION II: It is hereby found, determined and declared that the cost of acquiring, constructing, equipping and installing the Project will be paid out of the proceeds of the Bonds and such contributions of the Company as may be necessary to complete the Project as defined in the lease agreement or lease agreements to be executed by and between the Issuer and the Company at the appropriate time pursuant to the Act; **THAT NONE OF THE BONDS WILL BE GENERAL OBLIGATIONS OF THE ISSUER; THAT NEITHER THE BONDS NOR THE INTEREST THEREON SHALL CONSTITUTE OR GIVE RISE TO ANY INDEBTEDNESS OF THE ISSUER OR ANY CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWER, BUT THAT THE BONDS AND THE PAYMENT OF INTEREST THEREON SHALL BE SECURED AND PAYABLE SOLELY AND ONLY BY A PLEDGE OF AMOUNTS TO BE PAID BY THE COMPANY UNDER SUCH LEASE AGREEMENT OR LEASE AGREEMENTS; AND THAT NO PART OF**

SAID COSTS WILL BE PAYABLE OUT OF ANY GENERAL FUNDS, REVENUES, ASSETS, PROPERTIES OR OTHER CONTRIBUTIONS OF THE ISSUER.

SECTION III: The Bonds will be structured as a conduit lease transaction(s).

SECTION IV: As a condition to the issuance of the Bonds:

(A) The Company agrees the total amount of abated ad valorem taxes that otherwise would be due to the Issuer (the County and Urban Services District ad valorem taxes) is capped at \$91,000,000 for all series of Bonds over their terms (the “Metro Cap Amount”); and

(B) The Company and Issuer shall enter into an agreement with respect to each series of the Bonds pursuant to which the Company shall make payments in lieu of taxes (“PILOT Payments”) to (i) the Jefferson County School District (the “School District”) in amounts equal to and at the same times as the ad valorem taxes that would otherwise be due to the School District with respect to the element or phase of the Project financed by the series of the Bonds and (ii) the Issuer, once the Metro Cap Amount has been reached, in the amounts equal to and at the same time as the ad valorem taxes that would otherwise be due to the Issuer with respect to the element or phase of the Project financed by the series of the Bonds.

SECTION V: In order to induce the acquisition, construction, equipping and installation of the Project in the Issuer with the resultant public benefits which will flow therefrom, it is deemed necessary and advisable that the Memorandum of Agreement hereinafter referred to be approved and executed for and on behalf of the Issuer. Accordingly, the Memorandum of Agreement by and between the Company and the Issuer substantially in the form and with the contents set forth in Exhibit A attached hereto

and incorporated herein by reference is hereby approved, and the Mayor is hereby authorized and directed to execute and deliver said Memorandum of Agreement.

SECTION VI: Inasmuch as the Project is to be acquired, constructed, equipped and installed in order to conform to the requirements of the Company, so that the Company may provide additional industrial and economic development and employment to citizens and residents of the local community, and inasmuch as the Company is able to plan, acquire, construct, equip and install the Project and possesses more expertise in such matters, it is hereby found, determined and declared that acquisition, construction, equipping and installation of the Project should be undertaken or caused to be undertaken by the Company. Accordingly, the Company is hereby authorized to formulate and develop plans for the acquisition, construction, equipping and installation of the Project and to enter into such contracts and undertakings as may be required for the acquisition, construction, equipping and installation of the Project. Reimbursements made to the Company after the receipt of the proceeds of the sale of the proposed Bond issue by the Issuer shall be subject to the certifications by qualified persons to be designated by the Company as specified in the lease agreement or lease agreements to be entered into by the Issuer and the Company at the appropriate time pursuant to the Act.

SECTION VII: This Resolution and the Memorandum of Agreement approved hereby constitute the present official intent of the Issuer to issue the Bonds at a later date.

SECTION VIII: Stoll Keenon Ogden, PLLC, Louisville, Kentucky, is hereby approved as local Bond Counsel. Local Bond Counsel is authorized and directed to take any legal action necessary or appropriate in connection with the issuance of the Bonds. The County Attorney is authorized and directed to assist Local Bond Counsel in any

appropriate manner.

SECTION IX: No Issuer funds shall be expended on the Project, except such as are derived from Bond proceeds.

SECTION X: To the extent any resolution, ordinance or part thereof is in conflict, the provisions of this Resolution shall prevail and be given effect.

SECTION XI: No recourse shall be had for the payment of the principal of or premium or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement therein contained against any past, present or future officer, member, employee or agent of the Issuer, as such, either directly or through the Issuer, under any rule of law or equity, statute or constitution, or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, members, employees or agents as such shall be expressly waived and released as a condition of and consideration for the adoption of this Resolution and the issuance of the Bonds.

SECTION XII: The commitment of the Issuer pursuant to this Resolution is subject to the condition that on or before one year from the date hereof or such other date as shall be agreed upon by the Issuer, the Issuer shall have agreed to acceptable terms and conditions with respect to the loan or lease agreement(s) referred to in this Resolution and the details of the industrial building revenue bond financing.

SECTION XIII: Unless the Company enters into an agreement or agreements for PILOT Payments with the Issuer for a series of the Bonds, which shall at least include an agreement to make payments to the School District in amounts equal to and at the same times as the ad valorem taxes that would otherwise be due to the School District, the

Company acknowledges and agrees that it shall be responsible for all ad valorem taxes, if any lawfully assessed and due and payable in connection with the element or phase of the Project financed by that series of the Bonds.

SECTION XIV: This Resolution shall take effect upon its passage and approval or as otherwise becoming law.

This Resolution was given a first reading at a duly convened meeting of the Council, held on the _____ day of _____, 2026, and given second reading and approval at a duly convened meeting of the Council held on the _____, day of _____, 2026.

Sonya Harward
Metro Council Clerk

Brent Ackerson
President of the Council

Craig Greenberg
Mayor

Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell
Jefferson County Attorney

By: _____

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly qualified and acting Metro Council Clerk of the Louisville/Jefferson County Metro Government, and as such Clerk, I further certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by the Legislative Council of said Issuer at a duly convened meeting held on the ____ day of _____, 2026, signed by the Mayor and President of the Council, duly filed and recorded in my office, all as appears from the official records of said Legislative Council in my possession and under my control.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Issuer this ____ day of _____, 2026.

Sonya Harward,
LOUISVILLE METRO COUNCIL CLERK

(SEAL)