

RESOLUTION NO. 18-10-107

A RESOLUTION OF THE VILLAGE COUNCIL OF ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA, PROVIDING FOR THE BORROWING IN THE FORM OF A LINE OF CREDIT IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$7,500,000 FROM CENTENNIAL BANK TO FINANCE THE PROJECT; PROVIDING FOR THE ISSUANCE OF ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA, GRANT PROCEEDS NOTE, SERIES 2018; PLEDGING THE PLEDGED REVENUES; PROVIDING FOR THE PAYMENT OF THE SERIES 2018 NOTE AND THE EXECUTION AND RELATED FINANCING DOCUMENTS IN CONNECTION THEREWITH; AUTHORIZING FURTHER OFFICIAL ACTION IN CONNECTION WITH THE DELIVERY OF THE SERIES 2018 NOTE; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, Islamorada, Village of Islands (the “Village”) issued a Request for Proposals (the “RFP”) in order to identify a banking institution that can best provide the Village with a bank qualified, tax-exempt Line of Credit; and

WHEREAS, the Line of Credit will be used to fund Hurricane Irma-related response and recovery expenses, including the cost of removing Hurricane Irma-generated debris from the Village’s canals; and

WHEREAS, the Village received a proposal from Centennial Bank (the “Lender”) and the Lender has agreed to make Line of Credit available to the Village; and

WHEREAS, pursuant to the Resolution, the Village has determined that it is in the best interest of the health, safety and welfare of the Village and the inhabitants thereof that the Village pledge the Pledged Revenues to secure the obligations of the Village to repay the principal of and interest on the Series 2018 Note when due; and

WHEREAS, the obligation of the Village to repay principal of and interest on the Series 2018 Note will not constitute a general obligation or indebtedness of the Village as a “bond” within the meaning of any provision of the Constitution or laws of the State, but shall be and is hereby declared to be a special, limited obligation of the Village, secured solely by the Pledged Revenues and, to the extent any deficiency exists, from Non-Ad Valorem Revenues budgeted and appropriated by the Village; and

WHEREAS, the Village is not authorized to levy taxes on any property of or in the Village to pay the principal of or interest on the Series 2018 Note or to make any other payments provided for herein; and

WHEREAS, the Village has previously determined that it is necessary for the health, safety and welfare of the Village and in the best interest of its inhabitants to perform the Project (as hereinafter defined) and that issuance of the Series 2018 Note (as hereinafter defined) satisfies an essential public purpose.

NOW THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL OF ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA AS FOLLOWS:

Section 1. Authority for this Resolution. This Resolution is adopted pursuant to the provisions of Chapter 166, Part II, Florida Statutes, as amended, and other applicable provisions of law (collectively, the "Act").

Section 2. Definitions. The following terms shall have the following meanings when used in this Resolution unless the context clearly requires otherwise. Words importing singular numbers shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations. Capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Line of Credit Agreement.

"Charter" means Chapter 97-348, Laws of Florida, Special Acts of 1997, as amended.

"Clerk" means the Clerk of the Village or, in the Clerk's absence, any Deputy Clerk.

"Commitment" means the Commitment dated September 25, 2018, for purchase of the Series 2018 Note and the provision of the line of credit, submitted to the Village by the Lender and accepted by the Village with such changes as agreed to by the Village and the Lender.

"Council" means the Village Council of the Village, as the governing body of the Village.

"Code" means the Internal Revenue Code of 1986, as amended.

"Finance Director" means the Director of Finance of the Village.

"Financial Advisor" means RBC Capital Markets, LLC.

"Lender" means Centennial Bank, a state banking corporation, and its successors and/or assigns.

"Line of Credit Agreement" means the agreement between the Lender and the Village setting forth the terms and details of the line of credit, in substantially the form attached hereto as Exhibit A with such modifications or changes thereto as may be necessary or desirable, in the opinion of the Village Attorney and Bond Counsel, to conform the terms thereof to the terms of the Commitment or to secure for the Village any additional rights or privileges not inconsistent with the terms of the Commitment, such approval of the modifications or changes to be presumed by the execution and delivery thereof by the Village to the Lender.

"Loan" means the line of credit in the aggregate principal amount not to exceed \$7,500,000 from the Lender to the Village pursuant and in accordance with the Line of Credit Agreement.

“*Mayor*” means the Mayor of the Village, or in the Mayor’s absence, the Vice Mayor.

“*Non-Ad Valorem Revenues*” means all legally available non-ad valorem revenues of the Village, but shall not include any ad valorem taxes.

“*Pledged Revenues*” shall mean the reimbursement proceeds received by the Village from any federal or state governmental agencies related to Hurricane Irma, including but not limited to, the Federal Emergency Management Agency, the Florida Division of Emergency Management, the United States Department of Agriculture and the State of Florida.

“*Project*” means the clean-up and reconstructive efforts related to the aftermath of Hurricane Irma, including but not limited to, debris removal from the Village’s canals, construction of a boardwalk, replacement of a PVC membrane for the Founders Park Amphitheater and other capital improvements.

“*Resolution*” means, collectively, this resolution and all resolutions amendatory hereof and supplemental hereto.

“*Series 2018 Note*” means the Islamorada, Village of Islands, Florida, Grant Proceeds Note, Series 2018, authorized herein, in substantially the form attached to the Line of Credit Agreement as Exhibit A, with such modifications or changes thereto as may be necessary or desirable, in the opinion of the Village Attorney, and Bond Counsel, to conform the terms thereof to the terms of the Commitment or to secure for the Village any additional rights or privileges not inconsistent with the terms of the Commitment, such approval of the modifications or changes to be presumed by the execution and delivery thereof by the Village to the Lender.

“*Village*” means Islamorada, Village of Islands, Florida, a municipal corporation of the State of Florida.

“*Village Manager*” means the Village Manager of the Village, or his designee.

Section 3. Findings. It is hereby found, declared, and determined by the Council:

(A) The Village has determined that it is necessary and in the best interests of the health, safety and welfare of the Village and its inhabitants that the Village finance the costs and expenses associated with the Project. Issuance of the Series 2018 Note satisfies a public purpose.

(B) The Pledged Revenues are not currently pledged to any obligation of the Village.

(C) The Series 2018 Note will be payable from Pledged Revenues and to the extent any deficiency exists in the payment of debt service on the Series 2018 Note, from Non-Ad Valorem Revenues budgeted and appropriated for such purpose. The Pledged Revenues and the Non-Ad Valorem Revenues budgeted and appropriated for such purpose are expected to be sufficient to pay the Series 2018 Note as the same becomes due.

(D) The Village Council determined that the Lender’s Commitment contained terms favorable to the Village.

(E) Because of the characteristics of the Series 2018 Note, prevailing market conditions, and an ability to have an expeditious sale of the Series 2018 Note, it is in the best interest of the Village to sell the Series 2018 Note at a private negotiated sale to the Lender. The Village has received the Commitment from the Lender for the Loan, and, based upon the advice of the Financial Advisor, it is in the best interests of the Village that the Commitment be accepted. Prior to the issuance of the Series 2018 Note, the Village shall receive from the Lender, a Lender's Certificate, the form of which is attached hereto as Exhibit B and the Disclosure Letter containing the information required by Section 218.385, Florida Statutes, a form of which is attached hereto as Exhibit C.

(F) The obligation of the Village to repay the Series 2018 Note in accordance with its terms and to make the payments required under the Line of Credit Agreement is hereby declared to be and shall be a special, limited obligation of the Village, secured solely by the Pledged Revenues. The obligation of the Village to repay the Series 2018 Note in accordance with its terms and to make any other payments, if any, required under the Series 2018 Note or the Line of Credit Agreement shall not be or constitute a general obligation or indebtedness of the Village and neither the Series 2018 Note nor the Line of Credit Agreement shall be or constitute a "bond" of the Village within the meaning of Article VII, Section 12, Florida Constitution (1968). Neither the Lender nor any successor owner of the Series 2018 Note shall be entitled to compel the payment of the principal of or interest on the Series 2018 Note or the making of any payments required under the Series 2018 Note or the Line of Credit Agreement from any moneys of the Village other than the Pledged Revenues and Non-Ad Valorem Revenues, as provided herein and in the Line of Credit Agreement.

Section 4. Approval of Commitment. The Village accepts the Lender's Commitment.

Section 5. Authorization of Series 2018 Note and Project. Subject and pursuant to the provisions hereof and in accordance with the provisions of the Line of Credit Agreement, the issuance by the Village of its Series 2018 Note, in an aggregate principal amount of not to exceed Seven Million Five Hundred Thousand Dollars (\$7,500,000) at any one time, to be dated, to bear interest, to be payable, to mature, to be subject to redemption and to have such other characteristics as provided in the Series 2018 Note, the Line of Credit Agreement and the Commitment, and to be secured as provided in the Line of Credit Agreement is hereby authorized. The financing of the Project with proceeds from the Loan is hereby approved.

Section 6. Approval of Form of Line of Credit Agreement and Series 2018 Note. The Line of Credit Agreement and the Series 2018 Note, in substantially the form attached hereto as Exhibit A, are approved, and the Mayor and Clerk are authorized to execute and deliver the Line of Credit Agreement and the Series 2018 Note to the Lender, and to take such other actions as shall be necessary to consummate the Loan.

Section 7. Authorization of Other Action. The Mayor, the Clerk, the Village Manager, the Finance Director and the Village Attorney are each designated agents of the Village in connection with the execution and delivery of the Line of Credit Agreement and the Series 2018 Note and are authorized and empowered, collectively or individually, to take all action and steps to execute and deliver any and all instruments, documents or contracts on behalf of the Village which are necessary

or desirable in connection with the execution and delivery of the Line of Credit Agreement and the Series 2018 Note to the Lender, including, but not limited to, the making of modifications to the Line of Credit Agreement and the Series 2018 Note to conform the provisions thereof to the provisions of the Commitment.

Section 8. Application of Proceeds of Loan. The proceeds of the Loan shall be used to pay costs of the Project and pay related associated costs of issuance (including but not limited to legal and financial advisory fees and expenses).

Section 9. Repeal of Inconsistent Provisions. All resolutions or parts thereof in conflict with this Resolution are hereby repealed to the extent of such conflict.

Section 10. Severability. If any one or more of the covenants, agreements, or provisions of this Resolution should be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements, or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions, and in no way affect the validity of all other provisions of the Resolution or of the Series 2018 Note or Line of Credit Agreement delivered hereunder.

Section 11. Amendment. This Resolution may not be amended or repealed except with the prior written consent of the Lender.

Section 12. Effective Date. This Resolution shall take effect immediately upon its adoption.

Motion to adopt by Councilman Jim Mooney, second by Councilwoman Cheryl Meads.

FINAL VOTE AT ADOPTION

VILLAGE COUNCIL OF ISLAMORADA, VILLAGE OF ISLANDS

Mayor Chris Sante	YES
Vice Mayor Deb Gillis	YES
Councilmember Mike Forster	YES
Councilmember Cheryl Meads	YES
Councilmember Jim Mooney	YES

PASSED AND ADOPTED THIS 18TH DAY OF OCTOBER, 2018.



CHRIS SANTE, MAYOR

ATTEST:

Kelly S. Toth
KELLY S. TOTH, VILLAGE CLERK

APPROVED AS TO FORM AND LEGALITY
FOR THE USE AND BENEFIT OF ISLAMORADA,
VILLAGE OF ISLANDS ONLY:


ROGET V. BRYAN, VILLAGE ATTORNEY

EXHIBIT A Available Upon Request.

Please contact Village Clerk at
305-664-6413 or
deputyclerk@islamorada.fl.us