

ORDINANCE NO. 2017-024

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF COCONUT CREEK, FLORIDA, AUTHORIZING THE ISSUANCE OF CAPITAL IMPROVEMENT REVENUE NOTES OF THE CITY AND EXECUTION AND DELIVERY OF THE LOAN AGREEMENTS IN THE AGGREGATE AMOUNT NOT TO EXCEED \$16,766,300 TO REFINANCE THE CITY'S OUTSTANDING CAPITAL IMPROVEMENT REVENUE NOTE, SERIES 2009, AND TO FINANCE VARIOUS CAPITAL IMPROVEMENTS; ACCEPTING THE PROPOSALS OF LENDER; APPROVING THE FORM OF LOAN AGREEMENTS AND NOTES EVIDENCING SUCH FINANCING; PROVIDING FOR THE PAYMENT OF SUCH NOTE FROM THE NON-AD VALOREM FUNDS OF THE CITY; PROVIDING FOR REPEAL OF INCONSISTENT PROVISIONS; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Coconut Creek, Florida (the "City"), has a five-year capital improvement plan, as adopted from time to time (the "CIP"), which provides for the acquisition, construction, improvement, and equipping of various public improvements (the "CIP Improvements"); and

WHEREAS, the City Commission hereby determines that it is necessary and appropriate for the City to undertake the implementation, acquisition, construction, improvement, equipping, and repair of a portion of the CIP Improvements (the "Series 2017 Project"); and

WHEREAS, the City Commission hereby declares and determines that the Series 2017 Project serves a valid paramount public and municipal purpose of the City; and

WHEREAS, the City has previously issued its Capital Improvement Revenue Note, Series 2009 (the "Refunded Note"), currently outstanding in the principal amount of \$6,766,300 for the purpose of financing the cost of undergrounding above ground utility lines, construction of a Public Works Building, and various other capital projects (the "Series 2009 Project"); and

WHEREAS, the City is authorized by Chapter 166, Florida Statutes, the Home Rule Charter of the City of Coconut Creek approved at a referendum on March 12, 1985, as amended, and other applicable provisions of law (collectively the “Act”) to incur indebtedness of the City for the purpose of financing the cost of the Series 2017 Project and refinancing the Refunded Note; and

WHEREAS, the City Commission hereby finds it necessary and in the best interest of the City to authorize the issuance of its City of Coconut Creek, Florida, Capital Improvement Revenue Note, Series 2017A (the “Series 2017A Note”) and City of Coconut Creek, Florida, Capital Improvement Revenue Note, Series 2017B (the “Series 2017B Note”) (collectively the “Series 2017 Notes”), for the purpose of providing funds, together with other available funds, to finance the cost of the Series 2017 Project, the cost of refinancing the Refunded Note, and pay the costs of issuance of the Series 2017 Notes.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF COCONUT CREEK, FLORIDA:

Section 1: Ratification. That the foregoing “WHEREAS” clauses are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Ordinance.

Section 2: Authority for this Ordinance. That this Ordinance is enacted pursuant to the provisions of the Act.

Section 3: Findings. That it is hereby ascertained, determined, and declared that:

- (a) The City requested proposals for the financing of the Series 2017 Project and the refinancing of the Refunded Note from banks and other financial institutions and has received proposals from Branch Banking & Trust Company (the “Lender”), attached hereto as Exhibit A-1 and A-2 (the “Proposals”).
- (b) PFM Financial Advisors LLC, the Financial Advisor to the City (the “Financial Advisor”), has advised the City that due to the limited activity of the City in the public financial markets and the timing of the issuance of the Series 2017 Notes, it would have been impracticable to engage in the competitive bidding process and solicitation of bank proposals and that negotiation with the proposing banks is the recommended method to ensure the City receives the best value; and the Financial Advisor has advised the City that, to the best of its knowledge and belief, similar loans in the municipal bond market are usually negotiated.

- (c) It is hereby determined to be in the best interest of the City to accept the Proposals from the Lender, and it is in the best interest of the City that the Series 2017 Notes be sold at a negotiated sale pursuant to the Proposals.
- (d) It is necessary and desirable to provide for the execution and delivery of a Loan Agreement with respect to each of the Series 2017 Notes and the issuance of the Series 2017 Notes of the City to implement the financing of the Series 2017 Project and the refinancing of the Refunded Note. Amounts due under each of the Loan Agreements and each of the Series 2017 Notes shall be payable from the legally available non-ad valorem revenues of the City, and shall be secured by the City's covenant to budget and appropriate from legally available non-ad valorem funds each year monies sufficient to pay the principal and interest thereon and other amounts due thereunder.

Section 4: Authorizing the Notes. That the issuance of Capital Improvement Revenue Note, Series 2017A not exceeding \$10,000,000, and Capital Improvement Revenue Note, Series 2017B not exceeding \$6,766,300, for the purpose above, to be dated, to bear interest at a rate or rates not exceeding the maximum legal rate per annum, to be payable, to mature, to be subject to redemption and to have such other characteristics as shall be provided in the form of the loan agreement attached and in the respective Proposals, and to be secured by the covenant of the City to budget and appropriate from legally available non-ad valorem funds each year monies sufficient to pay the principal and interest on such Series 2017 Notes and other amounts due thereunder, is hereby authorized.

Section 5: Authorization to Accept Proposals. That the City Manager is hereby authorized to accept the Proposals from Lender. In order to comply with provisions of the Internal Revenue Code of 1986 relating to the exclusion from gross income of the interest on state and local government debt: (i) the City Manager is authorized to deliver a written acceptance of the Proposal relating to the Series 2017A Note to the Lender promptly after the effective date of this Ordinance, and upon delivery of such acceptance to the Lender and acknowledgement thereof by the Lender, such Proposal shall become the binding agreement of the City and the Lender as to the sale and purchase of the Series 2017A Note, and (ii) not less to less than fifteen (15) days thereafter, the City Manager is authorized to deliver a written acceptance of the Proposal relating to the Series 2017B Note to the Lender, and upon delivery of such acceptance to the Lender and acknowledgement thereof by the Lender (but not before), such Proposal shall become the binding agreement of the City and the Lender as to the sale and purchase of the Series 2017B Note. The authorization herein to accept the Proposal relating to the Series 2017B Note may be rescinded by the City Commission at any time prior to the delivery to the Lender of the City's written acceptance thereof.

Section 6: Approval of Form of Loan Agreements and Notes. That the forms of the Loan Agreements and Series 2017 Notes, attached hereto, are hereby approved. The City Manager, City Clerk, and City Attorney are hereby authorized to execute and deliver such instruments, with such additions, deletions, and other changes as may be necessitated by applicable law, this Ordinance or the Proposals as the City Manager and

the City Attorney may approve (such approval to be conclusively evidenced by the execution of such documents), and to take such other actions as shall be necessary to implement the issuance of the Series 2017 Notes.

Section 7: Conflicts. That all ordinances or parts of ordinances, all City Code sections, or parts of City Code sections, and all resolutions or parts of resolutions in conflict with this Ordinance are hereby repealed to the extent of such conflict.

Section 8: Severability. That should any section or provision of this Ordinance or any portion thereof, any paragraph, sentence, clause, or word be declared by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remainder hereof as a whole or part hereof other than the part declared invalid.

Section 9: Effective Date. That this Ordinance shall become effective upon its passage on second and final reading.

PASSED FIRST READING THIS 22ND DAY OF JUNE, 2017.

PASSED SECOND READING THIS 27TH DAY OF JULY, 2017.

Rebecca A. Tooley, Mayor

Attest:

Leslie Wallace May, City Clerk

	<u>1st</u>	<u>2nd</u>
Tooley	<u>Aye</u>	<u>Aye</u>
Rydell	<u>Aye</u>	<u>Aye</u>
Sarbone	<u>Aye</u>	<u>Aye</u>
Belvedere	<u>Aye</u>	<u>Aye</u>
Welch	<u>Aye</u>	<u>Aye</u>