

RESOLUTION NO. 19-

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA, AUTHORIZING A LOAN IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$70,500,000, IN THE FORM OF A NON-REVOLVING LINE OF CREDIT, FOR THE PURPOSE OF PROVIDING INTERIM FINANCING TO PAY THE COST OF CERTAIN CAPITAL IMPROVEMENTS TO THE CITY'S STORMWATER SYSTEM; ACCEPTING THE PROPOSAL OF PNC BANK, NATIONAL ASSOCIATION, TO PROVIDE SUCH LOAN TO THE CITY; AUTHORIZING THE ISSUANCE OF A NON-REVOLVING CREDIT NOTE TO EVIDENCE AND SECURE THE LOAN; PLEDGING THE PLEDGED FUNDS, INCLUDING, WITHOUT LIMITATION, THE NET REVENUES OF THE CITY'S STORMWATER SYSTEM, AS THE SOURCE OF PAYMENT AND SECURITY FOR THE LOAN AND THE NON-REVOLVING CREDIT NOTE; MAKING FINDINGS AND DETERMINATIONS AS TO SAID LOAN; AUTHORIZING THE EXECUTION AND DELIVERY OF SUCH NON-REVOLVING CREDIT NOTE; APPROVING THE FORM OF A LINE OF CREDIT AGREEMENT AND AUTHORIZING THE EXECUTION AND DELIVERY OF SUCH LINE OF CREDIT AGREEMENT; AUTHORIZING OTHER REQUIRED ACTIONS IN CONNECTION THEREWITH; PROVIDING FOR SEVERABILITY OF INVALID PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Fort Lauderdale, Florida (the "City") desires to obtain interim financing for a portion of the cost of the design, development, acquisition, construction, extension, enlargement, improvement, renovation, equipping and furnishing of the City's Stormwater System (the "Project"); and

WHEREAS, the City solicited proposals from various financial institutions through the issuance of a Request for Proposals dated November 1, 2019 (the "RFP") for a loan in the form of a non-revolving line of credit (the "Line of Credit"), in an amount not to exceed \$70,500,000, to provide interim financing for the Project; and

WHEREAS, PNC Bank, National Association, (the "Lender") is one of the financial institutions that responded to the RFP with a proposal dated November 22, 2019 (the

“Proposal”) attached hereto as Exhibit “A” and for all purposes made a part hereof, and is willing to provide a Line of Credit upon the terms and conditions set forth in the Proposal; and

WHEREAS, it is in the best interests of the City to accept the terms of the Proposal, to enter into a Line of Credit Agreement between the City and the Lender (the “Line of Credit Agreement”) substantially in the form attached hereto as Exhibit “B” setting forth the terms and conditions pursuant to which the Lender will provide the Line of Credit to the City, and to issue the Non-Revolving Credit Note (as defined hereinbelow) to evidence its repayment obligations under the Line of Credit;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA:

SECTION 1. Authority for this Resolution. This resolution is adopted pursuant to the provisions of Chapters 166, Part II and 403, Florida Statutes, as amended, Article VIII, Section 2 of the Constitution of the State of Florida, the Charter of the City and other applicable provisions of law.

SECTION 2. Findings. The City Commission of the City (the “City Commission”) hereby finds and determines that:

A. The recitals to this Resolution are hereby incorporated herein as findings and determinations;

B. It is in the best interests of the City to finance on an interim basis the costs of the Project;

C. It is in the best interests of the City to accept the Proposal and to enter into the Line of Credit Agreement and issue the Non-Revolving Credit Note to the Lender; and

D. It is hereby determined by the City that a negotiated award of the Line of Credit is in its best interests because of (i) the volatile financial market conditions, (ii) the necessity of being able to adjust the terms of the Line of Credit to respond to changes in market conditions and (iii) the need to maintain maximum flexibility while moving as expeditiously as possible to consummate the financing.

SECTION 3. Definitions. Capitalized terms used herein without definition shall have the meanings ascribed to such terms in the recitals hereto or in the Line of Credit Agreement, unless otherwise provided or unless the context otherwise clearly requires. Any reference in this

resolution to the Mayor shall mean either the Mayor or the Vice Mayor of the City. Any reference in this resolution to the City Manager shall mean either the City Manager or an Assistant City Manager of the City designated by the City Manager. Any reference in this resolution to the City Clerk shall mean either the City Clerk or any Assistant City Clerk of the City. Any reference in this resolution to the Chief Financial Officer shall mean either the Chief Financial Officer of the City or a designee of the Chief Financial Officer. Any reference in this resolution to the City Attorney shall mean either the City Attorney of the City or any Assistant City Attorney designated by the City Attorney.

SECTION 4. Acceptance of Proposal; Authorization of Line of Credit and Issuance of the Non-Revolving Credit Note. The City Commission hereby accepts the Proposal of the Lender, attached hereto as Exhibit "A," to provide the Line of Credit in an aggregate principal amount not to exceed \$70,500,000. The proceeds from any draw under the Line of Credit shall be used solely for the purpose of providing funds to finance on an interim basis the costs of the Project and to pay costs incurred in connection with the Line of Credit and issuance of the Non-Revolving Credit Note.

The City hereby authorizes the issuance of a promissory note (the "Non-Revolving Credit Note"), under and pursuant to the Line of Credit Agreement, in a maximum aggregate principal amount not exceeding \$70,500,000.

SECTION 5. Terms and Provisions Applicable to the Non-Revolving Credit Note.

A. The Non-Revolving Credit Note is issuable only in registered form and shall be in substantially the form attached as Exhibit "B" to the Line of Credit Agreement, with such appropriate variations, omissions and insertions as may be required therein and approved by the City Manager, upon the advice of the City Attorney and Bond Counsel, with the Mayor's and the City Manager's execution of the Non-Revolving Credit Note being conclusive evidence of the City Manager's and the City Commission's approval of such variations, omissions and insertions. The Mayor and City Manager are hereby authorized to execute and deliver the Non-Revolving Credit Note and the City Clerk is hereby authorized and directed to attest to the execution of the Non-Revolving Credit Note by the Mayor and City Manager and affix or imprint the seal of the City thereon. The Non-Revolving Credit Note shall be issued to the Lender, as registered owner thereof, bear interest at a variable rate from its initial draw date through the end of the draw period, and thereafter continue to bear interest at a revised variable rate as described in the Line of Credit Agreement, mature on July 1, 2035, and be subject to prepayment, all as set forth in the Line of Credit Agreement. The Non-Revolving Credit Note shall be secured by and payable from the Pledged Funds (defined below), in the manner and to the extent provided in the Line of Credit Agreement.

B. The City hereby pledges the Net Revenues of the City's Stormwater System as security for the payment of the principal of and interest on the Non-Revolving Credit Note. Such Net Revenues and any investment earnings in the Revenue Fund and in the Sinking Fund are referred to herein as the "Pledged Funds."

SECTION 6. Approval of the Form and Authorization of Execution and Delivery of the Line of Credit Agreement. The form of the Line of Credit Agreement is hereby approved in substantially the form approved at this meeting and attached hereto as Exhibit "B," with such variations, omissions and insertions as may be approved by the City Manager, upon the advice of the Chief Financial Officer, the City Attorney and Bond Counsel. The City Manager is hereby authorized to execute and deliver the Line of Credit Agreement and the City Clerk is hereby authorized and directed to attest to the execution of the Line of Credit Agreement by the City Manager and affix or imprint the seal of the City thereon. The execution and delivery by the City Manager of the Line of Credit Agreement shall be deemed to be conclusive evidence of the City Manager's and the City Commission's approval of any variations, omissions and insertions in the Line of Credit Agreement from the form thereof attached hereto as Exhibit "B."

SECTION 7. General Authority. The Mayor, the City Manager, the Chief Financial Officer, the City Attorney, the City Clerk and the officers, agents and employees of the City are hereby authorized and directed to do all acts and things required of them by this resolution, the Non-Revolving Credit Note and the Line of Credit Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained herein or therein, and the Mayor, the City Manager, the Chief Financial Officer, the City Attorney, the City Clerk and the officers, agents and employees of the City are hereby authorized and directed to execute and deliver any and all papers and instruments and to cause to be done all acts and things necessary or proper for the carrying out of the transactions contemplated by this resolution.

SECTION 8. Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions herein contained shall 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 separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof.

SECTION 9. Effective Date. This resolution shall take effect immediately upon its adoption.

ADOPTED this the ____ day of _____ 2019.

Mayor
DEAN J. TRANTALIS

ATTEST:

City Clerk
JEFFREY A. MODARELLI

EXHIBIT "A"

PROPOSAL OF PNC BANK, NATIONAL ASSOCIATION

[SEE EXHIBIT 3 TO COMMISSION AGENDA
MEMORANDUM NO. 19-1109]

EXHIBIT "B"

FORM OF LINE OF CREDIT AGREEMENT

[SEE EXHIBIT 4 TO COMMISSION AGENDA
MEMORANDUM NO. 19-1109]