

ORDINANCE NO. 20-10

AN ORDINANCE OF THE CITY OF BELLE ISLE, FLORIDA, AUTHORIZING THE BORROWING OF MONEY AND THE ISSUANCE OF DEBT IN AN AMOUNT NOT TO EXCEED \$2,600,000 FOR THE PURPOSE OF FINANCING THE ACQUISITION OF ONE OR MORE PARCELS OF LAND AND THE IMPROVEMENTS LOCATED THEREON AND/OR THE CONSTRUCTION, ACQUISITION, AND EQUIPPING OF CERTAIN CAPITAL IMPROVEMENTS OF THE ISSUER, INCLUDING, BUT NOT LIMITED TO, STORMWATER IMPROVEMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, participating governmental units have created the Florida Municipal Loan Council (the "Council") pursuant to a certain Interlocal Agreement and pursuant to Chapter 163, Part I, Florida Statutes, for the purpose of issuing its bonds to make loans to participating governmental units for the financing or refinancing of qualified projects; and

WHEREAS, the Council administers a financing program within the State of Florida (the "State") whereby funds are provided by a qualified lending institution and loaned directly to the participating local government to finance, refinance, or reimburse the costs of qualifying projects and secured by a debt obligation issued by such participating local government (the "Program"); and

WHEREAS, through the Program, participating local governments receive access to the Council's team of professionals and pre-reviewed set of form financing documents, and the Council coordinates the financing process and professionals through loan closing; and

WHEREAS, the City of Belle Isle, Florida (the "Issuer") is a municipal corporation duly created and existing pursuant to the Constitution and laws of the State of Florida; and

WHEREAS, the Issuer has determined that it is necessary and desirable and in the best interest of the inhabitants of the Issuer to finance the acquisition of one or more parcels of land and the improvements located thereon and/or the construction, acquisition, and equipping of certain capital improvements of the Issuer, including, but not limited to, stormwater improvements (collectively, the "Project"), and that the Project serves a public purpose; and

WHEREAS, the Issuer is authorized pursuant to the provisions of the Constitution of the State, Chapter 166, Florida Statutes, the Charter of the Issuer, and other applicable provisions of law, each as amended, to participate in the Program and borrow funds to finance the Project (the "Loan"); and

WHEREAS, in connection with the borrowing of funds to finance the Project, the Issuer desires to issue its not to exceed \$2,600,000 City of Belle Isle, Florida Capital Improvement Revenue Note, Series 2020 (the "Note"); and

WHEREAS, amounts due under the Note will be secured by a covenant to budget and appropriate legally available non-ad valorem revenues of the Issuer (the "Non-Ad Valorem Revenues"); and

WHEREAS, the Issuer anticipates that the Note will be issued in a single series in calendar year 2020; and

WHEREAS, Part I, Article III, Section 3.12(F) of the Charter of the Issuer requires the City Council of the City of Belle Isle, Florida (the "City Council") to authorize by ordinance the borrowing of money; and

WHEREAS, the City Council now wishes to authorize the borrowing of money to finance the Project and the transaction costs associated therewith and authorize the issuance of the Note for such purposes, which Note may be sold at a public or private sale, in connection therewith.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF BELLE ISLE, FLORIDA, AS FOLLOWS:

SECTION 1. ADOPTION OF REPRESENTATIONS. The above stated recitals are hereby incorporated as part of this Ordinance.

SECTION 2. AUTHORITY FOR THIS ORDINANCE. This Ordinance is enacted pursuant to the provisions of Chapter 166, Part II, Florida Statutes; the Charter of the Issuer; and other applicable provisions of law.

SECTION 3. AUTHORIZATION OF THE PROJECT. The Issuer does hereby authorize the Project.

SECTION 4. AUTHORIZATION OF THE BORROWING OF MONEY. The issuance by the Issuer of not exceeding \$2,600,000 City of Belle Isle, Florida Capital Improvement Revenue Note, Series 2020, for the purpose of financing the Project, to be secured by a covenant to budget and appropriate legally available Non-Ad Valorem Revenues, 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 by subsequent resolution of the City Council prior to its delivery, is hereby authorized. The City Council may adopt a specific note resolution (including any resolutions supplemental to the note resolution), supplemental to this Ordinance, which sets forth the fiscal details of the Note and other covenants and provisions necessary for the marketing, sale, and issuance of the Note.

SECTION 5. DECLARATION OF INTENT. The City Council hereby expresses its intention to be reimbursed from proceeds of the Note. The City Council expects to use legally available funds to pay for costs of the Project, including, but not limited to, capital expenditures, costs of design and engineering, and other costs associated with the incurrence of debt. This Ordinance is intended to constitute a "declaration of official intent" within the meaning of Section 1.150-2 of the Income Tax Regulations, which were promulgated pursuant to the Internal Revenue Code of 1986, as amended, with respect to the debt incurred to finance the Project.

SECTION 6. LIMITED OBLIGATION. THE FULL FAITH AND CREDIT OF THE ISSUER, THE STATE, OR ANY POLITICAL SUBDIVISION THEREOF, ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTE, AND ALL OTHER AMOUNTS DUE UNDER THE LOAN, AND HOLDERS SHALL NEVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF ANY TAXING POWER OF THE ISSUER, THE STATE, OR ANY POLITICAL SUBDIVISION THEREOF, TO THE PAYMENT OF SUCH PRINCIPAL OR INTEREST, OR ALL OTHER AMOUNTS DUE UNDER THE LOAN. THE NOTE AND THE OBLIGATION EVIDENCED THEREBY SHALL NOT CONSTITUTE A LIEN UPON ANY PROPERTY OF THE ISSUER, AND SHALL BE PAYABLE FROM AND SECURED SOLELY BY THE NON-AD VALOREM REVENUES ACTUALLY BUDGETED, APPROPRIATED, AND DEPOSITED INTO A DEBT SERVICE FUND ESTABLISHED FOR SUCH PURPOSE, ALL IN THE MANNER AND TO THE EXTENT DESCRIBED IN A SPECIFIC NOTE RESOLUTION SUPPLEMENTAL TO THIS ORDINANCE. THE NOTE SHALL NOT BE OR CONSTITUTE A GENERAL OBLIGATION OR INDEBTEDNESS OF THE ISSUER AS "BONDS" WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION.

SECTION 7. GENERAL AUTHORITY. The City Manager and the Finance Manager are hereby authorized to do all acts and things required of them or that may otherwise be desirable or consistent with accomplishing the financing of the Project and to cause to be done any and all acts and things necessary or proper for moving forward with the financing of the Project.

SECTION 8. NO PERSONAL LIABILITY. No recourse under or upon any obligation, covenant or agreement of this Ordinance, the Note, any specific note resolution or supplemental note resolution, or for any claim based thereon or otherwise in respect thereof, shall be had against any official, officer, or employee of the Issuer or any member of the City Council, as such, past, present, or future, either directly or through the Issuer, it being expressly understood that (a) no personal liability whatsoever shall attach to, or is or shall be incurred by, any official, officer or employee of the Issuer or members of the City Council, as such, under or by reason of the obligations, covenants, or agreements contained in this Ordinance, the Note, any specific note resolution or supplemental resolution, or implied therefrom, and (b) that any and all such personal liability, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, any official, officer, or employee of the Issuer or member

of the City Council, as such, are waived and released as a condition of, and as a consideration for, the adoption of this Ordinance and the issuance of the Note on the part of the Issuer.

SECTION 9. SEVERABILITY. If any section, subsection, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portion thereto.

SECTION 10. EFFECTIVE DATE. This Ordinance shall become effective immediately upon its enactment.

FIRST READING AND PUBLIC HEARING: _____, 2020.

SECOND READING, ADOPTION, AND PUBLIC HEARING _____, 2020.

ATTEST:

Yolanda Quiceno, City Clerk

Nicholas Fouraker, Mayor

Approved as to form and legality
For the use and reliance of the
City of Belle Isle, Florida, only:

A. Kurt Ardaman, City Attorney