

ORDINANCE NO. 2020- ____

AN ORDINANCE OF THE TOWN OF MIAMI LAKES, FLORIDA, AUTHORIZING A LOAN IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$15,000,000, IN THE FORM OF A NON-REVOLVING LINE OF CREDIT, FOR THE PURPOSE OF PROVIDING LIQUIDITY FINANCING FOR THE PROJECT DESCRIBED HEREIN; AUTHORIZING THE ISSUANCE OF A NON-REVOLVING CREDIT NOTE TO EVIDENCE AND SECURE THE LOAN; PROVIDING THAT DETAILS, TERMS AND OTHER MATTERS RELATING TO THE ISSUANCE OF THE NON-REVOLVING CREDIT NOTE SHALL BE ESTABLISHED OR PROVIDED FOR IN A SUPPLEMENTAL NOTE RESOLUTION AND A LINE OF CREDIT AGREEMENT; PROVIDING FOR A COVENANT TO BUDGET AND APPROPRIATE NON-AD VALOREM REVENUES, AS MORE SPECIFICALLY DESCRIBED IN THE SUPPLEMENTAL NOTE RESOLUTION; RATIFYING THE DISTRIBUTION OF A REQUEST FOR PROPOSALS TO FINANCIAL INSTITUTIONS; AUTHORIZING THE TOWN MANAGER TO PROCEED TO DEVELOP NECESSARY DOCUMENTS TO AWARD AND ISSUE THE NON-REVOLVING CREDIT NOTE AND TO DETERMINE THE SPECIFIC DETAILS OF THE LINE OF CREDIT AGREEMENT AND NON-REVOLVING CREDIT NOTE WITHIN THE PARAMETERS SET FORTH IN THE SUPPLEMENTAL NOTE RESOLUTION; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE. (PIDERMANN)

WHEREAS, the Town of Miami Lakes, Florida (the “Town”) Council finds that it is in the best interest of Town residents to obtain liquidity financing to enable the Town to better respond to an emergency event such as, but not limited to, hurricanes or other natural, biological, or man-made disasters that would require the financing of clean-up, collection and disposal of solid waste or other permitted costs, to assure public safety and provide General Fund cash flow relief (the “Project”); and

WHEREAS, the Town Council finds it is in the best interest of the residents of the Town to finance the costs of the Project through a loan from a financial institution, in the form of a non-revolving line of credit, along with the issuance of a non-revolving credit note as described herein to evidence and secure such loan; and

WHEREAS, in order to obtain the desired liquidity financing for the Project, the Town Council finds that it is necessary and desirable for the Town to enter into a line of credit agreement with a financial institution and to issue its non-revolving credit note in an aggregate principal amount not to exceed \$15,000,000; and

WHEREAS, The Town solicited proposals from various financial institutions through the issuance of its Request for Proposal – Line of Credit No. 2020-12, dated January 3, 2020 (the “RFP”), for a non-revolving line of credit (the “Line of Credit”), in an amount not to exceed \$15,000,000, to provide liquidity financing for the Project; and

WHEREAS, the Charter of the Town (the “Charter”) provides that the authorization to provide for the borrowing of money shall be by ordinance of the Town Council;

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF MIAMI LAKES, FLORIDA, AS FOLLOWS:

Section 1. Incorporation of Recitals. The recitals set forth above are true and correct and are incorporated herein by this reference.

Section 2. Authority for this Ordinance. This ordinance (the “Authorizing Ordinance”) is enacted pursuant to the provisions of Article VIII, Section 2 of the Florida Constitution, Chapter 166, Part II, Florida Statutes, and Sections 1.1, 4.3 and 4.11 of the Charter.

Section 3. Definitions. In addition to capitalized terms otherwise defined herein, the following terms shall have the meanings ascribed to them in this Section unless the context clearly indicates otherwise:

“Act” means, collectively, Article VIII, Section 2 of the Florida Constitution, Chapter 166, Part II, Florida Statutes, Sections 1.1, 4.3 and 4.11 of the Charter, this Authorizing Ordinance, and other applicable provisions of law.

“Covenant” means the covenant of the Town to budget and appropriate Non-Ad Valorem Revenues referenced in Section 5(C) hereof and more specifically described in a Supplemental Note Resolution.

“Financial Institution” means the financial institution selected by the Town Council by subsequent resolution (which may be the Supplemental Note Resolution) to enter into the Line of Credit Agreement and purchase the Non-Revolving Credit Note.

“Line of Credit Agreement” means the line of credit agreement to be entered into between the Town and the Financial Institution, in such form as may be approved by the Town Council by subsequent resolution (which may be the Supplemental Note Resolution).

“Non-Ad Valorem Revenues” means all revenues of the Town that are not derived from ad valorem taxation and that are legally available to pay principal of, premium, if any, and interest on the Non-Revolving Credit Note and are not required to pay essential services of the Town, all as more specifically provided in the Supplemental Note Resolution.

“Non-Revolving Credit Note” means the Town of Miami Lakes, Florida Non-Revolving Credit Note (2020 Line of Credit), in the aggregate principal amount not to exceed \$15,000,000, to be issued under the authority of this Authorizing Ordinance and pursuant to the Supplemental Note Resolution.

“Project” has the meaning set forth in the first “Whereas” clause of this Authorizing Ordinance.

“Supplemental Note Resolution” means the resolution described in Section 5(B) of this Authorizing Ordinance.

“Town” means the Town of Miami Lakes, Florida, a municipal corporation of the State of Florida.

“Town Council” means, collectively, the elected officials who serve as the governing body of the Town.

“Town Manager” means the individual who serves as the chief administrative officer of the Town, or in such person’s absence or inability to act, any duly appointed Deputy or Assistant Town Manager.

Section 4. Findings. It is hereby determined and declared that:

(A) The Town is a municipal corporation of the State of Florida and pursuant to Article VIII, Section 2, Florida Constitution, Chapter 166, Florida Statutes, and Section 1.1 of the Charter of the Town, the Town has all powers of local self-government to perform municipal functions and to render municipal services, except as otherwise provided by law (“Home Rule Power”), and such Home Rule Power may be exercised by the Town through enactment of an appropriate ordinance.

(B) A negotiated sale of the Non-Revolving Credit Note is necessary and is in the best interest of the Town for the following reasons: the Non-Revolving Credit Note will be a special and limited obligation of the Town payable solely out of Non-Ad Valorem Revenues of the Town that have been budgeted, appropriated and paid into certain funds and accounts held for the benefit of the holder of the Non-Revolving Credit Note, all as provided in the Supplemental Note Resolution; the vagaries of the current and near future municipal bond market demand that the Town have the maximum time and flexibility to negotiate the terms of the Non-Revolving Credit Note in order to obtain the best interest rate available; there is insufficient time to respond to favorable market conditions by offering the Non-Revolving Credit Note by competitive bids, and there is no basis, considering prevailing market conditions, for any expectation that the terms and conditions of a sale of the Non-Revolving Credit Note at public sale by competitive bids would be any more favorable than at negotiated sale; because prevailing market conditions are uncertain, it is desirable to sell the Non-Revolving Credit Note at a predetermined price; and obligations having the characteristics of the Non-Revolving Credit Note are typically sold at negotiated sale under prevailing market conditions.

Section 5. Authorization of the Project and the Non-Revolving Credit Note; Terms and Details of the Non-Revolving Credit Note.

(A) The Town Council hereby authorizes the Project. There is hereby authorized to be issued by the Town, as provided in this Authorizing Ordinance and as authorized by the Act, a promissory note of the Town to be designated as “Town of Miami Lakes, Florida Non-Revolving Credit Note (2020 Line of Credit), in the aggregate principal amount not to exceed \$15,000,000, for the purpose of providing funds to pay all or a portion of the costs of the Project. Costs of

issuance of the Non-Revolving Credit Note will be paid by the Town from other available moneys in the Town's General Fund.

(B) Prior to the issuance of the Non-Revolving Credit Note, the Town Council shall adopt a resolution supplemental to this Authorizing Ordinance (the "Supplemental Note Resolution") with respect to such Non-Revolving Credit Note. The Non-Revolving Credit Note shall be dated such date or dates, shall mature at such time or times, shall bear interest at such interest rate or rates, which shall not exceed in any event the maximum rate authorized by law, all as shall be determined in the Supplemental Note Resolution for the Non-Revolving Credit Note.

(C) The Non-Revolving Credit Note shall be payable from and secured by a covenant to budget and appropriate, solely from Non-Ad Valorem Revenues, sufficient funds for deposit in certain pledged funds in order to pay the principal of, premium, if any, and interest on the Non-Revolving Credit Note, all as shall be more specifically provided in the Supplemental Note Resolution.

(D) The sale of the Non-Revolving Credit Note shall be by negotiated sale to a Financial Institution upon such terms as shall be set forth in the Supplemental Note Resolution and in the Line of Credit Agreement for the Non-Revolving Credit Note.

(E) The distribution of the RFP and related addenda to certain financial institutions is hereby ratified, confirmed and approved.

Section 6. Delegation of Authority to Town Manager. The Supplemental Note Resolution for the Non-Revolving Credit Note may delegate to the Town Manager the authority to negotiate all agreements associated with the execution and delivery of the Line of Credit Agreement and the issuance of the Non-Revolving Credit Note and to determine the specific financial and other details of the Non-Revolving Credit Note, including the terms and conditions of the sale thereof to the Financial Institution, in the manner and subject to such conditions and limitations as may be set forth in such Supplemental Note Resolution and in the Line of Credit Agreement.

Section 7. Severability. The provisions of this Authorizing Ordinance are declared to be severable and if any section, sentence, clause or phrase of this Authorizing Ordinance shall for any reason be held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining sections, sentences, clauses, and phrases of this Authorizing Ordinance but they shall remain in effect, it being the legislative intent that this Authorizing Ordinance shall stand notwithstanding the invalidity of any part.

Section 8. Compliance with Open Meeting Law. It is found and determined that all formal actions of the Town Council concerning and relating to the enactment of this Authorizing Ordinance were taken in open meetings of the Town Council and that all deliberations of the Town Council and any of its committees that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements, including Section 286.011, Florida Statutes and the Charter.

Section 9. Effective Date. This Authorizing Ordinance shall become effective immediately upon enactment on second reading.

The foregoing Authorizing Ordinance was offered by Councilmember _____, who moved for its enactment on first reading. The motion was seconded by Councilmember _____ and upon being put to a vote, the vote was as follows:

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Mayor Manny Cid	_____
Vice Mayor Nelson Rodriguez	_____
Councilmember Jeffrey Rodriguez	_____
Councilmember Marilyn Ruano	_____
Councilmember Josh Dieguez	_____
Councilmember Luis Collazo	_____
Councilmember Carlos O. Alvarez	_____

PASSED AND ENACTED on first reading this ____ day of February, 2020.

The foregoing Authorizing Ordinance was offered by Councilmember _____, who moved its enactment on second reading. The motion was seconded by Councilmember _____, and upon being put to a vote the vote was as follows:

Mayor Manny Cid	_____
Vice Mayor Nelson Rodriguez	_____
Councilmember Jeffrey Rodriguez	_____
Councilmember Marilyn Ruano	_____
Councilmember Josh Dieguez	_____
Councilmember Luis Collazo	_____
Councilmember Carlos O. Alvarez	_____

PASSED AND ENACTED on second reading this ____ day of March, 2020.

MANNY CID
MAYOR

ATTEST:

GINA M. INGUANZO
TOWN CLERK

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY FOR USE ONLY BY THE
TOWN OF MIAMI LAKES:

RAUL GASTESI
GASTESI, LOPEZ & MESTRE, PLLC
TOWN ATTORNEY

GREENBERG TRAURIG, P.A.
BOND COUNSEL