

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AUTHORIZING THE EXTENSION OF THE LINE OF CREDIT AGREEMENT BETWEEN THE CITY OF HOLLYWOOD, FLORIDA, AND WELLS FARGO BANK, NATIONAL ASSOCIATION, FOR AN ADDITIONAL ONE (1) YEAR IN ORDER TO MAINTAIN THE AVAILABILITY OF A LINE OF CREDIT FACILITY TO ASSIST THE CITY IN MEETING THE COSTS OF RECOVERY IN THE EVENT OF A DISASTER.

WHEREAS, the City Commission determined that it is appropriate and necessary as part of the City's emergency preparedness planning to establish a line of credit to provide interim financing, if needed, to meet post-disaster recovery costs in the event of a declared state of emergency, and approved Resolution R-2010-241 on September 1, 2010 to enter into a Line of Credit Agreement with Wells Fargo Bank, N.A. (the "Bank"); and

WHEREAS, the Line of Credit Agreement entered into between the City and the Bank effective September 2, 2010 sets forth the terms and conditions under which the City may make a borrowing in the form of a promissory note in a principal amount not to exceed \$10,000,000.00 and make draws on the note; and

WHEREAS, the City Commission approved Resolution R-2011-061 authorizing the extension of the Line of Credit Agreement with the Bank for a one (1) year period and with a scheduled expiration date of April 30, 2012; and

WHEREAS, the City Commission approved Resolution R-2012-107 authorizing the extension of the Line of Credit Agreement with the Bank for an additional period of approximately one (1) year and with a scheduled expiration date of May 31, 2013; and

WHEREAS, the City Commission approved Resolution R-2013-137 authorizing the extension of the Line of Credit Agreement with the Bank for an additional one (1) year period and with a scheduled expiration date of May 31, 2014; and

WHEREAS, the City Commission approved Resolution R-2014-132 authorizing the extension of the Line of Credit Agreement with the Bank for an additional one (1) year period and with a scheduled expiration date of May 31, 2015; and

WHEREAS, Section 14 of said Line of Credit Agreement provides that the Bank and the City may agree to extend the Agreement for additional successive periods, each period not to exceed one year; and

WHEREAS, the City desires to extend the Agreement for an additional one year period and the Bank has indicated its willingness to reinstate and extend the Agreement for an additional one year; and

WHEREAS, in connection with this extension of the Line of Credit Agreement, the Bank will require the payment of a \$35,000.00 upfront renewal fee and \$1,500.00 legal fee, and the Bank shall waive the \$25,000.00 draw fee required in Section 12 of the Line of Credit Agreement that is required at the time of the first draw, if any; and

WHEREAS, the City Manager and the Financial Services Director recommend the extension of the Line of Credit Agreement for an additional one year;

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

Section 1: That it hereby approves and authorizes the appropriate City Officials to renew the Line of Credit Agreement between the City and Wells Fargo Bank, N.A. dated September 2, 2010 for an additional one year effective June 1, 2015 and ending May 31, 2016.

Section 2: That all terms and conditions of the Agreement shall remain unchanged and in full force and effect except that (i) the City shall pay an upfront renewal fee of \$35,000.00 to the Bank upon the closing of this extension of the Agreement and in connection with any future request for an extension; (ii) the City shall pay \$1,500.00 to the Bank for legal fees in connection with the extension of the Agreement; and (iii) the Bank shall not require the City to pay any draw fee for any draws made under the Agreement with regard to this extension and in connection with any future request for an extension.

Section 3: That this Resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
PETER BOBER, MAYOR

ATTEST:

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PATRICIA A. CERNY, MMC, CITY CLERK

APPROVED AS TO FORM AND LEGALITY  
For the use and reliance of the  
City of Hollywood, Florida, only.

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JEFFREY P. SHEFFEL, CITY ATTORNEY