

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA (THE "CITY"), DECLARING THAT COMPETITIVE PROPOSALS AND COMPETITIVE BIDDING, TO OBTAIN FINANCING TO REFINANCE A PRIOR BOND ISSUED BY THE FIRST FLORIDA GOVERNMENTAL FINANCING COMMISSION ON BEHALF OF THE CITY, ARE NOT IN THE BEST INTEREST OF THE CITY AND AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO NEGOTIATE AND EXECUTE A LOAN AGREEMENT BETWEEN PINNACLE PUBLIC FINANCE, INC. ("PINNACLE") AND THE CITY, PURSUANT TO WHICH THE CITY WILL BORROW AN AMOUNT NOT TO EXCEED \$6,515,000.00 IN ORDER TO ACCOMPLISH THE REFINANCING OF SUCH INDEBTEDNESS, TO BE EVIDENCED BY THE CITY'S REFUNDING REVENUE NOTE, SERIES 2017.

WHEREAS, the City borrowed \$7,965,000.00 from the First Florida Governmental Financing Commission (the "FFGFC") from proceeds obtained from the FFGFC's Refunding Revenue Bond, Series 2014, dated June 12, 2014 (the "Prior Bond") to refinance various capital projects of the City; and

WHEREAS, the members of FFGFC met on November 4, 2016 and agreed to dissolve the FFGFC in an orderly and timely fashion in order to save on the annual costs to the FFGFC members, making it necessary for the City to refinance the Prior Bond; and

WHEREAS, the purchaser of the Prior Bond was originally procured through an RFP process on the City's behalf and is not subject to prepayment prior to July 1, 2020; and

WHEREAS, Pinnacle, the successful proposer in such RFP process and the holder of the Prior Bond, and the City have agreed to enter into a Loan Agreement (the "Loan Agreement") in order to refinance the Prior Bond on the same terms and conditions as the Prior Bond, the indebtedness to be incurred under the Loan Agreement not to exceed \$6,515,000.00 in principal amount and to be evidenced by the City's Refunding Revenue Note, Series 2017 (the "Note"); and

WHEREAS, to accomplish the refinancing of the Prior Bond, Pinnacle shall cancel and surrender the Prior Bond in exchange for the Note; and

WHEREAS, the Purchasing Ordinance of the City does not permit direct negotiation between the City and Pinnacle to accomplish such refinancing; and

WHEREAS, Purchasing Ordinance Section 38.40(C)(8) provides that when the City Commission declares by a five-sevenths (5/7ths) affirmative vote that competitive bidding and competitive proposals are not in the best interest of the City, such purchases are exempt from the competitive bidding and competitive proposal requirements;

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

Section 1: That the matters set forth in the recitals to this Resolution are incorporated as part of this Resolution.

Section 2: That, for the reasons set forth in the recitals to this Resolution, it is in the best interest of the City to refinance the Prior Bond of the City from FFGFC and to negotiate a loan agreement with Pinnacle for that purpose, and the same are hereby approved.

Section 3: That it hereby approves and authorizes the negotiation and execution, by the appropriate City officials, of the Loan Agreement and the Note, in a form acceptable to the City Manager and approved as to form and legality by the City Attorney. The principal amount of the indebtedness borrowed under the Loan Agreement and evidenced by the Note shall not exceed \$6,515,000.00, and the Loan Agreement and the Note shall bear interest at the same rate, mature on the same date and be subject to prepayment on same terms as the Prior Bond.

Section 4: That it hereby approves such additional or further agreements and instruments as shall be necessary or desirable to consummate the transactions contemplated by this Resolution, including, without limitation, the execution by the appropriate City officials of such agreements and instruments in a form acceptable to the City Manager and approved as to form and legality by the City Attorney.

Section 5: That the appropriate City officials and all other officers, agents and employees of the City are hereby authorized and directed to do all acts and things necessary or appropriate to carry into effect the purposes of this Resolution.

Section 6: That, 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 or of the Loan Agreement or the Note.

A RESOLUTION TO OBTAIN FINANCING TO REFINANCE A PRIOR BOND ISSUED
BY THE FIRST FLORIDA GOVERNMENTAL FINANCING COMMISSION.

Section 7: That all resolutions or parts thereof of the City in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 8: That this Resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED this _____ day of _____, 2017.

JOSH LEVY, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC, CITY CLERK

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

JEFFREY P. SHEFFEL, CITY ATTORNEY