

ORDINANCE 2017-06

AN ORDINANCE OF POLK CITY, FLORIDA, FOR THE PURPOSE OF AUTHORIZING THE BORROWING OF NOT TO EXCEED \$1,400,000 FROM CITIZENS BANK & TRUST FOR THE PURPOSE OF REFUNDING CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2007; PLEDGING A FIRST PRIORITY LIEN ON THE CITY'S COMMUNICATION SERVICES TAX AND HALF-CENT SALES TAX TO SECURE THE PAYMENT THEREOF; PROVIDING FOR THE RIGHTS OF THE CREDITOR; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; PROVIDING FOR CONFLICTS; PROVIDING AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COMMISSION OF POLK CITY OF POLK COUNTY, FLORIDA:

SECTION 1. AUTHORITY FOR THIS ORDINANCE. This Ordinance is enacted pursuant to the provisions of the Constitution of Florida; the Charter of Polk City, Florida (the "City"); Chapter 166, Part II, Florida Statutes; and other applicable provisions of law (collectively, the "Act").

SECTION 2. FINDINGS. The Polk City Commission hereby determines and finds that:

(1) The City previously found, determined, and declared that, for the benefit of its inhabitants, it was necessary for the continued preservation of the health, welfare, convenience and safety of the City and its inhabitants to provide funds to finance the acquisition, construction and erection of a new City Hall/Public Works Facility (hereafter "City Hall").

(2) The Series 2007 Bonds were issued to pay the cost of any land or interest therein or of any fixtures or equipment, or property necessary or convenient therefor, the costs of labor and materials to complete such construction, engineering and legal expenses, fiscal expenses, expenses for estimates of costs and revenues, expenses for plans, specifications and surveys, interest during construction, administration expenses, and other necessary miscellaneous expenses.

(3) The Series 2007 Bonds were issued pursuant to the Constitution and laws of the State of Florida, including Chapter 166, Part II, Florida Statutes, and other applicable provisions of law (the "Act"), and pursuant and subject to the terms and conditions of Ordinance No. 1087 enacted by the City Council of the City on October 11, 2005 (the "Ordinance"), and Resolution No. 2007-07 adopted by the City Council of the City on December 11, 2007 (the "Bond Resolution").

(4) The City now has the opportunity to recognize substantial annual savings through the refunding of the Series 2007 Bonds.

(5) Section C-13.D (6) of the City Charter requires that to authorize the borrowing of money, the City Commission must do so by ordinance.

(6) For the benefit of its inhabitants, Polk City, Florida (hereinafter sometimes called the "City") finds, determines and declares that it is necessary for the continued preservation of the health, welfare, convenience and safety of the City and its inhabitants to refund certain outstanding obligations hereinafter referred to as the "Refunded Obligations," which will be refunded with the proceeds from the Loan herein authorized.

(7) It is deemed necessary and desirable for the City to borrow funds from Citizens Bank & Trust in an aggregate principal amount not exceeding \$1,400,000 (the "2017 Loan" or "Loan"). It is further deemed necessary and desirable to pledge a first priority security interest in the net revenues of the City's communications service tax and half-cent sales tax to the payment of the principal of, a redemption premium, if any, and the interest on the 2017 Loan herein authorized.

(8) The City shall not be obligated to levy any taxes on any real or personal property to pay the principal of or interest on the 2017 Loan hereinafter authorized. The 2017 Loan borrowed pursuant to this Ordinance shall not constitute a lien upon any property, real or personal, of the City or situated within its corporate limits, except the non-ad valorem revenues pledged as security therefore as provided above.

SECTION 3. AUTHORIZATION OF LOAN. Subject and pursuant to the provisions of this Ordinance, obligations of the City to be known as "Polk City, Florida, City Hall Capital Improvement Revenue Bond Refunding Loan, 2017" (hereinafter the "2017 Loan") is hereby authorized to be borrowed from time to time as designated for such purposes by subsequent resolution of the City. Obligations of the City to be known as "Polk City, Florida, City Hall Capital Improvement Revenue Bond Refunding Loan, 2017" are hereby authorized to be borrowed in an aggregate principal amount not exceeding One Million Four Hundred Thousand Dollars (\$1,400,000) from Citizens Bank & Trust for the purpose of providing funds to refund all or a portion of the costs of as described by subsequent resolution of the City, to refund the Refunded Obligations identified by subsequent resolution of the City, to pay costs of issuance thereof, and other uses relating to the foregoing. Granting a first priority security interest in the City's communications service tax and half-cent sales tax as security for the 2017 Loan is hereby authorized.

SECTION 4. DETAILS OF LOAN. The City shall, by subsequent resolution or resolutions, determine, or provide for the forms of and determination of, the terms and conditions of such Loan not inconsistent with the provisions hereof and of the Act, including, without limitation, the manner of execution of the Loan(s), the place of payment thereof, the principal amount of the Loan(s), principal and interest payment dates, the terms relating to the payment of interest thereon (provided that the interest rate or rates thereon shall not exceed the maximum rate permitted by applicable law), the conditions to the issuance of additional indebtedness on a parity or subordinated

basis as to security and source of payment with the Loan, terms with respect to optional or mandatory redemption or tender for purchase, terms with respect to any credit enhancement or liquidity facilities with respect to the Loan, the pledge of the communications service tax and half-cent sales tax to secure such indebtedness and any payment obligations with respect to credit enhancement or liquidity facilities, operations and financial covenants with respect to the Loan repayment and such other matters relating thereto as shall not be inconsistent with the terms hereof and of the Act.

SECTION 5. CONFLICTS WITH PRIOR ORDINANCES AND RESOLUTIONS.

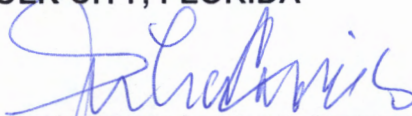
To the extent any prior City resolutions or ordinances are in conflict or inconsistent with this Ordinance, including specifically Ordinance Numbers 2011-1278 and 2011-1282, then, to the extent of such conflict or inconsistency, they are hereby superseded by this Ordinance.

SECTION 6. EFFECTIVE DATE. This Ordinance shall take effect immediately upon its enactment.

PASSED ON FIRST READING this 30th day of October, 2017.

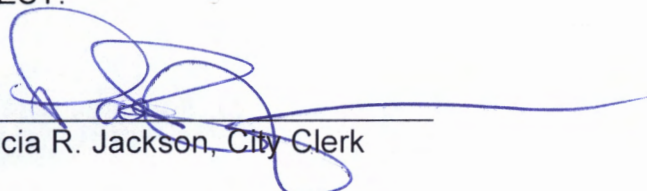
PASSED ON SECOND READING this 20th day of November, 2017.

POLK-CITY, FLORIDA



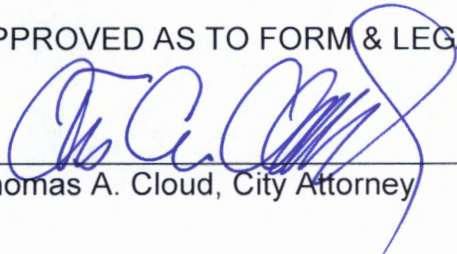
Joe LaCascia, Mayor

ATTEST:



Patricia R. Jackson, City Clerk

APPROVED AS TO FORM & LEGALITY:



Thomas A. Cloud, City Attorney