

**RESOLUTION NO. 2019-15**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MEXICO BEACH, FLORIDA AUTHORIZING THE ISSUANCE BY THE CITY OF ITS \$25,000,000 PRINCIPAL AMOUNT HURRICANE RECOVERY REVENUE NOTE, SERIES 2019, TO PROVIDE FUNDS FOR HURRICANE MICHAEL RESPONSE, RECOVERY AND MITIGATION; AUTHORIZING THE AWARD OF THE SALE OF THE NOTE UNDER CERTAIN PROPOSED TERMS; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT BETWEEN THE CITY AND THE PURCHASER OF THE NOTE; COVENANTING TO BUDGET AND APPROPRIATE LEGALLY AVAILABLE NON-AD VALOREM REVENUES TO PAY THE NOTE; PROVIDING FOR REPEAL OF INCONSISTENT PROVISIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MEXICO BEACH, FLORIDA, that:**

**SECTION 1. AUTHORITY FOR THIS RESOLUTION.** This Resolution is adopted pursuant to Chapter 166, Part II, Florida Statutes, the City Charter of the City of Mexico Beach, Mexico Beach Ordinance 728 and other applicable provisions of law.

**SECTION 2. FINDINGS.** It is hereby ascertained, determined and declared that:

A. The City of Mexico Beach (the "City") desires to obtain financing to provide the City with the necessary funding (the "Loan") to provide for Hurricane Michael response, recovery and mitigation, including debris removal and stormwater system repair and/or such other capital improvements as established by the City Council (the "Improvements"), and to pay certain costs of issuance in incurring the Loan.

B. It is necessary and desirable to provide for the execution and delivery of a Loan Agreement (the "Loan Agreement") and the issuance of a Hurricane Recovery Revenue Note, Series 2019 (the "Series 2019 Note") to implement the Loan. Amounts due under the Loan Agreement and the Series 2019 Note shall be payable from non-ad valorem revenues of the City derived from the City's covenant to budget and appropriate each year, from legally available non-ad valorem funds, such monies sufficient to pay the principal of and interest on such obligation.

C. In accordance with the provisions of Part III, Chapter 218, Florida Statutes, a negotiated sale of the Series 2019 Note is in the best interest of the City because of the flexibility available in structuring the Series 2019 Note and its terms.

**SECTION 3. AUTHORIZATION AND AWARD OF SERIES 2019 NOTE.** The issuance by the City of its \$25,000,000 principal amount Hurricane Recovery Revenue Note, Series 2019, for the purposes described above; to be dated, to bear interest, to be subject to draws of principal, to be payable, to mature, to be subject to prepayment and redemption and to have

such other characteristics as are provided in the proposal of Centennial Bank attached hereto as Exhibit "A," and to be secured by a covenant of the City to budget and appropriate from legally available non-ad valorem funds each year monies sufficient to pay the principal and interest on such Series 2019 Note, is hereby authorized. The sale of the Series 2019 Note to Centennial Bank is hereby authorized.

**SECTION 4. APPROVAL OF LOAN AGREEMENT AND SERIES 2019 NOTE.**

The governing body of the City does hereby authorize the Mayor and the City Clerk, acting with the advice and recommendation of the employees of and advisors to the City, to prepare a Loan Agreement and the Series 2019 Note and the Loan Agreement and Series 2019 Note shall be in such form as the Mayor of the City, acting with advice and recommendation of the employees of and advisors to the City, shall determine to be necessary or desirable in order to consummate the transactions authorized by this Resolution, the determination of the definitive form of the Loan Agreement and Series 2019 Note by the Mayor of the City to be conclusively established by his execution of the same. Further, the governing body of the City does hereby authorize the Mayor or City Clerk of the City and any person or persons designated and authorized by such officers to act in the name and on behalf of the City, or any one or more of them to execute and deliver such instruments and to take such other actions as shall be necessary to implement the Loan.

**SECTION 5. COVENANT AS TO TAX-EXEMPT OBLIGATION.** The City acknowledges and agrees that the Series 2019 Note is to be issued in compliance with the conditions necessary for the interest income thereon to be exempt from federal income taxation pursuant to the relevant provisions of the Code and covenants and agrees that it will not in any way cause or permit the proceeds of the Series 2019 Note to be used in a manner which would cause the interest on the Series 2019 Note to lose the exemption from federal income taxation as provided under the Code and the applicable regulations thereunder and will comply with all applicable provisions of the Code (including, without limitation, the provisions relating to post-issuance actions affecting tax exemption) to the extent necessary for interest on the Series 2019 Note to be excludable from gross income of the holders thereof.

**SECTION 6. REPEAL OF INCONSISTENT PROVISIONS.** All resolutions or parts thereof in conflict with this Resolution are hereby repealed to the extent of such conflict.

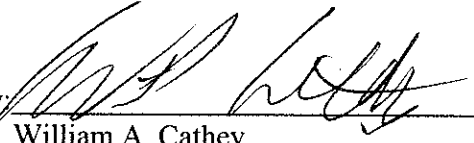
**SECTION 7. SEVERABILITY.** In the event that any portion or section of this Resolution is determined to be invalid, illegal or unconstitutional by a court of competent jurisdiction, such decision shall in no manner affect the remaining portions or sections of this Resolution, which shall remain in full force and effect.

**SECTION 8. EFFECTIVE DATE.** This Resolution shall take effect immediately upon its final passage and adoption.

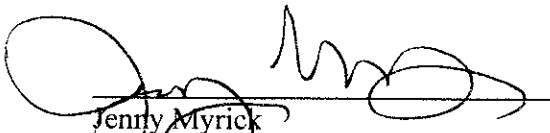
**PASSED AND ADOPTED** this 4 day of October, 2019.

**CITY COUNCIL OF THE CITY OF  
MEXICO BEACH, FLORIDA**

(SEAL)

By   
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William A. Cathey  
Mayor

ATTEST

  
\_\_\_\_\_  
Jenny Myrick  
City Clerk

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