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COUNCIL ITEM 8C
DATE 11-28-11

COUNCIL ITEM ~~10D~~
DATE ~~11/14/11~~

ORDINANCE 11-85

AN ORDINANCE OF THE CITY OF PORT ST. LUCIE, FLORIDA, SUPPLEMENTING ORDINANCE NO. 98-9 OF THE CITY ENACTED ON FEBRUARY 9, 1998, AS SUPPLEMENTED; AUTHORIZING THE REFUNDING OF ALL OR A PORTION OF THE CITY'S OUTSTANDING SALES TAX IMPROVEMENT REVENUE BONDS, SERIES 2003; PROVIDING FOR THE ISSUANCE OF NOT EXCEEDING $16,000,000 SALES TAX REFUNDING REVENUE BONDS, SERIES 2011; PROVIDING FOR THE PAYMENT AND SECURING OF SUCH SERIES 2011 BONDS FROM THE HALF-CENT SALES TAX REVENUE DISTRIBUTED TO THE CITY PURSUANT TO CHAPTER 218, PART VI, FLORIDA STATUTES, AND CERTAIN INVESTMENT INCOME AS PROVIDED HEREIN; AUTHORIZING THE APPROPRIATE OFFICERS OF THE CITY TO PROCEED TO DEVELOP NECESSARY DOCUMENTS TO SELL THE SERIES 2011 BONDS AT NEGOTIATED SALE; AND PROVIDING AN EFFECTIVE DATE.

THE CITY OF PORT ST. LUCIE HEREBY ORDAINS:

Section 1. Authority for this Ordinance. This Ordinance is enacted pursuant to the provisions of Chapter 166, Part II, Florida Statutes, Section 9.09 of the Charter of the City of Port St. Lucie, Florida ("City"), and other applicable provisions of law (collectively, the "Act"), and pursuant to Ordinance 98-9 of the City enacted on February 9, 1998 (the "Original Ordinance"), as supplemented by Resolution 98-R13 adopted on February 23, 1998 (the "Resolution" and, together with the Original Ordinance, the "Bond Ordinance"); and is supplemental to the Bond Ordinance.

Section 2. Definitions. Capitalized terms used but not defined in this Ordinance shall have the same meanings set forth in the Bond Ordinance unless the context clearly indicates otherwise.

Section 3. Findings. It is hereby ascertained, determined and declared that:

(A) It is necessary and desirable and in the best interest of the citizens of the City to refund on an advanced basis all or a portion of the City's outstanding $ $20,000,000 original aggregate principal amount of Sales Tax Improvement Bonds, Series 2003 (the "Series 2003 Bonds"), of which $15,015,000 aggregate principal amount is currently outstanding.

(B) The City proposes to issue its not to exceed $16,000,000 aggregate principal amount of Sales Tax Refunding Revenue Bonds, Series 2011 (the "Series 2011 Bonds") in order to, together with other available moneys, refund on an advanced basis all or a portion of the Series 2003 Bonds, to fund a deposit to the Reserve Account or pay the premium of a Reserve Account Credit Facility for deposit to the Reserve Account and pay the cost of issuance of the Series 2011 Bonds.

(C) Pursuant to the Bond Ordinance, the City is authorized to issue refunding bonds and to secure such bonds with the Pledged Revenues.

(D) The Pledged Revenues are currently pledged to secure the Series 2003 Bonds and the City's outstanding $5,015,000 Sales Tax Refunding Revenue Bonds, Series 2008, currently outstanding in the aggregate principal amount of $4,885,000 (the "Series 2008 Bonds" and, together with the Series 2003 Bonds remaining outstanding after the issuance of the Series 2011 Bonds, the "Outstanding Parity Bonds").

(E) Upon issuance of the Series 2011 Bonds a portion of the proceeds thereof, together with other available moneys, sufficient to pay the principal of and interest on that portion of the Series 2003 Bonds to be refunded (the "Refunded Bonds") will be deposited with an escrow agent to pay the registered owners of the Refunded Bonds on each interest payment date and on their redemption date, such principal and interest then due on the Refunded Bonds.

(F) The principal of, redemption premium, if any, and interest on the Series 2011 Bonds and all required sinking fund, reserve and other payments will be secured solely by a lien upon and pledge of the Pledged Revenues, on a parity with the lien thereon and pledge thereof to secure the payment of the Outstanding Parity Bonds. The City shall never be required to levy ad valorem taxes on any property therein to pay the principal of, premium, if any, and interest on the Series 2011 Bonds, or to make any sinking fund or other payments with respect thereto. The Series 2011 Bonds and the premium, if any, and the interest thereon shall not constitute a lien upon any properties owned by or located within the boundaries of the City, but shall be secured solely by a lien upon and pledge of the Pledged Revenues in the manner provided in the Bond Ordinance, this Ordinance and any ordinance or resolution amendatory hereof or supplemental hereto.

(G) A negotiated sale of the Series 2011 Bonds is in the best interest of the City and is found to be necessary due to the volatility of the market and the timing necessary to effect a refunding of the Refunded Bonds to produce net present value savings.

Section 4. Authorization of Refunding. The City Manager and the Director of Finance are hereby authorized to determine the maturities and amounts of the Series 2003 Bonds to be refunded.

Section 5. Authorization of Series 2011 Bonds. The issuance by the City of not exceeding $16,000,000 Sales Tax Refunding Revenue Bonds, Series 2011, for the purpose of effecting an advanced refunding of the Refunded Bonds is hereby authorized. The Series 2011 Bonds shall be dated, shall bear interest at a fixed rate, shall be current interest paying bonds or capital appreciation bonds, shall be in the denomination of $5,000 or integral multiples thereof, shall be in fully-registered form, payable to "Cede & Co.," as nominee for The Depository Trust Company, New York, New York, shall be issued in book-entry only form, shall mature at such time and shall bear interest from their date at a rate not to exceed the maximum rate allowed by law, may be redeemable prior to maturity, all as provided in a subsequent resolution of the City. The Series 2011 Bonds and the premium, if any, and interest thereon shall be secured solely by a lien upon and pledge of the Pledged Revenues on a parity with the lien thereon and pledge thereof to secure payment of the Outstanding Parity Bonds. The City shall, prior to the sale of the Series 2011 Bonds, adopt a specific bond resolution (including any resolutions supplemental to such bond resolution), supplemental to this Ordinance, setting forth the details of the Series 2011 Bonds and other matters relative thereto.

Section 6. Delegation of Authority to Take Other Action. The City Manager and the Director of Finance, upon the advice of the City's Bond Counsel, Disclosure Counsel and the City Attorney, are authorized to take such further action as may be necessary or desirable in connection with the issuance of the Series 2011 Bonds and the refunding of the Refunded Bonds.

Section 7. Effective Date. This Ordinance shall take effect immediately upon the final approval hereof.

Passed and Enacted by the City Council of the City of Port St. Lucie, Florida, this ____ day of November, 2011.

(SEAL)

CITY OF PORT ST. LUCIE, FLORIDA

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Joann M. Faiella, Mayor

ATTEST:

_____
Karen A. Phillips, City Clerk

APPROVED AS TO FORM:

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Roger G. Orr, City Attorney