

RESOLUTION NO. 2012-

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA ACCEPTING THE PROPOSAL OF TD BANK, N.A., OR SUCH OTHER BANK AS MAY BE APPROVED BY THE CITY MANAGER IN ACCORDANCE WITH THE TERMS HEREOF, AUTHORIZING THE ISSUANCE OF THE REVENUE NOTES, SERIES 2012 IN A NOT TO EXCEED PRINCIPAL AMOUNT OF \$5,050,000 TO FINANCE THE ACQUISITION OF CERTAIN VEHICLES AND TO PAY THE COSTS AND EXPENSES; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT IN ORDER TO EVIDENCE SAID LOAN; AUTHORIZING THE REPAYMENT OF THE SERIES 2012 NOTES FROM A COVENANT TO BUDGET AND APPROPRIATE LEGALLY AVAILABLE NON-AD VALOREM REVENUES; DELEGATING CERTAIN AUTHORITY TO THE CITY MANAGER AND CITY CLERK; AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE

BE IT RESOLVED BY THE MAYOR AND THE CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of the Act (as defined herein).

SECTION 2. DEFINITIONS. When used in this Resolution, capitalized terms not otherwise defined herein shall have the meanings set forth in the Loan Agreement (as defined herein), unless the context clearly indicates a different meaning.

"Act" shall mean the Florida Constitution, Chapter 166, Florida Statutes, the City's Charter, the Ordinance and other applicable provisions of law.

"Alternate Bank Proposal(s)" shall mean the proposals of the Alternate Banks, each dated November 1, 2012, attached hereto as Exhibit B, as such terms may be changed upon consent of such Alternate Banks and the City.

"Bank" shall mean TD Bank, N.A., and its successors and assigns or such other banking institution selected by City Manager pursuant to Section 5.

"Bank Proposal" shall mean the Bank's proposal dated November 1, 2012, attached hereto as Exhibit A, as such terms may be changed upon consent of the Bank and the City.

"City" shall mean the City of Hallandale Beach, Florida.

"City Clerk" shall mean the City Clerk of the City or such person's designee.

"City Manager" shall mean the City Manager of the City or such person's designee.

"Commission" shall mean the City Commission of the City.

"Equipment" shall mean the acquisition of certain vehicles.

"Financial Advisor" shall mean Dunlap & Associates, Inc.

"Loan" shall mean the loan made by the Bank to the City pursuant to the terms hereof and of the Loan Agreement.

"Loan Agreement" shall mean the Loan Agreement to be executed between the City and the Bank, the form of which is attached hereto as Exhibit C, or such other form of Loan Agreement as may be approved by the Mayor or City Manager if an Alternate Bank Proposal is selected pursuant to Section 5 hereof and which shall reflect the terms of such Alternate Bank Proposal.

"Mayor" shall mean the Mayor of the City or, in his or her unavailability or absence, the Vice Mayor of the City or such person's designee.

"Non-Ad Valorem Revenues" shall have the meaning assigned such term in the Loan Agreement.

"Ordinance" means the Ordinance enacted by the Commission on November __, 2012, authorizing the borrowing of money as required by Section 5.01 of the City Charter.

"Series 2012 Notes " shall mean the Revenue Notes, Series 2012 to be executed by the City in favor of the Bank, the form of which is attached to the Loan Agreement as Exhibit A, or such other form of note, as may be approved by the Mayor or City Manager if an Alternate Bank Proposal is selected pursuant to Section 5 hereof and which shall reflect the terms of such Alternate Bank Proposal.

The words "herein," "hereby," "hereto," "hereof," and any similar terms shall refer to this Resolution. Words importing the singular number include the plural number, and vice versa.

SECTION 3. FINDINGS. It is ascertained, determined and declared:

A. The City has determined that it is in its best interest to finance the acquisition of certain vehicles (the "Equipment") and to pay the costs of issuance and expenses of issuing such obligations.

B. On October 18, 2012, the Financial Advisor requested proposals on the City's behalf to provide the City with the necessary funds to acquire the Equipment.

C. The Bank submitted the Bank Proposal and the Alternate Banks submitted the Alternate Bank Proposals to provide the City with a loan in the principal amount of not to exceed \$5,050,000 for the principal purpose of acquiring the Equipment.

D. The interest rate offered by the Bank in the Bank Proposal is an indicative rate which may vary from the final interest rate offered by the Bank.

E. The City Manager, upon recommendation of the City's Financial Advisor, recommends the award of the Bank Proposal, with the caveat that in the event the final interest rate offered by the Bank exceeds those offered by the Alternate Banks, the City Manager may recommend terminating negotiations with the Bank and acceptance of one of the Alternate Bank Proposals.

F. The City has determined that it is necessary, desirable and in the best interests of the City that the City issue its Series 2012 Notes in the principal amount of not to exceed \$5,050,000 for the principal purpose of acquiring the Equipment.

G. The City has determined that it is in its best interest that the City budget and appropriate from all legally available non-ad valorem revenues to pay the principal of and interest on the Series 2012 Notes when due as provided herein and in the Loan Agreement.

H. The City expects to execute the Loan Agreement and the Series 2012 Notes attached thereto, as authorized herein, to evidence and secure the Loan.

I. It is not reasonably anticipated that more than \$10,000,000 of tax-exempt obligations as defined under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, will be issued by the City during calendar year 2012.

J. Due to the potential volatility of the market for tax-exempt obligations such as the Series 2012 Notes and the complexity of the transactions relating to such Series 2012 Notes, it is in the best interest of the City to issue the Series 2012 Notes by a negotiated sale to the Bank, allowing the City to enter the market at the most advantageous time, rather than at a specified advertised date, thereby permitting the City to obtain the best possible price, terms and interest rate for the Series 2012 Notes. Prior to the issuance of the Series 2012 Notes, the City shall receive from the Bank, a Purchaser's Certificate, the form of which is attached hereto as Exhibit D.

SECTION 4. RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the purchase and acceptance of the Series 2012 Notes authorized to be issued pursuant to this

Resolution and the Loan Agreement by the Bank, this Resolution shall constitute a contract between the City and the Bank.

SECTION 5. ACCEPTANCE OF PROPOSAL. The City Manager, on behalf of the City and in reliance on the advice of the City's Financial Advisor, has determined that the Bank Proposal is in the best interest of the City considering the interest rate, term, costs and expenses, covenants, prepayment features and other terms contained therein. The City hereby accepts the Bank Proposal to provide the City with a loan in the principal amount of not to exceed \$5,050,000. All actions taken by such officers or their designees and the Financial Advisor with respect to such proposal prior to the date hereof are hereby authorized and ratified. To the extent of any conflict between the provisions of this Resolution or the Loan Agreement and the Bank Proposal, the provisions of this Resolution and the Loan Agreement shall prevail. If the final interest rate offered by the Bank varies from the indicative rate provided in the Bank Proposal and such interest rate exceeds the interest rate offered by one of the Alternate Banks in the Alternate Bank Proposals, the City Manager is authorized to terminate negotiations with the Bank and accept one of the Alternate Bank Proposals.

SECTION 6. AUTHORIZING AND AWARD OF SERIES 2012 NOTES. The issuance by the City of the Series 2012 Notes in a principal amount not to exceed \$5,050,000 to secure the repayment of the Loan being provided by the Bank pursuant to the Bank Proposal in accordance with the terms of the Loan Agreement, which shall bear interest at a fixed rate set at least three business days prior to issuance of the Series 2012 Notes which not exceed the greater of the following formulae: (69% of 7-Yr Fed Reserve H-15 Treasury rate) + 0.51% or (69% of 7-Yr Fed Reserve H-15 Swap Rate) + 0.44%; as determined in accordance with the provisions of the Loan Agreement to be payable, to mature, to be subject to prepayment and to have such other characteristics as are provided in the Loan Agreement; and secured by a covenant to budget and appropriate Non-Ad Valorem is hereby authorized and approved. Due to the characteristics of the Series 2012 Notes and prevailing market conditions, it is in the best interest of the City to negotiate with the Bank (or Alternate Bank as provided in Section 5 hereof) to purchase the Series 2012 Notes at a private negotiated sale. Prior to the issuance of the Series 2012 Notes the City shall receive from the Bank or an Alternate Bank, as the case may be, the disclosure required by Section 218.385, Florida Statutes.

SECTION 7. APPROVAL OF FORM OF LOAN AGREEMENT AND SERIES 2012 NOTE. The Loan Agreement, in substantially the form attached hereto as Exhibit B, is hereby approved. The City hereby authorizes the Mayor or City Manager and the City Clerk to execute and deliver on behalf of the City the Loan Agreement, with such changes, insertions and additions as the Mayor or City Manager may approve, their execution thereof being evidence of such approval. In order to evidence the Loan under the Loan Agreement it is necessary to provide for the execution of the Series 2012 Notes. The City hereby authorizes the Mayor or City Manager and the City Clerk to execute and deliver on behalf of the City the Series 2012 Notes in substantially the form attached to the Loan Agreement as Exhibit A, with such changes, insertions and additions as the Mayor or City Manager may approve and within the parameters

established in Section 6 herein, their execution thereof being evidence of such approval. In the event that the City Manager determines to accept an Alternate Bank Proposal in accordance with Section 5 hereof, the City Manager may negotiate with the applicable Alternate Bank a new form of Loan Agreement and Series 2012 Notes which shall reflect the terms of the selected Alternate Bank Proposal and the Mayor or City Manager may execute and deliver such Loan Agreement and Series 2012 Notes in accordance with the terms of this Section 7.

SECTION 8. AUTHORIZING OF FINANCING. The financing of the Equipment is hereby authorized by the Commission. The Mayor, the City Manager, the City's Finance Director, the City Attorney, the City Clerk, the City's staff, the Financial Advisor and the City's bond counsel, are each hereby authorized to take all action necessary in connection with the financing of the Equipment.

SECTION 9. LIMITED OBLIGATION. The obligation of the City to repay the Series 2012 Notes is a limited and special obligation payable from a covenant to budget and appropriate Non-Ad Valorem Revenues solely in the manner and to the extent set forth in the Loan Agreement and shall not be deemed a pledge of the faith and credit or taxing power of the City and such obligation shall not create a lien on any property whatsoever of or in the City other than the Non-Ad Valorem Revenues.

SECTION 10. DESIGNATION OF THE SERIES 2012 NOTES AS A QUALIFIED TAX-EXEMPT OBLIGATION. The City hereby designates the Series 2012 Notes as a "qualified tax-exempt obligation" under Section 265(b)(3) of the Internal Revenue Code. This designation is based upon the findings of the City set forth in Section 3(I) hereof, and the Mayor and City Manager are each authorized to certify such finding upon the issuance of the Series 2012 Notes.

SECTION 11. GENERAL AUTHORIZATION. The Mayor, the City Manager, the City Clerk, the Finance Director, the City Attorney and other employees or agents of the City are authorized to execute and deliver such documents, instruments and contracts, and are authorized and directed to do all acts and things required by this Resolution as may be necessary to effectuate the purpose and intent of this Resolution.

SECTION 12. REPEAL OF INCONSISTENT DOCUMENTS. All ordinances, resolutions or parts of each in conflict with this Resolution are superseded and repealed to the extent of such conflict.

SECTION 13. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

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APPROVED AND ADOPTED this ___ day of November, 2012.

MAYOR-COMMISSIONER

ATTEST:

CITY CLERK

Approved as to legal sufficiency and form.

V. LYNN WHITFIELD CITY ATTORNEY

EXHIBIT A
BANK PROPOSAL

EXHIBIT B

ALTERNATE BANK PROPOSALS

EXHIBIT C

FORM OF LOAN AGREEMENT
WITH FORM OF SERIES 2012 NOTES AS EXHIBIT THERETO

EXHIBIT D

FORM OF PURCHASER'S CERTIFICATE

This is to certify that _____, or its assignee (the "Purchaser") has not required City of Hallandale Beach, Florida (the "City ") to deliver any offering document and has conducted its own investigation, to the extent it deems satisfactory or sufficient, into matters relating to business affairs or conditions (either financial or otherwise) of the City in connection with the issuance by the City of its not to exceed \$5,050,000 Revenue Notes, Series 2012 (the "Series 2012 Notes"), and no inference should be drawn that the Purchaser, in the acceptance of said Series 2012 Notes, is relying on Bond Counsel or the City Attorney as to any such matters other than the legal opinions rendered by Bond Counsel and by the City Attorney. Any capitalized undefined terms used herein not otherwise defined shall have the meaning set forth in Ordinance No. ___ as supplemented by Resolution No. 2012-___ adopted by the City Council of the City on _____, 2012 (the "Resolution").

We are aware that investment in the Series 2012 Notes involves various risks, that the Series 2012 Notes is not a general obligation of the City or payable from ad valorem tax revenues, and that the payment of the Series 2012 Notes is secured solely from the sources described in the Resolution (the "Pledged Revenues").

We have made such independent investigation of the Pledged Revenues as we, in the exercise of sound business judgment, consider to be appropriate under the circumstances. In making our investment decision, we have relied upon the accuracy of information which has been provided to us.

We have knowledge and experience in financial and business matters and are capable of evaluating the merits and risks of our investment in the Series 2012 Notes and can bear the economic risk of our investment in the Series 2012 Notes.

We acknowledge and understand that the Resolution is not being qualified under the Trust Indenture Act of 1939, as amended (the "1939 Act"), and is not being registered in reliance upon the exemption from registration under Section 3(a)(2) of the Securities Act of 1933, Section 517.051(1), Florida Statutes, and/or Section 517.061(7), Florida Statutes, and that neither the City, Bond Counsel nor the City Attorney shall have any obligation to effect any such registration or qualification.

We are not acting as a broker or other intermediary, and are purchasing the Series 2012 Notes as an investment for our own account and not with a present view towards a resale or other distribution to the public. We understand that the Series 2012 Notes may not be transferred in a denomination less than the par amount outstanding at the time of transfer.

We are a bank, trust company, savings institution, insurance company, dealer, investment company, pension or profit-sharing trust, or qualified institutional buyer as contemplated by Section 517.061(7), Florida Statutes. We are not purchasing the Series 2012 Notes for the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of Chapter 517, Florida Statutes.

We are an "accredited investor" within the meaning of the Securities Act of 1933, as amended, and Regulation D thereunder.

DATED this ___ of _____, 2012.

By: _____
Name: _____
Title: _____