RESOLUTION NO. 2020-009 CRA

A RESOLUTION OF CHAIR AND BOARD OF DIRECTORS OF THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY, HALLANDALE BEACH. FLORDA, APPROVING THE RECOMMENDATION OF AWARD OF REQUEST FOR PROPOSALS (RFP) #FY2019-2020-CRA001 (BANK LOAN) TO PNC BANK FOR A LOAN IN AN AMOUNT NOT TO EXCEED \$35,000,000 AT A NOT TO EXCEED COMBINATION INTEREST RATE (2.00% TAX-EXEMPT / 2.50% TAXABLE); AUTHORIZING EXECUTIVE DIRECTOR AND HBCRA ATTORNEY TO **NEGOTIATE AND FINALIZE A PROMISSORY NOTE, LOAN** AGREEMENT, SECURITY AGREEMENT AND RELATED DOCUMENTS WITH PNC BANK FOR A LOAN IN AN AMOUNT NOT TO EXCEED \$35,000,000 AT A NOT TO EXCEED COMBINATION INTEREST RATE (2.00% TAX-EXEMPT / 2.50% TAXABLE) FOR FURTHER APPROVAL BY THE CHAIR AND BOARD OF DIRECTORS OF THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the mission of the Hallandale Beach Community Redevelopment Agency ("HBCRA") is to promote and enhance the quality of life by eliminating and preventing slum and blighted conditions in the Community Redevelopment Area through redevelopment activities and projects pursuant to Part III of Chapter 163, Florida Statutes, known as the Community Redevelopment Act of 1969; and

WHEREAS, Board of Directors of the HBCRA approved the Strategic Planning Group to complete the modification of the 2012 HBCRA Implementation Plan and, as part of the modification process, the HBCRA along with key stakeholders such as community members and business owners identified numerous capital improvement projects, which would serve to redevelop and revitalize each Quadrant of the HBCRA Community Redevelopment Area; and

WHEREAS, the funding required to complete these projects, which includes such infrastructure as new sidewalks, lighting, landscaping and roadways, will require a substantial amount of funding in the amount of approximately \$40,000,000; and

WHEREAS, due to the fact that the HBCRA is funded on a yearly basis through a mechanism called "Tax Increment Financing (TIF)" and because the HBCRA cannot statutorily maintain reserves, the HBCRA would not be able to complete these large-scale infrastructure projects without seeking additional funding in the form of a loan; and

WHEREAS, at a duly noticed meeting on September 16, 2019, the Board of Directors of the HBCRA approved and adopted Resolution #2019-29-CRA in order to utilize the City of

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- Pompano Beach contract (on a piggyback basis) with PFM Financial Advisors, LLC (PFM), for financial advisory services; and
- WHEREAS, at a duly noticed meeting on November 18, 2019, the Board of Directors of the HBCRA authorized PFM to work with the City of Hallandale Beach Procurement Department, the HBCRA Attorney, and HBCRA Treasurer to issue a Request for Proposal (RFP) for the HBCRA loan; and
- WHEREAS, on December 19, 2019, the HBCRA released RFP #FY2019-2020-CRA001 for a loan in an amount not to exceed \$35,000,000; and
- WHEREAS, the Board of Directors of the HBCRA authorized PFM to review the proposals and to provide the Executive Director a recommendation for award of a contract; and
- **WHEREAS**, the three (3) firms that were evaluated by PFM were: Bank United, N.A., 51 BB&T, and PNC Bank; and
 - WHEREAS, the recommendation of PFM recommendation is primarily based on the best combination of interest rate and terms and conditions; and'
 - WHEREAS, PFM's review of the proposals indicates that PNC Bank provided the most attractive proposal for the loan and, consequently, PFM recommends PNC Bank as it provides the best combination of interest rate (1.881% tax-exempt / 2.334% taxable) and terms and conditions of the loan; and
 - WHEREAS, the Board of Directors of the HBCRA desires to (a) approve the Recommendation of Award of the RFP to PNC Bank for a loan in an amount not to exceed \$35,000,000 at a not to exceed combination interest rate (2.00% tax-exempt / 2.50% taxable) and (b) authorize the negotiation and finalization of a promissory note, loan agreement, security agreement and related documents with PNC Bank for a loan in an amount not to exceed \$35,000,000 at a not to exceed combination interest rate (2.00% tax-exempt / 2.50% taxable) for further approval by the Board of Directors of the HBCRA.

NOW, THEREFORE, BE IT RESOLVED BY THE CHAIR AND BOARD OF DIRECTORS OF THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY:

- Section 1. Recitals. The recitals in the whereas clauses are true and correct, and incorporated into this Resolution.
- Section 2. <u>Approval of Recommendation of Award of the RFP</u>. The Recommendation of Award of the RFP by the HBCRA to PNC Bank for a loan in an amount not to exceed \$35,000,000 at a not to exceed combination interest rate (2.00% tax-exempt / 2.50% taxable) is hereby approved.
- Section 3. <u>Negotiation and Finalization of Agreements</u>. The Executive Director and HBCRA Attorney are hereby authorized to negotiate and finalize a promissory note, loan agreement and related documents with PNC Bank for a loan in an amount not to exceed

\$35,000,000 at a not to exceed combination interest rate (2.00% tax-exempt / 2.50% taxable) for
 further approval by the Board of Directors of the HBCRA.

Section 4. Effective Date. This resolution shall take effect immediately upon approval.

PASSED AND ADOPTED by a 5/0 vote of the Board of the Hallandale Beach Community
Redevelopment Agency, this 15th day of April, 2020.

ATTEST:

HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY

JENORGEN M. GUILLEN, CRA SECRETARY

APPROVED AS TO FORM:

FOX ROTHSCHILD LLP, CRA ATTORNEY **FINAL VOTE ON ADOPTION**

JOY COOPE

CHAIR

Chair Cooper YES
Vice Chair Javellana YES
Director Butler YES
Director Lazarow YES
Director Lima-Taub YES

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