

RESOLUTION NO. 2009-150-1095

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, AUTHORIZING THE ISSUANCE OF LAND ACQUISITION AND IMPROVEMENT REVENUE BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF FOUR MILLION DOLLARS (\$4,000,000) FOR THE PURPOSE OF FINANCING A PORTION OF THE COSTS OF PURCHASING LAND FOR, PURCHASING AND RENOVATING EXISTING FACILITIES FOR, AND FINANCING ARCHITECTURAL, ENGINEERING, ENVIRONMENTAL, LEGAL AND OTHER PLANNING COSTS RELATED THERETO FOR, THE SITES OF A SENIOR CENTER, PARK, AND OTHER PUBLIC FACILITIES, AND PAYING COSTS OF ISSUANCE OF THE BONDS; AWARDING THE SALE OF THE BONDS TO BANK OF AMERICA, N.A.; PROVIDING FOR SECURITY FOR THE BONDS; CONTAINING OTHER PROVISIONS RELATING TO THE BONDS; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; PROVIDING FOR ADOPTION OF REPRESENTATIONS; REPEALING ALL RESOLUTIONS IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE.

WHEREAS, on July 22, 2009, the City Council (the "Council") of the City of Miami Gardens, Florida (the "City") enacted an Ordinance (the "Ordinance"), authorizing the issuance of land acquisition and improvement revenue bonds in an aggregate principal amount of Four Million Dollars (\$4,000,000) for the purpose of financing a portion of the costs of purchasing land for, purchasing and renovating existing facilities for, and financing architectural, engineering, environmental, legal and other planning costs related thereto for, the sites of a senior center, park, and other public facilities (the "Project") and paying costs of issuance of the Bonds, and

WHEREAS, the Council has determined that it is in the best interest of the City and its citizens to accept a commitment (the "Commitment") from Bank of America, N.A. (the "Bank") to purchase the Bonds, and

WHEREAS, the Council desires to set forth the details of the Bonds in this Bond Resolution,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, AS FOLLOWS:

SECTION 1. ADOPTION OF REPRESENTATIONS: The foregoing Whereas Clauses are hereby ratified and confirmed as being true, and the same are hereby made a specific part of this Resolution.

SECTION 2. AUTHORIZATION OF BONDS: Pursuant to the provisions of this Resolution, revenue bonds of the City to be designated “City of Miami Gardens, Florida, Land Acquisition and Improvement Revenue Bonds, Series 2009” (the “Bonds”), are hereby authorized to be issued in an aggregate principal amount of Four Million Dollars (\$4,000,000) for the purpose of financing or reimbursing the City for costs of the Project and paying costs of issuance of the Bonds.

SECTION 3. TERMS OF THE BONDS:

(a) **General Provisions.** The Bonds shall be issued in fully registered form without coupons. The principal of and interest on the Bonds shall be payable when due in lawful money of the United States of America by wire transfer or by certified check delivered on or prior to the date due to the registered Owners of the Bonds (“Owners”) or their legal representatives at the addresses of the Owners as they appear on the registration books of the City, which shall be the address provided by the Owners to the City.

The Bonds shall be dated the date of their issuance and delivery and shall be initially issued as one Bond in the denomination of \$4,000,000. The Bonds shall mature on August 1, 2029 (the “Maturity Date”).

THE BONDS SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OF THE CITY OR A PLEDGE OF THE FAITH AND CREDIT OF THE CITY, BUT SHALL BE PAYABLE EXCLUSIVELY FROM THE PLEDGED REVENUES, AS DEFINED IN THIS RESOLUTION. THE ISSUANCE OF THE BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE CITY TO LEVY OR TO PLEDGE ANY FORM OF AD VALOREM TAXATION WHATEVER THEREFOR, NOR SHALL THE BONDS CONSTITUTE A CHARGE, LIEN, OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE CITY, AND THE HOLDERS OF THE BONDS SHALL HAVE NO RECOURSE TO THE POWER OF AD VALOREM TAXATION.

(b) **Interest Rate.** Subject to adjustment as provided below and to the terms of the Bonds included herein, the Bonds shall bear interest on the outstanding principal balance from their date of issuance payable quarterly in arrears on each February 1, May 1, August 1 and November 1 (the “Interest Payment Dates”), commencing November 1, 2009, at an interest rate equal to 63.7% of the 10 year Interest Rate Swaps Rate (the “Index Rate”), determined as of two business days prior to the date of issuance of the Bonds, plus 222 basis points (2.22%) (the “Fixed Rate”). The “Index Rate” is currently published at the website: <http://federalreserve.gov/releases/h15/current/>. Execution of the Bonds with the fixed rate set

forth therein shall be conclusive establishment of the actual interest rate authorized hereby.

If any payment due on the Bonds is not paid within fifteen (15) days of its due date, the City shall pay the Bondholders a late payment fee equal to four percent (4%) of the amount due.

Interest on the Bonds shall be computed on the basis of a 365/366-day year for the actual number of days elapsed.

Adjustment of Interest Rate Upon a Determination of Taxability. If the interest on the Bonds becomes included in the gross income of the Owners, the interest rate on the Bonds shall become a rate equal to 154% of the rate otherwise applicable, as further set forth in the Bonds.

Adjustment of Interest Rate Upon an Event of Default. If an “event of default” occurs under Section 19 of this Resolution, the interest rate on the Bonds shall immediately be adjusted to a rate equal to the maximum lawful rate, irrespective of a declaration of maturity.

(c) Prepayment Provisions

(i) Mandatory Prepayment. The principal of the Bonds shall be subject to mandatory prepayment in quarterly installments on each February 1, May 1, August 1 and November 1, commencing November 1, 2009 (each a “Scheduled Due Date”). The schedule of principal and interest payments due on each Scheduled Due Date shall be determined on the first day of the Fixed Rate Period (as determined in Section 3(b) hereof). The schedule of principal and interest payments due on each Scheduled Due Date shall be determined by the Bank two business days prior to the date of issuance of the Bonds, based upon the Fixed Rate and a twenty (20) year amortization schedule of substantially level payments of principal and interest, with the final payment due in full on the Maturity Date.

(ii) Optional Prepayment. The Bonds are subject to optional prepayment in whole or in part at any time at a price of par, plus accrued interest to the date of prepayment, plus a premium equal to the “Prepayment Penalty” described in Exhibit “B” attached hereto, upon written notice to the Owners thereof given by the City at least three (3) days prior to the date fixed for prepayment. Partial prepayments shall be applied in inverse order of the maturity of principal installments.

In the event that there is more than one Owner of the Bonds, (A) each Bond shall be redeemed pro rata, and (B) the City shall give notice to each Owner of the Bonds at least three (3) days prior to the date of redemption of the amount of each Bond to be redeemed.

SECTION 4. EXECUTION OF BONDS: The Bonds shall be signed in the name of the City by the Mayor and attested to by the City Clerk, and its seal shall be affixed thereto or imprinted or reproduced thereon. The signatures of the Mayor and the City Clerk on the Bonds may be manual or facsimile signatures, provided that the signature of one of such officers shall be a manual signature. In case any one or more of the officers who shall have signed or sealed

any of the Bonds shall cease to be such officer of the City before the Bonds so signed and sealed shall have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed and sealed such Bonds had not ceased to hold such office. Any Bonds may be signed and sealed on behalf of the City by such person as at the actual time of the execution of such Bonds shall hold the proper office, although at the date of issuance of such Bonds such person may not have held such office or may not have been so authorized.

SECTION 5. NEGOTIABILITY, REGISTRATION AND CANCELLATION: The City shall serve as Registrar and as such shall keep books for the registration of Bonds and for the registration of transfers of Bonds. Bonds may be transferred or exchanged upon the registration books kept by the City, upon delivery to the City, together with written instructions as to the details of the transfer or exchange, of such Bonds in form satisfactory to the City and with guaranty of signatures satisfactory to the City, along with the social security number or federal employer identification number of any transferee and, if the transferee is a trust, the name and social security or federal tax identification numbers of the settlor and beneficiaries of the trust, the date of the trust and the name of the trustee. Bonds may be exchanged for one or more Bonds of the same aggregate principal amount and maturity and in denominations in integral multiples of \$250,000 (except that an odd lot is permitted to complete the outstanding principal balance). No transfer or exchange of any Bond shall be effective until entered on the registration books maintained by the City.

The City may deem and treat the person in whose name any Bond shall be registered upon the books kept by the City as the absolute Owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond as they become due and for all other purposes. All such payments so made to any such Owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

In all cases in which Bonds are transferred or exchanged in accordance with this Section, the City shall execute and deliver Bonds in accordance with the provisions of this Resolution. All Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by the City. There shall be no charge for any such exchange or transfer of Bonds, but the City may require the payment of a sum sufficient to pay any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. The City shall not be required to transfer or exchange Bonds for a period of fifteen (15) days next preceding an interest payment date on such Bonds.

All Bonds, the principal and interest of which has been paid, either at or prior to maturity, shall be delivered to the City when such payment is made, and shall thereupon be canceled.

In case part but not all of an outstanding Bond shall be prepaid, such Bond shall not be surrendered in exchange for a new Bond, but the City shall make a notation indicating the remaining outstanding principal of the Bonds upon the registration books. The Bond so redesignated shall have the remaining principal as provided on such registration books and shall be deemed to have been issued in the denomination of the outstanding principal balance, which

shall be an authorized denomination

SECTION 6. BONDS MUTILATED, DESTROYED, STOLEN OR LOST: In case any Bond shall become mutilated or be destroyed, stolen or lost, the City shall issue and deliver a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in the case of a mutilated Bond, in exchange and substitution for such mutilated Bond upon surrender of such mutilated Bond or in the case of a destroyed, stolen or lost Bond in lieu of and substitution for the Bond destroyed, stolen or lost, upon the Owner furnishing the City proof of his ownership thereof, satisfactory proof of loss or destruction thereof and satisfactory indemnity, complying with such other reasonable regulations and conditions as the City may prescribe and paying such expenses as the City may incur. The City shall cancel all mutilated Bonds that are surrendered. If any mutilated, destroyed, lost or stolen Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the City may pay the principal of and interest on such Bond upon the Owner complying with the requirements of this paragraph.

Any such duplicate Bonds issued pursuant to this section shall constitute original contractual obligations of the City whether or not the lost, stolen or destroyed Bonds be at any time found by anyone, and such duplicate Bonds shall be entitled to equal and proportionate benefits and rights as to lien on and source and security for payment from the funds, as hereinafter pledged, to the extent as all other Bonds issued hereunder.

SECTION 7. FORM OF BONDS: The text of the Bonds shall be of substantially the following tenor, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted by this Resolution.

No. R-

UNITED STATES OF AMERICA
STATE OF FLORIDA
CITY OF MIAMI GARDENS
LAND ACQUISITION AND IMPROVEMENT REVENUE BOND
SERIES 2009

Registered Owner:

Principal Amount: Four Million Dollars (\$4,000,000)

KNOW ALL MEN BY THESE PRESENTS, that the City of Miami Gardens, Florida (the "City"), for value received, hereby promises to pay in installments to the Registered Owner shown above, or registered assigns, on the dates set forth below, the Principal Amount specified above. Subject to the rights of prior prepayment and amortization described in this Bond, this Bond shall mature on August 1, 2029.

This Bond is issued under authority of and is full compliance with the Constitution and laws of the State of Florida, including particularly Part II of Chapter 166, Florida Statutes, as amended, the Charter of the City, Ordinance No. 2009-18-190 duly adopted by the City Council of the City on July 22, 2009, and Resolution No. 2009-150-1095 duly adopted by the City Council of the City on July 22, 2009 (the "Bond Resolution"), and is subject to the terms of the Bond Resolution. This Bond is issued for the purpose of financing or reimbursing a portion of the costs of purchasing land for, purchasing and renovating existing facilities for, and financing architectural, engineering, environmental, legal and other planning costs related thereto for, the sites of a senior center, park, and other public facilities, and paying costs of issuance of the Bonds.

Subject to adjustment as provided below, this Bond shall bear interest on the outstanding principal balance from its date of issuance payable quarterly on each February 1, May 1, August 1 and November 1 (the "Interest Payment Dates"), commencing November 1, 2009, at an interest rate equal to ____% per annum.

If any payment due on this Bond is not paid within fifteen (15) days of its due date, the City shall pay the Bondholder on demand a late payment fee equal to four percent (4%) of the amount due.

Interest on this Bond shall be computed on the basis of a 365/366-day year for the actual number of days elapsed.

All payments by the City pursuant to this Bond shall apply first to accrued interest, then to other charges due the Bank, and the balance thereof shall apply to the principal sum due.

As used in this Bond:

(1) “Code” means the Internal Revenue Code of 1986, as amended, and any Treasury Regulations, whether temporary, proposed or final, promulgated thereunder or applicable thereto;

(2) “Determination of Taxability” shall mean interest on this Bond is determined or declared, by the Internal Revenue Service or a court of competent jurisdiction to be included in the gross income of the Owner for federal income tax purposes under the Code.

Upon the occurrence of a Determination of Taxability, the interest rate on this Bond shall be adjusted to a rate equal to 154% of the interest rate otherwise borne hereby (the “Adjusted Interest Rate”), as of and from the date such Determination of Taxability would be applicable with respect to this Bond (the “Accrual Date”); and (i) the City shall on the next Interest Payment Date (or if this Bond shall have matured, within 30 days after demand by the Owner) hereon pay to the Owner an amount equal to the sum of (1) the difference between (A) the total interest that would have accrued on this Bond at the Adjusted Interest Rate from the Accrual Date to such next Interest Payment Date, and (B) the actual interest paid by the City on this Bond from the Accrual Date to such next Interest Payment Date, and (2) any interest and penalties required to be paid as a result of any additional State of Florida and federal income taxes imposed upon such Owner and/or former Owner arising as a result of such Determination of Taxability; and (ii) from and after the date of the Determination of Taxability, this Bond shall continue to bear interest at the Adjusted Interest Rate for the period such determination continues to be applicable with respect to this Bond. This adjustment shall survive payment of this Bond until such time as the federal statute of limitations under which the interest on this Bond could be declared taxable under the Code shall have expired.

Adjustment of Interest Rate Upon an Event of Default. If an “event of default” occurs under Section 19 of the Bond Resolution, the interest rate on the Bonds shall immediately be adjusted to a rate equal to the maximum lawful rate, irrespective of a declaration of maturity.

Prepayment Provisions

Mandatory Prepayment

The City shall pay the Owner installments of principal of this Bond on the dates (each a “Scheduled Due Date”) and in the amounts set forth on Exhibit “A” attached hereto.

Optional Prepayment.

This Bond is subject to optional prepayment in whole or in part at any time at a price of par, plus accrued interest to the date of prepayment, plus a premium equal to the “Prepayment Penalty” described in Exhibit “B” attached hereto, upon

written notice to the Owners thereof given by the City at least three (3) days prior to the date fixed for prepayment.

Partial prepayments shall be applied in inverse order of the maturity of principal installments.

In the event that there is more than one Owner of the Bonds, (i) each Bond shall be redeemed pro rata, and (ii) the City shall give notice to each Owner of the Bonds at least three (3) days prior to the date of redemption of the amount of each Bond to be redeemed.

In case part but not all of an outstanding Bond shall be prepaid, such Bond shall not be surrendered in exchange for a new Bond, but the City shall make a notation indicating the remaining outstanding principal of the Bonds upon the registration books. The Bond so redesignated shall have the remaining principal as provided on such registration books and shall be deemed to have been issued in the denomination of the outstanding principal balance, which shall be an authorized denomination.

The principal of and interest on this Bond are payable in lawful money of the United States of America by wire transfer or by certified check delivered on or prior to the date due to the registered Owner at such address as provided by the Owner to the City prior to the payment date.

This Bond and the interest hereon are secured by (i) the portion of the proceeds of the Local Government Half-Cent Sales Tax as defined in and received by the City under Part VI, Chapter 218, Florida Statutes (the "Local Government Half-Cent Sales Tax Revenues"), (ii) proceeds of the Communication Services Tax as defined in and received by the City under Chapter 202, Florida Statutes (the "Communication Services Tax Revenues") and (iii) the revenues received from the tax on the purchase of electricity, which constitutes a portion of the public service tax (also known as the "utilities service tax") levied and received or to be received by the City pursuant to Section 166.231(1)(a), Florida Statutes, and Ordinance No. 2003-1 adopted by the City Council on August 20, 2003 (the "Utility Service Tax Revenues", and collectively with the Local Government Half-Cent Sales Tax Revenues and the Communication Services Tax Revenues, the "Pledged Revenues"). The Bonds are on a parity, with respect to the lien on the Local Government Half-Cent Sales Tax Revenues and the Communication Services Tax Revenues, with the City's outstanding \$2,000,000 Equipment Acquisition Revenue Bonds, Series 2009, \$4,700,000 Land Acquisition and Improvement Revenue Bonds, Series 2008, \$14,400,000 Land Acquisition and Improvement Revenue Bonds, Series 2007, \$2,500,000 Capital Improvement Revenue Bonds, Series 2005, and \$7,500,000 Land Acquisition Revenue Bonds, Series 2005. The Bonds are also on a parity, with respect to the lien on the Utility Service Tax Revenues, with the City's outstanding \$7,300,000 Taxable Land Acquisition Revenue Bonds, Series 2009. The Bonds are also on a parity, with respect to the lien on all sources of the Pledged Revenues, with the City's outstanding \$9,000,000 Taxable Land Acquisition Revenue Bonds, Series 2009B. Reference is hereby made to the Bond Resolution for the provisions, among others, relating to the terms, lien and security of the Bonds, the custody and application of the proceeds of the Bonds, the rights and remedies of the Registered Owners of the Bonds, and the extent of and limitations on the City's rights, duties and obligations, to all of which

provisions the Registered Owner hereof for himself and his successors in interest assents by acceptance of this Bond.

THIS BOND SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OF THE CITY OR A PLEDGE OF THE FAITH AND CREDIT OF THE CITY, BUT SHALL BE PAYABLE EXCLUSIVELY BY THE PLEDGED REVENUES. THE ISSUANCE OF THIS BOND SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE CITY TO LEVY OR TO PLEDGE ANY FORM OF AD VALOREM TAXATION WHATEVER THEREFOR NOR SHALL THIS BOND CONSTITUTE A CHARGE, LIEN, OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE CITY, AND THE HOLDER OF THIS BOND SHALL HAVE NO RECOURSE TO THE POWER OF AD VALOREM TAXATION.

Upon the occurrence of certain Events of Default (as defined in and as specified in the Resolution), the Owner may declare the entire debt then remaining unpaid hereunder immediately due and payable; and in any such default and acceleration, the City shall also be obligated to pay (but only from the Pledged Revenues) as part of the indebtedness evidenced by this Bond, all costs of collection and enforcement hereof, including such fees as may be incurred on appeal or incurred in any proceeding under bankruptcy laws as they now or hereafter exist, including specifically but without limitation, claims, disputes and proceedings seeking adequate protection or relief from the automatic stay.

Interest at the maximum lawful rate per annum shall be payable on the entire principal balance owing hereunder from and after the occurrence of and during the continuation of a default described in the preceding paragraph, irrespective of a declaration of maturity.

This Bond may be exchanged or transferred but only as provided in the Resolution.

The City to the extent permitted by law hereby waives presentment, demand, protest and notice of dishonor.

It is hereby certified and recited that all acts, conditions and things required to happen, to exist and to be performed precedent to and for the issuance of this Bond have happened, do exist and have been performed in due time, form and manner as required by the Constitution and the laws of the State of Florida applicable thereto.

IN WITNESS WHEREOF, the City of Miami Gardens, Florida has caused this Bond to be executed by the manual or facsimile signature of its Mayor and of its City Clerk, and the Seal of the City of Miami Gardens, Florida or a facsimile thereof to be affixed hereto or imprinted or reproduced hereon, all as of the 22nd day of July, 2009.

CITY OF MIAMI GARDENS, FLORIDA

Mayor

City Clerk

(SEAL)

**[ATTACH EXHIBIT "A"--AMORTIZATION SCHEDULE AND
EXHIBIT "B"-- PREPAYMENT PENALTY]**

SECTION 8. PLEDGE OF REVENUES:

(a) In order to secure the principal of and interest on the Bonds, the City hereby pledges, assigns and grants a lien and security interest to the Bondholders in the Local Government Half-Cent Sales Tax Revenues, the Communication Services Tax Revenues and the Utility Service Tax Revenues. The City covenants that for so long as the Bonds are secured by the Local Government Half-Cent Sales Tax Revenues it shall take all necessary steps to qualify to continue to receive the Local Government Half-Cent Sales Tax Revenues as provided for in Part VI, Chapter 218, Florida Statutes. The City covenants that for so long as the Bonds are secured by the Communication Services Tax Revenues it shall take all necessary steps to qualify to continue to receive the Communication Services Tax Revenues as provided for in Chapter 202, Florida Statutes. The City covenants that for so long as the Bonds are secured by the Utility Service Tax Revenues it shall take all necessary steps to continue to receive the Utility Service Tax Revenues as provided for in Section 166.231(1)(a), Florida Statutes.

(b) The City represents and warrants to the Bondholders that there are no other obligations of the City currently outstanding secured by the Local Government Half-Cent Sales Tax Revenues and the Communication Services Tax Revenues, other than the City's outstanding \$2,000,000 Equipment Acquisition Revenue Bonds, Series 2009, \$4,700,000 Land Acquisition and Improvement Revenue Bonds, Series 2008, \$14,400,000 Land Acquisition and Improvement Revenue Bonds, Series 2007, \$2,500,000 Capital Improvement Revenue Bonds, Series 2005, and \$7,500,000 Land Acquisition Revenue Bonds, Series 2005 (collectively, the "Sales Tax and Communication Tax Parity Bonds"), the lien of which is and shall be on a parity with the lien on such revenues for the benefit of the Bonds. The City represents and warrants to the Bondholders that there are no other obligations of the City currently outstanding secured by the Utility Service Tax Revenues, other than the City's outstanding \$7,300,000 Taxable Land Acquisition Revenue Bonds, Series 2009 (the "Utility Tax Parity Bonds"). The City represents and warrants to the Bondholders that there are no other obligations of the City currently outstanding secured by all sources of the Pledged Revenues, other than the City's outstanding \$9,000,000 Taxable Land Acquisition Revenue Bonds, Series 2009 (the "Pledged Revenue Parity Bonds").

(c) As used in this Resolution, (i) the term "Local Government Half-Cent Sales Tax Revenues" means the portion of the proceeds of the Local Government Half-Cent Sales Tax as defined in and received by the City under Part VI, Chapter 218, Florida Statutes, (ii) the term "Communication Services Tax Revenues" means proceeds of the Communication Services Tax as defined in and received by the City under Chapter 202, Florida Statutes, (iii) the term "Utility Service Tax Revenues" means the revenues received from the tax on the purchase of electricity, which constitutes a portion of the public service tax (also known as the utilities service tax) levied and received or to be received by the City pursuant to Section 166.231(1)(a), Florida Statutes, and Ordinance No. 2003-1 adopted by the City Council on August 20, 2003, (iv) the term "Pledged Revenues" means, collectively, the Local Government Half-Cent Sales Tax Revenues, the Communication Services Tax Revenues and the Utility Service Tax Revenues, and (v) the term "Parity Bonds" means, collectively, the Sales Tax and

Communication Tax Parity Bonds, the Utility Tax Parity Bonds and the Pledged Revenue Parity Bonds.

(d) Calculations of Pledged Revenues, and any individual revenue components thereof, will be based on information derived from the most recently audited fiscal year end financial statements. For purposes of calculating Maximum Annual Debt Service, the interest rate to be assumed for indebtedness bearing interest at a variable rate shall be equal to the higher of seven percent (7%) per annum or the actual rate of interest paid by the City with respect to such indebtedness during the month preceding the date of calculation, and such indebtedness shall be assumed to be fully funded. In addition, for purposes of calculating Maximum Annual Debt Service, the City's \$9,000,000 Taxable Land Acquisition Revenue Bonds, Series 2009 and \$7,300,000 Taxable Land Acquisition Revenue Bonds, Series 2009 shall be assumed to amortize over a fifteen (15) year period and the City's \$2,000,000 Equipment Acquisition Revenue Bonds, Series 2009 shall be assumed to amortize over a four (4) year period.

SECTION 9. BOND FUND: There is hereby created a fund, entitled "City of Miami Gardens, Florida Land Acquisition and Improvement Revenue Bonds, Series 2009 Bond Fund" (the "Bond Fund"). There shall be deposited into the Bond Fund on each Interest Payment Date sufficient amounts of Pledged Revenues as specified in Section 8 hereof which, together with the amounts already on deposit therein, will enable the City to pay the principal of and interest on the Bonds on each Interest Payment Date. Moneys in the Bond Fund shall be applied on each Interest Payment Date to the payment of principal of and interest on the Bonds coming due on each such date.

SECTION 10. SWAP AGREEMENTS: The City is authorized to enter into a swap agreement with the Bondholders or with another party with the consent of the Bondholders for the purpose of effectively lowering the interest rate on the Bonds for any period of time. For purposes of depositing sufficient moneys into the Bond Fund to pay principal and interest on the Bonds pursuant to Section 9 hereof, and for purpose of the calculations specified in Sections 17(b), (c) and (d) hereof, (i) any payments due under such swap agreement shall be considered to be the equivalent of debt service payments on the Bonds, and Pledged Revenues shall be set aside in each fiscal year in an amount at least equal to the greater of (x) the payments due under the swap agreement in such fiscal year or (y) the debt service payments due on the Bonds in such fiscal year, in order to make all such payments, and (ii) any payments actually received by the City under the swap agreement may be taken into account and, upon receipt, shall be deposited into the Bond Fund. Notwithstanding the foregoing, any payments made by the City under such swap agreement shall be subordinate in right of payment from Pledged Revenues to the payment of debt service on the Bonds and the Parity Bonds.

SECTION 11. INVESTMENT OF BOND FUND: Subject to Section 14 hereof, funds in the Bond Fund may be invested in the following investments, maturing at or before the time such funds may be needed to pay principal of or interest on Bonds, to the extent such investments are legal for investment of municipal funds ("Authorized Investments"):

- (a) The Local Government Surplus Funds Trust Fund;

(b) Negotiable direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States Government at the then prevailing market price for such securities;

(c) Interest-bearing time deposits or savings accounts in banks organized under the laws of the State of Florida (the "State"), in national banks organized under the laws of the United States and doing business and situated in the State, in savings and loan associations which are under State supervision, or in federal savings and loan associations located in the State and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law;

(d) Obligations of the federal farm credit banks; the Federal Home Loan Mortgage Corporation, including Federal Home Loan Mortgage Corporation participation certificates; or the Federal Home Loan Bank or its district banks or obligations guaranteed by the Government National Mortgage Association;

(e) Obligations of the Federal National Mortgage Association, including Federal National Mortgage Association participation certificates and mortgage pass-through certificates guaranteed by the Federal National Mortgage Association;

(f) Securities of, or other interests in, any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. ss. 80a-1 et seq., as amended from time to time, provided the portfolio of such investment company or investment trust is limited to United States Government obligations and to repurchase agreements fully collateralized by such United States Government obligations and provided such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian; or

(g) Any other investments that at the time are legal investments for municipal funds.

SECTION 12. APPLICATION OF BOND PROCEEDS:

The proceeds received upon the sale of the Bonds shall be applied simultaneously with the delivery of the Bonds, as follows:

1. The City shall first use the moneys to pay costs of the issuance of the Bonds.
2. The remainder of the proceeds of the sale of the Bonds shall be deposited in the "City of Miami Gardens Land Acquisition and Improvement Revenue Bonds, Series 2009 Project Fund" (the "Project

Fund”), hereby created, and used only in connection with the Project. The Project Fund shall be held and maintained at the Bank.

Pending their use, the proceeds in the Project Fund may be invested in Authorized Investments, maturing not later than the date or dates on which such proceeds will be needed for the purposes of this Bond Resolution. Subject to Section 14 hereof, any income received upon such investment shall be deposited in the Project Fund and applied to costs of the Project or, at the option of the City, deposited in the Bond Fund and used to pay interest on the Bonds until completion of the Project. Subject to Section 14 hereof, after the completion of the Project, any remaining balance of proceeds of the Bonds shall be deposited into the Bond Fund and used solely to pay interest on the Bonds.

The Project Fund shall be kept separate and apart from all other funds of the City and the moneys on deposit therein shall be withdrawn, used and applied by the City solely for the purposes set forth herein. Except for a sufficient amount of Bond proceeds to be spent on the date of issuance of the Bonds to pay costs of issuance of the Bonds, moneys in the Project Fund may only be expended on the Project upon subsequent authorization by the City Council. Pending such application, the Project Fund shall be subject to the lien of the Owners of the Bonds for the payment of the principal of and interest on the Bonds.

The registered Owners shall have no responsibility for the use of the proceeds of the Bonds, and the use of such Bond proceeds by the City shall in no way affect the rights of such registered Owners. The City shall be obligated to apply the proceeds of the Bonds solely for financing costs of the Project. However, the City shall be irrevocably obligated to continue to pay the principal of and interest on the Bonds notwithstanding any failure of the City to use and apply such Bond proceeds in the manner provided herein.

SECTION 13. FUNDS: Each of the funds and accounts herein established and created shall constitute trust funds for the purposes provided herein for such funds and accounts respectively. The money in such funds and accounts shall be continuously secured in the same manner as deposits of City funds are authorized to be secured by the laws of the State of Florida. Except as otherwise provided in Section 12 hereof, earnings on any investments in any amounts on any of the funds and accounts herein established and created shall be credited to such respective fund or account.

The designation and establishment of the funds and accounts in and by this Bond Resolution shall not be construed to require the establishment of any completely independent, self-balancing funds, as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues and assets of the City for the purposes herein provided and to establish certain priorities for application of such revenues and assets.

SECTION 14. INVESTMENTS AND USE OF PROCEEDS TO COMPLY WITH INTERNAL REVENUE CODE OF 1986: The City covenants to the Owners of the Bonds that it will take all actions and do all things necessary and desirable in order to maintain the exclusion

from gross income for federal income tax purposes of interest on the Bonds, and shall refrain from taking any actions that would cause interest on the Bonds to be included in gross income for federal income tax purposes. In particular, the City will not make or direct the making of any investment or other use of the proceeds of the Bonds which would cause such Bonds to be “private activity bonds” as that term is defined in Section 141 (or any successor provision thereto) of the Code or “arbitrage bonds” as that term is defined in Section 148 (or any successor provision thereto) of the Code, and all applicable regulations promulgated under the Code, and that it will comply with the applicable requirements of Sections 141 and 148 of the Code and the aforementioned regulations throughout the term of the Bonds.

SECTION 15. DESIGNATION UNDER SECTION 265(b)(3) OF THE CODE: The City hereby designates the Bonds as qualified tax-exempt obligations under Section 265(b)(3) of the Code, and shall make all necessary filings in order to effectuate such election. The City represents that neither the City nor any subordinate entities or entities issuing tax-exempt obligations on behalf of the City within the meaning of Section 265(b)(3) of the Code have issued tax-exempt obligations during calendar year 2009 and neither the City nor any such entities expect to issue tax-exempt obligations during calendar year 2009, other than the Bonds and the City’s \$2,000,000 Equipment Acquisition Revenue Bonds, Series 2009.

SECTION 16. ARBITRAGE REBATE COVENANTS: There is hereby created and established a fund to be held by the City, designated the “City of Miami Gardens Land Acquisition and Improvement Revenue Bonds, Series 2009 Rebate Fund” (the “Rebate Fund”). The Rebate Fund shall be held by the City separate and apart from all other funds and accounts held by the City under this Resolution and from all other moneys of the City.

Notwithstanding anything in this Resolution to the contrary, the City shall transfer to the Rebate Fund the amounts required to be transferred in order to comply with the Tax Certificate or the Rebate Covenants, if any, attached as an Exhibit to the Tax Certificate to be delivered by the City on the date of delivery of the Bonds (the “Rebate Covenants”), when such amounts are so required to be transferred. The City Manager shall make or cause to be made payments from the Rebate Fund of amounts required to be deposited therein to the United States of America in the amounts and at the times required by the Rebate Covenants. The City covenants for the benefit of the Owners of the Bonds that it will comply with the Rebate Covenants. The Rebate Fund, together with all moneys and securities from time to time held therein and all investment earnings derived therefrom, shall be excluded from the pledge and lien of this Resolution. The City shall not be required to comply with the requirements of this Section 16 in the event that the City obtains an opinion of nationally recognized bond counsel that (i) such compliance is not required in order to maintain the federal income tax exemption of interest on the Bonds and/or (ii) compliance with some other requirement is necessary to maintain the federal income tax exemption of interest on the Bonds.

SECTION 17. SPECIAL COVENANTS OF THE CITY; COVERAGE AND ADDITIONAL BONDS TEST:

- (a) The City shall, upon receipt by the City or within two hundred seventy

(270) days of each fiscal year end, whichever is sooner, provide the Owners of the Bonds with a printed copy of its Comprehensive Annual Financial Report, its current year operating budget and its capital improvement plan. The City shall also provide to the Owners of the Bonds any other financial information reasonably requested by such Owners.

(b) The City covenants and agrees that it will at all times maintain a coverage ratio such that the average of Pledged Revenues during the prior two fiscal years is equal to at least 150% of Maximum Annual Debt Service. For purposes of this paragraph,

(i) "Maximum Annual Debt Service" shall mean the maximum amount of principal and interest required in the then current or any future fiscal year to pay all Debt Obligations;

(ii) "Debt Obligations" shall mean debt service on debt obligations of the City, including the Bonds and the Parity Bonds, which are secured by or payable from one or more sources of Pledged Revenues.

(c) The City will not issue any additional obligations secured by the Local Government Half-Cent Sales Tax Revenues and the Communication Services Tax Revenues, unless (i) the ratio of the amount of Local Government Half-Cent Sales Tax Revenues and Communication Services Tax Revenues collected during each of the preceding two fiscal years of the City divided by the Maximum Annual Debt Service on all Debt Obligations secured by the Local Government Half-Cent Sales Tax Revenues and Communication Services Tax Revenues and on the Debt Obligations proposed to be issued, is at least equal to 1.50, (ii) no Event of Default exists hereunder and (iii) the other covenants of the City contained herein will continue to be met. For purposes of determining compliance with (i) above, the assumptions set forth in Section 8(d) and the definitions set forth in Section 8(c) of this Resolution shall apply.

(d) The City will not issue any additional obligations secured by the Utility Service Tax Revenues, unless (i) the ratio of the amount of Utility Service Tax Revenues collected during each of the preceding two fiscal years of the City divided by the Maximum Annual Debt Service on all Debt Obligations secured by the Utility Service Tax Revenues and on the Debt Obligations proposed to be issued, is at least equal to 1.50, (ii) no Event of Default exists hereunder and (iii) the other covenants of the City contained herein will continue to be met. For purposes of determining compliance with (i) above, the assumptions set forth in Section 8(d) and the definitions set forth in Section 8(c) of this Resolution shall apply.

(e) The City agrees to maintain a depository account with the Bank in a minimum amount of \$2,600,000 for at least two years from the date of issuance of the Bonds.

SECTION 18. COVENANTS BINDING ON CITY AND SUCCESSOR: All covenants, stipulations, obligations and agreements of the City contained in this Resolution shall be deemed to be covenants, stipulations, obligations and agreements of the City to the full extent

authorized or permitted by law, and all such covenants, stipulations, obligations and agreements shall be binding upon the successor or successors thereof from time to time and upon the officer, board, body or commission to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law.

Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the City or upon the City Council by the provisions of this Resolution shall be exercised or performed by the City Council or by such officers, board, body or commission as may be required by law to exercise such powers or to perform such duties.

No covenant, stipulation, obligation or agreement herein contained shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member of the City Council or officer, agent or employee of the City in his or her individual capacity, and neither the members of the City Council nor any officer, agent or employee of the City executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 19. **EVENTS OF DEFAULT:** Each of the following events is hereby declared an “event of default”:

(a) payment of the principal of any of the Bonds shall not be made when the same shall become due and payable; or

(b) payment of any installment of interest on any of the Bonds shall not be made when the same shall become due and payable; or

(c) the City shall be in default of the covenants set forth in Section 17(b), (c) or (d) hereof; or

(d) the City shall default in the due and punctual performance of any covenant, condition, agreement or provision contained in the Bonds or in this Resolution (except for a default described in subsection (a), (b), (c) or (f) of this Section) on the part of the City to be performed, and such default shall continue for sixty (60) days after written notice specifying such default and requiring same to be remedied shall have been given to the City by any Owner of any bond; provided that it shall not constitute an event of default if the default is not one that can be cured within such sixty (60) days, as agreed by the Bondholders and the City, and the City commences within such sixty (60) days and is proceeding diligently with action to correct such default; or

(e) any proceeding shall be instituted with the consent of the City for the purpose of effecting a composition between the City and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any federal or state statute now or hereafter enacted and such proceedings shall not have been dismissed within thirty (30) days after the institution of the same; or

(f) a payment default occurs under any of the Parity Debt or under any future debt that is on a parity with the Bonds or any Parity Debt (hereinafter, "Future Parity Debt"), or a default occurs that allows any of the Parity Debt or any Future Parity Debt to be accelerated, or any of the Parity Debt or any Future Parity Debt is accelerated.

SECTION 20. REMEDIES; RIGHTS OF BONDHOLDERS:

(a) Upon the occurrence and continuance of any event of default specified in Section 19(a), (b), (c) or (f) hereof, the Owners of the Bonds may declare all payments of principal and accrued interest to be immediately due and payable, whereupon the same shall become immediately due and payable.

(b) Upon the occurrence and continuance of any event of default specified in Section 19(d) or (e) hereof, the Owners of the Bonds may pursue any available remedy by suit, at law or in equity, to enforce the payment of the principal of and interest on the Bonds then outstanding.

No delay or omission to exercise any right or power accruing upon any default or event of default shall impair any such right or power or shall be construed to be a waiver of any such default or event of default or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient. No waiver of any event of default hereunder shall extend to or shall affect any subsequent event of default or shall impair any rights or remedies consequent thereon.

The City agrees, to the extent permitted by law, to indemnify the Bank and its directors, officers, employees and agents from any against any losses, claims, damages, liabilities and expenses (including, without limitation, counsel fees and expenses) which may be incurred in connection with enforcement of the provisions of this Resolution and the Bonds.

SECTION 21. DEFEASANCE:

(a) The covenants, liens and pledges entered into, created or imposed pursuant to this Resolution may be fully discharged and satisfied with respect to the Bonds in any one or more of the following ways.

- (i) by paying the principal of, prepayment premium, if any, and interest on the Bonds when the same shall become due and payable; or
- (ii) by depositing with an escrow agent certain moneys irrevocably pledged to the payment of the Bonds, which together with other moneys lawfully available therefor, if any, shall be sufficient at the time of such deposit with the escrow agent to pay when due the principal, prepayment

premium, if any, and interest due and to become due on said Bonds on or prior to the prepayment date or maturity date thereof; or

- (iii) by depositing with an escrow agent moneys irrevocably pledged to the payment of the Bonds, which together with other moneys lawfully available therefor, when invested by the escrow agent in direct obligations of the United States of America which shall not be subject to redemption prior to their maturity other than at the option of the holder thereof, will provide moneys which shall be sufficient (as evidenced by a verification report of an independent certified public accountant or firm of accountants addressed to the City and the Bondholders) to pay when due the principal, prepayment premium, if any, and interest due and to become due on said Bonds on or prior to the prepayment date or maturity date thereof.

Upon such payment or deposit with an escrow agent in the amount and manner provided in this Section 21, the Bonds shall be deemed to be paid and shall no longer be deemed to be Outstanding for the purposes of this Resolution and the covenants of the City hereunder and all liability of the City with respect to said Bonds shall cease, terminate and be completely discharged and extinguished and the holders thereof shall be entitled to payment solely out of the moneys or securities so deposited with the escrow agent; provided, however, that (i) if any Bonds are to be redeemed prior to the maturity thereof, notice of the redemption thereof shall have been duly given in accordance with the provisions of Section 3 hereof and (ii) in the event that any Bonds are not by their terms subject to redemption with the next succeeding sixty (60) days following a deposit of moneys with the escrow agent in accordance with this Section, the City shall have given the escrow agent in form satisfactory to it irrevocable instructions to mail to the Owners of such Bonds at their addresses as they appear on the registration books of the City, a notice stating that a deposit in accordance with this Section has been made with the escrow agent and that the Bonds are deemed to have been paid in accordance with this Section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal of, premium, if any, and interest on said Bonds.

(b) Notwithstanding the foregoing, all references to the discharge and satisfaction of Bonds shall include the discharge and satisfaction of any portion of the Bonds.

(c) If any portion of the moneys deposited with an escrow agent for the payment of the principal of, redemption premium, if any, and interest on any portion of the Bonds is not required for such purpose, the escrow agent shall transfer to the City the amount of such excess and the City may use the amount of such excess free and clear of any trust, lien, security interest, pledge or assignment securing said Bonds or otherwise existing under this Resolution.

(d) Notwithstanding any of the foregoing, the requirements of Sections 14 and 16 hereof relating to use and investment of proceeds and rebate amounts due to the United States pursuant to the Rebate Covenants shall survive the payment of principal and interest with respect to the Bonds or any portion thereof.

SECTION 22. SALE OF BONDS: Based upon the uncertainty of the interest rate environment if sale of the Bonds is delayed, the City hereby determines and finds the necessity for a negotiated sale of the Bonds. The City has been provided all applicable disclosure information required by Section 218.385, Florida Statutes. The negotiated sale of the Bonds is hereby approved to the Bank at a purchase price of par.

SECTION 23. AUTHORITY OF OFFICERS: The Mayor, the City Manager and the City Clerk are and each of them is hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transaction contemplated by this Resolution and the other documents identified herein.

SECTION 24. SEVERABILITY: In case any one or more of the provisions of this Resolution or of any Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution or of the Bonds, but this Resolution and the Bonds shall be construed and enforced as if such illegal or invalid provision had not been contained therein. The Bonds are issued and this Resolution is adopted with the intent that the laws of the State shall govern their construction.

SECTION 25. PAYMENTS DUE ON SATURDAYS, SUNDAYS AND HOLIDAYS: In any case where the date of maturity of interest on or principal of the Bonds shall be a Saturday, Sunday or a day on which the office of the Bank designated for the payment of principal and interest on the Bond is lawfully closed, then payment of such interest or principal need not be made by the City on such date but may be made on the next succeeding business day on which the banks in the State are open for business, but such interest shall continue to accrue until payment is received by the Owners of the Bonds.

SECTION 26. OPEN MEETING FINDINGS: It is hereby found and determined that all official acts of the City Council concerning and relating to the adoption of this Resolution and all prior resolutions affecting the City Council's ability to issue the Bonds were taken in an open meeting of the City Council and that all deliberations of the City Council or any of its committees that resulted in such official acts were in meetings open to the public, in compliance with all legal requirements, including Section 286.011, Florida Statutes.

SECTION 27. REPEALING CLAUSE: All resolutions and parts thereof in conflict herewith, to the extent of such conflicts, are hereby superseded and repealed.

SECTION 28. ARBITRATION AND WAIVER OF JURY TRIAL.

(a) This Section 28 concerns the resolution of any controversies or claims between the City or any Owner of the Bonds (each a "party" and collectively, the "parties"), whether arising in contract, tort or by statute, that arise out of or relate to: (i) the Bonds (including any renewals, extensions or modifications); or (ii) this Resolution (collectively a "Claim"). For the purposes of this arbitration provision only, the term "parties" shall include any parent

corporation, subsidiary or affiliate of the Bank involved in the servicing, management or administration of any obligation described or evidenced by this Resolution.

(b) At the request of any party, any Claim shall be resolved by binding arbitration in accordance with the Federal Arbitration Act (Title 9, U.S. Code) (the "Arbitration Act"). The Arbitration Act will apply even though this Resolution provides that it is governed by the law of a specified state. The arbitration will take place on an individual basis without resort to any form of class action.

(c) Arbitration proceedings will be determined in accordance with the Arbitration Act, the then-current rules and procedures for the arbitration of financial services disputes of the American Arbitration Association or any successor thereof ("AAA"), and the terms of this Section. In the event of any inconsistency, the terms of this paragraph shall control. If AAA is unwilling or unable to (i) serve as the provider of arbitration or (ii) enforce any provision of this arbitration clause, any party may substitute another arbitration organization with similar procedures to serve as the provider of arbitration.

(d) The arbitration shall be administered by AAA and conducted in Miami, Florida. All Claims shall be determined by one arbitrator; however, if Claims exceed Five Million Dollars (\$5,000,000), upon the request of any party, the Claims shall be decided by three arbitrators. All arbitration hearings shall commence within ninety (90) days of the demand for arbitration and close within ninety (90) days of commencement and the award of the arbitrator(s) shall be issued within thirty (30) days of the close of the hearing. However, the arbitrator(s), upon a showing of good cause, may extend the commencement of the hearing for up to an additional sixty (60) days. The arbitrator(s) shall provide a concise written statement of reasons for the award. The arbitration award may be submitted to any court having jurisdiction to be confirmed, judgment entered and enforced.

(e) The arbitrator(s) will give effect to statutes of limitation in determining any Claim and may dismiss the arbitration on the basis that the Claim is barred. For purposes of the application of the statute of limitations, the service on AAA under applicable AAA rules of a notice of Claim is the equivalent of the filing of a lawsuit. Any dispute concerning this arbitration provision or whether a Claim is arbitrable shall be determined by the arbitrator(s). The arbitrator(s) shall have the power to award legal fees pursuant to the terms of this Agreement.

(f) This Section does not limit the right of any party to: (i) exercise self-help remedies, such as but not limited to, setoff; (ii) initiate judicial or non-judicial foreclosure against any real or personal property collateral; (iii) exercise any judicial or power of sale rights, or (iv) act in a court of law to obtain an interim remedy, such as but not limited to, injunctive relief, writ of possession or appointment of a receiver, or additional or supplementary remedies.

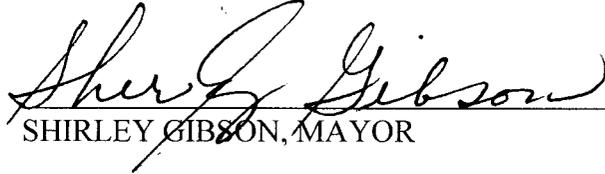
(g) The filing of a court action is not intended to constitute a waiver of the right of any party, including the suing party, thereafter to require submittal of the Claim to arbitration.

(h) By agreeing to binding arbitration, the parties irrevocably and voluntarily waive any right they may have to a trial by jury in respect of any Claim. Furthermore, without intending in any way to limit this agreement to arbitrate, to the extent any Claim is not arbitrated,

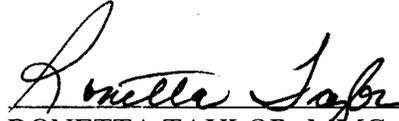
the parties irrevocably and voluntarily waive any right they may have to a trial by jury in respect of such Claim.

SECTION 30. EFFECTIVE DATE: This Resolution shall take effect immediately upon its final passage and adoption.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS AT ITS REGULAR MEETING HELD ON JULY 22, 2009.


SHIRLEY GIBSON, MAYOR

ATTEST:


RONETTA TAYLOR, MMC, CITY CLERK

Prepared by ADORNO & YOSS LLP, Bond Counsel

SPONSORED BY: DANNY O. CREW, CITY MANAGER

MOVED BY: Vice Mayor Watson

SECONDED BY: Councilman Bratton

VOTE: 6-0

Mayor Shirley Gibson	<u>X</u>	(Yes)	<u> </u>	(No)
Vice Mayor Barbara Watson	<u>X</u>	(Yes)	<u> </u>	(No)
Councilman Melvin L. Bratton	<u>X</u>	(Yes)	<u> </u>	(No)
Councilman Aaron Campbell, Jr.	<u>X</u>	(Yes)	<u> </u>	(No)
Councilman Oliver Gilbert III	<u>X</u>	(Yes)	<u> </u>	(No)
Councilwoman Sharon Pritchett	<u> </u>	(Yes)	<u> </u>	(No) (not present)
Councilman Andre L. Williams	<u>X</u>	(Yes)	<u> </u>	(No)

EXHIBIT "A"

PREPAYMENT PENALTY

The Bonds may be prepaid in whole, or in part, on any date, with three (3) days prior written notice to the Bondholder by payment in an amount equal to the principal amount to be prepaid plus accrued interest thereon to the date of prepayment plus the Prepayment Fee. For purposes hereof, the Prepayment Fee will be the sum of fees calculated separately for each Prepaid Installment, as follows:

(i) The Bank will first determine the amount of interest which would have accrued each month at the Taxable Equivalent Rate for the Prepaid Installment had it remained outstanding until the applicable Original Payment Date, using the interest rate applicable to the Prepaid Installment under this Resolution.

(ii) The Bank will then subtract from each monthly interest amount determined in (i), above, the amount of interest which would accrue for that Prepaid Installment if it were reinvested from the date of prepayment through the Original Payment Date, using the Treasury Rate.

(iii) If (i) minus (ii) for the Prepaid Installment is greater than zero, the Bank will discount the monthly differences to the date of prepayment by the Treasury Rate. The Bank will then add together all of the discounted monthly differences for the Prepaid Installment.

The following definitions will apply to the calculation of the Prepayment Fee:

(i) "Original Payment Dates" mean the dates on which the prepaid principal would have been paid if there had been no prepayment. If any of the principal would have been paid later than the end of the fixed rate interest period in effect at the time of prepayment, then the Original Payment Date for that amount will be the last day of the interest period.

(ii) "Prepaid Installment" means the amount of the prepaid principal which would have been paid on a single Original Payment Date.

(iii) "Taxable Equivalent Rate" means the interest rate per annum derived from the following formula: interest rate on the Bonds divided by the difference of (1 minus the Maximum Corporate Income Tax Rate). The "Maximum Corporate Income Tax Rate" is the highest marginal federal income tax rate charged to U.S. corporations in effect at the time of the prepayment calculation. The "Maximum Corporate Income Tax Rate" is currently 35% (or 0.35 in numerical terms).

(iv) "Treasury Rate" means the yield on the Treasury Constant Maturity Series with maturity equal to the Original Payment Date of the Prepaid Installment which are principal

payments (calculated as of the date of prepayment in accordance with accepted financial practice and rounded to the nearest quarter-year), as reported in Federal Reserve Statistical Release H.15, Selected Interest Rates of the Board of Governors of the Federal Reserve System, or any successor publication. If no maturity exactly corresponding to such Original Payment Date appears in Release H.15, the Treasury Rate will be determined by linear interpolation between the yields reported in Release H. 15. If for any reason Release H.15 is no longer published, the Bank shall select a comparable publication to determine the Treasury Rate.



City of Miami Gardens Agenda Cover Memo

Council Meeting Date: July 8, 2009		Item Type: <i>(Enter X in box)</i>	Resolution x	Ordinance	Other	
Fiscal Impact: <i>(Enter X in box)</i>	Yes	No	Ordinance Reading: <i>(Enter X in box)</i>	1st Reading		2nd Reading
	x			Public Hearing: <i>(Enter X in box)</i>	Yes	No
Funding Source:	Bond Issue		Advertising Requirement: <i>(Enter X in box)</i>		Yes	
Contract/P.O. Required: <i>(Enter X in box)</i>	Yes	No	RFP/RFQ/Bid #:			
Sponsor Name	Danny Crew, City Manager		Department:	CM		

Short Title:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, AUTHORIZING THE ISSUANCE OF LAND ACQUISITION AND IMPROVEMENT REVENUE BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF FOUR MILLION DOLLARS (\$4,000,000) FOR THE PURPOSE OF FINANCING A PORTION OF THE COSTS OF PURCHASING LAND FOR, PURCHASING AND RENOVATING EXISTING FACILITIES FOR, AND FINANCING ARCHITECTURAL, ENGINEERING, ENVIRONMENTAL, LEGAL AND OTHER PLANNING COSTS RELATED THERETO FOR, THE SITES OF A SENIOR CENTER, PARK, AND OTHER PUBLIC FACILITIES, AND PAYING COSTS OF ISSUANCE OF THE BONDS; AWARDING THE SALE OF THE BONDS TO BANK OF AMERICA, N.A.; PROVIDING FOR SECURITY FOR THE BONDS; CONTAINING OTHER PROVISIONS RELATING TO THE BONDS; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; PROVIDING FOR ADOPTION OF REPRESENTATIONS; REPEALING ALL RESOLUTIONS IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE.

Staff Summary:

At the June 24th Council meeting, Council voted to purchase the old Archdiocese property located on NW 183rd Street and NW 12th Avenue. As indicated at that time, the purchase would require a small \$4M bond issue in order to pay for the purchase. This is the bond resolution setting forth the conditions of the bonds that are necessary when the City borrows funds. This is a companion to the Bond Ordinance.

Recommendation:

That City Council approve the bond resolution.

Attachment: