

6. **RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY (THE AGENCY) APPROVING A REQUEST FOR PROPOSAL FOR A NON-BANK QUALIFIED TAX EXEMPT LOAN-CAPITAL IMPROVEMENT BOND; PROVIDING AN EFFECTIVE DATE (ATTACHMENT - # 6)**

**RESOLUTION NO. 2011-\_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY (THE AGENCY) APPROVING A REQUEST FOR PROPOSAL FOR A NON-BANK QUALIFIED TAX EXEMPT LOAN – CAPITAL IMPROVEMENT BOND; PROVIDING AN EFFECTIVE DATE.**

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**WHEREAS**, the Riviera Beach Community Redevelopment Agency (Agency) is responsible for carrying out community redevelopment activities and projects within its boundaries; and

**WHEREAS**, the Agency is requesting proposals to fund an amount not to exceed \$30,000,000 for Capital Improvement Bonds; and

**WHEREAS**, the Agency shall accept and review proposals from qualified banking institutions for a non-bank qualified tax-exempt fixed rate loan for the purposes of providing certain capital improvements within the boundaries of the Agency; and

**WHEREAS**, the Agency will select the financing that provides the lowest overall borrowing cost to the Agency while meeting the financing requirements of the Agency, including their savings threshold.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY THAT:**

**SECTION 1** The Community Redevelopment Agency approves the Request for Proposals hereto attached as Exhibit A.

**SECTION 2.** Should any one or more of the provisions of this Resolution or Exhibit be held invalid, such provision shall be null and void, and shall be deemed separate from the remaining provisions and shall in no way affect the validity of any of the remaining provisions of the Resolution.

**SECTION 3.** This resolution shall be effective immediately upon its adoption.

**PASSED AND ADOPTED this 9<sup>th</sup> day of February 2011**

RIVIERA BEACH COMMUNITY  
REDEVELOPMENT AGENCY

ATTEST:

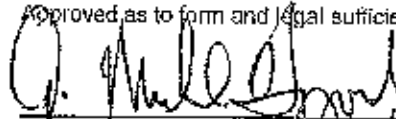
By: \_\_\_\_\_  
Name: Dawn S. Pardo  
Title: Chairperson

\_\_\_\_\_  
Executive Director

MOTION BY: \_\_\_\_\_  
SECONDED BY: \_\_\_\_\_

- B. BROOKS \_\_\_\_\_
- D. PARDO \_\_\_\_\_
- C. THOMAS \_\_\_\_\_
- S. LOWE \_\_\_\_\_
- J. DAVIS \_\_\_\_\_

Approved as to form and legal sufficiency

  
\_\_\_\_\_  
J. Michael Haygood      Date 2/2/2016  
Haygood & Harris LLC  
General Counsel to CRA

# *Riviera Beach Community Redevelopment Agency*



**Riviera Beach Community  
Redevelopment Agency**

*Riviera Beach... Ready to Rise*

REQUEST FOR PROPOSAL (RFP) FOR NON- BANK QUALIFIED TAX-EXEMPT LOAN

CAPITAL IMPROVEMENT BONDS, SERIES 2011

IN A NOT-TO-EXCEED OF \$30,000,000

Issue date: Thursday, February 10, 2011

Due date: Monday, March 14, 2011

Prepared by:

**FirstSouthwest**   
A PlansCapital Company

## **I. PURPOSE**

The purpose of this Request for Proposal is to solicit proposals to fund an amount not to exceed \$30,000,000 at the lowest overall borrowing cost, pursuant to certain conditions. The Riviera Beach Community Redevelopment Agency ("RBCRA" or the "District") shall accept and review proposals from qualified banking institutions for a non-bank qualified tax-exempt fixed rate loan (the "Obligation"). The proceeds of the Obligation will be used to provide approximately \$25.57 Million for certain capital projects (Series 2011) as follows:

1. Approximately 20% of the net proceeds will be applied for civil engineering and construction of water, sewer and storm water systems beneath a vibrant new urban streetscape.
2. Up to 12% of the net proceeds to rebuild Newcomb Hall as a community facility for meetings, conferences and special events. Beginning
3. Up to 25% of the net proceeds to be used for the architectural design and construction of a public parking garage within the Marina District.
4. Up to 28% of the net proceeds for utilities, street and right of way improvements at Broadway and Avenue E to compliment US-1 improvements underway by the Florida Department of Transportation; and to finance a more vibrant urban landscape in Riviera Beach Heights resulting from access improvements to the Port of Palm Beach.
5. Up to 15% of the remaining loan proceeds for cost contingencies and land acquisitions to facilitate economic development in the Redevelopment Priority Areas.

The District shall accept and review proposals from qualified financing institutions based upon the proposed financing structure below. The District will select the financing that provides the lowest overall borrowing cost to the District while meeting the financing requirements of the District. FirstSouthwest, Aventura, Florida, as the District's Financial Advisor, will assist with reviewing/arranging a fixed rate Obligation with the selected financial institution.

## **II. Background on the District**

The RBCRA is 858 acres with a population exceeding 5,000 residents or about 14% of the City of Riviera Beach, Florida's nearly 36,000 population. The RBCRA was established in 1986 consistent with the Community Redevelopment Act (part of Chapter 163 Florida State Statutes). The fundamental purpose of the CRA is to facilitate redevelopment in an area that has been determined to be slum and blight.

The Riviera Beach CRA boasts remarkable real estate and enormous potential for revitalization. In September 2010, the CRA Board designated the Marina District and the Riviera Beach Heights neighborhood as "Redevelopment Priority Areas." The loan proceeds are intended to spark private investment activities in these priority areas.

### ***Marina District***

The City-owned Marina is the centerpiece for the Agency's redevelopment initiatives. This property is surrounded by regional destinations which includes water sports and fishing activities which operate from the public marina. Peanut Island is a regional recreational destination that has recently undergone a complete renovation and attracts thousands of visitors every weekend. The area boasts a thriving marine industry with both large and small businesses which includes Lockheed Martin, Viking Yachts, Rybovich and others.

The Port of Palm Beach borders this property from the south. The Port of Palm Beach is the fourth busiest container port in Florida and the eighteenth busiest in the continental U.S. The Bahamas Celebration is the official cruise ship of the Port of Palm Beach. Celebration is the only cruise line in south Florida that offers a two-night Bahamas cruise. The 500-cabin Bahamas Celebration attracts nearly 22,500 visitors each month through 15 cruises out of the Port.

### ***Riviera Beach Heights***

The Riviera Beach Heights ("RBH") neighborhood constitutes the largest residential neighborhood within the bounds of the CRA and is comprised of 28 blocks. The neighborhood borders the Port of Palm Beach and is bisected by MLK Blvd/SR 710. The economic vitality of the neighborhood is threatened by the division created by SR 710 which separates the north and south quadrants of the neighborhood. There is a significant disconnect between pedestrian connectivity that creates an inviting and walkable environment and the businesses that align along Old Dixie Highway. The business district's disconnect from the neighborhoods results in lost patronage from the residents that live in the area. The unattractive environment impedes the attraction of visitors passing through the area along the major corridors at MLK and Old Dixie. The CRA intends to address the area's economic vitality through an urban redesign of the streetscape and an economic development strategy that welcomes visitors into the area to a safe, clean and pedestrian friendly environment.

## **III. STRUCTURE OF FINANCING**

Amount:	Not-to-exceed \$30,000,000*
Expected Settlement Date:	Thursday, April 14, 2011
Rate:	Tax-Exempt fixed interest rate
Prepayment:	The District requests the ability to prepay the Obligation without penalty at any time. Other prepayment terms will be considered.
Final Maturity:	August 1, 2025
Interest Payments Dates:	Semi-annually each February 1 and August 1 commencing on August 1, 2011

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\* Preliminary, subject to change

Interest Compounding: None permitted

Interest Day Count Method: Please specify

Annual Principal Payment Date: Annually, commencing on August 1, 2011

Debt Service Structure: Below is the preliminary amortization schedule for the loan. The amortization schedule may be adjusted based on the final accepted proposed interest rate.

<u>Maturity Date</u>	<u>Principal Payment</u>
8/1/2011	\$ 2,420,000
8/1/2012	1,795,000
8/1/2013	1,870,000
8/1/2014	1,945,000
8/1/2015	2,025,000
8/1/2016	1,120,000
8/1/2017	1,165,000
8/1/2018	1,210,000
8/1/2019	1,260,000
8/1/2020	1,310,000
8/1/2021	1,360,000
8/1/2022	1,410,000
8/1/2023	2,135,000
8/1/2024	2,225,000
8/1/2025	2,320,000
	<u>\$ 25,570,000</u>

#### IV. SECURITY FOR THE LOAN

The bonds will be payable from and secured solely by a pledge of and first lien on the District's Tax Increment Revenues. The following table shows the collection of the Pledge Revenues over the past five years:

#### Riviera Beach CRA Six Year History of Tax Increment Collections

<u>Fiscal Year</u>	<u>Tax Increment From</u>		<u>Total</u>
	<u>City of Riviera Beach</u>	<u>Palm Beach County</u>	
2006	\$ 1,202,584	\$ 594,611	\$ 1,797,195
2007	1,957,952	957,719	2,915,671
2008	2,268,611	1,018,201	3,286,812
2009	2,648,180	1,178,698	3,826,878
2010	3,530,206	1,818,234	5,348,440
2011	3,363,338	1,775,490	5,138,828
Total	<u>\$ 14,970,871</u>	<u>\$ 7,342,953</u>	<u>\$ 22,313,824</u>



## V. TAX EXEMPT OBLIGATION

The RSCRA will agree to take such actions as may be required by Treasury regulations in order to maintain the status of the loan as tax-exempt obligation. The financial institution receiving the award will be furnished the opinion of Bryant Miller Olive serving as bond counsel to the District, approving the legality of the loan together with the closing certificates and related documents and an opinion regarding the tax exempt status of interest on the Loan.

## VI. PROPOSAL FORMAT -- SELECTION CRITERIA

Proposals will be evaluated on the basis of cost and the structure that meets the financing requirements of the District. Each proposal should include the following information:

1. The legal name of the financial institution and the primary contact person(s) (include address, telephone number, facsimile number, and e-mail address).
2. Provide a tax exempt fixed interest rate for the full term of the Obligation. The bidder shall give a stated time in which the proposed rate will be held as well as the index in which the rate shall be calculated should the stated time elapse. The proposal should include an amortization for the entire term assuming the preliminary amortizations outlined in Section II above. Assume a settlement date of April 14, 2011.
3. Describe in detail all fees and expenses which the District will be responsible to pay to the financial institution including its legal counsel. The amounts stated in the proposal shall represent the maximum amounts payable to the Bank by the District. All fees and expenses, with the exception of those of Bond Counsel and FirstSouthwest, in excess of those stated in the proposal shall be the sole responsibility of the Bank and will not be paid or reimbursed by the District.
4. The District desires a long term relationship with a lender active in community development lending and investments. Describe in narrative, summary and/or table form the dollar volume of loans or investments made in the state of Florida for the period between 2006 – 2009 (or an applicable period) for the following services, if applicable:
  - a. Loans Made under the SBA 7A Program
  - b. Loans Made under the SBA 504 Program
  - c. Total investments made in acquiring New Markets Tax Credits (okay to report a corporate-wide number – specify period)
  - d. Total investments made in acquiring Low Income Housing Tax Credits (okay to report a corporate-wide number – specify period)
5. List all other terms, if any, sought by the proposer.

6. **As you craft your response, please note the following:**
  - a. The District is amenable to moving its deposits to the winning banking institution so long as the institution is a Qualified Depository of Public Funds pursuant to State law; operates a banking center in Palm Beach County and the depository account is competitive in nature.
  - b. In addition to the proposed cost of funds, the District will favor proposals with the most lenient terms particularly as to required debt service coverage and reserve requirements and call and pre-payment provisions, if any.

## VII. PROPOSAL SUBMITTAL INSTRUCTIONS

1. Copies of the response to the RFP should be submitted in original form on or before **2:00 PM on March 14, 2011** as follows:

**Five (5) Copies**  
Riviera Beach Community Redevelopment Agency  
Mr. Tony Brown, Executive Director  
2001 Broadway  
Suite 300  
Riviera Beach, FL 33404  
(561) 844-3408 Ph  
(561) 881-8043 Fax

In addition, one copy of the response to this RFP (which may be sent in electronic format) should be submitted to:

**One (1) Copy**  
Mr. Edward Marquez  
Senior Vice President  
FirstSouthwest  
18851 NE 29 Ave, Suite 520  
Aventura, FL 33180  
(305) 819-8886 Ph  
(305) 819-9998 Fax  
edward.marquez@firstsw.com

2. The District assumes no responsibility for a proposal received after the due date and time, or at any location other than that specified herein. Late responses shall be returned unopened. There will be no exceptions to this policy.
3. Each proposal should address all pertinent areas and be specific. Any conditions should be clearly stated. The failure to disclose substantive terms, conditions and covenants may be considered cause for the Proposer's response to be rejected by the District.
4. Proposers, their agents and/or associates shall refrain from contacting or soliciting any member of the District regarding the RFP during the selection process. Failure to comply with this provision may

result in disqualification of the Proposal. All requests for clarifications or additional information should be directed in writing to:

Mr. Edward Marquez  
Senior Vice President  
FirstSouthwest  
18851 NE 29 Ave, Suite 520  
Aventura, FL 33180  
(305) 819-8886 Ph  
(305) 819-9998 Fax  
edward.marquez@firstsw.com

#### VIII. PROVISIONS

1. The District reserves the right, in its sole discretion, to accept or reject any and all proposals, to waive any irregularities or informalities in any proposal or in the solicitation, to re-advertise, and to accept or reject any items or combination of items. The decision of the District is final and non-appealable. The award will be to the financial institution whose response best complies with the requirements set forth in this Request for Proposal and whose proposal, in the opinion of the District and FirstSouthwest is best, taking into consideration all aspects of the Proposer's response and the financial objectives of the borrowing.
2. Changes to the Request for Proposal may be made by and at the sole discretion of the District and will be communicated to all known recipients of the RFP as an addendum to the RFP.
3. The District will not be liable for any expenses incurred in connection with the preparation of a response to this Request for Proposal.
4. Counsel to the District and Bond Counsel, Bryant Miller Olive, will prepare all documents for this borrowing.
5. Federal, State, District and Local laws, ordinances, rules and regulations that in any manner affect the items covered herein apply. Lack of knowledge by the financial institution will in no way be a cause for relief from responsibility.
6. No successful Proposer may assign any portion of the contractual agreement between the parties without prior written authorization by the District.
7. Warranties – The Proposer, in submission of its proposal, warrants to the District that it will comply with all applicable federal, state, and local laws, regulations, and orders in providing the services under the proposed documents.

8. The District requests the ability to pre-pay the loan at any time during the term without incurring a prepayment penalty, other pre-payment terms will be considered. Alternate proposals will be considered.
9. At the closing of the loan the financial institution will be required to make certain certifications, including but not limited to certifications that it:
  - a. is not acting as a broker or other intermediary, and is purchasing the loan as an investment for its own account and not with a present view to a resale or other distribution to the public;
  - b. understands that the loan may not be transferred in denominations less than \$100,000 under any circumstances;
  - c. is 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;
  - d. is not purchasing the loan 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; and
  - e. is an "accredited investor" within the meaning of the Securities Act of 1933, as amended, Regulation D there under.

#### IX. TENTATIVE SCHEDULE

The District will attempt to adhere to the following schedule:

February 10, 2011	Issue Request for Proposal
March 14, 2011	Responses to RFP due on or before 2:00 P.M.
March 18, 2011	Award pending Loan Agreement and Commission Approval
April 1, 2011	Resolution with Loan Agreement filed with Agenda Coordinator
April 13, 2011	Award Resolution Approval
April 14, 2011	Closing on Loan

\*Preliminary, Subject to change