

9. A RESOLUTION OF THE RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY AUTHORIZING THE ISSUANCE OF A REDEVELOPMENT REVENUE NOTE, SERIES 2011 IN A PRINCIPAL AMOUNT NOT TO EXCEED \$25,570,000 TO FINANCE THE COST OF CERTAIN REDEVELOPMENT PROJECTS LOCATED WITHIN THE COMMUNITY REDEVELOPMENT AREA AND CONSISTENT WITH THE COMMUNITY REDEVELOPMENT PLAN; PROVIDING THAT THE NOTE SHALL BE A LIMITED OBLIGATION OF THE AGENCY PAYABLE FROM TAX INCREMENT REVENUES AS PROVIDED HEREIN; PLEDGING SUCH TAX INCREMENT REVENUES TO SECURE PAYMENT OF THE PRINCIPAL AND INTEREST ON SAID NOTE; PROVIDING FOR THE RIGHTS, SECURITIES AND REMEDIES FOR THE OWNER OF THE NOTE; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

RESOLUTION NO. 2011-14

A RESOLUTION OF THE RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY AUTHORIZING THE ISSUANCE OF A REDEVELOPMENT REVENUE NOTE, SERIES 2011 IN A PRINCIPAL AMOUNT NOT TO EXCEED \$25,570,000 TO FINANCE THE COST OF CERTAIN REDEVELOPMENT PROJECTS LOCATED WITHIN THE COMMUNITY REDEVELOPMENT AREA AND CONSISTENT WITH THE COMMUNITY REDEVELOPMENT PLAN; PROVIDING THAT THE NOTE SHALL BE A LIMITED OBLIGATION OF THE AGENCY PAYABLE FROM TAX INCREMENT REVENUES AS PROVIDED HEREIN; PLEDGING SUCH TAX INCREMENT REVENUES TO SECURE PAYMENT OF THE PRINCIPAL AND INTEREST ON SAID NOTE; PROVIDING FOR THE RIGHTS, SECURITIES AND REMEDIES FOR THE OWNER OF THE NOTE; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT RESOLVED BY THE RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY AS FOLLOWS:

Section 1. *Authority for this Resolution.* This Resolution is adopted pursuant to the Community Redevelopment Act of 1969 (Part III of Chapter 163, Florida Statutes), and other applicable provisions of law.

Section 2. *Definitions.* The following words and phrases shall have the following meanings when used herein:

"Act" means the Community Redevelopment Act of 1969 (Part III of Chapter 163, Florida Statutes), City Ordinance No. 1017, as amended, and other applicable provisions of law.

"Additional Notes" means additional debt issued hereafter payable from Pledged Revenues on a parity with the Note.

"Business Day" means any day except any Saturday or Sunday or day on which the Principal Office of the Original Purchaser is closed.

"Chairperson" means the Chairperson of the governing board of the Issuer, or in the Chairperson's absence or inability to act, the Vice Chairperson of such board or such other person as may be duly authorized by the governing board of the Issuer to act on his or her behalf.

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

"Code" means the Internal Revenue Code of 1986, as amended, and any Treasury Regulations, whether temporary, proposed or final, promulgated thereunder or applicable thereto.

"Executive Director" means the Executive Director of the Issuer.

"Issuer" means the Riviera Beach Community Redevelopment Agency created by City Ordinance No. 1017, as amended.

"Maturity Date" means August 1, 2025.

"Note" means the Redevelopment Revenue Note, Series 2011 of the Issuer authorized by Section 4 hereof.

"Original Purchaser" means Branch Banking and Trust Company, the purchaser of the Note.

"Owner" means the Person in whose name the Note shall be registered on the books of the Issuer kept for that purpose in accordance with provisions of this Resolution.

"Person" means natural persons, firms, trusts, estates, associations, corporations, partnerships and public bodies.

"Pledged Revenues" means the revenues generated from the tax increment as described in section 163.387, Florida Statutes, received annually by the Issuer and deposited to the Trust Fund, and until applied in accordance with the provisions of this Resolution, all moneys, including investments thereof, in the funds and accounts established hereunder.

"Principal Office" means, with respect to the Original Purchaser, the office located at 5130 Parkway Plaza Blvd., Building No. 9, Charlotte, North Carolina 28217, or such other office as the Original Purchaser may designate to the Issuer in writing.

"Project" means the costs to acquire, construct and equip certain capital improvements consistent with and in furtherance of the Issuer's Redevelopment Plan including the engineering, design, construction and acquisition of certain water, sewer and stormwater utilities, community facilities, public parking facilities, streetscape, landscape and access improvements, and such other projects as may be approved by the Issuer from time to time; provided, however, that the term "Project" does not include land acquisitions to facilitate economic development.

"Project Fund" shall mean the Project Fund established with respect to the Note pursuant to Section 10 hereof.

"Redevelopment Area" means the Riviera Beach Community Redevelopment Area established pursuant to the Act.

"Redevelopment Plan" means the Riviera Beach CRA Plan, as amended.

"Resolution" means this Resolution, pursuant to which the Note is authorized to be issued, including any supplemental resolution(s).

"State" means the State of Florida.

"Trust Fund" means the redevelopment trust fund established by City Ordinance No. 2241.

Section 3. Findings.

(A) For the benefit of the inhabitants and real property owners of the Redevelopment Area and the citizens of Riviera Beach, the Issuer finds, determines and declares that it is necessary for the continued preservation of the health, welfare, convenience and safety of the Issuer and such inhabitants, real property owners and citizens, to construct the Project. Issuance of the Note to finance the cost of the Project satisfies a paramount public purpose. The Project constitutes an integral part of and is necessary for carrying out the Redevelopment Plan.

(B) Debt service on the Note will be payable from the Pledged Revenues. The Pledged Revenues will be sufficient to pay the principal and interest on the Note herein authorized, as the same become due, and to make all deposits required by this Resolution.

(C) The Issuer has received an offer from the Original Purchaser to purchase the Note.

(D) Because of the characteristics of the Note, prevailing market conditions, and additional savings to be realized from an expeditious sale of the Note, it is in the best interest of the Issuer to accept the offer of the Original Purchaser to purchase the Note at a private negotiated sale.

(E) In consideration of the purchase and acceptance of the Note authorized to be issued hereunder by those who shall be the Owner thereof from time to time, this Resolution shall constitute a contract between the Issuer and the Owner.

Section 4. Authorization of Note. Subject and pursuant to the provisions of this Resolution, an obligation of the Issuer to be known as the Riviera Beach Community Redevelopment Agency Redevelopment Revenue Note, Series 2011 (the "Note") is hereby authorized to be issued under and secured by this Resolution, in a principal amount not to exceed \$25,570,000 for the purpose of providing funds to pay the costs of the Project, and pay the costs of issuing the Note. Prior to the issuance of the Note, the Issuer shall receive from the Original Purchaser a Purchaser's Certificate, substantially in the form attached hereto as Exhibit

B, and a Disclosure Letter containing the information required by Section 218.385, Florida Statutes, substantially in the form attached hereto as Exhibit C.

Section 5. Description of Note. The Note shall be dated the date of its execution and delivery, which shall be a date agreed upon by the Issuer and the Original Purchaser, subject to the following terms:

(A) **Interest Rate.** The Note shall have a fixed interest rate equal to 4.44% (subject to adjustment as described below, the "Interest Rate"), or such other rate as may be approved by the Owner and fixed by supplemental resolution of the Issuer, calculated on a 30/360 day basis; provided, however, that such interest rate shall in no event exceed the maximum interest rate permitted by Section 215.84, Florida Statutes.

(B) **Adjustments of Interest Rate.** If (i) after a Determination of Taxability (as defined below) the interest on the Note becomes includable in the gross income of the Owner for Federal income tax purposes or because of the enactment of any amendments to existing law, the effect of which would adversely affect the Owner's after-tax yield, or (ii) the Note shall not be "a qualified tax exempt obligation" as defined in Section 265(b)(3) of the Code, then the Owner shall have the right to adjust the Interest Rate in order to maintain the same after-tax yield as if the events in (i) or (ii) had not occurred. This adjustment shall survive payment of the Note until such time as the federal statute of limitations under which the interest on the Note could be declared taxable under the Code shall have expired. For so long as this Note is owned by the Owner, the Interest Rate set forth above assumes a maximum corporate tax rate of 35%. In the event of an increase or decrease in the maximum corporate tax rate, so long as this Note is owned by the Owner, or its successors and assigns, the Interest Rate shall be adjusted in order to maintain the same after-tax yield on this Note that existed before the change in the maximum corporate tax rate.

"Determination of Taxability" shall mean, with respect to the Note, the circumstance that shall be deemed to have occurred if interest paid or payable on the Note becomes includable for federal income tax purposes in the gross income of the Owner as a consequence of any act, omission or event whatsoever, and regardless of whether the same was within or beyond the control of the Issuer. A Determination of Taxability will be deemed to have occurred upon (a) the receipt by the Issuer or the Owner of an original or a copy of an Internal Revenue Service Technical Advice Memorandum or Statutory Notice of Deficiency which holds that any interest payable on the Note is includable in the gross income of the Owner; (b) the issuance of any public or private ruling of the Internal Revenue Service that any interest payable on the Note is includable in the gross income of the Owner; or (c) receipt by the Issuer or the Owner of an opinion of an attorney at law or firm of attorneys of nationally recognized standing in matters pertaining to the federal tax exemption of interest on obligations issued by states and political subdivisions to the effect that any interest on the Note has become includable in the gross income of the Owner for federal income tax purposes. For all purposes of this definition, a Determination of Taxability will be deemed to occur on the date as of which the interest on the Note is deemed includable in the gross income of the Owner. A Determination of Taxability

shall not occur in the event such interest is taken into account in determining adjusted current earnings for the purpose of the alternative minimum tax imposed on corporations.

In the case of (a) and (b) above, upon the Determination of Taxability and timely written notice thereof, the Issuer shall have an opportunity to participate in and seek, at its own expense, a final administrative determination or determination by a court of competent jurisdiction (from which no further right of appeal exists) as to the existence of such event of taxability; provided that the Issuer, at its own expense, delivers to the Owner an opinion of an attorney at law or firm of attorneys of nationally recognized standing in matters pertaining to the federal tax exemption of interest on obligations issued by states and political subdivisions acceptable to the Owner to the effect that such appeal or action for judicial or administrative review is not without merit and there is a reasonable possibility that the judgment, order, ruling or decision from which such appeal or action for judicial or administrative review is taken will be reversed, vacated or otherwise set aside.

(C) Principal and Interest Payment Dates. Interest on the Note shall be paid semi-annually each February 1 and August 1, commencing August 1, 2011, until Maturity. Principal on the Note shall be payable annually each August 1, commencing August 1, 2011, until maturity.

The payment schedule for the Note shall amortize in the amounts as set forth in the Note.

(D) The Note is to be in substantially the form set forth in Exhibit A attached hereto, together with such non-material changes as shall be approved by the Chairperson, such approval to be conclusively evidenced by the execution thereof by the Chairperson. The Note shall be executed on behalf of the Issuer with the manual or facsimile signature of the Chairperson and attested by the Executive Director. In case any one or more of the officers who shall have signed the Note or whose facsimile signature shall appear thereon shall cease to be such officer of the Issuer before the Note so signed has been actually sold and delivered, such Note may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed such Note had not ceased to hold such office. The Note may be signed on behalf of the Issuer by such person who at the actual time of the execution of such Note shall hold the proper office of the Issuer, although, at the date of such Note, such person may not have held such office or may not have been so authorized. The Issuer may adopt and use for such purposes the facsimile signatures of any such persons who shall have held such offices at any time after the date of the adoption of this Resolution, notwithstanding that either or both shall have ceased to hold such office at the time the Note shall be actually sold and delivered.

Section 6. Registration and Exchange of Note; Persons Treated as Owner. The Note is initially registered to the Original Purchaser. So long as the Note shall remain unpaid, the Executive Director will keep books for the registration and transfer of the Note. The Note shall be transferable only upon such registration books.

The Person in whose name the Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of principal and interest on such Note shall be made only to or upon the written order of the Owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Section 7. Payment of Principal and Interest; Limited Obligation. The Issuer covenants that it will promptly pay the principal of and interest on the Note at the place, on the dates and in the manner provided therein according to the true intent and meaning hereof and thereof. The Note shall not be or constitute a general obligation or indebtedness of the Issuer or the City as a "bond" within the meaning of Article VII, Section 12 of the Constitution of Florida, but shall be payable solely from the Pledged Revenues. The Issuer shall not be obligated to pay the Note or the interest thereon except from the revenues of the Issuer held for that purpose, as provided herein, and neither the faith and credit nor the taxing power of the City or of the State or of any political subdivision thereof is pledged to the payment of the principal of, or the interest on, such Note. No holder of the Note issued hereunder shall ever have the right to compel the exercise of any ad valorem taxing power to pay such Note. A holder of the Note is not entitled to payment of such Note from any other funds of the Issuer or the City except from the Pledged Revenues as described herein.

Section 8. Security for the Note. The payment of the principal of and interest on the Note shall be secured equally and ratably by an irrevocable lien on the Pledged Revenues and the Issuer does hereby irrevocably pledge such Pledged Revenues to the payment of the principal of and interest on the Note and for all other required payments hereunder.

Section 9. Prepayment. Commencing on the seventh anniversary of the date of issuance of the Note, the Note shall be subject to prepayment in whole or in part on any scheduled payment date with no prepayment penalty.

Section 10. Application of Proceeds of Note; Project Fund. At the time of delivery of the Note herein authorized, proceeds from the sale of the Note shall be used to fund the Project and associated costs of issuance (including but not limited to legal fees and expenses) in accordance with the following provisions.

(A) On the date the Note is issued, the Issuer shall pay costs of issuance associated with issuance of the Note.

(B) The Issuer hereby covenants that it will establish one fund to be known as the "Riviera Beach Community Redevelopment Agency Note, Series 2011, Project Fund" (the "Project Fund"). The Issuer shall deposit monies in the Project Fund with the Original Purchaser. Such monies shall remain on deposit with the Original Purchaser for so long as the Original Purchaser is the Owner of the Note. Interest on such monies shall accrue to the benefit of the Issuer and may be used for costs of the Project or interest payments on the Note. The Original Purchaser shall disburse funds from the Project Fund pursuant to a requisition

executed by the Chairperson or Vice-Chairperson and attested by the Executive Director in substantially the form attached hereto as Exhibit D.

Proceeds from the sale of the Note herein authorized not used to pay costs of issuance of the Note shall be deposited into the Project Fund and shall be used to pay costs associated with the Project. When the Project has been completed and all construction-related costs and other costs of issuance have been paid in full the Project Fund shall be closed. All moneys deposited in said Project Fund shall be and constitute a trust fund created for the purposes herein stated, and there is hereby created a lien upon such fund in favor of the Owner of the Note until the moneys thereof shall have been applied in accordance with this Resolution.

The funds and accounts created and established by this Resolution shall constitute trust funds for the purpose provided herein for such funds. All of such funds, except as hereinafter provided, shall be continuously secured in the same manner as municipal deposits of funds are required to be secured by the laws of the State of Florida. Moneys on deposit to the credit of all funds and accounts created hereunder may be invested pursuant to applicable law and the Issuer's investment policy and shall mature no later than the dates on which such moneys shall be needed to make payments in the manner herein provided. The securities so purchased as an investment of funds shall be deemed at all times to be a part of the account from which the said investment was withdrawn, and the interest accruing thereon and any profit realized therefrom shall be credited to such fund or account, except as expressly provided in this Resolution, and any loss resulting from such investment shall likewise be charged to said fund or account.

Section 11. Tax Covenant and Compliance with Laws. The Issuer covenants to the Owner of the Note provided for in this Resolution that the Issuer will not make any use of the proceeds of the Note, at any time during the term of the Note, which, if such use had been reasonably expected on the date the Note was issued, would have caused such Note to be an "arbitrage bond" within the meaning of the Code. The Issuer will comply with the requirements of the Code and any valid and applicable rules and regulations promulgated thereunder necessary to ensure the exclusion of interest on the Note from the gross income of the holders thereof for purposes of federal income taxation.

The Issuer covenants to comply with the Act and all applicable state and local laws and regulations regarding the issuance of the Note, pledge of the Pledged Revenues and construction of the Project.

Section 12. Representations And Warranties Of The Issuer. The Issuer represents and warrants to the Original Purchaser as follows:

(A) Existence. The Issuer is a community redevelopment agency, duly created and validly existing under the laws of the State of Florida, with full legal right, power and authority to adopt this Resolution, to perform its obligations hereunder and, subject to approval by resolution of the City, to issue and deliver the Note to the Original Purchaser. Upon adoption of such approving resolution of the City (currently scheduled for consideration by the City

Council of the City on April 20, 2011, or such other date upon which the approving resolution is considered), the adoption of this Resolution on the part of the Issuer and the issuance and delivery of the Note will have been duly authorized by all necessary action on the part of the Issuer and the City and will not violate or conflict with the Act, or any agreement, indenture or other instrument by which the Issuer or any of its material properties is bound.

(B) Validity, Etc. This Resolution and the Note are valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with their respective terms, except to the extent that enforceability may be subject to valid bankruptcy, insolvency, financial emergency, reorganization, moratorium or similar laws relating to or from time to time affecting the enforcement of creditors' rights and except to the extent that the availability of certain remedies may be precluded by general principles of equity.

(C) No Financial Material Adverse Change. Except as noted in the financial statements or as disclosed separately by the Issuer to the Original Purchaser, there are no actions, proceedings or investigations pending against the Issuer or affecting the Issuer (or any basis therefor known to the Issuer) which, either in any case or in the aggregate, might result in any material adverse change in the financial condition, business, prospects, affairs or operations of the Issuer or in any of its properties or assets, or in any material impairment of the right or ability of the Issuer to carry on its operations as now conducted or proposed to be conducted, or in any material liability on the part of the Issuer and none which questions the validity of this Resolution or the Note or of any action taken or to be taken in connection with the transactions contemplated hereby or thereby.

(D) Powers of Issuer. The Issuer has the legal power and authority to pledge the Pledged Revenues as described herein to pay debt service on the Note.

Section 13. Amendment. This Resolution shall not be modified, supplemented or amended in any respect subsequent to the issuance of the Note except with the written consent of the Owner of the Note.

Section 14. Limitation of Rights. With the exception of any rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Resolution or the Note is intended or shall be construed to give to any Person other than the Issuer and the Owner any legal or equitable right, remedy or claim under or with respect to this Resolution or any covenants, conditions and provisions herein contained; this Resolution and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the Issuer and the Owner, and upon adoption by the Issuer, shall be deemed a contractual obligation between the Issuer and the Owner.

Section 15. Note Mutilated, Destroyed, Stolen or Lost. In case the Note shall become mutilated, or be destroyed, stolen or lost, the Issuer shall issue and deliver a new Note of like tenor as the Note so mutilated, destroyed, stolen or lost, in exchange and in substitution for such mutilated Note, or in lieu of and in substitution for the Note destroyed, stolen or lost and

upon the Owner furnishing the Issuer proof of ownership thereof and indemnity reasonably satisfactory to the Issuer and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer may incur. The Note so surrendered shall be canceled.

Section 16. No Impairment. The Issuer covenants with the Owner of the Note that it will not, without the written consent of the Owner of the Note, enact any ordinance or adopt any resolution which repeals, impairs or amends in any manner adverse to the Owner the rights granted to the Owner of the Note hereunder. The pledging of the Pledged Revenues in the manner provided herein shall not be subject to repeal, modification or impairment by any subsequent ordinance, resolution or other proceedings of the Issuer. The Issuer is presently entitled to receive tax increment revenues to be deposited in the Trust Fund, and has taken all action required by law to entitle it to receive such revenues, and the Issuer will diligently enforce the obligation of any "taxing authority," as defined in Section 163.340(24), Florida Statutes, as amended, to appropriate its proportionate share of the tax increment revenues and will not take, or consent to or adversely permit, any action which will impair or adversely affect the obligation of each such taxing authority to appropriate its proportionate share of such revenues, impair or adversely affect in any manner the deposit of such revenues in the Trust Fund, or the pledge of the Pledged Revenues hereby. The Issuer shall be unconditionally and irrevocably obligated so long as the Note is outstanding to take all lawful action necessary or required in order to ensure that each such taxing authority shall appropriate its proportionate share of the tax increment revenues as now or later required by law, and to make or cause to be made any deposits of tax increment revenues or other funds required by this Resolution.

Section 17. Budget and Financial Information. The Issuer shall provide the Owner with a copy of the Issuer's audited financial statements within 210 days of the close of the Issuer's fiscal year. The Issuer shall also provide the Owner with a copy of the Issuer's annual budget and such other financial information regarding the Issuer as the Owner may reasonably request. The Issuer hereby covenants that it shall promptly give written notice to the Owner of any litigation or proceeding which if determined adversely to the Issuer would adversely affect the security for the payment of the Note.

Section 18. Events of Default. Each of the following is hereby declared an "Event of Default" with respect to the Note:

(A) Payment of the principal of or interest on the Note shall not be made within ten (10) consecutive days of the same becoming due and payable; or

(B) the Issuer shall default in the due and punctual performance of any other of the material covenants, conditions, agreements and provisions contained in the Note or this Resolution and such default shall continue for thirty (30) consecutive days after written notice shall have been given to the Issuer by the Owner specifying such default and requiring the same to be remedied; provided, however, that if, in the reasonable judgment of the Owner, the Issuer shall proceed to take such curative action which, if begun and prosecuted with due diligence,

cannot be completed within a period of thirty (30) days, then such period shall be increased to such extent as shall be necessary to enable the Issuer to diligently complete such curative action; or

(C) Any representation or warranty of the Issuer contained in this Resolution or in any certificate or other closing document executed and delivered by the Issuer in connection with the issuance of the Note shall prove to have been untrue in any material respect when executed and delivered, thereby adversely impairing the security for the Note; or

(D) Any proceedings are instituted with the consent or acquiescence of the Issuer, for the purpose of effecting a compromise between the Issuer and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statute now or hereinafter enacted; or

(E) The Issuer admits in writing its inability to pay its debts generally as they become due, or files a petition in bankruptcy or makes an assignment for the benefit of its creditors, declares a financial emergency or consents to the appointment of a receiver or trustee for itself or shall file a petition or answer seeking reorganization or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof; or

(F) The Issuer is adjudged insolvent by a court of competent jurisdiction or is adjudged bankrupt on a petition of bankruptcy filed against the Issuer, or an order, judgment or decree is entered by any court of competent jurisdiction appointing, without the consent of the Issuer, a receiver or trustee of the Issuer or of the whole or any part of its property and any of the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within sixty (60) days from the date of entry thereof; or

(G) If, under the provisions of any law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Issuer or of the whole or any substantial part of its property and such custody or control shall not be terminated within ninety (90) consecutive days from the date of assumption of such custody or control.

Section 19. *Exercise Of Remedies.* Upon the occurrence and during the continuance of an Event of Default, the Owner may proceed to protect and enforce its rights under the laws of the State of Florida or under this Resolution by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant or agreement contained herein or in aid or execution of any power herein granted or for the enforcement of any proper legal or equitable remedy, as the Owner shall deem most effective to protect and enforce such rights.

Section 20. *Additional Notes.* The Issuer may issue one or more series of Additional Notes or other debt obligations for any lawful purpose. No such Additional Notes shall be issued unless (1) no Event of Default shall have occurred and be continuing hereunder, and (2) there shall have been obtained and filed with the Issuer and the Owner a statement of the

Issuer's Executive Director or his/her designee: (a) stating that he or she has examined the books and records of the Issuer relating to the Pledged Revenues which have been received by the Issuer for deposit to the Trust Fund; (b) setting forth the amount of such Pledged Revenues during the twelve (12) consecutive months immediately preceding the date of sale of such additional notes with respect to which such statement is made, and (c) stating that the amount of such Pledged Revenues received during the aforementioned 12-month period equals at least 1.5 times the maximum annual debt service on the Note, any Additional Notes then outstanding and such proposed Additional Notes with respect to which such statement is made. The Issuer shall give the Owner notice of the proposed Additional Notes prior to the issuance thereof.

Section 21. Redevelopment Area Boundaries. The Issuer will not permit the boundaries of the current Redevelopment Area to be reduced.

Section 22. Severability. If any provision of this Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable in any context, the same shall not affect any other provision herein or render any other provision (or such provision in any other context) invalid, inoperative or unenforceable to any extent whatever.

Section 23. Waiver of Jury Trial. The Issuer hereby waives any right to a trial by jury in any civil action arising out of, or based upon, this Resolution or the Note.

Section 24. Business Days. In any case where the due date of interest on or principal of a Note is not a Business Day, then payment of such principal or interest need not be made on such date but may be made on the next succeeding Business Day, provided that credit for payments made shall not be given until the payment is actually received by the Owner.

Section 25. Applicable Provisions of Law. This Resolution shall be governed by and construed in accordance with the laws of the State.

Section 26. Rules of Interpretation. Unless expressly indicated otherwise, references to sections or articles are to be construed as references to sections or articles of this instrument as originally executed. Use of the words "herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this Resolution and not solely to the particular portion in which any such word is used.

Section 27. Captions. The captions and headings in this Resolution are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Resolution.

Section 28. Members of the Issuer and the City Commission of the City Exempt from Personal Liability. No recourse under or upon any obligation, covenant or agreement of this Resolution or the Note or for any claim based thereon or otherwise in respect thereof, shall be had against any member of the Issuer or the City Commission of the City, as such, past, present or future, either directly or through the Issuer or the City, it being expressly understood (a) that no personal liability whatsoever shall attach to, or is or shall be incurred by, the members of the

Issuer or the City Commission of the City, as such, under or by reason of the obligations, covenants or agreements contained in this Resolution or implied therefrom, and (b) that any and all such personal liability, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, every such member of the Issuer and the City Commission of the City, as such, are waived and released as a condition of, and as a consideration for, the execution of this Resolution and the issuance of the Note, on the part of the Issuer.

Section 29. *Authorizations.* The Chairperson, the Executive Director and any member of the Issuer, and such other officials and employees of the Issuer as may be designated by the Issuer are each designated as agents of the Issuer in connection with the issuance and delivery of the Note and are authorized and empowered, collectively or individually, to take all action and steps and to execute all instruments, documents, and contracts on behalf of the Issuer that are necessary or desirable in connection with the execution and delivery of the Note, and which are specifically authorized or are not inconsistent with the terms and provisions of this Resolution. The Chairperson and Vice-Chairperson are hereby authorized to execute, and the Executive Director is authorized to attest, requisitions for disbursement of funds from the Project Fund in accordance with Section 10 hereof.

Section 30. *Repealer.* All ordinances or resolutions or parts thereof in conflict herewith are hereby repealed to the extent of the conflict.

Section 31. *No Third Party Beneficiaries.* Except such other persons as may be expressly described in this Resolution or in the Note, nothing in this Resolution or in the Note, expressed or implied, is intended or shall be construed to confer upon any person, other than the Issuer and the Owner, any right, remedy or claim, legal or equitable, under and by reason of this Resolution, or any provision thereof, or of the Note, all provisions thereof being intended to be and being for the sole and exclusive benefit of the Issuer and the persons who shall from time to time be the Owner.

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Section 32. Effective Date. This Resolution shall become immediately effective upon its adoption.

PASSED AND ADOPTED this 13th day of April, 2011.

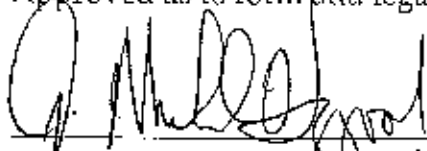
RIVIERA BEACH COMMUNITY
REDEVELOPMENT AGENCY

By: _____
Chairperson

ATTEST:

Executive Director

Approved as to form and legal sufficiency:



J. Michael Haygood Date: 4/8/2011
Haygood & Harris LLC
General Counsel to CRA

MOTION BY: _____

SECONDED BY: _____

- B. Brooks _____
- J. Davis _____
- C. Thomas _____
- D. Pardo _____
- S. Lowe _____

EXHIBIT A

[FORM OF NOTE]

ANY HOLDER SHALL, PRIOR TO BECOMING A HOLDER, EXECUTE A PURCHASER'S CERTIFICATE CERTIFYING, AMONG OTHER THINGS, THAT SUCH HOLDER IS AN "ACCREDITED INVESTOR" AS SUCH TERM IS DEFINED IN THE SECURITIES ACT OF 1933, AS AMENDED, AND REGULATED THEREUNDER.

THE ISSUER SHALL NOT BE OBLIGATED TO PAY THIS NOTE OR THE INTEREST HEREON EXCEPT FROM THE PLEDGED REVENUES OF THE ISSUER HELD FOR THAT PURPOSE AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY OF RIVIERA BEACH, FLORIDA OR OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, OR THE INTEREST ON THIS NOTE.

April __, 2011

\$25,570,000

**RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY
REDEVELOPMENT REVENUE NOTE, SERIES 2011**

Maturity Date: August 1, 2025

Interest Rate: 4.44%
(subject to adjustment as described herein)

The Riviera Beach Community Redevelopment Agency (the "Issuer"), a community redevelopment agency created by the City of Riviera Beach, Florida, pursuant to Part III of Chapter 163, Florida Statutes, for value received, promises to pay from the sources hereinafter provided, to the order of Branch Banking and Trust Company, or registered assigns (hereinafter, the "Owner"), the principal sum of \$25,570,000 on the dates as hereinafter described, together with interest on the principal balance at the Interest Rate which is described above; provided, however, that such interest rate shall not exceed, under any circumstances, the maximum rate permitted by applicable law (the "Interest Rate"). The Interest Rate on this Note also may be adjusted as hereinafter provided.

Principal of and interest on this Note is payable in lawful money of the United States of America at such place as the Owner may designate to the Issuer in writing.

If (i) after a Determination of Taxability the interest on this Note becomes includable in the gross income of the Owner for Federal income tax purposes or because of the enactment of any amendments to existing law, the effect of which would adversely affect the Owner's after-tax yield, or (ii) the Note shall not be "a qualified tax exempt obligation" as defined in Section 265(b)(3) of the Internal Revenue Service Code of 1986, as amended, then the Owner shall have the right to adjust the Interest Rate with the same after-tax yield as if the events in (i) or (ii) had not occurred. This adjustment shall survive payment of this Note until such time as the federal

statute of limitations under which the interest on this Note could be declared taxable under the Internal Revenue Code of 1986, as amended, shall have expired. For so long as this Note is owned by the Owner, the Interest Rate set forth above assumes a maximum corporate tax rate of 35%. In the event of an increase or decrease in the maximum corporate tax rate, so long as this Note is owned by the Owner, or its successors and assigns, the Interest Rate shall be adjusted in order to maintain the same after-tax yield on this Note that existed before the change in the maximum corporate tax rate.

Interest calculated on a 30/360 day basis shall be payable semi-annually to the Owner each February 1 and August 1, commencing August 1, 2011, until maturity. Principal shall be payable annually to the Owner each August 1, commencing August 1, 2011, until maturity.

Principal shall amortize on the following dates:

<u>Date</u>	<u>Payment Amount</u>
8/1/2011	
8/1/2012	
8/1/2013	
8/1/2014	
8/1/2015	
8/1/2016	
8/1/2017	
8/1/2018	
8/1/2019	
8/1/2020	
8/1/2021	
8/1/2022	
8/1/2023	
8/1/2024	
8/1/2025	

A final payment in the amount of the entire unpaid principal balance, together with all accrued and unpaid interest hereon, shall be due and payable in full on the Maturity Date.

Prepayment

Commencing on April __, 2018, this Note shall be subject to prepayment in whole or in part on any scheduled payment date with no prepayment penalty.

Other Provisions Generally Applicable

If any date for the payment of principal and interest hereon shall fall on a day which is not a Business Day, the payment due on such date shall be due on the next succeeding day

which is a Business Day, but the Issuer shall not receive credit for the payment until it is actually received by the Owner.

All payments by the Issuer pursuant to this Note shall apply first to accrued interest, then to other charges due the Owner, and the balance thereof shall apply to principal.

THIS NOTE DOES NOT CONSTITUTE A GENERAL INDEBTEDNESS OF THE ISSUER OR THE CITY OF RIVIERA BEACH, FLORIDA WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISION OR LIMITATION, AND IT IS EXPRESSLY AGREED BY THE HOLDER OF THIS NOTE THAT SUCH NOTEHOLDER SHALL NEVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE CITY OR TAXATION OF ANY REAL OR PERSONAL PROPERTY THEREIN FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS NOTE OR THE MAKING OF ANY OTHER PAYMENTS PROVIDED FOR IN THE RESOLUTION.

This Note is issued pursuant to Chapter 163, Part III, Florida Statutes and other applicable provisions of law (the "Act"), and Resolution No. 2011-___ duly adopted by the Issuer on April 13, 2011 as amended and supplemented from time to time (the "Resolution"), and is subject to all the terms and conditions of the Resolution. All terms, conditions and provisions of the Resolution including, without limitation, remedies in the Event of Default (as such term is defined in the Resolution) are by this reference thereto incorporated herein as a part of this Note. Payment of the Note is secured by a lien upon and pledge of the revenues derived from the tax increment as described in Section 163.387, Florida Statutes, received annually by the Issuer and deposited to its Trust Fund, and until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds and accounts established thereunder. Terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto in the Resolution.

This Note is issued in connection with community redevelopment, as defined in the Act, and pursuant to the Act, this Note shall be conclusively deemed to have been issued for such purpose, and the projects financed with the proceeds of this Note shall be conclusively deemed to have been planned, located and carried out in accordance with the provisions of the Act.

This Note may be exchanged or transferred by the Owner hereof but only upon the registration books maintained by the Issuer and in the manner provided in the Resolution.

It is hereby certified, recited and declared that all acts, conditions and prerequisites required to exist, happen and be performed precedent to and in connection with the execution, delivery and the issuance of this Note do exist, have happened and have been performed in due time, form and manner as required by law, and that the issuance of this Note is in full compliance with and does not exceed or violate any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Riviera Beach Community Redevelopment Agency has caused this Note to be executed in its name by the manual signature of its Chairperson and attested by the manual signature of its Executive Director, all as of this ____ day of April 2011.

RIVIERA BEACH COMMUNITY
REDEVELOPMENT AGENCY

[Name], Chairperson

ATTEST:

[Name], Executive Director

EXHIBIT B

FORM OF PURCHASER'S CERTIFICATE

This is to certify that Branch Banking and Trust Company (the "Purchaser") has not required the Riviera Beach Community Redevelopment Agency (the "Issuer") or the City of Riviera 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 Issuer in connection with the issuance of the \$25,570,000 Riviera Beach Community Redevelopment Agency Redevelopment Revenue Note, Series 2011 (the "Note"), and no inference should be drawn that the Purchaser, in the acceptance of said Note, is relying on Bryant Miller Olive P.A. ("Note Counsel"), Haygood & Harris, L.L.C., Attorney for the Issuer ("CRA Attorney") as to any such matters other than the legal opinion rendered by Note Counsel and by the CRA Attorney. Any capitalized undefined terms used herein not otherwise defined shall have the meaning set forth in Resolution No. 2011-___ adopted by the Issuer on April 13, 2011 (the "Resolution").

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 Issuer, the City, Note Counsel nor the CRA 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 Note as an investment for our own account and not with a present view to a resale or other distribution to the public.

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 Note 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 a "state bank" under the laws of the State of North Carolina.

DATED this ___ day of April 2011.

Branch Banking and Trust Company

By: _____

Name: _____

Title: _____

EXHIBIT C

FORM OF DISCLOSURE LETTER

The undersigned, as purchaser, proposes to negotiate with the Riviera Beach Community Redevelopment Agency (the "Issuer") for the private purchase of its Redevelopment Revenue Note, Series 2011 (the "Note") in the principal amount of \$25,570,000. Prior to the award of the Note, the following information is hereby furnished to the Issuer:

1. Set forth is an itemized list of the nature and estimated amounts of expenses to be incurred for services rendered to us (the "Bank") in connection with the issuance of the Note (such fees and expenses to be paid by the Issuer):

Bank Counsel Fees - \$3,500
Bank Credit Review Fee - \$2,500

2. (a) No fee, bonus or other compensation is estimated to be paid by the Bank in connection with the issuance of the Note to any person not regularly employed or retained by the Bank (including any "finder" as defined in Section 218.386(1)(a), Florida Statutes), except the Bank's legal counsel.

(b) No person has entered into an understanding with the Bank, or to the knowledge of the Bank, with the Issuer, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the Issuer and the Bank or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Note.

3. The amount of the underwriting spread expected to be realized by the Bank is [\$. ____]

4. The management fee to be charged by the Bank is \$0.

5. Truth-in-Bonding Statement:

The Note is being issued primarily to finance the cost of certain redevelopment projects located within the redevelopment area of the Issuer in the City of Riviera Beach, Florida (the "City"), and various improvements and acquisition-related costs in connection therewith.

Unless earlier redeemed, the Note is expected to be repaid by August 1, 2025. At an interest rate of 4.44%, total interest paid over the life of the Note is estimated to equal [\$. ____].

The Note will be payable solely from the tax increment revenues as described in Section 163.387, Florida Statutes, received annually by the Issuer and deposited to its redevelopment trust fund. See the Resolution for further descriptions of such revenues. Issuance of the Note is

estimated to result in a maximum of approximately [\$ _____] of revenues of the Issuer not being available to finance the services of the Issuer in any one year during the life of the Note.

6. The name and address of the Bank is as follows:

Branch Banking and Trust Company
5130 Parkway Plaza Blvd., Building No. 9
Charlotte, N.C. 28217

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Letter on behalf of the Bank this ____ day of April 2011.

Branch Banking and Trust Company

By: _____
Name: _____
Title: _____

EXHIBIT D

FORM OF REQUISITION

[To be submitted on Riviera Beach Community Redevelopment Agency letterhead]

[Date]

Ms. Trina Britt
imbri1@bbandt.com
Project Specialist
BB&T Governmental Finance
5130 Parkway Plaza Boulevard, Building 9
Charlotte, North Carolina 28217

**Re: Riviera Beach Community Redevelopment Agency
Redevelopment Revenue Note, Series 2011 (the "Note")
Requisition for Payment of Project Costs**

Dear Ms. Britt:

Pursuant to the terms and conditions of Resolution [__ __] adopted by the Riviera Beach Community Redevelopment Agency (the "Agency") on April [__], 2011 (the "Resolution"), the Agency requests the disbursement of funds from the Project Fund established pursuant to the Resolution for the following costs ("Project Costs"):

<u>Requisition</u> Number	<u>Amount</u>	<u>Payment</u> Method	<u>Payee</u>	<u>Payment Instructions</u>
#	\$	Wire	Riviera Beach Community Redevelopment Agency	Bank ABA# Acct# Req#

A summary of vendor invoices, along with copies of such invoices, are attached for your review.

The Agency makes this requisition pursuant to the following representations:

To date, the Agency has timely complied with all of its obligations under the Resolution and the Note.

The purpose of this disbursement is for partial payment on the project provided for under the Resolution referenced above.

The requested disbursement has not been subject to any previous requisition.

No notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable herein to any of the persons, firms or corporations named herein has been received, or if any notice of any such lien, attachment or claim has been received, such lien, attachment or claim has been released or discharged or will be released or discharged upon payment of this requisition.

No Event of Default is continuing under the Resolution, and no event or condition exists which, with notice, or lapse of time, or both, would become an Event of Default.

The amount remaining in the Project Fund described above will, after payment of the amount set forth in this Requisition, be sufficient to pay all remaining applicable Project Costs relating to the Project as currently estimated, including amounts representing retainage.

According to our records, the aggregate dollar amount disbursed for Project Costs relating to the Project (including delivery date expenses and the amount requested in this Requisition) is {\$_____}.

The undersigned by executing this Requisition is certifying that the undersigned is authorized to do so on behalf of the Agency.

All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Resolution.

RIVIERA BEACH COMMUNITY
REDEVELOPMENT AGENCY

By: _____
[Title: Chairperson/Vice-Chairperson]
Name:

ATTEST:

Executive Director
Name:

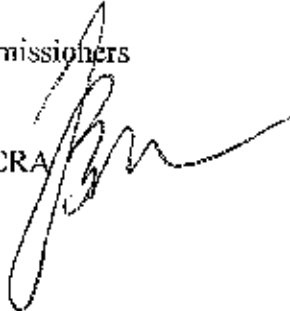


RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY

BANK OF AMERICA FINANCIAL CENTRE
2001 BROADWAY SUITE 300
RIVIERA BEACH FLORIDA 33404
PHONE: 561-844-3408
FAX: 561-881-8043
WEBSITE: www.rcra.org

MEMORANDUM

TO: Honorable Chair and Members, CRA Board of Commissioners
City of Riviera Beach, Florida

FROM: Tony T. Brown, Executive Director, Riviera Beach CRA 

DATE: April 7, 2011

CC: Ruth Jones, City Manager
Pamala Ryan, City Attorney
Michael Haygood, Interim CRA Attorney
Jolinda Herring, Bond Counsel, Bryant Miller Olive
Ed Marquez, Financial Advisor, First Southwest

SUBJECT: Request for the CRA to Borrow

Action Requested:

A resolution of the Board of Commissioners of the Riviera Beach Community Redevelopment Agency (the Agency or CRA) selecting BB&T to provide a tax exempt loan to the Agency in the amount of \$25,570,000; authorizing the terms of the loan and the execution of all documents in connection therewith.

Loan Terms and Responsiveness to RFP

On February 14, 2011, the CRA, through its financial advisor, First Southwest, issued a Request for Proposals (RFP) to solicit proposals from 19 financial institutions for a tax-exempt fixed rate loan in an amount not to exceed \$30,000,000 at the lowest overall borrowing cost. The RFP informed responders that the Agency, in addition to the proposed cost of funds, would view proposals with the most lenient terms particularly as to required debt service coverage and reserve requirements and if call and/or pre-payment provisions applied. The RFP also noted that the Agency was 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.

The CRA received one proposal, among 19 solicited, from BB&T which we deem to be responsive. BB&T has offered terms to lend the CRA \$25,570,000 for the CRA's Capital Improvement Bonds, Series 2011. BB&T was the only bank among 19 solicited (including Bank of America and Wachovia/Wells Fargo – current deposit banks for the City and CRA, respectively) to offer terms. BB&T is also under consideration by the City of Riviera Beach for cash management services as it is the top ranked firm for banking services. BB&T also financed improvements to the Ocean Mall by extending loan terms to Catalfumo Construction & Development, Inc.

BB&T has offered two fixed rate options at 3.39% or 4.44%. The lower rate gives the Bank the right to reset the interest rate at the seventh anniversary of the loan for the balance of the 15-year term of the loan. The higher rate is a fixed interest rate for the entire 15-year term of the proposed loan. The CRA is recommending the higher interest rate to lock in its cost over the 15-year term. Interest payments on the loan will be due semi-annually and principal payments will be due annually commencing August 1, 2011. The fixed rate loan cannot be called (pre-paid) for the first 7 years; but may be pre-paid, in whole or in part, once a year on a scheduled payment date after the 7th anniversary of the loan without penalty. Security for the loan will be secured by a pledge of and first lien on the CRA's tax increment revenues.

BB&T is among the nation's top financial-holding companies with \$157.1 billion in assets and market capitalization of \$18.3 billion, as of December 31, 2010. BB&T operates 16 branches in Palm Beach County with six of these centers in the North Palm Beach County area (from Okeechobee Blvd. north to County Line Road).

BB&T Corporation is headquartered in Winston-Salem, N.C., Its bank subsidiaries operate 1,800 financial centers in the Carolinas, Virginia, West Virginia, Kentucky, Georgia, Tennessee, Maryland, Florida, Alabama, Indiana, Texas and Washington, D.C. BB&T ranks No. 2 in market share in North Carolina; and in Florida the company reported a market share ranking of 5th.

Loan Purpose and Uses:

The purpose of the loan is fund capital improvements within the CRA's redevelopment priority areas. The use of the loan funds are designed to aid Phase I development of International Harbor at Riviera Beach; stabilize the Riviera Beach Heights neighborhood through streetscape improvements; and compliment US-1 improvements by designing a vibrant, welcoming and pedestrian friendly streetscape that begins from the Municipal Marina along 13th Street to Avenue E and along the Broadway corridor. The budget for each specific use and the timeline for disbursements are attached as Exhibit A.

Repayment Ability:

The Agency first sought to qualify and quantify its financing capacity by working cooperatively with City staff, the City's financial advisor Dunlap & Associates and the CRA's financial advisor, First Southwest. The parameters for securing bond debt were set by the City which required the CRA to secure terms without the pledge of collateral from the City. This condition is what likely resulted in the limited interest of financial institutions solicited.

However, to aid the CRA in securing additional debt for the Municipal Marina, the City offered to defer and modify repayment of the Ocean Mall debt. The City proposed a "Deferral Period"

which created the flexibility needed by the CRA to improve its financing capacity. The terms for this modification will be considered by the Board at its April 13th meeting under separate actions.

First Southwest examined the CRA's tax increment revenues for FY 2010-2011 and then deducted operating expenses and total aggregate debt to determine that the CRA could secure as much as \$30 million depending on the debt service coverage (the amount of net income in excess of the loan payment) required by the lender. The CRA's staff agrees with First Southwest's analysis for repayment ability. The CRA can easily repay debt based on existing revenues **and not future revenues** when tax increment revenues are expected to double based on tax receipts projected from the FPL Riviera Beach plant modernization in 2015. This is illustrated as Exhibit B1.

We ran a revenue sensitivity analysis to assess the impact on repayment ability if CRA revenues declined each year by 4 percent from 2012 – 2014, prior to the anticipated revenue increase from the FPL plant modernization. In 2010, the decline in tax assessed values resulted in a 4 percent decline in TIF revenues from \$5.3 million to \$5.1 million. If this trend were to continue through FY 2014, TIF revenues would drop by \$592,000 to \$4.5 million.

In the revenue sensitivity scenario, the CRA can repay all debt obligations. However, the Agency's Operating and Program budgets would be constrained. The Board would have available options to include, but not necessarily limited to, reduction in operating expenses or suspension of the Grant Incentive Program during FY 2013 – 2014. This scenario is highlighted in Exhibit B2.

Controlled Disbursements and Construction Management:

The Agency will control disbursements through a Project Fund account to be set up at BB&T. The Agency will comply with applicable IRS Codes and as Exhibit A outlines, intends to disburse the entire loan proceeds within three years as required by law. Subject to Board concurrence and continued oversight, the CRA staff will ensure that each project undergo feasibility, additional due diligence and thorough construction management oversight.

1. Civil engineering and construction of water, sewer and storm water systems beneath new develop locations and linking a vibrant new urban streetscape from the Marina Docks along 13th Street to Avenue C. The design and infrastructure upgrade is designed to spark private development, compliment Utility District Improvements Planned for the area, and begin elements of the International Harbor development.
2. Newcomb Hall relocation and construction at a site to be determined by the transparent community engagement process presently underway.
3. Public parking garage within the Marina District. The Agency intends to collaborate with the Port of Palm Beach and its master developer, Viking, for the ideal location to attract cruise ship passengers and enhance future private development from the Intracoastal Waterway to Broadway.
4. Riviera Beach Heights will benefit from investments in new streetscape design and several beautification projects to stabilize the neighborhood.

5. Broadway and Avenue E. The CRA intends to make investments in the right of way for Broadway and Avenue E to compliment US-1 improvements underway by the Florida Department of Transportation.
6. Intracoastal Dredging. The CRA proposes to maintain an allowance of \$1 million to aid improvements at and around the Marina to continue job growth for marine industry businesses.

The ideal control for managing construction risks and ensuring efficient coordination needs to be determined by the City and CRA through a collaborative project management agreement and process. The CRA Board should make this a stipulation before approving any disbursement from the Project Fund account. In addition, the CRA staff recommends that a contract project manager experienced in commercial construction be hired to begin coordinating all elements in the plan. The logical flow for development is highlighted below:

REDEVELOPMENT ACTION PLAN		
Phase 1 Projects: Begin Now Projects (City/CRA Leadership Projects)		
Geography	Project Action Plan	Budget
Marine District South	<ul style="list-style-type: none"> • Public Infrastructure - Municipal Marina • Newcomb Hall 	\$ 5,114,000
		\$ 3,068,400
Riviera Beach Heights	<ul style="list-style-type: none"> • Street Improvements - Riviera Beach Heights 	\$ 2,045,600
Phase 2 Projects: Feasibility Projects (Requires Coordination With Others)		
Geography	Project Action Plan	Budget
Marine District South	<ul style="list-style-type: none"> • Parking Garage • Marina - Dredging Allowance 	\$ 6,392,500
		\$ 1,000,000
Broadway West	<ul style="list-style-type: none"> • Street Improvements - Broadway • Street Improvements - Avenue E 	\$ 3,835,500
		\$ 1,508,630

Recommendation:

Board approval at the April 13, 2011 meeting of the CRA will be requested. A similar resolution is being prepared by the City in order to grant its permission for the CRA to borrow on April 20, 2011.

Exhibit A

**Riviera Beach Community Redevelopment Agency
Capital Improvement Bonds, Series 2011
Sources & Uses**

	2011	2012	2013	2014	Total
SOURCES					
Loan Proceeds	\$ 1,022,800	\$ 4,091,200			\$ 5,114,000
	\$ 613,680	\$ 2,454,720			\$ 3,068,400
	\$ 63,925	\$ 639,250	\$ 5,689,325		\$ 6,392,500
		\$ 383,550	\$ 767,100	\$ 2,684,850	\$ 3,835,500
		\$ 204,560	\$ 409,120	\$ 1,431,920	\$ 2,045,600
		\$ 150,863	\$ 301,726	\$ 1,056,041	\$ 1,508,630
	\$ 243,426	\$ 1,078,031	\$ 973,706	\$ 182,357	\$ 2,477,520
	\$ 1,943,831	\$ 9,002,174	\$ 8,140,977	\$ 6,355,168	\$ 25,442,150
	\$ 127,850				\$ 127,850
USES					
Public Infrastructure - Municipal Marina	\$ 5,114,000				\$ 5,114,000
Newcomb Hall	\$ 3,068,400				\$ 3,068,400
Parking Garage	\$ 6,392,500				\$ 6,392,500
Street Improvements - Broadway	\$ 3,835,500				\$ 3,835,500
Street Improvements - Riviera Beach Heights	\$ 2,045,600				\$ 2,045,600
Street Improvements - Avenue E	\$ 1,508,630				\$ 1,508,630
Marina - Dredging Allowance	\$ 1,000,000				\$ 1,000,000
Cost Contingies	\$ 2,477,520				\$ 2,477,520
Total Project Uses	\$ 25,442,150				\$ 25,442,150
Closing Costs	\$ 127,850				\$ 127,850
Total Uses (\$)	\$ 2,071,681	\$ 9,002,174	\$ 8,140,977	\$ 6,355,168	\$ 25,570,000
Total Uses (Percent of Budget by Year)	8%	35%	32%	25%	100%

Exhibit B1

Riviera Beach CRA: Budget Projection and Impact of Future Cash Reserves

Projected for CRA Budget Projections (2012 - 2017); Capital Expenses & Loan Proceeds (2011); and F&L Tax Incremental Revenues (2015)

	2011	2012	2013	2014	2015	2016	2017
SOURCES							
Beginning Cash, Working Capital Other	3,064,136	3,586,044	2,343,151	2,052,771	1,714,717	7,538,313	14,351,296
Revenue							
CRA TIF	3,363,338	3,363,338	3,363,338	3,363,338	3,363,338	8,408,345	8,408,345
City of RB	1,775,490	1,775,490	1,775,490	1,775,490	1,775,490	4,438,725	4,438,725
PBCT	5,138,828	5,138,828	5,138,828	5,138,828	5,138,828	12,847,070	12,847,070
Total Revenue	10,277,666	10,277,666	10,277,666	10,277,666	10,277,666	25,694,880	25,694,880
TOTAL SOURCES	13,341,802	13,863,710	12,621,817	12,129,541	11,492,383	25,076,626	48,745,592

TIFF Revenue Flat Scenario

City of RB	3,363,338	3,363,338	3,363,338	3,363,338	3,363,338	8,408,345	8,408,345
PBCT	1,775,490	1,775,490	1,775,490	1,775,490	1,775,490	4,438,725	4,438,725
Total Revenue	5,138,828	5,138,828	5,138,828	5,138,828	5,138,828	12,847,070	12,847,070
TOTAL SOURCES	8,202,964	8,724,872	7,481,979	7,191,599	14,551,787	20,385,383	27,203,366

USES

Expenses							
Personnel	594,600	624,330	655,547	688,324	722,740	758,877	796,821
Operating	462,250	476,118	480,401	505,113	520,266	535,874	551,951
City Services	823,633						
Total Operating Exp	1,880,483	1,100,448	1,135,948	1,193,437	1,243,006	1,294,751	1,348,772

Balance After Operating Expenses 6,322,481 7,624,425 6,336,031 5,998,162 13,318,781 19,090,631 25,859,595

Debt Service							
Wachovia Note	621,574	624,594	627,766	631,095	634,592	638,263	642,118
Ocean Mall (City of Riviera Beach)	370,500	209,372	208,000	208,000	208,000	208,000	943,000
Capital IMP Bond (BB&T)	315,363	2,820,308	2,820,494	2,817,350	2,810,876	2,806,072	2,067,715
Total Debt Service	1,307,437	3,654,274	3,656,260	3,656,445	3,653,468	3,652,335	3,652,834

Balance After Debt Service 5,015,044 3,970,151 2,679,771 2,341,717 9,665,313 15,438,296 22,206,761

Capital Projects - Working Capital Allocated Programs	225,000	50,000	50,000	50,000	1,050,000	-	-
	1,204,000	1,577,000	577,000	577,000	1,077,000	1,077,000	1,077,000

Total Capital & Programs 1,429,000 1,627,000 627,000 627,000 2,127,000 1,077,000 1,077,000

Balance After Projects & Programs 3,586,044 2,343,151 2,052,771 1,714,717 7,538,313 14,361,296 21,129,761

Spa/Planted Reserves

Ending Cash Balance 3,586,044 2,343,151 2,052,771 1,714,717 7,538,313 14,361,296 21,129,761

Riviera Beach CRA: Budget Projection and Impact of Future Cash Reserves

Exhibit 82

Projected for CRA Budget Projections (2012 - 2017); Capital Expenses & Loan Proceeds (2011); and FR&L Tax Incremental Revenues (2015)

	2011	2012	2013	2014	2015	2017
SOURCES						
Beginning Cash, Working Capital Other	3,064,136	3,586,044	2,137,597	1,444,334	513,958	13,160,537
Revenue						
CRA TIF						
City of RB	3,363,338	3,228,804	3,099,652	2,975,666	2,840,835	2,706,345
FBCTy	1,775,490	1,704,470	1,636,292	1,570,840	1,504,338	1,438,725
Total Revenue	5,138,828	4,933,275	4,735,944	4,545,506	4,345,173	4,145,070
TOTAL SOURCES	8,202,964	8,519,319	6,873,541	5,990,840	5,659,151	17,305,607

TIFF Revenue (4%) Decline Scenario

City of RB	3,363,338	3,228,804	3,099,652	2,975,666	2,840,835	2,706,345
FBCTy	1,775,490	1,704,470	1,636,292	1,570,840	1,504,338	1,438,725
Total Revenue	5,138,828	4,933,275	4,735,944	4,545,506	4,345,173	4,145,070

USES

Expenses						
Personnel	594,600	624,930	655,547	688,924	722,740	756,821
Operating	462,250	476,118	490,401	505,113	520,266	535,874
City Services	823,633					551,351
Total Operating Exp	1,880,483	1,100,448	1,145,948	1,193,437	1,243,006	1,348,772
Balance After Operating Expenses	6,322,481	7,418,871	5,727,594	4,797,403	4,416,145	24,558,836
Debt Service						
Wachovia Note	621,574	624,594	627,766	631,095	634,592	642,118
Ocean Mall (City of Riviera Beach)	370,500	209,372	208,000	208,000	208,000	208,000
Capital IMP Bond (BB&T)	315,363	2,820,308	2,820,494	2,817,350	2,810,876	2,806,672
Total Debt Service	1,307,437	3,654,274	3,656,260	3,656,445	3,653,468	3,652,834
Balance After Debt Service	5,015,044	3,764,597	2,071,334	1,140,958	8,464,554	21,006,002
Capital Projects - Working Capital Allocated Programs						
	225,000	50,000	50,000	50,000	1,050,000	-
	1,204,000	1,577,000	577,000	577,000	1,077,000	1,077,000
Total Capital & Programs	1,429,000	1,627,000	627,000	627,000	2,127,000	1,077,000
Balance After Projects & Programs	3,586,044	2,137,597	1,444,334	513,958	6,337,554	19,929,002

Board Directed Reserves

Ending Cash Balance	3,586,044	2,137,597	1,444,334	513,958	6,337,554	19,929,002
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AGGREGATE DEBT SERVICE

Riviera Beach Community Redevelopment Agency
 Capital Improvement Revenue Bonds, Series 2011
 Non BQ Rate as of 3/14/2011
 Preliminary / Subject to Change
 Branch Banking & Trust (Option 1)
 (Delayed Principal)

Period Ending	Capital Improvement Revenue Bonds, Series 2011	City Loan	Wachovia Loan	Aggregate Debt Service
10/01/2011	315,363.33	370,500.00	621,573.86	1,307,437.19
10/01/2012	2,820,308.00	209,372.22	624,593.94	3,654,274.16
10/01/2013	2,820,494.00	208,000.00	627,763.82	3,656,259.82
10/01/2014	2,817,350.00	208,000.00	631,095.44	3,656,445.44
10/01/2015	2,810,876.00	208,000.00	634,591.80	3,653,467.80
10/01/2016	2,806,072.00	208,000.00	638,262.84	3,652,334.84
10/01/2017	2,867,716.00	943,000.00	642,118.34	3,652,834.34
10/01/2018	2,063,220.00	942,672.50	646,165.78	3,652,058.28
10/01/2019	2,061,282.00	942,347.50	650,415.36	3,654,044.86
10/01/2020	2,056,680.00	942,977.50	654,877.72	3,654,535.22
10/01/2021	2,054,414.00	942,467.50	659,563.92	3,656,445.42
10/01/2022	2,049,252.00	942,817.50	664,483.18	3,656,562.68
10/01/2023	2,711,224.00	942,932.50	-	3,654,156.50
10/01/2024	2,710,552.00	942,765.00	-	3,653,317.00
10/01/2025	2,710,218.00	942,267.50	-	3,652,485.50
10/01/2026	-	5,764,392.50	-	5,764,392.50
	34,875,031.33	15,660,512.22	7,695,508.00	58,231,051.55

Note: City Loan amortization is estimated

BOND SOLUTION

Riviera Beach Community Redevelopment Agency
 Capital Improvement Revenue Bonds, Series 2011
 Non BQ Rate as of 3/14/2011
 Preliminary / Subject to Change
 Branch Banking & Trust (Option 1)
 (Delayed Principal)

Period Ending	Proposed Principal	Proposed Debt Service	Existing Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
10/01/2011	-	315,363	992,074	1,307,437	5,138,828	3,831,391	393.04588%
10/01/2012	1,685,000	2,820,308	833,966	3,654,274	5,138,828	1,484,554	140.62514%
10/01/2013	1,760,000	2,820,494	835,766	3,656,260	5,138,828	1,482,568	140.54876%
10/01/2014	1,835,000	2,817,350	839,095	3,656,445	5,138,828	1,482,383	140.54163%
10/01/2015	1,910,000	2,810,876	842,592	3,653,468	5,138,828	1,485,360	140.65617%
10/01/2016	1,990,000	2,806,072	846,263	3,652,335	5,138,828	1,486,493	140.68981%
10/01/2017	1,340,000	2,067,716	1,585,118	3,652,834	5,138,828	1,485,994	140.68057%
10/01/2018	1,395,000	2,063,220	1,588,838	3,652,058	5,138,828	1,486,770	140.71046%
10/01/2019	1,455,000	2,061,282	1,592,763	3,654,045	5,138,828	1,484,783	140.63396%
10/01/2020	1,515,000	2,056,680	1,597,855	3,654,535	5,138,828	1,484,293	140.61509%
10/01/2021	1,580,000	2,054,414	1,602,031	3,656,445	5,138,828	1,482,383	140.54163%
10/01/2022	1,645,000	2,049,262	1,607,301	3,656,563	5,138,828	1,482,265	140.53712%
10/01/2023	2,380,000	2,711,224	942,933	3,654,157	5,138,828	1,484,672	140.62966%
10/01/2024	2,485,000	2,710,552	942,765	3,653,317	5,138,828	1,485,511	140.66198%
10/01/2025	2,595,000	2,710,218	942,268	3,652,486	5,138,828	1,486,343	140.69400%
	25,570,000	34,875,031	17,591,628	52,466,659	77,082,420	24,615,761	