ORDINANCE NO. 2009-06-178

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA AUTHORIZING THE BORROWING OF SEVEN MILLION THREE HUNDRED THOUSAND DOLLARS ($7,300,000); AUTHORIZING THE ISSUANCE OF CITY OF MIAMI GARDENS, FLORIDA TAXABLE LAND ACQUISITION REVENUE BONDS NOT TO EXCEED SEVEN MILLION THREE HUNDRED THOUSAND DOLLARS ($7,300,000); PROVIDING FOR A SUPPLEMENTAL RESOLUTION SETTING FORTH THE DETAILS OF SAID BONDS; PROVIDING FOR ADOPTION OF REPRESENTATIONS; REPEALING ALL ORDINANCES IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE.

WHEREAS, as part of its economic development activities and in order to foster economic growth in the enterprise zone, the City desires to purchase the property described on Exhibit "A" attached hereto from Warren Henry Acquisitions LLC (the "Company")

WHEREAS, the City desires to authorize the borrowing of Seven Million Three Hundred Thousand Dollars ($7,300,000), and to authorize the issuance of bonds not exceeding Seven Million Three Hundred Thousand Dollars ($7,300,000) for the purpose of financing the costs of purchasing the property, and paying costs of issuance of the bonds, and

WHEREAS, pursuant to Section 4.3 of the City's Charter, an ordinance must be adopted in order to authorize the borrowing of money, and

WHEREAS, the Council desires that the bonds be secured by the public service tax, as further specified by subsequent resolution of the Council,

NOW, THEREFORE, BE IT ORDAINED 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 Ordinance.

SECTION 2. AUTHORIZATION: In accordance with the provisions of the Charter of the City of Miami Gardens, Florida and Chapter 166, Florida Statutes, the City Council of the City of Miami Gardens hereby authorizes the borrowing of Seven Million Three Hundred Thousand Dollars ($7,300,000). The City Council further authorizes Taxable Land Acquisition Revenue Bonds (the "Bonds") of the City, to be issued in an aggregate principal amount not to exceed Seven Million Three Hundred Thousand Dollars ($7,300,000), in one or more series, for the purpose of financing the costs of purchasing the property identified above, and paying costs of issuance of the Bonds. The Bonds shall be designated "City of Miami Gardens, Florida Taxable Land Acquisition Revenue Bonds, Series 2009" or such other designation as may be approved by supplemental

resolution, shall be dated such date, shall be in such denominations, shall be stated to mature in such year or years not later than five (5) years from their date of issuance, shall bear interest at a taxable rate from their dated date at a rate or rates not exceeding the maximum rate permitted by law at the time of issuance of the Bonds, shall be subject to redemption at the option of the City at such times and prices, and shall have such other details, all as shall hereafter be determined by the Council by supplemental resolution.. The Bonds shall be secured by a pledge of the public service tax, as further specified by supplemental resolution of the Council. The supplemental resolution may be adopted, and the Bonds may be issued, at any time after the effective date of this Ordinance.

SECTION 3. AUTHORIZATION: The City Manager and the City Finance Director are each hereby authorized to negotiate with banks and other financial institutions for the purchase of the Bonds and with respect to the terms of the Bonds. The City Attorney and Bond Counsel to the City are hereby authorized to draft documents, including bond documents and a purchase contract, and to do all other things necessary to accomplish the issuance and sale of the Bonds and the purchase of the property.

SECTION 4. CONFLICT: All ordinances or Code provisions in conflict herewith are hereby repealed.

SECTION 5. SEVERABILITY: If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions of this Ordinance.

SECTION 6. EFFECTIVE DATE: This Ordinance will become effective immediately upon its final passage.

PASSED ON FIRST READING THE 14th DAY OF January, 2009.

PASSED ON SECOND READING THE 28th DAY OF JANUARY, 2009.

ADOPTED AND PASSED BY THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS AT ITS REGULAR MEETING HELD ON THE 28th DAY OF JANUARY, 2009.

SHIRLEY GIBSON, MAYOR

ATTEST:

RONETTA TAYLOR, MMC, CITY CLERK

{M1778583_1}

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

_____
CITY ATTORNEY

Prepared by ADORNO & YOSS LLP, Bond Counsel

SPONSORED BY: DANNY O. CREW, CITY MANAGER

MOVED BY: Councilman Campbell
SECONDED BY: Vice Mayor Watson

VOTE: 6-1

Mayor Shirley Gibson	X (Yes)	___(No)
Vice Mayor Barbara Watson	X (Yes)	___(No)
Councilman Melvin L. Bratton	X (Yes)	___(No)
Councilman Aaron Campbell, Jr.	X (Yes)	___(No)
Councilman Oliver Gilbert III	X (Yes)	___(No)
Councilwoman Sharon Pritchett	____(Yes)	X (No)
Councilman Andre L. Williams	X (Yes)	___(No)

1515 NW 167 Street, Building 5 Suite 200
Miami Gardens, Florida 33169

City of Miami Gardens
Agenda Cover Memo

Council Meeting Date:	*Jan. 28, 2009*		**Item Type:** *(Enter X in box)*	**Resolution**	**Ordinance**		**Other**	
					Yes			
Fiscal Impact: *(Enter X in box)*	**Yes**	**No**	**Ordinance Reading:** *(Enter X in box)*		**1st Reading**		**2nd Reading**	
							x	
	x		**Public Hearing:** *(Enter X in box)*		**Yes**	**No**	**Yes**	**No**
							X	
Funding Source: **User funds**	General Fund- Non Departmental		**Advertising Requirement:** *(Enter X in box)*		**Yes**		**No**	
					x			
Contract/P.O. Required: *(Enter X in box)*	**Yes**	**No**	**RFP/RFQ/Bid #:**		*n/a*			
		x						
Sponsor Name	**Danny Crew, City Manager**		**Department:**		*City Manager*			

Short Title:

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Staff Summary:

The City has a broad responsibility under the law to provide for a viable local economy through adoption of relevant policies, regulations, and economic development activities and recognizes the economic and social value of businesses based in Miami Gardens in playing a significant role in the health and welfare of the residents of the City through employment, tax payments and community involvement.

Warren Henry Acquisitions LLC (the "Company") has been a business leader in the Miami Gardens area for 40 years and is one of the largest City-based employers and recently purchased a vacant, 15 acre site near the Golden Glades Interchange within the enterprise zone in the City and announced a major relocation and expansion of their dealerships to this site. As a result of the national economic and banking crises, the Company were been notified by the lender for the project that financing was being withdrawn and that the Company needed to secure alternative financing for the property or face the loss of its equity in the property.

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As part of its economic development activities and in order to foster economic growth in the enterprise zone, staff has proposed a plan to purchase said property from the Company and lease the property back to the Company for a two year period with the option to purchase it back from the City within that period in order to provide the Company with sufficient time to acquire alternative financing and complete the project. Warren Henry has agreed to pay all costs associated with the borrowing. If for some reason, Warren Henry cannot secure permanent financing, after two years, the City would own the property. The City would be buying the property for approximately $7.2 million. Current appraised value is $10.8 million.

Recommendation:

RECOMMENDATION: That City Council adopt the 2009 Land Acquisition Bond Ordinance on second reading.

Attachment:

City Manager's December 10th Memorandum to City Council.