

1 Introduced by the Council President at the request of the Mayor:
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4 **ORDINANCE 2023-183**

5 AN ORDINANCE DELEGATING AUTHORITY TO MODIFY THE
6 VARIABLE INDEX RATE ON CERTAIN OUTSTANDING
7 OBLIGATIONS ISSUED BY VARIOUS CONDUIT ISSUERS
8 FROM LIBOR TO A SUBSTITUTE RATE; APPROVING AND
9 AUTHORIZING THE ECONOMIC DEVELOPMENT OFFICER, OR
10 HIS DESIGNEE, TO EXECUTE AND DELIVER, FOR AND ON
11 BEHALF OF THE CONDUIT ISSUERS AMENDMENTS TO BOND
12 DOCUMENTS; APPROVING AND AUTHORIZING THE
13 ECONOMIC DEVELOPMENT OFFICER, OR HIS DESIGNEE,
14 TO EXECUTE AND DELIVER, FOR AND ON BEHALF OF THE
15 CONDUIT ISSUERS CERTIFICATES AND OTHER
16 DOCUMENTS; PROVIDING FOR NO PERSONAL LIABILITY;
17 FINDING THAT ALL PREREQUISITES HAVE BEEN
18 PERFORMED; PROVIDING FOR SEVERABILITY AND
19 PROVIDING FOR AN EFFECTIVE DATE.
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21 **WHEREAS**, the City and the Jacksonville Economic Development
22 Commission ("JEDC") have over time and at the request of certain
23 borrowers issued certain conduit bonds such as industrial development
24 revenue bonds, educational facility revenues bonds, and health
25 facility revenue bonds, notes and other evidences of indebtedness
26 (the "Bonds") and loaned the proceeds thereof to such borrowers (each
27 a "Borrower") who have agreed to repay such Bonds to the holders of
28 such Bonds, all in accordance with applicable laws of the State of
29 Florida; and

30 **WHEREAS**, pursuant to Ordinance 2012-212-E, the JEDC has been
31 abolished and the Council has become the industrial development

1 authority for the City; and

2 **WHEREAS**, the Bonds are limited obligations of the applicable
3 issuer payable solely from revenues and other security of the Borrower
4 and do not represent a direct or indirect obligation of the applicable
5 issuer or the City; and

6 **WHEREAS**, certain Bonds bear interest at a variable rate based
7 on a formula utilizing the London Interbank Offered Rate, commonly
8 referred to as "LIBOR," as a reference index (the "LIBOR Bonds"); and

9 **WHEREAS**, LIBOR is expected to cease to be required to be
10 determined by the participating reference banks by June of 2023 and
11 various substitution rates and equivalency factors have now been
12 generally agreed to in the market; and

13 **WHEREAS**, the City and the Borrowers desire to make certain
14 amendments to the LIBOR Bonds and related agreements (the "Bond
15 Documents") to substitute the index which the LIBOR Bonds bear
16 interest from LIBOR to an appropriate substitution rate, whether now
17 existing or subsequently developed, that is deemed approximately
18 equivalent to LIBOR and other related adjustments and amendments as
19 may be necessary and appropriate for the implementation and
20 administration of the replacement index, and an effective date of the
21 substitution rate (which could become immediately effective upon
22 determination that LIBOR as a reference rate is no longer reliable
23 or unascertainable or such other conditions set forth in such
24 amendments); and

25 **WHEREAS**, in order for such Borrowers to amend the applicable
26 LIBOR Bonds and Bond Documents, it may be necessary for the applicable
27 issuer or the City to approve such amendments and provide
28 authorization and delegate authority for its execution and amend any
29 other related closing documents; now therefore

30 **BE IT ORDAINED** by the Council of the City of Jacksonville:
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1 **Section 1. Authority For This Ordinance.** This Ordinance is
2 enacted pursuant to the provisions of Chapter 154, Part III, Florida
3 Statutes, as amended, Chapter 159, Florida Statutes, as amended, and
4 other applicable provisions of law.

5 **Section 2. Authorization of Execution and Delivery of Certain**
6 **Amendments to Bond Documents.** The Economic Development Officer of
7 the City (the "Authorized Officer") is, subject to the terms hereof,
8 hereby authorized and empowered upon request of the applicable
9 Borrower to execute and deliver amendments to the LIBOR Bonds and the
10 Bond Documents to substitute the LIBOR index with one or more
11 alternative reference rates as directed by the Borrower and make such
12 other conforming changes (including changes to the spread over the
13 index rate) as necessary to effectuate the change to a replacement
14 rate.

15 The Authorized Officer will not enter into any amendment unless
16 the Authorized Officer has received consent from the applicable
17 Borrower, the Office of General Counsel has reviewed the amendment,
18 and the City has received a satisfactory opinion of bond counsel
19 regarding the fact that the amendment does not represent a direct or
20 indirect obligation of the applicable issuer or the City and will
21 not, in and of itself, adversely affect the excludability of interest
22 on the LIBOR Bonds from gross income for federal income tax purposes;
23 provided, however, no such opinion regarding the excludability of
24 interest shall be required if the LIBOR Bonds were not tax-exempt at
25 the time of issuance.

26 **Section 3. Authorization of Execution of other Certificates**
27 **and Other Instruments.** The Authorized Officer and the officers,
28 employees and agents of the City acting on behalf of the City are
29 hereby authorized and directed to execute such documents, instruments
30 and contracts, whether or not expressly contemplated hereby, and to
31 do all acts and things required by the provisions of this Ordinance

1 and by the provisions of the LIBOR Bonds, the Bond Documents
2 (including any required filings) authorized herein, as may be
3 necessary for the full, punctual and complete performance of all the
4 terms, covenants, provisions and agreements herein and therein
5 contained, or as otherwise may be necessary or desirable to effectuate
6 the purpose and intent of this Ordinance, or as may be requested by
7 the Borrower. The Authorized Officer is hereby designated as the
8 primary officer of the City charged with the responsibility of
9 entering into the amendments described herein and is hereby authorized
10 to delegate to any other person any of the duties or authorizations
11 of such Authorized Officer hereunder.

12 **Section 4. No Personal Liability.** No representation,
13 statement, covenant, warranty, stipulation, obligation or agreement
14 herein contained, or contained in the amendments authorized herein,
15 or any certificate or other instrument to be executed on behalf of
16 the City in connection with such amendments shall be deemed to be a
17 representation, statement, covenant, warranty, stipulation,
18 obligation or agreement of any member, officer, employee or agent of
19 the City in his or her individual capacity, and none of the foregoing
20 persons nor any member or officer of the City executing the Bonds or
21 the Bond Documents shall be liable personally thereon or be subject
22 to any personal liability of or accountability by reason of the
23 execution or delivery thereof.

24 **Section 5. Prerequisites Performed.** All acts, conditions
25 and things relating to the passage of this Ordinance required by the
26 Constitution or other laws of the State of Florida to happen, exist
27 and be performed precedent to the passage hereof have happened, exist
28 and have been performed as required.

29 **Section 6. Severability of Invalid Provisions.** If any one
30 or more of the covenants, agreements or provisions herein contained
31 shall be held contrary to any express provisions of law or contrary

