

1 Introduced by the Council President at the request of the Mayor and
2 amended by the Finance Committee:

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5 **ORDINANCE 2023-183-E**

6 AN ORDINANCE DELEGATING AUTHORITY TO MODIFY THE
7 VARIABLE INDEX RATE ON CERTAIN OUTSTANDING
8 OBLIGATIONS ISSUED BY VARIOUS CONDUIT ISSUERS
9 FROM LIBOR TO A SUBSTITUTE RATE; APPROVING AND
10 AUTHORIZING THE ECONOMIC DEVELOPMENT OFFICER, OR
11 HIS DESIGNEE, TO EXECUTE AND DELIVER, FOR AND ON
12 BEHALF OF THE CONDUIT ISSUERS AMENDMENTS TO BOND
13 DOCUMENTS; APPROVING AND AUTHORIZING THE
14 ECONOMIC DEVELOPMENT OFFICER, OR HIS DESIGNEE,
15 TO EXECUTE AND DELIVER, FOR AND ON BEHALF OF THE
16 CONDUIT ISSUERS CERTIFICATES AND OTHER
17 DOCUMENTS; PROVIDING FOR NO PERSONAL LIABILITY;
18 FINDING THAT ALL PREREQUISITES HAVE BEEN
19 PERFORMED; PROVIDING FOR SEVERABILITY AND
20 PROVIDING FOR AN EFFECTIVE DATE.

21
22 **WHEREAS,** the City and the Jacksonville Economic Development
23 Commission ("JEDC") have over time and at the request of certain
24 borrowers issued certain conduit bonds such as industrial development
25 revenue bonds, educational facility revenues bonds, and health
26 facility revenue bonds, notes and other evidences of indebtedness
27 (the "Bonds") and loaned the proceeds thereof to such borrowers (each
28 a "Borrower") who have agreed to repay such Bonds to the holders of
29 such Bonds, all in accordance with applicable laws of the State of
30 Florida; and

31 **WHEREAS,** pursuant to Ordinance 2012-212-E, the JEDC has been

1 abolished and the Council has become the industrial development
2 authority for the City; and

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

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

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

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

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

31 **BE IT ORDAINED** by the Council of the City of Jacksonville:

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**
6 **Certain Amendments to Bond Documents.** The Economic Development
7 Officer of the City (the "Authorized Officer") is, subject to the
8 terms hereof, hereby authorized and empowered upon request of the
9 applicable Borrower to execute and deliver amendments to the LIBOR
10 Bonds and the Bond Documents to substitute the LIBOR index with one
11 or more alternative reference rates as directed by the Borrower and
12 make such other conforming changes (including changes to the spread
13 over the index rate) as necessary to effectuate the change to a
14 replacement 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 will not, in and of itself,
20 adversely affect the excludability of interest on the LIBOR Bonds
21 from gross income for federal income tax purposes; provided, however,
22 no such opinion regarding the excludability of interest shall be
23 required if the LIBOR Bonds were not tax-exempt at the time of
24 issuance.

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

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

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

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

28 **Section 6. Severability of Invalid Provisions.** If any one
29 or more of the covenants, agreements or provisions herein contained
30 shall be held contrary to any express provisions of law or contrary
31 to the policy of express law, though not expressly prohibited, or

1 against public policy, or shall for any reason whatsoever be held
2 invalid, then such covenants, agreements or provisions shall be null
3 and void and shall be deemed separable from the remaining covenants,
4 agreements or provisions, and shall in no way affect the validity of
5 any of the other provisions hereof.

6 **Section 7. Effective Date.** This Ordinance shall become
7 effective upon signature by the Mayor or upon becoming effective
8 without the Mayor's signature.

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10 Form Approved:

11
12 /s/ Mary E. Staffopoulos

13 Office of General Counsel

14 Legislation Prepared by: Joelle J. Dillard

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