

University Park Recreation District

**Consideration of
Resolution 2019-25, Loan from Seller**

RESOLUTION 2019-25

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE UNIVERSITY PARK RECREATION DISTRICT TO PROVIDE FOR SHORT TERM FINANCING FOR THE PAYMENT OF OPERATING EXPENSES OF THE DISTRICT; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT WITH KESWICK INVESTMENTS LLC; RESCINDING IN PART RESOLUTION 2019-23 ADOPTED MARCH 8, 2019, WHICH AUTHORIZED SHORT TERM FINANCING WITH AMERIS BANK; PROVIDING FOR INCIDENTAL ACTION; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE

WHEREAS, the University Park Recreation District (the "District") is authorized by Chapters 418 and 189 Florida Statutes (collectively, the "Act"), and Manatee County Ordinance No. 18-29, now Article III of Chapter 2-8 of the Manatee County Code of Ordinances, which Ordinance serves as the Charter of the District (the "Charter"), to own, acquire, construct, equip, operate, maintain and improve recreation facilities and improvements within the District, including the facilities and improvements known as the "University Park Country Club" (the "Club"), as deemed necessary or convenient by the Board of Supervisors of the District (the "Board") for the carrying out of the functions of the District, and to enter into contracts and agreements necessary or incidental to the functions of the District and the execution of its powers; and

WHEREAS, on January 4, 2019 the Board adopted Resolution 2019-18 authorizing, among other actions, the incurrence of short term debt from Synovus Bank d/b/a Florida Community Bank ("FCB") to pay for current operating expenses, until such time as funds are obtained through the levy of non-ad valorem assessments or through other funding sources allowed by law; and

WHEREAS, in connection with approval of Resolution 2019-18, the Board was presented with a term sheet from FCB for a working capital loan in the amount of not to exceed \$350,000 (the "Loan"); and

WHEREAS, on February 19, 2019 the Board adopted Resolution 2019-22 approving the form of a loan agreement containing the terms and conditions of the Loan with FCB; and

WHEREAS, FCB informed the District that because of certain pending litigation against the District it had determined not to make the Loan; and

WHEREAS, Ameris Bank presented a proposed term sheet indicating its willingness to make the Loan upon substantially identical terms and conditions, provided that Keswick Investments LLC or related entity or principals thereof ("Keswick") purchase a \$350,000

certificate of deposit ("CD") of the Bank, to secure payment of the Loan in the event of default by the District; and

WHEREAS, on March 8, 2019 the Board adopted Resolution 2019-23 approving a Loan from Ameris Bank on the terms and conditions set forth in the Loan Agreement previously approved in Resolution 2019-22, but rescinded all other provisions of Resolutions 2019-18 and 2019-22; and

WHEREAS, Keswick has determined that it will not provide a CD required by Ameris Bank, but has offered to provide a Loan to the District at an annual interest rate that is lower than the interest rate offered by Ameris Bank; and

WHEREAS, the District therefore desires to rescind Resolution 2019-23 except to the extent of the prior approval of a form of loan agreement, to authorize staff and consultants to negotiate a loan agreement (the "Loan Agreement") with Keswick, and upon approval of such document, to authorize execution and delivery of the Loan Agreement and various instruments relating thereto, pursuant to Section 2-8-156 of the Charter;

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of University Park Recreation District, as follows:

Section 1. Findings. The District has incurred numerous start-up expenses and expects to incur operating expenses during the current fiscal year and next fiscal year, for which there is currently no source of funding. Upon acquisition of the Club, operating income of the Club must be used to pay operating expenses of the Club. Use of any working capital reserve of the Club, as well as the levy of non-ad valorem assessments for District operating expenses will require adoption of future resolutions of the Board. Consequently it is necessary to incur the Loan now to fund current operating expenses of the District.

Section 2. Negotiation, Execution and Delivery of the Loan Agreement with the Bank. The District does hereby authorize and direct staff and consultants to negotiate a Loan with Keswick, upon substantially similar terms and conditions as the Loan previously approved with Ameris Bank, with appropriate modifications to reflect that Keswick is not a financial institution and upon such approval, authorizes and approves the execution by the Chairman, Vice-Chairman or any Designated Member of the Loan Agreement and delivery of a promissory note evidencing the Loan to Keswick. The Loan Agreement shall be substantially similar to the form thereof attached to Resolution 2019-22 as Exhibit A and approved in Resolution 2019-23, with such changes therein as shall be necessary and approved by the Chairman, Vice Chairman or Designated Member executing the same, with such execution to constitute conclusive evidence of such officer's approval and the District's approval of any changes therein from the form of Loan Agreement previously approved.

Section 3. Severability. If any section, paragraph, clause or provision of this resolution shall be held to be invalid or ineffective for any reason, the remainder of this resolution shall continue in full force and effect, it being expressly hereby found and declared that the remainder of this resolution would have been adopted despite the invalidity or ineffectiveness of such section, paragraph, clause or provision.

Section 4. Open Meetings. It is hereby found and determined that all acts of the Board concerning and relating to adoption of this Resolution were taken in open meetings of the Board and all deliberations of the Board that resulted in such official acts were in meetings open to the public in compliance with all legal requirements, including, but not limited to, the requirements of Section 286.011, Florida Statutes.

Section 5. Prior Resolution. The terms of Resolution 2019-23, except with respect to substantial approval of the form of a Loan Agreement approved thereby, are hereby rescinded, repealed and of no further force and effect.

Section 6. Effective Date. This resolution shall take effect immediately upon its adoption, and any provisions of any previous resolutions in conflict with the provisions hereof are hereby superseded.

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PASSED in Public Session of the Board of Supervisors of University Park Recreation District this 12th day of April, 2019.

Attest:

**UNIVERSITY PARK RECREATION
DISTRICT**

ASSE Cheryl Davis
Secretary, Board of Supervisors

Robert Wood
Chairman, Board of Supervisors