

RESOLUTION NO. 04- 51

A RESOLUTION OF THE CITY COUNCIL OF MARCO ISLAND, FLORIDA ESTABLISHING ITS INTENT TO ADVANCE FUNDS TO COLLIER COUNTY, FLORIDA IN CONNECTION WITH CERTAIN EXPENDITURES RELATING TO BEACH RENOURISHMENT WITHIN THE HIDEAWAY BEACH DISTRICT AND TO BE REIMBURSED WITH PROCEEDS OF A FUTURE TAX-EXEMPT FINANCING; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council (the "City Council") of the City of Marco Island, Florida (the "City") and the Board of Supervisors (the "Board") of the Hideaway Beach District, a dependent special district of the City (the "District"), have determined that the need exists for the District to incur debt to finance beach renourishment within the District (the "Project"); and

WHEREAS, pursuant to an interlocal agreement (the "District/City Interlocal Agreement") between the District and the City, (i) the District has agreed to issue bonds (the "Bonds") to finance the cost of the Project and to be secured by a limited ad valorem tax levied by the City within the District (the "Limited Tax"), and (ii) the City has agreed to levy such Limited Tax and to contribute such Limited Tax to the District for payment of debt service on the Bonds; and

WHEREAS, pursuant to an interlocal agreement (the "City/County Interlocal Agreement") between the City and Collier County, Florida (the "County"), (i) the County has agreed to act as agent in the performance of construction of the Project, and (ii) the City has agreed to secure funding for the Project; and

WHEREAS, pursuant to the City/County Interlocal Agreement, the City and the County agreed to commence construction of the Project on November 1, 2004 (the "Commencement Date"); and

WHEREAS, the City has determined that the District will not be able to issue the Bonds prior to the Commencement Date; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARCO ISLAND, FLORIDA:

SECTION 1. AUTHORITY. This resolution (the "Resolution") is adopted pursuant to the provisions of the Constitution of the State of Florida, Chapter 125, Florida Statutes, the City Charter and other applicable provisions of law.

SECTION 2. DECLARATION OF INTENT. The City hereby expresses its intention to be reimbursed from proceeds of a future tax-exempt financing by the District for grants to the County for capital expenditures to be paid by the City in connection with and for the purpose of financing the Project. Pending reimbursement, the City intends to use legally available funds to pay such grants to the County to advance costs of the Project including but not limited to capital expenditures, costs of design and engineering, and other costs associated with the Project. It is reasonably expected that the total amount to be advanced by the City and the amount of debt to be issued by the District with respect to the Project will not exceed \$2,900,000. This Resolution is intended to constitute a "declaration of official intent" within the meaning of Section 1.150-2 of the Income Tax Regulations which were promulgated pursuant to the Internal Revenue Code of 1986, as amended, with respect to the debt incurred, in one or more financings, to finance the Project.

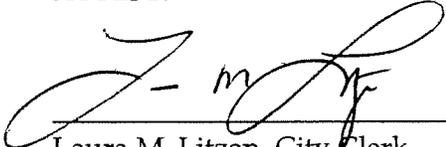
SECTION 3. SEVERABILITY. If any one or more of the provisions of this Resolution shall for any reason be held illegal or invalid, such illegality or invalidity shall not affect any other provision contained therein.

SECTION 4. REPEALING CLAUSE. All resolutions or parts thereof of the City in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

SECTION 5. EFFECTIVE DATE. This instrument shall take effect immediately upon its passage.

Passed in open and regular session through roll call vote by the City Council of the City of Marco Island, Florida this 18 day of October, 2004.

ATTEST:



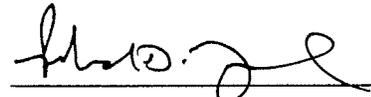
Laura M. Litzan, City Clerk

CITY OF MARCO ISLAND, FLORIDA

By: 

Terri DiSciullo, Council Chairwoman

Approved as to Form:



Richard D. Yovanovich, City Attorney