

JUN 29 2004

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RESOLUTION NO. 2004-M- 26

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ORANGE COUNTY, FLORIDA RELATING TO THE FINANCING OF THE PROJECT COSTS OF THE SAND LAKE HILLS SUBDIVISION WALL; AUTHORIZING AND PLEDGING AS SECURITY FOR THE SAND LAKE HILLS NOTE, A FIRST PRIORITY PLEDGE AND LIEN ON THE SPECIAL ASSESSMENTS AND PROCEEDS THEREOF LEVIED AND COLLECTED WITHIN THE SAND LAKE HILLS MSBU; AUTHORIZING THE PROPER OFFICIALS OF THE COUNTY TO DO ANY OTHER ADDITIONAL THINGS DEEMED NECESSARY OR ADVISABLE IN CONNECTION WITH THE EXECUTION OF THE SAND LAKE HILLS NOTE, AND THE SECURITY THEREFOR; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of County Commissioners (the "Board") of Orange County, Florida (the "County"), enacted Ordinance No. 2001-07 on April 3, 2001, as amended, in particular by Ordinance No. 2003-22 enacted on December 16, 2003 (the "Ordinance"), to provide for the creation of municipal service benefit units and authorize the imposition of special assessments to fund the construction of local improvements to serve the property located therein; and

WHEREAS, on April 20, 2004, the Board adopted a Resolution (the "Initial Assessment Resolution"), proposing the creation of the Sand Lake Hills Municipal Service Benefit Unit and describing the method of assessing the cost of the construction of the Sand Lake Hills Subdivision Wall against the real property that will be specially benefitted thereby, and directing preparation of the tentative Assessment Roll and provision of the notices required by the Ordinance; and

WHEREAS, on May 25, 2004, the Board adopted a Resolution (the "Final Assessment Resolution") imposing special assessments to fund the construction of the Sand Lake Hills Subdivision Wall; and

WHEREAS, in order to finance the Project Costs (as defined in the Ordinance) of the Sand Lake Hills Subdivision Wall and other similar existing and future wall projects, the County has authorized the execution of a Loan Agreement (as defined below) with Banco Popular North America (the "Bank") to provide a \$4,000,000 non-revolving line of credit to be drawn down on an as-needed basis in the form of individual promissory notes for each MSBU; and

WHEREAS, each promissory note issued under the Loan Agreement shall be secured solely by the special assessments collected within each respective MSBU;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ORANGE COUNTY, FLORIDA, AS FOLLOWS:

SECTION 1. AUTHORITY. This Resolution is adopted pursuant to the Orange County Charter, Chapter 125, Florida Statutes, and other applicable provisions of law.

SECTION 2. DEFINITIONS. All capitalized terms in this Resolution not otherwise defined below shall have the meanings defined in the Ordinance and the Initial Assessment Resolution.

"Bank" means Banco Popular North America, a bank chartered in the State of New York, and its successors and assigns.

"Designated Revenues" means only those special assessments and proceeds thereof, inclusive of the proceeds of the sale of tax certificates pursuant to Chapter 197 of the Florida Statutes, levied and collected by the County within the Sand Lake Hills Municipal Service Benefit Unit to fund the construction of the Sand Lake Hills Subdivision Wall.

"Loan Agreement" means that certain Loan Agreement between the County and the Bank dated as of June 26, 2001 relating to the availability of at least \$4,000,000 to finance the Project Costs associated with individual neighborhood wall projects.

"Sand Lake Hills Note" means that certain promissory note from the County in favor of the Bank in an amount not to exceed \$800,046 and secured solely by the Designated Revenues.

SECTION 3. PLEDGE OF DESIGNATED REVENUES TO SAND LAKE HILLS NOTE. The County hereby pledges the Designated Revenues on a first priority basis to secure the obligations of the County under the Sand Lake Hills Note. All obligations of the County under the Sand Lake Hills Note shall be payable solely from the Designated Revenues which are the sole assets of the County pledged therefor. Other than the Designated Revenues, the County will have no further payment obligations with respect to the Sand Lake Hills Note.

SECTION 4. AUTHORIZATION BY COUNTY OF FORM OF SAND LAKE HILLS NOTE. The County hereby authorizes the Chairman, or the Vice-Chairman in the Chairman's absence or unavailability, and/or the County Administrator, to execute and deliver on behalf of the County the Sand Lake Hills Note substantially in the form attached hereto as Exhibit A with such additional changes, insertions and omissions therein as may be made and approved by the said officers of the County executing the same, such execution to be conclusive evidence of such approval.

SECTION 5. AUTHORIZATION OF OTHER DOCUMENTS TO EFFECTUATE TRANSACTION. To the extent that other documents, certificates, opinions, or other items are needed to effectuate any of the transactions referenced in this Resolution, the Loan Agreement or the Sand Lake Hills Note and the security therefor, the Chairman, or the Vice-Chairman in the Chairman's absence or unavailability, and the County Administrator, are hereby authorized to execute and deliver on behalf of the County such documents, certificates, opinions, or other

items and to take such other actions as are necessary for the full, punctual and complete performance of the covenants, agreements, provisions, and other terms as are contained herein and in the documents included herein by reference.

SECTION 6. LIMITED OBLIGATION. The obligation of the County to repay amounts drawn under the Sand Lake Hills Note is a limited and special obligation payable solely from the Designated Revenues and in the manner set forth in the Loan Agreement and shall not be deemed a pledge of the faith and credit or taxing power of the County and such obligation shall not create a lien on any property whatsoever of or in the County other than the Designated Revenues.

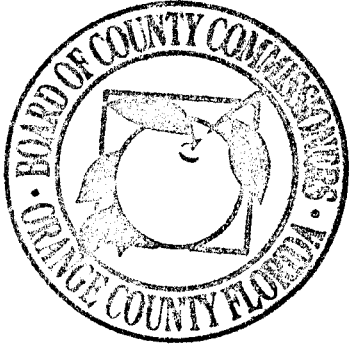
SECTION 7. MODIFICATION OF INCONSISTENT DOCUMENTS. All prior resolutions and motions of the County inconsistent with the provisions of this Resolution are hereby modified, supplemented and amended to conform with the provisions herein contained and except as otherwise modified, supplemented and amended hereby shall remain in full force and effect.

SECTION 8. RATIFICATION OF PAST ACTS. All action taken to date by the members of the Board and County staff in furtherance of the issuance of the Sand Lake Hills Note is hereby approved, confirmed and ratified and the members of the Board are hereby authorized to take such additional actions as they or any of them deem necessary or appropriate in furtherance of the issuance of the Sand Lake Hills Note.

SECTION 9. NEGOTIATED SALE. Due to the potential volatility of the market for tax-exempt obligations such as the Sand Lake Hills Note and the complexity of the transactions relating to such Sand Lake Hills Note, it is in the best interest of the County to deliver the Sand Lake Hills Note by a negotiated sale pursuant to Section 218.385(1), Florida Statutes, allowing the County to enter the market at the most advantageous time, rather than at a specified advertised date, thereby permitting the County to obtain the best possible price, issuance costs and interest rate for such Sand Lake Hills Note.

SECTION 10. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

DULY ADOPTED this 29th day of June, 2004.



ORANGE COUNTY, FLORIDA
By: Board of County Commissioners

By: *Richard T. Crotty*
Richard T. Crotty
Orange County Chairman

(SEAL)

ATTEST: Martha O. Haynie, County Comptroller
As Clerk to the Board of County Commissioners

By: *Martha O. Haynie*
Deputy Clerk

ORANGE COUNTY, FLORIDA
SAND LAKE HILLS MUNICIPAL SERVICE BENEFIT UNIT
NOTE

Principal Sum
\$ _____

Date of Issuance

ORANGE COUNTY, FLORIDA (the "County"), for value received hereby promises to pay, solely from the Designated Revenues described in the within mentioned Loan Agreement, to the order of BANCO POPULAR NORTH AMERICA, a bank chartered in the State of New York, or its assigns (the "Payee"), at 5551 Vanguard Street, Orlando, Florida 32819, or at such other such place as the Payee may from time to time designate in writing, the Principal Sum stated above advanced pursuant to that certain Loan Agreement by and between the Payee and the County, dated as of June 26, 2001 (as amended, the "Agreement"), together with interest thereon as hereinafter provided until the Maturity Date (herein defined) or the date the principal amount of this Note is paid in the manner hereinafter set forth in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts, which payments shall be made to the Payee hereof by check mailed to the Payee at the address designated in writing by the Payee for purposes of payment or by bank wire or bank transfer as such Payee may specify in writing to the County or otherwise as the County and the Payee may agree.

This Note shall bear interest at a rate equal to the lesser of (a) United States Treasury Securities adjusted to a constant maturity of five (5) years, as made available by the Federal Reserve Board plus 125 basis points per annum, or (b) the maximum rate permitted by applicable law, as such interest rate may be adjusted in accordance with Section 2.07 of the Agreement (the "Note Rate"). The Payee shall provide to the County such documentation to evidence any adjustment to the Note Rate and the calculations made in connection therewith. Following the occurrence and during the continuance of any Event of Default, as defined in the Agreement, this Note shall bear interest at the Default Rate, as defined in this Agreement. Interest on this Note shall be computed on the basis of a 360 day year.

Each April 1 and October 1, beginning April 1, 2005 interest at the Note Rate shall be due and payable to the Payee. Principal payments, as set forth on the schedule attached hereto as **Exhibit A**, shall be due and payable on each October 1, beginning October 1, 2005. At the Maturity Date (defined below), if not sooner, all outstanding principal and accrued interest on this Note shall be due and payable.

All principal and all unpaid interest accrued on this Note shall be due and payable in full, if not sooner, on October 1, 2010 (the "Maturity Date").

The County may prepay this Note in whole or in part, at any time or from time to time without penalty or premium, by paying to the Payee all or part of the principal amount of this

Note, together with the unpaid interest accrued on the amount of principal so prepaid to the date of such prepayment. Each prepayment shall be made on such date in such principal amount as shall be specified by the County in a written notice delivered to the Payee not less than three (3) business days prior to the specified prepayment date. Notice having been given as aforesaid, the principal amount stated in such notice or the whole thereof, as the case may be, shall become due and payable on the prepayment date stated in such notice, together with interest accrued and unpaid to the prepayment date on the principal amount then being paid; and the amount of principal and interest then due and payable shall be paid in case the entire unpaid balance of the principal of this Note is to be paid, upon presentation and surrender of this Note to the office of the Payee at 5551 Vanguard Street, Orlando, Florida 32819, for notation thereon of the amount of principal and interest on this Note then paid. If, on the prepayment date, funds for the payment of the principal amount to be prepaid, together with interest to the prepayment date on such principal amount, shall have been given to the Payee, as above provided, then from and after the prepayment date interest on such principal amount of this Note shall cease to accrue. If said funds shall not have been so paid on the prepayment date, the principal amount of this Note shall continue to bear interest until payment thereof at the rate or rates provided for herein.

All payments made by the County hereon shall apply first to accrued interest, then to other charges due the Payee, and the balance thereof shall apply to the principal amount then due on this Note.

This Note is authorized to be issued in the outstanding aggregate principal amount of not exceeding \$ _____ under the authority of and in full compliance with the Constitution and statutes of the State of Florida, including, particularly, Chapter 125, Florida Statutes, as amended and supplemented, and other applicable provisions of law, and Resolution No. 2004-M-__ duly adopted by the County on June 29, 2004, and is subject to all terms and conditions of said Resolution ("Resolution"). Any term used in this Note and not otherwise defined shall have the meaning ascribed to such term in the Resolution or the Agreement, as the case may be.

Notwithstanding any provision in this Note to the contrary, in no event shall the interest contracted for, charged or received in connection with this Note (including any other costs or considerations that constitute interest under the laws of the State of Florida which are contracted for, charged or received) exceed the maximum rate of nonusurious interest allowed under the State of Florida as presently in effect and to the extent an increase is allowable by such laws, but in no event shall any amount ever be paid or payable by the County greater than the amount contracted for herein. In the event the maturity of this Note is accelerated or prepaid in accordance with the provisions hereof, then such amounts that constitute payments of interest, together with any costs or considerations which constitute interest under the laws of the State of Florida, may never exceed an amount which would result in payment of interest at a rate in excess of that permitted by Section 215.84 of the Florida Statutes as presently in effect and to the extent an increase is allowable by such laws; and excess interest, if any, shall be canceled automatically as of the date of such acceleration, or, if theretofore paid, shall be credited on the principal amount of this Note unpaid, but such crediting shall not cure or waive any default under the Agreement or Resolution.

This Note, when delivered by the County pursuant to the terms of the Agreement and the Resolution, shall not be or constitute an indebtedness of the County or of the State of Florida (the "State"), within the meaning of any constitutional, statutory or charter limitations of indebtedness, but shall be payable solely from the Designated Revenues, as provided in the Agreement and the Resolution.

The County hereby waives presentment, demand, protest and notice of dishonor. This Note is governed and controlled by the Agreement and reference is hereby made thereto regarding interest rate adjustments, acceleration, and other matters.

IN WITNESS WHEREOF, the County has caused this Note to be signed by its County Administrator, either manually or with facsimile signature, and the seal of the County to be affixed hereto or imprinted or reproduced hereon, and attested by a Deputy Clerk of the County, either manually or with facsimile signature, and this Note to be dated the Date of Issuance set forth above.

(SEAL)

ORANGE COUNTY, FLORIDA

ATTEST: _____

By: Ajit Lalchandani

Name: _____
Deputy Clerk

Name: _____
County Administrator

FORM OF CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This Note is being delivered pursuant to the within mentioned Resolution.

By: _____

Name: _____

Authorized Officer

ORANGE COUNTY, FLORIDA
SAND LAKE HILLS MUNICIPAL SERVICE BENEFIT UNIT
NOTE
Exhibit A

Date	Principal Amount
10/01/2005	\$ _____
10/01/2006	\$ _____
10/01/2007	\$ _____
10/01/2008	\$ _____
10/01/2009	\$ _____
10/01/2010	\$ _____