

EXPLANATION OF CONSENT AGENDA ITEM E.2.c.(28) – December 16, 2015

ITEM:

Consideration of approval of CPA Resolution RES-2015-19-EXE-3 for the expansion and extension of PNC Bank Revolving Line of Credit.

EXPLANATION:

The Commission previously approved the expansion of the PNC Bank Revolving Line of Credit (LOC) from \$30 million to \$50 million for the purpose of providing bridge capital for several projects. This expansion (\$30M to \$50M) and extension (March 31, 2016 to April 30, 2016) of the LOC will allow CPA to utilize lower interest financing prior to planned permanent bank and capital markets transactions. Funds from this permanent financing will be used to repay the line of credit.

The request from PNC was submitted to staff on December 10, 2015 and will require that CPA bond counsel provide a resolution and that Commission counsel provide an opinion on the financing transaction. After conversations with both parties, documents will be provided to Commissioners for review as soon as possible prior to the December 18, 2015 meeting. A copy of the draft First Amendment to the Revolving Line of Credit between CPA and PNC Bank, National Association is attached.

Staff recommends approval

Prepared by Rodger Rees



FIRST AMENDMENT TO REVOLVING CREDIT AGREEMENT

BETWEEN

CANAVERAL PORT AUTHORITY

AND

PNC BANK, NATIONAL ASSOCIATION

Dated as of December __, 2015

FIRST AMENDMENT TO REVOLVING AGREEMENT

THIS FIRST AMENDMENT TO REVOLVING CREDIT AGREEMENT (the "Amended Agreement") dated as of December __, 2015, by and between **CANAVERAL PORT AUTHORITY** (the "Authority"), and **PNC BANK, NATIONAL ASSOCIATION**, a national banking association authorized to do business in Florida, and its successors (the "Bank").

WHEREAS, the Authority and the Bank have entered into that Revolving Credit Agreement, dated March 13, 2015 (the "Revolving Credit Agreement"), in connection with the issuance of the Authority's Taxable Series 2015 Revolving Credit Note (the "Series 2015 Revolving Credit Note"); and

WHEREAS, the Authority and the Bank have agreed to amend the definitions of Authorized Amount and Maturity Date set forth in the Revolving Credit Agreement and to likewise amend the Authorized Amount and Maturity Date of the Series 1015 Revolving Credit Note; and

WHEREAS, Section 21 of the Revolving Credit Agreement provides that the Revolving Credit Agreement may be amended in writing by the Authority and the Bank; and

WHEREAS, the Bank hereby represents by execution hereof that it is the sole Registered Owner of the Taxable Series 2015 Revolving Credit Note.

NOW, THEREFORE, the parties hereto agree as follows:

SECTION 1. The definitions of Authorized Amount and Maturity Date in the Revolving Credit Agreement is hereby amended to read as follows:

"Authorized Amount" means an aggregate amount not to exceed Fifty Million Dollars and No Cents (\$50,000,000).

"Maturity Date" means April 30, 2016.

SECTION 2. The Revolving Credit Agreement, as hereby amended, is in all respects ratified and confirmed, and this Amended Agreement shall be read, taken and construed as a part of the Revolving Credit Agreement so that all of the rights, remedies, terms, conditions, covenants and agreements of the Revolving Credit Agreement, except insofar as modified herein, shall apply and remain in full force and effect.

SECTION 3. EFFECTIVE DATE. This Amended Agreement shall be effective as of the date first above written.

ATTEST:

CANAVERAL PORT AUTHORITY

Secretary/Treasurer

By: _____
Chairman

PNC BANK, NATIONAL ASSOCIATION

By: _____
Title: Senior Vice President