

CRA RESOLUTION 2021-02

A RESOLUTION OF THE LAKE WALES COMMUNITY REDEVELOPMENT AGENCY ACKNOWLEDGING AND CONSENTING TO A SUBORDINATE MORTGAGE TO BE ENTERED BY LAKE WALES CHARTER SCHOOLS, INC.; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE LAKE WALES COMMUNITY REDEVELOPMENT AGENCY, that:

SECTION 1. *Findings.* It is hereby ascertained, determined and declared:

(A) On about June 1, 2020, Lake Wales Charter Schools, Inc. (the "Company") purchased certain property (the "Property") from the Lake Wales Community Redevelopment Agency (the "CRA") and entered a Mortgage and Security Agreement securing a promissory note from the Company to the CRA related to the purchase of the Property that was recorded on June 10, 2020 at Book 11260, pages 1483-1488, Official Records of Polk County, Florida (the "First Mortgage"); and

(B) The Company now intends to make renovations and improvements to the Property related to its operations of a charter school thereon (the "Project"). A portion of the costs of the Project will be financed by Industrial Development Revenue Bonds to be issued in an amount not to exceed \$8,000,000.00 by the Polk County Industrial Development Authority (the "Bonds") and sold to Citizens Bank and Trust (the "Bank") that is expected to close on about September 20, 2021; and

(C) To secure the repayment of the Bonds, the Company will provide the Bank with a Mortgage, Security Agreement, Financing Statement and Assignment of Rents (the "Bank Mortgage") that acknowledges the existence of the CRA's First Mortgage and states that the Bank's Mortgage is subject to the CRA's First Mortgage; and

(D) The Bank and the Company request that the CRA acknowledge and consent to the issuance of the Bank Mortgage; and

(E) The completion of the Project will increase the value of the Property by more than \$8,000,000, providing further security to the First Mortgage.

SECTION 2. *Acknowledgment and Consent to Bank Mortgage.*

The CRA hereby acknowledges and consents to the issuance of the Bank Mortgage.

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SECTION 3. Effective Date. The provisions of this Resolution shall take effect immediately upon its passage.

Duly Adopted by the Lake Wales Community Redevelopment Agency this 8th day of September, 2021.

LAKE WALES COMMUNITY
REDEVELOPMENT AGENCY

Chairman

ATTEST:

City Clerk