



MEMORANDUM

Date: October 1, 2015
To: Governing Board of the Fort Pierce Redevelopment Agency ("FPRA"), City of Ft. Pierce, Florida
C.C.: Rob Schwerer, City Attorney, City of Ft Pierce, Florida
From: Wes Bradish, Nate Eckloff, RBC Capital Markets
Re: Refunding of FPRA's Series 2005 and 2006 Redevelopment Revenue Bonds

The RBC team routinely monitors the FPRA's debt portfolio for refinancing opportunities. Starting in late July of this year, RBC identified an opportunity for the FPRA to save significant monies through a refinancing of the FPRA's 2005 and 2006 Redevelopment Revenue Bonds ("refunding bonds"). The refunding bonds are secured tax increment revenues in the redevelopment trust fund. Given the term of the refunding bonds and other factors, RBC recommended to FPRA/City staff that a private placement refunding would be the most efficient method to realize the debt service savings. On the FPRA's behalf, RBC solicited private placement proposals from multiple highly rated financial institutions and ultimately determined that a private placement with TD Bank, N.A. and Florida Community Bank would generate the most savings and provide the most favorable terms.

In summary, the private placement transaction, if approved by the FPRA Board, will generate over \$3,200,000 of savings over the life of the transaction or approximately \$206,000/year. These savings amounts are net of all refinancing costs. In addition, the term of the refunding bonds will not be extended through this refinancing.

Given the strong savings summarized above, RBC recommends that the FPRA Board approve Resolution No. 15-04 which will authorize the FPRA to enter into a loan agreement with TD Bank and Florida Community Bank and defease the refunding bonds. This will allow the FPRA to begin realizing the debt service savings starting in the 2015/2016 fiscal year.