

Agenda Item: 36-1

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: Oct. 17, 2006 [X] Consent [] Regular
[] Public Hearing

Department: Office of Financial Management & Budget

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to adopt a Resolution with attachments authorizing the negotiation of a loan in an amount not to exceed \$17 Million from the Sunshine State Governmental Financing Commission (Sunshine Loan) for the purpose of acquiring, constructing and erecting certain capital improvements; approving the execution and delivery of a loan agreement; providing for the repayment of such loan from certain legally available revenues of the County; providing certain other matters in connection with the making of such loan; and providing an effective date.

Summary: On October 3, 2006, the Board approved the purchase and sale of approximately 150 acres of land within the County's Cypress Creek Natural Area from RV Holding Co., Inc., a Florida Corporation for \$16,109,280. The Board also approved using a loan from the Sunshine Loan to finance the acquisition and any costs incurred by the County with respect to the purchase. The potential Sunshine Loan was approved by the Board of Directors of the Sunshine State Governmental Financing Commission at its meeting on September 22, 2006. It is anticipated that the loan will close in early December, 2006. Countywide (PFK)

Background and Justification: Debt service payments of approximately \$607,000 for FY 2007 will be funded from General Fund Contingency. Annual debt service payments of approximately \$1,292,000 will be budgeted in future fiscal years. Annual debt service payments will be secured by a covenant to budget and appropriate from legally available non-ad valorem revenues

Attachments:

1. Bond Resolution

Recommended by: Richard Roberts 10/10/06
Department Director Date

Approved By: Don Miller 10/10/06
County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2006	2007	2008	2009	2010
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	_____	_____	_____	_____	_____
No. ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included In Current Budget? Yes _____ No _____
Budget Account No.: Fund _____ Department _____ Unit _____
Object _____ Reporting Category _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

C. Departmental Fiscal Review: _____

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

John A. Fay 10/10/06 n/A
OFMB Contract Dev. and Control

B. Legal Sufficiency:

Paul F. J. 10/10/06
Assistant County Attorney

C. Other Department Review:

Department Director

REVISED 9/03
ADM FORM 01

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.)

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA WITH ATTACHMENTS AUTHORIZING THE NEGOTIATION OF A LOAN IN AN AMOUNT NOT TO EXCEED \$17,000,000 FROM THE SUNSHINE STATE GOVERNMENTAL FINANCING COMMISSION FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING AND ERECTING CERTAIN CAPITAL IMPROVEMENTS; APPROVING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT; PROVIDING FOR THE REPAYMENT OF SUCH LOAN FROM CERTAIN LEGALLY AVAILABLE REVENUES OF PALM BEACH COUNTY, FLORIDA; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION WITH THE MAKING OF SUCH LOAN; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, certain participating counties and cities (the "Members") have created the Sunshine State Governmental Financing Commission (the "Commission") pursuant to a certain Interlocal Agreement and Chapter 163, Part I, Florida Statutes, for the purpose of issuing its revenue bonds to make loans to governmental units for qualified projects; and

WHEREAS, Palm Beach County, Florida, a political subdivision under the laws of the State of Florida (the "Governmental Unit"), desires to borrow funds from the Commission; and

WHEREAS, the Commission will issue its Sunshine State Governmental Financing Commission Tax-Exempt Commercial Paper Revenue Notes, Series J (Palm Beach County Program) (the "Notes"), and has agreed to make a loan (the "Loan") to the Governmental Unit; and

WHEREAS, it is hereby determined that a need exists to borrow funds to finance, refinance or receive reimbursement for the cost of the acquisition, construction, and/or equipping of the qualifying project set forth on Exhibit A to be attached to the hereinafter described Loan Agreement (the "Project") and the Governmental Unit intends to apply the proceeds of the Loan to the Project; and

WHEREAS, it is hereby determined to be in the best interest of the Governmental Unit to borrow funds from the Commission on a tax-exempt basis to finance, refinance or receive reimbursement for the cost of the acquisition, construction, and/or equipping of the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, as follows:

SECTION 1. The Chairman, Vice-Chairperson and the Clerk are hereby authorized and directed to execute and deliver a Loan Agreement, to be entered into by and between the Governmental Unit and the Commission in substantially the form attached hereto as Exhibit B with such changes, insertions and omissions as may be approved by the Chairman or Vice-Chairperson, the execution thereof being conclusive evidence of such approval. Such Loan Agreement shall be secured in the manner set forth therein.

SECTION 2. The amount of the Loan to the Governmental Unit evidenced by the Loan Agreement shall not exceed \$17,000,000. Such Loan shall be made at a discount which shall include the Governmental Unit's Initial Excess Interest Amount (as defined in the Loan Agreement), the Operating Reserve Amount and the costs of issuance incurred by the Commission and the Governmental Unit and shall bear interest and shall be repayable according to the terms and conditions set forth in the Loan Agreement authorized pursuant to Section 1 hereof with such changes, insertions and omissions as may be approved by the Chairman or Vice-Chairperson, after consultation with the County Attorney's Office, the execution thereof being conclusive evidence of such approval.

SECTION 3. The Chairman, Vice-Chairperson, the County Administrator, the Debt Manager, or any other appropriate officers of the Governmental Unit are hereby authorized and directed to execute any and all certifications or other instruments or documents required by this Resolution, the Loan Agreement or any other document required by the Commission as a prerequisite or precondition to making the Loan, and any such representation made therein shall be deemed to be made on behalf of the Governmental Unit. All action taken to date by the officers of the Governmental Unit in furtherance of the issuance of the Notes and the making of the Loan is hereby approved, confirmed and ratified.

SECTION 4. No such Loan Agreement shall be executed until the Governmental Unit shall have received all disclosure information required by Chapter 218, Florida Statutes.

SECTION 5. In accordance with the provisions of Section 218.385, Florida Statutes, the Governmental Unit hereby determines that a negotiated sale is in the best interest of the Governmental Unit and hereby approves the negotiation of the Loan with the Commission. Negotiation of the Loan will allow the Governmental Unit to access markets not otherwise accessible to the Governmental Unit at total costs and rates favorable to the Governmental Unit.

SECTION 6. This Resolution shall take effect immediately upon its adoption.

The foregoing Resolution was offered by Commissioner _____ who moved for its adoption. The motion was seconded by Commissioner _____, and upon being put to a vote, the vote was as follows:

Commissioner Tony Masilotti, Chairman - _____
Commissioner Addie L. Greene, Vice-Chairperson - _____
Commissioner Karen T. Marcus - _____
Commissioner Jeff Koons - _____
Commissioner Warren H. Newell - _____
Commissioner Mary McCarty - _____
Commissioner Burt Aaronson - _____

The Chairman thereupon declared the Resolution duly passed and adopted this _____ day of _____, 2006.

PALM BEACH COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

SHARON R. BOCK, CLERK &
COMPTROLLER

By: _____
Deputy Clerk

Approved as to form
and legal sufficiency

By: Paul F. S.
County Attorney

EXHIBIT A

PROJECT DESCRIPTION

To fund the purchase of environmentally-sensitive lands.

EXHIBIT B
FORM OF LOAN AGREEMENT