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OR THE MINUTES DEPARTMENT

Agenda Item #:

5B2

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date: 10/17/2006

☐ Consent

☒ Regular

☐ Public Hearing

Department

Submitted By: COUNTY ATTORNEY

Submitted For:

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: the application of Palm Beach Day School, Inc. for the issuance of up to \$15,500,000 of Tax Exempt Adjustable Mode Revenue Bonds (Palm Beach Day School Project) Series 2006.

Summary: Palm Beach Day School, Inc. and PBDA-Flagler Campus, Inc. (jointly, the "Company") has applied for the issuance of industrial development revenue bonds by the County in an amount not to exceed \$15,500,000. Bond proceeds will be used to (i) refund the County's Industrial Development Revenue Bonds (The Palm Beach Day School Project) Series 1999 (the "Refunded Bonds") issued in November, 1999 and outstanding in the principal amount of \$8,000,000, (ii) refinance existing debt of the Company in the amount of approximately \$2,000,000, (iii) pay the costs of various capital expenditures at the Palm Beach and West Palm Beach campuses of the Company (the "Project") and (iv) pay the costs of issuance of the Bonds. The Bonds will be payable solely from revenues derived from the Company. The projects are located at 241 Seaview Avenue, Palm Beach, Florida and 1901 South Flagler Drive, West Palm Beach, Florida. **Neither the taxing power nor the faith and credit of the County, nor any County funds, shall be pledged to pay principal or redemption premiums, if any, or interest on the Bonds. District 1 (PFK)**

Background and Policy Issues: The Bonds will be credit-enhanced by a letter of credit issued by Wachovia Bank and will be rated "AA/P-1." The Company will request final approval for the issuance of the Bonds at a later date. The Bonds will not involve a pledge of the credit of the County and will not involve any County funds.

Attachments:

1. The Application
2. Letter from the Business Development Board
3. Memo from the Office of Financial Management & Budget

Recommended by: _____

County Attorney

Date

10/5/06

Approved by: _____

N/A

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2007	2008	2009	2010	2011
Capital Expenditures	<u>0</u>	—	—	—	—
Operating Costs	<u>0</u>	—	—	—	—
External Revenues	<u>0</u>	—	—	—	—
Program Income (County)	<u>0</u>	—	—	—	—
In-Kind Match (County)	<u>0</u>	—	—	—	—
NET FISCAL IMPACT	<u>0</u>	—	—	—	—
# ADDITIONAL FTE POSITIONS (Cumulative)	—	—	—	—	—

Is Item Included in Current Budget? Yes ___ No X

Budget Account No.: Fund ___ Department ___ Unit ___ Object ___

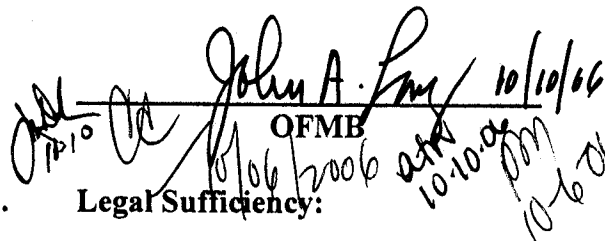
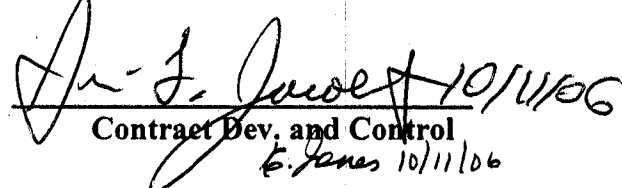
Reporting Category ___

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

C. Departmental Fiscal Review: All costs to be borne by Applicant. No fiscal impact to Palm Beach County. Palm Beach County will receive \$10,000 in industrial development revenue bond fees as well as legal fees for services rendered in reviewing this project

III. REVIEW COMMENTS

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

OFMB
 Contract Dev. and Control
 E. Jones 10/11/06

B. Legal Sufficiency:


 Assistant County Attorney

C. Other Department Review:

Department Director

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

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**Palm Beach Day School, Inc. Application is voluminous
and may be reviewed
in the Minutes Department**

APPLICATION FOR
INDUSTRIAL DEVELOPMENT BOND FINANCING
BY
PALM BEACH COUNTY

PALM BEACH DAY ACADEMY, INC.
PBDA-FLAGLER CAMPUS, INC.

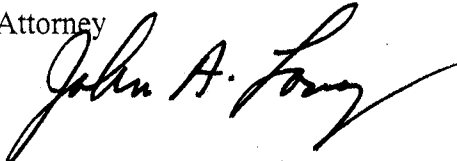
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LETTER FROM BUSINESS DEVELOPMENT BOARD
TO BE SUBMITTED PRIOR TO 10/17/06
MEETING OF THE BOARD OF COUNTY COMMISSIONERS

August 22, 2006

To: Paul King, Assistant County Attorney

From: John A. Long, Debt Manager



**SUBJECT: Industrial Development Revenue Bond Application
Palm Beach Day Academy, Inc.**

We are recommending that the Board adopt a resolution expressing the County's preliminary approval and authorization for the issuance of not to exceed \$15,500,000 Variable Rate Demand Revenue Bonds, Series 2006, subject to the applicant receiving a direct pay letter of credit issued by financial institution with an "A" or better rating guaranteeing the payment of principal and interest on the bonds.

The bonds shall be payable solely from the revenues of the Project and neither the taxing power nor the faith and credit of the County nor any County funds shall be pledged to pay the principal of, redemption premium, if any, and interest on the bonds.