



**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
Debt Service Costs	_____	<u>2,390,924</u>	<u>10,522,128</u>	<u>10,522,742</u>	<u>10,522,888</u>
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	_____	_____	_____	_____	_____
<b>No. ADDITIONAL FTE POSITIONS (Cumulative)</b>	_____	_____	_____	_____	_____

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

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

The Resolution language states the bonds will be amortized up to 30 years so that this alternative may be considered. The debt service will be paid from legally available non-ad valorem revenues.

**C. Departmental Fiscal Review: The project costs are summarized as follows:**

OSC: Purchasing and Fixed Assets Warehouses	\$ 20,000,000
Evidence Storage/Impound Facility Design	2,000,000
JEP2 Phase 2A Design and Construction	133,000,000
JEP2 Phase 2B Design	<u>10,000,000</u>
Total	<u>\$165,000,000</u>

**III. REVIEW COMMENTS**

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

The bonds are expected to be issued in February, 2008 and the FY 2008 budget includes a semi-annual interest payment

 7/16/07  
 \_\_\_\_\_ N/A  
 OFMB Contract Dev. and Control

**B. Legal Sufficiency:**

 7/17/07  
 \_\_\_\_\_  
 Assistant County Attorney

**C. Other Department Review:**

 7/16/07  
 \_\_\_\_\_  
 Department Director

**Background and Policy Issues: Continued**

As part of the effort to site the remainder of the County's industrial facilities at OSC, the only remaining industrial function that has not been accounted for at one of two County industrial properties was the Evidence Storage and Impound Facility. The Board recently approved a lease of private space to accommodate the current unmet needs for Impound for a period of time until this facility is constructed and occupied. The completion of this new facility (as well as the renovation to Four Points in 2009) will also provide the space required for expansion of PBSO uses with the current facility eliminating the need for an expansion at that location. At this time, \$2,000,000 is required for design of this facility beginning in early FY 08. The remainder of the funding to construct this facility is projected to be required in FY 09 and will be recommended for funding as part of a separate bond.

Together, the PFDP requirements are \$22,000,000 (\$20,000,000 for the completion of the OSC and \$2,000,000 for the design of the Evidence Storage/Impound Facility).

On April 24, 2007 the Board approved proceeding with the JEP2 which includes the construction of 1298 new beds in three phases which will meet the projected population requirements through 2015 and the infrastructure requirements through 2025. Phase 2A is a 871 bed expansion and supporting infrastructure at the West County Detention Center. Phase 2A also includes: 1) the construction of a new EAGLE Academy; 2) the re-use of the existing EAGLE Academy for the Drug Farm Program; and (3) the construction of two video visitation centers (one in Western PBC and the other in Central PBC at the Stockade). Phase 2B includes the demolition of 496 beds, construction of 480 beds and an Admissions and Orientation Center at the Stockade which will relocate the booking function as well as courts for in-custody population to the Stockade from the Main Detention Center on Gun Club Road. Phase 2C is the renovation of vacated spaces at the Main Detention Center for expanded special need facilities and new programs and services to support general populations.

The budget for Phase 2A is \$133,000,000. Programming and schematic design for this phase is complete and Phase 2A is beginning design development. Rezoning of the property and environmental permits were initiated and applied for several months ago and it is anticipated that all will be approved by October allowing for land development activities to commence. Land development activities at the site including demucking, filling, installation of storm water management facilities, new utility infrastructure placements, and utility relocations to existing facilities by February 2008, at which time vertical construction will commence. All vertical construction is scheduled to be completed and occupied at the end of 2009 with the renovated spaces of existing facilities to be completed in the spring of 2010.

The budget for Phase 2B at the Stockade is \$117,000,000; construction of which is to commence at the completion of Phase 2A. In order to proceed with the design of this Phase to support this timing, \$10,000,000 is required prior to 2010 and is being required as part of the first portion of funding. Together \$143,000,000 is required for the JEP2 at this time.

Of the \$22,000,000 for the PFDP/OSC and the \$143,000,000 for JEP2, a total of \$20,000,000 (\$.6 for PFDP/OSC and \$19.4M for JEP2A) is required by October 1, 2007 to continue forward with these approved projects and will provide funding until February, 2008 when the remainder of the funding for the PFDP and JEP 2A will be required.

The County plans to issue public improvement revenue bonds secured by legally available non-ad valorem revenues in February, 2008 to payoff the bond anticipation note plus accrued interest and fund the projects.

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**Resolution No. R2007-\_\_\_\_\_**

**PALM BEACH COUNTY, FLORIDA**

**PUBLIC IMPROVEMENT REVENUE BONDS, SERIES 2008**

**BOND RESOLUTION**

**Adopted July 24, 2007**

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**A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AUTHORIZING THE ISSUANCE OF PUBLIC IMPROVEMENT REVENUE BONDS IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED ONE HUNDRED SEVENTY MILLION DOLLARS (\$170,000,000) FOR THE PURPOSE OF FINANCING THE COSTS OF THE ACQUISITION, RENOVATION, CONSTRUCTION AND EQUIPPING OF ADDITIONAL CRIMINAL JUSTICE AND PUBLIC IMPROVEMENT FACILITIES AND ALL OTHER COSTS NECESSARY OR INCIDENTAL THERETO; PROVIDING FOR THE TERMS AND PAYMENT OF SUCH BONDS; AUTHORIZING THE ISSUANCE OF BOND ANTICIPATION NOTES; PROVIDING FOR THE RIGHTS, SECURITY AND REMEDIES OF THE HOLDERS THEREOF, MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AUTHORIZING THE PROPER OFFICIALS OF PALM BEACH COUNTY TO DO ALL OTHER THINGS DEEMED NECESSARY OR ADVISABLE IN CONNECTION WITH THE ISSUANCE OF SUCH BONDS; AND PROVIDING FOR AN EFFECTIVE DATE.**

WHEREAS, Palm Beach County, Florida, a political subdivision of the State of Florida (the "County"), is authorized by Chapters 125 and 166 of the Florida Statutes and other applicable provisions of law to incur indebtedness of the County for the purpose of financing the costs of acquisition, renovation, construction and equipping of additional criminal justice and public improvement facilities and all other costs necessary or incidental thereto (as more fully described in Exhibit A, attached hereto and by this reference incorporated herein, the "Project"); and

WHEREAS, the County may issue its indebtedness in the form of revenue bonds payable from lawfully available Non-Ad Valorem Revenues (as defined herein) budgeted and appropriated therefor in each year in accordance with the Act (as defined herein); and

WHEREAS, in anticipation of the issuance of bonds the County may issue bond anticipation notes; and

WHEREAS, as additional security for the payment of the principal of and interest on the Bonds (as defined herein), the County may cause to be delivered a letter of credit, guaranty, surety bond or other agreement (the "Credit Facility") pursuant to which the Credit Facility Issuer (as defined

herein) will agree to make available funds for the timely payment of the principal of and interest on all or a portion of the Bonds; and

**WHEREAS**, the Board of County Commissioners of Palm Beach County, Florida (the "Governing Body"), hereby finds it necessary and in the best interest of the County to authorize the issuance of not exceeding in initial aggregate principal amount of \$170,000,000 Palm Beach County, Florida, Public Improvement Revenue Bonds, to be issued in one or more series (the "Bonds") for the purpose of financing the cost of acquiring, renovating, constructing and equipping the Project and all costs necessary or incidental thereto, and to pay the costs of issuance of such Bonds, and if deemed necessary, to fund a reserve and the costs of a Credit Facility; and

**WHEREAS**, in order to expedite the financing of certain aspects of the Project, pursuant to Section 215.431 of the Florida Statutes, the governing body hereby authorizes the issuance of bond anticipation notes in anticipation of the issuance of the Bonds; and

**WHEREAS**, County Resolution R-90-938, as amended adopted June 26, 1990, provides that before the County shall issue any indebtedness payable from Non-Ad Valorem Revenues, the County must demonstrate that after the proposed issuance of such indebtedness, it shall meet the requirements set forth in Article III, Section 11(d) of the said Resolution R-90-938; and

**WHEREAS**, the Bonds authorized under this Resolution will meet the test provided under said Resolution R-90-938.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AS FOLLOWS:**

**ARTICLE I**  
**DEFINITIONS AND STATUTORY AUTHORITY**

**SECTION 1. DEFINITIONS.** Unless the context indicates otherwise all terms used in this Resolution shall have the following meanings:

**“ACCRUED AGGREGATE DEBT SERVICE”** shall mean, as of any date of calculation, an amount equal to the sum of the amounts of accrued Debt Service with respect to all series of the Bonds, calculating the accrued Debt Service with respect to each series at an amount equal to the sum of (i) interest on the Bonds of such series accrued and unpaid and to accrue to the date of calculation, and (ii) principal payments due and unpaid and that portion of the principal for such series next due which would have accrued (if deemed to accrue in the manner set forth in the definition of Debt Service) to the end of such period.

**“ACT”** shall mean the Constitution and laws of the State of Florida, including particularly, Chapters 125 and 166 of the Florida Statutes, the County Charter and other applicable provisions of law.

**“ALTERNATE CREDIT FACILITY”** shall mean the Alternate Credit Facility issued pursuant to Article VIII, Section 2 of the Resolution.

**“AUTHORIZED DENOMINATIONS”** shall mean denominations of \$5,000 or any integral multiple thereof.

**“BOND ANTICIPATION NOTES”** shall mean bond anticipation notes issued in anticipation of the Bonds authorized pursuant to Section 215.431 of the Florida Statutes and this Resolution.

**“BOND COUNSEL”** shall mean a firm or firms of nationally recognized attorneys-at-law selected by the County and experienced in the financing of capital projects for governmental units through the issuance of tax-exempt revenue bonds under the exemption provided under Section 103(a) of the Code.

**“BONDHOLDER” OR “HOLDER OF BONDS” OR “OWNER”** or any similar term, shall mean any person who shall be the registered owner of any Bond or Bonds Outstanding.

**“BOND INSURANCE POLICY”** shall mean a municipal bond insurance policy, issued by a Bond Insurer that guarantees payment of principal of and interest on the Bonds.

**“BOND INSURER”** shall mean the provider of a Bond Insurance Policy for the Bonds.

**“BONDS”** shall mean the “Palm Beach County Public Improvement Revenue Bonds,” or any series thereof, and any additional Bonds, or any series thereof, issued for the purpose of financing the costs of the acquisition, renovation, construction and equipping of additional criminal justice and public improvement facilities and all other costs necessary or incidental thereto; provided that the total aggregate principal amount of Bonds Outstanding shall not exceed \$170,000,000.

**“BOOK-ENTRY SYSTEM”** shall mean the system under which the County may issue its Bonds and maintain the registration for such Bonds in book-entry only form.

**“BUSINESS DAY”** shall mean any day, except a Saturday or Sunday, on which commercial banks located in New York, New York, and the cities in which the principal offices of the Registrar, the Paying Agent, and the Credit Facility Issuer in the United States of America, if any, are located are not required or authorized by law to remain closed and on which the New York Stock Exchange is not

closed.

**“CHIEF FINANCIAL OFFICER”** shall mean the Clerk of the Board of County Commissioners of the County or her deputy acting in her name, or such other officer of the County subsequently designated by law or County Charter to perform the duties of the chief financial officer of the County.

**“CODE”** shall mean the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code herein shall be deemed to include, if applicable, temporary or proposed regulations, revenue rulings and proclamations issued or amended with respect thereto, and any rules and regulations promulgated under the Internal Revenue Code of 1954, as amended, by the Treasury Department or Internal Revenue Service of the United States.

**“COST” OR “COST OF THE PROJECT”** with respect to the Project, shall mean the County’s costs properly attributable to the construction, improvement, extension or acquisition thereof, including, but not limited to, the cost of acquisition by or for the County of real or personal property or other interest therein, costs of physical construction, and costs of the County incidental to such construction or acquisition, the cost of any indemnity and surety bonds and premiums on allowed insurance during construction for on-site or off-site improvements, interest on the Bonds prior to, during and for not exceeding one year after the completion of the Project, engineering, architectural and project management expenses, legal fees and expenses, costs of audits, fees and expenses of the fiduciaries and financial consultants and costs of financing, administrative and general overhead, including premiums on insurance on or costs of Credit Facilities for the Bonds and keeping accounts and making reports required by the Resolution prior to commencement of operation of such Project, amounts, if any, required by the Resolution to be paid into any Fund or Account established under the Resolution upon the issuance of any series, payments when due (whether at the maturity of principal or the due date of interest or upon redemption) on any indebtedness of the County (other than the Bonds) incurred for such Project