

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

Meeting Date: July 20, 2010

☐ Consent ☒ Regular
☐ Public Hearing

Department

Submitted By: COUNTY ATTORNEY

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to adopt: a bond resolution authorizing the issuance of up to \$13,000,000 Industrial Development Revenue Bonds (South Florida Fair Project), Series 2010 (the "Bonds").

Summary: On June 8, 2010, the Board held a Public Hearing and approved the application filed by the South Florida Fair and Palm Beach County Expositions, Inc. (the "Corporation") for the Bonds. The Corporation now requests that the Bonds be issued by the County. Proceeds from the Bonds will be used to refinance the County's Industrial Development Revenue Bonds (South Florida Fair Project), Series 2000 (the "2000 Bonds"). This refinancing of the 2000 Bonds will reduce the debt service requirements and will not extend the maturity of the debt. **As with the 2000 Bonds, the Bonds will be payable primarily from revenues derived from the Corporation, but the County will covenant to budget and appropriate non ad valorem revenues sufficient to maintain the debt service reserve fund for the Bonds at its required level if the Corporation fails to do so. The Corporation is required to reimburse the County for any County funds expended on the Bonds, and the County will hold a mortgage on the South Florida Fairgrounds to secure that obligation. District 6 (PFK)**

Background and Policy Issues: The County's pledge to back up the debt service reserve fund for the Bonds is required so that the Bonds may be marketed successfully.

Attachments:

1. Bond Resolution. The exhibits to the Bond Resolution are voluminous and are available in the Office of the County Attorney.

Recommended by: _____

County Attorney

Date

Approved by: _____

N/A

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2010	2011	2012	2013	2014
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	(\$10,000)	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	(\$10,000)	_____	_____	_____	_____
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget? Yes _____ No x _____

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

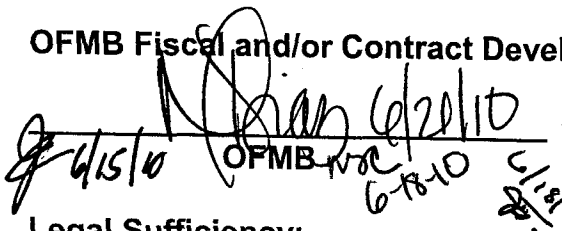
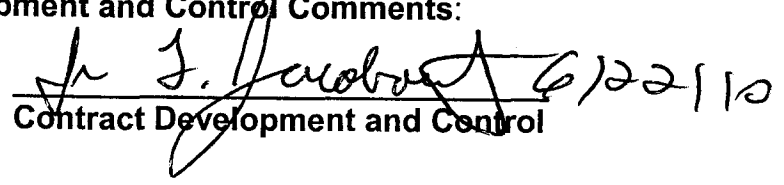
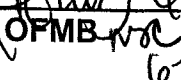
Reporting Category _____

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

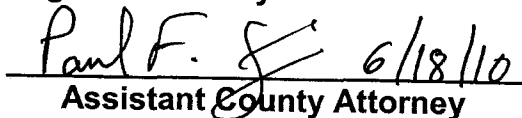
C. Departmental Fiscal Review: All costs to be borne by Applicant. No fiscal impact cost to Palm Beach County. Palm Beach County will receive \$10,000 in industrial development revenue bond fees as well as legal fees for services rendered in reviewing this project.

III. REVIEW COMMENTS

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

 6/22/10
 6/22/10
 OFMB  6/18/10
 Contract Development and Control

B. Legal Sufficiency:

 6/18/10
 Assistant County Attorney

C. Other Department Review:

 Department Director

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

RESOLUTION NO. R-2010-_____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA AUTHORIZING THE ISSUANCE OF ITS NOT TO EXCEED \$13,000,000 INDUSTRIAL DEVELOPMENT REVENUE BONDS, (SOUTH FLORIDA FAIR PROJECT), SERIES 2010, FOR THE PURPOSE OF PROVIDING A LOAN TO SOUTH FLORIDA FAIR AND PALM BEACH COUNTY EXPOSITIONS, INC. TO REFINANCE THE COUNTY'S INDUSTRIAL DEVELOPMENT REVENUE BONDS, (SOUTH FLORIDA FAIR PROJECT), SERIES 2000; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT, TRUST INDENTURE, BOND PURCHASE AGREEMENT AND CONTINUING DISCLOSURE AGREEMENT AND APPROVING THE FORMS OF A MORTGAGE AND A PRELIMINARY OFFICIAL STATEMENT; AUTHORIZING THE SALE OF THE BONDS BY A NEGOTIATED SALE; APPROVING A TRUSTEE FOR THE BONDS; AUTHORIZING THE PREPARATION, EXECUTION AND DELIVERY OF A FINAL OFFICIAL STATEMENT; AUTHORIZING CERTAIN OFFICIALS AND EMPLOYEES OF THE COUNTY TO TAKE ALL ACTIONS REQUIRED IN CONNECTION WITH THE ISSUANCE OF THE BONDS; AND MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF THE BONDS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Palm Beach County, Florida (the "Issuer") is a political subdivision of the State of Florida and is empowered by the provisions of the Florida Constitution and Chapter 159, Part II, Florida Statutes (the "Act"), to issue obligations for the purpose of financing tourism facilities; and

WHEREAS, the Issuer has determined to issue its Industrial Development Revenue Bonds (South Florida Fair Project), Series 2010 in the principal amount of not exceeding \$13,000,000 (the "Bonds") as further provided herein; and

WHEREAS, on June 8, 2020 the Issuer conducted a public hearing as required by Section 147(f) of the Internal Revenue Code of 1986, as amended, with respect to the issuance of the Bonds; and

WHEREAS, the Issuer and South Florida Fair and Palm Beach County Expositions, Inc. (the "Borrower") expect to receive an offer from RBC Capital Markets Corp. (the "Underwriter") to purchase the Bonds, in the form of a Bond Purchase Agreement (the "Bond Purchase Agreement") a proposed form of which has been provided to the Issuer; and

WHEREAS, it is necessary and desirable to approve the form of a Trust Indenture, a Loan Agreement, a Preliminary Official Statement, a Continuing Disclosure Agreement, the Bond

Purchase Agreement and a Mortgage in connection with the issuance of the Bonds, and to provide a method to specify the interest rate(s), maturity date(s), redemption provisions and other details for the Bonds; and

WHEREAS, the issuance of the Bonds and the sale thereof to the Underwriter will, in the judgment of the Issuer, serve the intended public purpose and in all respects conform to the provisions and requirements of the Act;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY THAT:

Section 1. Definitions. Unless the context otherwise requires, terms used herein in capitalized form and not otherwise defined herein shall have the meanings specified therefor in the Trust Indenture attached hereto as Exhibit "A" (the "Indenture"). Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

Section 2. Authority for this Resolution. This resolution, herein called the "Resolution," is adopted pursuant to the Act.

Section 3. Authorization of Bonds. The Issuer hereby approves the Bonds for purposes of Section 147(f) of the Code. Subject and pursuant to the provisions hereof and of the Indenture, for the purpose of refinancing the Refunded Bonds, the issuance of revenue bonds of the Issuer under the authority of the Act in the principal amount of not to exceed \$13,000,000 is hereby approved. The Chair is hereby authorized to award the sale of the Bonds in an aggregate principal amount sufficient, together with other available funds, to refinance the Refunded Bonds and the costs associated with issuance of the Bonds, as requested by the Borrower, provided that the aggregate principal amount of the Bonds shall not exceed \$13,000,000, the interest rate on the Bonds shall not exceed the maximum rate permitted by law, the final maturity date of the Bonds shall not be later than the final maturity date of the Refunded Bonds and the debt service on the Bonds shall be less than the debt service remaining to be paid on the Refunded Bonds on the date of issuance of the Bonds.

Subject to the foregoing, the Bonds shall be dated, shall bear interest at such rates, mature on such dates, be subject to redemption on such dates and in such amounts and at such price and have such other details, terms and conditions all as set forth in the Indenture.

Section 5. Authorization of Execution and Delivery of the Indenture. As security for the payment of the principal of and interest on the Bonds, the Indenture, in substantially the form thereof attached hereto as Exhibit "A," including specifically and without limitation the financial undertaking of the County contained in Section 5.03 thereof, with, subject to the limitations set forth in Section 4, such changes, alterations and corrections as may be approved by the Chair, such approval to be presumed by the execution thereof by the Chair, is hereby authorized and approved by the Issuer, and the Issuer hereby authorizes and directs the Chair to execute the Indenture and the Clerk to attest thereto under the official seal of the Issuer, and to deliver the Indenture to the Trustee all of the provisions of which, when executed and delivered by the Issuer as authorized herein, shall be deemed to be a part of this Resolution as fully and to the same extent as if

incorporated verbatim herein.

Section 6. Authorization of Execution and Delivery of the Loan Agreement. The Loan Agreement, in substantially the form thereof attached hereto as Exhibit "B," with, subject to the limitations set forth in Section 4, such changes, alterations and corrections thereto as may be approved by the Chair, such approval to be presumed by the execution thereof by the Chair, is hereby approved by the Issuer, and the Issuer authorizes and directs the Chair to execute the Loan Agreement and the Clerk to attest thereto under the official seal of the Issuer, and to deliver the Loan Agreement to the Borrower, all of the provisions of which, when executed and delivered by the Issuer as authorized herein shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein.

Section 7. Authorization of Execution and Delivery of the Continuing Disclosure Agreement. The Continuing Disclosure Agreement, in substantially the form thereof attached hereto as Exhibit "C," with such changes, alterations and corrections thereto as may be approved by the Chair, such approval to be presumed by the execution thereof by the Chair, is hereby approved by the Issuer, and the Issuer authorizes and directs the Chair to execute the Continuing Disclosure Agreement and the Clerk to attest thereto under the official seal of the Issuer, and to deliver the Continuing Disclosure Agreement to the Borrower, all of the provisions of which, when executed and delivered by the Issuer as authorized herein shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein.

Section 8. Approval of Mortgage. The Mortgage, in substantially the form thereof attached hereto as Exhibit "D," with such changes, alterations and corrections thereto as may be approved by the Chair, such approval to be presumed by the execution of the Loan Agreement by the Chair, is hereby approved by the Issuer.

Section 9. Sale of Bonds: Execution and Delivery of the Bond Purchase Agreement. Subject to the limitations set forth in Section 4, the Chair is authorized to award the sale of the Bonds to the Underwriter upon the terms and conditions set forth in the Bond Purchase Agreement. The Bond Purchase Agreement, in substantially the form thereof attached hereto as Exhibit "E," with, subject to the limitations set forth in Section 4, such changes, alterations and corrections thereto as may be approved by the Chair, such approval to be presumed by the execution thereof by the Chair, is hereby approved by the Issuer, and, upon execution thereof by the Borrower, the Issuer authorizes and directs the Chair to execute the Bond Purchase Agreement and the Clerk to attest thereto under the official seal of the Issuer, and to deliver the Bond Purchase Agreement to the Underwriter, all of the provisions of which, when executed and delivered by the Issuer as authorized herein shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein. The Issuer hereby determines that a negotiated sale of the Bonds is in the best interest of the Issuer, the Borrower and the citizens and inhabitants of Palm Beach County by reason of the limited market for bonds such as the Bonds (due, among other reasons, to the fact that the Bonds are limited obligations of the Issuer payable only from the sources provided therefor in the Indenture) and because revenue bonds such as the Bonds are typically sold by negotiated sale. Prior to the execution of the Bond Purchase Agreement by the Issuer, the Underwriter shall file with the Issuer the disclosure required by Section 218.385, Florida Statutes, and competitive bidding for the Bonds is hereby waived.

Section 10. Appointment of Trustee. U.S. Bank National Association is hereby appointed Trustee to act under the Indenture.

Section 11. Official Statement. The Issuer hereby approves the form and content of the draft Preliminary Official Statement relating to the Bonds attached hereto as Exhibit "F," with such changes, alterations and corrections thereto as may be approved by the Office of the County Attorney, and authorizes the use thereof in connection with the sale of the Bonds. The Issuer authorizes and directs the preparation of a Final Official Statement, which shall be in the form of the Preliminary Official Statement, together with such changes, insertions, omissions and filling in of blanks therein as may be approved by the Chair, and upon such preparation, the Chair is authorized and directed to execute the Final Official Statement, such execution to be conclusive evidence of such approval.

Section 12. No Personal Liability. No covenant, stipulation, obligation or agreement herein contained or contained in the Loan Agreement, the Indenture, the Bond Purchase Agreement, the Bonds, or any instrument contemplated thereby shall be deemed to be a covenant, stipulation, obligation or agreement of any officer, member, agent or employee of the Issuer in his or her individual capacity, and no member of the Board of County Commissioners of the Issuer executing the Bonds or other documents herein mentioned shall be liable personally thereon or be subject to any personal accountability by reason of the issuance or execution thereof.

Section 13. No Third Party Beneficiaries. Except as herein or in the documents herein mentioned otherwise expressly provided, nothing in this Resolution or in such documents, express or implied, is intended or shall be construed to confer upon any Person other than the Issuer, the Borrower, the Owners of the Bonds, the Underwriter, the Bond Insurer and the Trustee any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof or of such documents; this Resolution and such documents being intended to be and being for the sole and exclusive benefit of such parties.

Section 14. Prerequisites Performed. All acts, conditions and things relating to the passage of this Resolution and required by the Constitution or laws of the State of Florida to happen, exist and be performed precedent to and in the passage hereof have happened, exist and have been performed as so required.

Section 15. General Authority. The Clerk and the members of the County Commission of the Issuer are hereby authorized to do all acts and things required of them by this Resolution, the Agreement, the Bond Purchase Agreement, or the Indenture, or desirable or consistent with the requirements hereof or thereof, for the full punctual and complete performance of all terms, covenants and agreements contained in the Bonds, the Loan Agreement, the Bond Purchase Agreement, the Indenture and this Resolution.

Section 16. General Authorizations. The Chair, and any other member of the Governing Body of the Issuer, the Clerk, the County Attorney, and any other appropriate employee of the Issuer, are hereby each authorized to execute, publish, file and record such other documents, instruments, notices, and records and to take such other actions as shall be necessary or desirable to accomplish the purposes of this Resolution, and to comply with and perform the obligations of the Issuer under the Indenture, the Loan Agreement, and the Bond Purchase Agreement.

Section 17. Resolution Constitutes a Contract. The Issuer covenants and agrees that this Resolution shall constitute a contract between the Issuer and the Owners from time to time of the Bonds and that all covenants and agreements set forth herein and in the Loan Agreement and the Indenture to be performed by the Issuer shall be for the equal and ratable benefit and security of all Owners of the Bonds.

Section 18. Severability. If any one or more of the covenants, agreements, or provisions contained herein or in the Bonds shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements, or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements, or provisions hereof and thereof and shall in no way affect the validity of any of the other provisions of this Resolution or of the Bonds.

Section 19. Repealer. All resolutions or parts thereof of the Issuer in conflict with the provisions herein contained are, to the extent of any such conflict, hereby superseded and repealed.

Section 20. Effective Date. This Resolution shall take effect immediately upon its adoption.

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

Commissioner Burt Aaronson – Chair	_____
Commissioner- Karen T. Marcus Vice Chair	_____
Commissioner Jeff Koons	_____
Commissioner Shelley Vana	_____
Commissioner Steven L. Abrams	_____
Commissioner Jess R. Santamaria	_____
Commissioner Priscilla A. Taylor	_____

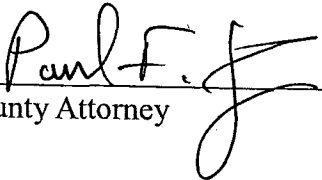
The Chair thereupon declared the Resolution duly passed and adopted this 20th day of July, 2010.

[SEAL]

PALM BEACH COUNTY, FLORIDA
BY ITS BOARD OF COMMISSIONERS
Sharon R. Bock, Clerk

By _____
Deputy Clerk

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY



County Attorney

EXHIBIT "A"

TRUST INDENTURE

EXHIBIT "B"

LOAN AGREEMENT

EXHIBIT "C"

CONTINUING DISCLOSURE AGREEMENT

EXHIBIT "D"

MORTGAGE

EXHIBIT "E"

BOND PURCHASE AGREEMENT

EXHIBIT "F"

PRELIMINARY OFFICIAL STATEMENT