Agenda Item No.: 3A3

### PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

## AGENDA ITEM SUMMARY

Meeting Date: Department: Submitted By:	June 21, 2011  Administration Economic Development	[X] Consent [ ] Workshop Office	[ ] Regular [ ] Public Hearing			
I. <u>EXECUTIVE BRIEF</u>						
application and	tle: Staff recommends mancing fees for the County oviding an effective date.	notion to adopt: a Res 's Industrial Development/	colution modifying the Private Activity Bonds			
(2007-0927) est Activity Bond Protoolkit by provided advantage of lead of the Development Of for this program agreements, fin facilitate each Bound Development Of were in-line with application fee for the provided provided and the provided provid	June 19, 2007, the Board of ablishing policies and fees for gram. This Program is an implicing low interest loans for larong-term financing with low fice along with the County Attor which includes review and ancial and project eligibility and allocation. As the County ffice conducted an analysis to those charged by other court \$1,000 to \$1,500 and the Florida counties. Countywides	or the County's Industrial portant component in the erge projects by permitting wer than prime interest corney's Office provide the dipreparation of all ordinanalysis, and other provide the determine if the fees counties in the State. This is financial fee structure to	Development /Private economic development the borrower to take rates. The Economic administrative support nances, resolutions or cedures necessary to be 2007, the Economic harged by the County Resolution adjusts the			
resolution and in percent of project the case of taxal	d Policy Issues: The proposincreases the financing fees. In ct costs, with loans up to \$10 ble bonds, no cap on the amo e loan to the borrowing busine	ndustrial Revenue Bonds million available if the fina unt exists. Private parties	may finance up to 100 ncing is tax-exempt. In			
Attachments: 1. Resolutio 2. Comparis						
Recommended	<i>y</i> • <i>y</i> . 1 = <i>j</i>	ment Director Date	1-2011			
Approved By:	Egénomic Develop Assistant County A	- 6/1:	7/11			
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# II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:							
Fiscal Years	20 <u>11</u>	20 <u>12</u>	2013	2014	20 <u>15</u>		
Capital Expenditures Grant Expenditure External Revenues Program Income (PBC) In-Kind Match (PBC)			0 0 0 0	0 0 0 0	0 0 0		
NET FISCAL IMPACT	* See be	low	ADDRESS AND STREET	<del></del>			
# ADDITIONAL FTE POSITIONS (Cumulativ	e)					and the same and	
Is Item Included In Current Budget? Yes No							
Budget Account No: Fund Department Unit Object							
B. Recommended Sources of Funds/Summary of Fiscal Impact:  *The fiscal impact associated with this item is indeterminable at this time. Fees will depend on the number of applications, number of projects and amount financed.  C. Departmental Fiscal Review:  Economic Development							
III. REVIEW COMMENTS							
OFMB	Contract A	dministratio	on Comments  Out  Contract	. 1	tion 6	6)1)	
B. Legal Sufficiency:							
Assistant County Attorney  C. Other Department Review:							
Department Director							

This summary is not to be used as a basis for payment.

#### **RESOLUTION NO. R-2011**

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, MODIFYING AN APPLICATION FEE; MODIFYING A FINANCING FEE; ESTABLISHING AN ATTORNEY FEE FOR INDUSTRIAL DEVELOPMENT/PRIVATE ACTIVITY BONDS, REFUNDINGS, AND REFINANCINGS IN PALM BEACH COUNTY; RESCINDING RESOLUTION R-2007-0927; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of County Commissioners (the "Board") has determined that there exists a need for the development and financing of manufacturing and industrial projects in Palm Beach County so as to enhance the development of a strong and stable local economy and to provide a better quality of life for the citizens of Palm Beach County; and

WHEREAS, the Board has determined that the costs associated with the review and issuance of the Industrial Development/Private Activity Bonds, refunding, refinancing, post-closing costs and additional legal services provided by the Economic Development Office and the County Attorney's Office in connection with such Bonds should be paid directly by the applicant; and

**WHEREAS**, the Board has determined to rescind Resolution R-2007-0927 on the same subject and replace it with this resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that the following fees are hereby established in connection with the review and issuance of Industrial Development/Private Activity bonds, refunding, or refinancing in Palm Beach County.

- 1. Application Fee Upon formal application for review and issuance, and reapplication for refunding or refinancing, the applicant shall pay to Palm Beach County a non-reimbursable application fee for each such application or reapplication in the amount of \$1,500 to cover processing expenses.
- 2. Financing Fee At the closing of the bond issue a financing fee will be paid to Palm Beach County by the applicant equal 1.00% for Bonds up to \$1,999,999; .80% for Bonds \$2,000,000 up to \$2,999,999; .60% for Bonds \$3,000,000 up to \$3,999,999; .50% for Bonds \$4,000,000 up to \$4,999,999; .45% for Bonds \$5,000,000 up to \$9,999,999; .40% for Bonds \$10,000,000 up to \$14,999,999 and .35% for Bonds \$15,000,000 and over.
- 3. Attorney Fee A fee shall be paid to Palm Beach County by the applicant of \$200 per hour for attorney time, \$60 per hour for paralegal time, with travel time at one-half the above hourly rates, for legal services provided by the County Attorney's Office. All expenses incurred by the County Attorney's Office in connection with providing such legal services, post-closing and any additional legal services provided in excess of 1 hour per month thereafter shall also be paid by the applicant to Palm Beach County.

These fees are in addition to other costs of issuance, including but not limited to, bond counsel and underwriting fees.

**BE IT FURTHER RESOLVED** that this Resolution is effective immediately and applies to all Industrial Development/Private Activity Bonds, refunding and refinancing pending as of the date of adoption. Resolution R-2007-0927 is hereby rescinded.

This Resolution shall take effect immediately upon its adoption.

	its adoption. The motion was seconded put to a vote, the vote was as follows:	by Commissioner and, being				
	COMMISSIONER KAREN COMMISSIONER SHELL COMMISSIONER PAULE COMMISSIONER STEVE COMMISSIONER BURT A COMMISSIONER JESS F COMMISSIONER PRISCI	EY VANA, VICE CHAIR TTE BURDICK IN L. ABRAMS AARONSON R. SANTAMARIA				
	The Chair thereupon declared the Reso	olution duly passed and adopted this day of				
APPROVED AS TO FORM AND LEGAL SUFFICIENCY		PALM BEACH COUNTY, FLORIDA, BY ITS BOARD OF COUNTY COMMISSIONERS				
		SHARON R. BOCK CLERK & COMPTROLLER				
	By: County Attorney	By: Deputy Clerk				

#### INDUSTRIAL REVENUE BONDS **Comparison of Financing Fees** April 2011 \$15 Million **Application Fee** \$1 Million \$5 Million \$10 Million **Palm Beach County** \$10,000 \$10,000 \$10,000 \$1,000 \$5,000 .50% bond financing fee Current \$1,500 \$10,000 \$21,500 \$39,000 \$54,000 \$10,000 maximum fee Proposed \$10,000 Hillsborough \$25,000 \$25,000 \$50,000 \$75,000 .50% bond financing fee or \$15,000 if \$25,000 minimum fee Application is \$100,000 maximum fee over \$5 Million Miami-Dade \$50,000 \$62,500 \$1,500 \$5,000 \$25,000 .50% financing fee for bonds up to \$10 Million and additional .25% for amount over \$10 Million Plus annual maintenance fee .10% for up to \$10 Million and .15% for over \$10 Million Orange \$1,500 \$50,000 \$75,000 \$10,000 \$25,000 1% financing fee for bonds up to \$2 Million and .50% for over \$2 Million \$75,000 maximum **Broward** \$1,500 \$5,000 \$12,500 \$25,000 \$37,500 .50% financing fee for bonds up to \$4 Million and .25% for over \$4 Million