

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date: July 16, 2013 Consent Regular
 Ordinance Public Hearing

Department: Department of Economic Sustainability

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to: (1) conduct a Tax Equity & Fiscal Responsibility Act (TEFRA) Public Hearing concerning the issuance of not to exceed \$40,000,000 of Florida Development Finance Corporation Educational Facilities Revenue Bonds (Renaissance Charter School, Inc. Project), Series 2013 (the "Series 2013 Bonds"), in one or more series of tax exempt and taxable bonds, which will fund a loan to Renaissance Charter School, Inc., Red Apple Development, LLC and/or one or more of their affiliates (collectively, the "Borrowers"), Florida not-for-profit corporations which are exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended; and (2) adopt a Resolution of the Board of County Commissioners of Palm Beach County, Florida, approving the issuance by the Florida Development Finance Corporation of its Industrial Development Revenue Bonds, in the aggregate face amount of not to exceed \$40,000,000 to provide funds for the primary purpose of making a loan to Renaissance Charter School, Inc., Red Apple Development, LLC and/or one or more of their affiliates to finance or refinance the cost of acquisition, construction, renovation and equipping of educational facilities and other capital expenditures with respect to educational facilities, to reimburse it for prior expenditures for such purpose; and providing an effective date.

Summary: The Florida Development Finance Corporation would like to issue the Borrowers Bonds in an amount not to exceed \$40,000,000. Proceeds of the Bonds will be used to pay costs associated with the issuance of the Bonds and to finance or refinance the cost of acquisition, construction, renovation and equipping of buildings and ancillary facilities expected to be operated as educational facilities at two (2) locations as follows: a facility of approximately 63,789 square feet to be located at 2001 Summit Boulevard in Glen Ridge, and a facility of approximately 61,566 square feet to be located at 12031 Southern Boulevard in Royal Palm Beach (collectively the "Project"). The Bonds will be in an amount not to exceed \$20,000,000 for each facility and will be payable solely from revenues derived from operation of the Project. The Project will be owned by one or more of the Borrowers. An affiliate of Charter Schools USA, Inc. will be the initial manager of the Project. The Economic Impact Analysis demonstrates a positive impact of \$80.6 Million over five (5) years. **Neither the taxing power nor the faith and credit of the County, nor any County funds shall be pledged to pay principal or redemption premium, if any, or interest on the Bonds.** Districts 2 and 6 (PFK)

Background and Policy Issues: As required under the Internal Revenue Code, the County must conduct the required TEFRA Public Hearing in connection with the issuance of the Series 2013 Bonds.

Attachments:
 1. TEFRA Resolution with Exhibit(s)

Recommended By: *Spingarn* 7-1-13
 Department Director Date

Approved By: *Sharon G. By* 7-8-13
 Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2013	2014	2015	2016	2017
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	*				

# ADDITIONAL FTE POSITIONS (Cumulative)					
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Is Item Included In Current Budget? Yes _____ No _____

Budget Account No.:

Fund _____ Dept _____ Unit _____ Object _____ Program Code/Period _____

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

* No fiscal impact

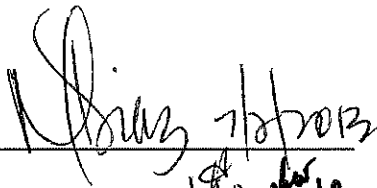
C. Departmental Fiscal Review:



 Shairette Major / Fiscal Manager I

III. REVIEW COMMENTS

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



 OFMB
 7/8/13
 7/2/13



 Contract Development and Control
 7-3-13 B Wheeler

B. Legal Sufficiency:



 Assistant County Attorney
 7/8/13

C. Other Department Review:

Department Director

RESOLUTION NO. R2013-_____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, APPROVING THE ISSUANCE BY THE FLORIDA DEVELOPMENT FINANCE CORPORATION OF ITS INDUSTRIAL DEVELOPMENT REVENUE BONDS, IN THE AGGREGATE FACE AMOUNT OF NOT TO EXCEED \$40,000,000 TO PROVIDE FUNDS FOR THE PRIMARY PURPOSE OF MAKING A LOAN TO RENAISSANCE CHARTER SCHOOL, INC., RED APPLE DEVELOPMENT, LLC AND/OR ONE OR MORE OF THEIR AFFILIATES TO FINANCE OR REFINANCE THE COST OF ACQUISITION, CONSTRUCTION, RENOVATION AND EQUIPPING OF EDUCATIONAL FACILITIES AND OTHER CAPITAL EXPENDITURES WITH RESPECT TO EDUCATIONAL FACILITIES, TO REIMBURSE IT FOR PRIOR EXPENDITURES FOR SUCH PURPOSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Florida Development Finance Corporation (the "Issuer") is a public body corporate and politic, duly organized and existing under the provisions of Chapter 288, Part IX, Florida Statutes; and

WHEREAS, Renaissance Charter School, Inc., Red Apple Development, LLC and/or one or more of their affiliates (collectively, the "Borrower") has requested the Issuer to issue its industrial development revenue bonds (the "Bonds") in an original aggregate face amount not to exceed \$40,000,000 for the primary purpose of making a loan to the Borrower to (A) finance or refinance the cost of acquisition, construction, renovation and equipping of an approximately 63,789 square foot building and ancillary facilities expected to be operated as educational facilities, located at 2001 Summit Boulevard, Glen Ridge, Palm Beach County, Florida 33406, in an amount not to exceed \$20,000,000; (B) finance or refinance the cost of acquisition, construction, renovation and equipping of an approximately 61,566 square foot building and ancillary facilities expected to be operated as educational facilities, located at 12031 Southern Boulevard, Royal Palm Beach, Palm Beach County, Florida 33470, in an amount not to exceed \$20,000,000 (collectively, the "Project"); and (C) pay costs associated with the issuance of the Bonds; and

WHEREAS, a public hearing was conducted by the Board of County Commissioners of Palm Beach County, Florida (the "Board") on July 16, 2013, notice of which hearing was published on June 28, 2013, in the Palm Beach Post, a newspaper of general circulation in Palm Beach County, Florida (the "County") (a copy of which notice is attached hereto as Exhibit "A" and incorporated herein), for the purpose of providing a reasonable opportunity for interested individuals to express their views concerning the proposed issuance of the Bonds by the Issuer and the nature and location of the facilities to be financed or refinanced thereby, in accordance with the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, said public hearing disclosed no compelling reason why the Bonds should not be issued; and

WHEREAS, Section 147(f) of the Code requires approval of the issuance of the Bonds by the "applicable elected representative" as described in Section 147(f) after a public hearing following reasonable public notice; and

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

SECTION 1. The Board hereby approves the issuance of the Bonds by the Issuer, in one or more series at one or more times solely for purposes of Section 147(f) of the Code.

SECTION 2. The Bonds shall be limited obligations of the Issuer payable from amounts received in repayment of the loan of proceeds of the Bonds to the Borrower. The Bonds shall not constitute a debt, liability or obligation of the County, the State of Florida (the "State"), or any political subdivision or agency thereof, or a pledge of the faith and credit of the Issuer, the County, the State or of any political subdivision or agency thereof, and neither the County, the State nor any political subdivision or agency thereof will be obligated to levy taxes of any form to secure repayment of the Bonds.

SECTION 3. The approval given herein is solely for the purpose of satisfying the requirements of Section 147(f) of the Code and shall not be construed as an approval of any necessary rezoning application or any regulatory permits required in connection with the issuance of the Bonds or the acquisition, construction or operation of the Project, and this Board shall not be construed by virtue of its adoption of this Resolution to have waived, or be estopped from asserting, any rights or responsibilities it may have in that regard.

SECTION 4. 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 being put to a vote, the vote was as follows:

STEVEN L. ABRAMS, Mayor	- _____
PRISCILLA A. TAYLOR, Vice Mayor	- _____
HAL R. VALECHE	- _____
PAULETTE BURDICK	- _____
SHELLEY VANA	- _____
MARY LOU BERGER	- _____
JESS R. SANTAMARIA	- _____

The Mayor thereupon declared the Resolution duly passed and adopted this _____ day of _____, 20____.

**PALM BEACH COUNTY, FLORIDA, BY ITS
BOARD OF COUNTY COMMISSIONERS**

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY**

**ATTEST: SHARON R. BOCK
CLERK & COMPTROLLER**

By: _____
Assistant County Attorney

By: _____
Deputy Clerk

EXHIBIT A

BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA NOTICE OF PUBLIC HEARING

The Board of County Commissioners of Palm Beach County, Florida (the "County") will hold a public hearing on Tuesday, July 16, 2013 at 9:30 A.M., or as soon thereafter as practicable, at 301 N. Olive Ave., West Palm Beach, Florida, 33401 to consider adoption of a resolution approving the issuance by the Florida Development Finance Corporation ("FDFC") of not to exceed \$40,000,000 of its Educational Facilities Revenue Bonds (Renaissance Charter School, Inc. Project), Series 2013 (the "Bonds") in one or more series of tax exempt and taxable bonds. The proceeds of the Bonds will be loaned by the FDFC to Renaissance Charter School, Inc., Red Apple Development, LLC and/or one or more of their affiliates (collectively, the "Borrowers"). The Borrowers will use the proceeds of the Bonds to (A) finance or refinance the cost of acquisition, construction, renovation and equipping of an approximately 63,789 square foot building and ancillary facilities expected to be operated as educational facilities, located at 2001 Summit Boulevard, Glen Ridge, Palm Beach County, Florida 33406, in an amount not to exceed \$20,000,000; (B) finance or refinance the cost of acquisition, construction, renovation and equipping of an approximately 61,566 square foot building and ancillary facilities expected to be operated as educational facilities, located at 12031 Southern Blvd., Royal Palm Beach, Palm Beach County, Florida 33470, in an amount not to exceed \$20,000,000; (collectively, the "Project"); and (C) pay costs associated with the issuance of the Bonds.

The Project will be owned by one or more of the Borrowers. An affiliate of Charter Schools USA, Inc. will be the initial manager of the Project.

The Bonds are being issued under the authority of the Florida Development Financing Corporation Act of 1993, as amended (the "Act"). The Bonds shall be payable solely from the revenues derived from a loan and other financing documents to be executed between the FDFC and the Borrowers prior to or contemporaneously with the issuance of the Bonds. Such Bonds and the interest thereon shall not constitute an indebtedness or pledge of the general credit or taxing power of the State of Florida or any political subdivision or agency thereof. Issuance of the Bonds is subject to several conditions including satisfactory documentation and receipt of necessary approvals for the financing. The aforementioned meeting shall be a public meeting and all persons who may be interested will be given an opportunity to be heard concerning the same. Written comments may also be submitted prior to the hearing to the Florida Development Finance Corporation at 800 North Magnolia Avenue, Suite 1100, Orlando, Florida 32803, directed to the Executive Director. Comments made at the hearing are for the consideration of the Governor of the State of Florida and will not bind the FDFC as to any action it may take.

ALL PERSONS FOR OR AGAINST SAID APPROVAL CAN BE HEARD AT SAID TIME AND PLACE. IF A PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE FDFC WITH RESPECT TO SUCH HEARING OR MEETING (S)HE WILL NEED TO ENSURE THAT A VERBATIM RECORD OF SUCH HEARING OR MEETING IS MADE WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS BASED.

In accordance with the Americans with Disabilities Act, persons needing a special accommodation to participate in this proceeding should contact the FDFC no later than seven (7) days prior to the proceeding at the address given in this notice or by telephone at (407) 956-5695.

By order of the FDFC.

FLORIDA DEVELOPMENT FINANCE CORPORATION