

4/30/14  
Date

## II. FISCAL IMPACT ANALYSIS

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

Fiscal Years	2014	2015	2016	2017	2018
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:

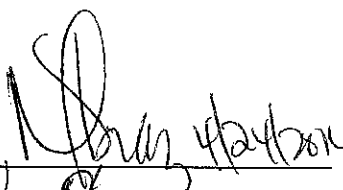
\* All costs to be borne by Applicant. There is no fiscal impact to Palm Beach County and no fees will be received in connection with the Bonds.

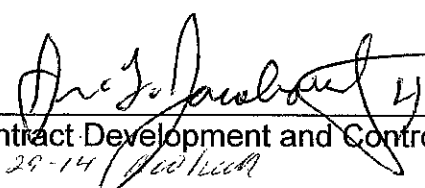
### C. Departmental Fiscal Review:

  
 Shairette Major, Fiscal Manager I  
 4/21/14


## III. REVIEW COMMENTS

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

  
 OFMB  
 4/22/14

  
 Contract Development and Control  
 4-29-14

### B. Legal Sufficiency:

  
 Paul F. J.  
 Senior Assistant County Attorney  
 4/30/14

### C. Other Department Review:

\_\_\_\_\_  
Department Director

RESOLUTION NO. R2014-\_\_\_\_\_

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA AUTHORIZING THE ISSUANCE OF THE TAX-EXEMPT ADJUSTABLE MODE REVENUE BONDS (THE KING'S ACADEMY, INC. PROJECT), SERIES 2014, IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$6,000,000, FOR THE PURPOSE OF MAKING A LOAN OF FUNDS TO THE KING'S ACADEMY, INC. IN ORDER TO FINANCE AND REFINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF EDUCATIONAL FACILITIES; PROVIDING THAT SUCH REVENUE BONDS SHALL NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF PALM BEACH COUNTY, FLORIDA OR THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE REVENUES HEREIN PROVIDED; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT WITH THE KING'S ACADEMY, INC. TO PROVIDE SECURITY FOR SUCH BONDS, AND FOR OTHER MATTERS THEREIN PROVIDED; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN OTHER DOCUMENTS REQUIRED IN CONNECTION WITH THE FOREGOING; AND PROVIDING CERTAIN OTHER DETAILS IN CONNECTION THEREWITH.

**WHEREAS**, the Board of County Commissioners of Palm Beach County, Florida (the "Issuer") is authorized pursuant to the Constitution of the State of Florida, Chapter 125, Florida Statutes, Part II of Chapter 159, Florida Statutes, as amended, the Charter of the Issuer and other applicable provisions of law (collectively, the "Act"), to finance and refinance educational facilities and projects as contemplated in the Act, and to fully perform the obligations of the Issuer in connection therewith in order to promote the economy of Palm Beach County, Florida and the State of Florida, increase and preserve opportunities for gainful employment and purchasing power, improve the prosperity and welfare of the State of Florida and its inhabitants and otherwise contribute to the prosperity, health and welfare of Palm Beach County, Florida and the State of Florida and the inhabitants thereof.

**WHEREAS**, The King's Academy, Inc., a Florida non-profit corporation (the "Borrower"), has requested that the Issuer issue its revenue bonds under the Act, in an aggregate principal amount not to exceed \$6,000,000 (the "Bonds") and loan the proceeds from the Bonds to the Borrower (the "Loan") for the purpose of financing and refinancing the acquisition, construction and equipping of a new theater, consisting of one building on the campus of the Borrower totaling approximately 22,000 gross square feet of space with a seating capacity of approximately 800 people, located at 8401 Belvedere Road, West Palm Beach, Florida 33411, and other necessary and useful renovations, improvements, equipment purchases and other capital expenditures (the "Project").

**WHEREAS**, the Project constitutes an "educational facility" and a "project" within the meaning and contemplation of the Act, is appropriate to the needs and circumstances of, and shall make a significant contribution to the economic growth of, Palm Beach County, Florida, shall provide or preserve gainful employment and shall serve a public purpose by advancing the economic prosperity and the general welfare of the State of Florida and its people and by improving living conditions within the State of Florida.

**WHEREAS**, the availability of financing by means of industrial development revenue bonds was and is an important inducement to the Borrower to proceed with the financing of the acquisition, construction and equipping of the Project.

**WHEREAS**, the Bonds shall not be deemed to constitute a debt, liability or obligation or a pledge of the faith and credit or taxing power of the Issuer or of the State of Florida or of any political subdivision thereof, but the Bonds shall be payable solely from the revenues and proceeds to be derived by the Issuer from certain of the payments received under the financing agreements entered into between the Issuer and the Borrower.

**WHEREAS**, the Board of County Commissioners of the Issuer conducted a public hearing on May 20, 2014, notice of such hearing, inviting comments and discussion concerning the issuance of the Bonds by the Issuer to finance the Project, was published in *The Palm Beach Post*, a newspaper of general circulation in Palm Beach County, Florida, on May 5, 2014 (a copy of such notice is attached hereto as "Exhibit A") for the purpose of providing the affected public with an opportunity to comment on the use of tax-exempt financing for the Project, in accordance with the requirements of Section 147(f) of the Internal Revenue Code, as amended.

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

**SECTION 1.** For the purpose of paying the cost of the Project, subject and pursuant to the provisions hereof, the issuance of revenue bonds of the Issuer under the authority of the Act in the original aggregate principal amount not exceeding \$6,000,000, or in such lesser amount as hereinafter provided, is hereby authorized, such authorization to include the necessary authorization under Section 147(f) of the Internal Revenue Code of 1986, as amended. Such Bonds shall be designated "Palm Beach County Tax-Exempt Adjustable Mode Revenue Bonds (The King's Academy, Inc. Project), Series 2014," and subject to the award of the sale thereof as hereinafter provided, shall be issued and delivered to the order of Wells Fargo Bank, National Association, or an affiliate thereof (the "Bank"). The award of the sale of the Bonds in an aggregate principal amount which shall not exceed \$6,000,000, at a purchase price of not less than par (the "Purchase Price") and at an initial rate of interest, as approved by the Mayor, not to exceed 15% (the "Maximum Initial Rate") and with a final maturity not later than May 1, 2044 (the "Final Maturity Date"), to the Bank is hereby authorized, the Mayor's approval of the principal amount and the initial rate of interest to be conclusively evidenced by the execution by the Mayor of an order to authenticate and deliver the Bonds to or upon the order of the Bank.

Subject to the limitations set forth in the first paragraph of this Section 1, the Bonds shall be dated such date, shall bear interest at such rates, shall be payable or shall mature on such date or dates, shall be issued in such denominations, shall be subject to optional, extraordinary and mandatory redemption at such time or times, and upon such terms and conditions, shall be subject to optional and mandatory tender at such time or times and upon such terms and conditions, shall be payable at the place or places and in the manner, shall be executed, authenticated and delivered and shall otherwise be in such form and subject to such terms and conditions, all as provided in the Indenture (hereinafter defined).

The Bonds and the interest thereon shall not be deemed to constitute a general debt, liability or obligation of the Issuer or the State of Florida or any political subdivision thereof, including, without limitation, Palm Beach County, or a pledge of the faith and credit of the Issuer or the State of Florida or any political subdivision thereof, including, without limitation, Palm Beach County, but shall be payable solely from the revenues provided therefor, and the Issuer is not obligated to pay the Bonds or the interest thereon except from the revenues and proceeds pledged therefor, and neither the faith and credit of the Issuer nor the faith and

credit or taxing power of the State of Florida or any political subdivision thereof, including, without limitation, Palm Beach County, is pledged to the payment of the principal of or the interest on the Bonds.

**SECTION 2.** The Bonds shall be issued pursuant to an Indenture of Trust (the "Indenture") to be entered into by and between the Issuer and a trustee selected by the Borrower (the "Trustee"), as security for the payment of the principal of and interest on the Bonds, and in order to secure the performance and observance of all of the covenants, agreements and conditions in said Bonds, and the execution and delivery of the Indenture is hereby authorized.

**SECTION 3.** The Issuer will loan the proceeds of the Bonds to the Borrower as authorized by and in conformity with the Act, to pay the costs of the Project, pursuant to the terms of a loan agreement between the Issuer and the Borrower (the "Agreement") and the execution and delivery of the Agreement is hereby authorized, and the assignment of certain rights of the Issuer under the Agreement by the Issuer to the Trustee is hereby authorized.

**SECTION 4.** The Indenture and the Agreement (collectively, the "Bond Documents") shall be in such forms as the Issuer may deem to be required or appropriate in order to accomplish the purpose of the transactions authorized by this Resolution; and such Bond Documents shall contain the terms, provisions, form, content, and substance as the Mayor or her agents or assignees shall approve. Such other documents as the Issuer deems necessary to accomplish the purposes of this Resolution shall be in such form, and shall contain such provisions as the Mayor or her agents or assignees shall approve. The execution by the Mayor and Clerk of the Issuer, of the Bonds, the Bond Documents, and such other documents shall be conclusive evidence of approval of the final terms, provisions, form, content, and substance of the Bonds, the Bond Documents, and all such other documents executed and delivered in connection therewith, which shall thereupon become binding upon the Issuer.

**SECTION 5.** The Issuer and the officers, employees and agents of the Issuer acting on behalf of the Issuer are hereby authorized to execute such documents, instruments and contracts, whether or not expressly contemplated hereby, and to do all acts and things required by the provisions of this Resolution and by the provisions of the Bonds and the Bond Documents authorized herein, as may be necessary for the full, punctual and complete performance of all the terms, covenants, provisions and agreements herein and therein contained, or as otherwise may be necessary or desirable to effectuate the purpose and intent of this Resolution, or as may be requested by the Bank, the Borrower or the Trustee. The Mayor and the Clerk are hereby designated as the primary officers of the Issuer charged with the responsibility of issuing the Bonds, and the Mayor is hereby authorized to delegate to any other person any of the duties or authorizations of the Mayor or the Clerk hereunder.

**SECTION 6.** The Issuer hereby finds, determines and declares as follows:

- A. The Issuer is not obligated to pay the Bonds except from the proceeds derived from the repayment of the Loan by the Borrower, or from the other security pledged therefor, and neither the faith and credit nor the taxing power of the Issuer or the State of Florida or any political subdivision thereof is pledged to the payment of the principal of or the interest on the Bonds.

- B. The Issuer and the Borrower will, concurrently with the issuance of the Bonds, execute the documentation required for the financing and refinancing of the Project as contemplated hereby.
- C. A negotiated sale of the Bonds is required and necessary and is in the best interest of the Issuer for the following reasons: the Bonds will be special and limited obligations of the Issuer payable out of moneys derived by the Issuer from the Borrower's operation of the Project or as otherwise provided herein; the cost of issuance of the Bonds, which must be borne directly or indirectly by the Borrower, would most likely be greater if the Bonds were sold at public sale by competitive bid than if the Bonds are sold at negotiated sale, and there is no basis, considering prevailing market conditions, for any expectation that the terms and conditions of a sale of the Bonds at public sale by competitive bid would be any more favorable than at negotiated sale; because prevailing market conditions are uncertain, it is desirable to sell the Bonds at a predetermined price; and industrial development revenue bonds having the characteristics of the Bonds are typically sold at negotiated sale under prevailing market conditions.
- D. The purposes of the Act will be more effectively served by awarding, or causing to be awarded, contracts for the financing, construction, improvement, installation and equipping of the Project upon a negotiated basis rather than by awarding, or causing to be awarded, such contracts based on competitive bids.
- E. The Bank, as initial purchaser of the Bonds, shall provide the Issuer with a disclosure statement in a form and containing the information required by Section 218.385(6), Florida Statutes, prior to its purchase of the Bonds. Disclosure containing such statutorily required information shall be acceptable to the Issuer, and the Issuer does not require any further disclosure from the Bank.

**SECTION 7.** The term "Mayor" as used herein refers to the Mayor or the Vice Mayor of the Board of County Commissioners of the Issuer unless specifically indicated otherwise. Throughout this Resolution when reference is made to the "Mayor," the Mayor or the Vice Mayor of the Issuer may act independently and interchangeably in performing the duties and functions resolved herein. The term "Clerk" as used herein refers to the Clerk & Comptroller or any Deputy Clerk of the Issuer unless specifically indicated otherwise. Throughout this Resolution when reference is made to the "Clerk & Comptroller," the Clerk & Comptroller or any Deputy Clerk of the Issuer may act independently and interchangeably in performing the duties and functions resolved herein.

**SECTION 8.** In case any one or more of the provisions of this Resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Resolution, and this Resolution shall be construed and enforced as if such illegal or invalid provision had not been contained herein. This Resolution is adopted and the Indenture and the Agreement shall be executed, and the Bonds shall be issued, with the intent that the laws of the State of Florida shall govern their construction, except as shall otherwise be expressly provided by the terms thereof.

**SECTION 9.** All resolutions or parts thereof in conflict herewith are hereby repealed.

**SECTION 10.** This Resolution shall become effective immediately upon its passage and 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:

Commissioner Priscilla A. Taylor, Mayor	- _____
Commissioner Paulette Burdick, Vice Mayor	- _____
Commissioner Hal R. Valeche	- _____
Commissioner Shelley Vana	- _____
Commissioner Steven L. Abrams	- _____
Commissioner Mary Lou Berger	- _____
Commissioner 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: \_\_\_\_\_  
Paul F. King,  
Senior Assistant County Attorney

By: \_\_\_\_\_  
Deputy Clerk

## **EXHIBIT A**

### **NOTICE OF PUBLIC HEARING**

Proposed Issue of  
Tax-Exempt Adjustable Mode Revenue Bonds by  
Palm Beach County, Florida  
for the benefit of The King's Academy, Inc.

The Board of County Commissioners of Palm Beach County, Florida (the "County") will hold a public hearing in the Jane M. Thompson Memorial Chambers, 6<sup>th</sup> Floor, Palm Beach County Governmental Center, 301 North Olive Avenue, West Palm Beach, Florida 33401, on Tuesday, May 20, 2014, at 9:30 a.m. or thereafter as the same may be heard, for the purpose of giving interested persons an opportunity to be heard on the proposed issuance by the County, pursuant to Chapter 125, Florida Statutes and Part II of Chapter 159, Florida Statutes, as amended, in one or more issues or series, at one time or from time to time, of its tax-exempt adjustable mode revenue bonds (the "Bonds") in order to finance and refinance the acquisition, construction, installation and equipping of a new theater for The King's Academy, Inc. (the "School"), located at 8401 Belvedere Road, West Palm Beach, Florida 33411 (the "Project"). Specifically, the Project includes the acquisition, construction, installation and equipping of one (1) building on the campus of the School totaling approximately 22,000 gross square feet of space with a seating capacity of approximately 800 people, and other necessary and useful renovations, improvements, equipment purchases and other capital expenditures. Proceeds of the Bonds also may be used to finance capitalized interest and to defray the costs of issuing the Bonds.

A plan of financing for the Project will entail the issuance of the Bonds in the maximum aggregate principal amount of \$6,000,000. The Bonds do not currently, and will not in the future, constitute a debt, liability or pledge of the faith and credit or taxing power of the County, the State of Florida or any other political unit of the State of Florida. The Bonds shall be payable solely from revenues and other proceeds made available to the County by the School.

This notice is given pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended. Any person interested in the proposed issuance of the Bonds or the location or nature of the proposed improvements may appear at the hearing and testify or present written comments concerning the proposed improvements and the proposed issuance of the Bonds. Any written statement submitted prior to the hearing should be sent to Robert Weisman, County Administrator, 11th Floor, 301 North Olive Avenue, West Palm Beach, Florida 33401. At such hearing, all objections and suggestions will be heard, reviewed and considered.

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