

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:	July 10, 2018	<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Regular
		<input type="checkbox"/> Ordinance	<input type="checkbox"/> Public Hearing
Department:	Department of Housing and Economic Sustainability		


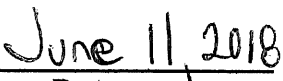
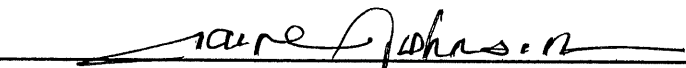
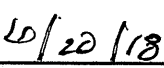
I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to adopt: a Resolution of the Board of County Commissioners of Palm Beach County, Florida: authorizing the execution of a First Amendment to Indenture of Trust relating to the County's Revenue Bonds (Palm Beach Day Academy, Inc. Project) Series 2013 and an IRS Form 8038 with respect thereto; providing for a general authorization to perform all acts consistent with the requirements of the Amendment; and providing an effective date.

Summary: In 2013 the County issued Revenue Bonds (Palm Beach Day Academy, Inc. Project) Series 2013 (2013 Bonds) to refinance the County's Tax-Exempt Adjustable Mode Revenue Bonds (Palm Beach Day Academy, Inc. Project) Series 2006 (2006 Bonds). The 2006 Bonds were issued to refinance earlier Industrial Development Revenue Bonds issued by the County and to finance capital assets for Palm Beach Day Academy, Inc. (Company) located at 241 Seaview Avenue in Palm Beach and 1901 South Flagler Drive in West Palm Beach. The 2013 Bonds are owned by Wells Fargo Bank, National Association (Bank). The Bank and the Company have agreed to reduce the interest rate borne by the 2013 Bonds. The 2013 Bonds are payable solely from revenues derived from the Company. A Resolution authorizing the First Amendment to Indenture of Trust (Amendment) is needed, based on the recommendation of the Company bond counsel and the County Attorney's Office, as the 2013 Authorizing Resolution (R2013-0401) may not explicitly address the ability of the Company and Bank to reduce the 2013 Bonds interest rate and amend the Indenture of Trust. **Neither the taxing power nor the faith and credit of the County, nor any County funds, shall be pledged to pay the principal, premium, if any, or interest on the Bond.** Districts 1 and 7 (DB)

Background and Policy Issues: An effect of the Tax Cuts and Jobs Act of 2017 was to increase the interest rate borne by the 2013 Bonds. The Amendment to the 2013 Bonds will reduce the interest rate as agreed to by the Company and the Bank. The reduction in the interest rate requires execution of a new IRS Form 8038 in order to maintain the tax exempt status of the 2013 Bonds.

Attachment(s):
1. Resolution

Recommended By:		
	Department Director	Date
Approved By:		
	Assistant County Administrator	Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2018	2018	2020	2021	2022
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	*				


# ADDITIONAL FTE POSITIONS (Cumulative)					
---	--	--	--	--	--

Is Item Included In Current Budget? Yes _____ No X
Does this Item include the use of Federal funds? Yes _____ No X

Budget Account No.:
Fund _____ Dept _____ Unit _____ Object _____ Program Code/Period _____

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

* No fiscal impact to Palm Beach County.

C. Departmental Fiscal Review: 
Beverley Reid, Fiscal Manager I

III. REVIEW COMMENTS

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

 6/13/18
OFMB  6/15/18
Contract Development and Control

B. Legal Sufficiency:

 6/19/18
Assistant County Attorney

C. Other Department Review:

Department Director

RESOLUTION NO. 2018- _____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA: AUTHORIZING THE EXECUTION OF A FIRST AMENDMENT TO INDENTURE OF TRUST RELATING TO THE COUNTY'S REVENUE BONDS (PALM BEACH DAY ACADEMY, INC. PROJECT) SERIES 2013 AND AN IRS FORM 8038 WITH RESPECT THERETO; PROVIDING FOR A GENERAL AUTHORIZATION TO PERFORM ALL ACTS CONSISTENT WITH THE REQUIREMENTS OF THE AMENDMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Palm Beach Day Academy, Inc. has requested Palm Beach County, Florida (the "County") to assist the Borrower by entering into a First Amendment to Indenture of Trust relating to the County's Revenue Bonds (Palm Beach Day Academy, Inc. Project) Series 2013;

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

SECTION 1: FIRST AMENDMENT TO INDENTURE OF TRUST

The County is authorized to enter into the First Amendment to Indenture of Trust (the "Amendment") in substantially the form attached hereto as Exhibit A, with such changes as may be approved by the Mayor, Vice-Mayor or any other member of the Board of County Commissioners of the County (the "Authorized Signatory"), such approval to be conclusively presumed by the execution thereof by the Authorized Signatory. The County hereby authorizes and directs the Authorized Signatory to execute the Amendment. Notwithstanding any other provision hereof, the Amendment shall not be executed unless and until the same shall have been approved as to form and legal sufficiency on behalf of the County by the Office of the County Attorney.

SECTION 2: GENERAL AUTHORIZATION

The Authorized Signatory and the other officers and employees of the County are hereby authorized to do all acts and things desirable or consistent with the requirements hereof or of the Amendment, for the full punctual and complete performance of all terms, covenants and agreements contained in Amendment, including but not limited to executing IRS Form 8038 in connection with the Amendment.

SECTION 3: EFFECTIVE DATE

This Resolution shall take effect immediately upon its passage and adoption.

Commissioner Melissa McKinlay, Mayor	-	_____
Commissioner Mack Bernard, Vice Mayor	-	_____
Commissioner Hal R. Valeche	-	_____
Commissioner Paulette Burdick	-	_____
Commissioner Dave Kerner	-	_____
Commissioner Steven L. Abrams	-	_____
Commissioner Mary Lou Berger	-	_____

2