



Brevard County Board of County Commissioners

2725 Judge Fran Jamieson
Way
Viera, FL 32940

Legislation Text

File #: 3130, **Version:** 1

Subject:

Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) hearing for Capital Trust Agency Educational Facilities Revenue Bonds (Pineapple Cove Classical Academy at Lockmar, Inc. Project), Series 2021 (the "Bonds")

Fiscal Impact:

None

Dept/Office:

County Attorney's Office

Requested Action:

Hold TEFRA public hearing on proposed Bonds and adopt a Resolution approving the Bonds for TEFRA purposes and the ability of the Capital Trust Agency to issue the Bonds in a principal amount not exceeding \$24,000,000 and to loan the proceeds thereof to Pineapple Cove Classical Academy at Lockmar, Inc., a Florida not for profit corporation (the "Borrower"), to finance the acquisition, renovation, construction, equipping and furnishing of the charter school facilities herein described; authorize the Chair to execute the Resolution.

Summary Explanation and Background:

The County Attorney's Office has been approached by Bryant Miller Olive, 1 Tampa City Center, Suite 2700, Tampa, Florida, 33602, which Firm is serving as Bond Counsel with respect to the Bonds. The Bonds will be issued by the Capital Trust Agency (the "Agency"). The primary purpose of the Bonds is to finance or refinance, including through reimbursement (i) (A) the acquisition of approximately 10 acres of land, (B) the renovation of four existing buildings consisting of a total of approximately 54,000 square feet for the purpose of providing 15 classrooms, administrative offices, a gym, and four specialty classrooms, including related facilities, fixtures, furnishings and equipment, and (C) the acquisition, construction and equipping of a new approximately 30,000 square foot, two-story building consisting of 23 classrooms, a multi-purpose room and administrative offices, including related facilities, fixtures, furnishings and equipment, minor sports fields, additional parking and adjacent road improvements, to the extent deemed necessary, all to be known as Pineapple Cove Classical Academy at Lockmar, a public charter school serving grades K - 8, to be located at 720 Emerson Drive NE, Palm Bay, Florida 32907; (ii) the funding of a debt service reserve fund for the Bonds, if deemed necessary or desirable by the Borrower; (iii) the funding of capitalized interest for the Bonds, if deemed necessary or desirable by the Borrower; and (iv) the payment of certain costs of issuing the Bonds (collectively, the "Project").

The only involvement of the County in this process is to hold a TEFRA Hearing pursuant to Section 147(f) of the Internal Revenue Code (the "Code") and to approve, for purposes of Section 147(f) of the Code and intergovernmental cooperation, the issuance of the Bonds by the Agency to finance a project located in Brevard County (the County will not be the issuer of the Bonds).

In accordance with Section 5 of the Resolution, the County will have absolutely no liability with respect to the Project or to pay principal of or interest on the Bonds and the issuance of the Bonds will not result in any obligation of the County, financial or otherwise. The Bonds will be limited obligations of the Agency, payable solely from the revenue derived from the Borrower and pledged to the payment of the Bonds.

The County's financial advisor has reviewed the project and anticipates the funding will be within the County's debt issuance guidelines if it remains at proposed levels. (see attachment).

The Board's approval of the issuance of the Bonds by the Authority to finance costs of the Project is required by applicable federal tax law.

The County's outside bond counsel has reviewed the project and stated the following: "The resolution proposed to be adopted by the BOCC satisfies the pertinent federal and state law requirements and provides that neither the County nor any of the elected officials or staff of the County will have any obligation or liability, financial or otherwise, with respect to the Project or the Bonds." (See attachment.)

A representative of Bryant, Miller and Olive will be available for questions at the meeting.

Clerk to the Board Instructions:

Return a signed Resolution to the County Attorney's Office