

Financial Services  
Richard H. Hinds, Chief Financial Officer

**SUBJECT: APPROVE RESOLUTION 10-064 AUTHORIZING QUALIFIED ZONE ACADEMY PROJECT LIST & ESTABLISHING ELIGIBILITY THROUGH THE ISSUANCE OF UP TO \$24,480,000 QUALIFIED ZONE ACADEMY BONDS AND APPROVE RESOLUTION 10-061 AUTHORIZING REIMBURSEMENT OF ELIGIBLE EXPENSES FROM FUTURE QUALIFIED TAX CREDIT OBLIGATIONS**

**COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS**

**LINK TO STRATEGIC FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY**

The District will be seeking approval to issue Qualified Zone Academy Bonds (QZAB) to fund certain critical project costs and take advantage of reduced financing cost. State approval of the QZAB application will be needed prior to authorizing the issuance of the bonds. It is requested that the School Board approve Resolution 10-064 authorizing QZAB project list totaling up to \$24 million, and providing certification that the School Board has met the Eligibility Criterion set by the Florida Department of Education through the issuance of up to \$24,480,000, including 2% cost of issuance limit.

QZABs are considered qualified tax credit obligations and as such it is requested that the School Board approve Resolution 10-061 authorizing reimbursement for eligible project costs of up to \$50 million qualified tax credit obligations. The up to amount of tax credit obligations may be issued over the next couple of years. This early action by the Board will allow eligible expenditures incurred 60 days prior to Board approval of Resolution 10-061 to qualify for financing under ARRA and/or specifically QZAB regulations. There is no fiscal impact in that the Resolution is intended as a declaration of official intent under Treasury Regulation § 1.150-2. It will assure compliance with requirement for issuance of tax credit obligations.

Curriculum and Instruction has prepared Miami-Dade County Public School's application including the QZAB project list, which will be sent to the Board under separate cover. Projects include computer replacement and instructional software provided by (Houghton Mifflin Harcourt) as well as comprehensive needs including ADA, fire, safety, & health related renovations.

**RECOMMENDED:** That The School Board of Miami-Dade County, Florida approve:

1. Resolution 10-064 authorizing Qualified Zone Academy Project List, & establishing eligibility through the issuance of up to \$24,480,000 Qualified Zone Academy Bonds; and
2. Resolution 10-061 authorizing reimbursement of eligible expenses from future qualified tax credit obligations.

**RESOLUTION 10-064**

**A RESOLUTION OF THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA, APPROVING THE ATTACHED APPLICATION AND PROJECT LIST AND MAKING REQUIRED CERTIFICATIONS TO THE FLORIDA DEPARTMENT OF EDUCATION TO ESTABLISH ELIGIBILITY OF SUCH PROJECT FOR FUNDING THROUGH THE ISSUANCE OF QUALIFIED ZONE ACADEMY BONDS IN AN AMOUNT NOT EXCEEDING \$24,480,000 ; PROVIDING FOR INCIDENTAL ACTION; AND PROVIDING FOR AN EFFECTIVE DATE**

**WHEREAS**, pursuant to Section 54E of the Internal Revenue Code of 1986, as amended (the "Code"), the School Board of Miami-Dade County, Florida (the "Board") may be eligible to issue Qualified Zone Academy Bonds ("QZAB's"); and

**WHEREAS**, the Florida Department of Education provides allocation of issuance authority to Florida school boards for the issuance of QZAB's pursuant to authorization granted to it by the Secretary of Education; and

**WHEREAS**, the Florida Department of Education has invited district school superintendents to apply for unused issuance authority for calendar years 2008, 2009 and 2010; and

**WHEREAS**, the Board desires to issue QZAB's in the form of a lease purchase agreement under its master lease program as authorized by Florida law in an amount not to exceed \$24,480,000; and

**WHEREAS**, pursuant to amendments made to the Code by the American Recovery and Reinvestment Act of 2009 and the Hiring Incentives to Restore Employment Act, QZAB's may be issued in the form of current interest paying taxable obligations with an interest subsidy by the U.S. Treasury, similar to the Board's pending issue of Qualified School Construction Bonds (Agenda Item E-25 approved May 12, 2010);

**NOW THEREFORE, BE IT RESOLVED BY THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA THAT:**

**Section 1.** The School Board hereby approves the form of QZAB application attached hereto, including the QZAB project list contained in Criterion 5 thereto, and authorizes the Superintendent to file the QZAB application with the Florida Department of Education for issuance authority in an amount not to exceed \$24,480,000.

**Section 2.** In accordance with the requirements of the QZAB application, the Board does hereby certify that all of the schools to be benefited by the program are located in an Empowerment Zone, as required by Criterion 1 of the QZAB application.

**Section 3.** The Board hereby certifies that it has obtained commitments from a private entity match partner (Houghton Mifflin Harcourt) to make qualified contributions having a present value as of the date of issuance of not less than 10 % of the proceeds of the QZAB issue, that the private contributions will be in the form of an academic program designed to prepare students for college or the workforce, and that the program will be under the supervision of District staff, all as required by Criteria 2, 3 and 4 of the attached QZAB application.

**Section 4.** The Board hereby certifies that the attached list of projects at each school in which a qualified zone academy is established consist of rehabilitating or repairing such school, providing equipment for use at such academy, providing instructional materials and/or providing professional development for teachers, all as required by Criterion 5 of the QZAB application.

**Section 5.** The Chair, the Vice Chair, the Secretary, the Superintendent, the Chief Financial Officer, the Treasurer and the School Board Attorney are each authorized and directed to execute and deliver all additional documents, contracts, instruments and certificates, and to take all actions and steps on behalf of the School Board which are necessary or desirable in connection with the foregoing and which are not inconsistent with the terms and provisions of this Resolution.

**Section 6.** It is hereby found and determined that all formal actions of the School Board concerning and relating to the adoption of this Resolution and the consummation of the transactions contemplated by this Resolution were adopted in open meetings of the School Board, and that all deliberations of the School Board that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements.

**Section 7.** If any section, paragraph, clause or provision of this Resolution shall be held invalid by any court of competent jurisdiction, such holding shall not affect any other section, paragraph, clause or provision of this Resolution.

**Section 8.** All resolutions or portions thereof previously adopted by the School Board which are inconsistent with the terms and provisions of this Resolution are hereby repealed to the extent of such inconsistency.

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**Section 9.** This Resolution shall take effect immediately upon its adoption.

Adopted this 16<sup>th</sup> day of June, 2010.

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Chair, The School Board of  
Miami-Dade County, Florida

[SEAL]

Attest:

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Secretary, The School Board  
of Miami-Dade County, Florida

Approved as to form:

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School Board Attorney

**RESOLUTION NO. 10-061**

**A RESOLUTION DECLARING THE OFFICIAL INTENT OF THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA TO REIMBURSE ITSELF FROM THE PROCEEDS OF QUALIFIED TAX CREDIT OBLIGATIONS, INCLUDING QUALIFIED ZONE ACADEMY BONDS, FOR CERTAIN EXPENSES TO BE INCURRED WITH RESPECT TO THE IMPLEMENTATION OF THE SCHOOL BOARD'S FIVE-YEAR EDUCATIONAL FACILITIES PLAN; AUTHORIZING CERTAIN INCIDENTAL ACTIONS; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.**

**WHEREAS**, in connection with the implementation of the Five-Year Educational Facilities Plan adopted by The School Board of Miami-Dade County, Florida (the "School Board") pursuant to Section 1013.35, Florida Statutes, as such plan may be modified from time to time hereafter (the "Plan"), the School Board expects to incur expenses for which the School Board will advance internal funds legally available for capital outlay purposes; and

**WHEREAS**, the School Board intends to reimburse itself for all or a portion of such expenses from the proceeds of qualified tax credit obligations, including qualified zone academy bonds (the "Reimbursement Obligations");

**NOW, THEREFORE, BE IT RESOLVED BY THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA:**

**Section 1. Declaration of Official Intent.** The School Board, acting as the governing body of the School District of Miami-Dade County, Florida (the "School District"), hereby declares the official intent of the School Board to reimburse itself from the proceeds of Reimbursement Obligations for expenses incurred with respect to the Plan subsequent to the date of this Resolution. This Resolution is intended as a declaration of official intent under Treasury Regulation § 1.150-2 to satisfy the requirements of Sections 54A(d)(2)(D)(i) and 54A(d)(2)(D)(ii) of the Internal Revenue Code. The qualified tax credit obligations intended to finance the Plan are expected not to exceed an aggregate principal amount of \$50,000,000.

**Section 2. Incidental Action.** The appropriate members of the School Board, officials and staff of the School District are hereby authorized to take such actions as may be necessary to carry out the purpose of this Resolution.

**Section 3. Repealing Clause.** All resolutions and orders or parts thereof in conflict herewith, to the extent of such conflict, are hereby superseded and repealed.

**Section 4.**        **Effective Date.** This Resolution shall take effect immediately upon its adoption.

Adopted this 16<sup>th</sup> day of June, 2010.

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Chair, The School Board of Miami-Dade  
County, Florida

Attest:

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Secretary, The School Board  
of Miami-Dade County, Florida

Approved as to form and content:

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School Board Attorney

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