

Financial Services
Richard H. Hinds, Chief Financial Officer

**SUBJECT: APPROVE RESOLUTION 09-59 AMENDING LEASE SCHEDULES
2008B-1 FOR COP SERIES 2008B AND 2001-2 FOR COP SERIES
2003B (2001A) & 2001B**

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

**LINK TO DISTRICT
STRATEGIC PLAN: IMPROVE FINANCIAL SERVICES**

Resolution 09-59, authorizes Amending Lease Schedule 2008B-1, reducing and adding projects to take advantage of interest-free financing and also provides permanent funding under the 2008B Certificates of Participation (COP) series for projects currently funded in the Revenue Anticipation Note 2009, see Attachment A.

The Qualified School Construction Bond (QSCB) program, under the American Recovery and Reinvestment Act (ARRA), allows for interest-free financing. There are specific guidelines as to project types and expenditure timing that must be complied with in order to take advantage of the interest-free financing. Projects previously budgeted under the Series 2008B COPs, but not awarded will be included in the new QSCB financing to comply with the guidelines.

As the tax roll is projected to significantly decline in Fiscal Year 2009-2010, and 2010-2011 by approximately 19%, District staff have reviewed all outstanding interim financing obligations in an effort to minimize the District's risk for repayment. The District has used interim financing vehicles to fund projects in a timely and less expensive manner as part of an aggressive construction program. Initial phases of the projects were funded under these obligations with the intent to ultimately provide permanent funding under the District's COP program. In addition to funding approximately \$77 million of the RAN 2009 Series, over \$19.8 million project reductions will not be reinstated.

In addition, the District is reviewing all project budgets in prior COPs to provide available balances. Prior COP Series are being closed whenever possible. In the close-out process it was determined that an amendment to the Lease Schedule 2001-2 for COP Series 2003B (2001A) & 2001B was needed. Resolution 09-59 also addresses this issue, see Attachment A.

The proposed project additions and reductions were reviewed by the Treasury Advisory Committee at the June 24, 2009, Committee Meeting and the Committee recommends that the Board approve the resulting Resolution 09-59.

Exhibits referenced in Resolution 09-59 will be distributed to the Board under separate cover.

**RECOMMENDED: That The School Board of Miami-Dade County, Florida, approve
Resolution 09-59 Amending Lease Schedules 2008B-1 for COP
Series 2008B and 2001-2 for COP Series 2003B (2001A) & 2001B.**

PROPOSED PROJECT SWAPS AND 2009 QSCB PROJECTS

COP 2008B Amendment Proposed Project Swap's:

Projects Added: Fund 0399			Projects Reduced:		
Braddock SH Add'n	(1)	\$	Gateway Environmental K-8 (TT-1)	(1)	\$
A. & T. Mourning SH, QQQ1	(2)		Stirrup EL	(3)	
HHH1 Site Acquisition (Relief for F. Varela SH, & Mia. Southridge SH)	(2)	12,529,530	Southwood MD	(3)	1,030,640
T1 Site Acquisition (Relief for Ronald Reagan/Doral SH)	(2)	51,943,000	Leewood EL	(3)	1,309,163
		22,741,010	Vineland EL	(3)	787,736
		12,632,863	Archcreek EL (E-1)	(3)	500,000
			Manual Barreiro EL	(3)	923,671
			Coral Way K-8 Add'n	(3)	519,830
			HHH1 Classroom Add'n (Relief for F. Varela SH & Mia. Southridge SH)	(3)(4)	438,138
			Miami SH Addition	(6)	14,552,420
			New K-8 Center, AA2 (Relief for Bob Graham K-8 Center)	(4)(6)	28,055,275
					39,200,000
Total Added (5)		\$ 99,846,403	Total Reduced (5)		\$ 99,846,403

- (1) Funding for Braddock SH project swap for TT-1 New K-8 Center was provided for under Classroom for Kids, Agenda Item E-15 approved by the Board March 25, 2009
- (2) Partial Refunding 2009 Revenue Anticipation Note totaling \$77,098,722. Includes \$35 million payoff of the City of North Miami Note for A. & T. Mourning SH (QQQ1) that will not be available for an advance refunding.
- (3) These are actual project reductions totaling \$19,849,272 that will not be reinstated.
- (4) Expenditures and Encumbrances totaling \$331,875 for these projects will be classified as comprehensive needs with an offset to other comprehensive needs projects.
- (5) Proposed amendments for project swaps will also require bond insurers consent.
- (6) Funding for Miami SH & AA2 K-8 project swaps will be provided thru issuance of new Qualified School Construction Bonds (QSCB) COPs, as follows:

COP 2009B QSCB:

Projects Funded (7)	
Miami SH Add'n & Renovation	\$ 28,055,275
New K-8 Center, AA2 (Relief for Bob Graham K-8 Ctr)	39,080,451
Comprehensive Need (8)	37,719,274
Total	\$ 104,855,000

- (7) Need to qualify expenditures that occur after March 21, 2009 and before 3 years from the time of issuance, as per ARRA and Resolution 09-72, approved by Board 5-20-09 under Agenda Item E-30.
- (8) Amount to be reduced for financing costs

COP 2003B(2001A) & 2001B Amendment Needed for Close Out of COP:

Projects Added:			Projects Reduced:		
Technology Upgrades		3,292,090	Closed Campus Shelter		2,162,158
			WLRN TV Distance Learning		913,860
			Vocational Equipment		185,213
			Fire Code Repair		30,859
Total Added		3,292,090	Total Reduced		3,292,090

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

RESOLUTION 09-59

A RESOLUTION OF THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA AUTHORIZING EXECUTION OF A SECOND AMENDED AND RESTATED SCHEDULE 2008B-1 TO THE MASTER LEASE PURCHASE AGREEMENT AND A SECOND AMENDMENT TO SERIES 2008B GROUND LEASE IN ORDER TO RELEASE CERTAIN SERIES 2008B-1 FACILITIES AND SERIES 2008B-1 FACILITY SITES SET FORTH IN SCHEDULE I HERETO FROM AND ADD CERTAIN FACILITY SITES AND FACILITIES SET FORTH IN SCHEDULE I HERETO TO THE SERIES 2008B-1 FACILITY SITES AND 2008B-1 FACILITIES ENCUMBERED UNDER THE SERIES 2008B GROUND LEASE AND SCHEDULE 2008B-1; AUTHORIZING EXECUTION OF A THIRD AMENDED AND RESTATED SCHEDULE 2001-2 TO THE MASTER LEASE PURCHASE AGREEMENT IN ORDER TO ADD CERTAIN NEW SERIES 2001-2 FACILITIES AND TO REDUCE THE COST OF CERTAIN SERIES 2001-2 FACILITIES FINANCED UNDER SCHEDULE 2001-2, ALL AS SET FORTH IN SCHEDULE 1 HERETO; PROVIDING FOR INCIDENTAL ACTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, The School Board of Miami-Dade County, Florida (the "School Board") as the governing body of the School District of Miami-Dade County, Florida (the "District"), has determined to finance certain of its capital needs through a master lease-purchase agreement pursuant to Sections 1001.42 and 1013.15, Florida Statutes; and

WHEREAS, the School Board has the power under Section 1001.42(2), Florida Statutes, to receive, purchase, acquire, lease, sell, hold, transmit and convey title to real and personal property for educational purposes, and under Section 1001.42(9) and 1013.15(2), Florida Statutes, to enter into leases or lease-purchase arrangements of sites and educational facilities for school purposes; and

WHEREAS, Miami-Dade County School Board Foundation, Inc. (the "Foundation"), a not-for-profit corporation organized and existing under the laws of the State of Florida, has been formed to lease purchase certain real property, educational facilities and equipment to the School Board; and

WHEREAS, the Foundation and the School Board have provided for the lease-purchase

financing of certain real property, educational facilities, and equipment (the "Facilities") from time to time by entering into a Master Lease Purchase Agreement dated as of August 1, 1994 (the "Master Lease"), and related agreements; and

WHEREAS, the Facilities leased and to be leased from time to time are identified on separate Schedules (each a "Schedule") attached to the Master Lease; and

WHEREAS, each Schedule, together with the Master Lease, will constitute a Lease Agreement, among which Schedule 2008B-1 (the "Series 2008B-1 Lease"), dated as of May 1, 2008, as amended and restated, and Schedule 2001-2 (the "Series 2001-2 Lease") are currently outstanding; and

WHEREAS, the School Board has determined to release or reduce the project cost estimates for those certain Series 2008B-1 Facilities and Series 2008B-1 Facility Sites set forth in **Schedule 1** attached hereto and to add those certain Facilities and Facility Sites set forth in **Schedule 1** attached hereto to the Series 2008B-1 Facility Sites and 2008B-1 Facilities encumbered under the Series 2008B Ground Lease and Schedule 2008B-1, and in connection therewith, the School Board wishes to amend the Series 2008B Ground Lease and Schedule 2008B-1 to accomplish such purposes; and

WHEREAS, the School Board is required to obtain the consent of Assured Guaranty Corp. as the insurer of the Certificates of Participation, Series 2008B under which the Series 2008B-1 Lease has been financed, to the proposed second amendment and restatement of Schedule 2008B-1 and the Second Amendment to Series 2008B Ground Lease; and

WHEREAS, the School Board has on the date hereof, after due notice as required by law, held an open, public meeting on the proposal of entering into the Second Amendment to the Series 2008B Ground Lease for the purpose set forth above, at which meeting a copy of the Second Amendment to Series 2008B Ground Lease, in substantially final form, has been available for inspection and review by the public; and

WHEREAS, the School Board has determined to reduce the cost of certain Series 2001-2 Facilities set forth in **Schedule 1** attached hereto and to add those certain new Facilities set forth in **Schedule 1** attached hereto to the Series 2001-2 Facilities financed under the Series 2001-2 Lease, and in connection therewith, the School Board wishes to amend the Series 2001-2 Lease to accomplish such purposes; and

WHEREAS, there have been presented to this meeting forms of (i) Amended and Restated Schedule 2008B-1 to the Master Lease Purchase Agreement, (ii) Second Amendment to Series 2008B Ground Lease and (iii) Amended and Restated Schedule 2001-2;

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

Section 1. Schedule 2008B-1 to the Master Lease Purchase Agreement, dated as of

May 1, 2008, as Amended and Restated as of September 1, 2008, and as further amended and restated in accordance herewith (the "Amended and Restated Schedule 2008B-1"), and Schedule 2001-2 to the Master Lease Purchase Agreement, dated as of May 1, 2001, as Amended and Restated as of March 1, 2003, as further Amended and Restated as of April 1, 2008, and as further amended and restated in accordance herewith (the "Amended and Restated Schedule 2001-2"), substantially in the forms submitted to this meeting and attached hereto as **Exhibit A-1 and Exhibit A-2**, respectively, are hereby approved, with such insertions, modifications and changes as may be approved by the Superintendent or his designee, and the Chair or Vice Chair and the Secretary, upon such approval by the Superintendent or his designee, are hereby authorized and directed to execute said Amended and Restated Schedule 2008B-1 and Amended and Restated Schedule 2001-2. The execution of said Amended and Restated Schedule 2008B-1 and Amended and Restated Schedule 2001-2 by the Chair or Vice Chair and the Secretary shall constitute conclusive evidence of the approval thereof. The School Board also authorizes the execution and delivery of a memorandum of lease with respect to the Amended and Restated Schedule 2008B-1 and Amended and Restated Schedule 2001-2 and the recording thereof in the Official Public Records of Miami-Dade County.

Section 2. The Second Amendment to Series 2008B Ground Lease between the School Board and the Trustee substantially in the form submitted to this meeting and attached hereto as **Exhibit B**, providing for the release of certain Series 2008B-1 Facility Sites from and the addition of certain Facility Sites to the Series 2008B-1 Facility Sites, all as set forth in **Schedule I** hereto, encumbered under the Series 2008B Ground Lease is hereby approved, with such insertions, modifications and changes as may be approved by the Superintendent or his designee, and the Chair or Vice Chair and the Secretary, upon such approval by the Superintendent or his designee, are hereby authorized and directed to execute said Second Amendment to the Series 2008B Ground Lease. The execution and delivery of said Second Amendment to the Series 2008B Ground Lease by the Chair or Vice Chair and the Secretary shall constitute conclusive evidence of the approval thereof. The School Board also authorizes the execution and delivery of a memorandum of ground lease with respect to the Second Amendment to Series 2008B Ground Lease and the recording thereof in the Official Public Records of Miami-Dade County.

Section 3. The Chair, the Vice Chair, the Secretary, the Superintendent, the Deputy Superintendent, Business Operations, 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 release of those certain Series 2008B-1 Facilities and Series 2008B-1 Facility Sites set forth in **Schedule I** attached hereto, the reduction of project costs of those certain Series 2008B-1 Facilities and Series 2001-2 Facilities set forth in **Schedule 1** attached hereto, and the addition of certain new Facility Sites and Facilities as set forth in **Schedule 1** attached hereto to the Series 2008B-1 Facility Sites and the Series 2008B-1 Facilities encumbered under the Series 2008B Ground Lease and the Series 2008B-1 Lease and to the Series 2001-2 Facilities encumbered under the Series 2001-2 Lease, the execution and delivery and compliance with the provisions of the Amended and Restated

Schedule 2008B-1, the Second Amendment to Series 2008B Ground Lease and the Amended and Restated Schedule 2001-2 and which are not inconsistent with the terms and provisions of this Resolution.

Section 4 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 governing body of the School Board, and that all deliberations of the governing body of the School Board that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements.

Section 5 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 6 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 7 This Resolution shall take effect immediately upon its adoption.

Adopted this ___ day of August, 2009.

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

[SEAL]

Attest:

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

Approved as to form and legality:

School Board Attorney

SCHEDULE 1

COPS SERIES 2008B

Projects Added:		Projects Reduced or Released:	
QQQ1 Senior High (A. & T. Mourning)	\$ 51,943,000	EWF Stirrup El Addition	1,030,640
HHH1 Site Acquisition	22,741,010	Leewood El Conversion	787,736
T1 Site Acquisition	12,632,863	Coral Way K-8 Addition	438,138
Braddock Senior Addition	<u>12,529,530</u>	Southwood Middle Addition	1,309,163
		Vineland El Conversion	500,000
		Gateway Environmental K-8, TT1	12,529,530
		Archcreek El, E-1	923,671
		Addition to Miami Senior S/S W1 Manuel Barreiro El	16,055,275
		HHH1 Addition	519,830
		S/S AA2 New K-8 Center	14,552,420*
		Miami Senior Classroom Buildings	39,200,000 *
			<u>12,000,000*</u>
Total	\$ 99,846,403	Total	\$ 99,846,403

* Project Released

**COPS SERIES SERIES
2001B AND 2003B**

Projects Added:		Projects Reduced:	
Technology Upgrades	\$ 3,292,090	Closed Campus Shelter	\$ 2,162,158
		WLRN TV Distance Learning	913,860
		Vocational Equipment	185,213
		Fire Code Repair	<u>30,859</u>
Total	\$ 3,292,090	Total	\$ 3,292,090