

## RESOLUTION

A RESOLUTION PROVIDING FOR CERTAIN INITIAL MATTERS REGARDING THE ISSUANCE OF REVENUE BONDS OF THE PINELLAS COUNTY EDUCATIONAL FACILITIES AUTHORITY, IN AN ORIGINAL AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$16,000,000 FOR THE PURPOSE OF FINANCING THE ACQUISITION, CONSTRUCTION, EQUIPPING AND UNDERTAKING OF IMPROVEMENTS TO EDUCATIONAL FACILITIES ON BEHALF OF GALAXY EDUCATION PROPERTY HOLDINGS, LLC, THE SOLE MEMBER OF WHICH IS GALAXY EDUCATION, INC. D/B/A DISCOVERY ACADEMY OF SCIENCE; PROVIDING AN EXPRESSION OF OFFICIAL INTENT FOR PURPOSES OF REIMBURSEMENT; PROVIDING CERTAIN OTHER DETAILS WITH RESPECT THERETO; AND PROVIDING AN EFFECTIVE DATE.

**WHEREAS**, the Pinellas County Educational Facilities Authority (the "Issuer") was created pursuant to Chapter 243, Part II, Florida Statutes, and the Board of County Commissioners (the "Board") of Pinellas County, Florida (the "County"), found and determined that there is a need for the Issuer to function in the County, and the Issuer has been duly constituted and organized in the manner prescribed by law; and

**WHEREAS**, the Board, pursuant to Chapter 159, Part II, Florida Statutes, has designated the Issuer as a "local agency" under Chapter 159, Part II, Florida Statutes (together with Chapter 243, Part II, Florida Statutes, the "Act"), and authorized the Issuer to provide financing for "projects" as defined in Section 159.27(5), Florida Statutes, on behalf of educational providers; and

**WHEREAS**, the Issuer has been requested by Galaxy Education Property Holdings, LLC (the "Borrower"), a Florida limited liability company, the sole member of which is Galaxy Education, Inc., doing business as Discovery Academy of Science (the "Tenant"), a Florida not for profit corporation organized and recognized as an exempt organization under section 501(c)(3) of

the Internal Revenue Code of 1986, as amended (the "Code"), which Tenant owns and operates Discovery Academy of Science, a charter school currently located in the City of Dunedin, Pinellas County, Florida (the "School"), to assist the Borrower by undertaking an issuance of bonds and making a loan for the purpose of financing or refinancing, including through reimbursement, (i) the acquisition, construction, equipping and undertaking of improvements to a charter school facility to accommodate up to approximately 850 students in grades kindergarten through eighth, located at 2465 Nursery Road, Clearwater, Florida, including related facilities, fixtures, real property, furnishings, and equipment (collectively, the "Facility"), (ii) the funding of a debt service reserve fund for the Bonds (as defined herein), (iii) the funding of capitalized interest for the Bonds, and (iv) the payment of certain costs of issuance of the Bonds (collectively, the "Project"); and

**WHEREAS**, the Borrower is currently working to structure matters properly in order to finance the Project and has made its initial preparations for the financing including a presentation to the Issuer; and

**WHEREAS**, the Issuer desires to indicate its initial willingness to issue its not to exceed \$16,000,000 aggregate principal amount of Pinellas County Educational Facilities Authority Lease Revenue Bonds (Discovery Academy of Science Project), Series 2021 (the "Bonds"), in one or more series, either taxable or tax-exempt, or both, for the purpose of financing or refinancing, including through reimbursement, the Project; and

**WHEREAS**, the Issuer has been advised by the Borrower that if the Bonds do not receive an investment grade rating, the Bonds will be sold only to "Qualified Institutional Buyers" as defined under Rule 144A of the Securities and Exchange Commission or "Accredited Investors" as defined

in Regulation D of the Securities and Exchange Commission, each as promulgated under the Securities Act of 1933, as amended; and

**WHEREAS**, the Borrower is authorized by law to enter into agreements to pay from legally available funds of the Borrower sufficient moneys to the Issuer to repay the Bonds with interest and other charges.

**BE IT RESOLVED** by the members of the Pinellas County Educational Facilities Authority, Pinellas County, Florida, that:

**SECTION 1. AUTHORITY FOR THIS RESOLUTION.** This Resolution is adopted pursuant to the provisions of the Act, and other applicable provisions of law.

**SECTION 2. FINDINGS.** Based upon materials presented and the presentation provided by the Borrower and its consultants, it is hereby found, ascertained, determined and declared that:

(A) The Issuer is located in the County, and is authorized and empowered by the Act to provide for the issuance of and to issue and sell its revenue bonds for the purpose of paying all or any part of the cost of any "project", as that term is defined in the Act; and

(B) The Borrower is a limited liability company, is organized, existing and is in good standing under the laws of the State of Florida (the "State"), is authorized to do business in the State and is an entity that is "disregarded" as an entity separate from the Tenant pursuant to Section 7701 of the Code for federal tax purposes (including for the purpose of Section 501(c)(3) of the Code); and

(C) The Tenant is the sole member of the Borrower, is a not for profit corporation, owns the School, is organized, existing and is in good standing under the laws of the State, is

authorized to do business in the State and is a qualified 501(c)(3) organization as set forth in the Code; and

(D) The Tenant operates the School as a charter school pursuant to Section 1002.33, Florida Statutes, as amended (the "Charter School Act"), and the Tenant intends to continue to operate the School as a charter school pursuant to the Charter School Act; and

(E) The Borrower has informed the Issuer of its intent to finance the Project, to lease the Facility to the Tenant, and has made a request to the Issuer to finance such Project through the issuance of revenue bonds for the Project; and

(F) The Borrower has requested the Issuer exercise its powers to issue revenue bonds, pursuant to the Act, for the purpose of financing or refinancing, including through reimbursement, the Project; and

(G) In order to promote development and the economic growth of the County and the industrial economy of the State, to increase opportunities for gainful employment through better education, to advance and improve the economic prosperity and the general welfare of the State and its people, it is desirable that the Issuer provide for a statement of its initial intent to undertake the issuance and sale of the Bonds and that the Issuer use the proceeds thereof to pay any "cost" (as defined in the Act) of the Project; and

(H) The Issuer is willing to and does herein authorize the Borrower to finance the Project for the Borrower from proceeds of the sale of its revenue bonds, and to loan the proceeds to the Borrower, such loan to be payable by the Borrower in installments sufficient to pay the principal of, premium (if any), interest and other costs due on such revenue bonds when and as the same become due; and

(I) The Borrower has shown that the Project will help to fill the need for educational facilities in the County and will constitute an "educational facility" as identified in Section 159.27(22), Florida Statutes; and

(J) The Project will make a significant contribution to the economic growth of the County and the area in which it is located, will assist in providing educational instruction and will serve a public purpose by advancing the economic prosperity and the general health and welfare of the State and its people; and

(K) The Issuer finds, based upon representations of the Borrower, that the County will be able to continue to cope satisfactorily with the impact of the Project and is able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, that will be necessary for the construction, operation, repair and maintenance for the Project and on account of any increase in population or other circumstances resulting therefrom; and

(L) It is believed essential by the Borrower that the financing of the Project commence at the earliest practical date, and the Borrower is unwilling to make commitments for its purchase of the Project without satisfactory assurances from the Issuer that, upon satisfaction of all requirements of law and upon an underwriting of the Bonds to provide proceeds to undertake the loan and satisfaction of any requirements of the County and the Issuer and other conditions to be met by the Borrower, the Bonds will be issued and sold and the proceeds thereof will be made available to finance the Project, to the extent of such proceeds; and

(M) Based solely upon representations of the Borrower, the Borrower is financially responsible and fully capable and willing to fulfill its obligations under the proposed

financing agreement, including the obligation to make installment payments on the loan for the Project financed with the proceeds of the sale of the Bonds in the amount and at the times to be required by such agreement; the obligation to operate, repair and maintain such Project at its own expense; and to serve the purpose of the Act and other responsibilities to be imposed under a financing agreement or other bond documents, due consideration having been given to various factors determinative of the financial capability of the Borrower; and

(N) The Bonds shall and will be payable from the revenues and proceeds derived by the Borrower and will not constitute a debt, liability or obligation of the Issuer, the County, the State, the School District of Pinellas County, Florida (the "School District") or of any political subdivision thereof; the Issuer shall not be obligated to pay the same nor interest, premiums (if any) or costs thereon except from the revenues and proceeds pledged therefor, and neither the faith and credit nor the taxing power of the County, the State, the School District or of any political subdivision thereof will be pledged to the payment of the principal, premium (if any), interest, or costs due pursuant to or under such Bonds.

**SECTION 3. OFFICIAL INTENT.** This Resolution is an "initial resolution" and is the Issuer's declaration of "official intent" within the meaning of the Act and official action toward issuance of the Bonds for purposes of Sections 103 and 141 through 150 of the Code, and the regulations promulgated thereunder, including, but not limited to Section 1.103-18, as amended.

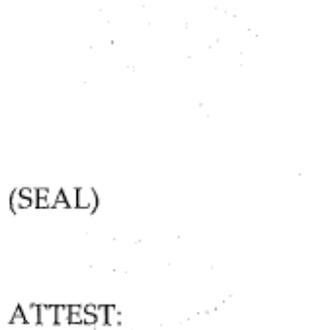
**SECTION 4. RECOMMEND APPROVAL BY COUNTY.** The Issuer hereby recommends that the Board hold a public hearing at an upcoming meeting, duly noticed in order to consider the approval of the issuance of the Bonds on behalf of the Borrower and requests that bond counsel

proceed with the necessary actions in order to receive the Board approval. The Issuer further recommends that the Board approve the issuance of the Bonds by the Issuer.

**SECTION 5. REPEALING CLAUSE.** All resolutions or orders and parts thereof in conflict herewith, to the extent of such conflicts, are hereby superseded and repealed.

**SECTION 6. EFFECTIVE DATE.** This resolution shall be effective immediately upon its adoption.

Passed and adopted at a special meeting of the Pinellas County Educational Facilities Authority held on the 22nd day of July, 2021.



(SEAL)

ATTEST:

By: *Noreen Hodges*  
Name: Noreen Hodges  
Title: Secretary

**PINELLAS COUNTY EDUCATIONAL  
FACILITIES AUTHORITY**

By: *Robert Kapusta, Jr.*  
Name: Robert Kapusta, Jr.  
Title: Chairman