

RESOLUTION

A RESOLUTION PROVIDING FOR INITIAL APPROVAL AND TERMS FOR THE ISSUANCE OF PINELLAS COUNTY EDUCATIONAL FACILITIES AUTHORITY REVENUE AND REFUNDING BONDS, SERIES 2019, IN TWO SERIES IN TOTAL ORIGINAL AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$10,300,000 FOR THE PURPOSE OF FINANCING EDUCATIONAL FACILITIES AND REFUNDING THE ISSUER'S REVENUE BONDS (PINELLAS PREPARATORY ACADEMY PROJECT), SERIES 2011 ON BEHALF OF PINELLAS PREPARATORY ACADEMY, INC.; 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 previously issued a series of bonds known as the Pinellas County Educational Facilities Authority Revenue Bonds (Pinellas Preparatory Academy Project), Series 2011A (the "Refunded Bonds"), dated October 13, 2011, the proceeds of which were used to finance and refinance the acquisition and renovation of educational facilities, which Refunded Bonds were issued on behalf of Pinellas Preparatory Academy, Inc. (the "Borrower") 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; and

WHEREAS, the Borrower, operates two charter schools known as the "Pinellas Primary Academy" (kindergarten through third grades) and the "Pinellas Preparatory Academy" (fourth through eighth grades) both of which are on the Borrower's campus located in Largo, Florida; and

WHEREAS, the Issuer has been requested by the Borrower to assist the Borrower by making a loan (the "Loan") from the proceeds of two new bond issues as herein described; and

WHEREAS, the proceeds of the Loan would provide a portion of the funds necessary for (i) financing the construction of the enclosure of a gymnasium and/or other qualifying educational facilities (the "Project"); (ii) refinancing the Authority's Refunded Bonds, and (iii) paying certain costs of issuance; and

WHEREAS, the Borrower is currently working to structure matters properly in order to finance the Project and to undertake the refunding of the Refunded Bonds 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 \$10,300,000 total aggregate principal amount of two series of bonds to be known as (i) the Pinellas County Educational Facilities Authority Revenue Bonds (Pinellas Preparatory Academy Project), Series 2019A (the "Series 2019A Bonds"), issued for the purpose of financing and refinancing certain costs of the Project and paying certain costs of issuance; and (ii) the Pinellas County Educational Facilities Authority Revenue Refunding Bonds (Pinellas Preparatory Academy Project), Series 2019B (Taxable) (the "Series 2019B Taxable Bonds" together with the Series 2019A Bonds the "Bonds"),

issued for the purpose refunding the Refunded Bonds (the "Refunding"), and paying certain costs of issuance; and

WHEREAS, the Borrower has expressed its interest in having the Issuer consider the issuance of a series of bonds in June of 2021 in order to refund and refinance the Series 2019B Taxable Bonds as a series of tax-exempt bonds to be known as the Issuer's Refunding Revenue Bonds (Pinellas Preparatory Academy Project), Series 2021 (the "Series 2021 Bonds") in order to provide for interest rate savings.

WHEREAS, the Issuer has been advised by the Borrower that the Bonds will be sold to and placed with Sunflower Public Finance, LLC and that B.C. Ziegler & Companies has been chosen by the Borrower to act as placement agent for the Bonds; 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 Pinellas 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) Pinellas Preparatory , Inc., a not-for-profit corporation organized, existing and in good standing under the laws of the State of Florida and authorized to do business in the State of Florida and a qualified 501(c)(3) organization as set forth in the Code, has informed the Issuer of its intent to finance the Project and refund the Refunded Bonds, and has made a request to the Issuer to finance such Project and refund such Refunded Bonds through the issuance of the two series of revenue bonds for the Project and the Refunding; and

(C) The Borrower has requested the Issuer to exercise its powers to issue revenue bonds, pursuant to the Act, for the purpose of financing and refinancing the Project and refunding of the Refunded Bonds; and

(D) In order to promote development and the economic growth of Pinellas County and the industrial economy of the State of Florida, 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 issuance; and

(E) The Issuer is willing to and does herein authorize the Borrower to finance the Project and refund the Refunded Bonds 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

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

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

(H) The Issuer finds, based upon representations of the Borrower, that Pinellas County will be able to continue to cope satisfactorily with the impact of the Project and the Refunding, 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 the Refunding on account of any increase in population or other circumstances resulting therefrom; and

(I) It is believed essential by the Borrower that the financing of the Project and the refunding of the Refunded Bonds commence at the earliest practical date, and the Borrower is unwilling to make commitments therefor without satisfactory assurances from the Issuer that, upon satisfaction of all requirements of law and upon satisfying any requirement for the placement of the Bonds and satisfaction of any requirements of the County and the Issuer, and other conditions to be met by the Borrower, the revenue bonds will be issued and sold and the proceeds of the issuance thereof will be made available to finance the Project and refund the Refunded Bonds, to the extent of such proceeds; and

(J) Based upon representations of the Borrower, the Borrower is financially responsible and fully capable and willing to fulfill its obligations under the proposed financing agreement, or indenture including the obligation to make installment payments on the loan for the financing of the Project and the refunding of the Refunded Bonds financed with the proceeds of the sale of the Bonds, in the amount and at the times to be required by a financing agreement or indenture; 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

(K) 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, Pinellas County, the State of Florida 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 Pinellas County or the State of Florida 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 Series 2019A Bonds for purposes of Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations promulgated thereunder, including, but not limited to Section 1.103-18, as amended.

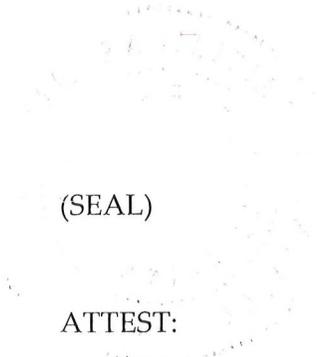
SECTION 4. RECOMMENDED APPROVAL BY COUNTY. The Issuer hereby recommends that the Board hold a public hearing on May 21, 2019, duly noticed in order to consider the approval of the issuance of the Bonds on behalf of the Borrower, and in particular the approval of the Series 2019A Bonds and the Series 2021 Bonds pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended and requests that bond counsel proceed with the necessary actions in order to receive the Board approval. The Issuer further recommends to the Board that the Board approve the issuance of the Bonds and the Series 2021 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.

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

Passed and adopted at a meeting of the Pinellas County Educational Facilities Authority held on the 18th day of April, 2019.



(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