



Pinellas County

Staff Report

File #: 19-848A, Version: 1

Subject:

Resolution for issuance by the Pinellas County Industrial Development Authority (dba the Pinellas County Economic Development Authority) of its Industrial Development Revenue Bonds, Series 2019, in an aggregate principal amount not to exceed \$100,000,000.00, on behalf of Drs. Kiran and Pallavi Patel 2017 Foundation for Global Understanding, Inc.

Recommended Action:

Acting as the Pinellas County Industrial Development Authority, dba the Pinellas County Economic Development Authority, adopt a resolution authorizing the issuance of not-to-exceed \$100,000,000.00 Pinellas County Industrial Development Revenue Bonds, Series 2019, on behalf of Drs. Kiran & Pallavi Patel 2017 Foundation for Global Understanding, Inc. (Borrower).

- The Borrower has requested the issuance of a Pinellas County Industrial Development Authority Industrial Development Revenue Bond, Series 2019.
- The Borrower intends to use the bond proceeds, together with other funds, to fund a medical education and health sciences education complex to be used and leased by Nova Southeastern University, Inc. located at 3400 Gulf to Bay Boulevard, Clearwater, Florida (former Clearwater Christian College site).
- There is no fiscal impact to the County. No funds of the County are pledged to support the bonds and the bonds are payable solely from sources (including a mortgage) provided by the Borrower. The County has received the bond application fee of \$2,000.00, and will also receive a financing fee of \$20,000.00 at closing to cover administrative costs for this project.
- The Tax Equity Fiscal Responsibility Act Resolution and public hearing was held at the Board of County Commissioners meeting on November 20, 2018.

Strategic Plan:

Foster Continual Economic Growth and Vitality

4.1 Proactively attract and retain businesses with targeted jobs to the county and the region

Summary:

The Drs. Kiran & Pallavi Patel 2017 Foundation for Global Understanding, Inc. (Borrower) has requested the issuance of a Pinellas County Industrial Development Authority Industrial Development Revenue Bond, Series 2019 by Pinellas County Industrial Development Authority (d/b/a the Pinellas County Economic Development Authority). The Borrower intends to use the bond proceeds, together with other funds, to fund a medical education and health sciences education complex to be used and leased by Nova Southeastern University, Inc. located at 3400 Gulf to Bay Boulevard, Clearwater, Florida.

Background Information:

The Drs. Kiran & Pallavi Patel 2017 Foundation for Global Understanding, Inc. (Borrower) has

requested the issuance of a Pinellas County Industrial Development Authority Industrial Development Revenue Bond, Series 2019 by Pinellas County Industrial Development Authority (d/b/a the Pinellas County Economic Development Authority) (PCEDA). The Borrower intends to use the bond proceeds, together with other funds, to (i) finance and refinance the acquisition of an approximately 27-acre parcel of property, (ii) renovate, construct, and equip an approximately 325,000 square-foot medical education and health sciences education complex as part of a Tampa Bay regional campus to be used and leased by Nova Southeastern University, Inc. (University), a Florida not-for-profit corporation, (iii) fund a debt service reserve fund, if required, and (iv) pay certain bond issuance costs (collectively, the "Project"). The Project will be owned by the Borrower and leased to the University. The Project is located at 3400 Gulf to Bay Boulevard, Clearwater, Florida.

The Borrower was established as a Florida Not For Profit Corporation on 12/15/2017, and has appointed Citigroup Global Markets Inc. to serve as the lead underwriter on the proposed offering. The bonds will be sold publicly in denominations of not less than \$100,000.00 each. The Bonds will be secured by a mortgage on the property which has an appraised value upon completion which exceeds the amount of the Bond issue. The Borrower is also providing a substantial amount of equity for the Project financing.

This is a substantial economic development project to build a school of osteopathic medicine and college of health care services, operated by Nova Southeastern University and located at the former Clearwater Christian College campus. The development project will promote economic growth within the county and state through the creation of an estimated 2,000 new jobs during and after the construction phase, ranging from doctors, nurses, professors, and administrators to facility and ground crews and is further anticipated to generate increased economic activity in housing, food and beverage and other student and faculty support services. The Commission on Osteopathic College Accreditation approved a class of 150 medical students to begin studying at the school in August 2019. In addition, undergraduate, masters and doctoral degrees program will be offered in other medical and health science fields.

Fiscal Impact:

There is no fiscal impact to the County. The Borrower is responsible for payment of all fees and expenses. The County has received the bond application fee of \$2,000.00 from the Borrower. The County will also receive a financing fee of 1/2 of 1% of the bond amount, up to \$20,000.00 maximum, at closing to cover administrative costs for this project.

Staff Member Responsible:

Mike Meidel, Executive Director, Economic Development Authority

Partners:

N/A

Attachments:

Resolution
Exhibit A - Form of Loan Agreement
Exhibit B - Form of Trust Indenture
Exhibit C - Form of Bond Purchase Agreement
Exhibit D - Form of Preliminary Official Statement
Certificate as to Public Meeting

