



Pinellas County

Staff Report

File #: 23-0342D, Version: 1

Subject:

Pinellas County Industrial Development Authority (d/b/a the Pinellas County Economic Development Authority) amendments for modification of the variable rate index on certain outstanding obligations from certain London Interbank Offered Rates to a substitute variable interest rate index.

Recommended Action:

The Pinellas County Industrial Development Authority d/b/a the Pinellas County Economic Development Authority (PCEDA) execute and deliver amendments to outstanding bonds and related documents in order to replace the LIBOR Variable Rate Index with a substitute variable interest rate index.

- On April 11, 2023, the PCEDA adopted a Resolution delegating authority to Authorized Officers to execute and deliver amendments to outstanding bonds and related documents in order to replace the LIBOR Variable Rate Index with a substitute variable interest rate index.
- Clearwater Marine Aquarium, Inc., Family Resources, Inc., and Advanced Microwave Components, Inc. have each requested the PCEDA to make such amendments to their bonds.
- A meeting to have the PCEDA Chair and Executive Director execute these documents is scheduled for April 20, 2023.

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:

On April 11, 2023, the Issuer approved a Resolution delegating authority to Authorized Officers to execute and deliver amendments to outstanding bonds and related documents in order to replace the LIBOR Variable Rate Index with a substitute variable interest rate index. To date, the Borrowers Clearwater Marine Aquarium, Inc., Family Resources, Inc., and Advanced Microwave Components, Inc. have each contacted the Issuer to request modifications to each of their Bonds.

Background/Explanation:

From time to time, the Issuer has issued bonds and loaned the proceeds thereof to various borrowers (the "Borrowers") pursuant to related loan or financing agreements whereby the Borrower agrees to repay such bonds. Certain of those bonds bear interest at a variable rate and established on the basis of a formula utilizing LIBOR. The Intercontinental (ICE) Benchmark Administrator has announced that it will cease publishing certain LIBOR rates after June 30, 2023. As a result, the Borrowers desire to replace the LIBOR Variable Rate Index utilizing LIBOR with a Substitute Variable Rate Index on or prior to June 30, 2023, or earlier.

Fiscal Impact:

There is no fiscal impact to the County. The Borrowers are, and will continue to be, responsible for payment of all fees and expenses.

Delegated Authority:

Authority for the Pinellas County Industrial Development Authority D/B/A Pinellas County Economic Development Authority to execute these documents was approved on April 11, 2023.

Staff Member Responsible:

Dr. Cynthia Johnson, Executive Director, Economic Development Authority
Cindy Margiotta, Division Director, Economic Development

Partners:

N/A

Attachments:

Form of Consolidated Amendment to Bond Documents- Clearwater Marine Aquarium, Inc.
Form of Consolidated Amendment to Financing Documents - Family Resources, Inc.
Form of Amendment One to Agreement - Advanced Microwave Components, Inc.