

**SEMINOLE COUNTY GOVERNMENT
AGENDA MEMORANDUM**

SUBJECT: Masters Academy Industrial Development Bond

DEPARTMENT: Economic Development

DIVISION: Operations

AUTHORIZED BY: William McDermott

CONTACT: Shani Beach

EXT: 7135

MOTION/RECOMMENDATION:

Adopt a Resolution approving the issuance of industrial development revenue bonds for the purpose of refinancing approximately \$2.5 million in debt incurred by the Master's Academy to finance educational and playground facilities at its school.

County-wide

William McDermott

BACKGROUND:

In 2005, the Seminole County Industrial Development Authority (SCIDA) issued approximately \$13 million of tax-exempt bonds for the Master's Academy, a nondenominational K-12 community Christian School, currently located at 1500 Lucas Lane in Oviedo that were secured by a letter of credit issued by Allied Irish Bank. The letter of credit expires in December of 2009, and the bank has advised the Academy that it will not renew the letter of credit. On October 20, 2009, the Seminole County Industrial Development Authority held a public hearing at its regular meeting and approved the issuance of industrial revenue bonds not to exceed \$16,000,000 for the purpose of refinancing approximately \$2.5 million in debt incurred by the Master's Academy to finance educational and playground facilities at its school.

STAFF RECOMMENDATION:

Staff recommends that the Board adopt the Industrial Development Bond Resolution.

ATTACHMENTS:

1. Minutes
2. Notice of public hearing
3. Resolution

Additionally Reviewed By: No additional reviews

SEMINOLE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

REGULAR MEETING OCTOBER 20, 2009

A regular meeting of the Seminole County Industrial Development Authority (the "Authority") was held in the SCC Center for Economic Development Building, Room 138B, 1055 AAA Drive, Heathrow, Florida, commencing at 8:30 o'clock A.M. on October 20, 2009, notice of this regular meeting having been published in accordance with the requirements of Florida law.

Board members present at the meeting were:

Andrew Van Gaale, Vice Chairman
David Axel
Ross Pagano
Alan Trauger
Stanley Weinroth

Board members Edwards McReynolds, and Richard Reade were absent. The members in attendance constituted a quorum of the members of the Authority.

Also present at the meeting were Tracy Turk, Secretary of the Authority, William J. McDermott, Director of the Economic Development Office for Seminole County, Michael J. Melliere, Esq. from the law firm of Benesch, Friedlander, Coplan & Aronoff LLP, Bond Counsel to The Master's Academy of Central Florida, Inc., a Florida nonprofit corporation, Dr. William Harris, Superintendent of The Master's Academy of Central Florida, Inc., and J. Gordon Arkin, Esq. of the law firm of Foley & Lardner LLP, legal counsel to the Authority.

Mr. Van Gaale acted as Chairman and Ms. Turk acted as Secretary of the meeting.

The Chairman asked for a motion to approve the minutes of the Authority's regular meeting held on November 18, 2008, copies of which were distributed at the meeting. Upon motion duly made by Mr. Axel and seconded by Mr. Trauger, the minutes of that meeting were unanimously approved as written.

The next order of business was the election of officers. After discussion, on motion by Mr. Trauger, and seconded by Mr. Pagano, Mr. McReynolds was unanimously re-elected as Chairman, to serve in that capacity until the earlier of (i) the expiration of his term of office as a member of the Authority (including any hold-over period), (ii) his removal or resignation as a member of the Authority, or (iii) the expiration of twelve months from the date hereof; provided, however, that if no successor has been elected to this office prior to the expiration of such twelve month period, then he shall continue to serve as Chairman until the election of his successor.

After further discussion, on motion by Mr. Trauger, and seconded by Mr. Pagano, Mr. Van Gaale was unanimously re-elected as Vice Chairman, to serve in that capacity until the earlier of (i) the expiration of his term of office as a member of the Authority (including any hold-over period), (ii) his removal or resignation as a member of the Authority, or (iii) the expiration of twelve months from the date hereof; provided, however, that if no successor has been elected to that office prior to the expiration of such twelve month period, then he shall continue to serve as Vice Chairman until the election of his successor.

After further discussion, Tracy Turk was nominated by Mr. Trauger, seconded by Mr. Pagano and unanimously elected as Secretary of the Authority, to serve at the pleasure of the Authority.

The next order of business was consideration of the application of The Master's Academy of Central Florida, Inc. (the "Company") for the issuance by the Authority of its Industrial Development Authority Industrial Revenue Bonds, Series 2009 (The Master's Academy) in a principal amount not to exceed \$16,000,000 (the "Bonds"), the proceeds of which will be used to (a) refund revenue bonds previously issued by the Authority for the benefit of the Company, a Florida nonprofit corporation, the proceeds of which were used to finance and refinance the cost of acquisition, construction and equipping of a school located at 1500 Lukas Lane, Oviedo, Seminole County, Florida, fund capitalized interest, if any, and pay certain costs relating to the issuance of the prior bonds, (b) finance, refinance or reimburse the Company for the costs of the acquisition, construction and equipping of certain educational facilities and playground facilities, and (c) finance certain costs of issuing the Bonds.

The Chairman asked the representatives of the Company to make a presentation to the meeting. Mr. Melliere, Bond Counsel to the Company, advised the meeting as follows:

The Company operates a nondenominational K-12 community Christian school called The Master's Academy, located in Oviedo, Florida. In 2005, the Authority issued about \$13.0 million of tax-exempt bonds for the Company that were secured by a letter of credit issued by Allied Irish Bank. That letter of credit expires in December of 2009, and that Bank has advised the Company that it will not renew that letter of credit. The Company is asking the Authority to give its preliminary approval to issue new tax-exempt bank qualified bonds to refinance approximately \$2.5 million of debt incurred by the Company to finance certain educational and playground facilities at its school, and to also give its preliminary approval to the issuance of new tax-exempt bank qualified bonds to refinance the approximately \$12 million in outstanding bonds previously issued by the Authority, or to amend the existing documents for those outstanding bonds to make them bank qualified. The total amount of the proposed transaction will not exceed \$16 million, and the Company has negotiated with BB&T Bank to purchase the new bonds or the new bonds and the restructured outstanding bonds, if any. BB&T Bank has agreed to hold these bonds for 5 years, after which BB&T Bank could put the bonds back to the Company if that Bank did not want to continue to hold them.

In response to a question from Mr. Arkin, Mr. Melliere confirmed that the Bonds, which will not be rated, will be in minimum denominations of \$100,000, will initially be sold to BB&T Bank, or to one or more other commercial banks, and will be subject to transfer restrictions satisfactory to the Authority and its counsel. In response to questions from members of the Authority, Mr. Harris advised the meeting as follows:

The negotiations with BB&T Bank were almost final, awaiting only that Bank's approval of the appraisal and the results of the environmental study. No problems were anticipated by the Company. The project site had previously been used as a celery farm, but prior environmental reports had not shown any evidence of contamination. The Company had the necessary approvals from Seminole County to build one more building on the project site, a 60,000 square foot, two story building that would contain a 1,000 seat auditorium and additional classroom space. The school currently has 900 students, with a build-out capacity that could accommodate 1,200 students at the project site. The Authority's prior concerns about traffic at the project site had not turned out to be a problem. The Company is run like a business, basing its budget on revenue from tuition and not fundraising. It recently added \$1.5 million in cash to its reserves, a portion of which will be used to pay the cost of terminating the interest rate swap on the outstanding bonds. The proposed Bonds and the restructured outstanding bonds, if any, would

have a floating rate of interest, and the Company would enter into a new floating to fixed interest rate swap with respect to those bonds.

There being no further questions, the Chairman asked if any member of the Authority wanted to make a motion not to give the Company's request further consideration. No such motion was made. The Chairman then announced that this was the time set for a public hearing for the purpose of considering the adoption of a resolution giving the Authority's preliminary approval to issue its Industrial Development Authority Revenue Bonds, Series 2009 (The Master's Academy) in a principal amount not to exceed \$16,000,000 (the "Bonds"), the proceeds of which will be used to (a) refund revenue bonds (the "Prior Bonds") previously issued by the Authority for the benefit of The Master's Academy of Central Florida, Inc. (the "Company"), a Florida nonprofit corporation, the proceeds of which Prior Bonds were used to finance and refinance the cost of acquisition, construction and equipping of a K-12 school (the "School") located at 1500 Lukas Lane, Oviedo, Seminole County, Florida, fund capitalized interest, if any, and pay certain costs relating to the issuance of the Prior Bonds, (b) finance, refinance, or reimburse the Company for the costs of the acquisition, construction and equipping of certain educational and playground facilities at the School, and (c) finance certain costs of issuing the Bonds. No one appeared for or in opposition to the proposed issuance of the Bonds, and the Chairman closed the public hearing.

Mr. Arkin advised the meeting that the proposed resolution was in order. There being no further discussion, upon motion made by Mr. Pagano, and seconded by Mr. Axel, the following resolution was unanimously adopted:

RESOLUTION NO. 2009-1

RESOLUTION OF THE SEMINOLE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY PRELIMINARILY APPROVING THE ISSUANCE OF REVENUE BONDS TO FINANCE AND REFINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF AN EDUCATIONAL FACILITY BY THE MASTER'S ACADEMY AND RELATED MATTERS

There being no further business, the meeting was adjourned at 8:55 o'clock A.M.



Tracy Turk, Secretary
Seminole County Industrial Development Authority

RESOLUTION NO. 2009-01

RESOLUTION OF THE SEMINOLE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY PRELIMINARILY APPROVING THE ISSUANCE OF REVENUE BONDS TO FINANCE AND REFINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF AN EDUCATIONAL FACILITY BY THE MASTER'S ACADEMY AND RELATED MATTERS

WHEREAS, the Seminole County Industrial Development Authority (the "Issuer") has been informed by officers and agents of The Master's Academy of Central Florida, Inc. (the "Borrower"), a Florida nonprofit corporation that is an exempt organization within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), that the Borrower proposes to finance and refinance the acquisition, construction and equipping of a K-12 school located in Seminole County, Florida (the "Project"); and

WHEREAS, the Project provides services needed by residents of Seminole County, approximately 120 persons are employed at the Project and approximately 50 new jobs have been created as a result of the expansion represented by the Project; and

WHEREAS, it is estimated by the Borrower that the costs of financing and refinancing the Project, paying capitalized interest and paying costs of issuance of the hereinafter described bonds may require expenditures of up to \$16,000,000; and

WHEREAS, the most feasible method of financing and refinancing the proposed Project is for the Issuer to issue its revenue bonds or other appropriate obligations (the "Bonds") and lend the proceeds from the sale of said Bonds to the Borrower, with loan repayments to be sufficient and timely to pay the principal of, premium (if any) and interest on said Bonds; and

WHEREAS, after careful study and investigation of the nature of the proposed Project at a meeting open to the public, held in accordance with all open meetings laws, the Issuer has determined that in assisting with the financing and refinancing of the Project, it will be acting in furtherance of the public purposes of the Chapter 159, Parts II and III, Florida Statutes, as amended; and

WHEREAS, the Borrower has requested that the Issuer indicate its willingness to issue its Bonds to finance and refinance the proposed Project so that said financing and refinancing of the Project may proceed; and

WHEREAS, the Issuer has determined that it is in the best interest of the inhabitants of Seminole County and the State of Florida, that the financing and refinancing of the proposed Project proceed without delay;

NOW, THEREFORE, BE IT RESOLVED as follows;

1. The Issuer hereby finds that financing and refinancing the Project will develop and

promote the public good and the general welfare of Seminole County and of the State of Florida by helping ensure the provision of services needed by residents of Seminole County and the State of Florida, by helping preserve the jobs of the persons employed at the Project and by creating opportunities for new jobs to be created at the Project.

2. In order to indicate the Issuer's willingness to issue its Bonds in an amount up to \$16,000,000 to finance and refinance the Project, the execution and delivery to the Borrower of an inducement agreement is hereby authorized, said inducement agreement to be in substantially the form attached hereto as Exhibit "A" subject to such minor changes, insertions and omissions as may be approved by the Chairman of the Issuer and the execution of said inducement agreement by the Chairman and Secretary of the Issuer as herewith authorized shall be conclusive evidence of any such approval.

3. The Chairman and Secretary of the Issuer of are further hereby authorized to take any and all further action and execute and deliver any and all other documents as may be necessary to issue and deliver the aforementioned Bonds and to effect the undertaking for which said Bonds are proposed to be issued. The Bonds will not be issued unless the Issuer adopts a Bond Resolution approving such documents.

4. It is the intention of the Issuer that this resolution constitutes a declaration of "official intent" of the Issuer to reimburse expenditures with the proceeds of Bonds, within the meaning of Treasury Regulations Section 1.150-2.

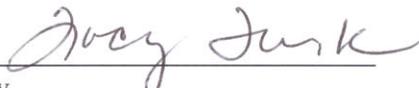
5. The Issuer is hereby authorized to publish notice, conduct a public hearing, and approve the Bonds in accordance with the provisions of Section 147(f) of the Code and Treasury Regulations Section 5f.103-2.

Adopted this October 20, 2009.

SEMINOLE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

By: 
Vice Chairman

[SEAL]

Attest: 
Secretary

SECRETARY'S CERTIFICATE

I, Tracy Turk, Secretary of the Seminole County Industrial Development Authority, DO HEREBY CERTIFY that the foregoing two (2) pages of typewritten matter constitute a true and correct copy of the resolution adopted on October 20, 2009, by said Authority in a meeting, in accordance with all open meetings laws and the procedures of the said Authority; duly called and assembled, which was open to the public and at which a quorum was present and acting throughout, and that the original of said resolution appears of public record in the Minute Book of said Authority which is in my custody and control.

Given under my hand and the seal of said Authority, this 20th day of October, 2009.

Tracy Turk
Secretary

[SEAL]

EXHIBIT "A"

October 20, 2009

The Master's Academy of Central Florida, Inc.
1500 Lukas Lane
Oviedo, Florida 32765

Re: Proposed Revenue Bond Financing of The Master's Academy

Ladies and Gentlemen:

We (the "Issuer") are informed that The Master's Academy of Central Florida, Inc. (the "Borrower"), a Florida nonprofit corporation, and an exempt organization within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, proposes to finance and refinance its K-12 school located in Seminole County, Florida (the "Project"). We understand that the cost of financing and refinancing the Project, paying capitalized interest and paying costs of issuance of the hereinafter described bonds may require expenditures of up to \$16,000,000. As a result of our discussions with your officers and agents, we have determined that the Issuer's willingness to issue its revenue bonds or other appropriate obligations (the "Bonds") to assist the Borrower by providing financing and refinancing for the Project will enable the Borrower to save interest costs, and will assist in preserving the jobs of the persons employed at the Project and create additional jobs at the Project, which will develop and promote the public good and general welfare of Seminole County and the State of Florida, and it is, therefore, the conclusion of the Issuer that in assisting with the financing and refinancing of the Project the Issuer will be acting in furtherance of the public purposes of Chapter 159, Parts II and III, Florida Statutes, as amended (the "Act").

In order to carry out the public purposes of the Act, we hereby make the following proposals:

1. The Issuer will issue its Bonds in one or more series in a total principal amount not to exceed \$16,000,000 for the purpose of paying the costs of financing and refinancing the Project and paying costs of issuance of the Bonds. No proceeds of the Bonds will be used to finance or refinance any church, sanctuary, chapel or other worship space. Bond counsel and the Borrower will undertake an analysis of the Project to exclude from the financing those portions of the Borrower's facilities in which religious instruction takes place. Such analysis shall be based on the time and space used for religious instruction in the Borrower's facilities, as compared to the total time and space used in at all of the Borrower's facilities. The percentage of such facilities used for religious instruction, as determined by such analysis, shall be quantified in dollar terms and specifically excluded from the tax-exempt Bond financing. Borrower shall covenant in the Borrower Agreement (defined below) not to use its Bond-financed facilities in a manner that would violate the First Amendment to the United States Constitution or relevant provisions of the Florida constitution or other Florida law.

2. The terms of the Bonds (maturity schedule, interest rates, denominations, redemption provisions, security etc.) must be satisfactory to the Borrower and the Issuer and will be determined by a bond purchase contract or similar instrument in form acceptable to the Issuer to be entered into between the Issuer and either (i) the underwriter of, or placement agent, for the Bonds or (ii) the initial purchaser of the Bonds. The Bonds will be offered and sold only to one or more commercial banks.

3. (a) Simultaneously with the delivery of the Bonds, the Issuer will loan the proceeds from the sale of the Bonds to enable the financing and refinancing of the Project and the terms and provisions of the loan agreement to be entered by the Issuer and the Borrower in connection therewith (the "Borrower Agreement") shall be substantially in the form generally utilized in connection with such financial undertakings, as agreed upon by the Issuer and the Borrower.

(b) The Borrower Agreement will be dated contemporaneously with the Bonds and the term of the Borrower Agreement will equal or exceed the term of the Bonds.

(c) The amounts payable by the Borrower under the Borrower Agreement will be paid to a corporate trustee at such times and in such amounts as shall be timely and sufficient to pay the principal of, redemption premium (if any) and the interest on, the Bonds, as the same become due and payable. The duty of the Borrower to make all payments required under the Borrower Agreement shall be absolute and unconditional after the delivery of the Bonds.

(d) The proceeds from the sale of the Bonds may be deposited in a project fund and disbursed pursuant to requisitions in accordance with the requirements of the Borrower Agreement. Moneys in the project fund may be invested in any obligations which represent legal investments for proceeds of Bonds issued by the Issuer.

(e) The Borrower will pay any taxes, assessments or utility charges which may be lawfully levied, assessed or charged upon the Borrower, the Issuer, the Project or the payments under the Borrower Agreement if such would result in a lien or charge upon the Project or the revenues of the Issuer therefrom.

(f) The Borrower Agreement will require the Borrower to keep the Project insured against loss or damage or perils generally insured against by facilities similar to the Project and to carry public liability insurance covering personal injury, death or property damage with respect to the Project and may permit the Borrower to be self insured.

(g) The Borrower Agreement shall provide that in the performance of the covenants contained therein on the part of the Issuer, any obligations it may incur or the payment of money shall not be a general debt on its part or on the part of the State of Florida, Seminole County, or any other political subdivision or municipality, but shall be payable solely from the specific payments received from the Borrower under such Borrower Agreement or from Bond proceeds, insurance proceeds and/or condemnation awards.

(h) The Borrower Agreement shall contain covenants providing for the indemnification of the Issuer and the individual members and officers thereof for all expenses incurred by them and for any loss suffered or damage to property or any injury or death of any

person occurring in connection with the construction of the Project.

4. The Issuer will enter into a trust indenture with a corporate trustee to be named by the Issuer subject to the approval of the Borrower. The trust indenture will pledge such loan agreement, and/or any promissory note issued by the Borrower in connection therewith, and the amounts due thereunder, to said trustee for the benefit of the holders of the Bonds, and the terms of such trust indenture shall be agreed upon by the Issuer, the Borrower and said trustee.

5. The Issuer will assist in the prompt preparation of the Borrower Agreement, the trust indenture, if any, the bond purchase contract or similar instrument and where requested, any security deed, promissory note or guaranty agreement, and any other related documents, all of which must be in form and content satisfactory, to the Issuer.

6. Upon delivery of the Bonds, the provisions of this proposal and the agreement resulting from its acceptance by the Borrower shall have no further effect and, in the event of any inconsistency between the terms of this proposal and (as the case may be) the Borrower Agreement, trust indenture, mortgage, promissory note, guaranty agreement or any other security documents, such Borrower Agreement, trust indenture, mortgage, promissory note, guaranty agreement or other security documents shall control.

7. If for any reason the Bonds are not delivered within one year of the date hereof, the provisions of this proposal and the agreement resulting from its acceptance by the Borrower shall, at the option of the Issuer to be evidenced in writing, be canceled and neither party shall have any rights against the other and no third parties shall have any rights against either party except as provided in (a) and (b) of this paragraph 7, and in paragraph 8 below:

(a) the Borrower will pay the Issuer for all expenses which have been authorized by the Borrower and incurred by the Issuer in connection with the Project; and

(b) the Borrower will assume and be responsible for all contracts entered into by the Issuer at the request or direction of the Borrower in connection with the Project.

8. Whether or not the Bonds are issued, the Borrower will pay any out-of-pocket expenses of directors or members of the Issuer incurred in connection with the Project and the proposed issuance of the Bonds and will pay the legal fees and expenses of counsel for the Issuer and bond counsel, related to the Project and the proposed issuance of the Bonds. If the bonds are issued, the Borrower will pay any customary issuance fee of the Issuer. Benesch, Friedlander, Coplan & Aronoff LLP is designated as bond counsel for the Bonds.

9. The Borrower, in accepting this proposal, thereby agrees to indemnify, defend and hold the Issuer and the individual members and officers thereof harmless against any loss or damage to property or any injury or death of any person or persons occurring in connection with the Project or the issuance of the Bonds. The Borrower also agrees to reimburse or otherwise pay on behalf of the Issuer, any and all reasonable and necessary expenses not hereinbefore mentioned, incurred by the Issuer and approved by the Borrower in connection with the Project or the issuance of the Bonds. This indemnity shall be superseded by a similar indemnity in the Borrower

Agreement, and, if the Bonds are not issued and delivered, this indemnity shall survive the termination of the agreement resulting from the Borrower's acceptance of this proposal.

10. This agreement shall inure to the benefit of and be binding upon the Borrower and the Issuer and their respective legal representatives, successors and assigns.

If the foregoing proposal is satisfactory to you, the Borrower may so indicate by having the following acceptance executed by a duly authorized officer of the Borrower and returning a copy to the Issuer. This proposal and acceptance will then constitute an agreement in principle with respect to the matters herein contained.

Yours very truly,

SEMINOLE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

By:


Vice Chairman

[SEAL]

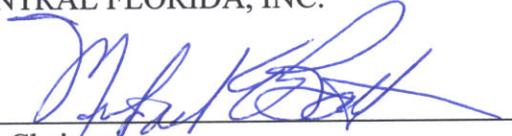
Attest:


Secretary

ACCEPTANCE OF PROPOSAL

The terms and conditions contained in the foregoing proposal by the Seminole County Industrial Development Authority are hereby accepted, this October 20, 2009.

THE MASTER'S ACADEMY OF
CENTRAL FLORIDA, INC.

By: 

Chairman

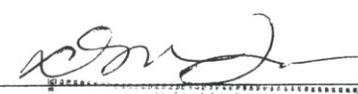
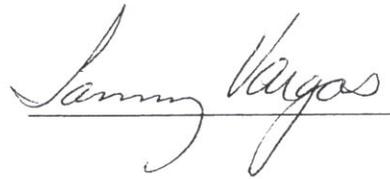
Benesch Friedlander Llp
41 S HIGH ST STE 2600
COLUMBUS, OH 43215-6101

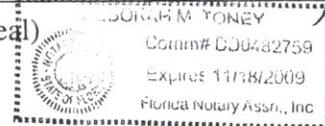
Before the undersigned authority personally appeared Rose Riordan / Tammy Vargas / Deborah M. Toney, who on oath says that s/he is the Legal Advertising Representative of Orlando Sentinel, a daily newspaper published in Seminole County, Florida; that the attached copy of advertisement, being a Public Hearing in the matter of October 20, 2009 in the Seminole _ Court, was published in said newspaper in the issue(s); of

10/06/09

Affiant further says that the said Orlando Sentinel is a newspaper published in said Seminole County, Florida, and that the said newspaper has heretofore been continuously published in said Seminole County, Florida, each week day and has been entered as second-class mail matter at the post office in said Seminole County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that s/he has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

The foregoing instrument was acknowledged before me this 06TH day of October, 2009, by Rose Riordan / Tammy Vargas / Deborah M. Toney, who is personally known to me and who did take an oath.

(seal)  DEBORAH M. TONEY
Comm# 000482758
Expires 11/18/2009
Florida Notary Assn., Inc

1023722

NOTICE OF PUBLIC HEARING REGARDING
NOT TO EXCEED \$16,000,000 SEMINOLE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY INDUSTRIAL DEVELOPMENT REVENUE BONDS, SERIES 2009 (THE MASTER'S ACADEMY)

TO WHOM IT MAY CONCERN:

You are hereby notified that on Tuesday, October 20, 2009, at 8:30 a.m., or as soon thereafter as the matter may be heard, in Room 138 B of the Seminole Community College Center for Economic Development, 105 AAA Drive, Heathrow, Florida 32746, a Public Hearing will be held by the Seminole County Industrial Development Authority (the "Authority") on behalf of Seminole County, Florida (the "County") on the proposed issuance of Seminole County Industrial Development Authority Industrial Development Revenue Bonds, Series 2009 (The Master's Academy) (the "Bonds") and on the location and nature of the facility to be financed. The Bonds are to be issued in an aggregate principal amount of not to exceed \$16,000,000

for the purpose of providing funds to (a) refund revenue bonds (the "Prior Bonds") previously issued by the Authority for the benefit of The Master's Academy of Central Florida, Inc. (the "Borrower"), a Florida non-profit corporation that has been determined by the Internal Revenue Service to be an exempt organization described in Section 501(c)(2) of the Internal Revenue Code of 1986, as amended (the "Borrower"), the proceeds of which Prior Bond were used to finance and refinance the cost of acquisition, construction and equipping of a K-12 school located at 1900 Lukas Lane, Oryledo, Seminole County, Florida (the "Prior Project"), fund capitalized interest, if any, and pay certain costs relating to the issuance of the Prior Bonds, in an aggregate principal amount not expected to exceed \$13,000,000; (b) finance, refinance, or reimburse the Borrower for, the costs of the acquisition, construction and equipping of certain educational facilities and playground facilities (the "2009 Project") and, together with the Prior Project, the "Project") in an aggregate principal amount not expected to exceed \$3,000,000; and (c) finance certain costs of issuing the Bonds. The Project will be owned and operated by the Borrower. The Public Hearing is for the purpose of providing a reasonable opportunity for interested individuals to express their views, both orally and in writing, on the proposed issuance of the Bonds and on the location and nature of the facilities to be financed and refinanced.

THE BONDS SHALL NEVER CONSTITUTE AN INDEBTEDNESS, OR GENERAL OBLIGATION OF THE STATE OF FLORIDA, THE AUTHORITY, SEMINOLE COUNTY, OR ANY OTHER POLITICAL SUBDIVISION OR AGENCY OF THE STATE OF FLORIDA, BUT SHALL BE PAYABLE SOLELY FROM FUNDS PAID BY THE MASTER'S ACADEMY OF CENTRAL FLORIDA, INC. AND PLEDGED FOR SUCH PURPOSE, AND SHALL BE SECURED BY COLLATERAL FURNISHED BY THE MASTER'S ACADEMY OF CENTRAL FLORIDA, INC.

Persons wishing to express their views regarding the Project, should contact the Authority at (407) 321-1111.

THE FOLLOWING RESOLUTION WAS ADOPTED
AT THE REGULAR MEETING OF THE
BOARD OF COUNTY COMMISSIONERS
OF SEMINOLE COUNTY, FLORIDA
ON THE 10th DAY OF NOVEMBER, 2009

WHEREAS, the Board of County Commissioners of Seminole County (the "Board") declared a need for the Seminole County Industrial Development Authority (the "Authority"), appointed its members, and empowered it to act under the provisions of Chapter 159, Part II and Part III of the Florida Statutes; and

WHEREAS, after publication in The Orlando Sentinel of the Notice of Public Hearing, a copy of which is attached hereto as Exhibit "A" and incorporated herein by reference (the "Notice of Public Hearing"), the Authority held at its October 20, 2009 regular meeting the public hearing (the "Public Hearing") required by the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code") relating to the proposed issuance by the Authority of its Industrial Development Authority Revenue Bonds, Series 2009 (The Master's Academy) in a principal amount not to exceed \$16,000,000 (the "Bonds"), a copy of the minutes of which regular meeting are attached hereto as Exhibit "B", and adopted the Resolution, a copy of which is attached hereto as Exhibit "C" and incorporated herein by reference (the "Authority's Resolution") for the purpose of giving its initial approval with respect to the issuance of the Bonds, the proceeds of which will be used to (a) refund revenue bonds (the "Prior Bonds") previously issued by the Authority for the benefit of The Master's Academy of Central Florida, Inc. (the "Borrower"), a Florida nonprofit corporation, the proceeds of which Prior Bonds were used to finance and refinance the cost of acquisition, construction and equipping of a K-12 school (the "School") located at 1500 Lukas Lane, Oviedo, Seminole County, Florida (the "Prior Project"), fund capitalized interest, if any, and pay certain costs relating to the issuance of the Prior Bonds, (b) finance, refinance, or reimburse the Borrower for the costs of the acquisition, construction and equipping of certain educational facilities and playground facilities (the "2009 Project") at the School, and (c) finance certain costs of issuing the Bonds (the 2009 Project, together with the Prior Project, are collectively the "Project"); and

WHEREAS, the Board is the elected legislative body of Seminole County (the "County,") and the County has jurisdiction over the Project for purposes of Section 147(f) of the Internal Revenue Code; and

WHEREAS, the Board has been furnished with a copy of the Notice of Public Hearing for the Public Hearing held by the Authority on October 20, 2009 with respect to the approval of the Authority's Resolution and has been advised that: (a) the Notice of Public Hearing apprised residents of the County of the proposed issuance of the Bonds not less than 14 days before the Public Hearing; (b) the Public Hearing was conducted in a manner which provided a reasonable opportunity for persons with differing views on both the issuance of the Bonds and the location and nature of the Project to be heard; and (c) no members of the public (other than those present on behalf of the Borrower and members of the Authority and its staff)

appeared at the public hearing or otherwise expressly objected to the issuance of the Bonds for the Project; and

WHEREAS, the Board has been requested by the Authority to consider and approve the Authority's issuance of the Bonds under the provisions of Sections 125.01(1)(z) and 159.47(1)(f) of the Florida Statutes, as amended, and Section 147(f) of the Internal Revenue Code.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Seminole County as follows:

SECTION 1. Issuance by the Authority of the Bonds for the Project in a principal amount not to exceed \$16,000,000, as contemplated by the Notice of Public Hearing and the Authority's Resolution shall be, and hereby is, approved, subject to the Bonds being issued and delivered on or before October 19, 2010. If the Bonds are not issued and delivered by that date, the approval granted hereby shall be deemed void and revoked.

SECTION 2. This approval is solely for the purpose of Section 147(f) of the Internal Revenue Code and Sections 125.01(1)(z) and 159.47(1)(f), Florida Statutes. The issuance of the Bonds and the use of the proceeds thereof to finance the costs of the Project as contemplated by the Authority's Resolution shall be, and hereby are, approved.

SECTION 3. The approval given herein shall not be construed as (i) an endorsement of the creditworthiness of the Borrower or the financial viability of the Project, (ii) a recommendation to any prospective purchaser to purchase the Bonds, (iii) an evaluation of the likelihood of the repayment of the debt service on the Bonds, or (iv) approval of any necessary rezoning applications or approval or acquiescence to the alteration of existing zoning or land use nor approval for any other regulatory permits relating to the Project, and the Board shall not be construed by reason of its adoption of this Resolution to make any such endorsement, finding, or recommendation or to have waived any right of the Board or to have estopped the Board from asserting any rights or responsibilities it may have in such regard. Further, the approval by the Board of the issuance of the Bonds by the Authority shall not be construed to obligate the County to incur any liability, pecuniary or otherwise, in connection with either the issuance of the Bonds or the acquisition and construction of the Project, and the Authority shall so provide in the financing documents setting forth the details of the Bonds.

SECTION 4. Nothing contained in this approval shall be deemed to create any obligation or obligations of the County or the Board.

SECTION 5. This Resolution shall take effect immediately upon its adoption.

ADOPTED this 10th day of November, 2009.

BOARD OF COUNTY COMMISSIONERS
SEMINOLE COUNTY FLORIDA

By: _____

Name: _____

Chairman

(SEAL)

ATTEST:

By: _____

Name: _____

Clerk to the Board of County Commissioners
of Seminole County, Florida

Attachments:

- | | |
|-----------|--------------------------|
| Exhibit A | Notice of Public Hearing |
| Exhibit B | Authority Minutes |
| Exhibit C | Authority Resolution |