

BCC Mtg. Date: July 7, 2020

No. 2020-B-03

RESOLUTION
APPROVING THE ISSUANCE OF THE
ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT REFUNDING REVENUE NOTES
(LAKE HIGHLAND PREPARATORY SCHOOL, INC. PROJECT)
IN AN AGGREGATE PRINCIPAL AMOUNT OF
NOT TO EXCEED \$51,000,000

WHEREAS, the Orange County Board of County Commissioners (the "Board") declared a need for the Orange County Industrial Development Authority (the "Authority"), appointed its members and empowered it to act under the provisions of Chapter 159, 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 June 16, 2020 meeting, the public hearing (the "Public Hearing") required by the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), relating to the Orange County Industrial Development Authority Industrial Development Refunding Revenue Notes (Lake Highland Preparatory School, Inc. Project), Series 2020, in one or more series, in an aggregate principal amount not to exceed \$51,000,000 (the "Notes"), proposed to be issued by the Authority, and adopted a resolution, a copy of which is attached hereto as Exhibit "B" and incorporated herein by reference (the "Authority's Resolution"), for the purpose of providing for the issuance of the Notes for the benefit of Lake Highland Preparatory School, Inc.; Lake Highland Preparatory School Foundation, Inc. and OS Complex, Inc., each a Florida not-for-profit corporation (collectively, the "Borrower"), to finance or refinance the cost of the acquisition, construction and equipping of educational facilities (the "Projects") in the County, paying all or a portion of the termination fee associated with an interest rate swap executed by the Borrower in connection with the bonds to be refunded by the Notes, and paying the costs of issuing the Notes as described in the Notice of Public Hearing; and

WHEREAS, the Board is the elected legislative body of Orange County, Florida (the "County") and, based upon representations of the Borrower, the County has jurisdiction over the Projects located within its geographic boundaries 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 and has been advised that: (a) the Notice of Public Hearing apprised residents of the County of the proposed issuance of the Notes not less than 13 days before the Public Hearing; (b) the Public Hearing was conducted in person and by teleconference in a manner which provided a reasonable opportunity for persons

with differing views on both the issuance of the Notes and the location and nature of the Projects to be heard by calling a toll-free telephone number; 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 or participated in the Public Hearing by calling the toll-free number or otherwise expressly objected to the issuance of the Notes for the Projects; and

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

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

SECTION 1. Issuance by the Authority of its Orange County Industrial Development Authority Industrial Development Refunding Revenue Notes (Lake Highland Preparatory School, Inc. Project), Series 2020, in one or more series, in an aggregate principal amount of not to exceed \$51,000,000, as contemplated by the Notice of Public Hearing and the Authority's Resolution shall be, and hereby are, approved.

SECTION 2. This approval is solely for the purpose of Section 147(f) of the Internal Revenue Code and Sections 125.01(z) and 159.47(1)(f), Florida Statutes. The issuance of the Notes and the use of the proceeds thereof to finance and refinance the costs of the Projects 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 Projects, (ii) a recommendation to any prospective purchaser to purchase the Notes, (iii) an evaluation of the likelihood of the repayment of the debt service on the Notes, or (iv) approval of any necessary rezoning applications, approval or acquiescence to the alteration of existing zoning or land use, or approval for any other regulatory permits relating to the Projects, 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 Notes 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 Notes, the acquisition and construction of the Projects, and the Authority shall so provide in the financing documents setting forth the details of the Notes.

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 7th day of July, 2020.

ORANGE COUNTY, FLORIDA
By: Board of Orange County Commissioners

BY: *Jerry L. Demings*
fd Jerry L. Demings, Mayor

ATTEST: Phil Diamond, County Comptroller
As Clerk of the Board of County Commissioners

By: *Phil Diamond*
Deputy Clerk

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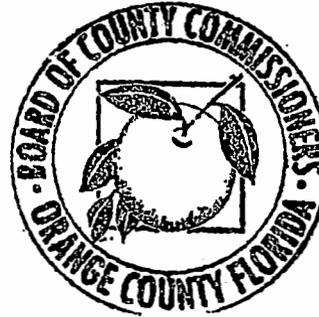


EXHIBIT "A"

NOTICE OF PUBLIC HEARING

EXHIBIT "B"

AUTHORITY'S RESOLUTION

EXHIBIT A

RESOLUTION NO. 2020-01

A RESOLUTION EXPRESSING THE INTENT OF THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY TO ISSUE INDUSTRIAL DEVELOPMENT REFUNDING REVENUE NOTES IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$51,000,000 FOR THE PURPOSE OF LOANING FUNDS TO LAKE HIGHLAND PREPARATORY SCHOOL, INC., LAKE HIGHLAND PREPARATORY SCHOOL FOUNDATION, INC. AND OS COMPLEX, INC. OR THEIR RESPECTIVE SUCCESSORS OR ASSIGNS, IN ORDER TO REFINANCE THE OBLIGATIONS OF SUCH PARTIES UNDER A LOAN AGREEMENT WITH THE ISSUER AND THEREBY (I) REFUND THE ISSUER'S INDUSTRIAL DEVELOPMENT REFUNDING REVENUE BONDS (LAKE HIGHLAND PREPARATORY SCHOOL, INC. PROJECT), SERIES 2011, AND (II) FINANCE OR REFINANCE THE ACQUISITION, CONSTRUCTION, RENOVATION AND EQUIPPING OF CERTAIN EDUCATIONAL FACILITIES, IN ORANGE COUNTY, FLORIDA; AUTHORIZING THE EXECUTION OF A MEMORANDUM OF AGREEMENT PERTAINING TO THE ISSUANCE OF SUCH NOTES; AND PROVIDING CERTAIN OTHER DETAILS WITH RESPECT THERETO.

BE IT RESOLVED by the Orange County Industrial Development Authority, that:

SECTION 1. AUTHORITY. This Resolution is adopted pursuant to the provisions of Parts II and III of Chapter 159, Florida Statutes, as amended, and other applicable provisions of law.

SECTION 2. DEFINITIONS.

A. "Act" means Parts II and III of Chapter 159, Florida Statutes, as amended, and other applicable provisions of law.

B. "Borrower" means, collectively, Lake Highland Preparatory School, Inc., Lake Highland Preparatory School Foundation, Inc. and OS Complex, Inc., and their respective successors or assigns who have been approved by the Issuer.

C. "Chairman" means the Chairman or the Vice Chairman of the Issuer.

D. "County" means Orange County, Florida.

E. "Issuer" means the Orange County Industrial Development Authority, a public body corporate and political of the State.

F. "Notes" or "Note" means the proposed Orange County Industrial Development Authority Industrial Development Refunding Revenue Notes (Lake Highland Preparatory School, Inc. Project), to be issued in one or more series in an aggregate principal amount not exceeding \$51,000,000, to be authorized by subsequent resolution of the Issuer pursuant to the Act and in accordance with the terms, conditions and limitations contained in such resolution.

G. "Projects" means the acquisition, construction, renovation and equipping on the Project Site of capital projects consisting of educational facilities more completely described on Exhibit "A" hereto.

H. "Project Site" means the tracts of land located in the County on which the Projects will be, or have been, constructed and equipped.

I. "Refunded Bonds" means the Issuer's Industrial Development Refunding Revenue Bonds (Lake Highland Preparatory School, Inc. Project), Series 2011.

J. "Refunded Projects" means the educational facilities financed or refinanced with proceeds of the Refunded Bonds.

K. "Secretary" means the Secretary or any Assistant Secretary of the Issuer.

L. "State" means the State of Florida.

SECTION 3. PROPOSAL. The Borrower has requested that the Issuer issue its revenue notes under the Act in one or more series in an aggregate principal amount not exceeding \$51,000,000 for the purpose of (a) refinancing the Refunded Bonds and thereby refinancing the cost of the Refunded Projects, (b) financing or refinancing all or part of the cost of the Projects, including equipment therefor, and (c) paying the costs of issuing the Notes, which amount the Borrower has represented will be sufficient, together with other available funds of the Borrower, to pay all of the aforementioned costs, such Notes to be in conjunction with a financing agreement among the Issuer, the Borrower and the purchaser of the Notes in an amount sufficient to pay the principal of and interest on such Notes as the same become due and payable.

SECTION 4. FINDINGS. The Issuer hereby finds, determines and declares as follows:

A. The Issuer is authorized and empowered by the Act to enter into transactions such as those contemplated by the Borrower, and to fully perform the obligations of the Issuer to be undertaken in connection with the refinancing of the Refunded Bonds and the financing or refinancing of the Projects, which shall promote the economy of the Issuer, the County and the State, increase

opportunities for gainful employment and purchasing power and improve living conditions, and otherwise contribute to the prosperity and welfare of the Issuer, the County, the State and the inhabitants thereof.

B. Based solely upon the representations of the Borrower with respect to the Projects, the Projects are "educational facilities," and "projects" within the meaning and contemplation of the Act and the costs of the Projects will be "costs of a project" within the meaning and contemplation of the Act.

C. The Borrower has requested that the Issuer issue the Notes, in one or more series, in an aggregate principal amount not exceeding \$51,000,000 to refinance the Refunded Bonds and to finance or refinance the acquisition, construction, renovation and equipping of the Projects. The Notes shall be paid solely from the repayment of a loan of the Note proceeds from the Issuer to the Borrower and other collateral security provided by the Borrower.

D. Based solely upon the representations of the Borrower with respect to the Projects, the availability of financing by means of industrial development revenue bonds is an important inducement to the Borrower to proceed with the financing and refinancing of acquisition, construction, renovation and equipping of the Projects.

E. Notice of a public hearing to be held before the Issuer on the date hereof, inviting comments and discussion concerning the issuance of the Notes by the Issuer to refinance the Refunded Projects and to finance or refinance the Projects was published on June 3, 2020, in *The Orlando Sentinel*, a newspaper of general circulation in the County at least thirteen days prior to the date hereof, which the Issuer hereby finds to constitute reasonable notice of such hearing. The Issuer hereby waives any requirement for earlier notice under its policies.

F. Following such notice, a public hearing was held by the Issuer on the date hereof, during which comments and discussions concerning the issuance of the Notes to refinance the Refunded Projects and to finance or refinance the Projects, were requested and heard.

G. Due to the public health emergency caused by the COVID-19 pandemic and the related executive orders of the Governor of the State of Florida, including Executive Orders Nos. 20-51, 20-52, 20-83 and 20-91, a toll-free telephone conference number was provided

to enable the public to participate telephonically in the in-person public hearing.

H. Based upon the representations of the Borrower, the Projects are appropriate to the needs and circumstances of, and shall make a significant contribution to the economic growth of the County shall provide gainful employment and shall serve a public purpose by advancing the economic prosperity and the general welfare of the State, and the issuance of the Notes to refinance the Refunded Bonds and to finance or refinance the Projects will have a substantial public benefit.

I. The Notes shall not be deemed to constitute a debt, liability or obligation, or a pledge of the faith and credit or taxing power, of the Issuer, the County, the State of Florida or any political subdivision thereof, but the Notes shall be payable solely from the revenues and proceeds to be derived by the Issuer from payments received under the financing agreements entered into between the Issuer and the Borrower.

SECTION 5. DETERMINATION. If, upon further investigation of the Borrower and its proposal, the Issuer is able to find that:

A. The Issuer, the Borrower and the proposed purchaser or purchasers of the Notes have executed or will concurrently with the issuance of the Notes execute the documentation required for the refinancing of the Refunded Bonds and the financing or refinancing of the Projects as contemplated hereby, in a form acceptable to the Issuer;

B. Adequate provision has been made in the documents for the operation, repair and maintenance of the Refunded Projects and the Projects at the expense of the Borrower and for the payment of the principal of, premium, if any, and interest on the Notes and reserves, if any, therefor;

C. The interest on the Notes will be excluded from gross income for federal income tax purposes under existing laws of the United States;

D. Based on the criteria established by the Act, the Borrower is financially responsible and fully capable of and willing to fulfill all of its obligations under the terms and provisions of the financing agreement to be negotiated between the parties, under which the Borrower will be obligated, among other things, to pay amounts

sufficient to timely discharge the debt service on the Notes, and to operate, repair and maintain the Refunded Projects and the Projects at the Borrower's expense;

E. Based on the representations of the Borrower, (i) the County is able to cope satisfactorily with the impact of the Refunded Projects and is able to provide or cause to be provided the public facilities that were necessary for the construction and operation of the Refunded Projects, and (ii) the County will be able to cope satisfactorily with the impact of the Projects and will be able to provide or cause to be provided the public facilities that will be necessary for the construction and operation of the Projects.

F. The proposal will otherwise comply with all of the provisions of the Act; and

G. Any other requirements, determinations and conditions that the Issuer may reasonably require in connection with the financing have been satisfied;

then the Issuer shall, and by passage of this Resolution hereby agrees to, issue Notes to refinance the Refunded Bonds and finance or refinance the acquisition, construction, renovation and equipping of the Projects in accordance with the provisions and authority of the Act and this Resolution. The principal amount, terms of maturity, interest rate and other details of the Notes will be determined by the Borrower and the Issuer and subsequently adopted by resolution of the Issuer.

SECTION 6. AUTHORIZATION TO EXECUTE. The Chairman and the Secretary of the Issuer are authorized in the name and on behalf of the Issuer pursuant to this Resolution to execute and deliver a Memorandum of Agreement (the "Memorandum of Agreement") of even date herewith between the Borrower and the Issuer in substantially the form attached to this Resolution as Exhibit "B," with such changes as the officers signing such documents may approve, the execution thereof to be conclusive evidence of such approval. The officers executing such Memorandum of Agreement are further authorized to do all acts which may be required or may be advisable with respect thereto.

The Chairman and the Secretary of the Issuer are further authorized to take such further action and execute such further instruments as may be necessary to fully effectuate the purpose and intention of the Memorandum of Agreement and this Resolution.

SECTION 7. LIMITED OBLIGATIONS. The Notes and the interest thereon shall not constitute an indebtedness or pledge of the general credit or taxing power of the Issuer, the County, the State of Florida or any political subdivision or agency thereof but shall be payable solely from the revenues pledged

therefor pursuant to a financing agreement entered into by and between the Issuer and the Borrower prior to or contemporaneously with the issuance of the Notes.

SECTION 8. RECOMMENDATION. The Issuer hereby recommends that the Board of County Commissioners of the County grant the necessary approvals for the issuance of the Notes.

SECTION 9. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

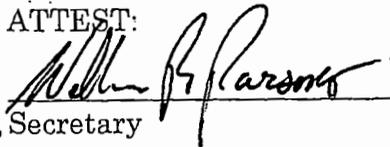
PASSED AND ADOPTED this 16th day of June, 2020.

ORANGE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

(SEAL)

By: 
Chairman

ATTEST:


Asst. Secretary

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EXHIBIT "A" TO RESOLUTION

Project Description

The Projects shall consist of the following:

Financing of the acquisition, construction, renovation and equipping on the Project Site of educational facilities, including (i) the phased replacement of Johnston and Hale Halls with a new multi-story academic building located at 901 Highland Avenue, Orlando, Florida, consisting of approximately 70,000 gross square feet of new academic, administrative, upper school library, and support spaces, (ii) the relocation of an existing softball field and the construction of a new multi-purpose gymnasium, parking lot improvements and an artificial turf field on or near Lake Highland Drive between Highland Avenue and Ferris Avenue, in Orlando, Florida, (iii) the demolition of Maxwell Hall and the renovation and improvement of the Calkins Library, Rex Hall and Highland House, all of which are located at 901 Highland Avenue, Orlando, Florida, (iv) the renovation and improvement of the Lake Highland Preparatory School Annex located at 940 Highland Avenue, Orlando, Florida, (v) the acquisition of the property known as the "American Heart Association Building" located at 236 Marks Street, Orlando, Florida, and (vi) other improvements to existing facilities or to build new facilities at the locations and for the purposes described herein, all of which are located on or in the general vicinity of the Borrower's campuses at 901 Highland Avenue and 741 North Mills Avenue in Orlando, Florida (including on the north side of Lake Highland), and paying the costs of issuing the Notes.

EXHIBIT "B" TO RESOLUTION
Form of Memorandum of Agreement