

SPECIAL ASSESSMENT REVENUE BONDS
(Conroy Road Interchange Project)
SERIES 1998A

DETAILS OF FINANCING:

Program: Special Assessment

Date of Issuance: November 1, 1998

Bond Type: Special Assessment Revenue Bonds

Bond Size: \$28,010,000

Outstanding: \$28,010,000

Type of Loan: Fixed

Payments Dates: Interest is payable semi-annually on each May 1 and November 1
Principal payments are made each November 1
(see *Amortization Schedule*)

Ratings at issuance: *Insured: Moody's "Aaa", S&P "AAA"*

Trustee: JP Morgan Chase Bank

Paying Agent: JP Morgan Chase Bank

Bond Counsel: Nabors, Giblin & Nickerson, P.A. – Bond Counsel

Disclosure Counsel: Holland & Knight LLP

Underwriters: Prager, McCarthy & Sealy
Artemis Capital Group, Inc.

Purpose: To finance the construction of the interchange at the Conroy Road and Interstate 4 intersection, to finance a portion of the capitalized interest on the Series 1998A bonds, to fund the 1998A Reserve Subaccount, and to pay costs of issuance.

SECURITY OF BONDS

The Interchange Project is to be financed from the proceeds of Special Assessment Bonds of two series:

-1998A bonds used to finance capital cost of project and to pay a portion of capitalized interest A and to fund 1998 A reserved fund

-1998B bonds were issued to pay the balance of the unfunded capitalized interest 1998A for 3 years period and for the 1998B reserved fund

Interest on the bonds are payable semi-annually **May 1st** and **Nov 1st** of each year Commencing May 99.

The series 1998A bonds have been structured with a six (6) year interest only period which began **May.99 and ends May. 04**

Capitalized interest is for a period of three (3) years beginning **May 99** and ending **Nov 01**

REDEMPTION OF BONDS

1998A series on or prior to 5/01/08 are not subject to optional redemption.

The 1998A bonds maturing after 5/01/08 may be redeemed prior to their respective maturities at the option of the City.

Mandatory sinking Fund Redemption:

The series 1998A maturing on May 1,2010 will be subject to mandatory redemption prior to their maturity.

The series 1998A maturing on May1, 2026 will be subject to mandatory redemption prior to their maturity from the amortization installments deposited in the 1998A sub-account.

Extraordinary mandatory redemption:

The series 1998A bonds are subject to extraordinary mandatory redemption prior to maturity, in whole on any date or in part on any interest payment date, if and to the extent that any one or more of the following have occurred:

- On or after date of completion of the project , moneys transferred from the Construction account to the 1998A Prepayment Sub-account of the 1998 Redemption account. (or)
- From prepayments deposited into the 1998A Prepayment sub-account of the 1998 redemption account. (or)
- From amounts transferred to the 1998A prepayment sub-account of the 1998 redemption account, resulting from a reduction in the 1998A reserve account requirements as provided in the indenture, and on the date on which the amount on deposit in the 1998A reserve account ,together with other moneys available are sufficient to pay and redeem all the 1998A bonds then outstanding.

Notice of 45 days should be given to the Trustee (Chase Manhattan) prior to each interest payment date for an extraordinary mandatory redemption. (Sample letter attached)

Notice of Redemption shall be given by the Trustees on behalf of the City and shall be mailed first class at least thirty, (30) days prior to the redemption date to all holders of series 1998 bonds.

Funding

The series 1998A bonds are to be payable from and secured by the Series 1998A Assessments, Which are assessments imposed under the City’s Home Rule Assessments Ordinance on the property benefiting from the Interchanged Project. Pledged Transportation Impact Fees and Pledged Increment Revenues.

THE ASSESSMENT PROGRAM

Tax increment Revenue is the amount by which the Ad-Valorem taxes received as the result of development within a blighted area are increased above a base year amount, because of Economic development within that area.

The Indenture permits the City to release the liens of the series 1998A Assessments at such time as the Increment Revenues deposited into the Redevelopment trust Fund have equaled or exceeded 1.60 times Maximum Annual Debt Service for the then current and (2) preceding bond years.

Assessment period means the period ending on the first day of the sixth month preceding The end of the first Bond year and each six month period thereafter. **Nov.1st and May 1st**

Bond year means the annual period beginning on the first day of **November** and ending on the last day of **October** of the following year.

Determined amount means as of any Determination date with respect as to Increment Revenue the periodic portion of the amount deposited into the redevelopment trust fund. with respect to Transportation Impact Fees, paid or prepaid within the assessment area not to exceed in the aggregate of \$5,300,000. provided however that the determined amount with respect to such fees shall be zero as of any determination date, included in an assessment period in which the applicable development threshold has not been met.

Development Threshold means the following Increment Revenues for each of the following Bond years.

<u>Assessment period</u>	<u>Year</u>		<u>Increment Revenue</u>
<u>January 1,</u>	<u>Nov.</u>	<u>Oct.</u>	
1998	1998	1999	0
1999	1999	2000	0
2000	2000	2001	12,876
2001	2001	2002	218,846
2002	2002	2003	475,098
2003	2003	2004	1,646,787
2004	2004	2005	2,117,676
2005	2005	2006	2,579,677
2006	2006	2007	3,002,514
2007	2007	2008	3,136,399

On the first business day following each determination date the city will compute the periodic assessment for the next succeeding assessment period.

January 1st of each year is the measurement date used by the county property appraiser for establishing just value of real property within the county.

The Frozen Tax Base use for determining the incremental assessed value in future years was **\$6,502,265**

The incremental increase in such valuation above the frozen tax base multiplied by the total millage rate is the incremental tax revenue.

The partnership shall be considered in compliance with the Development threshold only if the amount of increment revenue determined to be due and payable is greater or equal to the projected threshold as set forth above.

On **January 10th** (Threshold Verification Date) of each year the city shall notify the partnership in writing, by facsimile transmission, of its determination whether the partnership has complied with the Development Threshold.

If as of any threshold verification date the Partnership has not met the applicable development threshold and has not been cured by the optional non-compliance payment on or before the optional payment date as of each **January 15th**

The Partnership shall secure any deficiency in the 1998 A Reserve sub account through a draw by the City from an unconditional irrevocable **Letter of Credit** in favor of the City issued by a bank or other financial institution acceptable by the City and rated in one of the two highest rating categories by Moody's Standards & Poor or Fitch, **on or before October 1,2001**. For the amount which shall be advanced hereunder, subject to reinstatement is \$ 1,610,690.00

The issuer of the Letter of Credit shall be required to notify the City not later than (3) three months prior to the stated expiration date of the LOC, as to whether such expiration date shall be extended. **All fees and expenses related to the LOC shall be paid by the Developer.**