

## Interlocal Agreement Summary

### ***County Obligations***

- County will not issue debt or obligate itself in excess of the amounts comprising the floor above which TDT will be passed to the City/Agency.
- County will not fund new types of expenses that will impair its ability to fill its reserve, a precursor to the release of the growth in excess of 2% annually to the venues projects.
- County will not repeal the levy of the TDT.
- County will pay the debt service appropriately so as not to impair the amounts that are being transferred to the Trustee to pay the TDT support venues debt.

### ***City and Community Redevelopment Agency Obligations***

- City and Agency will ensure that the buildings will be built in accordance with the descriptions provided within the venue partner agreements.
- Interlocal extends the agreement of 1997 to allow County BCC approval of any CRA expansion.
- County obligation to provide CRA increment funding sunsets on January 1, 2042 or when both the TDT Bonds and the CRA Bonds for the Venues are paid off.
- City and Agency will not seek or support any amendment to the Redevelopment Act that will diminish the powers of the County under that Act.
- City and Agency will not take actions that will make the TDT Bonds taxable. If the City and Agency do, they will reimburse the County for the incremental difference in interest.
- City and Agency agree that the funds will be expended in accordance with TDT laws.
- City and Agency will pay the TDT supported bonds off as soon as possible with the TDT revenues transferred.
- City and Agency will structure the CRA Venues debt so that it can be paid off early and will use any CRA funds not otherwise spent or planned to be spent to pay this debt off.
- City will support the operations of the venues and will not ask the County for operating support.
- Any material changes to the venue partner agreements must be approved by the Board of County Commissioners.
- City and Agency will not issue bond documents that are not in agreement with the Interlocal.
- City will work with the County to dissolve the Civic Facilities Authority.
- Proceeds from the Event Center bonds will be spent in a particular order.
- City and Agency will use “best efforts” to ensure that OPAC has written commitments for \$25MM for operations prior to construction of the PAC.

## ***The Trustee***

- A Trustee shall be jointly selected by the City and County which initially shall be the recipient of TDT revenues in advance of issuance of debt and may also act as the bond trustee for one or more than one bond issuance under this Interlocal Agreement. The Trustee will maintain segregation between the Contract Revenues (1<sup>st</sup> - 4<sup>th</sup> cents) and the Contract Sixth Cent Revenues.
- Any change of Trustee must be approved by the County.
- Trustee will invest the proceeds in accordance with state law and with the priority of preserving the principal amount of Contract Revenues.
- Trustee will hold Contract Revenues in trust for the purposes detailed in the Interlocal.
- Trustee will report balance information and electronic account monitoring capability to the County Administrator, County Comptroller and City Chief Financial Officer.
- Trustee will notify the County Administrator, County Comptroller and City Chief Financial Officer when the bonds are defeased or redeemed and will return any residual Contract Revenues or Contract Sixth Cent Revenues to the County.

## ***Contract Sixth Cent Revenues***

- County will deposit with the Trustee the Contract Sixth Cent Revenues with the Trustee beginning October 1, 2008 until the bonds are defeased or paid in full or November 1, 2038.
- Use of Contract Sixth Cent Revenues will be limited to the construction of the Event Center.
- Contract Sixth Cent Revenues will be used to pay debt service and certain financing costs associated with Contract Sixth Cent Obligations, first for the Series A Obligations, then for the Subordinate Obligations, then to reimbursement of prior year's debt service payments paid from another source, then to prepayment of the debt and finally retained.
- Conditions precedent to Bond Issuance:
  - ❖ Any material changes to agreement with the Magic Parties or plan of finance have been approved by the County.
  - ❖ \$31MM of State Sales Tax Bonds have been issued.
  - ❖ Magic Parties have deposited \$50MM into the construction fund.
  - ❖ Magic Parties have delivered bond insurance commitment on the Subordinate Obligations and an irrevocable agreement to pay any incremental interest costs that may be required if this insurance is used.
  - ❖ The City has acquired all land for the construction of the Events Center and has addressed environmental conditions.
  - ❖ The City has acknowledged that it will provide parking for the Events Center in the amount of \$40,000,000.

- ❖ A lease has been executed that provides for a minimum of \$42,500,000 in operational contributions for a lease period of 25 years with one 5 year extension and that the County will be accorded the same admission, parking and seating benefits accorded the City of Orlando.
- ❖ The City has provided \$12MM cash equivalent to the agreed present value of the Magic lease payments.
- ❖ The City certifies that all funds necessary to construct the Events Center are or will be available.
- The maximum amount of Contract Sixth Cent Obligations is \$270MM plus bond issuance and financing costs not to exceed 3%.
- All Contract Sixth Cent Obligations will be insured.

### ***Contract TDT Revenues***

- Contract TDT Revenues will be deposited on the January 15 following the fiscal year that the TDT Reserve is fully funded and will continue until the later of the date the Contract TDT Obligations are defeased or redeemed in full, the date that is 30 years after the initial deposit of Contract TDT Revenues, or December 31, 2042.
- Contract TDT revenues will be used to pay costs of the PAC and the Citrus Bowl or to pay for debt service related costs thereof.
- The City will establish and the Agency will maintain a \$25,000,000 reserve to back the Contract TDT Obligations. The Agency will pledge to budget and appropriate from legally available revenues to refill this reserve in the unlikely event that it should be accessed.
- Contract TDT Revenues will be applied first, to the accumulation or payment of Contract TDT Obligations, to the replenishment of the Contract TDT Reserve, or to reimbursement of prior year's debt service payments paid from another source, second, to prepayment, defeasance, or redemption of the debt, and third, released to the County.
- Conditions precedent to Bond Issuance for the Performing Arts Center
  - ❖ Any material changes to agreement with OPAC or Florida Citrus Sports or plan of finance have been approved by the County.
  - ❖ OPAC has received written commitments for a minimum of \$50MM for construction of the PAC.
  - ❖ The Agency has issued bonds providing a minimum of \$129MM of construction proceeds.
  - ❖ The City and or Agency will provide funding and financing for the operations, maintenance, parking and infrastructure for the Performing Arts Center.
  - ❖ The County has received confirmation that it will be accorded the same admission, event parking and seating benefits accorded the City.
  - ❖ The City has provided for the financing of a debt service reserve of \$25MM.

- ❖ The land for the Performing Arts Center has been acquired and the City has confirmed that there are no environmental conditions that will prevent or delay the PACs construction.
- The maximum amount of Contract TDT Obligations for the Performing Arts Center is \$130MM plus bond issuance and financing costs not to exceed 3%.
- Conditions precedent to Bond Issuance for the Florida Citrus Bowl:
  - ❖ Any material changes to agreement with Florida Citrus Sports or plan of finance have been approved by the County.
  - ❖ The City or Agency has provided a minimum of \$21,000,000 toward the renovation of the Citrus Bowl.
  - ❖ The City has provided for the financing of a debt service reserve of \$25MM (same one as for the PAC).
  - ❖ The County has received confirmation that it will be accorded the same admission, event parking and seating benefits accorded the City.
- The maximum amount of Contract TDT Obligations for the Citrus Bowl is \$140MM plus bond issuance and financing costs not to exceed 3%.
- The CRA will be expanded to include the Citrus Bowl.