



Legislation Text

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INDUSTRIAL DEVELOPMENT REVENUE BONDS FOR THE HILLEL CENTER (B)

A RESOLUTION EXPRESSING THE INTENT OF THE CITY OF GAINESVILLE, FLORIDA TO LOAN FUNDS FOR THE FINANCING AND REFINANCING OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A SOCIAL SERVICE CENTER IN GAINESVILLE, FLORIDA; PROVIDING FOR THE LENDING OF FUNDS FOR SUCH PURPOSE TO GAINESVILLE HILLEL, INC., OR ITS SUCCESSORS OR ASSIGNS; PROVIDING FOR THE ISSUANCE OF INDUSTRIAL DEVELOPMENT REVENUE BONDS OF THE CITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$5,000,000 FOR THE PURPOSE OF MAKING A LOAN OF FUNDS TO FINANCE ALL OR A PORTION OF THE COST OF SUCH PROJECT; AUTHORIZING THE EXECUTION OF A MEMORANDUM OF AGREEMENT PERTAINING TO THE ISSUANCE OF SUCH BONDS; AND PROVIDING CERTAIN OTHER DETAILS WITH RESPECT THERETO.

The City Commission: 1) hold a public hearing; and 2) adopt the proposed resolution.

Gainesville Hillel, Inc., a Florida not-for-profit corporation, has requested that the City issue Industrial Development Revenue Bonds pursuant to Part II, Chapter 159, Florida Statutes, in an amount not in excess of \$5,000,000 to finance or refinance a social service center consisting of a student activities center. This center was approved as a planned development by the City in February, 2001, and will be located at 2020 West University Avenue, Gainesville, Florida 32603 (in the vicinity of 2026 and 2038 West University Avenue).

The Bonds shall not constitute a debt, liability or obligation of the City or the State of Florida, or any political subdivision thereof, but shall be payable solely from revenues paid by Gainesville Hillel, Inc. to the City under the terms of a Loan Agreement between the City and Gainesville Hillel, Inc. The Bonds are anticipated to be issued in minimum denominations of \$100,000 and will be secured by an irrevocable letter of credit to be issued by The Northern Trust Company.

A public hearing regarding the financing is required by the Internal Revenue Code. Upon completion of the public hearing a Resolution will be offered for the Commission's consideration and adoption. If adopted, the Resolution authorizing the issuance of the Bonds is anticipated to be placed on the April 28 City Commission agenda.

It is recommended that the City Commission adopt the Resolution, which (a) authorizes the City to proceed forward with a financing for Gainesville Hillel, Inc. so long as certain findings set forth therein can be made, (b) approves the form of, and, subject to approval by City Attorney as to form and legality, authorizes the Mayor and the City Clerk to execute, a Memorandum of Agreement between the City and Gainesville Hillel, Inc. and (c) approves the plan of financing in connection with the issuance of the bonds for the purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended.

