

RESOLUTION NO. 11-19

A RESOLUTION OF THE CAPITAL TRUST AGENCY EXPRESSING ITS INTENT TO ISSUE CAPITAL TRUST AGENCY EDUCATIONAL FACILITIES REVENUE BONDS, IN ONE OR MORE SERIES, EITHER TAXABLE OR TAX-EXEMPT, OR BOTH, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$35,250,000 FOR THE PURPOSE OF FINANCING OR REFINANCING, INCLUDING THROUGH REIMBURSEMENT, THE COSTS OF THE PROJECT (AS HEREINAFTER DEFINED) AND PAYING THE COSTS OF ISSUANCE OF THE BONDS; AND APPROVING AND AUTHORIZING OTHER ACTIONS IN CONNECTION THEREWITH.

WHEREAS, Advantage Academy of Hillsborough, Inc., a Florida not-for-profit corporation, d/b/a Independence Academy, Channelside Academy Middle School, Channelside Academy of Math and Science and Advantage Academy of Hillsborough, and/or one or more related and/or affiliated entities (collectively, the "Borrower"), plans to acquire, improve, equip and own the charter school facilities fully described on Schedule I attached hereto, which, by this reference thereto, is incorporated herein (each, a "Facility" and collectively, the "Facilities"), such Facilities to be located in Hillsborough, Florida; and

WHEREAS, the Capital Trust Agency (the "Agency") is a legal entity and public agency of the State of Florida (the "State"), organized and existing under the provisions of Chapter 163, Part I, Chapter 166, Part II, and Chapter 617, Florida Statutes; Ordinance No. 5-97 duly enacted by the City Council of the City of Gulf Breeze, Florida (the "City"), on July 7, 1997, as amended, restated and supplemented; Ordinance No. 2-00 duly enacted by the Town Council of the Town of Century, Florida (the "Town"), on August 7, 2000, as amended and supplemented; and an Interlocal Agreement dated as of August 2, 1999, between the City and the Town, as amended and supplemented, with powers as a "local agency" under Chapter 159, Part II, Florida Statutes, and other applicable provisions of law (collectively the "Act"), and is empowered pursuant to the Act to issue revenue bonds for the purpose of providing funds to finance or refinance, including through reimbursement, all or any part of the cost of any "project" (as defined in the Act); and

WHEREAS, the Borrower has requested the Agency issue its Educational Facilities Revenue Bonds in an aggregate principal amount not to exceed \$35,250,000 (the "Bonds") in one or more series, either taxable or tax-exempt, or both, and loan the proceeds thereof to the Borrower for the purpose of financing or refinancing, including through reimbursement, (i) the acquisition, equipping and improvement of certain the Facilities and the real property upon which such Facilities are located, (ii) if deemed necessary, the funding of a debt service reserve fund for the Bonds, and (iii) the payment of certain costs of issuing the Bonds (the purposes described in clauses (i) through (iii) are hereinafter collectively referred to as the "Project"); and

WHEREAS, subject to final approval of the Agency prior to such issuance, the Agency desires to issue the Bonds and desires to authorize certain officers to take certain actions in preparation for the marketing, sale and issuance of such Bonds; and

WHEREAS, it is the Agency's intent that this Resolution constitute an "official intent" within the meaning of Treasury Regulations Section 1.150-2 for the Agency to declare its intent to use proceeds of the Bonds to reimburse prior capital expenditures of the Borrower in connection with financing the Facilities.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF THE AGENCY THAT:

Section 1. The Agency hereby expresses its intent to issue the Bonds in one or more series, either taxable or tax-exempt, or both, in an aggregate principal amount not to exceed \$35,250,000 under and pursuant to the Act, and to loan the proceeds thereof to the Borrower, for the purpose of financing or refinancing, including through reimbursement, the Project, subject to the final approval of the terms and conditions thereof by the Agency.

Section 2. The officers, officials, the Executive Director and the attorney for the Agency, and Bryant Miller Olive P.A., as bond counsel to the Agency ("Bond Counsel"), are hereby authorized, jointly and severally, to cooperate with the Borrower in obtaining the required approval of the Bonds by the applicable elected representative, after notice and a public hearing for the purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code").

Section 3. The Bonds shall be sold at negotiated sale to BB&T Capital Markets, a division of BB&T Securities, LLC, or such other purchaser or underwriter selected by the Borrower and approved by the Agency as purchaser or underwriter with respect to the Bonds (the "Underwriter"). There is hereby acknowledged at the appropriate time, if necessary, the distribution of a preliminary offering document to potential purchasers of the Bonds, upon approval of the information attributable to the Agency in the form thereof by the Chairman, the Executive Director or each of their designees. If the Borrower and the Underwriter desire to distribute a preliminary offering document prior to the adoption of a final bond resolution by the Agency, the Chairman, the Executive Director or each of their designees are hereby authorized and empowered, on behalf of the Agency, to authorize the inclusion of one or more additional co-managing underwriters in the preliminary offering document.

Section 4. The officers, officials, attorneys and agents of the Agency are hereby authorized and directed, jointly and severally, to take such actions as they may deem necessary or advisable to assist in the marketing, sale, issuance and administration of the Bonds and otherwise effectuate the purposes of this Resolution. All actions heretofore taken by the officers of the Agency for such purposes are hereby confirmed and ratified.

Section 5. Nothing herein shall obligate the Agency to issue the Bonds if, at any time prior to the sale thereof by the Agency to the purchaser or underwriter thereof, the Agency shall determine that it is not in the public interest or the interest of the Agency to proceed with the issuance of the Bonds for any reason whatsoever, including, without limitation, the marketing plan for the sale of the Bonds to investors.

Section 6. It is the intention of the Agency to issue the Bonds pursuant to the Act to create a financing program to make loans to assist in financing or refinancing projects meeting the criteria set forth in the Act, which loans shall mature not later than the final maturity of the applicable series of the Bonds. The amounts to be held in any reserve fund, any loan fund, amounts to be received from the repayment of principal of and interest on the loans, the income to be derived from the investment thereof and any other available moneys under the financing program for the Project are expected to be sufficient to pay the debt service on the Bonds.

Section 7. The Executive Director of the Agency is hereby authorized to execute the Agency's letter or letters addressed to the Borrower in substantially the form attached to this Resolution as Exhibit A, which by this reference thereto, is incorporated herein, with such changes therein, whether made prior to the execution thereof or thereafter, as shall be

approved from time to time by the Executive Director on behalf of the Agency.

Section 8. The Agency hereby authorizes Bond Counsel and the attorneys for the Agency to take all necessary action to validate the Bonds under Chapter 75, Florida Statutes, if such action shall be deemed necessary or appropriate by such counsel. The appropriate officials of the Agency are hereby authorized to provide such assistance, take such action, and execute and deliver on behalf of the Agency such documents or instruments as may be necessary or required in connection with any validation of the Bonds or satisfaction of any conditions therefor. Notwithstanding the foregoing, the Agency acknowledges that it has validated bonds for qualifying purposes, and a portion of such validated bonds may be allocated to the Bonds.

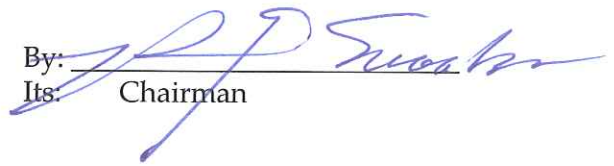
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Section 9. This Resolution shall take effect immediately upon its adoption.

Adopted on April 18, 2019.



CAPITAL TRUST AGENCY

By: 
Its: Chairman

ATTEST:

By: 
Its: Assistant Secretary

CERTIFICATE OF ASSISTANT SECRETARY

I, Chris Kemp, Assistant Secretary of the Capital Trust Agency, Santa Rosa County, Florida, do hereby certify that the above and foregoing is a true and correct copy of Resolution No. 11-19 and its supporting exhibit and schedule as the same was duly adopted and passed at a public meeting of the Board of Directors of the Capital Trust Agency on the 18th day of April, 2019, and as the same appears on record in my office.

IN WITNESS WHEREOF, I hereunto set my hand and official seal this 18 day of April, 2019.

CAPITAL TRUST AGENCY



By: Chris Kemp
Its: Assistant Secretary

EXHIBIT A
FORM OF LETTER

[CTA Letterhead]

_____ 2019

Advantage Academy of Hillsborough, Inc.
CSA 5471 North University Drive
Coral Springs, Florida 33067

Re: Proposed (i) acquisition, improvement and equipping by the Borrower of the Facilities (as defined and described in the hereinafter defined Inducement Resolution), (ii) if deemed necessary, the funding of a debt service reserve fund for the Bonds (as hereinafter defined), and (iii) the payment of certain costs of issuing the Bonds (the purposes described in clauses (i) through (iii) are hereinafter collectively referred to as the "Project") with revenue bonds issued by the Capital Trust Agency.

Ladies and Gentlemen:

Based upon recent discussions with representatives of Advantage Academy of Hillsborough, Inc., a Florida nonprofit corporation, d/b/a Independence Academy, Channelside Academy Middle School, Channelside Academy of Math and Science and Advantage Academy of Hillsborough, and/or one or more related and/or affiliated entities (collectively, the "Borrower"), it is the understanding of the officials and representatives of the Capital Trust Agency (the "Agency"), that: (i) the Borrower is currently undertaking the acquisition, improvement and equipping of the Facilities, as more fully described on Schedule I to Resolution No. __-19 adopted by the Agency on April 19, 2019 (the "Inducement Resolution"), with a portion of the cost of the Facilities to be financed or refinanced, including through reimbursement, with revenue bonds of the Agency in an aggregate principal amount not to exceed \$35,250,000 (the "Bonds"); (ii) the acquisition of the Facilities by the Borrower will provide educational facilities within the meaning of the Act (as defined in the Inducement Resolution), advance the public purposes of the Act, improve education and provide and preserve employment in the community where the Facilities are located, and (iii) the willingness of the Agency to issue and sell the Bonds for the purpose of financing or refinancing, including through reimbursement, the Project are important factors under consideration by the Borrower in determining the extent of the feasibility of the Project.

The Agency has determined that the Agency's issuance of the Bonds to assist the Borrower by financing or refinancing, including through reimbursement, such Project will promote the public purposes for which the Agency was created, will enable the Borrower to serve a public purpose by providing needed educational facilities and increasing the bargaining power of the Borrower to obtain favorable financing for its educational programs, and will promote and advance the economic prosperity, education and the general welfare of the State of Florida (the "State") and its people. Neither this letter nor the Inducement

Resolution constitutes final authorization to issue the Bonds. Final approval will be in the form of an authorizing resolution that must be approved upon receipt of the finalized plan of finance and substantially complete bond and offering documents acceptable to the Agency.

Accordingly, in order to induce the Borrower to incur expenses for the initiation of such Facilities and their financing or refinancing, the Agency hereby makes the following proposal:

1. The Agency will, subject to the requirements of applicable law and financial feasibility, issue the Bonds in one or more series or installments, either taxable or tax-exempt, or both, totaling in the aggregate a principal amount not to exceed \$35,250,000 for the purpose of paying, financing or refinancing the cost of the Project. The Bonds will be secured by the source of security provided for in the financing documents for the Bonds, and will be issued in one or more series, either taxable or tax exempt, in such aggregate principal amount, mature at such times, bear interest at such rates and be subject to such other terms and have such security as shall be agreed upon between the Agency and the Borrower.

2. The Agency and the Borrower will enter one or more loan agreements (the "Agreement") which shall provide for the loan of the proceeds from the sale of the Bonds to the Borrower, for the acquisition, improvement and equipping of the Facilities (including eligible reimbursement to the Borrower for costs of the Facilities incurred prior to the delivery of the Agreement) and repayment of such loan by the Borrower. The installment payments to be made by the Borrower in repayment of the loan pursuant to the Agreement shall be pledged to the payment of the principal of, interest on and redemption premium, if any, applicable to the Bonds and the fees and expenses of the trustee. The loan installments shall be fully sufficient to pay the cost of the Facilities, the cost and expenses of financing or refinancing the same and the fees and expenses of the Borrower, the trustee and the Agency related thereto.

3. The Agency will cooperate in the prompt preparation of the Agreement and the necessary resolutions for the authorization and sale of the Bonds and, to the extent the Bonds are not allocated to any series of Bonds already validated, will promptly proceed with validation of the Bonds in the appropriate Circuit Court, pursuant to the provisions of Chapter 75, Florida Statutes, if, in the opinion of bond counsel for the Agency or the Agency's attorneys, such validation proceedings are necessary or desirable.

4. 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 the terms of the Agreement in the form in which it shall be finally approved by resolution of the Agency, the provisions of the Agreement as so approved shall control.

5. Upon acceptance by the Borrower, the Agency shall keep open and outstanding this commitment and inducement to the Borrower for a reasonable time so long as the Borrower shall be proceeding with appropriate efforts toward conclusion of any arrangements necessary to the financing or refinancing, including through reimbursement, of the Facilities; provided, however, if for any reason (other than that which shall be the fault of the Agency) the Bonds are not delivered to the purchaser or purchasers thereof by April 1, 2020, then the provisions of this proposal and the agreement resulting from its acceptance by the Borrower may be cancelled at any time thereafter, at the option of the Agency and without notice to the Borrower, by resolution of the Agency, duly adopted. In such event, or in the event of its earlier cancellation by agreement between the Borrower and the Agency, neither party shall

have any rights against the other and no third party shall have any rights against either party except:

(a) the Borrower will pay to the Agency the amount of all expenses which shall have been incurred by the Agency in connection with the Project (expenses incurred related to travel to project sites and TEFRA hearings will be invoiced monthly for payment upon receipt);

(b) the Borrower will assume and be responsible for all contracts entered into by the Agency at the request of the Borrower in connection with the Project; and

(c) the Borrower will pay the out-of-pocket expenses of officials and representatives of the Agency and counsel for the Agency incurred in connection with the financing or refinancing of the Facilities and will pay counsel for the Agency and Bryant Miller Olive P.A., bond counsel for the Agency, a reasonable retainer and legal fees for legal services related to the issuance of the Bonds or the financing or refinancing of the Facilities, whether or not the financing or refinancing actually closes.

6. The Borrower shall have responsibility to arrange for the purchase of the Bonds by investors or an underwriter acceptable to the Agency and the payment of all costs of issuing the Bonds, and such Bonds shall only be offered and marketed in accordance with the applicable securities laws and such offering limitations as may be approved by the Agency.

7. The Agency shall not be obligated to pay any of the Bonds or the interest thereon from any funds of the Agency derived from any source other than the Agreement, and each Bond shall contain a statement to that effect upon its face. The Agency shall not be required to incur any expense with respect to the Facilities or the Bonds unless requested to do so by the Borrower, in which event the Borrower hereby agrees to reimburse the full amount of such expense to the Agency; and the Agency may require payment to it of such amount as a prerequisite to its incurring any such expense. The Borrower, in accepting this proposal, hereby agrees to pay the annual fees of the Agency and agrees to indemnify and defend the Agency and its officials, employees, attorneys and agents and the members of the governing board of the Agency, and hold the Agency and its officials, employees, attorneys and agents and the members of the governing board of the Agency, harmless against any and all claims, losses, liabilities or damages to property or any injury or death of any person or persons occurring in connection with the acquisition, improvement, equipping and operation of the Facilities by or on behalf of the Borrower, or in any way growing out of or resulting from this proposal (upon its becoming an agreement if accepted) or from the issuance, sale or delivery of the Bonds, including, but not limited to, liabilities arising under the Internal Revenue Code of 1986, as amended, the Securities Act of 1933, the Securities Exchange Act of 1934 or any applicable securities law of the State, including, without limitation, all costs and expenses of the Agency, including reasonable attorneys' fees, incurred in the enforcement of any agreement of the Borrower herein contained or in the Agreement. Any provision hereof to the contrary notwithstanding, the obligations of the Borrower under this section or Section 7 of the Inducement Resolution shall survive the termination of this agreement.

8. The Borrower shall comply with all requirements and pay all costs and expenses as may be required of the Borrower or the Agency pursuant to all applicable approvals by, or any interlocal agreements between, the Agency and any applicable public agencies having jurisdiction over the Facilities.

9. As a condition of any future submittal to the Agency for an authorizing resolution to issue the Bonds, substantially final documents must be delivered to the Agency 14 calendar days before a scheduled board meeting date. When applicable, the Agency will require a feasibility study, sources and uses of funds, historical financial statements, if any, and pro forma statements in addition to the indenture, loan or financing agreement and preliminary offering document in substantially completed forms.

If this proposal shall be satisfactory to the Borrower, please have the acceptance statement which follows this proposal executed by the proper officers of the Borrower on behalf of itself duly authorized and provide an executed copy to the Agency, whereupon this proposal will constitute an agreement in principle with respect to the matters herein contained.

Yours very truly,

CAPITAL TRUST AGENCY

(SEAL)

By: _____
Ed Gray, III, Executive Director

[Acceptance by Borrower Follows]

Acceptance by Borrower

The terms and conditions contained in the foregoing proposal by the governing board of the Agency are hereby accepted as obligations of the Borrower, as of this ____ day of April, 2019.

**ADVANTAGE ACADEMY OF
HILLSBOROUGH, INC., d/b/a Independence
Academy, Channelside Academy Middle School,
Channelside Academy Of Math And Science And
Advantage Academy Of Hillsborough**

By: _____
Name: Ms. Patricia Rogers
Title: Chair

SCHEDULE I

The Project consists primarily of the acquisition, equipping and improvement of each of the following "Facilities" described below, including related facilities, fixtures, furnishings and equipment and the real property upon which such Facilities are located:

The Facilities shall mean and include:

(a) an existing, approximately 62,000 square-foot charter school facility to accommodate up to approximately 910 students in grades Kindergarten through Eighth at full occupancy, including related facilities, fixtures, furnishings and equipment, known as Independence Academy, located at 12902 East US Highway 92; Dover, Hillsborough County, Florida 33527; and

(b) an existing, approximately 31,500 square-foot charter school facility to accommodate up to approximately 535 students in grades Kindergarten through Eighth at full occupancy, including related facilities, fixtures, furnishings and equipment, known as Channelside Academy Middle School and Channelside Academy of Math and Science, each located at 1029 East Twiggs Street, Tampa, Hillsborough County, FL 33602; and

(c) an existing, approximately 27,000 square-foot charter school facility to accommodate up to approximately 500 students in grades Kindergarten through Eighth at full occupancy, including related facilities, fixtures, furnishings and equipment, known as Advantage Academy of Hillsborough, located at 304 West Prosser Drive, Plant City, Hillsborough County, Florida 33563.