



MARITIME PARK FINANCING UPDATE

March 23, 2009



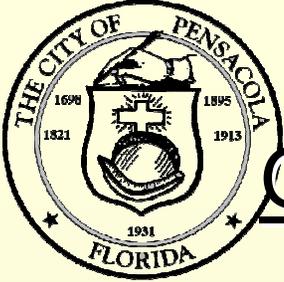
Definitions

- Tax increment Financing (TIF)- revenues collected within the CRA District.
- Pledge – the revenue source that secures the debt service payment.
- Covenant to Budget & Appropriate –revenues in addition to the pledged revenue to secure debt service.
- Cost of Issuance (COI) - This cost will exist with both long term and short term financings but at different amounts.
- Capitalized Interest (Cap I) - funds the first 2 years of Interest payments from bond proceeds.
- Bond Insurance through Assured Guarantee – insured rating is AAA which historically reduces rates up to 100bpts.



Assumptions

- TIF revenues are pledged to debt service, however may be insufficient to cover annual CRA operations, ECUA payment schedule and anticipated debt service amounts.
- Covenant to Budget and Appropriate from non-ad valorem revenues
- \$40 Million Project Fund
 - Approximately \$2M already spent by CRA for CMA project
 - \$38M for project development
- Long term = 30 years
- Variable Rate
 - Securities Industry & Financial Markets Association (SIFMA)+ 34bpts
 - London Interbank Offer Rate (LIBOR) + 75 bpts



Gulf Breeze Loan Pool Variable Rate

Interest Rates Range

Highest October 2000: 4.63% Lowest March 2009: .9089%

Cost of Issuance: less than \$125,000

■ Pros

- Rate is much lower than traditional fixed
- Ability to structure "interest only" for the first 3 years
- Monthly interest payments only on principal drawn
- Opportunity to refund to a permanent 30 year financing
- GBLP sunsets December 2017 = 8 year loan

■ Cons

- Interest rates change on a monthly basis
- Future market risk
- COI is greater due to two transactions
- May not have entire \$40M



Long Term Fixed with 2 years Capitalized Interest thru 4/1/2011

Interest Rates	4.00% - 5.25%
Cost of Borrowing	\$51,434,784
Construction Fund	<u>40,000,000</u>
Total P&I	\$91,434,784*

*Includes Cost of Issuance and Insurance of \$1,505,400

- Pros
 - Established interest rate and annual debt service payment for 30 year period
 - Eases pressure on TIF revenues for early years
- Cons
 - More expensive than 30 year level debt service bond issue
 - Need other sources of City revenue to make debt service payment
 - ECUA Agreement
 - CRA Operating Expenses
 - Can be difficult to sell bonds in current market



30 Year Fixed Rate Bond

Interest Rates	4.00% - 5.25%
Cost of Borrowing	\$45,602,469
Construction Fund	<u>40,000,000</u>
Total P&I	\$85,602,469*

*Includes Cost of Issuance and Insurance of \$1,370,000

■ Pros

- Established interest rate and annual debt service payments for a 30 year period
- Rates are still at historic lows

■ Cons

- High interest cost in early years
- Requires other sources of City revenue to make debt payments
- ECUA Agreement
- CRA Operating Expenses
- Can be difficult to sell in current market



**Community Redevelopment Agency
Financial Projections
as of March 23, 2009
LEVEL Debt; Insured**

FISCAL YEAR	ANNUAL TIF REVENUES	CRA OPERATING & EXISTING DEBT	CMP PROPOSED DEBT	WASTEWATER PLANT	NET AVAILABLE
2010	4,420,369.29	2,120,914.14	2,473,406.00	-	(173,950.85)
2011	4,420,369.29	2,168,312.14	2,969,087.00	1,559,256.00	(2,276,285.85)
2012	4,641,387.76	2,218,426.02	2,969,287.00	2,142,372.00	(2,688,697.26)
2013	4,873,457.15	1,842,068.80	2,970,537.00	2,088,886.00	(2,028,034.65)
2014	5,117,130.00	1,898,317.45	2,969,787.00	2,034,863.00	(1,785,837.45)
2015	5,372,986.50	1,958,030.22	2,967,037.00	1,980,301.00	(1,532,381.71)
2016	5,641,635.83	2,021,505.46	2,967,287.00	1,444,322.00	(791,478.63)
2017	5,923,717.62	2,089,070.11	2,970,287.00	750,000.00	114,360.52
2018	6,219,903.50	2,140,552.74	2,970,787.00	750,000.00	358,563.76
2019	6,530,898.68	2,193,796.44	2,968,787.00	750,000.00	618,315.24
2020	6,857,443.61	2,248,872.62	2,969,287.00	750,000.00	889,284.00
2021	7,200,315.79	2,305,855.85	2,969,175.00	750,000.00	1,175,284.95
2022	7,560,331.58	2,364,823.99	2,970,912.00	750,000.00	1,474,595.59
2023	7,938,348.16	2,425,858.38	2,969,237.00	750,000.00	1,793,252.78
2024	8,335,265.57	2,489,043.92	2,967,487.00	750,000.00	2,128,734.65
2025	8,752,028.85	2,554,469.31	2,967,487.00	750,000.00	2,480,072.54
2026	9,189,630.29	2,622,227.20	2,968,987.00	750,000.00	2,848,416.09
2027	9,649,111.80	2,692,414.37	2,966,737.00	750,000.00	3,239,960.43
2028	10,131,567.39	2,765,131.94	2,970,737.00		4,395,698.45
2029	10,638,145.76	2,840,485.54	2,970,487.00		4,827,173.22
2030	11,170,053.05	2,918,585.55	2,965,987.00		5,285,480.50
2031	11,728,555.70	2,999,547.31	2,967,237.00		5,761,771.40
2032	12,314,983.49	3,083,491.35	2,968,812.00		6,262,680.14
2033	12,930,732.66	3,170,543.65	2,969,875.00		6,790,314.01
2034	13,577,269.30	3,260,835.87	2,970,162.00		7,346,271.43
2035	14,256,132.76	3,354,505.64	2,969,412.00		7,932,215.12
2036	14,968,939.40	3,451,696.82	2,967,362.00		8,549,880.58
2037	15,717,386.37	3,552,559.82	2,968,750.00		9,196,076.55
2038	16,503,255.69	3,657,251.86	2,968,050.00		9,877,953.83
			<u>\$ 85,602,469.00</u>	<u>\$ 19,500,000.00</u>	



Pending Actions

- Waiver of Section 11.02(f) in MDA.
- Master Development Agreement (MDA) and Interlocal Agreement may need revision of specific language contained therein.
- Approve bond structure and related documents.
- Negotiations with ECUA on Wastewater Treatment Plant payments.



QUESTIONS