



Legislation Text

File #: 19-5664, Version: 1

Title:

TEFRA Hearing: Corvian Community School, Inc.

Summary

ACTION:

(1) Open TEFRA public hearing and receive comments on the proposed financing by Corvian Community School, Inc.;

(2) Close public hearing and adopt resolution entitled:

Resolution of the Board of Commissioners of the County of Mecklenburg, North Carolina, approving the issuance by the Public Finance Authority of its education revenue bonds (Corvian Community School) series 2019 in an aggregate principal amount not to exceed \$30,000,000

Staff Contact: Tyrone C. Wade, County Attorney

Presentation: No

BACKGROUND/JUSTIFICATION:

As more fully explained in the attached Resolution, CCSSH, LLC (the "*Borrower*"), a North Carolina limited liability company whose sole member is Corvian Community School, Inc. (the "*Corporation*"), a nonprofit corporation, has requested that the Public Finance Authority, a public authority existing under the laws of the State of Wisconsin (the "*Authority*"), issue its Education Revenue Bonds (Corvian Community School) Series 2019 (the "*Bonds*"), in an aggregate principal amount not to exceed \$30,000,000 and loan the proceeds thereof to the Borrower for the following purposes:

(a) financing or refinancing including through reimbursement, the acquisition, construction, improvement, and equipping of land and certain charter school facilities of the Borrower and the Corporation, including but not limited to (i) acquiring the approximately 10.02 acres of land and structure located thereon at 4119 Johnston Oehler Road, Charlotte, North Carolina 28269 (the "*Land*"), the Borrower's and the Corporation's elementary school facilities consisting of one approximately 29,169

square foot building and approximately 17.01 acres of land located at 9501 David Taylor Drive, Charlotte, North Carolina 28262 (the “Elementary School”) and middle school facilities consisting of one approximately 35,800 square foot building and approximately 14.47 acres of land located at 4125 Johnston Oehler Road, Charlotte, North Carolina 28269; (ii) constructing, improving, and equipping a multi-purpose synthetic turf athletic field and track with lighting and 400-seat stadium seating and an approximately 1,700 square foot press box and fieldhouse building on the Land; and (iii) painting and repairing and renovating flooring, walls, and HVAC equipment in the Elementary School ((a)(i) through(iii), together, the “Project”);

(b) funding a debt service reserve fund for the Bonds;

(c) funding capitalized interest on all or a portion of the Bonds during all or a portion construction of the Project; and

(d) paying all or a portion of the costs of issuance of the Bonds.

Corvian Community School, Inc., is using the Wisconsin Public Finance Authority as the issuer of the Bonds because of a desire to have a 30-year maturity on the debt; the North Carolina Capital Facilities Finance Agency, which would be the North Carolina issuer, has a policy which prohibits a bond maturity greater than 20 years.

In order to comply with federal tax law, and the code and approval requirements, Corvian Community School, Inc., has requested that the Mecklenburg County Board of Commissioners hold a public hearing and approve the Resolution. This approval will not make the County responsible in any way for the Bonds or the Project financed with bond proceeds. Hosting the public hearing and approving the issuance of the Bonds are merely ministerial acts that will enable the Borrower to comply with federal tax law requirements in order that interest on the Bonds be exempt from federal income tax.

PROCUREMENT BACKGROUND:

N/A

POLICY IMPACT:

N/A

FISCAL IMPACT:

N/A