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CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA

Memorandum

MIAMI-DADE COUNTY

Date: November 20, 2008

Agenda Item No. 10(A)(4)

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Resolution No. R-1236-08

Subject: Resolution Approving Issuance of Industrial Development Revenue Bonds for American Public Media Group Project

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Recommendation

The attached Resolution is being placed on the agenda for the consideration of the Board of County Commissioners (BCC) on behalf of the Miami-Dade County Industrial Development Authority (IDA). The item approves the issuance of industrial development revenue bonds by the IDA for American Public Media Group. Details of the project are included in the accompanying memorandum and exhibits by the Chairman of the IDA to the BCC.

Scope

A portion of proceeds from the revenue bonds will be used to reimburse the company for the purchase of the WKCP 89.7 FM Miami broadcast license, and studio equipment and transmission equipment for the Richland transmission tower located at 17107 SW 248th Street, unincorporated Miami-Dade County, Florida, which is within Commission District 8.

The production studio will be relocated from an existing location in Broward County to the New River Trading Post, 333 Himmashee Street, Suites 206 and 207, in the City of Fort Lauderdale, Florida.

Fiscal Impact/Funding Source

Neither the Miami-Dade County Industrial Development Authority nor Miami-Dade County has any liability with respect to the repayment of the bonds.

Track Record

Issuance of the bonds will be conducted and monitored by the Executive Director of the IDA.

Background

Section 147(f) of the Internal Revenue Code of 1986 ("TEFRA") requires that the BCC approve the issuance of industrial development revenue bonds after a public hearing has been held either by the IDA or the BCC itself. The IDA has the authority to conduct the public hearing subject to review and ratification by the BCC. IDA held a public hearing on August 13, 2008; therefore this item is being presented for BCC review and ratification.

With respect to the relocation of the production studio, a separate public hearing was held in Broward County and the project was reviewed and approved by the Broward Board of County Commissioners.

Attachments

Cynthia W. Curry
Senior Advisor to the County Manager

Memorandum

MIAMI-DADE COUNTY

Date: November 20, 2008

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

From: Albert Morrison, Jr.
Miami-Dade County
Industrial Development Authority

Subject: Application for Industrial Development Revenue Bond financing for American Public Media Group project

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RECOMMENDATION

It is recommended the Board approve the issuance of the Authority's Industrial Development Revenue Bonds for the American Public Media Group project, as detailed in the attached reports.

BACKGROUND

Review and analysis of the project has been completed by the Authority, County Attorney's Office, and Bond Counsel. The Authority has conducted the federally required public hearing, as detailed in the attached public hearing transcript.

American Public Media Group, a Minnesota not-for-profit corporation, has applied for Industrial Development Revenue Bond financing assistance in a maximum principal amount not to exceed $22,500,000. The bond issue proceeds, which will be guaranteed by a letter of credit from a rated financial institution, will be used to reimburse the Company for the purchase from Trinity International University located in Davie, Florida, of the WKCP 89.7 FM Miami broadcast license and studio equipment and the transmission equipment at the Richland transmitter tower (formerly known as the WTVJ/NBC transmitter tower) located at 17107 SW 248th Street, in unincorporated Miami-Dade County, as well as fund the purchase of new studio equipment and pay costs of issuance of the Bonds.

The studio at Trinity International University will be relocated to the New River Trading Post, 333 Himmashee Street, Suites 206 and 207, in the City of Fort Lauderdale, Broward County, Florida. American Public Media Group reports the radio station currently employs 8 persons and expects to hire an additional 4 new employees when the new Fort Lauderdale facilities are completed.

MEMORANDUM

(Revised)

TO: Honorable Chairman Bruno A. Barreiro and Members, Board of County Commissioners

DATE: November 20, 2008

FROM: R. A. Cuevas, Jr. County Attorney

SUBJECT: Agenda Item No. 10(A)(4)

Please note any items checked.

_____ "4-Day Rule" ("3-Day Rule" for committees) applicable if raised

_____ 6 weeks required between first reading and public hearing

_____ 4 weeks notification to municipal officials required prior to public hearing

_____ Decreases revenues or increases expenditures without balancing budget

_____ Budget required

_____ Statement of fiscal impact required

_____ Bid waiver requiring County Manager's written recommendation

_____ Ordinance creating a new board requires detailed County Manager's report for public hearing

_____ Housekeeping item (no policy decision required)

_____ No committee review

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 10(A)(4)
11-20-08

RESOLUTION NO. R-1236-08

RESOLUTION APPROVING ISSUANCE OF MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY REVENUE BONDS IN AN AMOUNT NOT TO EXCEED $22,500,000 TO FINANCE CAPITAL PROJECT FOR BENEFIT OF AMERICAN PUBLIC MEDIA GROUP FOR PURPOSES OF AND PURSUANT TO SECTION 147(F) OF INTERNAL REVENUE CODE OF 1986, AS AMENDED

WHEREAS, American Public Media Group, a Minnesota not-for-profit corporation (the "Company"), has requested the Miami-Dade County Industrial Development Authority (the "Authority") to issue not exceeding $22,500,000 aggregate principal amount of its Revenue Bonds (American Public Media Group Project) (the "Bonds"), the proceeds of which will be used to (i) finance and reimburse the Company for the purchase of a broadcast license and transmission equipment, as well as studio production and operating equipment and (ii) pay costs of issuance of the Bonds (the "Project"); and

WHEREAS, the Authority intends to issue the Bonds subject to approval by the Board of County Commissioners of Miami-Dade County, Florida (the "Board") and final approval by the Authority

of the financing documents for the Project, which is more particularly described in the report prepared by the Executive Director of the Authority (a copy of which is attached hereto as Exhibit A); and

WHEREAS, on Wednesday, August 13, 2008, the Authority held a public hearing, notice of which was published on Wednesday, June 25, 2008, in The Miami Herald (a copy of which notice is attached hereto as Exhibit B), for the purpose of giving all interested persons an opportunity to express their views in connection with the issuance of the Bonds, as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, after reviewing a copy of the transcript of the Authority's public hearing held on Wednesday, August 13, 2008, in respect of the Bonds (a copy of which transcript is attached hereto as Exhibit C), and finding that the Project will inure to the benefit of the citizens of Miami-Dade County, this Board desires to approve the issuance of the Bonds for the purpose of complying with Section 147(f) of the Code,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA:

Section 1. The issuance of Revenue Bonds of the Miami-Dade County Industrial Development Authority in an aggregate principal amount not to exceed $22,500,000 for the purpose of financing all or a portion of the costs of the Project, as previously described, is approved.

Section 2. The Bonds and the interest on the Bonds shall not constitute a debt, liability or general obligation of the Authority, the County or of the State of Florida or of any political subdivision thereof, but shall be payable solely from the revenues or other moneys specifically provided by the Company for the payment of the Bonds and neither the faith and credit nor any taxing power of the Authority, the County or of the State of Florida or of any political subdivision thereof is pledged to the payment of the principal or interest on the Bonds.

The foregoing resolution was offered by Commissioner Barbara J. Jordan, who moved its adoption. The motion was seconded by Commissioner Jose "Pepe" Diaz and upon being put to a vote, the vote was as follows:

Bruno A. Barreiro, Chairman	aye		
Barbara J. Jordan, Vice-Chairwoman	aye		
Jose "Pepe" Diaz	aye	Audrey M. Edmonson	aye
Carlos A. Gimenez	aye	Sally A. Heyman	aye
Joe A. Martinez	aye	Dennis C. Moss	aye
Dorrin D. Rolle	aye	Natacha Seijas	aye
Katy Sorenson	aye	Rebeca Sosa	aye
Sen. Javier D. Souto	aye		

The Chairperson thereupon declared the resolution duly passed and adopted this 20th day of November, 2008. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: Kay Sullivan
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Gerald T. Heffernan

AMERICAN PUBLIC MEDIA GROUP

THE ORGANIZATION

American Public Media Group ("APMG") is a not-for-profit parent support organization located at 480 Cedar Street, Saint Paul, Minnesota. The primary purpose of APMG is to provide administrative, financial and human resources services to its affiliated organizations, including, Minnesota Public Radio/American Public Media (MPR/APM) and The Fitzgerald Theater Company both located in Saint Paul, Minnesota, Southern California Public Radio (SCPR) located in Pasadena, California and Classical South Florida. In addition, APMG is the sole shareholder of the Greenspring Company, a for-profit holding company located in Saint Paul, Minnesota and its operating subsidiary, Greenspring Media Group, Inc., located in Minneapolis, Minnesota. Greenspring Media Group, Inc. is engaged in publishing activities, and the production of consumer shows, and events. APMG also operates the Pretty Good Goods catalog service located in Burlington, Vermont and The Lake Wobegon USA Store located in Bloomington, Minnesota. Additionally, APMG is a significant shareholder of Gather.com, a for-profit company located in Boston, Massachusetts that provides community and commerce services to the public radio audience.

APMG reported consolidated revenues for the fiscal years ended June 30, 2007 and 2006 of approximated $127,500,000 and $108,400,000 respectively.

THE PROJECT

On March 14, 2008 APMG purchased the WKCP 89.7 FM Miami, broadcast license and studio equipment from Trinity International University located at 8190 West State Road 84, Davie, Florida and the transmission equipment at the Richland transmitter tower (formerly known as the WTVJ/NBC transmitter tower) located at 17107 SW 248 Street, unincorporated Miami-Dade County. Richland Towers owns, operates, and manages multi-tenant tower facilities providing service to the television and radio broadcast industry in North America. Richland Towers is located at 400 N. Ashley Drive, Suite 3010, Tampa, Florida.

APMG leases the radio station to Classical South Florida ("CSF") a non-profit public radio organization dedicated to broadcasting classical music in the South Florida area. CSF initially began broadcasting on WKCP under an agreement with Trinity International University in October 2007. Its program schedule includes broadcasts of nationally renowned classical programs such as Performance Today®, SymphonyCast®, Pipedreams® and Saint Paul Sunday®. Its program service is broadcast on WKCP 89.7 FM Miami and on 101.9 FM Palm Beach.

APMG provided interim financing for the broadcast license, studio and transmitter equipment acquisition and is requesting Industrial Development Revenue bond financing assistance in an amount not to exceed $22,500,000 to reimburse the company for the acquisition costs, as well as finance the purchase of new studio production equipment. The Company reports the production studio will be relocated from Trinity International University to leased space at the New River Trading Post, 333 Himmashee Street, Suites 206 and 207, in the City of Fort Lauderdale, Broward County, Florida.

Elements of the proposed project include:

1. Reimburse Broadcast License and Studio Equipment Purchase, including: ------$19,500,000
   - Broadcast License: ---------- $19,450,000
   - Studio Equipment:---------- $ 50,000
2. Reimburse Transmitter Tower Equipment Purchase: ----------$ 500,000
3. Purchase New Studio Production Equipment:----------$ 1,600,000

FINANCIAL SUFFICIENCY

Audited financial statements for American Public Media Group and Affiliates for the fiscal years ended June 30, 2007, 2006 and 2005 have been provided. The 2008 audited financial statements will be provided when completed.

A review of the submitted financial and related information indicates:

SOURCE OF FUNDS		USE OF FUNDS	
Bond Issue Proceeds*	$ 22,500,000	Broadcast License and Studio Equipment Purchase	$ 19,500,000
		Transmitter Tower Equipment Purchase	500,000
		New Studio Production Equipment Purchase	1,600,000
		Letter of Credit Fees	150,000
		Acquisition & Launch Expenses	550,000
		Bond Issuance Expenses	200,000
TOTAL	**$22,500,000**	**TOTAL**	**$22,500,000**

* *Any costs related to the bond issue and development of the project which cannot be paid out of bond proceeds will be borne by the Company.*

Information relative to the proposed financial structure includes:

Financial Structure:	Corporate Debt.
Security:	Corporate guarantee by APMG.
Guarantee:	Letter of Credit or similar credit enhancement acceptable to Authority from rated financial institution.
Marketing:	Limited public offering.

LEGAL

Under the 1986 Tax Act, facilities for 501(c)(3) corporations are eligible for financing with tax-exempt industrial development revenue bonds providing the project is part of the corporation's normal course of business. Bonds issued for the benefit of a 501(c)(3) corporation are also exempt from the requirement of being included under the state bond volume cap.

ECONOMIC IMPACT

APMG reports Classical South Florida currently employs 8 persons in the operation of the radio station and expects to hire an additional 4 new employees when the new Fort Lauderdale studio is completed. In addition to the new job opportunities, through its regional focus the organization reports it also expects to serve as an additional outlet for informing the South Florida community about upcoming cultural events, hopefully leading to a more robust cultural economy via increased ticket sales and/or patronage at performing and cultural institutional events.

Exhibit B

MIAMI-DADE COUNTY
INDUSTRIAL DEVELOPMENT AUTHORITY
TEFRA/PUBLIC HEARING

The Miami-Dade County Industrial Development Authority (the "Authority") has been requested by **American Public Media Group**, a Minnesota not-for-profit corporation (the "Company"), to issue its Revenue Bonds in an aggregate principal amount not to exceed $22,500,000 (the "Bonds"), the proceeds of which will be used to (i) reimburse the Company for the purchase of a broadcast license and transmission equipment, as well as studio production and operating equipment and (ii) pay costs of issuance of the Bonds (the "Project"). The Project is located at 17107 SW 248th Street, in unincorporated Miami-Dade County, Florida, and at New River Trading Post, 333 Himmashee Street, Suites 206 and 207, in the City of Fort Lauderdale, Broward County, Florida, and will be owned by the Company.

The Bonds shall not be a debt, liability or obligation of the Authority or of Miami-Dade County, Florida, or of the State of Florida, or of any political subdivision thereof, but shall be payable solely from payments derived from the operations of the Project or the security instruments for the Bonds.

Please take note that the Authority will hold a public hearing on the Project and associated issues regarding the Bonds at the Brickell BayView Centre, 80 SW 8th Street, Suite 2801, Miami, Florida, on **Wednesday, August 13, 2008** commencing at **11:00 a.m.** or shortly thereafter, at which time any person may be heard regarding the proposed issuance of said Bonds and the project. The Authority will submit a transcript of the statements made at the hearing to the Board of County Commissioners, Miami-Dade County, Florida, which must approve or disapprove the issuance of the Bonds.

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Exhibit C

MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

TRANSCRIPT OF PUBLIC HEARING

WEDNESDAY, AUGUST 13, 2008

At 11:04 a.m., the Executive Director of the Miami-Dade County Industrial Development Authority announced that the Authority would proceed to hold a public hearing on the issuance of Industrial Development Revenue Bonds. The following is a substantially verbatim account of the proceedings of this hearing.

The following persons were present:

James D. Wagner Jr. *Executive Director*	Miami-Dade County Industrial Development Authority	80 SW 8th Street, Ste. 2801 Miami, Florida 33130
Amanda Llovet *CFO*	Miami-Dade County Industrial Development Authority	80 SW 8th Street, Ste. 2801 Miami, Florida 33130
Cynthia Castillo *Assistant to Executive Director*	Miami-Dade County Industrial Development Authority	80 SW 8th Street, Ste. 2801 Miami, Florida 33130
Mark Alfuth *Senior VP & CFO*	American Public Media Group	480 Cedar Street Saint Paul, Minnesota 55101
Douglas Evans *General Manager*	American Public Media Group Classical South Florida	P.O. Box 520655 Miami, Florida 33152-0655
Thomas Kigin *EVP, CAO, General Counsel*	American Public Media Group	480 Cedar Street Saint Paul, Minnesota 55101
Diane L. Paauwe *Managing Director*	Piper Jaffray & Co.	800 Nicollet Mall Minneapolis, Minnesota 55402

Executive Director We will now conduct the public hearing on the proposed issuance of Industrial Development Revenue Bonds for the capital project located in Miami-Dade County.

This public hearing is being conducted pursuant to requirements of the Federal Tax Equity and Fiscal Responsibility Act of 1982. The Act requires that in order for the interest on Industrial Development Revenue Bonds to be exempt from Federal Income Tax, such proposed bonds must be approved by either a voter referendum or by an applicable elected legislative body after a public hearing following reasonable public notice.

We have received a copy of a notice advising that the Industrial Development Authority will hold a public hearing on the proposed issuance of Industrial Development Revenue Bonds to finance all or a portion of the capital costs associated with the project mentioned in that notice. The notice appeared in The Miami Herald on Wednesday, June 25, 2008, page 5B.

We will now commence the public hearing. The hearing will be conducted in the following format: First, a brief synopsis of the proposed bonds and the project will be provided. Second, testimony from anyone desiring to speak will be heard. Anyone wishing to speak should give their name and address for the record.

The project for consideration is an Industrial Development Authority Revenue Bond issue for the American Public Media Group project, in a maximum principal amount not to exceed $22,500,000. The bond proceeds will be used to reimburse the Company for the purchase of a broadcast license and transmission equipment, as well as studio production and operating equipment and pay costs of issuance of the Bonds. The Project is located at 17107 SW 248th Street, in unincorporated Miami-Dade County, Florida, and at New River Trading Post, 333 Himmashee Street, Suites 206 and 207, in the City of Fort Lauderdale, Broward County, Florida, and will be owned by the Company.

Executive Director Action taken by the Authority to date includes a review of the project in accordance with Authority Guidelines and Procedures and the adoption of a Memorandum of Agreement which specifies the terms of the proposed bond issue.

Testimony will now be heard by anyone desiring to speak.

Executive Director Let the record reflect that Mark Alfuth, Senior Vice President and Chief Financial Officer, is in attendance representing American Public Media Group. Mr. Alfuth, is there anything you would like to add?

Mr. Mark Alfuth No, not at this time

Executive Director This concludes the public hearing scheduled for today. This project, together with a transcript of today's public hearing, will be forwarded to the Miami-Dade County Board of County Commissioners at a regular meeting, at which time the Commission will approve or disapprove the proposed issuance of Bonds by the Miami-Dade County Industrial Development Authority.