

**Lee County Board Of County Commissioners
Agenda Item Summary**

Blue Sheet No. 20061526

1. ACTION REQUESTED/PURPOSE: Adopt a Resolution approving the issuance of Lee County Industrial Development Authority Private Activity Revenue Bonds in an aggregate principal amount not to exceed \$2,400,000.00, the proceeds from the sale of which will be used to make a loan to Crestwell Higher Learning, Inc., in a principal amount equal to the principal amount of said Bonds for the primary purposes of financing the acquisition, construction and equipping of additional educational facilities to be owned and operated by Crestwell Higher Learning, Inc., at 1899 and 1901 Park Meadows Drive, Fort Myers.

2. WHAT ACTION ACCOMPLISHES: Provides for Board consideration of proposed Industrial Development Authority Bonds as required by Internal Revenue Code and Florida Statutes. Board approval will authorize and adopt the approving Bond Issuance Resolution.

3. MANAGEMENT RECOMMENDATION: Approve the adoption of the Resolution with all stated terms and conditions.

4. Departmental Category: 12

CIZA

5. Meeting Date: November 28, 2006

6. Agenda:

7. Requirement/Purpose: (specify)

8. Request Initiated:

- Consent**
- Administrative**
- Appeals**
- Public**
- Walk-On**

- Statute** F.S. CH 159
- Ordinance**
- Admin. Code**
- Other** Sec. 147(f), IRC

Commissioner _____
 Department County Attorney
 Division _____
 By: **David M. Owen**
County Attorney

9. Background:

On October 13, 2006, the Industrial Development Authority held a noticed public hearing and adopted an Inducement Resolution for the purposed issuance of \$2,400,000.00 Industrial Development Authority Private Activity Revenue Bonds to make a loan to Crestwell Higher Learning Inc., in a principal amount equal to the principal amount of said Bonds for the primary purposes of financing the acquisition, construction and equipping of additional educational facilities to be owned and operated by Crestwell Higher Learning, Inc., at 1899 and 1901 Park Meadows Drive, Fort Myers.

The Internal Revenue Code (IRC) and Florida Statutes require the applicable elected body of general government where the subject project is located to approve the prospective bond financing for the project. The County Resolution approves the issuance of the Bonds and the Project. Section 3 of the County-approving Resolution provides that the Board's action is a limited approval, to include no financial obligation(s) for the Authority Bonds.

10. Review for Scheduling:

Department Director	Purchasing or Contracts	Human Resources	Other	County Attorney	Budget Services				County Manager/P.W. Director
					Analyst	Risk	Grants	Mgr.	
				<i>[Signature]</i>	RK 11/15				<i>[Signature]</i>

11. Commission Action:

- Approved**
- Deferred**
- Denied**
- Other**

RECEIVED BY COUNTY ADMIN. 11-15-06 10:30
 COUNTY ADMIN FORWARDED TO: 11-16-06 3pm

CO. ATTY II FORWARDED TO CO. ADMIN. 11-15-06

BK



**FOWLER WHITE
BOGGS BANKER**

ATTORNEYS AT LAW
ESTABLISHED 1943

Memorandum

TO: David Owen, Esq. **HAND DELIVERED**

FROM: James T. Humphrey

DATE: November 9, 2006

RE: Lee County Industrial Development Authority Bond Issue for Crestwell Higher Learning, Inc.

Enclosed please find a fully executed copy of Resolution 2006-10, which is the Inducement Resolution approved by the Industrial Development Authority on October 13, 2006, together with the attachment which is the Preliminary Agreement for Issuance of the Bonds.

The school desires to close this transaction in November, therefore, your earliest attention to this matter would be appreciated.

Enclosure

2006 NOV - 9 PM 4: 10
RECEIVED BY
LEE CO. ATTORNEY

RESOLUTION NO. 2006-_____

A RESOLUTION APPROVING THE ISSUANCE BY THE LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY OF ITS PRIVATE ACTIVITY REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$2,400,000 THE PROCEEDS FROM THE SALE OF WHICH WILL BE USED TO PROVIDE THE NECESSARY FUNDS TO MAKE A LOAN TO CRESTWELL HIGHER LEARNING, INC., IN A PRINCIPAL AMOUNT EQUAL TO THE PRINCIPAL AMOUNT OF SAID BONDS FOR THE PRIMARY PURPOSES OF FINANCING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A EDUCATIONAL FACILITIES TO BE OWNED AND OPERATED BY CRESTWELL HIGHER LEARNING, INC.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF LEE COUNTY, FLORIDA:

SECTION 1. FINDINGS. It is hereby ascertained, determined and declared as follows:

A. The Lee County Industrial Development Authority (the "Authority") has submitted to the Board of County Commissioners of Lee County, Florida (the "County"), a copy of a resolution of the Authority adopted on October 13, 2006 (the "Authority Resolution"), granting its approval for the issuance by the Authority of its private activity revenue bonds (the "Bonds"), in an initial aggregate principal amount not to exceed \$2,400,000 and a loan by the Authority to Crestwell Higher Learning, Inc., a Florida corporation not-for-profit (the "Corporation"), in a principal amount equal to the principal amount of the Bonds for the primary purposes of financing the acquisition, construction and equipping of educational facilities (the "Project"). A copy of the Authority Resolution is attached hereto as Exhibit A.

B. On October 13, 2006, the Authority held a public hearing, which public hearing was duly conducted by the Authority on such date upon reasonable public notice, and at which hearing members of the public were afforded reasonable opportunity to be heard on all matters pertaining to the location and nature of the Project and to the issuance of the Bonds.

C. Pursuant to the Authority Resolution, the Authority has requested the County approve the issuance of the Bonds and the location and nature of the Project in accordance with the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended.

D. The purposes of Part II, Chapter 159, Florida Statutes; will be effectively served and it is desirable and in the best interests of the County that the issuance of the Bonds and the use of the proceeds thereof to finance the costs of the Project be approved by the Board of County Commissioners of the County (the "Board").

SECTION 2. APPROVAL OF ISSUANCE OF BONDS. The issuance of the Bonds as contemplated by the Authority Resolution be and hereby is approved in accordance with the provisions of the Code.

SECTION 3. LIMITED APPROVAL. The approval given herein shall not be construed as an approval of any necessary rezoning applications or approval or acquiescence to the alteration of existing zoning or land use nor approval for any other regulatory permits relating to the Project and the Board shall not be construed by reason of its adoption of this resolution to have waived any right of th Board or estopping the Board from asserting any rights or responsibilities it may have in such regard. Further, the approval by the Board of the issuance of the Bonds by the Authority shall not be construed to obligate the County to incur any liability, pecuniary or otherwise, in connection with either the issuance of the Bonds or the acquisition and construction of the Project, and the Authority shall so provide in the financing documents setting forth the details of the Bonds. Finally, the County shall not be construed by reason of its adoption of this resolution to (i) attest to the Corporation's ability to repay the indebtedness represented by the Bonds or (ii) a recommendation to prospective purchasers of the Bonds to purchase the same.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately.

ADOPTED this _____ day of _____, 2006.

LEE COUNTY, FLORIDA

Chairman, Board of County Commissioners of
Lee County, Florida

ATTEST:

Clerk of the Circuit Court of Lee County
and ex-officio Clerk of the Board of County
Commissioners of Lee County, Florida

Approved as to Form and Legal Sufficiency

County Attorney

RESOLUTION NO. 2006-10

AN INDUCEMENT RESOLUTION OF THE LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY REGARDING THE OFFICIAL ACTION OF THE AUTHORITY WITH RESPECT TO THE PROPOSED ISSUANCE BY THE AUTHORITY OF ITS REVENUE BOND (CRESTWELL HIGHER LEARNING, INC. PROJECT) SERIES 2006 IN A PRINCIPAL AMOUNT NOT TO EXCEED \$2,400,000 FOR THE PRINCIPAL PURPOSE OF FINANCING OR REFINANCING CERTAIN COSTS INCURRED OR TO BE INCURRED BY CRESTWELL HIGHER LEARNING, INC. IN CONNECTION WITH THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF CERTAIN EDUCATIONAL FACILITIES; AUTHORIZING THE EXECUTION AND DELIVERY OF A PRELIMINARY AGREEMENT BETWEEN THE AUTHORITY AND THE CORPORATION; AND PROVIDING FOR RELATED MATTERS.

WHEREAS, Crestwell Higher Learning, Inc., a Florida not-for-profit corporation (the "Corporation") has applied to the Lee County Industrial Development Authority (the "Authority") to issue a series of its revenue bonds in the principal amount of not to exceed \$2,400,000 (the "Bonds") for the principal purpose of financing or refinancing certain costs of acquisition of certain educational facilities (the "Project") to be owned and operated by the Corporation and paying costs associated with the issuance of the Bonds; and

WHEREAS, the Corporation has requested that the Authority loan the proceeds of the Bonds to the Corporation pursuant to Chapter 159, Parts II and III, Florida Statutes, or such other provision or provisions of Florida law as the Authority may determine advisable (the "Act") in order to accomplish the foregoing purposes; and

WHEREAS, the issuance of the Bonds and the loaning of the proceeds thereof to the Corporation to finance the costs of the Project under loan agreements or other financing agreements, and pursuant to the terms thereof which will provide that payments thereunder be at least sufficient to pay the principal of and interest on such Bonds and such other costs in connection therewith as may be incurred by the Authority, will assist the Corporation and promote the public purposes provided in the Act; and

WHEREAS, the Corporation has submitted that certain Preliminary Agreement for the Issuance of Private Activity Revenue Bonds of even date herewith (the "Preliminary Agreement") relating to the issuance of the Bonds; and

WHEREAS, in order to satisfy certain of the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), the Authority did on the date hereof hold a public hearing on the proposed issuance of the Bonds for the purposes herein stated, which date is more than 14 days following the first publication of notice of such public hearing in a newspaper of general circulation in Lee County and which public hearing was conducted in a manner that provided a reasonable opportunity for persons with differing views to be heard, both orally and in



writing, on the issuance of the Bonds and the location and nature of the Project, as more particularly described in Exhibit A attached hereto; and

WHEREAS, it is intended that this Resolution shall constitute official action toward the issuance of the Bonds within the meaning of the applicable United States Treasury Regulations in addition to any other action that may have heretofore been taken by the Corporation;

NOW, THEREFORE, BE IT RESOLVED BY THE LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, THAT:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of the Act and other applicable provisions of law.

SECTION 2. PRELIMINARY STATEMENT. This Resolution is entered into to permit the Corporation to proceed with the financing of the costs of the Project and to provide an expression of intention by the Authority, prior to the issuance of the Bonds, to issue and sell the Bonds and make the proceeds thereof available for such purposes, all in accordance with and subject to the provisions of the Act, the Constitution and other laws of the State of Florida and the laws of the United States of America, including the Code, and this Resolution, but subject in all respects to the terms of the Preliminary Agreement.

SECTION 3. APPROVAL OF THE FINANCING. The financing of the costs of the Project by the Authority through the issuance of the Bonds, pursuant to the Act, will promote the economic development, prosperity, health and welfare of the citizens of Lee County, will promote the general economic structure of Lee County, and will thereby serve the public purposes of the Act and is hereby preliminarily approved, subject, however, in all respects to the Corporation meeting the conditions set forth in the Preliminary Agreement to the sole satisfaction of the Authority.

SECTION 4. EXECUTION AND DELIVERY OF PRELIMINARY AGREEMENT. The Chairman or the Vice-Chairman is hereby authorized and directed to execute, for and on behalf of the Authority, the Preliminary Agreement, in the form attached hereto as Exhibit "A", between the Authority and the Corporation providing understandings relative to the proposed issuance of the Bonds by the Authority to finance the costs of the Project in an aggregate principal amount not to exceed the lesser of (a) \$2,400,000 or (b) the amount determined by the Authority and the Corporation to be necessary to accomplish the foregoing purposes.

SECTION 5. AUTHORIZATION OF THE BONDS. There is hereby authorized to be issued and the Authority hereby determines to issue the Bonds, if so requested by the Corporation and subject in all respects to the conditions set forth in the Preliminary Agreement, in an aggregate principal amount not to exceed \$2,400,000 for the principal purpose of financing the costs of the Project as described in the Preliminary Agreement. The rate of interest payable on the Bonds shall not exceed the maximum rate permitted by law.

SECTION 6. GENERAL AUTHORIZATION. The Chairman and the Vice-Chairman are hereby further authorized to proceed, upon execution of the Preliminary Agreement, with the undertakings provided for therein on the part of the Authority and are further authorized to take such steps and actions as may be required or necessary in order to cause the Authority to issue the Bonds subject in all respects to the terms and conditions set forth in the Preliminary Agreement authorized hereby.

SECTION 7. OFFICIAL ACTION. This resolution is an official action of the Authority toward the issuance of the Bonds, as contemplated in the Preliminary Agreement, in accordance with the purposes of the laws of the State of Florida and the applicable United States Treasury Regulations.

SECTION 8. LIMITED OBLIGATIONS. The Bonds and the interest thereon shall not constitute an indebtedness or pledge of the general credit or taxing power of Lee County, the State of Florida or any political subdivision or agency thereof but shall be payable solely from the revenues pledged therefor pursuant to a loan agreement or other financing agreement entered into between the Authority and the Corporation prior to or contemporaneously with the issuance of the Bonds. The Authority has no taxing power.


SECTION 9. LIMITED APPROVAL. The approval given herein shall not be construed as an approval or endorsement of approval of any necessary rezoning applications nor for any other regulatory permits relating to the Project and the Authority shall not be construed by reason of its adoption of this resolution to have waived any right of Lee County or estopping Lee County from asserting any rights or responsibilities it may have in that regard.

SECTION 10. EFFECTIVE DATE. This Resolution shall take effect immediately.

ADOPTED this 13th day of October, 2006.

(SEAL)

LEE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY


Chairman

ATTEST:


Secretary

PRELIMINARY AGREEMENT FOR ISSUANCE OF
PRIVATE ACTIVITY REVENUE BONDS

This Agreement is made as of the date set forth herein between the Lee County Industrial Development Authority, a public body corporate and politic (the "Authority") and Crestwell Higher Learning, Inc., a Florida not-for-profit corporation (the "Corporation").

W I T N E S S E T H:

1. Preliminary Statement. Among the matters of mutual understanding and inducement which have resulted in the execution of this Agreement are the following:

(a) The Act provides that the Authority may issue revenue bonds and loan the proceeds thereof to one or more persons, firms or private corporations, or use such proceeds, to defray the cost of acquiring, by purchase or construction, certain qualifying educational facilities.

(b) The Corporation is considering financing or refinancing the costs of the acquisition of educational facilities to be owned and operated by the Corporation which costs are described as:

the cost of acquisition and improvement of the educational (school) facilities of the Corporation located at 1901 Park Meadows Drive, Fort Myers, Florida, (ii) acquire and improve approximately 2 acres of land located at 1899 Park Meadows Drive, Fort Myers, Florida, and along with any other capital expenditures related to the school's educational facilities, which shall constitute the "Project".

(c) The Corporation has applied to the Authority to issue a series of its revenue bonds in the initial aggregate principal amount of not to exceed \$2,400,000 (the "Bonds") for the principal purpose of financing the costs of acquisition of the Project to be owned and operated by the Corporation and paying costs associated with the issuance of the Bonds.

(d) The Authority considers the issuance and sale of the Bonds, for the purposes hereinabove set forth, consistent with the objectives of the Act. This Agreement constitutes official action of the Authority toward the issuance of the Bonds in accordance with the purposes of the Act and the applicable United States Treasury Regulations.

2. Undertakings on the Part of the Authority. Subject to the terms hereof, the Authority agrees as follows:

(a) Subject to the Corporation providing the Authority with sufficient evidence to enable the Authority to make the findings set forth in Section 159.29 of the Act, the Authority will, subject to Section 4(g) hereof, authorize the issuance of the Bonds, in one series, in the aggregate principal amount necessary and sufficient to finance the cost of acquiring the Project, but in all events, the principal amount of such Bonds shall not exceed the lesser of (i) the amount determined by the Authority and the Corporation necessary to accomplish the foregoing, or (ii) \$2,400,000.

(b) The Authority will cooperate with the Corporation and the purchaser of the Bonds and the Bond Counsel of the Authority with respect to the issuance and sale of the Bonds and will take such further action and authorize the execution of such documents as shall be mutually satisfactory to the Authority and the Corporation for the authorization, issuance and sale of such Bonds and the use of the proceeds thereof to finance the cost of constructing, acquiring and equipping the Project and to pay costs related to the issuance of the Bonds.

(c) The loan agreement and other financing documents (collectively, the "Financing Agreements") between the Authority and the Corporation shall, under terms agreed upon by the parties, provide for payments to be made by the Corporation in such sums as shall be necessary to pay the amounts required under the Act, including the principal of and interest and redemption premium, if any, on the Bonds, as and when the same shall become due and payable.

(d) In authorizing any issuance of the Bonds pursuant to this Agreement, the Authority will make no warranty, either expressed or implied, that the proceeds of the Bonds will be sufficient to pay all costs of acquiring, constructing and expanding the Project or that those facilities encompassed by the Project will be suitable for the purposes or needs of the Corporation.

(e) The Bonds shall specifically provide that they are payable solely from the revenues derived from the Financing Agreements or other agreements approved by the Authority. The Bonds and the interest thereon shall not constitute an indebtedness or pledge of the general credit of Lee County, the State of Florida or any political subdivision or agency thereof, and such fact shall be plainly stated on the face of each of the Bonds.

(f) Issuance of the Bonds by the Authority shall be contingent upon (i) satisfaction of all of the provisions hereof and all provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations promulgated thereunder, including the ability of and desirability by the Authority to issue obligations to finance the costs of the Project and (ii) the approval by the Board of County Commissioners of Lee County in accordance with the provisions of Section 147(f) of the Code.

3. Undertakings on the Part of the Corporation . Subject to the terms hereof, the Corporation agrees as follows:

(a) The Corporation will use reasonable efforts to insure that the Bonds in the aggregate principal amount as stated above are sold; provided, however, that the terms of such Bonds and of the sale and delivery thereof shall be mutually satisfactory to the Authority and the Corporation .

(b) Prior to the issuance of the Bonds in the principal amount stated above in one series as the Authority and the Corporation shall agree in writing, the Corporation will enter into the Financing Agreements with the Authority, the terms of which shall be mutually agreeable to the Authority and the Corporation, providing for the loan or use of the proceeds of the Bonds to finance a portion of the costs of the Project. Such Financing Agreements will provide that the Corporation

will be obligated to pay the Authority (or the trustee for holders of the Bonds on behalf of the Authority, as the case may be) sums sufficient in the aggregate to enable the Authority to pay the principal of and interest and redemption premium, if any, on the Bonds, as and when the same shall become due and payable, and all other expenses related to the issuance and delivery of the Bonds.

(c) The Corporation shall, in addition to paying the amounts set forth in the Financing Agreements, pay all applicable costs of operation, maintenance, taxes, governmental and other charges which may be assessed or levied against or with respect to the Project.

(d) To the extent not otherwise paid from Bond proceeds, the Corporation hereby agree to pay (i) the Authority Bond Issuance Fee, (ii) all of the out-of-pocket expenses of officials and representatives of the Authority incurred in connection with the issuance of the Bonds and (iii) all fees and expenses of Counsel to the Authority.

(e) The Corporation will hold the Authority and Lee County free and harmless from any loss or damage and from any taxes or other charges levied or assessed by reason of any mortgaging or other disposition of the Project.

(f) The Corporation agrees to indemnify and defend the Authority and Lee County and hold the Authority and Lee County and any officer or employee thereof 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 Project or the issuance of the Bonds and the Corporation's undertaking thereof, or in any way growing out of or resulting from this Agreement including, without limitation, all costs and expenses of the Authority and reasonable attorneys' fees incurred in the enforcement of any agreement of the Corporation contained herein, but excluding any claims, losses, liabilities or damages resulting from the Authority's willful misconduct. In the event that the Bonds are not issued and delivered, this indemnity shall survive the termination of this Agreement.

(g) The Corporation will take such further action as may be required to implement its aforesaid undertakings and as it may deem appropriate in pursuance thereof.

4. General Provisions. All commitments of the Authority under Section 2 hereof and of the Corporation under Section 3 hereof are subject to the conditions that all of the following events shall have occurred not later than December 31, 2006, or such other date as shall be mutually satisfactory to the Authority and the Corporation:

(a) The Authority shall be lawfully entitled to issue the Bonds as herein contemplated.

(b) The Authority and the Corporation shall have agreed on mutually acceptable terms for the Bonds and the sale and delivery thereof and mutually acceptable terms and conditions of any trust instruments or instruments in respect thereto and any Financing Agreements or other agreements incidental to the financing or referred to in Sections 2 and 3 hereof.

(c) Rulings satisfactory to the Corporation and the Authority as to such matters with

respect to the Bonds, the Project, the Financing Agreements and any other trust instrument or instruments, if specified by the Authority and the Corporation, shall have been obtained from the Internal Revenue Service and/or the United States Treasury Department and shall be in full force and effect at the time of issuance of the Bonds.

(d) Such other rulings, approvals, consents, certificates of compliance, opinions of counsel and other instruments and proceedings satisfactory to the Corporation and the Authority as to such matters with respect to the Bonds, the Project, the Financing Agreements and any other trust instrument or instruments, as shall be specified by the Corporation or the Authority, shall have been obtained from such governmental, as well as non-governmental, agencies and entities as may have or assert competent jurisdiction over or interest in matters pertinent thereto and shall be in full force and effect at the time of issuance of the Bonds.

(e) Compliance with all applicable provisions of Chapters 159, 189, 215 and 218, Florida Statutes, and the Authority's guidelines and procedures relating to the issuance of the Bonds, the interest rates thereon, the type of purchasers of the Bonds and the terms on which the Bonds may otherwise be issued.

(f) Notwithstanding any other terms hereof, nothing contained herein shall be construed to create a binding commitment by the Authority to issue the Bonds until such time, if ever, as the Authority shall grant its final approval for the issuance of the Bonds and the final terms and provisions of the Financing Agreements. By execution hereof, the Corporation agrees that the Authority may withhold its final approval of the issuance of the Bonds in its sole discretion and shall not incur any liability whatsoever as a result of it not granting any such approval notwithstanding any other provision hereof.

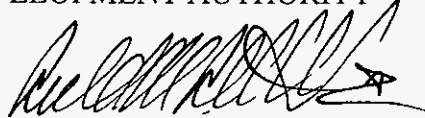
(i) Receipt by the Corporation of all licenses and necessary approvals from applicable governmental authorities.

If the events set forth in this Section 4 do not take place within the time set forth or any extension thereof, the Corporation agrees that it will reimburse the Authority for all the reasonable and necessary direct or indirect expenses which the Authority has incurred or may incur at the Corporation's request arising from the execution of this Agreement and the performance by the Authority of its obligations hereunder, including reasonable legal fees and expenses for Counsel to the Authority and Bond Counsel.

5. Binding Effect. All covenants and agreements herein contained by or on behalf of the Authority and the Corporation shall bind and inure to the benefit of the respective successors and assigns of the Authority and the Corporation whether so expressed or not.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement by their officers thereunder duly authorized as of the 17th day of October, 2006.

LEE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY



Chairman

CRESTWELL HIGHER LEARNING, INC.



President

September 22, 2006

Lee County Industrial Development Authority
c/o Economic Development Office
12800 University Drive
Suite 300
Fort Myers, Florida 33907

Re: Application for Industrial Revenue Bonds for the Benefit of Crestwell School

Ladies and Gentlemen:

Crestwell Higher Learning, Inc. ("Crestwell School") applies to the Lee County Industrial Development Authority ("LCIDA") for the issuance of an industrial revenue bond (the "Bond") in an amount not to exceed \$2,400,000.00. Crestwell School is a Florida corporation not-for-profit and a 501(c)(3) organization under the Internal Revenue Code. Proceeds of the Bond would be used by Crestwell School to refinance two conventional loans incurred to acquire, construct and equip Crestwell School's facilities at 1901 Park Meadows Drive in Ft. Myers and to acquire approximately 2 acres of land located contiguous to the existing school property and to be used as an athletic and nature study area.

Because of the small size of the Bond, Crestwell School proposes that the Bond would not be sold through a public underwriting, but would be purchased directly by Bank of America, N.A. ("BofA") under the Bank's program for "direct-conduit loans." Under this program the Bank acts as the direct purchaser of the Bond, the Bank provides all documents and opinions as to tax-exempt status and validity, and no credit-enhancement or trustee services are required, all of which substantially reduces costs of issuance from what traditional bond sales would entail.

Required Information. The following paragraphs address the required information as requested in the "Project Eligibility Application" section of the LCIDA "Guidelines and Procedures" in the same order as requested, and for that reason the questions/requests are not repeated here:

- 1) Crestwell Higher Learning, Inc.
1901 Park Meadows Drive
Fort Myers, Florida 33907
Tel: 239-481-4478
E.I.N. 55-0841112

Cindy Butterfield, Chairman
Jean Hurlock, Secretary
Dawn Newman, Co-treasurer
Dr. John Bellew
Marcia Bellew
Noopie Khemkhajon

Crestwell School was founded in 1995. The school currently serves 193 students in pre-kindergarten, elementary K through 5 and middle school 6 through 8. Crestwell School is a 501(c)(3) organization and is accredited by the Florida Independent Schools Association

(F.I.S.A.) Crestwell is an active member of the National Association for the Education of Young Children (N.A.E.Y.C.), the Lee County Reading Council, the Honor Society and Florida Middle School Student Leaders. Crestwell School represents private schools on the Lee County School Health Advisory Committee (S.H.A.C.). Crestwell's library is an institutional member of the Southwest Florida Library Network (SWFLN).

- 2) Existing Property: 1901 Park Meadows Drive
Fort Myers, Florida 33907
Strap # 14-45-24-00-00003.0040
Eight Buildings of approximately 24,500 square feet
Zoning: CPD
All infrastructure and utilities are currently in place

Additional Land: 1899 Park Meadows Drive
Fort Myers, Florida 33907
Strap # 14-45-24-00-00003.004A
Vacant
Zoning: CF-2
All infrastructure and utilities are currently in place
- 3) Not to exceed \$2,400,000.00
- 4) Proceeds will be used to (i) refinance a loan from Wachovia Bank in the amount of approximately \$1,690,000, (ii) refinance a loan from Northern Trust Company in the amount of approximately \$200,000, (iii) pay amounts (approximately \$117,000) due to the contractor for the completed improvements to the School, (iv) complete capital improvements to school grounds (\$40,000), (v) purchase approximately 2 acres of land (currently under contract for \$330,000) located adjacent to the existing school site to be used for athletic fields; and (vi) to pay closing costs of the bond consisting of the LCIDA and Bank fees.
- 5) The issuance of the Bond will substantially reduce the debt service expense to the School. The interest rate on the Bond will be fixed at 5% per annum, substantially below the rates borne by the debt being refinanced. This will enable the School to provide enhanced services to its students at the same or lower tuition than is currently charged. The School is exempt from ad valorem taxes.
- 6) The Bond will be secured by a first mortgage on and security interest in all real and personal property of the School.
- 7) The Bond will be purchased directly by Bank of America, N.A. for its own account and note for resale. The Bank has conducted its financial analysis of the School and has committed to purchase the Bond. A copy of the executed commitment is attached.
- 8) Financial statements are attached.

September 22, 2006
Lee County Industrial Development Authority
Page 3

9) The School's attorney will be:

James M. Costello
2069 First Street
Suite 301
Fort Myers, Florida 33901
Tel: 239-334-8333

The School's accountant is:

Richard Donner
6309 Corporate Court
Suite 115
Fort Myers, Florida 33919
Tel: 239-590-9144

Bond Counsel. Due to the small principal amount of the Bond, the financial viability of the financing depends upon minimizing closing costs. Furthermore, as noted, Bank of America has agreed to the direct purchase of the Bond under the Bank's direct conduit loan program. This entails using standardized Bank documents and an attorney approved by the Bank for this purpose. The attorney that developed this program for the Bank and that handles the vast majority of these financings for the Bank in Florida is:

Mark E. Raymond
Moyle, Flanigan, Katz, Raymond, White & Krasker, P.A.
625 North Flagler Drive
9th Floor
West Palm Beach, Florida 33401
Tel: 561-822-0380

Mr. Raymond has substantial experience in tax-exempt finance. Mr. Raymond has worked together with Attorney James Humphrey on numerous financings, including for LCIDA (such as Shell Point and Suncoast Aluminum). Donald Pickworth, counsel to the Collier County IDA has worked with Mr. Raymond on many occasions. If additional references are required, they can be supplied.

Crestwell School is committed to serving the educational needs of the children of Lee County, and we are hopeful that LCIDA will be able to assist in this endeavor through the issuance of the Bond.

Very truly yours,

Cindy Butterfield