



Legislation Details (With Text)

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Title: Resolution Approved Modification of Index Used to Determine Interest Rate for County’s Outstanding Industrial Development Variable Rate Revenue Bonds (Goodwill Industries-Suncoast, Inc. Project), Series 2008

Sponsors:

Indexes:

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Attachments: 1. Resolution - Industrial Development Variable Revenue Bonds, 2. Approved Resolution 2023-34

Date	Ver.	Action By	Action	Result
2/28/2023	1	Board of County Commissioners	adopted	Pass

TITLE

Resolution Approved Modification of Index Used to Determine Interest Rate for County’s Outstanding Industrial Development Variable Rate Revenue Bonds (Goodwill Industries-Suncoast, Inc. Project), Series 2008

BRIEF OVERVIEW

Hernando County previously issued its Industrial Development Variable Rate Revenue Bonds (Goodwill Industries-Suncoast, Inc. Project), Series 2008 (the "Bonds") and loaned the proceeds thereof to Goodwill Industries-Suncoast, Inc. (the "Borrower") for the purpose of financing and refinancing various capital improvements owned and operated by the Borrower. The County has no economic or financial liability with respect to the Bonds. They are solely secured by revenues and assets of the Borrower.

The Bonds bear interest at a variable rate based on a formula utilizing the London Interbank Offered Rate, commonly referred to as "LIBOR," as a reference index. LIBOR is expected to cease to be required to be determined by the participating reference banks by June 2023 and the municipal bond industry and other securities and financial markets have generally agreed to various replacement rates and equivalency factors for LIBOR.

The Borrower and the Holder of the Bonds, Truist Commercial Equity, Inc., desire to make certain amendments to the Bonds and the various related agreements to replace the LIBOR based index with an index based on the secured overnight financing rate ("SOFR") that is deemed approximately equivalent to LIBOR and other related adjustments and amendments as may be necessary and appropriate for the implementation and administration of the SOFR index.

FINANCIAL IMPACT

N/A

LEGAL NOTE

The Board is authorized to take this action pursuant to Chapters 159 and 163, Florida Statutes.

RECOMMENDATION

It is recommended that the Board approve the attached resolution authorizing the amendment of certain financing documents relating to Goodwill Industries-Suncoast, Inc. bonds to replace the existing LIBOR index with a SOFR based index.