

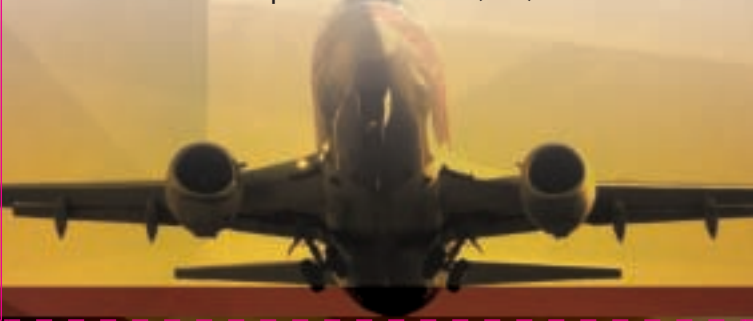


The Lee County Industrial Development Authority

The Lee County Industrial Development Authority (IDA) was established in 1975 under Part III of Chapter 159, Florida Statutes, to foster and encourage industrial and business development in Lee County, Florida. The IDA is a seven-member board appointed by the Board of County Commissioners of Lee County and is staffed by the Lee County EDO. Each IDA board member is appointed to a four-year term.

The IDA encourages companies interested in relocating to Lee County as well as companies presently located in Lee County to explore the use of Industrial Development Revenue Bonds (IDRB) to finance projects.

The Lee County IDA also reviews incentive applications for local approval of Florida's Qualified Target Industry Tax Credit incentive program and the Lee County Job Opportunity Program. For more information on IDRBs or incentives, please contact Fort Myers Regional Partnership, Lee County's Economic Development Office at (239) 338-3161.



The following photographs represent a sample of the companies in Lee County using Industrial Development Bonds for expansions or new locations.



Hope Hospice



Raymond Building Supply



Shell Point Kings Crown



For Information Contact:

Lee County Industrial Development Authority
P.O. Box 398 • Fort Myers, Florida 33902-0398
Ph: (239) 338-3161 • (800) 330-3161 • Fax: (239) 338-3227
www.FortMyersRegionalPartnership.com

The content in this brochure is for informational purposes only. Applicants should retain financial consultants and bond attorneys to assure that they have knowledge of the most current laws.

INVESTING IN LEE COUNTY IS A GREAT PARTNERSHIP



*Encouraging Economic Development
in Lee County through
Industrial Development Revenue Bonds*

Encouraging Economic Development in Lee County

THROUGH INDUSTRIAL DEVELOPMENT REVENUE BONDS



What are Industrial Development Revenue Bonds?

Industrial Development Revenue Bonds, also known as "private activity bonds," are an alternative method of financing. There are two types of bonds, taxable and tax-exempt. Although both kinds of bonds may be issued, it is generally the tax-exempt bonds that are of interest to a qualifying project.

The Internal Revenue Code is what creates tax-exempt bonds, which provide a source of long-term, below-market-rate financing. IDRBs are securities sold to investors with the proceeds used to finance the project. The borrower pays the principal and interest on the debt. Because the interest is exempt from federal income tax, the rate on this type of financing is generally lower than conventional debt financing. Tax-exempt IDRBs allow certain types of business the opportunity to finance facility construction and related costs at an interest rate typically two or three percent below conventional financing rates. The bonds can be used for construction, demolition, new machinery and equipment, land purchase (up to 25% of the bond value), and other specified items.

The IDA and members of the IDA serve on the Horizon Council, a public-private partnership that advises the Lee County Commissioners on economic development issues.

How do you apply for IDRBs?

The IDA serves as the initial entry point into the IDR application process in Lee County. To apply, a company submits an application to the IDA. The Lee County IDA requires the proposed project be capable of producing tangible economic benefits in the form of new employment, the preservation of existing employment, new capital investment, or a combination of those benefits.

The IDA receives an application fee of \$1,500 for bond issues up to \$5 million and \$2,500 for bond issues more than \$5 million. The applicant then works with a private lender or underwriter to sell the bonds to the public. If the project receives approval and is funded, a financing fee of one-half of one percent (.5%) of the value of the bond issue is paid to the IDA. The IDA uses the income it receives from IDRBs to support economic development efforts in Lee County.

The IDA assists with the issuance of bonds by approving an Inducement Resolution and Memorandum of Agreement between the IDA and the company requesting the use of IDRBs. Once the IDA approves the project, it must be confirmed by a Resolution of the Board of County Commissioners for Lee County. It is recommended the company seek approval of the Inducement Resolution prior to commencing work on the project or acquiring land, materials or equipment. Otherwise the cost of such work may not be reimbursable from the IDRBs proceeds.

Once approved, the bonds technically become special obligations of the IDA; however, neither the IDA, Lee County, nor the State is responsible for repayment or guarantee of the bonds. The bonds are paid solely from revenues generated by the project or by the company receiving the funds.

Who can use IDRBs?

Florida Statute 159.27-5 defines the following projects as potentially eligible for taxable or tax exempt bonds.

<i>Manufacturing or Industrial Plants</i>	<i>Airport or Port Facilities</i>
<i>Research & Development Parks</i>	<i>Tourism Facilities</i>
<i>Warehousing & Distribution Facilities</i>	<i>Health Care Facilities</i>
<i>Corporate Headquarters Facilities</i>	<i>Educational Facilities</i>
<i>Enterprise Zone Comm. Projects</i>	<i>Urban Parking Facilities</i>
<i>Convention or Trade Show Facilities</i>	<i>Trade Center Facilities</i>
<i>Motion Picture Production Facilities</i>	<i>Certified Historic Structures</i>
<i>Pollution Control, Hazardous or Solid Waste Facilities</i>	

Manufacturing Facilities

IDRBs for manufacturing facilities may be tax exempt, subject to a maximum bond amount of \$10 million per borrower in the aggregate. Due to the bond issuance costs, it is usually not cost effective for the borrower to use IDRBs for less than a \$3 million investment.

If tax-exempt financing is desired for manufacturing projects from \$500,000 to \$2.5 million, the IDA can refer the project to the Enterprise Bond program, a statewide bond pool in which individual borrowers are grouped together into a single bond issue. The pooling of loans spreads the costs of issuance over many smaller borrowers to make it economical for tax-exempt financing.

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S4J Manuf. Svcs., Inc.



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BOARD MEMBER
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BOARD ATTORNEY
Fowler White Boggs

IDA Revenue Bond Transactions

1981

Pall Industrial Hydraulics
Munters Corporation

1982

News-Press
Charter Medical
Beverly Enterprises

1983

Unijax, Inc.
Beverly Enterprises

1984

Nylon Polymers
Daniels Foods
Commerce Group
Corinthian Cultured Marble
Florida Health Facilities
D&D Machine Specialties

1985

Shell Point Village
North Fort Myers Utilities
Peninsula Motor Club
Florida Freezer

1986

Maverick Meats

1987

Bonita Springs Water Systems
Springs Environmental Systems
Encore Nursing Center

1988

Charter Glade Hospital
Gulf Utility Company
North Fort Myers Utilities
Florida Freezer

1990

Lehigh Utilities

1991

Bonita Springs Water Systems

1992

Beverly Enterprises–Encore

1994

Hope Hospice
Baader North America

1995

North Fort Myers Sewer
Southern States Utilities

1996

Bonita Springs Utilities
Hope Hospice

1997

Raymond Building Supplies
Cypress Cove at Health Park

1998

Shell Point Village
Canterbury Schools

1999

Bonita Community
Health Center
Bonita Springs Utilities

2000

Currier Roofing
Hope Hospice
Bonita Springs Utilities

2001

Bonita Springs Utilities

2002

Suncoast Aluminum Furniture
Bonita Springs Utilities
Shell Pt. Retirement Community

2003

Legacy at Lehigh
North Fort Myers Utilities
Bonita Springs Utilities

2004

Bonita Springs Utilities
Hope Hospice

2005

North Fort Myers Utilities
Shady Rest Care Pavilion

2006

Canterbury School
North Fort Myers Utilities
Bonita Springs Utilities
Crestwell Higher Learning, Inc.
Shell Point Village

2007

Charter Schools Foundation
Shell Point Village
Lee Healthcare Resources

2008

Bonita Springs Utilities
Hope Hospice

2009

Canterbury School

2010

Bonita Springs Utilities
Edison State College
LeeSar Health Care Facilities
Park Royal Psychiatric Hospital
Waste Pro

In the last 29 years, the IDA has approved 70 projects representing an investment of \$1.6 billion in Lee County.