

# Uplift Education Bond Issuance TEFRA Approval



Finance, Audit and Accountability  
Committee

February 11, 2008

# Discussion Materials

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## Subject

- Issuance of a Loan Agreement in an amount of not to exceed \$6,000,000 by the (“Heart of Texas EFC”) for the benefit of Uplift Education (“Uplift”).
- The Loan Agreement will be used to permanently finance the acquisition of property to be used for a new charter school campus located at 1750 Viceroy Drive, Dallas, Texas 75235.

# Background

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- Uplift Education (Uplift) is a 501 (c) (3) non profit organization dedication to the operation of charter schools.
- Uplift's operations have been ranked at a high status by the Texas Education Agency for ten consecutive years.
- Uplift currently operates five campuses – Hampton Preparatory, North Hills Preparatory, Peak Preparatory, Summit International Preparatory and Williams Preparatory – and is opening its sixth in the summer 2008

# Background (Cont.)

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- The School will use the loan to permanently finance (on a tax-exempt basis) the acquisition of the land and facilities for its new campus.
- Heart of Texas EFC is a conduit entity organized for the purpose of financing educational and health facilities. Heart of Texas EFC has no taxing power, no police and no powers of eminent domain.

# Background (Cont.)

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- Under the Internal Revenue Code, the school requires consent of the City of Dallas in order for the loan to qualify as tax exempt obligations under the Internal Revenue Code.
- The City of Dallas is not being asked to make a loan, guarantee the credit of the School, or to provide funds or credit support for the financing in any manner. The loan will not be a debt or liability of the City and the City's name will not appear on the loan. This request is being made in order to comply with the Internal Revenue Code.

# Recommendation

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- Forward the School's request to the City Council, with a recommendation to approve an item on the February 27, 2008 City Council Agenda.