

Memorandum



DATE August 8, 2008

TO Members of the Finance, Audit & Accountability Committee
Chair Mitchell Rasansky, Vice Chair Jerry Allen, Mayor Pro Tem Dr. Elba Garcia,
Vonciel Jones Hill, Angela Hunt, Ron Natinsky and David Neumann

SUBJECT Dallas Academy

The subject briefing is on the Committee's August 12th agenda. Briefing materials are attached.

Please contact me if you need additional information.

A handwritten signature in black ink, appearing to read 'D. Cook'.

David Cook
Chief Financial Officer

Cc: Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Tom Perkins, Jr., City Attorney
Deborah Watkins, City Secretary
Craig Kinton, City Auditor
Ryan S. Evans, First Assistant City Manager
David O. Brown, Interim Assistant City Manager
Ramon Miquez, P.E., Assistant City Manager
Jill A Jordan, P.E., Assistant City Manager
A.C. Gonzalez, Assistant City Manager

**Dallas Educational Academy
d/b/a Dallas Academy**

Tax Exempt Note Issuance – Consent

**Finance, Audit and Accountability Committee
August 12, 2008**

BACKGROUND

- The Italy Higher Education Facilities Corporation has requested to issue a \$4,000,000 tax-exempt revenue note for the benefit of Dallas Educational Academy d/b/a Dallas Academy (doing business as “Dallas Academy”)
- The Note will be used to finance acquisition, construction, and improvements of educational facilities at the Dallas Academy campus
- Dallas Academy is located at 950 Tiffany Way
- The Higher Education Facilities Authority for Private Schools Act permits a nonprofit corporation, acting on behalf of a city, to issue a Note to finance or refinance educational facilities or housing facilities to be used by an accredited primary or secondary school
- In order to be “qualified tax-exempt”, the Note must be issued by an issuer that does not issue more than \$10,000,000 in tax-exempt obligations in any calendar year
- Dallas Academy asked the Italy Higher Education Facilities Corporation to issue the tax-exempt Note since the Italy corporation will be under this \$10,000,000 limit in 2008
- Because Dallas Academy is located within the City of Dallas, the Internal Revenue Code requires that the Mayor and City Council also approve the issuance of the Note
- The City of Dallas is not being asked for funds and in no way will the Note be considered a debt or liability to the City

RECOMMENDATION

- Forward Dallas Academy's request for approval to issue the revenue Note to the City Council with a recommendation to approve the item on the August 27, 2008 City Council agenda