



INDUSTRIAL DEVELOPMENT AUTHORITY BOARD

ROLES & RESPONSIBILITIES

July 23, 2025



INDUSTRIAL DEVELOPMENT AUTHORITY

Alternative Approach	
Incentive 9	Legal Approach / Outside Consultant
Industrial Development Authority	
<ul style="list-style-type: none">▪ The County Commission may create an Industrial Development Authority as authorized by FS 159.44▪ Authorities are created for the purpose of financing and refinancing projects to foster economic development in a county.▪ The Authority may issue revenue bonds or other debt obligations repayable solely from revenues derived from the sale, operation, or leasing of projects or other payments received under financing agreements.	<ol style="list-style-type: none">1. Create Authority by Resolution2. Appoint board comprised of 5 members3. Adopt by-laws; powers of authority4. Select Bond Counsel

WHAT ARE THE LEGAL REQUIREMENTS OF AN IDA?

- IDAs may be established & operated under Chapter 159.44-53, Florida Statutes
 - The IDA operates under Special District Rules and Reporting Requirements
- Flagler County Board of County Commissioners appointed 7 persons to serve as the IDA Board of Directors



IDA BOARD MEMBER REQUIREMENTS / DUTIES

Internal Items that must be accomplished by the Board ASAP

- IDA must register with State (Tallahassee) - \$175 / year *
- Board members must file Financial Disclosure Statement Document 1 as outlined in FS 155 & 189
- Establish initial board meeting: July 23, 2025
 - Comply with Sunshine Law
 - Ensure submission of Financial Disclosure with FL Ethics
 - Elect officers
 - Set future meeting schedule



**Funding and board liaison shall be provided by Flagler County Economic Development Department*

IDA BOARD MEMBER REQUIREMENTS / DUTIES

Internal Items that must be accomplished by the Board at Future Meetings

- Industrial Development By-Laws to be submitted to BoCC for approval
- Development of IDA Official Seal
- Development of Website / Website pages
- Development of Application Form
- Collateral Development



**Funding and board liaison shall be provided by Flagler County Economic Development Department*

IDA BOARD MEMBER REQUIREMENTS / DUTIES

Application
Received by
Econ. Dev.

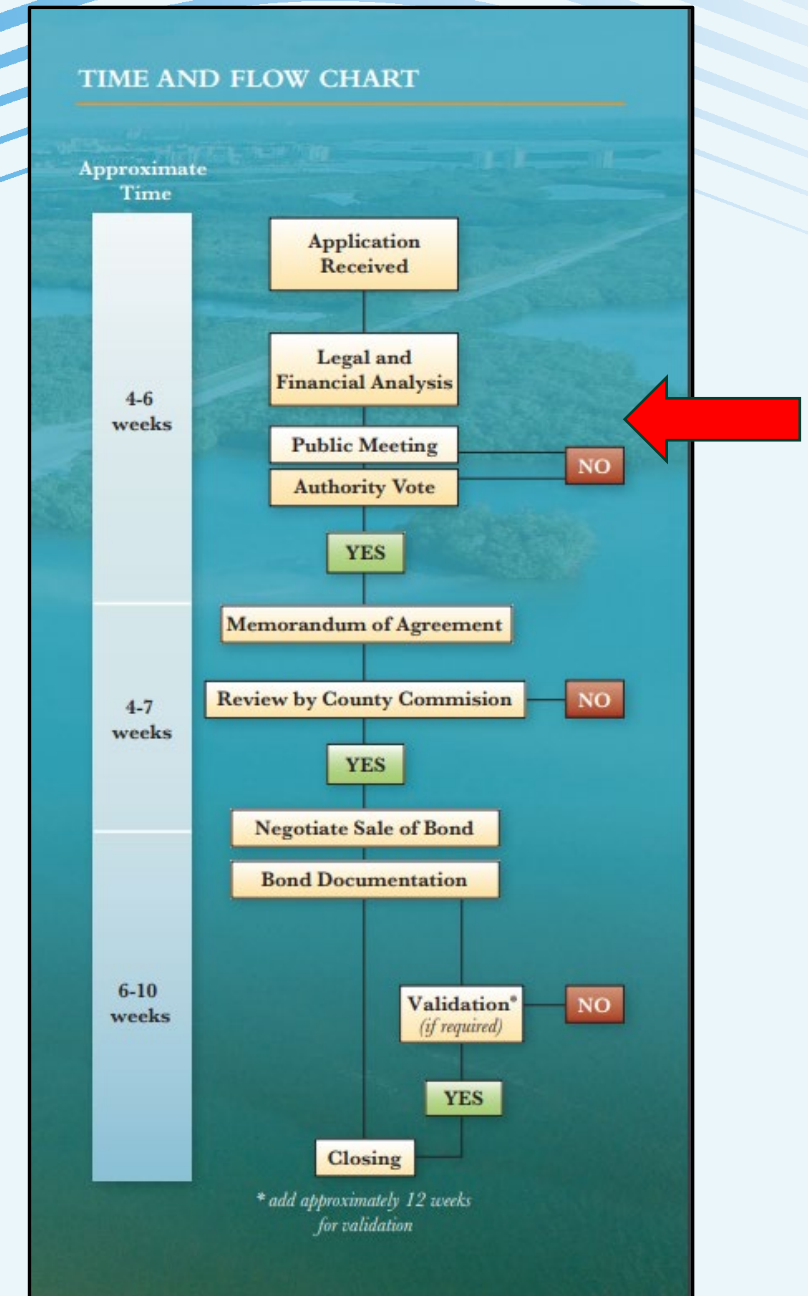
- Staff receives app & sends to legal for review; Obtains Dunn/Bradstreet Report; Creates staff report; Distributes to IDA Board; Application fee collected

IDA Public
Meeting

- IDA Board determines the merits application upon criteria set by FS; Recommends Approval/Disapproval

County
Commission

- If County Commission approves project, sale of bonds proceeds; Financing fees collected & Distributed to IDA Board at closing



INDUSTRIAL DEVELOPMENT AUTHORITY

How Are IDAs Funded?

Typical Fee Structure for Issuance of IDRBs in other Counties

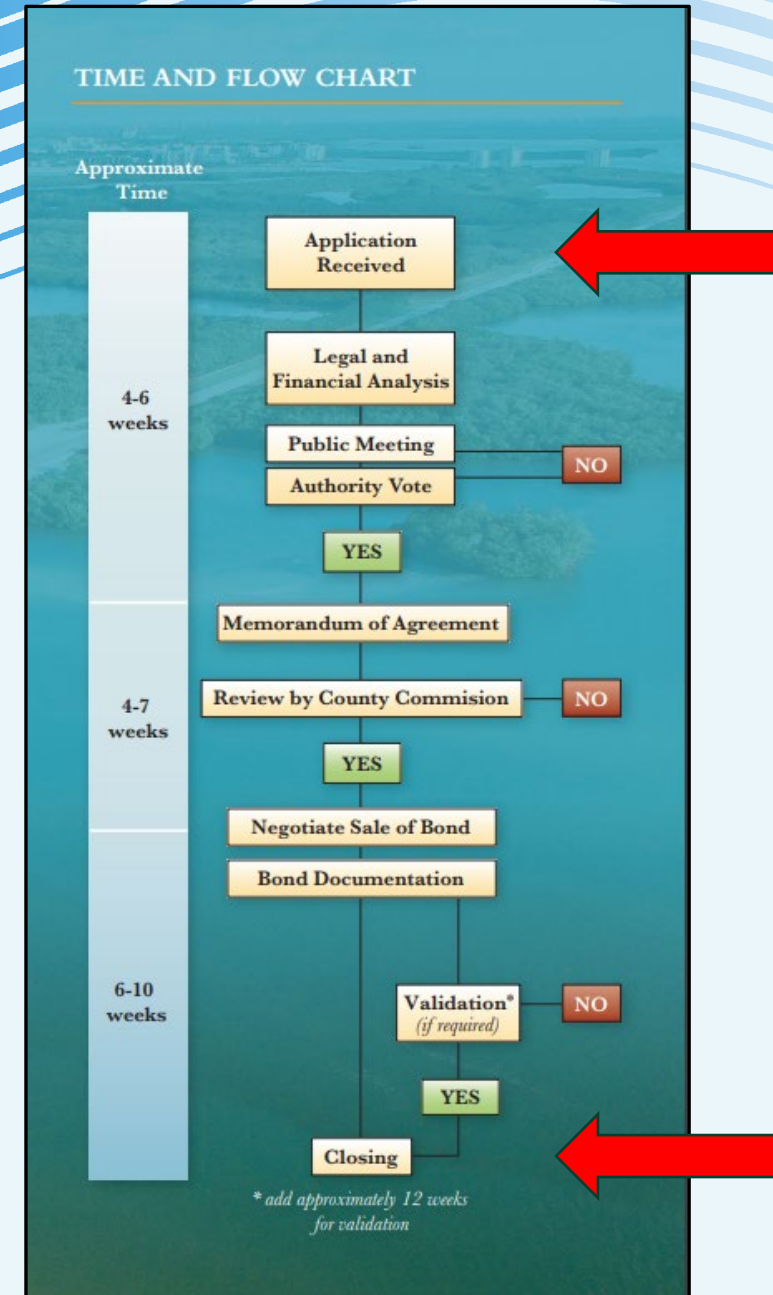
Application Fee \$1,500

Financing Fees (never to exceed \$75,000)

Less than \$10 Million .5%

Over \$10 Million .25%

Collected funds from the issuance of IDRBs are then used to finance to support Economic Development projects within the county.



INDUSTRIAL DEVELOPMENT REVENUE BONDS

Long-Term		
Incentive 8	Legal Approach	Budget Effects on General Fund
Industrial Development Revenue Bonds		
<ul style="list-style-type: none">▪ Industrial Development Revenue Bonds (IDRBs) finance business and industrial expansions for firms with strong credit.▪ IDRBs can provide low-interest loans for large projects by permitting the borrower to take advantage of long-term financing with lower than prime interest rates.▪ Additionally, for certain types of manufacturing facilities, interest rates may be lowered due to the tax-exempt status of the bond issue.▪ Private parties purchase the bonds, in effect making the loan to the borrowing business.▪ IDRBs may finance up to 100% of project costs, with up to \$10 million available if the financing is tax exempt.	<p>Resolution for Each Individual Project</p> <p>Outside Bond Consultant</p>	N/A
Industrial Development Revenue Bonds are authorized by Florida Statutes, Chapter 159 . The bonds would be approved by County Commission, with principal and interest paid solely by the company receiving the funding. An application, financing and attorney fees are usually assessed and are outlined in the adopting resolution present to County Commission.		



WHY WOULD A COMPANY WANT AN IDRIB?



Industrial Development Revenue Bond (IDRB) Advantages

- Typically, the interest on IDRBs are not subject to Federal income tax & certain State & local taxes.
- The lower interest cost is passed on to the borrower and generally expressed as an interest differential available to the company through IDRB financing as opposed to a conventional financing.
- This interest differential historically ranges from 2.0% to 3.0%.

Examples of Allowable Costs

- Up to 25% of bond proceeds may be used to acquire land.
- The cost of construction.
- The cost of demolishing.
- The cost of new machinery.
- The cost of interest.
- The cost of engineering.
- The cost of consultant / legal services.
- The cost of other incidentals.
- The cost of bond insurance.

WHO QUALIFIES FOR AN IDRFB?



Industrial Development Revenue Bond (IDRB) Qualifications

- Qualifications are established by Federal and State regulations and by the policies adopted by the issuing local government.
- Generally, the break-even point, below which conventional forms of financing may prove to be less expensive is \$3million

WHO QUALIFIES FOR AN IDRB?



Industrial Development Revenue Bond (IDRB) Examples of Allowable Projects

- Manufacturing / industrial parks
- Research & development parks
- Warehousing & distribution facilities
- Corporate headquarter facilities
- Tourism facilities
- Convention or trade show facilities
- Urban parking facilities
- Trade center facilities
- Motion picture facility
- Airport / port facility
- Educational facilities
- Commercial projects in designated enterprise zones
- Pollution control, hazardous or solid waste facilities
- Correctional/detention facilities
- Water/wastewater facilities
- Mass commuting facilities
- Public restaurant/lodging facilities

INDUSTRIAL DEVELOPMENT AUTHORITY

THANK YOU!

