

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date: 12/21/2010

[1]

Consent

11

Regular

[X]

Public Hearing

Department:

Submitted By: County Attorney's Office

Submitted For:

I. EXECUTIVE BRIEF

Motion and Title: STAFF RECOMMENDS MOTION TO: (a) approve the application of Federation CCRC Development, LLC for the issuance of not to exceed \$9,000,000 of Bond Anticipation Notes (Pre-Development CCRC Project); and (b) conduct a TEFRA public hearing concerning the issuance of the Notes.

Summary: Federation CCRC Development, LLC (the “Company”) has applied for the issuance of industrial development revenue notes by the County in an amount not to exceed \$9,000,000 (the “Notes”). The net proceeds of the Notes will be used to pay the pre-development costs associated with a continuing care retirement community (the “CCRC Project”) including, but not limited to, marketing design, engineering and consulting (herein, the “Pre-Development Project”). The CCRC Project will be located on an approximately 22 acre site located on the S.E. and N.W. corners of 95th Avenue South and Baron Coleman Boulevard in unincorporated Palm Beach County, Florida. The CCRC Project, when built, will consist of independent living units, assisted living units, memory support units and skilled nursing beds and will be owned by a Florida not-for-profit corporation owned by the Company. Under the Internal Revenue Code, prior to the issuance of the Notes, the County is required to conduct a TEFRA public hearing. The Notes will be issued pursuant to the terms and provisions of a Trust Indenture which will be presented at a later Board meeting. The Notes will be payable solely from the net proceeds of future industrial development bonds issued to finance the construction and equipping of the CCRC Project. **Neither the taxing power nor the faith and credit of the County, nor any County funds, shall be pledged to pay principal or redemption premium, if any, or interest of the Notes.** District 5 (PFK)

Background and Justification: The Notes will also be secured by a first lien mortgage on the project site.

Attachments:

1. Application;
2. Memorandum from Economic Development Office; and
3. Memorandum from OFMB.

Recommended by:

County Attorney

Date _____

Approved by:

N/A

Date _____

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2010	2011	2012	2013	2014
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	<u>(\$10,000)</u>	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>(\$10,000)</u>	_____	_____	_____	_____
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included In Current Budget? Yes ☐ No ☒


Budget Account No.: Fund _____ Department _____ Unit _____
Object _____ Reporting Category _____

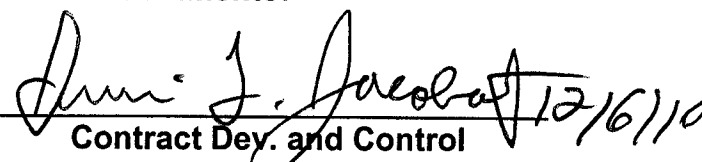
B. Recommended Sources of Funds/Summary of Fiscal Impact:

C. Departmental Fiscal Review: All costs to be borne by Applicant. No fiscal impact cost to Palm Beach County. Palm Beach County will receive \$10,000 in industrial development revenue bond fees as well as legal fees for services rendered in reviewing this project.

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

 12/6/2010
OFMB 12/10
52/12/10
12/10

 12/6/10
Contract Dev. and Control

B. Legal Sufficiency:

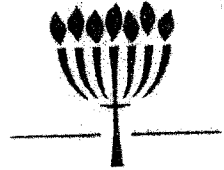
 11/30/10
Assistant County Attorney

C. Other Department Review:

Department Director

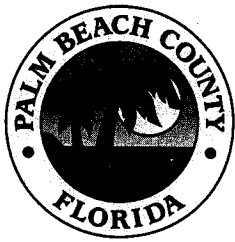
THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.

**IDB Application is voluminous
and may be reviewed
in the Minutes Department or
the County Attorney's Office**



JEWISH FEDERATION
of South Palm Beach County

**Industrial Development Revenue Bond Application
CCRC Pre-Development Project**



INTEROFFICE MEMORANDUM

TO: Paul King
Assistant County Attorney

FROM: Sherry Howard *SH*
Director, Economic Development

DATE: November 29, 2010

RE: Industrial Revenue Bond Application
CCRC Pre-Development Project

Economic Development Office

P.O. Box 1989

West Palm Beach, FL 33402-1989

(561) 355-3624

FAX: (561) 355-6017

www.pbcgov.com/edo



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The Palm Beach County Economic Development Office (EDO) has reviewed the Industrial Revenue Bond Application submitted by CCRC Development, LLC for the pre-development costs associated with the Community Care Retirement Community (CCRC) Project.

The Application requests Palm Beach County to issue up to \$8,000,000 in Industrial Revenue Bonds for the marketing, design, engineering, consulting, legal and other pre-development costs for a Continuing Care Retirement Community consisting of independent living units, assisted living units, memory support and skilled nursing units, plus an array of social and recreational facilities and ancillary services.

The Application states that 400-500 skilled worker and laborer jobs will be created for the construction phase and 185 full time jobs will be created when the project is completed. EDO conducted a Regional Economic Models Inc. (REMI) analysis showing the following economic impact for the project which reflects direct, indirect and induced jobs.

Change to Date	Year 2020 \$8 Million pre- construction bond	Year 2020 \$150 Million construction
Employment	100	2113
Economic Impact	\$9 Million	\$132 Million
Taxes	\$2 Million	\$20 Million

Based on the review of the Application and the REMI analysis, the Economic Development Office supports the CCRC Development, LLC Industrial Revenue Bond Application.

cc: Shannon LaRocque-Baas, Assistant County Administrator

Business Development Board

PALM BEACH COUNTY BUSINESS DEVELOPMENT BOARD

MEMORANDUM FOR THE BOARD

Subject: Industrial Revenue Bond

April 23, 2010

Mr. Paul King
Assistant County Attorney
P.O. Box 1989
West Palm Beach, FL 33401

RE: Industrial Revenue Bond application for the - CCRC Pre-Development Project

Dear Paul:

On Wednesday, April 23, 2010, the Industrial Revenue Bond Committee of the Business Development Board of Palm Beach County met to discuss the above mentioned application.

The committee heard from Mr. Mel Lowell, Executive Vice President, Finance & Operations for the Jewish Federation of South Palm Beach County and Bond Counsel Stephen Sanford, Esq. of Greenberg Traurig, P.A.

This project is projected to create 185 new jobs and it is expected that during the construction, 400 to 500 skilled workers and laborers will be employed.

The Industrial Revenue Committee agreed this project would have a positive economic impact for Palm Beach County. The committee recommends that you proceed with the review of this application.

Sincerely,


Kelly Snallridge
President & CEO

KS/ses

RECD APR 28 2010

November 30, 2010

To: Paul King, Assistant County Attorney

From: John A. Long, County Debt Manager



**SUBJECT: Industrial Development Revenue Bond Application
Federation CCRC Development, LLC (CCRC)**

We are recommending that the Board adopt a resolution authorizing the negotiated sale of Bond Anticipation Notes, Series 2011 (CCRC Pre-Development Project) (the Notes) in an aggregate principal amount of not exceeding \$9,000,000 to fund the pre-development costs of the CCRC Project. The net proceeds will be used to pay marketing, design, engineering, consulting, legal and other pre-development costs relating to the CCRC Project. The sole member of CCRC is the Jewish Federation of South Palm Beach County, Inc. (the Federation). The initial construction phase of the CCRC Project contemplates 182 independent living units, 48 assisted living units, 24 memory support units and 48 skilled nursing beds which are expected to cost approximately \$153 Million. Under Florida law, 70% of the units must be pre-sold before construction begins.

The Project Site is currently owned by Jewish Community Facilities Corp., the sole member of which is the Federation. The Notes will be secured by a first lien mortgage on the Project Site and the appraisal value of the Project Site is well in excess of the principal amount of the Notes. Additionally, the Notes will be placed only with accredited investors and be issued in denominations of \$25,000 and integral multiples thereof. It is expected that a majority of the Notes will be privately placed with high net worth individuals who are members of the Federation. Based on the above information, OFMB recommends Board approval of the Series 2011 Notes.

The Notes are limited obligations of Palm Beach County, payable solely from the trust estate and shall never constitute a general obligation of the County or of the State or any political subdivision of the State. No property of the County is pledged for the payment of the Notes.