

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date:	December 19, 2017	<input type="checkbox"/> Consent	<input type="checkbox"/> Regular
		<input type="checkbox"/> Ordinance	<input checked="" type="checkbox"/> Public Hearing
Submitted by:	Department of Housing and Economic Sustainability		
Submitted for:	Michigan Finance Authority		

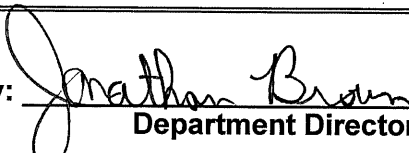
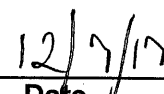
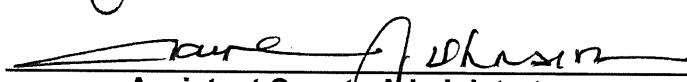
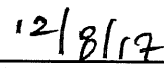
I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to: (A) conduct a Tax Equity & Fiscal Responsibility Act (TEFRA) public hearing concerning the proposed issuance of one or more series of revenue bonds (the “Bonds”) in an aggregate principal amount not to exceed \$1,500,000,000, including an amount not to exceed \$10,000,000 with respect to the capital facilities located in Palm Beach County, Florida, by the Michigan Finance Authority; and (B) adopt a Resolution of the Board of County Commissioners of Palm Beach County, Florida, approving the issuance by the Michigan Finance Authority of its revenue bonds (Trinity Health Credit Group), in one or more series, in an aggregate principal amount not to exceed \$1,500,000,000, including an amount not to exceed \$10,000,000 with respect to capital facilities located in Palm Beach County, Florida, for the purpose, among other things, of financing or refinancing the costs of acquisition, construction, improvement, and equipping of health care facilities owned and operated by Trinity Health Corporation and certain other matters relating thereto; and providing an effective date.

Summary: The not to exceed \$1,500,000,000 Bond will be issued by the Michigan Finance Housing Authority (Authority). The Bond proceeds issued by the Michigan Finance Authority will be used to make a loan to the Trinity Health Corporation (Corporation) to finance or refinance the costs of acquisition, construction, improvement, and equipping of various health care facilities, including facilities owned and operated by the Corporation at the following locations: 1) Holy Cross West Boca Urgent Care and Imaging Center at 23071 State Road 7 in Boca Raton and 2) Holy Cross East Boca Urgent Care and Imaging Center at 1799 South Federal Highway in Boca Raton. The Authority is authorized to finance facilities of a multistate health institution, which are located both within and outside of the State of Michigan as long as the multistate health institution or its affiliate operates or manages a health facility located within Michigan. The Authority will issue one more series of revenue bonds, in an aggregate principal amount not to exceed \$1,500,000,000, inclusive of an amount not to exceed \$10,000,000 to support capital facilities located in Palm Beach County. The Internal Revenue Code requires that the Michigan Finance Authority obtain approval through a public hearing of each governing body, state or local government jurisdiction in which the financed facilities are to be located. However, adoption of this Resolution does not in any way obligate the County. Neither the taxing power nor the faith and credit of the County, nor any County funds, shall be pledged to pay the principal, premium, if any, or interest on the Bond. District 4. (JB)

Background and Justification: The Authority is authorized by Executive Order 2010-02 and 1969 PA 38, as amended (the “Act”), to issue bonds. The Authority is authorized by the Act to finance facilities of a multistate health institution which are located both within and outside of the State of Michigan as long as the multistate health institution or its affiliate operates or manages a health facility located within Michigan. The Corporation has advised the Authority that it can realize substantial cost savings and efficiencies by combining these financing needs into a single bond issuance through the Authority. The Internal Revenue Code requires that certain tax-exempt bonds be approved by an elected governmental agency after a public hearing. This approval does not in any way obligate the County on the Bonds or imply that the County has determined that the Bonds are credit-worthy or serve a public purpose.

- Attachment(s):**
- 1. Resolution
 - 2. Text of the TEFRA Public Notice

Recommended By:	 Department Director	 Date
Approved By:	 Assistant County Administrator	 Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2018	2019	2020	2021	2022
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT					

# ADDITIONAL FTE POSITIONS (Cumulative)					
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Is Item Included In Current Budget? Yes _____ No _____
Does this Item include the use of Federal funds? Yes _____ No _____

Budget Account No.:

Fund _____ Dept _____ Unit _____ Object _____ Program Code/Period _____

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

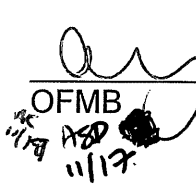
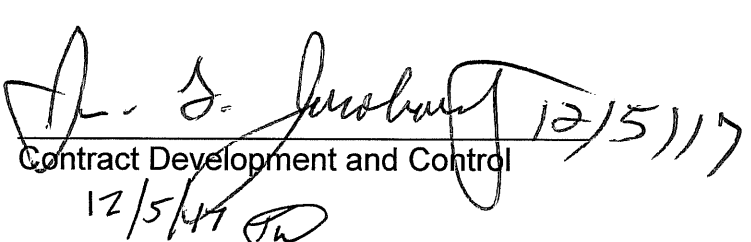
No fiscal impact.

C. Departmental Fiscal Review:


Beverley Reid, Fiscal Manager I

III. REVIEW COMMENTS

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

 
OFMB 11/17 ASD
Contract Development and Control 12/5/17
12/5/17 PW

B. Legal Sufficiency:


Assistant County Attorney 12/7/17

C. Other Department Review:

Department Director

RESOLUTION NO. R2017-_____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, APPROVING THE ISSUANCE BY THE MICHIGAN FINANCE AUTHORITY OF ITS REVENUE BONDS (TRINITY HEALTH CREDIT GROUP), IN ONE OR MORE SERIES, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$1,500,000,000, INCLUDING AN AMOUNT NOT TO EXCEED \$10,000,000 WITH RESPECT TO CAPITAL FACILITIES LOCATED IN PALM BEACH COUNTY, FLORIDA, FOR THE PURPOSE, AMONG OTHER THINGS, OF FINANCING OR REFINANCING THE COSTS OF ACQUISITION, CONSTRUCTION, IMPROVEMENT, AND EQUIPPING OF HEALTH CARE FACILITIES OWNED AND OPERATED BY TRINITY HEALTH CORPORATION AND CERTAIN OTHER MATTERS RELATING THERETO; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Michigan Finance Authority (the "Authority") is authorized by Executive Order 2010-02 and 1969 PA 38, as amended (the "Act"), to issue bonds for, among other things, the purpose of making loans to hospitals (as defined in the Act), to finance and refinance project costs (as defined in the Act), relating to the acquisition, construction, improvement, equipping, or alteration of hospital facilities (as defined in the Act), to refund bonds issued for the benefit of a hospital, and to pay costs of issuing bonds; and

WHEREAS, Trinity Health Corporation (the "Corporation"), an Indiana nonprofit corporation, as described under Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code"), which is the sole corporate member of Holy Cross Hospital, Inc., a Florida not for profit corporation, has requested that the Authority participate in a proposed plan of finance of the Corporation providing for the issuance of one or more series of revenue bonds in an aggregate principal amount not to exceed \$1,500,000,000 (the "Bonds") (i) to finance or refinance the costs of acquisition, construction, improvement and equipping of certain healthcare facilities owned and operated by the Corporation and its affiliates, including approximately \$10,000,000 for the financing or refinancing of additions and improvements to, and equipment for, hospitals and other health care facilities (the "Facilities") located within Palm Beach County, Florida (the "County"), and (ii) to pay other costs related to the issuance of the Bonds; and

WHEREAS, the Facilities are owned and operated by Trinity Health at the following locations: 1) Holy Cross West Boca Urgent Care and Imaging Center, 23071 State Road 7, Boca Raton, Florida 33428 and 2) Holy Cross East Boca Urgent Care and Imaging Center, 1799 South Federal Highway, Boca Raton, Florida 33432; and

WHEREAS, the Bonds will be "private activity bonds" for purposes of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the "applicable elected representatives" of the governmental unit having jurisdiction over the area in which any facility financed or refinanced by the Bonds, as private activity bonds, are located, must approve the issuance of the Bonds by the Authority, after a public hearing held following reasonable public notice; and

WHEREAS, the Board of County Commissioners of Palm Beach County, Florida (the "Board") is the elected legislative body of the County and is one of the applicable elected representatives required to approve the issuance of the Bonds under Section 147(f) of the Code; and

WHEREAS, the Corporation has requested that the Board approve its issuance of the Bonds to satisfy the public approval requirement of Section 147(f) of the Code; and

WHEREAS, there has been published, at least 14 days before the date hereof, in a newspaper of general circulation within the jurisdiction of the County, a notice that a public hearing regarding the Bonds would be held on the date hereof (a copy of which notice is attached hereto as EXHIBIT A and incorporated herein), for the purpose of providing a reasonable opportunity for interested individuals to express their views concerning the proposed issuance of the Bonds by the Authority and the nature and

location of the facilities to be financed or refinanced thereby, in accordance with the requirements of Section 147(f) of the Code; and

WHEREAS, the Board conducted the public hearing on the date hereof, at which time an opportunity was provided to interested parties to present arguments both for and against the issuance of the Bonds; and

WHEREAS, said public hearing disclosed no reason why the Bonds should not be issued; and

WHEREAS, it is intended that this resolution shall constitute the approval of the issuance of the Bonds as required of qualified 501(c)(3) bonds by Section 147(f) of the Code.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, as follows:

Section 1: The Board hereby approves the issuance of the Bonds by the Authority, in one or more series at one or more times solely for purposes of Section 147(f) of the Code.

Section 2: The Bonds shall be limited obligations of the Authority payable from amounts received in repayment of the loan of proceeds of the Bonds to the Corporation. The Bonds shall not constitute a debt, liability or obligation of the County, the State of Florida (the "State") or any political subdivision or agency thereof other than the Authority, or a pledge of the faith and credit of the Authority, the County, the State or of any political subdivision or agency thereof, and neither the County, the State nor any political subdivision or agency thereof will be obligated to levy taxes of any form to secure repayment of the Bonds.

Section 3: The approval given herein is solely for the purpose of satisfying the requirements of Section 147(f) of the Code and shall not be construed as an approval of any necessary rezoning application or any regulatory permits required in connection with the issuance of the Bonds or the acquisition, construction or operation of the project, and this Board shall not be construed by virtue of its adoption of this Resolution to have waived, or be estopped from asserting, any rights or responsibilities it may have in that regard.

Section 4: This resolution shall take effect immediately upon its adoption.

The foregoing Resolution was offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____, and being put to a vote, the vote was as follows:

Commissioner Melissa McKinlay, Mayor	- _____
Commissioner Mack Bernard, Vice Mayor	- _____
Commissioner Hal R. Valeche	- _____
Commissioner Paulette Burdick	- _____
Commissioner Dave Kerner	- _____
Commissioner Steven L. Abrams	- _____
Commissioner Mary Lou Berger	- _____

The Mayor thereupon declared the Resolution duly passed and adopted this _____ day of _____, 20____.

**PALM BEACH COUNTY, FLORIDA, BY ITS
BOARD OF COUNTY COMMISSIONERS**

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY**

**ATTEST: SHARON R. BOCK
CLERK & COMPTROLLER**

By: 
James Brako
Assistant County Attorney

By: _____
Deputy Clerk

EXHIBIT A

NOTICE OF PUBLIC HEARING BOARD OF COUNTY COMMISSIONERS PALM BEACH COUNTY, FLORIDA

NOTICE IS HEREBY GIVEN that a public hearing will be held by the Board of County Commissioners of Palm Beach County, Florida (the "Commissioners"), at its regularly scheduled meeting on December 19, 2017 at 9:30 a.m., or as soon thereafter as the same may be heard, in the Palm Beach County Governmental Center, 301 North Olive Avenue, West Palm Beach, Florida 33401, on the proposal for the Michigan Finance Authority (the "Issuer"), to issue one or more series of hospital revenue bonds (the "Bonds"), pursuant to a plan of financing for various capital facilities, in a total amount not to exceed \$1,500,000,000, including an amount not to exceed \$10,000,000 with respect to the capital facilities located in Palm Beach County, Florida (the "County"), as more fully described below. The proceeds of the Bonds will be loaned to Trinity Health Corporation, an Indiana nonprofit corporation. Trinity Health Corporation is the sole corporate member of Holy Cross Hospital, Inc. The proceeds of the Bonds will be used to finance or refinance the costs of acquisition, construction, furnishing and equipping of certain health care facilities (collectively, the "Palm Beach County, Florida 2018 Project," as described below), and pay certain expenses incurred in connection with the issuance of the Bonds. Trinity Health Corporation and its subsidiaries and affiliates are collectively referred to as "Trinity Health."

The "Palm Beach County, Florida 2018 Project" consists of additions and improvements to and equipment for hospitals or other health care facilities owned and operated by Trinity Health at the following locations: 1) Holy Cross West Boca Urgent Care and Imaging Center, 23071 State Road 7, Boca Raton, Florida 33428 and 2) Holy Cross East Boca Urgent Care and Imaging Center, 1799 South Federal Highway, Boca Raton, Florida 33432; and other related acquisitions, improvements, equipment, construction, and reconstruction located thereon.

The Bonds will not be a debt or liability of the County, the State of Florida or any political subdivision thereof, and neither the County, the State of Florida or any political subdivision thereof shall have any payment responsibility whatsoever in connection with the Bonds. The Bonds shall be special limited obligations of the Issuer, payable solely from payments to be made by Trinity Health.

A public hearing will be held pursuant to the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended.

All interested persons are invited to attend the public hearing, which will be the only public hearing held in the County concerning the issuance of the Bonds. Any such interested parties may at their option submit written comments to the County Administrator, 11th Floor, 301 North Olive Avenue, West Palm Beach, Florida 33401, prior to the hearing. Written comments should be received by the County on or before 5:00 p.m., December 18, 2017. Any person desiring to present oral comments should appear at the hearing.

SHOULD ANY PERSON DECIDE TO APPEAL ANY DECISION MADE BY THE COMMISSIONERS AT THIS HEARING, HE OR SHE WILL NEED A RECORD OF THE PROCEEDINGS AND HE OR SHE MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

Board of County Commissioners
Palm Beach County, Florida

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Board of County Commissioners
Palm Beach County, Florida