PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:

July 2, 2019

[] Consent

[X] Regular

[] Ordinance

[] Public Hearing

Department:

Department of Housing and Economic Sustainability

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to adopt: a Resolution of the Board of County Commissioners of Palm Beach County, Florida, approving the issuance by the Palm Beach County Health Facilities Authority of revenue bonds in an amount not to exceed \$181,000,000 in order to provide a loan or loans to any one or more of the Joseph L. Morse Health Center, Inc., Morselife Housing Corporation, Inc., Morselife Health System, Inc., Palm Beach Senior Care Health Management, LLC., Morselife Home Care, Inc., Morselife Hospice Institute, Inc. and/or Morselife Foundation, Inc.; and providing for an effective date.

Summary: Staff recommends Board of County Commissioners' (BCC) adoption of a Resolution authorizing the issuance by the Palm Beach County Health Facilities Authority ("Authority") of revenue bonds in an amount not to exceed \$181,000,000 ("Bonds"). If the Bonds are issued, the Authority will loan the proceeds of the Bonds to any one or more of The Joseph L. Morse Health Center, Inc., MorseLife Housing Corporation, Inc., MorseLife Health System, Inc., Palm Beach Senior Care Health Management, LLC, MorseLife Home Care, Inc., MorseLife Hospice Institute, Inc. and/or MorseLife Foundation, Inc. (collectively, the "Corporations") to provide funds to be used to finance (i) the construction of new health care and independent living facilities on the Corporations' existing campus (the "Campus") located at 4847 David S. Mack Drive and 4920 Loring Drive in the City of West Palm Beach, and on an approximately 10 acre parcel of land (the "North Site") located adjacent to and immediately north thereof, (ii) miscellaneous capital expenditures of the Corporations with respect to their facilities and operations on the Campus and North Site, (iii) termination payments due with respect to interest rate swap agreements entered into by one or more of the Corporations and (iv) costs of issuance of the Bonds, and also to refinance the Authority's Revenue Bonds, Series 2015A, 2015B and 2016, which were issued to finance and refinance capital expenditures with respect to the Campus. All facilities financed and refinanced with the Bonds will be located at the Campus or North Site and will be owned and operated by one or more of the Corporations. Approval by an elected body is required by the Internal Revenue Code, 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 7 (DB)

Background and Policy Issues: The Authority was created pursuant to Chapter 154, Florida Statutes and by and by Ordinances 77-379 and 77-398 enacted by the BCC in 1977. The Authority is governed by a five member governing body whose members are appointed by the BCC. The Internal Revenue Code requires that certain tax exempt bonds be approved by an elected governmental entity after a public hearing. Because members of the Authority are appointed by the BCC, it is necessary for bond issues by the Authority to be approved by the BCC. This approval does not in any way obligate the County on the Bonds.

not in any way obligate	the County on the Bonds.		
Attachment(s): 1. Resolution			
Recommended By:	Department Director	6-7-19 Date	
Approved By:	Assistant County Administrator	10/21/19 Date	

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2019	2020	2021	2022	2023
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT					
# ADDITIONAL FTE POSITIONS (Cumulative)					
Is Item Included In Current Bu Does this item include the use	dget? of Federa	l Funds?	Yes Yes	No X No X	
Budget Account No.:					
Fund Dept Unit	Object	t Prog	ram Code/Pe	riod	
B. Recommended Source	s of Funds	/Summary of	f Fiscal Impa	ct:	
No fiscal impact					
C. Departmental Fiscal Re	eview:	Beverley Re	id, Division Ma	anager	
	III. <u>RE</u>	VIEW COMM	<u>ENTS</u>		
A. OFMB Fiscal and/or Co	ntract Dev	elopment an	d Control Co	mments:	
OFMB C/12		Conti	ract Developm	nent and Contro	611811
3. Legal Sufficiency:					·
Assistant County Attorne	,/20/19 v	ļ			
C. Other Department Revi	ew:				
Department Director	***************************************				

RESOLUTION NO. R2019-

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, APPROVING THE ISSUANCE BY THE PALM BEACH HEALTH **FACILITIES AUTHORITY** REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$181,000,000 IN ORDER TO PROVIDE A LOAN OR LOANS TO ANY ONE OR MORE OF THE JOSEPH L. MORSE HEALTH CENTER, INC., **MORSELIFE** CORPORATION, INC., MORSELIFE HEALTH SYSTEM, **PALM BEACH SENIOR CARE** MANAGEMENT, LLC, MORSELIFE HOME CARE, INC., MORSELIFE HOSPICE INSTITUTE, INC. MORSELIFE FOUNDATION, INC.; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on June 10, 2019 the Palm Beach County Health Facilities Authority (the "Authority") held a public hearing with regard to the issuance of the Authority's revenue bonds in a principal amount not to exceed \$181,000,000 (the "Bonds"); and

WHEREAS, if the Bonds are issued, the Authority will loan the proceeds of the Bonds to any one or more of The Joseph L. Morse Health Center, Inc., MorseLife Housing Corporation, Inc., MorseLife Health System, Inc., Palm Beach Senior Care Health Management, LLC, MorseLife Home Care, Inc., MorseLife Hospice Institute, Inc. and/or MorseLife Foundation, Inc. (collectively, the "Corporations") to provide funds to be used to finance (i) the construction of new health care and independent living facilities on the Corporations' existing campus (the "Campus") located at 4847 David S. Mack Drive and 4920 Loring Drive in the City of West Palm Beach, Florida and on an approximately 10 acre parcel of land (the "North Site") located adjacent to and immediately north thereof, (ii) miscellaneous capital expenditures of the Corporations with respect to their facilities and operations on the Campus and North Site, (iii) termination payments due with respect to interest rate swap agreements entered into by one or more of the Corporations and (iv) costs of issuance of the Bonds, and also to refinance the Authority's Revenue Bonds, Series 2015A, 2015B and 2016, which were issued to finance and refinance capital expenditures with respect to the. All facilities financed and refinanced with the Bonds will be located at the Campus or North Campus and will be owned and operated by one or more of the Corporations; and

WHEREAS, the Bonds will not be an obligation of the County, and neither the taxing power nor faith and credit of the County, nor any County funds shall be pledged to pay the principal, premium, if any, or interest on the Bonds; rather, the Bonds will be payable from funds of any one or more of the Corporations; and

WHEREAS, pursuant to the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), as a prerequisite to the issuance of the Bonds it is necessary that the Board of County Commissioners of Palm Beach County approve the issuance thereof after said public hearing; and

WHEREAS, the Board of County Commissioners desires to evidence its approval of the issuance of the Bonds solely to satisfy the requirements of the Code;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY THAT:

Section 1. The Board of County Commissioners hereby approves the issuance of the Bonds solely

	esolution was offered by Commissioner		, who moved
being put to a vot	motion was seconded by Commissionere, the vote was as follows:		, and upon
	Commissioner Mack Bernard, Mayor Commissioner, Dave Kerner Vice Mayor Commissioner Hal R. Valeche	- - -	
	Commissioner Gregg K. Weiss Commissioner Robert S. Weinroth		
	Commissioner Mary Lou Berger		
	Commissioner Melissa McKinlay		
The Mayor thereu 20	pon declared the Resolution duly passed and ad PALM BEA BY ITS BO	opted this day ACH COUNTY, FI OARD OF COMMI Bock, Clerk and Con	LORIDA SSIONERS
The Mayor thereu 20	pon declared the Resolution duly passed and ad PALM BEA BY ITS BO	ACH COUNTY, FI OARD OF COMMI	LORIDA SSIONERS
The Mayor thereu 20	pon declared the Resolution duly passed and ad PALM BEA BY ITS BO	ACH COUNTY, FIDARD OF COMMI Bock, Clerk and Con	LORIDA SSIONERS

County Attorney