## PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

#### **AGENDA ITEM SUMMARY**

**Meeting Date:** 

**September 10, 2019** 

[ ] Consent [ ] Ordinance [X] Regular

[ ] 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 aggregate principal amount not to exceed \$400,000,000, including an amount not to exceed \$343,000,000 with respect to capital facilities of Baptist Health South Florida, Inc. and its affiliates located in Palm Beach County, Florida, 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 aggregate principal amount not to exceed \$400,000,000 (Bonds), inclusive of an amount not to exceed \$343,000,000 to support health facilities located in Palm Beach County. The proceeds of the Bonds issued by the Authority will be used to make a loan to any one or more of Baptist Health South Florida, Inc., Baptist Hospital of Miami, Inc., Baptist Outpatient Services, Inc., Doctors Hospital, Inc., Homestead Hospitals, Inc., Mariners Hospital, Inc., South Miami Hospital, Inc., West Kendall Baptist Hospital, Inc., Fishermen's Health, Inc., Bethesda Health, Inc., Bethesda Health Outpatient Services, Inc., Bethesda Hospital, Inc., Bethesda Payroll Services, Inc., Bethesda Health Comprehensive Imaging Services, Inc., Boca Raton Regional Hospital and BRRH Corporation (collectively, the Corporation). Funds will be used, among other things, to finance or refinance the costs of the renovation, new construction, improvements to, and the acquisition of health facilities of the Corporation, including health facilities owned and operated by the Corporation at locations within Miami-Dade and Monroe Counties as well as the following locations in Boynton Beach (200 Northpoint Parkway, 10301 Hagen Ranch Road, 9811 Boynton Beach Boulevard, 9775 Boynton Beach Boulevard, 9655 Boynton Beach Boulevard, 2815 South Seacrest Boulevard, 2800 South Seacrest Boulevard, 2623 South Seacrest Boulevard, 2575 South Seacrest Boulevard, 2706 SW 4th Street); Delray Beach (16313 Military Trail, 3800 South Congress Avenue, 237 George Bush Boulevard, and undeveloped parcels on SE 25th Avenue and SW 24th Avenue); and Boca Raton (901 Meadows Road, 801 Meadows Road, 800 Meadows Road, 745 Meadows Road, 690 Meadows Road, 701 NW 13th Street, 686 Glades Road, 670 Glades Road, 600 Glades Road, 640-650 Glades Road, 620-638 Glades Road). 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 Bonds. Districts 4, 5, & 7 (DB)

Background and Policy Issues: The Authority was created pursuant to Chapter 154, Florida Statutes (Act) 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. 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. This approval has be given in the past for other bond issues of the Palm Beach County Health Facilities Authority. No County funds are being expended in connection with this transaction.

A۱	ttachment(s):
1.	Resolution

Recommended By:

Department Director

Date

Approved By:

Assistant County Administrator

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)					
ls Item Included In Current I Does this item include the u	Budget? se of Federa	l Funds?	Yes Yes	No X No X	
Budget Account No.:					
und Dept Unit	Object	Prog	ram Code/Per	iod	
3. Recommended Source					
No fiscal impact					
C. Departmental Fiscal I	Review: =	Beverley Re	eid, Division M	anager	
		/IEW COMM			
A. OFMB Fiscal and/or (	Contract Deve	elopment an	d Control Co	mments:	
Just R 18/13	10 PH 1	Cont	ract Developm	auslen (	P16(19
3. Legal Sufficiency:	·		soff;	t 16	
Assistant County Attorn	8/20/	19			
C. Other Department Re	•				
Department Director					

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 AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$400,000,000, INCLUDING AN AMOUNT NOT TO EXCEED \$343,000,000 WITH RESPECT TO CAPITAL FACILITIES OF **BAPTIST HEALTH** SOUTH FLORIDA, INC. AND AFFILIATES LOCATED IN PALM BEACH COUNTY, FLORIDA, AND PROVIDING FOR AN EFFECTIVE DATE.

**WHEREAS**, on August 21, 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 \$400,000,000 (the "Bonds"); and

WHEREAS, if the Bonds are issued, the Authority will loan the proceeds of the Bonds to any one or more of Baptist Health South Florida, Inc., Baptist Hospital of Miami, Inc., Baptist Outpatient Services, Inc., Doctors Hospital, Inc., Homestead Hospital, Inc., Mariners Hospital, Inc., South Miami Hospital, Inc., West Kendall Baptist Hospital, Inc., Fishermen's Health, Inc. Bethesda Health, Inc., Bethesda Health Outpatient Services. Inc., Bethesda Hospital, Inc., Bethesda Payroll Services, Inc., Bethesda Health Comprehensive Imaging Services Inc., Boca Raton Regional Hospital and BRRH Corporation (collectively, the "Corporations") to provide funds to be used to (i) refinance taxable indebtedness the proceeds of which were used to defease the Palm Beach County Health Facilities Authority Hospital Revenue Refunding Bonds, Series 2014 (BRRH Corporation Obligated Group), (ii) finance or refinance the costs of the renovation, new construction and improvements to and the acquisition of health facilities of the Corporations, (iii) pay a portion of the interest on the Bonds, if deemed necessary or desirable by the Corporations, (iv) fund one or more debt service reserve funds, if deemed necessary or desirable by the Corporations, (v) provide working capital for one or more of the Corporations, if deemed necessary or desirable by the Corporations and (vi) pay costs of issuance of the Bonds. All facilities financed and refinanced with the Bonds will be located in Palm Beach County, Florida, Miami-Dade County, Florida or Monroe County, Florida 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 for purposes of Section 147(f) of the Code.

SECTION 2: This Resolution shall take	ce effect immediately upon its adoption.			
The foregoing Resolution was offered its adoption. The motion was second put to vote, the vote was as follows:	d by Commissioner, who moved ded by Commissioner, and being			
Commissioner Mack E Commissioner Dave K Commissioner Hal R. V Commissioner Gregg Commissioner Robert Commissioner Mary Lo	Gerner, Vice Mayor Valeche K. Weiss S. Weinroth ou Berger			
The Mayor thereupon declared the R day of, 2019.	esolution duly passed and adopted this			
	PALM BEACH COUNTY, FLORIDA, BY ITS BOARD OF COUNTY COMMISSIONERS			
APPROVED AS TO FORM AND LEGAL SUFFICIENCY	ATTEST: SHARON R. BOCK CLERK & COMPTROLLER			
By: David Behar Assistant County Attorney	By: Deputy Clerk			