PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:

May 5, 2020

[] Consent [] Ordinance

[]Regular

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[X] Public Hearing

Department:

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, authorizing the issuance of one or more series of Palm Beach County Health Facilities Retirement Communities Revenue Bonds, Series 2020 (ACTS Retirement-Life Communities, Inc. Obligated Group) by the Palm Beach County Health Facilities Authority in an aggregate principal amount not to exceed \$25,000,000 (the "Bonds") for the purpose of financing the 2020 Project as described therein.

Summary: ACTS Retirements-Life Communities, Inc., a Pennsylvania nonprofit corporation (Corporation) requests the Palm Beach County Health Facilities Authority (Authority) issue tax-exempt Revenue Bonds in an amount not to exceed \$25,000,000, pursuant to a TEFRA public hearing held on April 2, 2020. The bonds are to be issued by the Authority for the purpose of providing funds to the Corporation to refinance all or a portion of a revolving line of credit issued by Bank of America to the Corporation and all or a portion of a revolving line of credit issued by Branch Banking and Trust Company to the Corporation; and to finance new projects at the following Palm Beach County locations: (a) 6152 Verde Trail North, Boca Raton, FL 33433-2430; (b) 6045 Verde Trail South, Boca Raton, FL 33433-4476; and (c) 23315 Blue Water Circle, Boca Raton, FL 33433-7053 and the following Indian River County locations: (a) 2250 Indian Creek Boulevard West, Vero Beach, FL 32966-1395 and 7730 Indian Oaks Drive, Vero Beach, FL 32966All facilities to be financed by the Bonds are owned and operated by the Corporation. 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. District 4 (DB)

Background and Policy Issues: The Palm Beach County Health Facilities Authority was created pursuant to Part III of Chapter 154, Florida Statutes, and by Resolutions adopted by the Board of County Commissioners (BCC) on April 12 and April 19, 1977. The Authority is governed by a five (5) member governing board whose members are appointed by the BCC. The Internal Revenue Code requires that certain tax exempt bonds be approved by an elected governmental agency after a public hearing. Therefore, 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. The Bonds are being purchased by B.C. Ziegler and Company or such other underwriter as may be determined by the Corporation.

A.	ttac	hme	ent	(S)):	
1.	Reso	olutio	on			

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

C-n:t	al Years	2020	2021	2022	2023	2024
Capital Expenditures						
Opera	ating Costs					
Exter	nal Revenues					
Program Income			· · · · · · · · · · · · · · · · · · ·			
In-Kind Match (County)						
NET FISCAL IMPACT						
	DITIONAL FTE TIONS (Cumulative)					
	n Included In Curre this Item include th t Account No.:	nt Budget? e use of Fed	eral funds	Yes ? Yes	No X No X	- -
		nit Oh	icat	Drogram Co	do/Doriod	
	Dept U					
В.	Recommended So	urces of Fun	ds/Summa	ary of Fiscal I	mpact:	
	No fiscal impact					
С.	Departmental Fiscal Review: Jow Beverley Reid, Division Manager					
		III. <u>REV</u>	IEW COM	<u>MENTS</u>		
Α.	OFMB Fiscal and/o	r Contract D	evelopme	nt and Contro	ol Comments	: :
	0		120	otract Develop	Jarolus	
В.	Legal Sufficiency:			<i>(,, ,</i> , , , , , , , , , , , , , , , , ,		
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J.	al (n	4/16/202				
	Assistant County Att		_			

Department Director

RESOLUTION NO. R2020-

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF PALM BEACH COUNTY HEALTH FACILITIES RETIREMENT COMMUNITIES REVENUE BONDS, SERIES 2020 (ACTS RETIREMENT-LIFE COMMUNITIES, INC. OBLIGATED GROUP) BY THE PALM BEACH COUNTY HEALTH FACILITIES AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$25,000,000 (THE "BONDS") FOR THE PURPOSE OF FINANCING THE 2020 PROJECT AS DESCRIBED HEREIN.

WHEREAS, on April 2, 2020, a public hearing was held by the Palm Beach County Health Facilities Authority (the "Authority") with regard to the issuance of its Retirement Communities Revenue Bonds (ACTS Retirement-Life Communities, Inc. Obligated Group) in one or more series in an aggregate principal amount not to exceed \$25,000,000;

WHEREAS, the Bonds are to be issued by the Authority for the purpose of financing a project (collectively referred to herein as the "2020 Project") consisting generally of (i) the current refunding, refinancing and/or restructuring of all or a portion of a revolving line of credit issued by Bank of America to the Borrower, (ii) the current refunding, refinancing and/or restructuring of all or a portion of a revolving line of credit issued by Branch Banking and Trust Company to the Borrower (collectively, the "Bonds to be Refunded"), (iii) financing or refinancing (including reimbursement) the costs of acquisition, construction, equipping and improvement of existing and additional facilities at the properties of ACTS Retirement-Life Communities, Inc., a Pennsylvania nonprofit corporation (the "Corporation"), as more particularly described in Exhibit A hereto (collectively, the "Capital Projects"), and (iv) the financing of some or all of the costs of issuance of the Bonds, reserve funds (if any), and capitalized interest (if any); and

WHEREAS, the Bonds will not be an obligation of the County, and will be payable from funds of the Corporation;

WHEREAS, pursuant to the requirements of Section 147(f)(2)(A)(ii) 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, Florida approve the issuance of the Bonds after the aforesaid public hearing; and

WHEREAS, the Board of County Commissioners of Palm Beach County, Florida desires to evidence its approval of the issuance of said Bonds solely to satisfy the requirements of the Code.

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

<u>Section 1. AUTHORIZATION OF BONDS:</u> The Board of County Commissioners of Palm Beach County hereby approves the issuance of the Bonds in one or more series at one or more times for the purposes of Section 147(f) of the Code.

Section 2. LIMITED OBLIGATION: The Bonds shall be limited obligations of the Authority payable from amounts received in repayment of the loan of proceeds of the Bonds. 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. LIMITED APPROVAL: The approval given herein is solely for the purpose of satisfying the requirement 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.

	This Resolution shall take effect immediately upon
its passage and adoption.	
	Commissioner, who moved its missioner, and being put to a
Commissioner Dave Kerner, Mayor Commissioner Robert S. Weinroth, Commissioner Hal R. Valeche Commissioner Mack Bernard Commissioner Melissa McKinlay Commissioner Gregg K. Weiss Commissioner Mary Lou Berger The Mayor thereupon declared the Resolution, 2020.	. Vice Mayor
	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:
Assistant County Attorney	

EXHIBIT A

CAPITAL PROJECTS DESCRIPTION

The financing or refinancing (including reimbursement), the costs of acquisition, construction, equipping and improvement of existing and additional facilities at the properties of the Corporation as more particularly described below.

(1) St. Andrews Estates

Address:

North Campus: 6152 North Verde Trail, Boca Raton,

Palm Beach Co., FL 33433-2430

South Campus: 6045 Verde Trail South, Boca Raton,

Palm Beach Co., FL 33433-4476

Description of Existing Facility:

446 independent living units, central facilities, 70

assisted living units and an 89 bed medical care facility.

Projects to be Financed:

Miscellaneous capital improvements and renovations and the acquisition of capital equipment, including, but not limited to, renovations and upgrades to residential living units, health care facilities and common areas, the acquisition of new plant equipment, and other facility interior and exterior enhancements, including specifically café, lobby and skilled nursing center

renovations, and technology advancements.

Maximum Principal Amount up to:

\$20,000,000

(2) Edgewater at Boca Pointe

Address:

23315 Blue Water Circle, Boca Raton, Palm Beach Co.,

FL 33433-7053

Description of Existing Facility:

326 independent living units, central facilities, 43

assisted living units and a 99 bed medical care facility.

Projects to be Financed:

Miscellaneous capital improvements and renovations and the acquisition of capital equipment, including, but not limited to, renovations and upgrades to residential living units, health care facilities and common areas, the acquisition of new plant equipment, and other facility interior and exterior enhancements, including specifically skilled nursing center renovations and

technology advancements.

Maximum Principal Amount up to:

\$20,000,000

(3) Indian River Estates

Address:

East Campus: 2250 Indian Creek Blvd West, Vero

Beach, Indian River Co., FL 32966-1395

West Campus: 7730 Indian Oaks Drive, Vero Beach,

Indian River Co., FL 32966-5178

Description of Existing Facility:

568 independent living units, central facilities, 53

assisted living units and a 120 bed medical care facility.

Projects to be Financed:

Miscellaneous capital improvements and renovations and the acquisition of capital equipment, including, but not limited to, renovations and upgrades to residential living units, health care facilities and common areas, the acquisition of new plant equipment and other facility interior and exterior enhancements, including specifically the renovation of independent living building entry lobbies and technology advancements.

Maximum Principal Amount up to:

\$10,000,000