

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date:	November 17, 2020	<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Regular
		<input type="checkbox"/> Ordinance	<input type="checkbox"/> 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, amending Resolution No. R-2020-0711 which authorized the issuance of one or more series of Revenue Bonds (Caron of Florida, Inc. Project), Series 2020, in an aggregate principal amount not exceeding \$52,803,000, for the purpose of making a loan of funds to Caron of Florida, Inc. in order to finance the costs of a project on behalf of Caron of Florida, Inc.; amending such Resolution to provide for the issuance of such Bonds pursuant to the provisions of a Loan and Security Agreement among the County, Caron of Florida, Inc. and the Purchaser of such Bonds; approving and authorizing the execution and delivery of such Loan and Security Agreement; approving and authorizing the execution and delivery of certain other documents required in connection with the foregoing; and providing certain other details in connection therewith.

Summary: On June 16, 2020, the Board of County Commissioners adopted a resolution authorizing the issuance of the Caron of Florida, Inc. Project Revenue Bonds (R-2020-0711). The Resolution anticipated the use of a Trust Indenture to facilitate the bond purchase and sale transaction. Subsequently, counsel determined that a Loan and Security Agreement would be used instead. Since R-2020-0711 specifically referenced the use of a Trust Indenture, it must be amended to reflect the change to a Loan and Security Agreement.

The Borrower is a wholly owned subsidiary of the Richard J. Caron Foundation (Caron). Caron offers a full continuum of addiction and behavioral health care services at inpatient facilities located in Pennsylvania and Florida. The Borrower has requested the issuance of the Bonds to fund the cost and finance the construction, installation, and equipping of a new medical detox facility located at 4675 West Linton Boulevard in Delray Beach; and the acquisition and renovation of Fairways on the Green, a residential housing facility at 2046 Lowson Boulevard in Delray Beach. **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 & 7 (DB)**

Background and Policy Issues: The Internal Revenue Code requires that certain tax-exempt debt be approved by an elected governmental agency after a public hearing.

Attachment(s):

1. Resolution

Recommended By: Jonathan Braun 10/8/2020
Department Director Date

Approved By: Donna M. Mich 10/20/2020
Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2021	2022	2023	2024	2025
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 X
 Does this Item include the use of Federal Funds? Yes _____ No X

Budget Account No.:

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

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

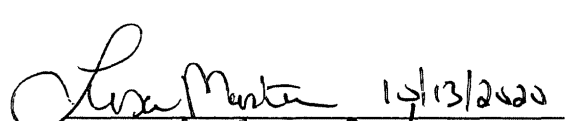
No fiscal impact


C. Departmental Fiscal Review:


 Beverley Reid, Division Manager


III. REVIEW COMMENTS

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


 Lisa Mente 10/13/2020
 OFMB 10/13 AP 10/13


 J. J. Jankov 10/16/2020
 Contract Development and Control
 10-15-20 TW

B. Legal Sufficiency:


 for D. Behar 10/19/2020
 Assistant County Attorney

C. Other Department Review:

 Department Director

RESOLUTION NO. R-2020-_____
AMENDING RESOLUTION NO. R-2020-0711

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AMENDING RESOLUTION NO. R-2020-0711 WHICH AUTHORIZED THE ISSUANCE OF ONE OR MORE SERIES OF REVENUE BONDS (CARON OF FLORIDA, INC. PROJECT), SERIES 2020, IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$52,803,000, FOR THE PURPOSE OF MAKING A LOAN OF FUNDS TO CARON OF FLORIDA, INC. IN ORDER TO FINANCE THE COSTS OF A PROJECT ON BEHALF OF CARON OF FLORIDA, INC.; AMENDING SUCH RESOLUTION TO PROVIDE FOR THE ISSUANCE OF SUCH BONDS PURSUANT TO THE PROVISIONS OF A LOAN AND SECURITY AGREEMENT AMONG THE COUNTY, CARON OF FLORIDA, INC. AND THE PURCHASER OF SUCH BONDS; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF SUCH LOAN AND SECURITY AGREEMENT; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN OTHER DOCUMENTS REQUIRED IN CONNECTION WITH THE FOREGOING; AND PROVIDING CERTAIN OTHER DETAILS IN CONNECTION THEREWITH.

WHEREAS, Palm Beach County, Florida (the "Issuer") is a political subdivision of the State of Florida and is empowered by the provisions of the Florida Constitution and Chapter 159, Part II, Florida Statutes (the "Act"), to issue obligations for the purpose of financing and refinancing healthcare facilities; and

WHEREAS, the Board of County Commissioners (the "Governing Body") of the Issuer previously adopted Resolution No. R-2020-0711 (the "Authorizing Resolution") which authorized the issuance of one or more series of revenue bonds under the Act, in an aggregate principal amount not to exceed \$52,803,000 (the "Bonds") and loan the proceeds from the Bonds (the "Loan") to Caron of Florida, Inc. (the "Borrower") for the purpose of financing the cost of (i) the construction, installation and equipping of a new medical and detox facility to be located at 4675 W. Linton Boulevard, Delray Beach, Florida; (ii) the acquisition and renovation of Fairways on the Green, a residential housing facility used for extended care treatment services to individuals suffering from chemical dependency, sexual trauma and gambling addiction located at 2045 Lowson Boulevard, Delray Beach, Florida; and (iii) issuance of the Bonds, conditioned upon the adoption of this resolution and certain other conditions; and

WHEREAS, on June 16, 2020 the Issuer conducted a public hearing as required by Section 147(f) of the Internal Revenue Code of 1986, as amended, with respect to the issuance of the Bonds; and

WHEREAS, the Authorizing Resolution provided that such Bonds would be designated as "Revenue Bonds (Caron of Florida, Inc. Project), Series 2020" and would be issued under and pursuant to the terms of a Trust Indenture (the "Indenture") to be entered into between the Issuer and a trustee to be selected by the Borrower (the "Trustee"); and

WHEREAS, the Borrower has requested that the Authorizing Resolution be amended to provide that, in lieu of issuing the Bonds under the Indenture, the Bonds will be issued under and pursuant to the provisions of a Loan and Security Agreement (the "Loan Agreement") to be entered into between the Issuer, the Borrower and the purchaser of the Bonds; and

WHEREAS, all other terms and conditions of the Authorizing Resolutions shall remain the same; and

WHEREAS, it is necessary and desirable to authorize the execution and delivery of the Loan Agreement in connection with the issuance of the Bonds.

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

SECTION 1. Authority for this Resolution. This resolution, herein called the "Resolution," is adopted pursuant to the Act.

SECTION 2. Amendment to Authorizing Resolution. The Authorizing Resolution is hereby amended to provide that the Bonds shall be issued under and pursuant to the terms of the Loan Agreement in lieu of the Indenture. Except as modified by this Resolution, all other terms and conditions of the Authorizing Resolutions are hereby confirmed and shall remain in full force and effect.

SECTION 3. Authorization of Bonds. Subject and pursuant to the provisions of the Authorizing Resolution, as amended by this Resolution, and of the Loan Agreement, for the purpose of financing the Project, the issuance of revenue bonds of the Issuer under the authority of the Act in the principal amount of not to exceed \$52,803,000 is hereby confirmed. The Mayor is hereby authorized to award the sale of the Bonds in an aggregate principal amount sufficient, together with other available funds, to finance the Project and to pay the costs associated with issuance of the Bonds, as requested by the Borrower, provided that the aggregate principal amount of the Bonds shall not exceed \$52,803,000, the interest rate on the Bonds shall not exceed the maximum rate permitted by law, and the maturity date of the Bonds shall not be later than 2050.

Subject to the foregoing, the Bonds shall be dated, shall bear interest at such rates, mature on such dates, be subject to redemption on such dates and in such amounts and at such price and have such other details, terms and conditions all as set forth in the Loan Agreement.

SECTION 4. Authorization of Execution and Delivery of the Loan Agreement. As security for the payment of the principal of and interest on the Bonds, the Loan Agreement, in such form as may be approved by the Mayor, such approval to be presumed by the execution thereof by the Mayor, is hereby approved by the Issuer, and the Issuer hereby authorizes and directs the Mayor to execute the Loan Agreement and the Clerk to attest thereto under the official seal of the Issuer, all of the provisions of which, when executed and delivered by the Issuer as authorized herein, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein.

SECTION 5. No Personal Liability. No covenant, stipulation, obligation or agreement herein contained or contained in the Loan Agreement, the Bonds, or any instrument contemplated thereby shall be deemed to be a covenant, stipulation, obligation or agreement of any officer, member, agent or employee of the Issuer in his or her individual capacity, and no member of the Governing Body of the Issuer executing the Bonds or other documents herein mentioned shall be liable personally thereon or be subject to any personal accountability by reason of the issuance or execution thereof.

SECTION 6. No Third Party Beneficiaries. Except as herein or in the documents herein mentioned otherwise expressly provided, nothing in this Resolution or in such documents, express or implied, is intended or shall be construed to confer upon any Person other than the Issuer, the Borrower and the purchaser of the Bonds any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof or of such documents; this Resolution and such documents being intended to be and being for the sole and exclusive benefit of such parties.

SECTION 7. Prerequisites Performed. All acts, conditions and things relating to the passage of this Resolution and required by the Constitution or laws of the State of Florida to happen, exist and be performed precedent to and in the passage hereof have happened, exist and have been performed as so required.

SECTION 8. General Authority. The Clerk and the members of the Governing Body of the Issuer are hereby authorized to do all acts and things required of them by the Authorizing Resolution, as amended by this Resolution, or the Agreement, or desirable or consistent with the requirements hereof or thereof, for the full punctual and complete

performance of all terms, covenants and agreements contained in the Bonds, the Loan Agreement, the Authorizing Resolution and this Resolution.

SECTION 9. General Authorizations. The Mayor, and any other member of the Governing Body of the Issuer, the Clerk, the County Attorney, and any other appropriate employee of the Issuer, are hereby each authorized to execute, publish, file and record such other documents, instruments, notices, and records and to take such other actions as shall be necessary or desirable to accomplish the purposes of Authorizing Resolution, as amended by this Resolution, and to comply with and perform the obligations of the Issuer under the Loan Agreement.

SECTION 10. Limited Obligation. The Bonds shall not be deemed to constitute a debt, liability, or obligation of the Issuer or the State of Florida, or of any political subdivision thereof, or a pledge of the faith and credit of the Issuer or of the State of Florida or of any political subdivision thereof, but shall be payable solely from the loan payments received from or on behalf of the Borrower. Any and all payments of any nature relating to the Bonds shall not be payable from any funds of the Issuer.

SECTION 11. Severability. If any one or more of the covenants, agreements, or provisions contained herein or in the Bonds shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements, or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements, or provisions hereof and thereof and shall in no way affect the validity of any of the other provisions of this Resolution or of the Bonds.

SECTION 12. Repealer. All resolutions or parts thereof of the Issuer in conflict with the provisions herein contained are, to the extent of any such conflict, hereby superseded and repealed.

SECTION 13. Effective Date. 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 upon being put to a vote, the motion passed as follows:

- District 1: _____
- District 2: Gregg K.Weiss _____
- District 3: _____
- District 4: Robert S. Weinroth _____
- District 5: _____
- District 6: Melissa McKinlay _____
- District 7: _____

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: _____
County Attorney

By: _____
Deputy Clerk