#### PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

#### **AGENDA ITEM SUMMARY**

Meeting Date:	December 5, 2023	[X] Consent [ ] Ordinance	[] Regular [] Public Hearing		
Submitted By:	Housing and Economic Development				
Submitted For:	Palm Beach County Health Facilities Authority				

### 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 of one or more series of Revenue Bonds for Lifespace Communities, Inc. by the Palm Beach County Health Facilities Authority in an aggregate principal amount not to exceed \$225,000,000.

**Summary:** Lifespace Communities, Inc., an Iowa non-profit corporation ("Corporation") has requested the Palm Beach County Health Facilities Authority ("Authority") issue Revenue Bonds in an amount not to exceed \$225,000,000 pursuant to a TEFRA public hearing held on October 12, 2023 by the Authority. The bonds are to be issued by the Authority for the purpose of providing funds to the Corporation to finance, refinance, and reimburse the costs of additions renovations, remodeling, equipping and miscellaneous capital improvements to the life care communities of Lifespace Communities, Inc., known as Harbour's Edge located at 401 East Linton Boulevard in Delray Beach, Florida 33483 and The Waterford, located at 601 Universe Boulevard, Juno Beach, Florida 33408. All facilitates to be financed by the Bonds are owned or leased 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.

One or more documents approved by the Authority in the Resolution authorizing the issuance of the Bonds will include language creating a contractual obligation of the borrower substantially as follows: The County assumes no responsibility for monitoring compliance by the Borrower of applicable federal income tax, securities laws or other regulatory requirements. The Borrower understands and agrees that it is responsible for monitoring its compliance with all applicable federal income tax, federal securities law and other regulatory requirements, retaining adequate records of such compliance, and retaining qualified counsel to respond to or assist the Authority and the County in responding to any audit, examination or inquiry of the Internal Revenue Service, the Securities and Exchange Commission or other regulatory body. The Borrower assumes responsibility for monitoring relative to the Bonds, and shall retain adequate records of such compliance until at least three (3) years after the Bonds are retired.

In the event of any audit, examination or investigation by the Internal Revenue Service with respect to the tax-exempt status of the Bonds or any other related tax matters, the Borrower shall be responsible for retaining qualified counsel to respond to such audit. <u>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.</u> Districts 1 & 7 (DB)

Background and Justification: Continued on Page 3

Attachment: 1. Resolution		
Recommended By:	Department Director	1182023 Date
Approved By:	Assistant County Administrator	1120123 Date

## II. FISCAL IMPACT ANALYSIS

## A. Five Year Summary of Fiscal Impact:

Fiscal Years	2024	2025	2026	2027	2028
Capital Expenditures					
Operating Costs					
External Revenues	······				
Program Income					
In-Kind Match (County)	···· · ·······························	······			
NET FISCAL IMPACT	-0-				

# ADDITIONAL FTE		 	
POSITIONS (Cumulative)		 	

Is Item Included In Current Budget? Does this Item include the use of Federal funds? Does this Item include the use of State funds?

Yes	No_	<u> </u>
Yes	No	X
Yes	No _	X

Budget Account No.:

Fund \_\_\_\_\_ Dept \_\_\_\_\_ Unit \_\_\_\_\_ Object \_\_\_\_\_ Program Code/Period \_\_\_\_\_

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

All costs to be borne by the Health Facilities Authority. No fiscal impact to Palm Beach County.

C. Departmental Fiscal Review:

Valerie Alleyne, Division Director II Finance and Administrative Services, DHED

#### III. REVIEW COMMENTS

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

Legal Sufficiency: Β.

Assistant County Attorney

C. Other Department Review:

**Department Director** 

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT)

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#### Lifespace Communities, Inc. Bond December 5, 2023 Page 3

#### Background and Justification: Continued from Page 1:

The Palm Beach County Health Facilities Authority (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 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. The Harbour's Edge Project and The Waterford Project are located within the jurisdiction of the County. Therefore, it is necessary for Bonds issued by the Authority to be approved by the BCC. 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.

#### RESOLUTION NO. R2023-

#### A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, APPROVING THE ISSUANCE OF ONE OR MORE SERIES OF REVENUE BONDS FOR LIFESPACE COMMUNITIES, INC., BY THE PALM BEACH COUNTY HEALTH FACILITIES AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$225,000,000.

**WHEREAS,** on October 12, 2023, a public hearing was held by the Palm Beach County Health Facilities Authority (the "Authority") with regard to the issuance of its Revenue Bonds (Lifespace Communities, Inc.), consisting of one or more series, in an aggregate principal amount not to exceed \$225,000,000;

WHEREAS, the Bonds are to be issued by the Authority for the purpose of financing a project (referred to herein as the "Project") consisting generally of (i) a plan of finance to finance, refinance and reimburse the costs of additions, renovations, remodeling, equipping and miscellaneous capital improvements to the life care communities known as Harbour's Edge located at 401 East Linton Boulevard in Delray Beach, Florida 33483 and The Waterford, located at 601 Universe Boulevard, Juno Beach, Florida 33408, and, which are owned or leased and operated by Lifespace Communities, Inc., an Iowa nonprofit corporation and its affiliates (the "Corporation"), and (ii) financing some or all of the costs of issuance of the Bonds, reserve funds (if any) and capitalized interest (if any);

**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 the 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 THAT:

#### Section 1. <u>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.

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**Section 2.** <u>LIMITED OBLIGATION:</u> 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.** <u>LIMITED APPROVAL:</u> 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. EFFECTIVE DATE

This Resolution shall take effect immediately upon its passage and 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:

District 1: Commissioner Maria G. Marino	-	
District 2: Commissioner Gregg K. Weiss	-	******
District 3: Commissioner Michael Bennett	-	
District 4: Commissioner Marcy Woodward	-	<u>u</u>
District 5: Commissioner Maria Sachs	-	
District 6: Commissioner Sara Baxter		
District 7: Commissioner Mack Bernard	-	

The Mayor thereupon declared the Resolution duly passed and adopted this 5<sup>th</sup> day of December, 2023.

APPROVED AS TO LEGAL SUFFICIENCY

By:

Assistant County Attorney

PALM BEACH COUNTY, FLORIDA BY ITS BOARD OF COUNTY COMMISSIONERS

ATTEST: JOSEPH ABRUZZO CLERK & COMPTROLLER

By:

Deputy Clerk

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