



Brevard County Board of County Commissioners

2725 Judge Fran Jamieson
Way
Viera, FL 32940

Legislation Text

File #: 2806, **Version:** 1

Subject:

Resolution approving the issuance by Brevard County Health Facilities Authority of Refunding Revenue Bonds, Series 2021 (Buena Vida Estates Project)

Fiscal Impact:

None.

Dept/Office:

County Attorney's Office

Requested Action:

The Brevard County Health Facilities Authority (the "Authority") is requesting that the Board approve a Resolution to allow the issuance by the Authority of tax exempt refunding revenue bonds, Series 2021, (Buena Vida Estates Project), to refund outstanding bonds and to finance the construction of 24 new independent living units and other capital improvements.

Summary Explanation and Background:

Buena Vida Estates, Inc. and B.V. Assisted Living, Inc., Florida not-for-profit corporations (herein "Buena Vida") operate a continuing care retirement community for seniors over age 65, located at 2129 W. New Have Avenue, West Melbourne, consisting of 162 independent living units, 32 assisted living units and 16 memory support units ("Main Campus"). The Authority has received a request from Buena Vida to issue tax exempt refunding revenue bonds in an amount up to \$42,000,000 (the "Bonds") to (i) refund the Authority's outstanding Series 2016 Bonds issued in connection with the Main Campus financing, (ii) finance the cost of constructing and equipping 24 new independent living units in 12 buildings, a clubhouse with pool, gas fire pit, pickle ball and bocce ball courts all located on approximately 6.63 acres at 270 Woodland Drive, West Melbourne, plus certain capital improvements at the Main Campus, and (iii) pay the cost of issuance of the Bonds (the "Project"). The proceeds of the Bonds will fully refund the Series 2016 Bonds and will reduce the interest expense for the Project. The Bonds will be unrated, long term fixed rate bonds and the offering will be limited to accredited investors in minimum denominations of \$100,000. The Bonds will be payable solely from revenues of the Project and will be secured by a first mortgage lien and by a pledge of revenues. The Bonds will not pledge the revenues or ad valorem taxes of the County or the Authority. The County's financial advisor will verify that the Bonds meet or exceed the Guidelines of the Authority. The County's Financial Advisor has reviewed the project and anticipates the funding will be within the County's debt issuance guidelines if it remains at proposed levels. (See attachment.) The County's financial advisor has also disclosed that the Housing Authority has engaged PFM Financial Advisors to review the project, and advises that there is no conflict of interest. (See attachment.)

The Authority held a public hearing on March 17, 2021, following proper publication of notice, for the

purpose of receiving public input on the proposed issue, a report on which is attached to the proposed Resolution. The proposed Resolution acknowledges the public hearing and authorizes the issuance by the Authority of Bonds. In order to issue tax exempt bonds for the Project, the Authority must receive the limited approval of the Board of County Commissioners. The Board's approval of the issuance of the Bonds by the Authority to finance costs of the Project is required by applicable federal tax law.

The County's outside bond counsel has reviewed the project and stated the following: "The resolution proposed to be adopted by the BOCC satisfies the pertinent federal and state law requirements and provides that neither the County nor any of the elected officials or staff of the County will have any obligation or liability, financial or otherwise, with respect to the Project or the Bonds." (See attachment.)

Cost Benefit Analysis provided by Brevard County Health Facilities Authority:

This issue will reduce interest expenses and provide funds to finance the acquisition and construction of 24 new independent living units and other capital improvements which will be available to Brevard County senior citizens. There is no fiscal impact to the Board of County Commissioners or the Authority. The County is only authorizing the Authority to issue the bonds under the IRS requirements for tax exempt bonds and the County shall be indemnified from the issuance of bonds and the Project.

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Clerk to the Board Instructions:

Return a signed Resolution to the County Attorney's Office