



Staff Report

File #: 16-199A, **Version:** 1

Agenda Date: 2/23/2016

Subject:

Tax Equity Fiscal Responsibility Act resolution for issuance by the City of Tampa, Florida of an amount not to exceed \$225,000,000 of City of Tampa, Florida, Health System Revenue Bonds, BayCare Health System Issue, Series 2016A, with such Series 2016A Bonds to be issued in one or more series from time to time.

Recommended Action:

Adopt a Tax Equity Fiscal Responsibility Act (TEFRA) resolution authorizing the TEFRA approval of the City of Tampa, Florida (the "City") of an amount not to exceed \$225,000,000 of City of Tampa, Florida, Health System Revenue Bonds, BayCare Health System Issue, Series 2016A (the "Series 2016A Bonds") on behalf of BayCare Health System, Inc.

As a portion of the bond proceeds will be expended in Pinellas County, a Pinellas County public hearing on the adoption of a TEFRA resolution is required.

Strategic Plan:

Ensure Public Health, Safety, and Welfare

2.2 Be a facilitator, convener, and purchaser of services for those in need

Summary:

BayCare Health System, Inc. (BayCare) has requested the issuance of not to exceed \$225,000,000 of City of Tampa, Florida, Health System Revenue Bonds, BayCare Health System Issue, Series 2016A, by the City of Tampa, Florida, (Issuer). As a portion of the bond proceeds will be expended in Pinellas County, a Pinellas County public hearing on the adoption of a TEFRA resolution is required.

Background Information:

BayCare Health System, Inc. (BayCare) has requested the issuance of not to exceed \$225,000,000 of City of Tampa, Florida, Health System Revenue Bonds, BayCare Health System Issue, Series 2016A, by the City of Tampa, Florida, (Issuer). If approved, a portion of the Series 2016A Bonds will be used to provide for a plan of financing for (A) the financing of, including the reimbursement of expenditures with respect to, capital improvements and capital expenditures at Morton Plant Hospital, located at 300 Pinellas Street, Clearwater, Florida, including the construction, renovation and equipping of a number of buildings as part of the Master Facility Plan for the Morton Plant Hospital campus, and miscellaneous construction, renovations, improvements and equipment additions at the Morton Plant Hospital facilities in Clearwater (approximately \$73,000,000); and (B) the financing of costs of issuance of the Series 2016A Bonds.

Proceeds of the Series 2016A Bonds will be loaned by the City to BayCare and will be made available by BayCare to Morton Plant Hospital Association, Inc., for the above-described project purposes within Pinellas County, Florida. The Morton Plant Hospital projects described above are or will be owned and operated by Morton Plant Hospital Association, Inc. and are or will be located on

or contiguous to the Morton Plant Hospital facilities in Clearwater at the address listed above.

Fiscal Impact:

There is no fiscal impact to the County. The Borrower is responsible for payment of all fees and expenses.

Staff Member Responsible:

Bill Berger, Director, Office of Management and Budget
Pinellas County Health Facilities Authority Administrator Liaison

Partners:

City of Tampa
BayCare Health System

Attachments:

Resolution
Notice of Public Hearing

RESOLUTION NO. 16 -__

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PINELLAS COUNTY, FLORIDA, APPROVING FOR THE PURPOSE OF SECTION 147 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, THE ISSUANCE AN AMOUNT NOT TO EXCEED \$225,000,000 OF THE CITY OF TAMPA, FLORIDA, HEALTH SYSTEM REVENUE BONDS, BAYCARE HEALTH SYSTEM ISSUE, SERIES 2016A FOR THE PRINCIPAL PURPOSES OF FINANCING AND REFINANCING COSTS INCURRED OR TO BE INCURRED BY BAYCARE HEALTH SYSTEM, INC. FOR THE PURPOSES DESCRIBED HEREIN; AND PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION WITH THE TEFRA APPROVAL OF THE BONDS; AND PROVIDING AN EFFECTIVE DATE FOR THIS RESOLUTION.

WHEREAS, the Board of County Commissioners (the “Board”) of Pinellas County, Florida (the “County”) has been advised that the City of Tampa, Florida (the “City”) has received an application from BayCare Health System, Inc., a Florida not-for-profit corporation (the “Corporation”), requesting that the City issue its Health System Revenue Bonds, BayCare Health System Issue, Series 2016A in the initial aggregate principal amount of not to exceed \$225,000,000 (the “Bonds”) and loan the proceeds from the sale thereof to the Corporation for the purposes of financing, refinancing and reimbursing the Corporation for the costs of the financing of, including the reimbursement of expenditures with respect to, capital improvements and capital expenditures at Morton Plant Hospital, located at 300 Pinellas Street in Clearwater, Florida, including the construction and renovation of a number of buildings as part of the Master Facility Plan for the Morton Plant Hospital campus, and miscellaneous construction, renovations, improvements and equipment additions at the Morton Plant Hospital facilities (collectively, the “Project”); and

WHEREAS, the County has been advised that the City has authorized and approved or will authorize and approve the issuance of the Bonds, subject to satisfaction of the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, the County has been advised that the proceeds of the Bonds will be loaned by the City to the Corporation pursuant to one or more Loan Agreements between the City and the Corporation (the “Agreement”), and the payment of the principal of and premium, if any, and interest on the Bonds as the same shall become due shall be made solely by the Corporation in the amounts and from the sources as required by the Agreement; and

WHEREAS, the County has been advised that the loan of funds derived from the proceeds of the Bonds to the Corporation pursuant to the terms of the Agreement will assist in the development and maintenance of the public health of the residents of Pinellas County, and

shall serve a public purpose by improving the health care facilities and will promote the most efficient and economical development of health care facilities in a manner and pursuant to forms of governmental organization that will accord best with the geographic, economic, and population characteristics which influence the health care needs of Pinellas County and its inhabitants; and

WHEREAS, neither the County nor the State of Florida or any political subdivision or agency thereof (except the City to the limited extent set forth in the Bonds) shall in any way be obligated to pay the principal, premium, if any, or interest on the Bonds as the same shall become due, and the issuance of the Bonds shall not directly, indirectly, or contingently obligate the County, the State of Florida, or any political subdivision or agency thereof to levy or pledge any form of taxation whatsoever therefor or to make any appropriation from ad valorem taxation revenues for their payment; and

WHEREAS, in order to satisfy the requirements of Section 147(f) of the Code, which requires that the Board as the highest elected body of the County approve the issuance of the portion of the Bonds to be used for the purpose of financing and refinancing the costs of the Project after a public hearing has been conducted by the Board, the Board, at the request of the Corporation, held a public hearing on the proposed issuance of the Bonds and the loan of a portion of the proceeds thereof to the Corporation as provided in the Agreement for the purpose of financing and refinancing the costs of the Project on the date hereof, which date is not less than 14 days following the publication of notice of such public hearing in a newspaper of general circulation in Pinellas County (a true and accurate copy of such notice is attached hereto as Exhibit A), which public hearing was conducted in a manner that provided a reasonable opportunity for persons with differing views to be heard on both the issuance of such Bonds, the location and nature of the Project and the loan of a portion of the Bond proceeds to the Corporation to finance and refinance the acquisition, renovation and equipping of such Project.

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

SECTION 1. Based solely on the representations of the Corporation and the findings and determinations made by the City, the financing and refinancing of the Project by the City through the issuance of the Bonds as described in the notice of public hearing attached hereto as Exhibit A, and the loan of a portion of the proceeds thereof to the Corporation as provided in the Agreement for such purposes, will promote the health and welfare of the citizens of Pinellas County, will help to continue to provide the residents of Pinellas County with facilities and services and will thereby serve the public purposes of the Act.

SECTION 2. Based solely on the representations of the Corporation, the County will be able to continue to cope satisfactorily with the impact of the Project and will be able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, that are necessary for the Project. Notwithstanding any provisions to the contrary contained herein, the County will not incur any obligation (financial or otherwise) to provide such public facilities, utilities and services by virtue of this Resolution.

SECTION 3. The County has been advised that the City has determined that adequate provision has been made in the Agreement for a loan by the City to the Corporation to finance and refinance the Project, and thereafter for the operation, repair and maintenance of the Project, at the expense of the Corporation and for the repayment by the Corporation of the loan in installments sufficient to pay the principal of and the interest on the Bonds and all costs and expenses relating thereto in the amounts and at the times required.

SECTION 4. The County has been advised that the City has determined that the Corporation is financially responsible and fully capable and willing to fulfill its obligations under the Agreement, including the obligation to repay the loan in installments in the amounts and at the times required, the obligation to operate, repair and maintain the Project, at the Corporation's own expense, and such other obligations and responsibilities as are imposed under the Agreement.

SECTION 5. The Bonds and the interest thereon shall not constitute an indebtedness or pledge of the general credit or taxing power of the County, the State of Florida or any political subdivision or agency thereof (except the City to the limited extent set forth in the Bonds) but shall be payable solely from the revenues pledged therefor pursuant to the Agreement and other financing agreements entered into by and among the City, the Corporation, corporate trustees or other parties prior to or contemporaneously with the issuance of the Bonds.

SECTION 6. The approval given herein shall not be construed as (i) an endorsement of the creditworthiness of the Corporation or the financial viability of the Project, (ii) a recommendation to any prospective purchaser to purchase the Bonds, (iii) an evaluation of the likelihood of the repayment of the debt service on the Bonds, or (iv) approval of any necessary rezoning applications or approval or acquiescence to the alteration of existing zoning or land use nor approval for any other regulatory permits relating to the Project, and the Board shall not be construed by reason of its adoption of this Resolution to make any such endorsement, finding or recommendation or to have waived any right of the County or estop the County from asserting any rights or responsibilities it may have in such regard. Further, adoption of this Resolution shall not be construed to obligate the County to incur any liability, pecuniary or otherwise, in connection with either the issuance of the Bonds or the financing and refinancing of the Project.

SECTION 7. The issuance of the Bonds in an amount not to exceed \$225,000,000 to finance, refinance, or reimburse the Corporation and Morton Plant Hospital for, the Project described herein is approved by the County solely for the purpose of complying with the requirements of Section 147(f) of the Code.

SECTION 8. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 23rd day of February, 2016.

In a regular meeting duly assembled on the 23rd day of February, 2016, Commissioner _____ offered the foregoing Resolution and moved its adoption, which was seconded by Commissioner _____, and upon roll call the vote was:

AYES:

NAYS:

Absent and not voting:

**STATE OF FLORIDA
COUNTY OF PINELLAS**

I, _____, Clerk of the Circuit Court and Ex Officio Clerk of the Board of County Commissioners of Pinellas County, Florida, do hereby certify that the above and foregoing is a true and correct copy of a Resolution adopted by the Board of County Commissioners of Pinellas County, Florida at its meeting of February 23, 2016, as the same appears of record in Minute Book _____ Page _____ of the Public Records of Pinellas County, Florida.

WITNESS my hand and official seal this _____ day of February, 2016.

_____, Clerk

By: _____
Deputy Clerk

APPROVED AS TO FORM

By: 

Office of the County Attorney

NOTICE OF PUBLIC HEARING
REGARDING THE PROPOSED ISSUANCE OF
NOT EXCEEDING \$225,000,000
CITY OF TAMPA, FLORIDA, HEALTH SYSTEM REVENUE BONDS,
BAYCARE HEALTH SYSTEM ISSUE,
SERIES 2016A

A hearing will be conducted by the Board of County Commissioners of Pinellas County, Florida (the "County") in the Board of County Commissioners' Assembly Room, 5th Floor, at the Pinellas County Courthouse, 315 Court Street, Clearwater, Florida, on February 23, 2016 at 6:00 p.m., or as soon thereafter as the matter may be heard.

The hearing is open to the public and is being held pursuant to the provisions of Section 147(f) of the Internal Revenue Code of 1986, as amended, with regard to the proposed issuance by the City of Tampa, Florida (the "City") of an amount not to exceed \$225,000,000 City of Tampa, Florida, Health System Revenue Bonds, BayCare Health System Issue, Series 2016A (the "Series 2016A Bonds"), with such Series 2016A Bonds to be issued in one or more series from time to time. A portion of the Series 2016A Bonds will be used to provide for a plan of financing for (A) the financing of, including the reimbursement of expenditures with respect to, capital improvements and capital expenditures at Morton Plant Hospital, located at 300 Pinellas Street, Clearwater, Florida, including the construction, renovation and equipping of a number of buildings as part of the Master Facility Plan for the Morton Plant Hospital campus, and miscellaneous construction, renovations, improvements and equipment additions at the Morton Plant Hospital facilities in Clearwater (approximately \$73,000,000); and (B) the financing of costs of issuance of the Series 2016A Bonds. Proceeds of the Series 2016A Bonds will be loaned by the City to BayCare Health System, Inc. ("BayCare"), and will be made available by BayCare to Morton Plant Hospital Association, Inc., for the above-described project purposes within Pinellas County, Florida. The Morton Plant Hospital projects described above are or will be owned and operated by Morton Plant Hospital Association, Inc. and are or will be located on or contiguous to the Morton Plant Hospital facilities in Clearwater at the address listed above.

Interested members of the public are invited to attend. Written comments may be submitted to the County at the address shown below. All persons are advised that if a person decides to appeal any decision made by the County with respect to any matter considered at such hearing, he or she will need a record of the proceedings, and for such purpose he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

If additional information is required with respect to the Series 2016A Bonds or the project described herein in advance of the hearing, please contact the County at the address shown below. In accordance with the Americans with Disabilities Act of 1990, persons needing special accommodations to participate in such hearing should notify the County no later than 48 hours prior to the public hearing by calling (727) 464-4062 (voice/TDD) or faxing a written request to (727) 464-4157.

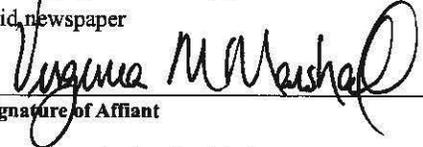
Ken Burke, Clerk
By: Norman Loy, Deputy Clerk
315 Court Street
Clearwater, FL 33756

Tampa Bay Times
Published Daily

STATE OF FLORIDA } ss
COUNTY OF Pinellas County

Before the undersigned authority personally appeared **Virginia Marshall** who on oath says that he/she is **Legal Clerk** of the **Tampa Bay Times** a daily newspaper printed in St. Petersburg, in Pinellas County, Florida; that the attached copy of advertisement, being a Legal Notice in the matter **RE: Series 2016A Bonds** was published in **Tampa Bay Times: 2/7/16**. in said newspaper in the issues of **Baylink All Pinellas**

Affiant further says the said **Tampa Bay Times** is a newspaper published in Pinellas County, Florida and that the said newspaper has heretofore been continuously published in said Pinellas County, Florida, each day and has been entered as a second class mail matter at the post office in said Pinellas County, Florida for a period of one year next preceding the first publication of the attached copy of advertisement, and affiant further says that he/she neither paid not promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper



Signature of Affiant

Sworn to and subscribed before me this 02/07/2016.



Signature of Notary Public

Personally known or produced identification

Type of identification produced _____

 JOSEPH F. FISH
NOTARY PUBLIC
STATE OF FLORIDA
Comm# FF116052
Expires 6/23/2018

**NOTICE OF PUBLIC HEARING
REGARDING THE PROPOSED ISSUANCE OF
NOT EXCEEDING \$225,000,000
CITY OF TAMPA, FLORIDA, HEALTH SYSTEM REVENUE BONDS,
BAYCARE HEALTH SYSTEM ISSUE,
SERIES 2016A**

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Ken Burke, Clerk
By: Norman Loy, Deputy Clerk
315 Court Street
Clearwater, FL 33756

(251475) 2/7/2016