Memorandum

MIAMI-DADE COUNTY

Date: November 16, 2010

Agenda Item No. 10(A)(1)

To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Subject: Resolution Approving Issuance of Revenue and Revenue Refunding Bonds by the Miami-Dade County Health Facilities Authority for Miami Children's Hospital

---

Recommendation

The attached Resolution is being placed on the agenda for consideration by the Board of County Commissioners (Board) on behalf of the Miami-Dade County Health Facilities Authority (Authority). This item approves the issuance of Revenue and Refunding Bonds (Bonds) by the Authority in one or more series in an aggregate principal amount not to exceed $255,000,000 on behalf of Miami Children's Hospital (MCH).

Details of the project are included in the accompanying information submitted by the Authority.

Scope

MCH's main campus is located at 3100 SW 62 Avenue, in Commission District 6, and has centers in Miami Lakes, Doral, Palmetto Bay, City of Miami, and unincorporated Miami-Dade County (West Kendall). Approval of this item has a countywide impact.

Fiscal Impact/Funding Source

The principal and interest on the Bonds shall not constitute a debt, liability or a general obligation of the Authority, County, the State of Florida or any political subdivision of each, but shall be payable solely from the revenues of Miami Children's Hospital.

Background

As the highest governing body, Miami-Dade County (County) must approve the Bonds pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended, prior to their issuance by the Authority.

The Series 2010 Bonds are expected to be issued in December 2010.

Attachments

Assistant County Manager

Memorandum

MIAMI-DADE COUNTY

Date: November 16, 2010

To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

From: Ed Strongin, Chairman
Miami-Dade County Health Facilities Authority

Subject: Resolution Approving Issuance of Revenue and Revenue Refunding Bonds by Miami-Dade County Health Facilities Authority on Behalf of Miami Children's Hospital for Purposes of 147(f) of Internal Revenue Code of 1986, as amended

---

RECOMMENDATION

It is recommended that the Board of County Commissioners ("Board") of Miami-Dade County ("County") adopt the attached Resolution ("Resolution") approving the issuance by the Miami-Dade County Health Facilities Authority ("Authority") of revenue and revenue refunding bonds in an aggregate principal amount not to exceed $255,000,000 ("Series 2010 Bonds") on behalf of Miami Children's Hospital ("Hospital") for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended ("Code").

FISCAL IMPACT/FUNDING SOURCE

The issuance of the Series 2010 Bonds will have no financial or fiscal impact on the County since the Series 2010 Bonds shall not constitute a debt, liability or a general obligation of the Authority or the County. The interest and principal on the Series 2010 Bonds shall be paid solely from the revenues of the Hospital.

BACKGROUND

Ordinance No.79-92, as amended, empowered the Authority to issue tax exempt revenue bonds on behalf of hospitals and other health providers for the purpose of providing additional means to assist in the development and maintenance of the County's health facilities.

In 2006, the Authority issued three subseries of bonds on behalf of Miami Children's Hospital in the aggregate principal amount of $139,475,000 of which $129,200,000 are currently outstanding ("2006 Bonds"). The Hospital has requested that the Authority issue the Series 2010 Bonds for the purposes of (i) refunding all or a portion of the 2006 Bonds; (ii) funding the acquisition, construction and equipping of certain capital improvements including a six story patient bed tower in excess of 175,000 square foot and renovations to other Hospital owned buildings; (iii) funding any reserves; (iv) funding swap termination payments; and (v) paying certain costs incurred in connection with the issuance of the Bonds.

The Authority held a public hearing on October 27, 2010, notice of which was published in The Miami Herald on October 11, 2010 which was more than 14 days in advance of the public hearing (a copy of the notice is attached to the Resolution) to give all interested persons an opportunity to express their views in connection with the issuance of the Series 2010 Bonds, as required by Section 147(f) of the Code. No one from the general public, other than representatives of Miami Children's Hospital, attended the meeting to object. Based on the results of the public hearing, it is requested that the Board, as the highest governing body whose jurisdiction includes the Hospital

site, approve the issuance of the Series 2010 Bonds for purposes of Section 147(f) of the Code. At the meeting on October 27, 2010, the Authority also approved the issuance of the Series 2010 Bonds and the forms of all related documents.

The Series 2010 Bonds are expected to be issued in December 2010.

MEMORANDUM
(Revised)

TO: Honorable Chairman Dennis C. Moss and Members, Board of County Commissioners

DATE: November 16, 2010

FROM: R. A. Cuevas, Jr. County Attorney

SUBJECT: Agenda Item No. 10(A)(1)

Please note any items checked.

_____ **"3-Day Rule" for committees applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

✓ **No committee review**

_____ **Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous _____) to approve**

_____ **Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required**

4

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 10(A)(1)
11-16-10

RESOLUTION NO. _____

RESOLUTION APPROVING ISSUANCE OF MIAMI-DADE COUNTY HEALTH FACILITIES AUTHORITY REVENUE AND REFUNDING BONDS IN AMOUNT NOT TO EXCEED $255,000,000 TO REFUND CERTAIN OUTSTANDING BONDS AND TO FINANCE CAPITAL PROJECTS ON BEHALF OF MIAMI CHILDREN'S HOSPITAL FOR PURPOSES OF SECTION 147(F) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED

WHEREAS, this Board enacted Ordinance No. 79-92 on October 16, 1979 creating the Miami-Dade County Health Facilities Authority (the "Authority") and empowering it to issue tax-exempt revenue bonds for the purpose of providing additional means to assist in the development and maintenance of the County's health facilities pursuant to Chapter 154, Part III, Florida Statutes; and

WHEREAS, Variety Children's Hospital d/b/a Miami Children's Hospital, a Florida not-for-profit corporation (the "Hospital"), has requested the Miami-Dade County Health Facilities Authority (the "Authority") to issue its Hospital Revenue and Revenue Refunding Bonds (Miami Children's Hospital Project) (the "Bonds") in one or more series in an amount not to exceed $255,000,000 aggregate principal amount (i) to finance, including through reimbursement, the acquisition, construction and equipping of certain capital improvements including a six story patient bed tower in excess of 175,000 square feet and renovations to certain other buildings; (ii) to the extent determined by the Hospital, to refund all or a portion of the Authority's outstanding Hospital Revenue and Revenue Refunding Bonds (Miami Children's Hospital Project), Series 2006B-1, Series 2006B-2 and Series 2006B-3; (iii) to fund any reserves; (iv) to fund swap

termination payments; and (v) to pay certain costs incurred in connection with the issuance of the Bonds; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), requires as a condition of exclusion from gross income for federal income tax purposes of the interest on private activity bonds, that the issuance of private activity bonds, as defined in Section 141(a) of the Code, be approved, after a public hearing following reasonable public notice, by the governmental unit in which the private activity bond-financed facility is located; and

WHEREAS, the Authority intends to issue the Bonds, subject to the prior approval of their issuance by this Board, as described in the memorandum from the Authority that accompanied this resolution and is incorporated in this resolution by reference; and

WHEREAS, on October 27, 2010, the Authority held a public hearing pursuant to a notice, a copy of which is attached as Exhibit "A", published in The Miami Herald on October 11, 2010 which was more than fourteen days in advance of such hearing for the purpose of giving all interested persons an opportunity to express their views in connection with the issuance of the Bonds, as required by Section 147(f) of the Code and no one from the general public attended the public meeting to object to the issuance of the Bonds by the Authority; and

WHEREAS, based on the results of the public hearing held by the Authority, and finding that the issuance of the Bonds will inure to the benefit of the citizens of Miami-Dade County, this Board desires to approve the issuance of the Bonds for the purpose of complying with Section 147(f) of the Code,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. The issuance of Bonds, in one of more series, by the Authority on behalf of the Hospital, in an aggregate principal amount not to exceed $255,000,000 is approved for purposes of Section 147(f) of the Code.

Section 2. The Bonds and the interest on the Bonds shall not constitute a debt, liability or general obligation of the Authority, the County or of the State of Florida or of any political subdivision of each but shall be payable solely from the revenues or other moneys specifically provided by the Hospital for the payment of the Bonds and neither the faith and credit nor any taxing power of the Authority, the County or of the State of Florida or of any political subdivision of each is pledged to the payment of the principal or interest on the Bonds.

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 vote was as follows:

Dennis C. Moss, Chairman
Jose "Pepe" Diaz, Vice-Chairman

Bruno A. Barreiro	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Barbara J. Jordan	Joe A. Martinez
Dorrin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 16th day of November, 2010. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By:_____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Gerald T. Heffernan

Exhibit A
Public Hearing Notice

MIAMI-DADE COUNTY HEALTH FACILITIES AUTHORITY
TEFRA/PUBLIC HEARING

NOTICE IS HEREBY GIVEN PURSUANT TO Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") that a public hearing officer of the Miami-Dade County Health Facilities Authority (the "Authority"), will hold a public hearing on behalf of the Authority on October 27, 2010, beginning at 11:30 a.m. or shortly thereafter on the 26th Floor, in the rear conference room (East side) of the Stephen P. Clark Government Center located at 111 N.W. 1st Street, Miami, Florida.

The hearing will be held in order to consider a proposed issuance by the Authority on behalf of Variety Children's Hospital d/b/a Miami Children's Hospital, a Florida not-for-profit corporation (the "Hospital") of its revenue bonds as part of a plan of finance in an aggregate principal amount not to exceed $255,000,000, in one or more series, for the purposes described below (the "Bonds").

The proceeds from the sale of the Bonds, when and if issued, will be loaned by the Authority to the Hospital for the purpose of (i) funding, including through reimbursement, the acquisition, construction and equipping of certain capital improvements, including a six story patient bed tower in excess of 175,000 square feet and renovations to certain other buildings (the "Project"); (ii) to the extent determined by the Hospital, refunding all or a portion of the Authority's outstanding Hospital Revenue and Revenue Refunding Bonds (Miami Children's Hospital Project), Series 2006B-1, Series 2006B-2 and/or Series 2006B-3; (iii) funding any reserves; (iv) funding swap termination payments and (v) paying certain costs incurred in connection with the issuance of the Bonds. The Project will be owned and operated by the Hospital and all Project components will be located at the Hospital campus at 3100 S.W. 62nd Avenue, Miami, Florida.

The hearing is being held for the purpose of affording residents of Miami-Dade County, Florida and other interested persons an opportunity to express their views, both orally and in writing, on the proposed issuance of the Bonds and the nature and location of the Project to be financed with the proceeds thereof. Subsequent to the hearing the Board of County Commissioners of Miami-Dade County, Florida (the "Board") will consider whether to approve the issuance of the Bonds.

THE BONDS WILL NOT CONSTITUTE AN INDEBTEDNESS OF THE STATE OF FLORIDA, MIAMI-DADE COUNTY OR ANY POLITICAL SUBDIVISION THEREOF, but will be payable solely from the revenues pledged by the Hospital to the payment of the principal of, and interest on, the Bonds.

If any person decides to appeal any decision made by the Authority or the Board with respect to any matter considered at such meetings, such person will need a record of the proceedings and for such purpose, may need to ensure that a verbatim record of the proceedings

is made, which record includes the testimony and the evidence upon which the appeal is to be based. Please direct inquiries to:

Arlesa Leverette
Miami-Dade County, Finance Director's Office
111 NW 1st St., Suite 2550
Miami, Florida 33128

MIAMI-DADE COUNTY HEALTH FACILITIES AUTHORITY

EXHIBIT A
TEFRA NOTICE

MIAMI-DADE COUNTY HEALTH FACILITIES AUTHORITY
TEFRA/PUBLIC HEARING

NOTICE IS HEREBY GIVEN PURSUANT TO Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") that a public hearing officer of the Miami-Dade County Health Facilities Authority (the "Authority"), will hold a public hearing on behalf of the Authority on October 27, 2010, beginning at 11:30 a.m. or shortly thereafter on the 26th Floor, in the rear conference room (East side) of the Stephen P. Clark Government Center located at 111 N.W. 1st Street, Miami, Florida.

The hearing will be held in order to consider a proposed issuance by the Authority on behalf of Variety Children's Hospital d/b/a Miami Children's Hospital, a Florida not-for-profit corporation (the "Hospital") of its revenue bonds as part of a plan of finance in an aggregate principal amount not to exceed $255,000,000, in one or more series, for the purposes described below (the "Bonds").

The proceeds from the sale of the Bonds, when and if issued, will be loaned by the Authority to the Hospital for the purpose of (i) funding, including through reimbursement, the acquisition, construction and equipping of certain capital improvements, including a six story patient bed tower in excess of 175,000 square feet and renovations to certain other buildings (the "Project"); (ii) to the extent determined by the Hospital, refunding all or a portion of the Authority's outstanding Hospital Revenue and Revenue Refunding Bonds (Miami Children's Hospital Project), Series 2006B-1, Series 2006B-2 and/or Series 2006B-3; (iii) funding any reserves; (iv) funding swap termination payments and (v) paying certain costs incurred in connection with the issuance of the Bonds. The Project will be owned and operated by the Hospital and all Project components will be located at the Hospital campus at 3100 S.W. 62nd Avenue, Miami, Florida.

The hearing is being held for the purpose of affording residents of Miami-Dade County, Florida and other interested persons an opportunity to express their views, both orally and in writing, on the proposed issuance of the Bonds and the nature and location of the Project to be financed with the proceeds thereof. Subsequent to the hearing the Board of County Commissioners of Miami-Dade County, Florida (the "Board") will consider whether to approve the issuance of the Bonds.

THE BONDS WILL NOT CONSTITUTE AN INDEBTEDNESS OF THE STATE OF FLORIDA, MIAMI-DADE COUNTY OR ANY POLITICAL SUBDIVISION THEREOF, but will be payable solely from the revenues pledged by the Hospital to the payment of the principal of, and interest on, the Bonds.

If any person decides to appeal any decision made by the Authority or the Board with respect to any matter considered at such meetings, such person will need a record of the proceedings

and for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and the evidence upon which the appeal is to be based. Please direct inquiries to:

Arlesa Leverette
Miami-Dade County, Finance Director's Office
111 NW 1st St., Suite 2550
Miami, Florida 33128

MIAMI-DADE COUNTY HEALTH FACILITIES AUTHORITY