

Memorandum



Date: June 4, 2013

Agenda Item No. 10(A)(1)

To: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

From: Carlos A. Gimenez
County Mayor

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

Recommendation

The attached resolution is being placed on the agenda for consideration by the Board of County Commissioners (Board) at the request of the Miami-Dade County Health Facilities Authority (HEFA). The item approves the issuance of health facilities revenue refunding bonds by the HEFA in an amount not to exceed \$130,000,000 for Miami Children's Hospital (Bonds).

A summary of the financing is included in the accompanying memorandum submitted by the Chairman of the HEFA.

Scope

The project is located in Commission District 6 at 3100 SW 62 Avenue, Miami, Florida, which is represented by Chairwoman Rebeca Sosa.

Fiscal Impact/Funding Source

Neither the HEFA nor Miami-Dade County has any liability with respect to the repayment of the Bonds since the principal and interest on the Bonds shall be payable solely from the revenues of Miami Children's Hospital.

Track Record

Issuance of the Bonds will be conducted and monitored by the Executive Director of the HEFA.

Background

The request is being made pursuant to Section 2-263.2 of the Miami-Dade County Code which requires Board approval prior to the issuance of the Series 2013 Bonds by the Authority. Section 147(f) of the Internal Revenue Code of 1986 also requires that the Board approve the issuance of the Bonds after a public hearing has been held either by the HEFA or the Board. For efficiency, the Board has allowed the HEFA to conduct the public hearing subject to its review and ratification.

Attachments

Edward Marquez
Deputy Mayor

Memorandum



Date: June 4, 2013

To: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

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

Subject: Resolution Approving Issuance of Revenue Refunding Bonds by Miami-Dade County Health Facilities Authority on Behalf of Miami Children's Hospital for Purposes of County Code and 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 refunding bonds in an aggregate principal amount not to exceed \$130,000,000 ("Series 2013 Bonds") on behalf of Miami Children's Hospital ("Hospital") for purposes of Section 2-263.2 of the Miami-Dade County Code ("County Code") and Section 147(f) of the Internal Revenue Code of 1986, as amended ("IRS Code").

FISCAL IMPACT/FUNDING SOURCE

The issuance of the Series 2013 Bonds will have no financial or fiscal impact on the County since the Series 2013 Bonds shall not constitute a debt, liability or a general obligation of the Authority or the County but are payable solely from the revenues of the Hospital.

BACKGROUND

Ordinance No.79-92, as amended, empowers 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 bonds on behalf of Miami Children's Hospital (Miami Children's Hospital Project), which were used to finance the acquisition, construction and equipping of certain capital improvements, owned and operated by the Hospital. The Hospital has requested that the Authority issue the Series 2013 Bonds for the purposes of (i) refunding all or a portion of the outstanding Hospital Revenue Bonds, Series 2006A-2 (Miami Children's Hospital Project), and the Authority's outstanding Hospital Revenue and Revenue Refunding Bonds, Series 2006B-1 and Series 2006B-2; (ii) to fund any debt service reserves; and (iii) to pay certain costs incurred in connection with the issuance of the Bonds. The request is being made pursuant to the County Code and IRS Code which requires Board approval prior to the issuance of the Series 2013 Bonds by the Authority.



MEMORANDUM
(Revised)

TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

DATE: June 4, 2013

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 Mayor'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**

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 10(A)(1)
6-4-13

RESOLUTION NO. _____

RESOLUTION APPROVING ISSUANCE BY MIAMI-DADE COUNTY HEALTH FACILITIES AUTHORITY OF ITS HOSPITAL REVENUE REFUNDING BONDS IN ONE OR MORE SERIES, IN AMOUNT NOT TO EXCEED \$130,000,000.00 TO REFUND CERTAIN OUTSTANDING BONDS ON BEHALF OF MIAMI CHILDREN'S HOSPITAL FOR PURPOSES OF COUNTY CODE AND SECTION 147(f) OF INTERNAL REVENUE CODE OF 1986, AS AMENDED

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

WHEREAS, Variety Children's Hospital d/b/a Miami Children's Hospital, a Florida not-for-profit corporation (the "Hospital"), has requested that the Authority issue up to \$130,000,000.00 of hospital revenue refunding bonds (the "Bonds"), in one or more tax-exempt series (i) to the extent determined by the Hospital, to refund all or a portion of (a) the Authority's outstanding Hospital Revenue Bonds, Series 2006A-2 (Miami Children's Hospital Project) (the "Series 2006A-2 Bonds"), and (b) the Authority's outstanding Hospital Revenue and Revenue Refunding Bonds, Series 2006B-1 and Series 2006B-2 (Miami Children's Hospital Project) (collectively with the Series 2006A-2 Bonds, the "Refunded Bonds"), the proceeds of which were used to finance and refinance certain hospital facilities that are owned and operated by the Hospital which are more fully described, including their location, in the public notice attached as

Exhibit A (the "Public Notice") to this Resolution (collectively, the "Refunded Projects"), (ii) to fund any reserves, and (iii) to pay certain costs relative to 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 on behalf of which such obligations are to be issued and in which the private activity bond-financed facility is located; and

WHEREAS, the Authority published the Public Notice in *The Miami Herald*, a newspaper of general circulation in Miami-Dade County, Florida (the "County"), more than fourteen (14) days in advance of the hearing held by the Authority on May 7, 2013; and

WHEREAS, any objections to the issuance of the Bonds expressed at the public hearing held by the Authority were presented to this Board at the time this resolution was considered; and

WHEREAS, in a resolution adopted by the Authority, the Authority expressed its intent to issue the Bonds subject to the approval of the Bonds by this Board for the purpose of complying with Section 147(f) of the Code, the Ordinance and the Act; and

WHEREAS, finding that the issuance of the Bonds will inure to the benefit of the health care for the citizens of the County, this Board desires to approve the issuance of the Bonds for the purpose of complying with Section 147(f) of the Code, the Ordinance and the Act,

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

Section 1. The issuance of the Bonds by the Authority on behalf of the Hospital in an aggregate principal amount not-to-exceed \$130,000,000.00 in one or more tax exempt series (i) to the extent determined by the Hospital, to refund all or a portion of the Refunded Bonds, the proceeds of which were used to finance and refinance the Refunded Projects, (ii) to fund any reserves; and (iii) pay for certain costs relative to the issuance of the Bonds, is hereby approved for purposes of Section 147(f) of the Code, the Ordinance and the Act.

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 (the "State") or any political subdivision of the State, 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 County or of the State or of any political subdivision of the State 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:

Rebeca Sosa, Chairwoman
Lynda Bell, Vice Chair

Bruno A. Barreiro
Jose "Pepe" Diaz
Sally A. Heyman
Jean Monestime
Sen. Javier D. Souto
Juan C. Zapata

Esteban L. Bovo, Jr.
Audrey M. Edmonson
Barbara J. Jordan
Dennis C. Moss
Xavier L. Suarez

The Chairperson thereupon declared the resolution duly passed and adopted this 4th day of June, 2013. 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



**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 May 7, 2013, beginning at 11:30 a.m. or shortly thereafter on the 27th Floor, in Conference Room B, 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 of its revenue bonds in an aggregate principal amount not to exceed \$130,000,000 in one or more tax-exempt 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 Variety Children's Hospital d/b/a Miami Children's Hospital (the "Hospital") for the purpose of:

(a) to the extent determined by the Hospital, refunding:

(i) all or a portion of the Authority's outstanding Hospital Revenue Bonds, Series 2006A-2 (Miami Children's Hospital Project), the proceeds of which were used to finance the acquisition, construction and equipping of certain capital improvements, owned and operated by the Hospital and located at the Hospital's campus (the "Hospital's Campus") at 3100 S.W. 62nd Avenue, Miami, Florida (collectively, the "Series 2006A-2 Project"), and

(ii) all or a portion of the Authority's outstanding Hospital Revenue and Revenue Refunding Bonds, Series 2006B-1 and Series 2006B-2 (Miami Children's Hospital Project), originally issued to refund certain outstanding tax-exempt debt of the Hospital, the proceeds of which were used to finance the acquisition, construction and equipping of certain capital improvements, owned and operated by the Hospital and located at the Hospital's Campus (the "Series 2006B Project" and, collectively with the Series 2006A-2 Project, the "Refunded Project");

(b) funding any reserves; and

(c) paying certain costs relative to the issuance of the Bonds.

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 Refunded Project to be refinanced 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 to the payment of 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:

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

MIAMI-DADE COUNTY HEALTH FACILITIES AUTHORITY

Dated this 22nd day of April, 2013