

Memorandum

MIAMI-DADE
COUNTY

Date: October 5, 2021

Agenda Item No. 10(A)(1)

To: Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners

From: Daniella Levine Cava
County Mayor



Resolution No. R-939-21

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

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 (Authority). As required by Section 147(f) of the Internal Revenue Code of 1986, as amended, the item approves the issuance of revenue and revenue refunding bonds by the Authority on behalf of Nicklaus Children's Hospital after a public hearing in an amount not to exceed \$300 million (Bonds).

Details of the financing are included in the accompanying memorandum submitted by the Chairman of the Authority.

Delegation of Authority

The proposed resolution does not provide any delegation of authority.

Scope

The project is located in Commission District 6 at 3100 SW 62nd Avenue, Miami, Florida.

Fiscal Impact/Funding Source

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

Track Record

Issuance of the Bonds will be conducted and monitored by Belkys Romy, Miami-Dade County Finance Department, Executive Director of the Authority.

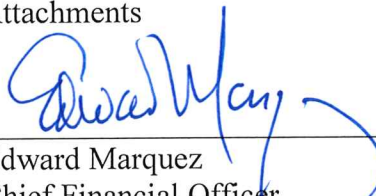
Background

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 2021 Bonds by the Authority and Section 147(f) of the Internal Revenue Code of 1986 which requires that the Board approve the issuance of the Bonds after a public hearing has been held either by the Authority or the Board.

Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners
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For efficiency, the Board has allowed the Authority to conduct the public hearing subject to its review and ratification. The public hearing was held on September 13, 2021.

Attachments



Edward Marquez
Chief Financial Officer

Memorandum



Date: October 5, 2021

To: Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners

From: Ed Strongin, Chairman *Ed Strongin*
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 Nicklaus 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") revenue and revenue refunding bonds in an aggregate principal amount not to exceed \$300,000,000.00 ("Series 2021 Bonds") on behalf of Nicklaus Children's Hospital ("Hospital") for purposes of:

- financing and refinancing, including through reimbursement, the acquisition, construction and equipping various capital improvements to the Hospitals facilities, including a new inpatient surgical tower (the "Project");
- to the extent determined by the Hospital, refunding all or a portion of the Authority's outstanding Hospital Revenue Refunding Bonds (Miami Children's Hospital Project), Series 2010A and the Authority's outstanding Hospital Revenue Refunding Bonds (Miami Children's Hospital Project), Series 2013 issued on behalf of the Hospital;
- financing any reserves; and
- financing certain costs incurred in connection with the issuance of the Bonds.

Scope

The Project is located at the Hospital's main campus, 3100 S.W. 62nd Avenue, Miami, Florida Commission District 6.

Fiscal Impact/Funding Source

The issuance of the Series 2021 Bonds will have no financial or fiscal impact on the County since the Series 2021 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.

Track Record/Monitoring

Issuance of the Series 2021 Bonds will be monitored by Belkys Romay, Miami-Dade County Finance Department, Executive Director of the Authority.

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.

Honorable Chairman Jose “Pepe” Diaz
and Members, Board of County Commissioners
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In 2010 and 2013, the Authority issued bonds on behalf of Miami Children’s Hospital (Miami Children’s Hospital Project), which proceeds were used to finance the acquisition, construction and equipping of certain capital improvements to the Hospital’s campus.

The Authority held a public hearing on September 13, 2021, notice of which was published in the Miami Herald attached as Exhibit A to the Resolution in advance of the public hearing to give all interested persons an opportunity to express their views in connection with the issuance of the Series 2021 Bonds, as required by Section 147(f) of the Code. It is requested that the Board, as the highest governing body, approve the issuance of the Series 2021 Bonds pursuant to Section 147(f) of the Code.



MEMORANDUM

(Revised)

TO: Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners

DATE: October 5, 2021

FROM: 
Gen Bonzon-Keenan
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
- ☐ Statement of social equity 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 present ____, 2/3 membership ____, 3/5's ____, unanimous ____, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) ____, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) ____, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) ____ 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)
10-5-21

RESOLUTION NO. _____ R-939-21

RESOLUTION APPROVING ISSUANCE OF MIAMI-DADE COUNTY HEALTH FACILITIES AUTHORITY HOSPITAL REVENUE AND REVENUE REFUNDING BONDS IN AN AMOUNT NOT TO EXCEED \$300,000,000.00 TO REFUND CERTAIN OUTSTANDING BONDS AND TO FINANCE CAPITAL PROJECTS ON BEHALF OF NICKLAUS 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 revenue bonds for the purpose of providing additional means to assist in the development and maintenance of the health facilities of the County pursuant to Chapter 154, Part III, Florida Statutes; and

WHEREAS, Variety Children's Hospital d/b/a Nicklaus Children's Hospital, a Florida not for profit corporation (the "Hospital"), has requested the Authority to issue its Hospital Revenue and Revenue Refunding Bonds (Nicklaus Children's Hospital Project) (the "Bonds") in one or more series of qualified 501(c)(3) bonds, in an amount not to exceed \$300,000,000 aggregate principal amount for the purpose of: (i) financing and refinancing, including through reimbursement, the acquisition, construction and equipping of various capital improvements to the Hospital's facilities, including a new inpatient surgical tower; (ii) to the extent determined by the Hospital, refunding all or a portion of the Authority's outstanding Hospital Revenue Refunding Bonds (Miami Children's Hospital Project), Series 2010A and the Authority's outstanding Hospital Revenue Refunding Bonds (Miami Children's Hospital Project), Series 2013, each issued on behalf

of the Hospital for the purpose of refinancing improvements to the Hospital's campus; (iii) financing any reserves, and, if deemed desirable by the Hospital, any capitalized interest on the Bonds; and (iv) financing 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, on September 13, 2021, the Authority held a public hearing pursuant to a notice, a copy of which is attached hereto as Exhibit A published in The Miami Herald more than seven (7) 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

WHEREAS, after reviewing a copy of the transcript of the Authority's public hearing with respect of the Bonds which is attached hereto as Exhibit B, 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:

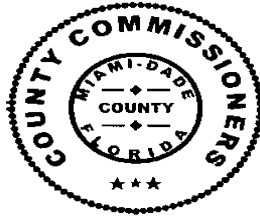
Section 1. The issuance of Bonds, in one of more series, by the Authority on behalf of the Hospital, in an aggregate principal amount not to exceed \$300,000,000.00 is approved for purposes of Section 147(f) of the Code.

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 (the "State") 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 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 **Raquel A. Regalado** , who moved its adoption. The motion was seconded by Commissioner **Joe A. Martinez** and upon being put to a vote, the vote was as follows:

Jose "Pepe" Diaz, Chairman	aye
Oliver G. Gilbert, III, Vice-Chairman	aye
Sen. René García	aye
Sally A. Heyman	aye
Eileen Higgins	aye
Kionne L. McGhee	aye
Raquel A. Regalado	aye
Sen. Javier D. Souto	aye
Keon Hardemon	aye
Danielle Cohen Higgins	aye
Joe A. Martinez	aye
Jean Monestime	aye
Rebeca Sosa	aye

The Chairperson thereupon declared this resolution duly passed and adopted this 5th day of October, 2021. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this resolution and the filing of this approval with the Clerk of the Board.



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

HARVEY RUVIN, CLERK

Melissa Adames

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

D.P.C

Dale P. Clarke

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, and Chapter 189, Florida Statutes, as amended, that a special meeting of the Miami-Dade County Health Facilities Authority (the "Authority") will be convened on September 13, 2021, beginning at 11:00 a.m. or shortly thereafter on the 22nd Floor, Conference Room A, of the Stephen P. Clark Government Center, located at 111 N.W. 1st Street, Miami, Florida 33128, and during such special meeting, among other matters, a public hearing officer of the Authority will hold a public hearing on behalf of the Authority.

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 Nicklaus 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 \$300,000,000, in one or more series of qualified 501(c)(3) bonds, 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) financing and refinancing, including through reimbursement, the acquisition, construction and equipping of various capital improvements to the Hospital's facilities, including a new inpatient surgical tower (the "Series 2021 Project"); (ii) to the extent determined by the Hospital, refunding all or a portion of the Authority's outstanding Hospital Revenue Refunding Bonds (Miami Children's Hospital Project), Series 2010A and the Authority's outstanding Hospital Revenue Refunding Bonds (Miami Children's Hospital Project), Series 2013, each issued on behalf of the Hospital for the purpose of refinancing improvements to the Hospital's campus (the "Refinanced Projects" and together with the Series 2021 Project, the "Projects"); (iii) financing any reserves, and, if deemed desirable by the Hospital, capitalized interest on the Bonds; and (iv) financing certain costs incurred in connection with the issuance of the Bonds. The Projects are or will be owned and are or will be operated by the Hospital, and all components of the Projects are or 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 (the "County") 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 Projects to be financed or refinanced with the proceeds thereof. Subsequent to the hearing, the Authority will consider whether to approve the issuance of the Bonds. Thereafter, 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, THE 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:

Belkys Romy, Senior Bond Analyst
Miami-Dade County, Finance Director's Office
111 NW 1st Street, Suite 2550
Miami, Florida 33128

**MIAMI-DADE COUNTY HEALTH
FACILITIES AUTHORITY**

Exhibit B

Miami-Dade County Health Facilities Authority

TEFRA/Public Hearing Summary

Monday, September 13, 2021- 11:00 a.m.
Stephen P. Clark Government Center
111 NW 1 Street, 22nd Floor
Conference Room A

Staff: Belkys Romay, Finance Department
Dale Clarke, Asst. Miami-Dade County Attorney
Lenna Borjes, Finance Department

Attendees: **In person:**
Edward Strongin, Board Member
John Calles, Board Member
Steven Ullmann, Board Member
Kareem Spratling, Bryant Miller Olive, PA
Dawn Javersack, Nicklaus Children's Hospital,
Perry Ann Reed, Nicklaus Children's Hospital
Jennifer McCafferty, Nicklaus Children's Hospital
Chad Perlyn, Nicklaus Children's Hospital
Jodi Laurence, Nicklaus Children's Hospital
Laurie Levine, Nicklaus Children's Hospital
Richard Estenoz, Nicklaus Children's Hospital
Roly Marante, Nicklaus Children's Hospital
Via Zoom:
Shira Kastan Goldstein, ADG Strategy
Grace Dunlap, Bryant Olive Miller, PA
Claudia Capdesuner, Bryant Olive Miller, PA
Christopher J McCann, JP Morgan
Juliette Antoine, Asst. County Attorney
Sarah Dawkins, Kaufman Hall
Luis Reiter, Squire Patton Boggs, LLP

The public hearing regarding the issuance by the Miami Dade Health Facilities Authority ("Authority") of its revenue and revenue refunding bonds in an aggregate principal amount not to exceed \$300,000,000 in one or more series ("Bonds"), on behalf of Nicklaus Children's Hospital ("Hospital") commenced at 12:44 p.m. in the conference room as described above. The purpose of the public hearing was to allow the residents of Miami-Dade County, Florida and other interested parties the opportunity to express their opinions on the proposed Bonds being issued for the purpose of:

- a) financing and refinancing, including through reimbursement, the acquisition, construction and equipping various capital improvements to the Hospitals facilities, including a new inpatient surgical tower (the "Project");

- b) to the extent determined by the Hospital, refunding all or a portion of the Authority's outstanding Hospital Revenue Refunding Bonds (Miami Children's Hospital Project), Series 2010A and the Authority's outstanding Hospital Revenue Refunding Bonds (Miami Children's Hospital Project), Series 2013 issued on behalf of the Hospital;
- c) financing any reserves; and
- d) financing certain costs incurred in connection with the issuance of the Bonds.

The public hearing meeting started at 12:44 p.m. and remained opened until 12:49 p.m. At that time, the public hearing was closed since no one from the public appeared to give testimony or to object.

The meeting adjourned at 1:04 p.m.