



## Legislation Text

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**File #:** 170323., **Version:** 1

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A Resolution of the City Commission of the City of Gainesville, Florida authorizing the issuance of Continuing Care Retirement Community Revenue Refunding Note (Oak Hammock at the University of Florida, Inc. Project) Series 2017A and Continuing Care Retirement Community Revenue Refunding Note (Oak Hammock at the University of Florida, Inc. Project) Series 2017B (B)

Oak Hammock at the University of Florida, Inc., a Florida not-for-profit corporation (the "Borrower") has requested the City assist them by the issuance of Continuing Care Retirement Community Revenue Refunding Notes Series 2017A and 2017B (the "Notes".) The purpose of the Notes is to allow the Borrower to refinance the costs of acquiring, constructing and equipping the realty consisting of approximately 136 acres of land at 5100 S.W. 25th Boulevard, Gainesville, Florida and a continuing care retirement community facility containing approximately 800,000 square feet of space including (a) independent living units consisting of two multi-unit apartment buildings, villas and club homes, (b) an assisted living center with residential living suites and memory support units, (c) a health center with private skilled nursing beds, (d) a commons building, (e) related common areas and infrastructure improvements, (f) additional facilities, acquired and/or constructed by the Borrower, and (g) and acquisition or construction of related and appurtenant facilities, fixtures and equipment (collectively, the "Project"), and to finance the costs of issuance. The Project is owned and operated by the Borrower.

Chapter 159, Part II, known as the Florida Industrial Development Financing Act, provides that the City is authorized to serve as the issuer of financing for projects that serve a public purpose consistent with Article VII, section 10 (C) of the Florida Constitution by advancing the economic prosperity and general welfare of the City and that is in the common interest of the citizens of the City.

In addition, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), requires that the governmental unit having jurisdiction over the area in which such a financed project is located must approve the issuance of the notes, either by public hearing or by voter referendum. To satisfy this approval requirement, the Borrower has requested that the Commission hold a public hearing and adopt a resolution approving the issuance of the Notes.

The City's Debt Management Policy sets forth guidelines for the issuance of such financings, including an application and issuance fee.

Although the City will serve as the issuer of the Notes, the Notes do not constitute a debt, liability or obligation, or a pledge of the faith and credit or taxing power, of the City. The Notes shall be payable solely from the revenues and proceeds to be derived by the issuer from payments received under the Financing Agreement entered into among the Issuer, the Lender and the Borrower and the issuer shall be obligated to pay the Notes only from the revenues and proceeds derived by the Issuer from such payments. The performance by the City, as issuer, of all duties and obligations imposed upon it, the exercise by it of all powers granted to it, the carrying out of all covenants, agreements and promises made by it, and the liability for all warranties and other covenants, shall be limited solely to the revenues and receipts derived from the Financing Agreement, and the City shall not be required to effectuate any of its duties, obligations, powers or covenants except to the extent of

such revenues and receipts.

The Notes do not constitute an indebtedness of the City and the City is not liable for the payment of principal or interest with respect to the Notes and it will therefore have no fiscal impact on the City.

The City Commission: 1) hold a public hearing; 2) adopt Resolution No. 170323 authorizing issuance of the Continuing Care Retirement Community Revenue Refunding Notes Series 2017A and 2017B and approving of the agreements referenced therein; and 3) authorize the Mayor to execute and the Clerk of the Commission to attest the Resolution and the related Financing Documents (as defined in the Resolution.)