

LEGISLATIVE FACT SHEET

DATE: 06/17/2020

BT or RC No: N/A

(Administration & City Council Bills)

SPONSOR: Office of Economic Development

(Department/Division/Agency/Council Member)

Contact for all inquiries and presentations: Office of Economic Development

Provide Name: Paul Crawford, Director of Operations Contact No: 255-5446

Email paulc@coj.net

PURPOSE: White Paper (Explain why this legislation is necessary. Provide, who, what, when where, how and the impact.) Council Research will complete this form for Council introduced legislation and the Administration is responsible for all other legislation. (Minimum of 350 words – Maximum of 1 page)

The proposed legislation is a recommendation of the Industrial Development Revenue Bond (IRB) Review Committee, that the Mayor submit legislation to approve, for purposes of Section 147(f) of the Internal Revenue Code, the issuance of Health Care Facilities Bonds by Genesis Health Inc. (dba - Brooks Rehabilitative Services) in one or more installments or series, in an aggregate principal amount not to exceed \$200,000,000. The bond issuance will be for the purpose of providing funds to be loaned by the Issuer for the purpose of:

- (a) Financing the construction and equipping of a 60 bed Inpatient Rehabilitation Facility ;
- (b) Refunding the outstanding Private Issue Debt Series 2013, 2011 and 2010 bonds;
- (c) Financing or reimbursing the swap termination payment relating to an interest rate swap entered into by a Brooks affiliate with Compass Bank (now BBVA USA) on or about August 16,2010 in contemplation of refunding the 2010 Private Issue Debt described above;
- (d) Financing or reimbursing the swap termination payment relating to an interest rate swap entered into by a Brooks affiliate with Compass Bank (now BBVA USA) on or about May 31, 2011 in contemplation of refunding the 2011 Private Issue Debt described above;
- (e) Reimbursing capital expenditures;
- (f) Funding a portion of interest accruing on the Bonds for a period not in excess of 18 months;
- (g) Funding a debt service reserve for the Bonds, if required; and
- (h) Paying all or a portion of the costs of issuing the Bonds.

APPROPRIATION: Total Amount Appropriated \$0 as follows: List the source **name** and provide Object and Subobject Numbers for each category listed below:

(Name of Fund as it will appear in the title of the legislation)

Name of Federal Funding Source(s)

From: _____ Amount: _____
To: _____ Amount: _____

Name of State Funding Source(s)

From: _____ Amount: _____
To: _____ Amount: _____

Name of COJ Funding Source(s)

From: Amount:
To: Amount:

Name of In-Kind Contributions:

From: _____ Amount: _____
To: _____ Amount: _____

Name & No. of Bond Account(s):

From: _____ Amount: _____
To: _____ Amount: _____

PLAIN LANGUAGE OF APPROPRIATION/FINANCIAL IMPACT/OTHER:

Explain: Where are the funds coming from, going to, how will the funds be used? Does the funding require a match? Is the funding for a specific time frame? Will there be ongoing maintenance and staffing obligation? Per Chapter 122 & 106 regarding funding of anticipated post-construction operation costs. (Minimum of 350 words – maximum of 1 page.

N/A

ACTION ITEMS: Purpose/Check List. If “Yes” please provide detail by attaching justification and code provisions for each.

ACTION ITEMS:

Emergency? Yes _____ No **X** _____

Justification of Emergency: If yes, explanation must include detailed nature of emergency.

Federal or State Mandate? Yes _____ No **X** _____

Explanation: If yes, explanation must include detailed nature of mandate include Statue or Provision.

Fiscal Year Carryover? Yes _____ No **X** _____

Note: If yes, note must include explanation of all-year subfund carryover language.

CIP Amendment? Yes _____ No **X** _____

Attachment: If yes, attach appropriate CIP form(s). Include justification for mid-year amendment.

Contract/Agreement Approval? Yes No

Attachment & Explanation: If yes, attach the Contract/Agreement & provide name of the Department and include contact name and telephone number of the person r that will provide oversight. Indicate if negotiations are on-going and with whom. Has OGC reviewed/drafted?

OED and OGC will provide oversight and administration.

Related RC/BT? Yes No If yes, attach appropriate RC/BT form(s)

Waiver of Code? Yes No

Code Reference: If yes, identify code section(s) in space below & provide detailed explanation (including impacts) within white paper.

Brooks intends to issue the Bonds at an "A" rating or above. However, due to the current economic conditions and uncertainty related to healthcare, Brooks is requesting a waiver from the Ordinance Code Chapter 104.306 (b) requiring the Bond rating to be rated at a level "A".

Code Exception: Yes No

Code Reference: If yes, identify code section(s) in space below & provide detailed explanation (including impacts) within white paper.

Related Enacted Ordinances? Yes No

Code Reference: If yes, identify related code section(s) and ORD reference number in the space below & provide detailed explanation and any changes necessary within whitepaper.

ACTION ITEMS CONTINUED: Purpose/Check List. If "Yes" please provide detail by attaching justification and code provisions for each.

ACTION ITEMS:

Continuation of Grant? Yes No

Explanation: How will the funds be used? Does the funding require a match? Is the funding for a specific time frame and/or multi-year? If multi-year, note year of grant. Are there long-term implications for the General Fund?

Surplus Property Certification? Yes No Attachment: If yes, attach appropriate form(s)

Reporting Requirements? Yes No

Explanation: List agencies (including City Council/Auditor) to receive reports and frequency of reports, including when reports are due. Provide name of the Department and include contact name and telephone number of the person responsible for generating.

Paul R. Crawford

(Signature)

Date: 6/17/2020

Prepared By: Paul R. Crawford

(Signature)

Date: 6/17/2020

ADMINISTRATIVE TRANSMITTAL

To: City Council Legislative Service Division

Thru: N/A
(Name, Job Title, Department)

From: Kirk Wendland, Executive Director, Office of Economic Development (OED)
Initiating Department Representative (Name, Job Title, Department)

Phone: 255-5455 E-Mail: kwendland@coj.net

Primary Contact: Paul Crawford, Director Operations, Office of Economic Development
(Name, Job Title, Department)

Phone: 255-5446 E-Mail: paulc@coj.net

CC: Leeann Krieg, Director of Governmental Affairs, Office of the Mayor

Phone: 255-5015 E-Mail: LeeannK@coj.net

COUNCIL MEMBER/INDEPENDENT AGENCY/CONSTITUTIONAL OFFICER TRANSMITTAL

To: Peggy Sidman, Office of General Counsel, St. James Bldg., Suite 480

Phone: 255-5055 E-Mail: psidman@coj.net

From: N/A
Initiating Council Member/Independent Agency/Constitutional Officer

Phone: _____ E-Mail: _____

Primary Contact: N/A
(Name, Job Title, Department)

Phone: _____ E-Mail: _____

CC: Leeann Krieg, Director of Governmental Affairs, Office of the Mayor
Phone: 255-5015 E-Mail: leeannk@coj.net

Legislation from Independent Agencies requires a resolution from the Independent Agency Board approving the legislation

Independent Agency Action Item:

Board(s) Action/Resolution? Yes X No _____

Attachment: If yes, attach appropriate documentation. If no, when is board action scheduled?

See Attached Resolution

FACT SHEET IS REQUIRED BEFORE LEGISLATION IS INTRODUCED