



Legislation Text

File #: 19-5633, Version: 4

Title:

TEFRA Hearing: Aldersgate at Shalom Park, Inc.

Summary

ACTION:

(1) Open TEFRA public hearing and receive comments on the proposed financing by Aldersgate at Shalom Park, Inc.

(2) Close public hearing and adopt resolution entitled:

Resolution of the Board of Commissioners of the County of Mecklenburg, North Carolina, approving the issuance by the Public Finance Authority of its retirement facilities revenue anticipation bonds in an aggregate principal amount not to exceed \$15,500,000

Staff Contact: Tyrone C. Wade, County Attorney

Presentation: No

BACKGROUND/JUSTIFICATION:

As more fully explained in the attached Resolution, Aldersgate at Shalom Park, Inc. (the "*Borrower*"), has requested that the Public Finance Authority, a public authority existing under the laws of the State of Wisconsin (the "*Authority*"), issue its retirement facilities revenue anticipation bonds, in one or more series (the "*Bonds*"), in an aggregate principal amount not to exceed \$15,500,000, for the following purposes:

(A) to finance the presconstruction and development expenses associated with the acquisition, construction, and equipping of an approximately 136-unit new life planned community to be known as Shalom Park located on or near the parcels of land with the following addresses: 4801, 4803, 4809, 4815, and 4825 Providence Road, and 1015, 1027, 1039, 1101, and 1115 Jefferson Drive, Charlotte, North Carolina 28226 (the "*Project*"); and

(B) pay certain expenses incurred in connection with the authorization and issuance of the Bonds.

Aldersgate at Shalom Park, Inc., is using the Wisconsin Public Finance Authority as the issuer of the Bonds because of a desire to have a 30-year maturity on the debt; the North Carolina Capital Facilities Finance Agency, which would be the North Carolina issuer, has a policy which prohibits a bond maturity greater than 20 years.

In order to comply with federal tax law, and the code and approval requirements, Shalom Park, Inc., has requested that the Mecklenburg County Board of Commissioners hold a public hearing and approve the Resolution. This approval will not make the County responsible in any way for the Bonds or the Project financed with bond proceeds. Hosting the public hearing and approving the issuance of the Bonds are merely ministerial acts that will enable the Borrower to comply with federal tax law requirements in order that interest on the Bonds be exempt from federal income tax.

PROCUREMENT BACKGROUND:

N/A

POLICY IMPACT:

N/A

FISCAL IMPACT:

N/A