



Legislation Text

File #: 20-6204, Version: 2

Title

TEFRA Hearing- ACTS Retirement- Life Communities, Inc

Action

ACTION:

(A) Open TEFRA public hearing and receive comments on the proposed financing by ACTS Retirement-Life Communities.

(B) 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 ACTS Retirement Life Communities, Inc. Obligated Group, Series 2020 bonds in one or more series (the "bonds"), in an amount not to exceed \$60,000,000.

Staff Contact: Tyrone C. Wade , County Attorney

Presentation: No

BACKGROUND/JUSTIFICATION:

As more fully explained in the attached Resolution, ACTS Retirement-Life Communities, Inc., a Pennsylvania nonprofit corporation (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 ACTS Retirement Life Communities, Inc., Obligated Group Series 2020, (the "Bonds") in an aggregate principal amount not to exceed \$60,000,000 and loan proceeds of the Bonds to the Borrower for the following purposes:

(a) the current refunding, refinancing, and/or restructuring of all or a portion of a revolving line of credit issued by Bank of America to the Borrower; the current funding, refinancing and/ or restructuring of all or a portion of a revolving credit issued by Branch Banking and Trust-Company to the Borrower (collectively, the "Bonds to be Refunded")

(b) financing or refinancing (including reimbursement) the costs of acquisition, construction-

equipping and improvement of existing and additional facilities at the properties of the Borrower, including the financing of some or all of the costs of issuance, reserve funds (if any), and capitalized interest (if any), including, without limitation, miscellaneous capital improvements and renovations and the acquisition of capital equipment, including but not limited to, renovations and upgrades to residential living units, health care facilities and common areas, the acquisition of new plant equipment and other facility enhancements including specifically central facility and auditorium renovations and dining/cafe enhancements, the replacement and expansion of the existing skilled nursing facility and renovation/conversion of the existing skilled nursing facility to the assisted living units.

ACTS Retirement-Life Communities, 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 approval requirements the Borrower 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