

RESOLUTION NO. 2019-

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF BROWARD COUNTY, FLORIDA, APPROVING FOR PURPOSES OF SECTION 147(F) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, AND CHAPTER 163 AND SECTION 159.29, FLORIDA STATUTES, THE ISSUANCE BY THE CAPITAL TRUST AGENCY OF ITS SENIOR LIVING REVENUE BONDS (SAWGRASS GRAND SENIOR LIVING PROJECT), IN ONE OR MORE SERIES, PURSUANT TO A PLAN OF FINANCE IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$40,000,000 FOR THE PRIMARY PURPOSE OF FINANCING THE ACQUISITION, RENOVATION, AND CONVERSION OF AN EXISTING FACILITY INTO THE SAWGRASS GRAND SENIOR LIVING FACILITY IN THE CITY OF SUNRISE, BROWARD COUNTY, FLORIDA; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Capital Trust Agency, a legal entity and public agency of the State of Florida (the "Issuer"), proposes to issue its Senior Living Revenue Bonds (Sawgrass Grand Senior Living Project), in one or more series, either tax-exempt or taxable, or both, pursuant to a plan of finance, in an aggregate principal amount not to exceed \$40,000,000 (the "Bonds"); and

WHEREAS, the proceeds of the Bonds will be loaned to SGSL Fee Owner LLC, a Florida limited liability company (the "Borrower"), and used by the Borrower to pay the costs of (a) the acquisition, renovation, conversion, furnishing, and equipping, together with the acquisition and installation of related facilities, fixtures, furnishings, and equipment, of an existing facility into a senior living facility known as Sawgrass Grand Senior Living, located at 3003 North University Drive, Sunrise, Florida, and consisting of approximately 194 senior living units (including approximately 167 assisted living units and 27 memory care units) (collectively, the "Facility"), within the territorial limits of Broward County, Florida; (b) funding any necessary reserves; (c) funding any necessary capitalized interest for the Bonds; (d) funding one or more debt service reserve funds for the Bonds; and (e) paying certain costs of issuing the Bonds (the purposes described in clauses (a) through (e) are hereinafter collectively referred to as the "Project"); and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), the issuance of the Bonds must be approved by Broward County, Florida (the "County"), because the Project to be financed with the proceeds of the Bonds is located within the territorial limits of the County; and

WHEREAS, the Board of County Commissioners (the "Board") of the County is the elected legislative body of the County and is one of the "applicable elected representatives" required to approve the issuance of the Bonds under Section 147(f) of the Code; and

WHEREAS, pursuant to Chapter 163, Florida Statutes (the "Florida Interlocal Cooperation Act"), and Section 159.29, Florida Statutes, the Issuer desires to cooperate with the County in connection with the Issuer's issuance of the Bonds; and

WHEREAS, the Borrower has requested that the Board approve the financing of the costs of the Project and the issuance of the Bonds in furtherance thereof; and

WHEREAS, the Board has determined, based solely upon representations and information provided by the Borrower and without any independent investigation or research by the County, that the issuance of the Bonds to finance the Project: (i) is appropriate to the needs and circumstances of, and will make a significant contribution to, the economic growth of the County, (ii) will provide or preserve gainful employment within the County, (iii) will promote commerce within the State, and (iv) will serve a public purpose by advancing the general welfare of the State and its people by providing a "health care facility" within the meaning of Section 159.27(16), Florida Statutes; and

WHEREAS, based solely upon representations and information provided by the Borrower, the County will be able to cope satisfactorily with the impact of the Facility and will be able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, that will be necessary for the operation, repair, and maintenance of the Facility and on account of any increases in population or other circumstances resulting therefrom; and

WHEREAS, the Borrower has requested that the Board approve the issuance of the Bonds by the Issuer in order to satisfy the public approval requirement of Section 147(f) of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the Board has, following notice duly given as described below, held a public hearing regarding the issuance of the Bonds, and now desires to approve the issuance of the Bonds by the Issuer.

NOW, THEREFORE, BE IT RESOLVED, by members of the Board of County Commissioners of Broward County, Florida, that:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Chapter 125, Florida Statutes, the Charter of Broward County, Florida, and other applicable provisions of Florida law.

SECTION 2. FINDINGS. The findings set forth in the recitals above are hereby determined to be true and correct.

SECTION 3. APPROVAL OF BOND ISSUANCE. Pursuant to Section 147(f) of the Code, the County has conducted a public hearing today on the proposed issuance of the Bonds and on the nature and location of the Project. The notice of such hearing was published on March 18, 2019, in the Broward County edition of the *Sun-Sentinel*, a newspaper published in Broward County, Florida, and of general circulation in the County. Interested individuals were given the opportunity to express their views, both orally and in writing. The issuance of the Bonds is hereby approved pursuant to Section 147(f) of the Code, Chapter 159, Part II, Florida Statutes, and the Florida Interlocal Cooperation Act.

It is the purpose and intent of the Board that this Resolution constitute approval of the issuance of the Bonds by the Issuer by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with said Section 147(f) of the Code.

SECTION 4. AUTHORIZATION OF EXECUTION AND DELIVERY OF FINANCING DOCUMENTS. The Mayor or the Vice-Mayor of the Board is hereby authorized and directed to execute and deliver any and all agreements, instruments, and documents, and to take such further action as may be necessary and desirable, to effectuate and carry out the intent and purposes of this Resolution and the financing transaction approved hereby.

SECTION 5. INDEMNIFICATION. The receipt of the Indemnification Certificate of the Borrower attached hereto as Exhibit A and incorporated hereby by reference herein is a material inducement to the County in granting the approvals set forth herein.

SECTION 6. REPEALING CLAUSE. All resolutions or orders and parts thereof in conflict herewith, to the extent of such conflicts, are hereby superseded and repealed.

APPROVED AND ADOPTED by the Board of County Commissioners of Broward County, Florida, this 16th day of April, 2019.

BOARD OF COUNTY COMMISSIONERS
OF BROWARD COUNTY, FLORIDA

(SEAL)

By: _____

Title: County Administrator, as
ex officio Clerk of the Board of
County Commissioners

By: _____
Title: Mayor

Approved as to form and legal sufficiency:
Andrew J. Meyers, County Attorney

By: /s/ Alicia C. Lobeiras 03/18/19
Alicia C. Lobeiras (date)
Assistant County Attorney

By: /s/ Annika E. Ashton 03/18/19
Annika E. Ashton (date)
Senior Assistant County Attorney

EXHIBIT A

INDEMNIFICATION CERTIFICATE OF THE BORROWER

[Follows.]

INDEMNIFICATION CERTIFICATE OF THE BORROWER

The undersigned hereby certifies that he or she is authorized to execute and deliver this Indemnification Certificate of the Borrower and further represents, on behalf of SGSL Fee Owner LLC, a Florida limited liability company (the "Borrower"), the following (capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in that certain resolution adopted by the Board of County Commissioners (the "Board") of Broward County, Florida (the "County") on April 16, 2019 (the "County Resolution")):

- (1) At the request of the Borrower, the Capital Trust Agency (the "Issuer") proposes to issue an aggregate principal amount not exceeding \$40,000,000 of its Senior Living Revenue Bonds (Sawgrass Grand Senior Living Project), Series 2019 (the "Bonds"), the proceeds of which will be loaned to the Borrower for the purpose of financing or refinancing, including through reimbursement, (a) the acquisition, renovation, conversion, furnishing and equipping, together with the acquisition and installation of related facilities, fixtures, furnishings and equipment, of an existing facility into a senior living facility known as Sawgrass Grand Senior Living; (b) funding any necessary reserves; (c) funding any necessary capitalized interest for the Bonds; (d) funding one or more debt service reserve funds for the Bonds; and (e) paying certain costs of issuing the Bonds (the purposes described in clauses (a) through (e) are hereinafter collectively referred to as the "Project");
- (2) The Facility is located at 3003 North University Drive, Sunrise, Florida, and consisting of approximately 194 senior living units (including approximately 167 assisted living units and 27 memory care units), to be financed or refinanced from a portion of the proceeds of the Bonds in an amount not exceeding \$40,000,000;
- (3) The issuance of the Bonds to finance the Project: (i) is appropriate to the needs and circumstances of, and will make a significant contribution to, the economic growth of the County, (ii) will provide or preserve gainful employment within the County, (iii) will promote commerce within the State, and (iv) will serve a public purpose by advancing the general welfare of the State and its people by providing for a safe, decent and accessible living facilities for the elderly within the meaning of Chapter 159, Part II, Florida Statutes;
- (4) The County will be able to cope satisfactorily with the impact of the Facility and will be able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, that will be necessary for the operation, repair, and maintenance of the Facility and on account of any

increases in population or other circumstances resulting therefrom;

- (5) In order to finance the costs of the Project from the proceeds of the Bonds on a tax-exempt basis, it is necessary to hold a public hearing and approve the issuance of the Bonds for the purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code");
- (6) The Borrower has requested the Board to hold such public hearing and approve the issuance of the Bonds for purposes of Section 147(f) of the Code; and
- (7) The County desires indemnification from the Borrower as a material inducement to the Board holding such hearing and granting the foregoing approval.

NOW THEREFORE, THE UNDERSIGNED, ON BEHALF OF THE BORROWER, DOES HEREBY:

- (1) The Borrower shall at all times hereafter indemnify, hold harmless and, at the County Attorney's option, defend or pay for an attorney selected by the County Attorney, with input from the Borrower, to defend the County, its officers, agents, servants, and employees from and against any and all causes of action, demands, claims, losses, liabilities and expenditures of any kind, including attorney fees, court costs, and expenses, caused or alleged to be caused by intentional or negligent act of, or omission of, the Borrower, its employees, agents, servants, or officers, accruing, resulting from, or related to the TEFRA approval of the issuance of the Bonds, and the actions to be taken by the County in connection therewith, as further set forth in the letter from the Capital Trust Agency to the County Administrator of the County dated March 13, 2019 (the "Letter"), including, without limitation, any and all claims, losses, liabilities, expenditures, demands or causes of action of any nature whatsoever resulting from injuries or damages sustained by any person or property, other than any such losses, damages, liabilities or expenses arising from the willful misconduct of the County. In the event any lawsuit or other proceeding is brought against the County by reason of any such claim, cause of action or demand, the Borrower shall, upon written notice from the County, resist and defend such lawsuit or proceeding by counsel satisfactory to the County or, at the County's option, pay for an attorney selected by the County Attorney to defend the County.
- (2) The Borrower hereby acknowledges that, in granting TEFRA approval of the

issuance of the Bonds, the County has relied upon the description of the transaction as described in the Notice of Public Hearing published on March 20, 2019 in the Broward County edition of the *Sun-Sentinel* and the Letter, and has further relied upon the Borrower for all information relating to the Bonds.

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IN WITNESS WHEREOF, the Borrower has executed this Indemnification Certificate of the Borrower this 13th day of March, 2019.

SGSL FEE OWNER LLC, a Florida limited liability
company

By:  _____

Name: Jeff Krinsky

Title: Authorized Signatory

[Signature Page | Indemnification Certificate of the Borrower]