2725 Judge Fran Jamieson Way
Viera, FL 32940

Agenda Report

Consent

F.6. 2/25/2025

Subject:
Approval for the Florida Local Government Finance Commission (FLGFC) to issue private activity bonds for Westminster Retirement Community, Inc.

Fiscal Impact:
There is no obligation or liability to the County for the requested action.

Dept/Office:
County Manager/Central Services

Requested Action:
Request the Board of County Commissioners to adopt a Resolution evidencing the County's written approval to issue conduit revenue bonds by the Florida Local Government Finance Commission on behalf of Westminster Retirement Communities, Inc. for the financing and refinancing facilities, of which one facility is located within Brevard County, Florida.

Summary Explanation and Background:
The Board of County Commissioners (the Board) approved the First Amendment to Interlocal Agreement (Interlocal Agreement), dated June 1, 2023. Section 5.03. of the Interlocal Agreement requires the Board to provide written approval for the Florida Local Government Finance Commission (FLGFC) to issue bonds for projects within Brevard County.

Westminster Retirement Communities, Inc., a/k/a Westminster Communities of Florida, is the largest not-for-profit senior living provider in the State of Florida. It serves over 7,000 residents in 22 communities throughout the state, including offering active, independent living, assisted living, and nursing care in its 10 Continuing Care Retirement Communities. These communities are also affordable for low-income seniors. The communities to be financed and refinanced with proceeds of the proposed FLGFC are in Brevard, Duvall, Orange, and Sarasota Counties. The facility in Brevard County, Asbury South, is a 150-unit, low-income senior housing facility located at 1430 Dixon Blvd., Cocoa, Florida.

The County's Bond Counsel, Nabors, Giblin & Nickerson, has reviewed the approving resolution and the other information provided by Westminster Retirement Communities, Inc. The resolution proposed to be adopted by the Board satisfies the pertinent legal requirements and provides that neither the County nor any of the elected officials or staff of the County will have any obligation or liability, financial or otherwise, with respect to the issuance of conduit revenue bonds by FLGFC. The County's Financial Advisor, PFM, has reviewed the approving resolution and other information provided to the County by the borrower to ensure that the proposed transaction will not have a negative financial impact on the County. PFM confirmed that the issuance of the bonds will not have a negative financial impact on the County, impair the County's credit rating, or impact future debt capacity.

Clerk to the Board Instructions:

Provide executed copies of the Resolution to the County Attorney's Office and the Central Services Department

BREVARD County
BOARD OF COUNTY COMMISSIONERS

FLORIDA'S SPACE COAST

Kimberly Powell, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001
Fax: (321) 264-6972
Kimberly.Powell@brevardclerk.us

February 26, 2025

MEMORANDUM

TO: Morris Richardson, County Attorney

RE: Item F.6., Approval for the Florida Local Government Finance Commission (FLGFC) to Issue Private Activity Bonds for Westminster Retirement Community, Inc.

The Board of County Commissioners, in regular session on February 25, 2025, adopted Resolution No. 25-014, approving the issuance by FLGFC of conduit revenue bonds on behalf of Westminster Retirement Community, Inc. for the financing and refinancing facilities, of which one facility is located within Brevard County. Enclosed is the fully-executed Resolution.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
RACHEL M. SADOFF, CLERK

Donna Scott

for: Kimberly Powell, Clerk to the Board

/kl

Encl. (1)

cc: County Manager
Central Services

RESOLUTION NO. 25-014

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA CONSENTING TO THE ISSUANCE BY THE FLORIDA LOCAL GOVERNMENT FINANCE COMMISSION OF CONDUIT REVENUE BONDS ON BEHALF OF WESTMINSTER RETIREMENT COMMUNITIES, INC. FOR THE FINANCING AND REFINANCING OF FACILITIES LOCATED WITHIN BREVARD COUNTY, FLORIDA; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of the Constitution of the State of Florida, Chapter 125, Florida Statutes, Chapter 163, Florida Statutes, and all other applicable laws.

SECTION 2. FINDINGS. It is hereby ascertained, determined and declared that:

(A) The Florida Local Government Finance Commission (the "FLGFC") is a duly constituted and validly existing separate legal and administrative entity under Section 163.01(7), Florida Statutes, pursuant to an Interlocal Agreement, dated as of February 19, 1991 (including all joinders and amendments thereto, the "Interlocal Agreement"), among Brevard County, Florida (the "County"), Charlotte County, Florida, Lee County, Florida, Osceola County, Florida, Sarasota County, Florida and St. Johns County, Florida (collectively, the "Commission Members").

(B) Pursuant to Sections 163.01(2), (4) and (7)(d), Florida Statutes, the FLGFC may, for the purposes of financing or refinancing any capital project, exercise all powers in connection with the authorization, issuance, and sale of bonds pursuant to all privileges, benefits, powers and terms of Part I, Chapter 125, Florida Statutes and Chapter 159, Florida Statutes.

(C) The FLGFC has been requested to issue conduit bonds (the "Bonds") on behalf of certain affiliates of Westminster Retirement Communities, Inc. ("Westminster") to finance and refinance certain capital projects for an existing portfolio of low-income senior housing facilities in Brevard, Duval, Orange and Sarasota Counties, Florida.

(D) Westminster has represented that it desires to partner with the FLGFC to issue the proposed Bonds due to the complexities and logistical burdens associated with the issuance of tax-exempt conduit revenue bonds for multi-jurisdictional projects, and the efficiencies gained by using a state-wide conduit issuer such as the FLGFC.

(E) The facilities to be financed and refinanced in the County with the proceeds of the proposed Bonds include capital improvements and "hurricane hardening" projects at the Westminster Asbury South campus, a 150-unit, low-income senior housing facility located at 1430 Dixon Blvd. Cocoa, Florida 32922 (the "Facility").

(F) The Interlocal Agreement requires the consent of any Commission Member prior to the issuance of any conduit bonds to finance or refinance projects located within the jurisdiction of such Commission Member.

(G) In order to comply with the Interlocal Agreement, the FLGFC has requested the Board of County Commissioners of the County to adopt this Resolution evidencing the consent of the County for the FLGFC to issue the proposed Bonds for the purposes stated herein including as related to the Facility.

SECTION 3. CONSENT TO ISSUANCE OF PROPOSED BONDS BY THE FLGFC. The County hereby consents to the issuance by the FLGFC of the proposed Bonds on behalf of Westminster to finance and refinance capital improvements to the Facility located within the jurisdictional boundaries of the County. Such consent is given solely to comply with the Interlocal Agreement and for no other purpose.

The consent given herein shall in no way be deemed to abrogate any regulations of the County applicable to the Facility and the Facility shall be subject to all such regulations, including, but not limited to, the County's Growth Management Plan, all concurrency requirements contained therein, and the County's Land Development Code.

The consent given herein shall not be construed as an approval of any necessary rezoning applications nor for any other regulatory permits relating to the Facility and the County shall not be construed by reason of its adoption of this Resolution to (a) attest to Westminster's ability to repay the indebtedness represented by the proposed Bonds, (b) a recommendation to prospective purchasers of the proposed Bonds to purchase the same, or (c) have waived any right of the County or stopping the County from asserting any rights or responsibilities it may have in that regard.

The Bonds do not and shall not constitute a debt, liability or obligation of the County or of the State of Florida or of any political subdivision thereof, or as a pledge of the faith and credit or any taxing power of the County or of the State of Florida or of any political subdivision thereof, but shall be limited obligations of the FLGFC payable solely from and secured by a pledge of payments to be made only by Westminster and certain of its affiliates. The consent given by the County in this Resolution is solely for the purpose of satisfying the requirements of the Interlocal Agreement. Further, the consent by the Board of the issuance of the Bonds by the FLGFC shall not be construed to obligate the County or its officials and employees to incur any liability, pecuniary or otherwise, in connection with the Facility or the issuance, marketing or repayment of the Bonds.

SECTION 4. SEVERABILITY AND INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions.

SECTION 5. EFFECTIVE DATE. This Resolution shall become effective immediately upon its adoption.

DONE AND ADOPTED, in Regular Session of the Board of County Commissioners of Brevard County, Florida, this 25th day of February, 2025.

BOARD OF COUNTY COMMISSIONERS
BREVARD COUNTY, FLORIDA

(SEAL)

By:____________________________
Rob Feltner, Chairman
(as approved by the Board on February 25, 2025)

ATTEST:

____
Rachel Sadoff, Clerk

Florida Rental Retirement Community Portfolio

Ziegler
CAPITAL · INVESTMENTS · ADVICE

Westminster Communities of Florida
Portfolio Financing Opportunity

Project Overview
Ziegler Investment Banking
Winter 2025

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TRANSACTION SUMMARY

Westminster seeks debt financing to recapitalize and fund certain capital expenditures for a portfolio of five rental senior living communities of which Westminster is the sole member. The properties are currently unencumbered by mortgages and are capitalized by Sponsor equity and notes payable due to the Sponsor.

These properties offer high-quality, affordable senior living at or below market rates to meet the demand of underserved markets in the communities they operate in. The average occupancy across the portfolio is 98% for the trailing twelve months ended 11/30/2024.

Along with the strong occupancy performance, EBITDA margin for the trailing twelve months ended 11/30/2024 was ~15%. With a continued commitment to excellence and strategic growth, the portfolio should maintain its strong performance.

SOURCES & USES OF FUNDS

($ in thousands)

Sources of Funds	Amount	% of Total
Tax-Exempt Bank Financing	$ 17,000	100.0%
Total Sources	**$ 17,000**	**100.0%**

Uses of Funds	Amount	% of Total
Repayment of Notes Payable due to Sponsor	$ 12,023	70.7%
Capital Expenditures	4,377	25.8%
Costs of Issuance	600	3.5%
Total Uses	**$ 17,000**	**100.0%**

Westminster Communities of Florida

PLAN OF FINANCE

- **Sponsor**
  - Westminster Retirement Communities, Inc. (d/b/a Westminster Communities of Florida)
- **Conduit Issuer (Borrower)**
  - Florida Local Government Finance Commission
- **Obligated Group Agent**
  - Magnolia Towers, Inc.
- **Obligated Group Entities and Properties**

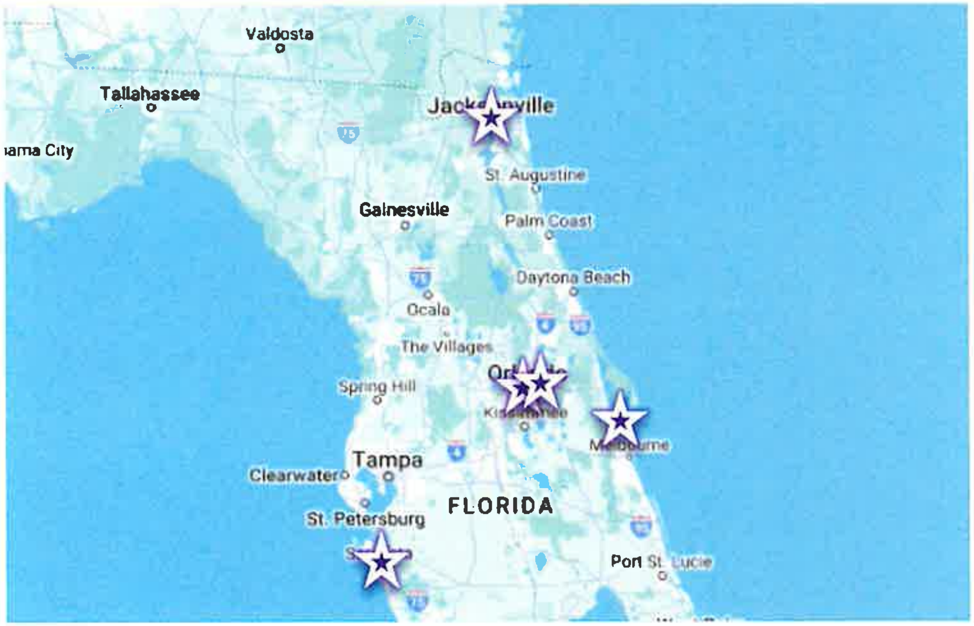
	Community	Legal Entity
1	Asbury South	Asbury Arms, Inc.
2	Jefferson Center	Jefferson Center, Inc.
3	Magnolia Towers	Magnolia Towers, Inc.
4	Riverside Presbyterian Apts.	Riverside Presbyterian Apartments, Inc.
5	Westminster Plaza East	Suncoast Manor Foundation, Inc.

- **Portfolio Payor/Acuity Mix**
  - ~80% Private Pay / ~20% HUD Section 8 voucher
  - 100% Independent Living
- **Manager**
  - Westminster Services, Inc., a wholly owned subsidiary of the Sponsor

- **Security and Collateral**
  - Security, collateral, covenants, and seniority of debt will be memorialized in a Master Trust Indenture
  - First Lien of five Portfolio Properties
  - Pledge of Gross Revenues
- **Conditions Precedent**
  - Third-party valuation and assessments as required
  - Issuer and Regulatory approvals
  - Legal documentation including loan agreements and security agreements

PORTFOLIO OVERVIEW

Community Locations

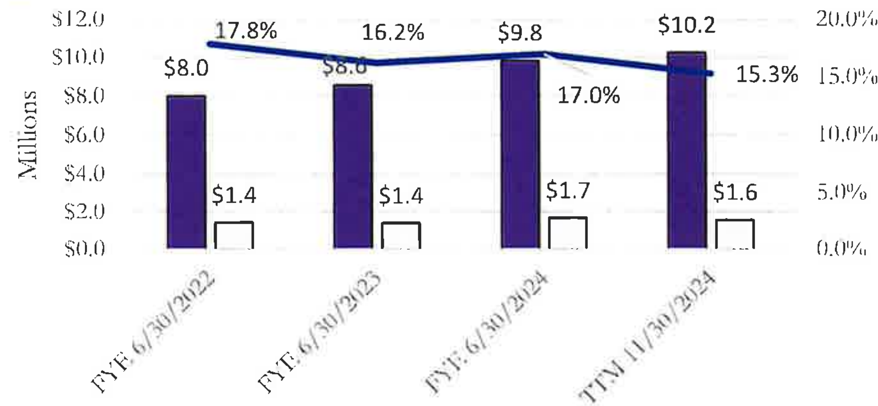


Portfolio Summary

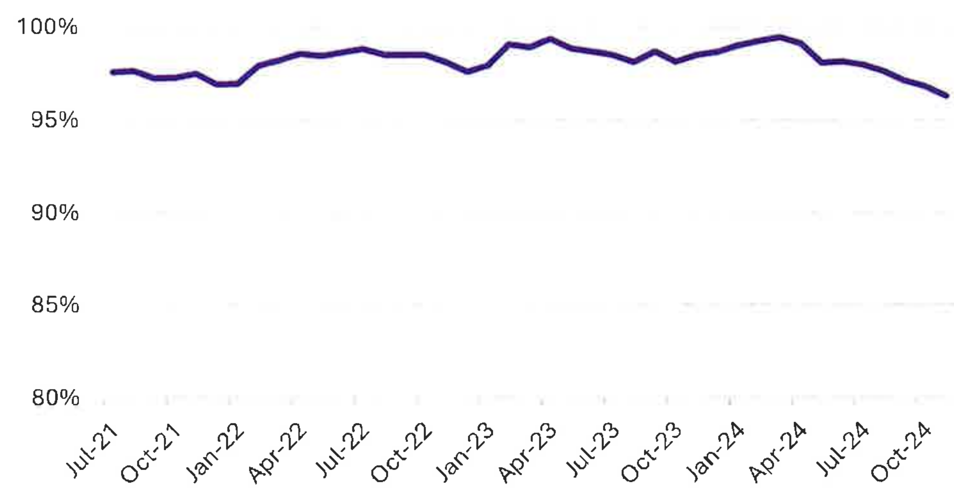
Community:	Location:	Units:	TTM 11/30/2024	
			Occupancy	EBITDA
Asbury South	Cocoa, FL	150	97.7%	$425,993
Jefferson Center	Sarasota, FL	209	97.7%	$390,373
Magnolia Towers	Orlando, FL	153	98.7%	$41,791
Riverside Presbyterian Apartments	Jacksonville, FL	204	97.7%	$422,684
Westminster Plaza East	Orlando, FL	198	98.8%	$284,491

Operations Analysis

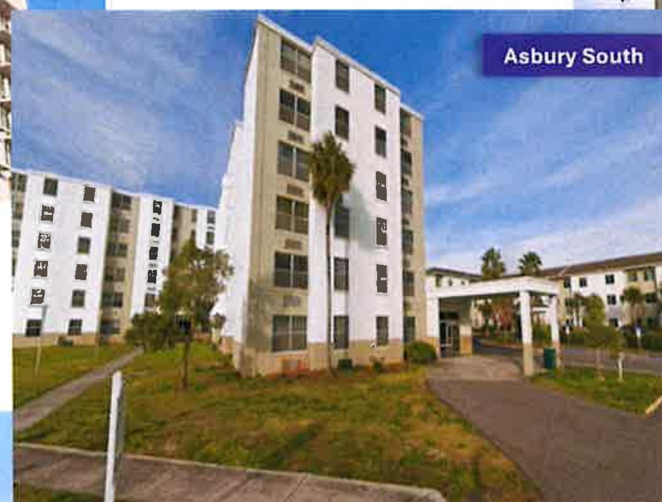
Trailing Revenue & EBITDA Trends



Trailing Occupancy Trend



PORTFOLIO PHOTO TOUR



Riverside Presbyterian Apts

Sponsor Background

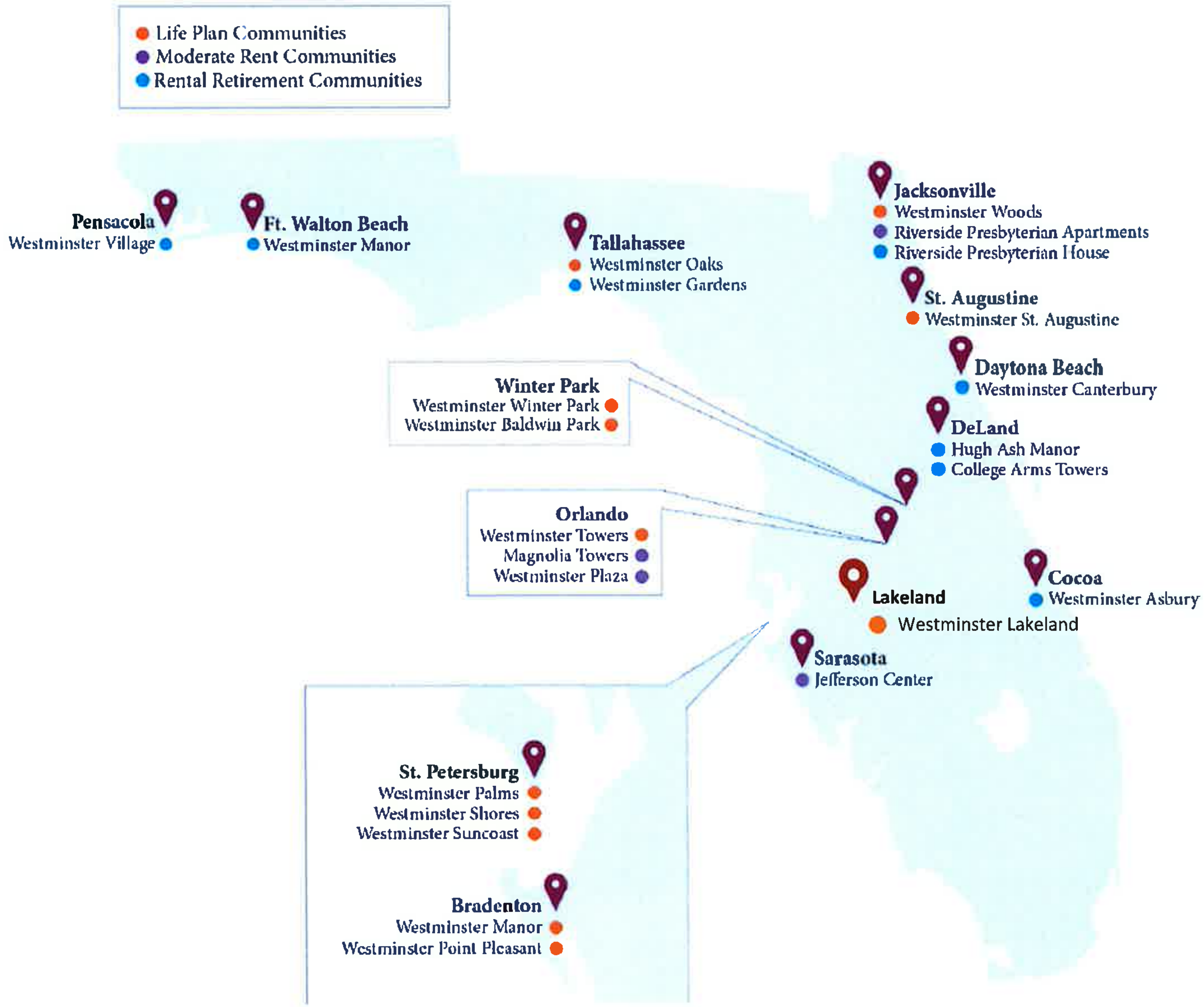
Westminster Communities of Florida is the largest not-for-profit senior living provider in the State of Florida, serving over 7,000 residents in 22 communities throughout the state offering active, independent living, assisted living and nursing care in their 10 Continuing Care Retirement Communities, as well as affordable communities for low-income seniors.

Established as a not-for-profit corporation, Westminster was created with the goal of developing and preserving high-quality residential and healthcare communities that promote wellness and encourage active, healthy lifestyles for older adults. Originally chartered on December 31, 1954, as Presbyterian Homes of the Synod of Florida, now Presbyterian Retirement Communities, Inc. ("PRC"). PRC, an affiliate of Westminster, opened its first CCRC, Westminster Manor in Bradenton, in 1961. Over the years, Westminster has developed its communities and focused its marketing efforts to attract middle-income individuals, such as military personnel, government employees, pastors, school teachers, and other retired professionals seeking value and security in their senior living options.

In April of 2000, Westminster Services, a not-for-profit corporation, was established to provide management services for certain communities owned or controlled by Westminster. Westminster Services' principal place of business is located in the corporate offices in Orlando, Florida, with a regional office located in Bradenton, Florida. Westminster Services provides support with respect to marketing, corporate matters, nursing, dining, human resources, reimbursement, risk management, information systems, insurance and other operational matters. Westminster Services also provides centralized accounting, financial statements, skilled nursing cost reports, bond issue administration, tax returns and any other federal and state reporting requirements. Westminster Services also includes a construction department consisting of licensed contractors, architects, interior designers and support staff, which plans, obtains government approvals for, bids contracts for and monitors construction projects.

Westminster Communities of Florida

Westminster Locations



Management Team

Hank Keith –*Chief Executive Officer*

Mr. Keith holds a bachelor's degree in Accounting and is a Certified Public Accountant. He formerly worked for a regional CPA firm that specialized in long term care. He has been with Westminster since 1992 and was recently CFO until being named CEO in January of 2025.

Garry Hennis – *Chief Operating Officer*

Responsible for all aspects of the daily operations of Westminster. Mr. Hennis has over 25 years of experience in the CCRC and health care industry and served as Chief Operating Officer for seven years for a large CCRC provider in the Northeast United States. Mr. Hennis is a licensed nursing home administrator and holds a bachelor's degree in Health Planning and Administration. He has been with Westminster since 2011.

Mary Klein – *Chief Human Resources Officer*

Responsible for overseeing all aspects of Human Resources from administering company policies and procedures to ensure compliance with standards and guidelines related to employment and labor laws. Ms. Klein is also in charge of workers' compensation, safety and training. Ms. Klein has a diverse background in multi-facility retirement and nursing home management with over 25 years of experience and holds bachelor's degrees in Healthcare Administration and Communications. Ms. Klein has been with Westminster since 2000.

Jennifer Martens – *VP, Finance and Interim CFO*

Responsible for safeguarding the assets of Westminster and recording, reporting and analyzing financial activities. She is also responsible for annual budgets, annual audits, Medicaid/Medicare cost reports, tax returns, cash management and investment management. Ms. Martens has over 25 years of finance and accounting experience, 12 of which has been with Westminster. She holds a bachelor's degree in Business Administration, Master's in Business Administration and a CPA license.

Chris Wickberg – *Vice President Design & Construction*

Responsible for design, development and oversight of all permitted construction projects. Mr. Wickberg serves as the main consultant for costs and feasibility for new construction, remodeling, additions, and other related activities. Mr. Wickberg holds an active State Certified General Contractor's License, is a licensed Interior Designer, Asbestos Consultant, is LEED certified, and has over 30 years of building-related experience. Mr. Wickberg joined Westminster in 2014.

FloridaLocal
GOVERNMENT FINANCE PROGRAM

The Florida Local Government Finance Commission was formed by interlocal agreement between various Florida counties in 1991 and is a legal entity created pursuant to Chapter 163, Florida Statutes. The governing body of the Commission consists of a representative from each of the six member counties of Brevard, Charlotte, Lee, Osceola, Sarasota, and St. Johns County.

The Commission launched the Florida Local Government Finance Program (FLGFP) initially with the Commercial Paper Loan Program. For over 30 years, the FLGFP's Commercial Paper Loan Program has been providing local governments with a tax exempt, flexible, low cost financing alternative. Since inception, the Commercial Paper Loan program has loaned over $2.9 billion to over 50 counties, cities, school boards, port authorities and other special districts across the State of Florida. Over the years the Commercial Paper Loan Program has provided financing for a wide range of capital improvement projects to include: road improvements, public buildings, beach renourishment and channel dredging projects, emergency management and public safety equipment such as airplanes, helicopters and SCUBA equipment. The list is endless.

In 2023, the Commission's powers were expanded to authorize it to act as a conduit issuer of tax-exempt and taxable debt for qualifying public purpose projects throughout the State. The FLGFC may, for the purposes of financing or refinancing any qualifying capital project, exercise all powers in connection with the authorization, issuance, and sale of private activity revenue bonds ("Bonds") pursuant to all privileges, benefits, powers and terms of Part I, Chapter 125, Florida Statutes, its constitutional and statutorily implemented home rule powers, and Chapter 159, Florida Statutes. The Circuit Court of the Second Judicial Circuit in and for Leon County, Florida has validated the FLGFC's conduit revenue bond program and any Bonds issued pursuant thereto.

Contact our Investment Banking Team

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