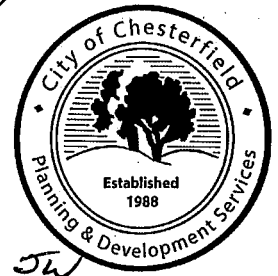


Memorandum

Department of Planning & Development Services

Forward to PPA
for review & direction
mea
8/6/18

III. C.



To: Michael O. Geisel, City Administrator

From: Justin Wyse, Director of Planning and Development Services

Date: August 9, 2018

RE: Resolution for Friendship Village Bond Issuance from St. Louis County

Attached is a Resolution in support of the project in order to meet statutory requirements prior to the issuance of Industrial Revenue Bonds by St. Louis County's Industrial Development Authority (IDA). A municipal resolution is required in order for the issuance of the Industrial Revenue Bonds. Friendship Village is a retirement community within the City of Chesterfield, located at 15201 Olive Boulevard.

They have been expanding for the past several years and have additional plans for future growth. Friendship Village currently has a project under construction for an additional 52 independent living apartments, and a new 60-bed assisted living and memory care building, and replacement of the skilled nursing facilities. This project was approved by the Planning Commission in November 2017. In September of 2017, City Council approved the IDA to issue \$70 million in bonds to refund bonds previously issued in 2007 and 2012 and finance approximately \$10 million in renovations to the existing campuses of Friendship Village. However, approximately only \$50 million of the bonds were actually issued by the IDA. Friendship Village chose not to utilize any portion to finance their expansion at that time.

Friendship Village is now ready to finance the expansion and is requesting the St. Louis County IDA to authorize up to \$250 million in bonds. This would be spread across Friendship Village's two campuses, one here in Chesterfield, the other in Sunset Hills.

Whenever a County IDA issues bonds for a project located within the boundaries of a city, state law requires that the city approve the project and issuance of bonds by the County IDA. A resolution similar to the resolution before the Council now was done last year for Friendship Village and in 2015 for St. Andrews - The Willows at Brooking Park. The resolution provides that the City is approving the project located within the City and the issuance of bonds by the County IDA solely as required by the specific state statute governing the issuance of bonds by the County IDA. *Such approval does not in any way obligate the City in any manner with respect to the repayment of the bonds or impact the required*

planning or permitting approvals of the City Council or Planning Commission related to construction.

Recommendation

I recommend that this item be forwarded to the Planning and Public Works Committee for a recommendation to the City Council on adoption of the resolution.

RESOLUTION NO. _____

RESOLUTION APPROVING A PROJECT FOR FRIENDSHIP VILLAGE OF WEST COUNTY TO BE FINANCED BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF ST. LOUIS, MISSOURI

WHEREAS, The Industrial Development Authority of the County of St. Louis, Missouri (the "Authority") is proposing a project involving the issuance of not to exceed \$250,000,000 aggregate principal amount of bonds of the Authority for the purpose of making a loan to Friendship Village of South County and Friendship Village of West County, Missouri nonprofit corporations (the "Borrowers"), to finance, refinance and reimburse the costs of acquiring, constructing, renovating, equipping and furnishing new and existing continuing care retirement facilities for the Borrowers' continuing care retirement facilities (collectively, the "Project"); and

WHEREAS, Section 349.010 of the Revised Statutes of Missouri requires that projects of an industrial development authority of a county must be located wholly within an unincorporated area of such county, except that such projects may be located within the corporate limits of a municipality within such county when approved by the governing body of the city;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chesterfield, Missouri, that the Project is hereby approved and the City Council grants its permission to the Authority to proceed with the issuance of not to exceed \$250,000,000 aggregate principal amount of bonds for the purposes described above.

PASSED by the City Council of the City of Chesterfield, Missouri, this _____ day of August, 2018.

CITY OF CHESTERFIELD, MISSOURI

PRESIDING OFFICER

BY: _____
Bob Nation, MAYOR

[SEAL]

ATTEST:

Vickie Hass, CITY CLERK