



COMMISSIONERS COURT
COMMUNICATION

REFERENCE NUMBER _____

PAGE 1 OF 51

DATE: 10/25/2022

SUBJECT: APPROVAL OF THE ISSUANCE OF SERIES 2022 HOSPITAL REVENUE BONDS IN ONE OR MORE SERIES BY THE TARRANT COUNTY CULTURAL EDUCATION FACILITIES FINANCE CORPORATION FOR BAYLOR SCOTT AND WHITE HOLDINGS IN AN AMOUNT NOT TO EXCEED \$550,000,000.00

COMMISSIONERS COURT ACTION REQUESTED

It is requested that the Commissioners Court approve the issuance of Series 2022 Hospital Revenue Bonds in one or more series by the Tarrant County Cultural Education Facilities Finance Corporation (TCCEFFC) for Baylor Scott and White Holdings in an amount not to exceed \$550,000,000.00.

BACKGROUND

The TCCEFFC Board of Directors adopted a resolution on October 4, 2022 approving the issuance of tax-exempt Series 2022 Hospital Revenue Bonds for Baylor Scott and White Holdings in an amount not to exceed \$550,000,000.00. The proceeds of the Series 2022 Bonds will be used to (i) finance the purchase, development, construction, renovation, rehabilitation, and/or equipping of health facilities of BSW Holdings, and (ii) pay the costs of issuance of the Series 2022 Bonds.

Projects to be financed with the \$550,000,000.00 issuance, include:

- (a) \$10,000,000.00 to be used at the health facilities operated by Scott & White Hospital - College Station, including, but not limited to, expanding and renovating the emergency department;
- (b) \$280,000,000.00 to be used for the construction and equipping of a new North Frisco Hospital;
- (c) \$25,000,000.00 to be used at Baylor Regional Medical Center at Plano, including refurbishment of operating rooms;
- (d) \$180,000,000.00 to be used by Baylor Medical Center at Waxahachie, including, construction of a new bed tower and parking garage;
- (e) \$55,000,000.00 to be used by Baylor Regional Medical Center of Grapevine including, expansion and refurbishment of the intensive care unit, the women's services department and operating rooms;
- (f) \$55,000,000.00 to be used by Baylor Scott & White Medical Centers - Capitol Area, located in the City of Pflugerville, including, the expansion of an acute care hospital and a medical office building;
- (g) \$200,000,000.00 to be used by Scott & White Hospital - Round Rock, including, the expansion of an acute care hospital.

SUBMITTED BY:	Administrator's Office	PREPARED BY: APPROVED BY:	Maegan P. South
---------------	------------------------	------------------------------	-----------------



COMMISSIONERS COURT COMMUNICATION

REFERENCE NUMBER: _____ DATE: 10/25/2022 PAGE 2 OF 51

The Notice of Intent to Issue Bonds was filed with the Tarrant County Clerk on October 10, 2022. The application fee has been paid to Tarrant County. A public hearing was held on September 22, 2022. The public hearing notice and affidavits of publication have been provided. A letter from Baylor Scott and White has been provided addressing their efforts in relation to the Tarrant County HUB Policy, and representing that they are not aware of any use restrictions on facilities located in Tarrant County, Texas.

In order for the bonds to qualify as tax exempt under Section 147(f) of the Internal Revenue Code of 1986, as amended, certain federal and state tax law requirements must be met, including having a governmental entity in which the financed facilities are located approve the issuance of such bonds for the benefit of the borrower. Resolutions of approvals, as it relates to the bond issuances have been included from Travis County, Collin County, Williamson County, Ellis County, and Brazos County.

Attached for Commissioners Court approval is the proposed Resolution approving the sale and issuance of the Series 2022 Bonds by the TCCEFFC on behalf of Baylor Scott and White Holdings.

FISCAL IMPACT

The TCCEFFC will issue the bonds. Tarrant County is not liable for the repayment of the principle or interest associated with these bonds.