

# City of Minneapolis

## Request for Committee Action

**To:** Community Development & Regulatory Services  
**Date:** 6/21/2016  
**Referral:** N/A  
**From:** Community Planning & Economic Development  
**Lead Staff:** Becky Shaw  
**Presented by:** Becky Shaw  
**File Type:** Resolution  
**Subcategory:** Bond

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**Subject:**

Public Hearing and Host Approval of the issuance of up to \$20,000,000 in 501 (c)(3) Tax-exempt Refunding Revenue Bonds for Senior Care Providence, LLC.

**Description:**

1. Passage of Resolution approving and consenting to the issuance of up to \$20,000,000 in 501 (c)(3) Tax-exempt Refunding Revenue Bonds by Washington County Housing and Redevelopment Authority to refund the City of Minneapolis Series 2007 Senior Care Revenue Bonds for Senior Care Providence, LLC located at 3720 23rd Avenue South and the execution of any related documents.
2. Passage of Resolution rescinding Resolution No. 2015R-420, entitled "Giving host approval to the issuance of revenue bonds for Providence Place, a skilled nursing home facility located at 3720 23rd Ave S, Minneapolis, Minnesota, under Minnesota Statutes, Sections 469.152 through 469.1655," passed Oct. 23, 2015.

**Previous Actions:**

1994 – issuance of \$13,225,000 taxable and tax-exempt revenue bonds for Care First, Inc. (aka: Cedar Pines Nursing Home)  
1999 – issuance of \$23,400,000 tax-exempt revenue bonds for Shelter Care Corporation (dba: Nile Nursing Home) for the acquisition of the facilities  
2007 – issuance of \$24,000,000 taxable and tax-exempt revenue bonds for Senior Care Communities for refunding of the 1999 revenue bonds and some capital improvements  
October 23, 2015 – authorize the issuance of up to \$14,000,000 of 501 (c)(3) Tax-exempt Refunding Revenue Bonds for Senior Care Providence, LLC. ([15-01289](#))

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**Ward/Address:**

Ward 12  
Standish 3720 23rd Avenue South

**Background/Analysis:**

Senior Care Communities, Inc., a District of Columbia nonprofit corporation, is the sole member of Senior Care Providence, LLC in Minneapolis, Senior Care Forest Lake, LLC and Senior Care Woodbury, LLC. The proposed 501(c)(3) tax-exempt revenue bonds would be issued by the Washington County Housing and Redevelopment Authority (HRA) to refund currently outstanding bonds that were issued for facilities in the Cities of Minneapolis, Woodbury, and Forest Lake and the Town of Birchwood. This includes the 2007 revenue bonds that were issued

by the City of Minneapolis, and the 2007A and 2007B revenue bonds that were issued by the Washington County HRA

On October 23, 2015, the Minneapolis City Council authorized the issuance of up to \$14,000,000 in tax-exempt revenue bonds by the Washington County HRA. However, HUD recently finalized its funding allocated to this project at an amount less than previously planned by the project resulting in a funding gap. To finance that gap, Washington County HRA is now requesting a greater amount of Tax-exempt Bonds, up to \$20,000,000.

**Financial Review:**

**No additional appropriation required, amount included in current budget.**

**Future budget impact anticipated.**

Annual bond fees of \$42,500 will be eliminated when the City's 2007 revenue bonds are refunded.

**Approved by the Permanent Review Committee.**

**Meets Small and Underutilized Business Program goals.**

**Attachments:**

1. Bond Resolution