



CENTRAL HEALTH

Our Vision

Central Texas is a model healthy community.

Our Mission

By caring for those who need it most, Central Health improves the health of our community.

Our Values

Central Health will achieve excellence through:

Stewardship - We maintain public trust through fiscal discipline and open and transparent communication.

Innovation - We create solutions to improve healthcare access.

Respect - We honor our relationship with those we serve and those with whom we work.

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BOARD OF MANAGERS SPECIAL CALLED MEETING Monday, June 14, 2021, 5:00 p.m. via toll-free videoconference¹

Members of the public may observe and participate in the meeting by connecting to the Ring Central meeting link listed below (copy and paste into your web browser):

<https://meetings.ringcentral.com/j/1488289561?pwd=b0I1VkpKeTA5T1ZHbUY0Y3VNNS8rdz09>

Password: 854645

Members of the public may also listen and participate by telephone only:

Dial: (888) 501-0031

Meeting ID: 148 828 9561

Password: 854645

A member of the public who wishes to make comments during Public Communication must properly register with Central Health **no later than 3:30 p.m. on June 14, 2021**. Registration can be completed in one of two ways:

- Complete the virtual sign-in form at <https://www.centralhealth.net/meeting-sign-up/>, or
- Call 512-978-9190. Please leave a voice message with your full name and your request to comment via telephone at the meeting.

PUBLIC COMMUNICATION

Central Health will conduct Public Communication in the same manner as it has been conducted at in-person meetings, including setting a fixed amount of time per person to speak and limiting Board responses to public inquiries, if any, to statements of specific factual information or existing policy.

REGULAR AGENDA²

1. Receive and take appropriate action to approve proposed changes to the Central Health homestead tax exemptions for Travis County residents who are over 65 or disabled for the 2021 Tax Year. (*Action item*)
2. Receive and take appropriate action on the Central Health capital budget for the Headquarters Consolidation and Clinical Space project and receive an update on the financing plan, including the timeline for the issuance of certificates of obligation.^{3, 4} (*Action Item*)

Notes:

- ¹ By Emergency Executive Order of the Governor, issued March 16, 2020, Central Health may hold a videoconference meeting with no Board members present at a physical meeting location.
- ² The Board of Managers may take items in an order that differs from the posted order and may consider any item posted on the agenda in a closed session if the item involves issues that require consideration in a closed session and the Board announces that the item will be considered during a closed session.
- ³ Possible closed session discussion under Texas Government Code §551.072 (Deliberation Regarding Real Property).
- ⁴ Possible closed session discussion under Texas Government Code §551.071 (Consultation with Attorney).

A recording of this meeting will be made available to the public through the Central Health website (www.centralhealth.net) as soon as possible after the meeting.

Any individual with a disability who plans to attend this meeting and requires auxiliary aids or services should notify Central Health at least two days in advance, so that appropriate arrangements can be made. Notice should be given to the Board Governance Manager by telephone at (512) 978-8049.

Cualquier persona con una discapacidad que planea asistir o ver esta reunión y requiera ayudas o servicios auxiliares debe notificar a Central Health con la mayor anticipación posible de la reunión, pero no menos de dos días de anticipación, para que se puedan hacer los arreglos apropiados. Se debe notificar al Gerente de Gobierno de la Junta por teléfono al (512) 978-8049.

Consecutive interpretation services from Spanish to English are available during Public Communication or when public comment is invited. Please notify the Board Governance Manager by telephone at (512) 978-8049 if services are needed.

Servicios de interpretación consecutiva del español al inglés están disponibles durante la Comunicación Pública o cuando se le invita al público a comentar. Notifique al Gerente de Gobierno de la Junta por teléfono al (512) 978-8049 si necesita servicios.



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BOARD MEETING

June 14, 2021

REGULAR AGENDA ITEM 1

Receive and take appropriate action to approve proposed changes to the Central Health homestead tax exemptions for Travis County residents who are over 65 or disabled for the 2021 Tax Year. (*Action item*)



AGENDA ITEM SUBMISSION FORM

This form is to provide a general overview of the agenda item in advance of posting for the Board meeting. Proposed motion language is a recommendation only and not final until the meeting and may be changed by the Board Manager making the motion. All information in this form is subject to the Public Information Act.

Agenda Item Meeting Date 06/14/2021

Who will present the agenda item? (Name, Title) Jeff Knodel, CFO Lisa Owens, Deputy CFO

General Item Description Receive and approve proposed changes to Over 65 and Disabled Veteran exemption amounts for the 2021 Tax Year and Tax Rate Calculation

Is this an informational or action item? Action Item

Fiscal Impact

Recommended Motion (if needed – action item)

Key takeaways about agenda item, and/or feedback sought from the Board of Managers:

Staff will provide information on how changes to the Over 65 and Disabled Veteran Exemptions for FY2022 (2021 Tax Year) will impact taxpayers and proposed tax rates

Recommend proposed changes to the to the Over 65 and Disabled Veteran Exemptions to the Travis County Commissioners Court for action prior to necessary deadlines for Travis Central Appraisal District to prepare the Tax Year 2021 Certified Roll

3)

4)

5)

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.)

Backup will be provided



CENTRAL HEALTH

Estimated time needed for
presentation & questions?

15 minutes

Is closed session
recommended? (Consult
with attorneys.)

No

Form Prepared By/Date
Submitted:

Lisa Owens 6/7/2021



CENTRAL HEALTH

CommUnityCare | Sendero

Central Health Board of Managers
June 14, 2021
Board Meeting

Property Tax Homestead Exemptions

Local Homestead Exemptions

- Optional Local Property Tax Exemptions
 - Homestead
 - Age 65 and Over
 - Disabled
- Travis County Commissioners' Court approves amounts
- Central Health Current Exemption Amounts
 - Homestead – 20% of Taxable Assessed Value (State Allowed Maximum)
 - Age 65 and Over - \$85,500
 - Disabled – \$85,500
- Travis County Exemption Amounts same as Central Health (FY21) and have a long history of being same amounts



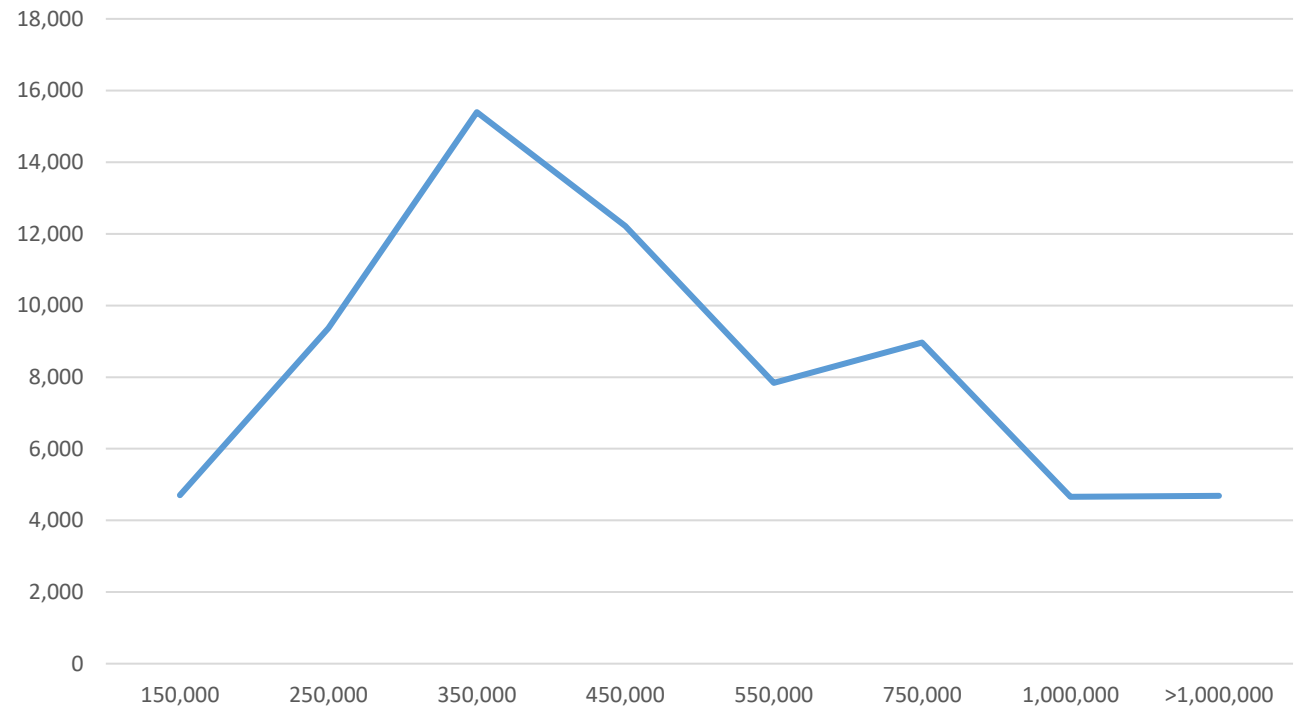
Travis County Municipalities Local Property Tax Exemptions

	OPTIONAL EXEMPTIONS			
	Homestead	% Homestead	Over 65	Disabled
City of Austin	5,000	10%	88,000	88,000
City of Austin PROPOSED		20%	113,000	113,000
City of Cedar Park	5,000	1%	30,000	20,000
City of Jonestown	5,000	20%	8,000	8,000
City of Leander			10,000	10,000
City of Lago Vista	5,000	20%		
City of Lakeway			5,000	
City of Manor			10,000	
City of Mustang Ridge			5,000	
City of Pflugerville			35,000	35,000
City of Rollingwood			3,000	
City of Round Rock			22,000	3,000
City of West Lake Hills			4,000	
City of Bee Cave	5,000	20%	65,000	65,000
City of Creedmoor				

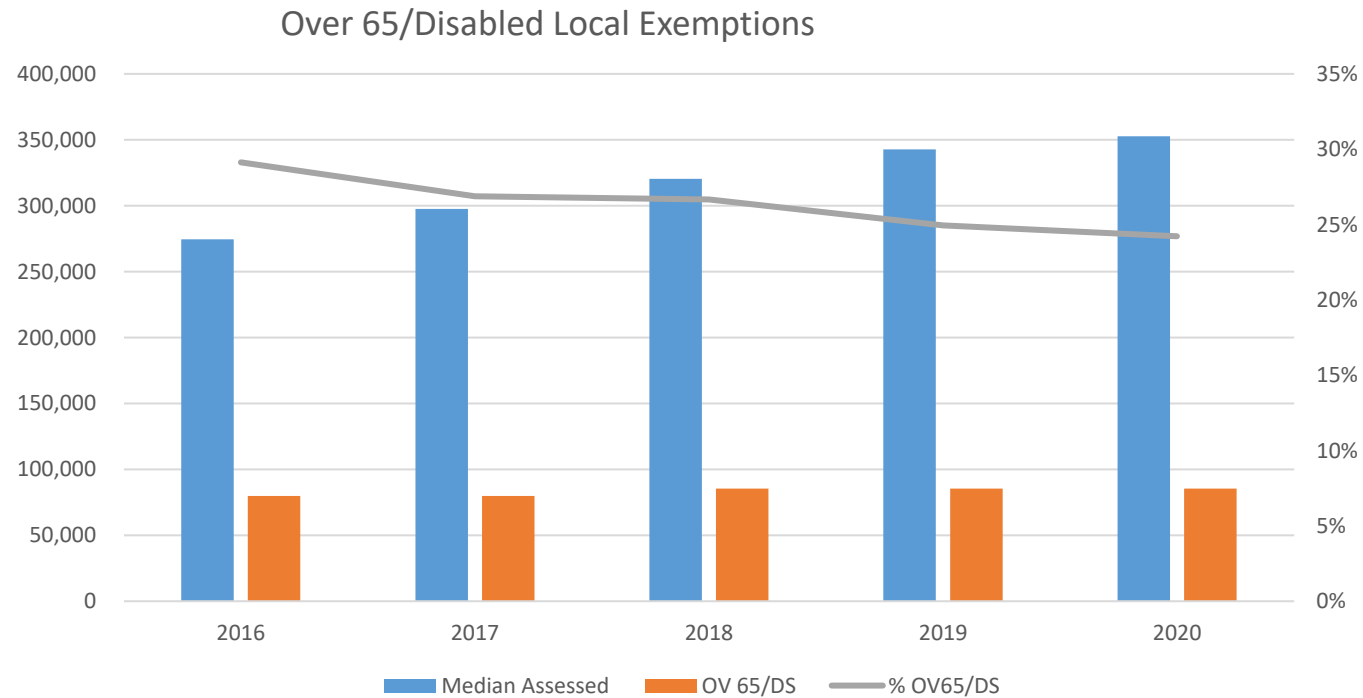


Travis County Homesteads 65 Years old and Over

Distribution Homestead Values 65 years and older



Over 65/Disabled Local Exemptions



Exemption Amount as % of Median HS Taxable Value
5 year Average = 26%

FY22 Median TAV = \$383,088



Staff Recommendation

- Maintain Homestead Exemption at 20%
- Increase 65/Over and Disabled Exemption Amounts to \$100,000
- Maintain approximate 5 year average ratio of 65/Over and Disabled to Median HS Value
- Impact of Increase approximately \$1.1M
- Re-allocated to other taxpayers – change from previous years
- Travis County staff also considering \$100,000 recommendation for Travis County exemption amounts
- Central Health Exemptions will require Travis County Commissioners' Court approval



Next Steps

- Central Health Board of Managers makes recommendations to Travis County Commissioners' Court
- TCCC considers and approves Central Health Exemption Amounts before end of June
- Exemption Amounts are reflected on Tax Notices sent out by Appraisal District





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BOARD MEETING

June 14, 2021

REGULAR AGENDA ITEM 2

Receive and take appropriate action on the Central Health capital budget for the Headquarters Consolidation and Clinical Space project and receive an update on the financing plan, including the timeline for the issuance of certificates of obligation.^{3,4} (*Action Item*)



AGENDA ITEM SUBMISSION FORM

This form is to provide a general overview of the agenda item in advance of posting for the Board meeting. Proposed motion language is a recommendation only and not final until the meeting and may be changed by the Board Manager making the motion. All information in this form is subject to the Public Information Act.

Agenda Item Meeting Date 06/14/2021

Who will present the agenda item? (Name, Title) Jeff Knodel, CFO
Lisa Owens, Deputy CFO

General Item Description Receive and approve a presentation on the Central Health capital project budget for the Administrative Consolidation and Clinical Space project, including an update on the financing plan and issue of certificates of obligations.

Is this an informational or action item? Action Item

Fiscal Impact Issuance of Certificates of Obligation

Recommended Motion (if needed – action item) Approval of the Hancock Administrative Consolidation and Clinical Space Capital Project within the Central Health Capital Budget

Key takeaways about agenda item, and/or feedback sought from the Board of Managers:

- 1) Receive information on capital budget components for purchase and renovation of Hancock Administrative Consolidation, Clinical space expansion, and CommUnityCare Clinic Acquisition and Renovation
- 2) Facility information and conceptual renditions
- 3) General Construction Timelines
- 4) Timing of Contractual Obligation Issuance
- 5) _____

What backup will be provided, or will this be a verbal update? Presentation



CENTRAL HEALTH

Estimated time needed for
presentation & questions?

15 minutes

Is closed session
recommended? (Consult
with attorneys.)

No

Form Prepared By/Date
Submitted:

Lisa Owens 6/7/2021; Updated: Jeff Knodel 6/11/21



CENTRAL HEALTH

CommUnityCare | Sendero

Hancock Headquarters Consolidation and Clinical Expansion

Capital Project Budget

June 14, 2021

DRAFT



Overview

- **Request approval of Hancock Administrative Consolidation and Clinical Expansion**
 - Acquisition and renovation of former Sears Building located in Hancock Center
 - Purchase CommunityCare Hancock Clinic Building
 - Anticipate approximately 90,000 sq. feet consolidated administrative space and 106,000 sq. feet of clinical space
 - Financial highlights include:
 - Transition from leases to ownership results in substantial long-term savings
 - Long term asset appreciation
 - Financed through the issuance of 20 year Certificates of Obligation



Current





FIRE
EXIT
↓

DRAGNET



Potential Exterior Elevation



Potential Exterior Elevation



Potential Exterior Elevation



Capital Project Budget

Budget Element	Budget Amount
Due Diligence & Project Assessment	\$ 46,700
Acquisition & Regulatory	\$ 18,834,000.00
Professional Services	\$ 2,352,425.00
Community Engagement	\$ 44,500
Construction	\$ 32,439,425
Furniture, Fixtures & Equipment	\$ 2,522,000
Project Management & Administration	\$ 507,635
Owner Contingency	\$ 5,839,097
Total Estimated Project Cost	\$ 62,586,000

Estimated Cost - \$320 per sq. foot



Project Timeline

Project Milestone	Finish
Business Concept Development	09/11/20
Business Case Due Diligence & Evaluation	11/30/20
Executive Team Review & Approval	01/20/21
Central Health Board Approval - Acquisition & Design Funding	03/31/21
Purchase Agreement	04/14/21
TCCC Approval	04/30/21
Purchase Transaction	07/15/21
Project Team (Via Central Health Purchasing)	11/30/21
Concepts Development / Selection	12/30/21
Concept Design Complete	01/30/22
Construction Documents Complete	06/30/22
Construction Bids / GMP Development	07/30/22
Permit and Construction Funding	09/08/22
Construction Notice to Proceed	09/09/22
Construction	12/30/23
Substantial Completion	12/30/23
Administrative Occupancy - Initial	01/30/24
Project Close Out	03/30/24
Project End	03/30/24



Project Acquisition/Funding Status

- ✓ **Contract Execution Authority**
- ✓ **Approval for Intent to Issue Contractual Obligations**
- ✓ **Receive Rating for Contractual Obligation issuance – Assigned Moody's Aa2**
- **Contract Execution/Capital Budget Approval**
- **Acquisition Completed**
- **Approval of Sale of Certificates of Obligation – August 9 -10**



Questions

- **Staff requesting approval of Hancock Capital Project Budget in the amount of \$62,586,000**

DRAFT



END OF PRESENTATION

DRAFT



Taxpayer Impact – Average Homestead TAV

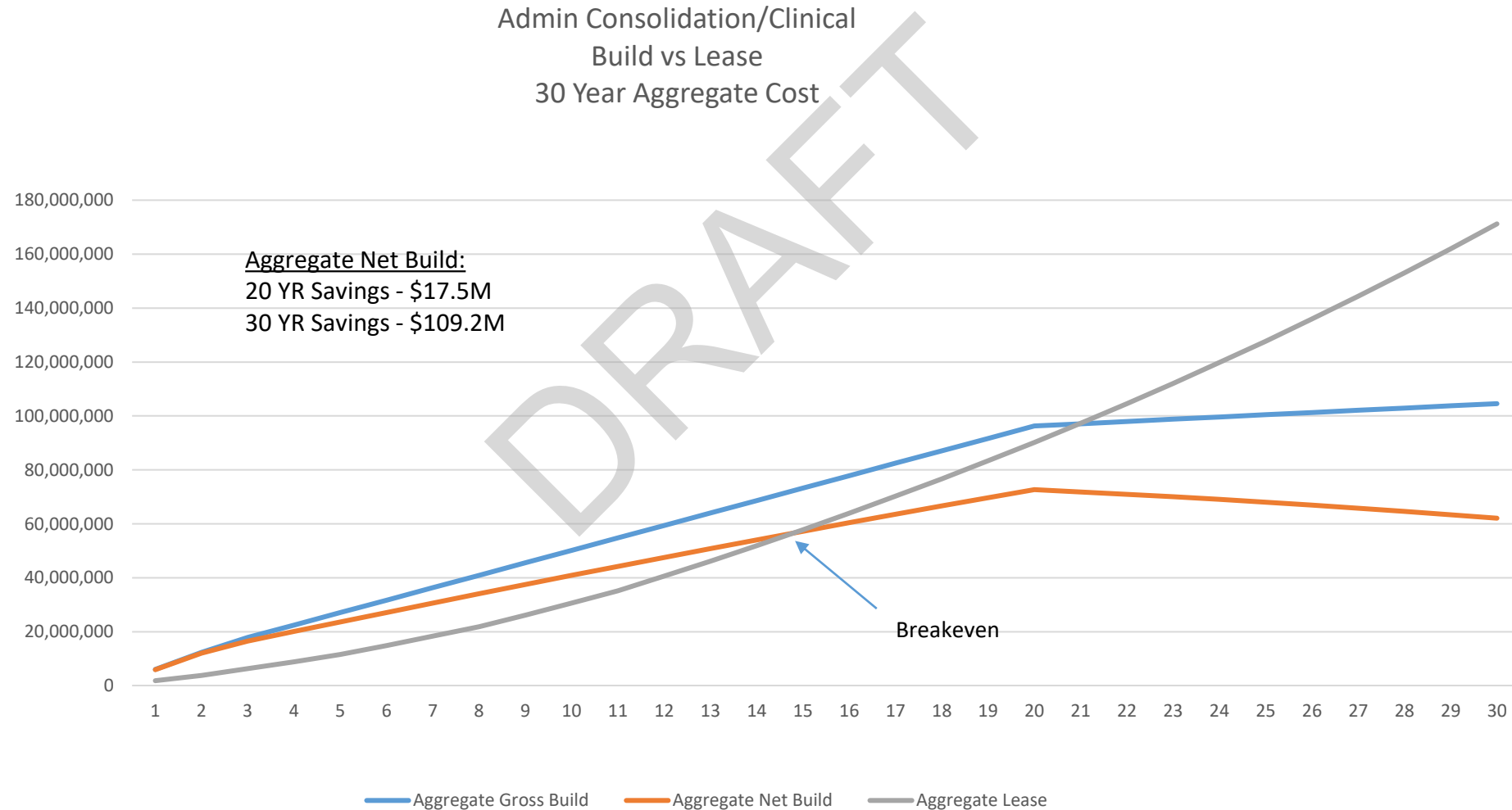
	Approved FY 21	Additional Debt Svc	Difference
M&O	\$0.109717	\$0.109717	\$0.00
Debt Service	\$0.000589	\$0.000589	\$0.00
Admin and Clinical Acquisition & Construction	\$0.000000	\$0.001960	\$6.97
Del Valle/Hornby Bend Clinics Construction	\$0.000000	\$0.000472	\$1.68
Total Tax Rate	\$0.110306	\$0.112738	\$8.65
Avg. HS Tax Bill	\$392.00	\$400.65	\$8.65

Using FY21 Property Tax Rate data, the property tax impact of an annual debt service payment of \$5.21M to the average homestead of \$355,379 is an increase of \$8.65



Comparison Build vs. Lease

20 and 30 YR Savings – Net of Lease Payments



Key Events for a 2021 Bond Sale

- Overall timeline from initial approval to closing of the Bond is generally 3-4 months
- Central Health Board & Travis County Commissioners Court each must adopt a Resolution to publish a Notice of Intent to issue Certificates of Obligation
- Notice of Intent must be published on the Central Health and County website and in a local newspaper of record, twice in consecutive weeks
- 45-Day Wait Period between date of first publication of the Notice of Intent and approval of the bond sale
- Obtain a Bond Rating
- Distribute a Preliminary Official Statement and Notice of Sale to potential Underwriters/Bidders
- Bond Sale – Pricing and Sale of Bond to Underwriters
- Central Health Board & Travis County Commissioners Court – Adoption of an Order authorizing the sale and issuance of Certificates of Obligation
- Bond Counsel sends materials to Texas Attorney General for approving validity opinion
- Closing/Delivery of funds approximately 3-4 weeks after the sale of COs

