



AGENDA ITEM SUMMARY

Agenda Date	October 27, 2025
Requested Action	APPROVE RESOLUTION NO. 2025-R80; A RESOLUTION APPROVING THE FINANCING BY THE NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE CORPORATION ON BEHALF OF MORNINGSIDЕ MINISTRIES FOR A HEALTH FACILITY LOCATED WITHIN THE CITY OF BOERNE, TEXAS.
Contact Person	Ben Thatcher, City Manager
Background Information	The City has received a formal request from Morningside Ministries and the New Hope Cultural Education Facilities Finance Corporation for approval of a Tax Equity and Fiscal Responsibility Act (TEFRA) resolution supporting Morningside's application for tax-exempt bond financing to fund the Phase 5 Expansion Project at Morningside at Menger Springs, located at 1100 Grand Boulevard, Boerne, Texas. The New Hope Corporation proposes to issue up to \$48 million in bonds under Chapter 337, Texas Local Government Code, to finance and refinance capital expenditures associated with the expansion. The project modifies Morningside's original plan and includes: • 51 additional independent living units (for a total of 326 units upon completion) • Larger apartment floor plans • A structured parking garage When complete, the Menger Springs campus will include: • 326 independent living units • 90 assisted living units • 40 skilled nursing units The required TEFRA public hearing was held on October 13, 2025, following publication of notice in <i>The Boerne Star</i> on October 5, 2025. Approval by the City Council satisfies federal requirements and allows the issuer to proceed with the tax-exempt financing. This approval does not create any financial obligation, debt, or liability for the City of Boerne. Similar TEFRA resolutions were approved by the City Council in 2019, 2022, and 2023 for prior phases of this project.

	City Planning staff met with Morningside representatives to discuss technical elements of the expansion. The applicants are incorporating a roof rainwater harvesting system to support irrigation and demonstrate commitment to the City's water conservation standards. They will submit the plan for staff review to ensure feasibility and alignment with City engineering and utility requirements.
Strategic Alignment	C3 - Collaborating with community partners to enhance quality of life. This project aims to support the City of Boerne Strategy Map priority of Building an Exemplary Hill Country Community by enhancing senior housing and healthcare options while incorporating sustainable development practices.
Financial Considerations	Approval of the resolution does not create any financial or legal obligation for the City. The bonds are not payable from or secured by City revenues and do not constitute City debt. The City's role is solely to provide the local approval required under federal law.
Citizen Input/Board Review	N/A
Legal Review	Staff have consulted the City Attorney, and the City's consent to this resolution will not make the City liable for the bonds to be issued, nor will it impose any other obligations on the City in connection with the financing.

Alternative Options	N/A
Supporting Documents	Resolution No. 2025-R80 Letter from McCall, Parkhurst & Horton LLP (October 13, 2025)