

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date: June 18, 2013 Consent Regular
 Ordinance Public Hearing

Department: Department of Economic Sustainability

Submitted For: Housing Finance Authority of Palm Beach County

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to adopt: a Resolution of the Board of County Commissioners of Palm Beach County, Florida; approving Deutsche Bank Securities, Inc. or an affiliate thereof, as the Purchaser of not exceeding \$16,400,000 Housing Finance Authority of Palm Beach County, Florida (Authority), Multifamily Housing Revenue Bonds (Palms West Project), within the meaning of Palm Beach County Code Section 2-190; and providing an effective date.

Summary: On April 2, 2013, the Board of County Commissioners (BCC) adopted a Resolution (R2013-0400) authorizing the issuance of the Bonds, approving GA Housing LLC or other tax exempt investment fund sponsored by Red Stone Partners as the Purchaser and approving RBC Capital Markets, LLC as the Placement Agent. SP West Palm, LP (the "Borrower") has advised the Authority that the purchaser has changed. Adoption of this Resolution provides approval of Deutsche Bank Securities, Inc. as the new purchaser. Section 2-190 of the Palm Beach County Code requires that all bonds of the Authority and the underwriter or purchaser of such bonds must be submitted to and approved by the BCC. The Bonds are being issued by the Authority to finance the costs of acquiring and rehabilitating Palms West, a 290 unit multifamily rental housing facility located at 1551 Quail Drive in unincorporated Palm Beach County. These units will be rented to qualified persons and families as required by Section 142(d) of the Internal Revenue Code of 1986, as amended. The Developer is Southport Development, Inc. Bryant Miller Olive is Bond Counsel to the Authority with respect to the Bonds. The Bonds will be payable solely from revenues derived from the Borrower and/or other collateral provided by or on behalf of the Borrower. Neither the taxing power nor the faith and credit of the County nor any County funds are pledged to pay the principal, redemption premium, if any, or interest on the Bonds. (HFA of PBC) District 7 (PFK)

Background and Justification: The Authority was established by the BCC in 1979 in accordance with Part IV of Chapter 159, Florida Statutes. The adoption of this Resolution by the BCC would constitute the approval of Deutsche Bank Securities, Inc., or an affiliate thereof, as the Purchaser of the Bonds as required by Section 2-190 of the Palm Beach County Code.

Attachments:

- 1. Resolution

Recommended By: Jimmy Howard 5-30-13
Department Director Date

Approved By: Sharon B. By 6/6/13
Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2013	2014	2015	2016	2017
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	*				

# ADDITIONAL FTE POSITIONS (Cumulative)					
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Is Item Included In Current Budget? Yes _____ No X
 Budget Account No.:

B. Recommended Sources of Funds/Summary of Fiscal Impact:

* All costs to be borne by the Housing Finance Authority. No fiscal impact to Palm Beach County.

C. Departmental Fiscal Review:

N/A

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:

 OFMB
[Signature] 6/3/2013
 6/3/13
 6-3-13

 Contract Development and Control
 6-4-13
[Signature]

B. Legal Sufficiency:

 Assistant County Attorney
[Signature] 6/5/13

C. Other Department Review:

 Department Director

RESOLUTION NO. R2013 - _____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA; APPROVING DEUTSCHE BANK SECURITIES, INC. OR AN AFFILIATE THEREOF, AS THE PURCHASER OF NOT EXCEEDING \$16,400,000 HOUSING FINANCE AUTHORITY OF PALM BEACH COUNTY, FLORIDA (AUTHORITY), MULTIFAMILY HOUSING REVENUE BONDS (PALMS WEST PROJECT), WITHIN THE MEANING OF PALM BEACH COUNTY CODE SECTION 2-190; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Authority was created pursuant to Part IV, Chapter 159, Florida Statutes (the "Act") and Article V, Division 3, Sections 2-181 et seq., Palm Beach County Code of Ordinances (the "Ordinance"); and

WHEREAS, the Board of County Commissioners of Palm Beach County, Florida (the "Board"), has heretofore adopted Resolution No. 79-1150 declaring its need for the Authority to function in order to alleviate the shortage of housing and capital investment in housing within Palm Beach County, Florida (the "County"); and

WHEREAS, the Borrower (as defined below) has made application to the Authority to issue its bonds in an amount not to exceed \$16,400,000 (herein, the "Bonds") for the purpose of financing all or a portion of the costs of acquisition, rehabilitation and/or equipping of a not to exceed 290 unit rental housing development to be known as Palms West, located at 1551 Quail Drive, West Palm Beach, Florida 33409, in unincorporated Palm Beach County, Florida (the "Project"), to be occupied by persons of low or moderate income as required within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Bonds shall be limited obligations of the Authority payable from the revenues derived from the operation of the Project and/or other collateral provided by or on behalf of SP West Palm LP, a Florida limited partnership, or an affiliate thereof (the "Borrower") and the payment of such Bonds will be secured by a note and mortgage executed by the Borrower and/or such collateral; and

WHEREAS, the Authority held a properly noticed public hearing pursuant to the provisions of Section 147(f) of the Code on March 18, 2013, regarding the proposed issuance of its multifamily housing revenue bonds (Palms West Project), in the principal amount of not exceeding \$16,400,000; and

WHEREAS, the Board, on April 2, 2013, adopted Resolution No. R2013-0400 approving the issuance of the Bonds, approving GA Housing LLC or other tax exempt investment fund sponsored by Red Stone Financial Partners as the purchaser of the Bonds, and approving RBC Capital Markets LLC as the placement agent for the Bonds; and

WHEREAS, the Borrower has advised the Authority that the purchaser of the Bonds will now be Deutsche Bank Securities, Inc. or an affiliate thereof (the "Purchaser"); and

WHEREAS, the Authority has requested that the Board approve the Purchaser of the Bonds as required by the Ordinance.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA;

1. That the above recitals are hereby adopted by the Board as the findings of the County and are incorporated herein.
2. That the private placement of the Bonds with the Purchaser is approved within the meaning of the Ordinance.
3. That the Mayor and the Clerk are authorized to execute this Resolution on behalf of Palm Beach County, Florida.
4. That Resolution No. R2013-0400, adopted by the Board on April 2, 2013, is hereby repealed to the extent of any inconsistency with the provisions hereof.
5. That this Resolution shall take effect upon adoption.

The foregoing Resolution was offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____ and being put to a vote, the vote was as follows:

STEVEN L. ABRAMS, Mayor	-
PRISCILLA A. TAYLOR, Vice Mayor	-
HAL R. VALECHE	-
PAULETTE BURDICK	-
SHELLEY VANA	-
MARY LOU BERGER	-
JESS R. SANTAMARIA	-

The Mayor thereupon declared the Resolution duly passed and adopted this ____ day of _____, 2013.

**PALM BEACH COUNTY, FLORIDA, BY ITS
BOARD OF COUNTY COMMISSIONERS**

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY**

**ATTEST: SHARON R. BOCK,
CLERK & COMPTROLLER**

By: _____
Assistant County Attorney

By: _____
Deputy Clerk