Agenda Item #: 5C-1

# PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

### **AGENDA ITEM SUMMARY**

**Meeting Date:** 

**July 16, 2013** 

[ ] Consent

[X] 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, and Community & Southern Bank or an affiliate thereof, as the Purchaser of not exceeding \$6,000,000 Housing Finance Authority of Palm Beach County, Florida (Authority), Multifamily Housing Revenue Bonds (La Joya Villages Project), within the meaning of Palm Beach County Code Section 2-190; and providing an effective date.

Summary: On March 12, 2013, the Board of County Commissioners (BCC) adopted a Resolution (R2013-0331) authorizing the issuance of the Bonds, approving GA Housing LLC or other tax exempt investment fund sponsored by Red Stone Partners, and Community & Southern Bank or an affiliate thereof, as the Purchaser of said Bonds. La Joya Villages, Ltd. (the "Borrower") has advised the Authority that the purchaser has changed. Adoption of this Resolution provides approval of Deutsche Bank Securities, Inc. and Community & Southern Bank 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 constructing a planned 55 unit multifamily rental housing facility to be located at 1105 6th Avenue South in Lake Worth. 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 Realtex Development Corporation Southeast and Community Land Trust of Palm Beach County. Greenberg Traurig 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 and Community & Southern Bank 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:

Department Director

Date

/

Assistant County Administrate

**Øate** 

## II. FISCAL IMPACT ANALYSIS

### A. Five Year Summary of Fiscal Impact:

A.	Five Year Summar	y of Fiscal I	mpact:			
Fis	cal Years	2013	2014	2015	2016	2017
Car	oital Expenditures					
Ope	erating Costs					
Ext	ernal Revenues					
Pro	gram Income					
In-k	(ind Match (County)					
NE	T FISCAL IMPACT	*				
	DDITIONAL FTE SITIONS (Cumulative)					
	em Included In Curre get Account No.:	nt Budget?	Yes	No <u>X</u>		
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:					
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В.	Legal Sufficiency:	ЩÞУ				
	Assistant County Att	- 7/2//3 corney	<u> </u>			
C.	Other Department	Review:				
	Department Director		_			

RESOLUTION OF THE BOARD OF COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA: APPROVING DEUTSCHE BANK SECURITIES, INC. OR AN AFFILIATE THEREOF, AND COMMUNITY & SOUTHERN BANK OR AN AFFILIATE THEREOF, AS THE PURCHASER OF NOT **EXCEEDING \$6,000,000 HOUSING FINANCE AUTHORITY OF** COUNTY, **BEACH FLORIDA** (AUTHORITY), MULTIFAMILY HOUSING REVENUE BONDS (LA JOYA VILLAGES PROJECT), WITHIN THE MEANING OF 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 <u>et seq.</u>, 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 \$6,000,000 (herein, the "Bonds") for the purpose of financing all or a portion of the costs of acquisition, construction and/or equipping of a not to exceed 55 unit rental housing development to be known as La Joya Villages, to be located at 1105 6<sup>th</sup> Avenue South, Lake Worth, Florida 33460, in the City of Lake Worth (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 La Joya Villages, Ltd., 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 February 8, 2013, regarding the proposed issuance of its multifamily housing revenue bonds (La Joya Villages Project), in the principal amount of not exceeding \$6,000,000; and

WHEREAS, the Board, on March 12, 2013, adopted Resolution No. R-2013-0331 approving issuance of the Bonds, and approving GA Housing LLC or other tax exempt investment fund sponsored by Red Stone Financial Partners, and Community & Southern Bank or an affiliate thereof as the purchasers of 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 and Community & Southern Bank or an affiliate thereof (collectively, 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.

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 \_\_\_\_\_, 20\_\_\_\_. PALM BEACH COUNTY, FLORIDA, BY ITS **BOARD OF COUNTY COMMISSIONERS** APPROVED AS TO FORM AND ATTEST: SHARON R. BOCK **LEGAL SUFFICIENCY CLERK & COMPTROLLER** Assistant County Attorney, **Deputy Clerk** 

That Resolution No. R-2013-0331, adopted by the Board on March 12, 2013, is

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