Agenda Item #:

50-1

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:

January 14, 2014

[] 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 the issuance of not exceeding \$6,825,000 Housing Finance Authority of Palm Beach County, Florida, Multifamily Housing Revenue Bonds (Village Square Project) within the meaning of Section 147(f) of the Internal Revenue Code of 1986, as amended and Section 2-190, Palm Beach County Code of Ordinances; and providing an effective date.

Summary: On June 18, 2013, the Board of County Commissioners (BCC) adopted Resolution R2013-0788 approving the issuance of the Bonds in a principal amount not to exceed \$6,500,000 within the meaning of Section 147(f) of the Internal Revenue Code of 1986, as amended (the Code) and approving JP Morgan Chase Bank, N.A. or an affiliate thereof as the purchasers of said Bonds. On December 17, 2013, the BCC adopted Resolution R2013-1859 approving Citibank, N.A. or an affiliate thereof as the purchasers of said Bonds instead of JP Morgan Bank, N.A. Village Square Elderly, Ltd. (Borrower) has advised the Housing Finance Authority of Palm Beach County (Authority) that it now desires that the Bonds be issued in a principal amount not to exceed \$6,825,000. The Bonds are being issued by the Authority to finance the costs of acquiring, constructing and equipping a planned 84 unit multifamily rental housing facility to be located at 738 SW 12th Street in Delray Beach. These units will be rented to qualified persons and families as required by Section 142(d) of the Code. The Developer is Roundstone Development, LLC. Greenberg Traurig, P.A. 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, of 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 approval of the Bonds for purposes of Section 147(f) of the Code and Section 2-190 of the Palm Beach County Code of Ordinances.

Attachments:

1. Resolution

Recommended By:

Department Director

Data

Date

Approved By:

Assistant County Administrator

Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact: *

Fiscal Years	2014	2015	2016	2017	2018
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)				***************************************	
NET FISCAL IMPACT	*				
-			-	1	
# ADDITIONAL FTE POSITIONS (Cumulative)					

Is Item Included in Current Budget?	Yes	Nox
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:

Dola les	Barbara Wheelee 12-31-13
OFMB 51 30/13	Contract Development and Control

B. Legal Sufficiency:

Paul F- 1/2/14
Assistant County Attorney

C. Other Department Review:

Department Director

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA; APPROVING THE ISSUANCE OF NOT EXCEEDING \$6,825,000 HOUSING FINANCE AUTHORITY OF PALM BEACH COUNTY, FLORIDA, MULTIFAMILY HOUSING REVENUE BONDS (VILLAGE SQUARE PROJECT) WITHIN THE MEANING OF SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED AND SECTION 2-190, PALM BEACH COUNTY CODE OF ORDINANCES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Housing Finance Authority of Palm Beach County, Florida (the "Authority") was created pursuant to Part IV, Chapter 159, Florida Statutes (the "Act") and Article V, Division 3, Sections 2-181 et seg., 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 (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 84 unit rental housing development to be located at 738 SW 12th Street, Delray Beach, Florida 33460, in the City of Delray Beach (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 Village Square Elderly, 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 May 31, 2013, regarding the proposed issuance of its multifamily housing revenue bonds (Village Square Project); and

WHEREAS, the Board, on June 18, 2013, adopted Resolution No. R2013-0788 approving issuance of the Bonds in an amount not to exceed \$6,500,000 within the meaning of Section 147(f) of the Code, and approving JP Morgan Chase Bank, N.A. or an affiliate thereof as the purchaser of the Bonds; and

WHEREAS, the Board, on December 17, 2013, adopted Resolution No. R2013-1859, providing instead of JP Morgan Chase Bank, N.A. that the purchaser of the Bonds be Citibank, N.A. or an affiliate thereof (the "Purchaser"); and

WHEREAS, the Borrower has advised the Authority that it requests an increase in the maximum principal amount of the Bonds to be issued from \$6,500,000 to \$6,825,000; and

WHEREAS, the Authority has requested that the Board approve the issuance of the Bonds in a principal amount not to exceed \$6,825,000 within the meaning of Section 147(f) of the Code and the Ordinance.

WHEREAS, the Bonds shall not be a debt of the Authority, the County, the State of Florida (the "State"), nor any other political subdivision thereof; and neither the Authority, the County, the State nor any other political subdivision thereof shall be liable thereon; and

WHEREAS, the Bonds will be issued by the Authority, and the proceeds thereof will be used to finance all or a portion of the costs of the Project, to be rented to qualified persons and families in Palm Beach County, Florida as required by the Act and the Code; and

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 issuance of the Bonds in a principal amount not to exceed \$6,825,000 is approved within the meaning of Section 147(f) of the Code and 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. R2013-0788, adopted by the Board on June 18, 2013, and Resolution No. R2013-1859, adopted by the Board on December 17, 2013, are hereby repealed to the extent of any inconsistency with the provisions hereof.

5.	That this Resolution sha	ll take effect upon ado	ption.		
adoption.	ng Resolution was offered the motion was seconded b tote was as follows:	by Commissioner by Commissioner	· · · · · · · · · · · · · · · · · · ·	, who moved its _ and being put to	
The Mayor th	PRISCILLA A. T PAULETTE BUF HAL R. VALECH SHELLEY VANA STEVEN L. ABF MARY LOU BEF JESS R. SANTA nereupon declared the Res	RDICK, Vice Mayor HE A RAMS RGER IMARIA	 ad adopted this _	day of	
		PALM BEACH C BOARD OF COU			
APPROVED AS TO FORM AND LEGAL SUFFICIENCY			ATTEST: SHARON R. BOCK, CLERK & COMPTROLLER		
By: Assistant	County Attorney	By: Deputy Clerk			