PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:

June 21, 2016

[] 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 to exceed \$12,000,000 Housing Finance Authority of Palm Beach County, Florida, Multifamily Housing Revenue Bonds (Heron Estates Senior 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: The Bonds are being issued by the Housing Finance Authority of Palm Beach County, Florida (Authority), to finance the costs of land acquisition and construction of a 101 unit multifamily rental housing development to be known as Heron Estates Senior Apartments (Project). The Project will be located at the south east corner of West 17th Court and N. Congress Avenue in Riviera Beach. 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 (Code). The Project is expected to receive four percent (4%) low income housing tax credits that will require 100% of the units to be set aside for persons and families at 60% of area median income adjusted for family size for a period of 30 years. The Borrower is HTG Heron Estates Senior, LLC and the developer is HTG Heron Estates Senior Developer, LLC, an entity of the principals of the Housing Trust Group of Florida. The Bonds will be payable solely from revenues derived from the Borrower and/or other collateral provided by or on behalf of the Borrower. On June 10, 2016, the Authority held a public hearing with respect to the Bonds as required by Section 147(f) of the Code. 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, Palm Beach County Code of Ordinances.

Atta	chment(s):
	esolution

Recommended By:

Department Director

- 7

Approved By:

Assistant County Administrato

Date

II. FISCAL IMPACT ANALYSIS

A.	Five Year Summar	y of Fiscal Im	pact:				
Fisc	cal Years	2016	2017	2018	2019	2020	
Cap	ital Expenditures						
Ope	erating Costs						
Exte	ernal Revenues						
Pro	gram Income						
In-K	(ind Match (County)						
NET	FISCAL IMPACT ₩						
	ODITIONAL FTE SITIONS (Cumulative)						
Is Item Included In Current Budget? Yes No _x Budget Account No.:							
B.	Recommended Sou	arces of Fund	s/Summa	ry of Fiscal II	npact:		
* All costs to be borne by the Housing Finance Authority. No fiscal impact to Palm Beach County.							
C.	Departmental Fisca	ıl Review:					
	N/A						
		III. <u>REVI</u>	EW COM	<u>MENTS</u>			
A.							
В.	OFMB ET 6/08 mg/s Legal Sufficiency:	COS There	Con	tract Develop	Ambai ment and Cor	6514/16 ntrol 114/16	
	Paul Ff	6/14// orney	Ç				

C.

Other Department Review:

Department Director

RESOLUTION NO. R2016 -

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA; APPROVING THE ISSUANCE OF NOT TO EXCEED \$12,000,000 HOUSING FINANCE AUTHORITY OF PALM BEACH COUNTY, FLORIDA, MULTIFAMILY HOUSING REVENUE BONDS (HERON ESTATES SENIOR APARTMENTS 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 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 (herein, the "Bonds") for the purpose of financing all or a portion of the costs of acquisition, construction and/or equipping of an approximately 101 unit rental housing development to be known as Heron Estates Senior Apartments, to be located at the south east corner of West 17th Court and N. Congress Avenue in the City of Riviera Beach, Florida, 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 revenues of the Project and/or such other collateral or other security provided by or on behalf of HTG Heron Estates Senior, LLC, a Florida limited liability corporation or an affiliate thereof (the "Borrower") and the payment of such Bonds will be secured by a pledge of and lien thereon; and

WHEREAS, the Authority held a properly noticed public hearing pursuant to the provisions of Section 147(f) of the Code on June 10, 2016, regarding the proposed issuance of its Multifamily Housing Revenue Bonds (Heron Estates Apartments Project), in the principal amount of not exceeding \$12,000,000; and

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

WHEREAS, the Authority has requested that the Board approve the issuance of the Bonds within the meaning of Section 147(f) of the Code and Section 2-190, Palm Beach County Code of Ordinances.

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 is approved within the meaning of Section 147(f) of the Code.
- 3. That the issuance of the Bonds is approved within the meaning of Section 2-190, Palm Beach County Code of Ordinances.
- Palm Beach County, Florida.
- 4. That the Mayor and the Clerk are authorized to execute this Resolution on behalf of 5. That this Resolution shall take effect upon adoption. The foregoing Resolution was offered by Commissioner 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: Commissioner Mary Lou Berger, Mayor Commissioner Hal R. Valeche, Vice Mayor **Commissioner Paulette Burdick Commissioner Shelley Vana** Commissioner Steven L. Abrams **Commissioner Melissa McKinlay** Commissioner Priscilla A. Taylor 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 **LEGAL SUFFICIENCY**

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

Ву:		By:	
	Paul F. King,	Deputy Clerk	
	Senior Assistant County Attorney	. ,	