Agenda Item #:	5C-	l
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PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:	August 15, 2017	[] Consent [] Ordinance	[X] Regular [] Public Hearing	
Department:	Department of Housing and 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 \$13,200,000 Housing Finance Authority of Palm Beach County, Florida, Multifamily Housing Revenue Bonds (Heron Estates Senior Apartments) 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; approving RBC Capital Markets, LLC, as the placement agent of said Bonds, within the meaning of Section 2-190, Palm Beach County Code of Ordinances; and providing an effective date.

Summary: On June 21, 2016, the Board of County Commissioners (BCC) adopted Resolution R2016-0825 in connection with the Heron Estates Senior Apartments project located at the SE corner of West 17th Street and North Congress Avenue, in Riviera Beach. That Resolution approved the issuance of \$12,000,000 in multifamily housing revenue bonds. HTG Heron Estates Senior, LLC (Borrower) has advised the Housing Finance Authority of Palm Beach County (Authority) that it now desires to increase the not to exceed amount of the Bonds from \$12,000,000 to \$13,200,000 to be privately placed by RBC Capital Markets, thereby necessitating the adoption of this resolution.

The Bonds will finance a portion of the costs of acquiring, constructing and equipping a 101unit multifamily rental housing development which will be rented to persons and families at 60% of area median income for a period of 30 years. The County is participating in the funding of this project through a loan of \$115,000 in State Housing Initiatives Partnership Program funds which represents the local match under State Apartment Incentive Loan Program.

The Co-Developers are the Housing Trust Group of Florida and the Riviera Beach Housing Authority. Greenberg Traurig is Bond Counsel to the Authority with respect to the Bonds. On June 30, 2017, the Authority held a public hearing with respect to the Bonds as required by Section 147(f) of the Internal Revenue Code. The Bonds will be payable solely from revenues derived from the Borrower and/or other collateral provided by or on behalf of the Borrower. <u>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.</u> 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 Internal Revenue Code and Section 2-190 of the Palm Beach County Code of Ordinances.

Attachment(s): 1. Resolution

Recommended By:	Munutownd	7-20-17
	Department Director	Date
Approved By:	- uni jahnson	7/27/17
	Assistant County Administrator	Date

II. FISCAL IMPACT ANALYSIS

Α. **Five Year Summary of Fiscal Impact:**

Fiscal Years	2017	2018	2019	2020	2021
Capital Expenditures					
Operating Costs					
External Revenues	,				
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT≭	O				
		.			
# ADDITIONAL FTE POSITIONS (Cumulative)					

Is Item Included In Current Budget? Yes _____ No ____ **Budget Account No.:**

- Β. **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

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

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Β. **Legal Sufficiency:**

Paul For 7/26/17 sistant Coupty Attorney

C. **Other Department Review:**

Department Director

RESOLUTION NO. R2017 -

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA; APPROVING THE ISSUANCE OF NOT TO EXCEED \$13,200,000 HOUSING FINANCE AUTHORITY OF PALM BEACH COUNTY, FLORIDA, MULTIFAMILY HOUSING REVENUE BONDS (HERON ESTATES SENIOR APARTMENTS) 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; APPROVING RBC CAPITAL MARKETS, LLC, AS THE PLACEMENT AGENT FOR SAID BONDS, WITHIN THE MEANING OF 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 <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) previously 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 SE corner of West 17th Street and N. Congress Avenue, in the City of Riviera Beach, Florida, 33404 (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 collateral provided by or on behalf of HTG Heron Estates Senior, LLC a Florida limited liability company, or an affiliate thereof (the "Borrower") and the payment of such Bonds will be secured by a pledge of and lien on such revenues and/or collateral; and

WHEREAS, the Board, on June 21, 2016, adopted Resolution No. R2016-0825 approving issuance of the Bonds in an amount not to exceed \$12,000,000 within the meaning of Section 147(f) of the Code and the Ordinance; and

WHEREAS, at the request of the Borrower the Authority held a properly noticed public hearing pursuant to the provisions of Section 147(f) of the Code on June 30, 2017, regarding the proposed issuance of its multifamily housing revenue bonds (Heron Estates Senior Apartments), to increase the principal amount of the Bonds from not to exceed \$12,000,000 to not to exceed \$13,200,000; and

WHEREAS, the Authority requests that the Board approve the issuance of the Bonds in a principal amount not to exceed \$13,200,000 within the meaning of Section 147(f) of the Code and the Ordinance; and

WHEREAS, RBC Capital Markets, LLC will be the private placement agent for the Bonds (the "Placement Agent"); 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

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 \$13,200,000 is approved within the meaning of Section 147(f) of the Code and the Ordinance.
- 3. That the issuance of the Bonds and the placement of the Bonds by the Placement Agent are approved within the meaning of Section 2-190, Palm Beach County Code of Ordinances.
- 4. That the Mayor and the Clerk are authorized to execute this Resolution on behalf of Palm Beach County, Florida.
- 5. That Resolution No. R2016-0825 adopted by the Board on June 21, 2016 is hereby repealed to the extent of any inconsistency with the provisions hereof.
- 6. 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:

Commissioner Paulette Burdick, Mayor	-
Commissioner Melissa McKinlay, Vice Mayor	
Commissioner Hal R. Valeche	-
Commissioner Dave Kerner	
Commissioner Steven L. Abrams	
Commissioner Mary Lou Berger	-
Commissioner Mack Bernard	-

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

By:

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