

36-1

Agenda Item #: \_\_\_\_\_

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY

Meeting Date: January 7, 2020 [X] Consent [ ] Regular  
[ ] Ordinance [ ] Public Hearing  
Department: Office of Financial Management & Budget

I. Executive Brief

Motion and Title: Staff recommends motion to adopt:

A resolution of the Board of County Commissioners of Palm Beach County, Florida (the "Board"): (i) amending County Resolution No. R-2019-1691 adopted by the Board on October 22, 2019 entitled "RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA: (I) AUTHORIZING THE ISSUANCE OF PUBLIC IMPROVEMENT REVENUE REFUNDING BONDS, FEDERALLY TAXABLE SERIES 2019A (CONVENTION CENTER PROJECT), IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED FORTY-SIX MILLION DOLLARS (\$46,000,000) FOR THE PURPOSE OF FINANCING THE COSTS OF THE REFUNDING OF THE COUNTY'S PUBLIC IMPROVEMENT REVENUE REFUNDING BONDS, SERIES 2011 (CONVENTION CENTER PROJECT) AND PAYING CERTAIN COSTS OF ISSUANCE RELATED THERETO; PROVIDING CERTAIN OF THE TERMS AND PAYMENT OF SUCH BONDS; PROVIDING FOR THE RIGHTS, SECURITY AND REMEDIES OF THE HOLDERS THEREOF, MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; (II) AUTHORIZING THE ISSUANCE OF PUBLIC IMPROVEMENT REVENUE REFUNDING BONDS, FEDERALLY TAXABLE SERIES 2019B (CONVENTION CENTER HOTEL PROJECT), IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED TWENTY-SIX MILLION DOLLARS (\$26,000,000) FOR THE PURPOSE OF FINANCING THE COSTS OF THE REFUNDING OF THE COUNTY'S TAXABLE PUBLIC IMPROVEMENT REVENUE BONDS, SERIES 2013 (CONVENTION CENTER HOTEL PROJECT) AND PAYING CERTAIN COSTS OF ISSUANCE RELATED THERETO; PROVIDING CERTAIN OF THE TERMS AND PAYMENT OF SUCH BONDS; PROVIDING FOR THE RIGHTS, SECURITY AND REMEDIES OF THE HOLDERS THEREOF, MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; (III) AUTHORIZING THE ISSUANCE OF PUBLIC IMPROVEMENT REVENUE REFUNDING BONDS, FEDERALLY TAXABLE SERIES 2019C (CONVENTION CENTER PARKING FACILITY PROJECT), IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED SIXTY-ONE MILLION DOLLARS (\$61,000,000) FOR THE PURPOSE OF FINANCING THE COSTS OF THE REFUNDING ALL OR A PORTION OF THE COUNTY'S PUBLIC IMPROVEMENT REVENUE BONDS, SERIES 2015A (VARIOUS CAPITAL IMPROVEMENTS PROJECT) AND PAYING CERTAIN COSTS OF ISSUANCE RELATED THERETO; PROVIDING CERTAIN OF THE TERMS AND PAYMENT OF SUCH BONDS; PROVIDING FOR THE RIGHTS, SECURITY AND REMEDIES OF THE HOLDERS THEREOF, MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; (IV) AUTHORIZING THE USE OF A PRELIMINARY OFFICIAL STATEMENT, OFFICIAL NOTICES OF SALE AND SUMMARY NOTICES OF SALE IN CONNECTION WITH THE PUBLIC SALE OF SUCH BONDS; (V) AUTHORIZING THE MAYOR OR COUNTY ADMINISTRATOR TO ACCEPT THE BEST BID FOR THE PURCHASE OF THE BONDS; (VI) AUTHORIZING THE DEBT MANAGER TO "DEEM FINAL" FOR THE PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 THE PRELIMINARY OFFICIAL STATEMENT PREPARED IN CONNECTION WITH THE BONDS; (VII) APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION OF AN OFFICIAL STATEMENT AND ESCROW DEPOSIT AGREEMENTS; (VIII) APPOINTING A REGISTRAR AND PAYING AGENT IN CONNECTION WITH THE BONDS; (IX) APPOINTING AN ESCROW AGENT UNDER THE ESCROW DEPOSIT AGREEMENTS; (X) DECLARING THE COUNTY OFFICIAL INTENT PURSUANT TO TREASURY REGULATION SECTION 1.141-12(d)(3) TO TAKE REMEDIAL ACTION IN CONNECTION WITH THE COUNTY'S PUBLIC IMPROVEMENT REVENUE BONDS (VARIOUS CAPITAL IMPROVEMENTS PROJECT), SERIES 2015A (XI) AUTHORIZING THE PROPER OFFICERS OF THE COUNTY TO DO ALL ACTS NECESSARY AND PROPER FOR CARRYING OUT THE TRANSACTIONS CONTEMPLATED BY THE RESOLUTION; AND PROVIDING FOR AN EFFECTIVE DATE." to amend Section 8 of Article VIII thereof to adjust the delegated net present value savings threshold to refund the County's Public Improvement Revenue Refunding Bonds, Series 2011 (Convention Center Bonds) from 10% to 7%; and (ii) authorizing the proper officers of the county to do all acts necessary and proper for carrying out the transactions contemplated by the resolution; and providing for an effective date. Continued on Page 3

Attachments:

- 1. Bond Resolution.

Recommended by: Sherry Brown 12/19/19  
Department Director Date  
Approved By: [Signature] 12/23/19  
County Administrator Date

**I. FISCAL IMPACT ANALYSIS**

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

Fiscal Years	2020	2021	2022	2023	2024
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
Debt Service Costs	* _____	* _____	* _____	* _____	* _____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	_____	_____	_____	_____	_____
<b>NO. ADDITIONAL FTE POSITIONS (Cumulative)</b>	_____	_____	_____	_____	_____

Is Item Included In Current Budget? Yes \_\_\_ No **X**\_\_

Budget Account No.: Fund \_\_\_\_\_ Department \_\_\_\_\_ Unit \_\_\_\_\_  
 Object \_\_\_\_\_ Reporting Category \_\_\_\_\_

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

The Resolution authorizes the sale of Bonds. The debt service payments are secured by a pledge of non-ad valorem revenues.

\*Debt service payments will decrease in future years; however, the amounts are not known until the bonds are sold.

**C. Departmental Fiscal Review:** \_\_\_\_\_

**III. REVIEW COMMENTS**

**A. OFMB Fiscal and/or Contract Dev. and Control Comments:**

<p><i>Lisa R</i> 12/19/19  <i>MB</i> 12/19/19  <i>BC</i> 12/19/19                  OFMB</p>	<p>_____                  12/19</p>	<p>_____                  N/A                  Contract Dev. and Control</p>
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**B. Legal Sufficiency:**

*Z/W* 12/23/19  
 \_\_\_\_\_  
 Assistant County Attorney

**C. Other Department Review:**

\_\_\_\_\_  
 Department Director

**THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.**

WPB 383257753v5/013000.012700

**Summary:** The County's Financial Advisors have reviewed the Public Improvement Revenue Refunding Bonds, Series 2011 (the "2011 Bonds") and determined that these bonds can be refunded for a savings. Based on current market conditions, the estimated savings on the Series 2011 Public Improvement Revenue Refunding Bonds have a net present value of \$3,630,000 (8.79%). These bonds will be refunded at a not to exceed amount of \$46 million on a competitive basis. The attached resolution amends Section 8 of Article VIII of Resolution No. R-2019-1691 to adjust the net present value savings threshold to be achieved by the refunding of the 2011 Bonds from 10% to 7%. **Countywide (DB)**

**Background and Justification:** On December 19, 2019, the County Financing Committee (CFC) met to discuss the financing alternatives and recommended that, due to the current period of low interest rates, the County should proceed with the refunding for potential savings and operational flexibility. The County reserves the right to cancel the sale if market conditions deteriorate. The County's Financial Advisors will monitor market conditions to maximize savings. If the market allows for the series to be refunded, it will be done through a competitive sale through an electronic platform to all underwriters to receive the best bid.

RESOLUTION NO. R-2020-\_\_\_

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA AMENDING RESOLUTION NO. R-2019-1691 ENTITLED "RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA: (I) AUTHORIZING THE ISSUANCE OF PUBLIC IMPROVEMENT REVENUE REFUNDING BONDS, FEDERALLY TAXABLE SERIES 2019A (CONVENTION CENTER PROJECT), IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED FORTY-SIX MILLION DOLLARS (\$46,000,000) FOR THE PURPOSE OF FINANCING THE COSTS OF THE REFUNDING OF THE COUNTY'S PUBLIC IMPROVEMENT REVENUE REFUNDING BONDS, SERIES 2011 (CONVENTION CENTER PROJECT) AND PAYING CERTAIN COSTS OF ISSUANCE RELATED THERETO; PROVIDING CERTAIN OF THE TERMS AND PAYMENT OF SUCH BONDS; PROVIDING FOR THE RIGHTS, SECURITY AND REMEDIES OF THE HOLDERS THEREOF, MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; (II) AUTHORIZING THE ISSUANCE OF PUBLIC IMPROVEMENT REVENUE REFUNDING BONDS, FEDERALLY TAXABLE SERIES 2019B (CONVENTION CENTER HOTEL PROJECT), IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED TWENTY-SIX MILLION DOLLARS (\$26,000,000) FOR THE PURPOSE OF FINANCING THE COSTS OF THE REFUNDING OF THE COUNTY'S TAXABLE PUBLIC IMPROVEMENT REVENUE BONDS, SERIES 2013 (CONVENTION CENTER HOTEL PROJECT) AND PAYING CERTAIN COSTS OF ISSUANCE RELATED THERETO; PROVIDING CERTAIN OF THE TERMS AND PAYMENT OF SUCH BONDS; PROVIDING FOR THE RIGHTS, SECURITY AND REMEDIES OF THE HOLDERS THEREOF, MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; (III) AUTHORIZING THE ISSUANCE OF PUBLIC IMPROVEMENT REVENUE REFUNDING BONDS, FEDERALLY TAXABLE SERIES 2019C (CONVENTION CENTER PARKING FACILITY PROJECT), IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED SIXTY-ONE MILLION DOLLARS (\$61,000,000) FOR THE PURPOSE OF FINANCING THE COSTS OF THE REFUNDING ALL OR A PORTION OF THE COUNTY'S PUBLIC IMPROVEMENT REVENUE BONDS, SERIES 2015A (VARIOUS CAPITAL IMPROVEMENTS PROJECT) AND PAYING CERTAIN COSTS OF ISSUANCE RELATED THERETO; PROVIDING CERTAIN OF THE TERMS AND PAYMENT OF SUCH BONDS; PROVIDING FOR THE RIGHTS, SECURITY AND REMEDIES OF THE HOLDERS THEREOF, MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; (IV) AUTHORIZING THE USE OF A PRELIMINARY OFFICIAL STATEMENT, OFFICIAL NOTICES OF SALE AND SUMMARY NOTICES OF SALE IN CONNECTION WITH THE PUBLIC SALE OF SUCH BONDS; (V) AUTHORIZING THE MAYOR OR COUNTY ADMINISTRATOR TO ACCEPT THE BEST BID FOR THE PURCHASE OF THE BONDS; (VI) AUTHORIZING THE DEBT MANAGER TO "DEEM FINAL" FOR THE

**PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 THE PRELIMINARY OFFICIAL STATEMENT PREPARED IN CONNECTION WITH THE BONDS; (VII) APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION OF AN OFFICIAL STATEMENT AND ESCROW DEPOSIT AGREEMENTS; (VIII) APPOINTING A REGISTRAR AND PAYING AGENT IN CONNECTION WITH THE BONDS; (IX) APPOINTING AN ESCROW AGENT UNDER THE ESCROW DEPOSIT AGREEMENTS; (X) DECLARING THE COUNTY OFFICIAL INTENT PURSUANT TO TREASURY REGULATION SECTION 1.141-12(d)(3) TO TAKE REMEDIAL ACTION IN CONNECTION WITH THE COUNTY'S PUBLIC IMPROVEMENT REVENUE BONDS (VARIOUS CAPITAL IMPROVEMENTS PROJECT), SERIES 2015A (XI) AUTHORIZING THE PROPER OFFICERS OF THE COUNTY TO DO ALL ACTS NECESSARY AND PROPER FOR CARRYING OUT THE TRANSACTIONS CONTEMPLATED BY THE RESOLUTION; AND PROVIDING FOR AN EFFECTIVE DATE," (I) TO REDUCE THE REQUIRED NET PRESENT VALUE SAVINGS THRESHOLD TO PERMIT THE ADVANCE REFUNDING OF THE COUNTY'S PUBLIC IMPROVEMENT REVENUE REFUNDING BONDS, SERIES 2011 (CONVENTION CENTER PROJECT), (II) AUTHORIZING THE PROPER OFFICERS OF THE COUNTY TO DO ALL ACTS NECESSARY AND PROPER FOR CARRYING OUT THE TRANSACTIONS CONTEMPLATED BY THE RESOLUTION; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, Palm Beach County, Florida, a political subdivision of the State of Florida (the "County"), has previously issued its Public Improvement Revenue Refunding Bonds, Series 2011 (Convention Center Project) (the "2011 Bonds") to currently refund a portion of its Public Improvement Revenue Refunding Bonds, Series 2004 (Convention Center Project); and

**WHEREAS**, on October 22, 2019, the Board of County Commissioners (the "Board") of Palm Beach County, Florida adopted Resolution No. R-2019-1691 (the "2019 Resolution") authorizing the advance refunding of the County's 2011 Bonds, Taxable Public Improvement Revenue Bonds (Convention Center Hotel Project), Series 2013 (the "2013 Bonds") and Public Improvement Revenue Bonds (Various Capital Improvements Projects), Series 2015A (the "2015A Bonds"); and

**WHEREAS**, on November 26, 2019 pursuant to the provisions of the 2019 Resolution, the County issued its Public Improvement Revenue Refunding Bonds, Federally Taxable Series

2019B (Convention Center Hotel Project) (the “Series 2019B Bonds”) to advance refund a portion of the outstanding 2013 Bonds; and

**WHEREAS**, the Board believes it to be in the best interest of the County to amend Section 8 of Article VIII of the 2019 Resolution to reduce the net present value savings threshold to issue the County’s Public Improvement Revenue Refunding Bonds, Federally Taxable Series 2019A (Convention Center Bonds) to refund the Series 2011 Bonds from 10% net present value savings to 7% net present value savings; and

**WHEREAS**, Section 1 of Article VIII of the 2019 Resolution permits such resolution to be amended without the consent of bondholders, “to provide other changes which will not adversely affect the interest of such Owners,” and the County does not believe proposed amendment adversely affects the interests of the holders of the Series 2019B Bonds.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that:**

**SECTION 1. AMENDMENT.** Section 8 of Article VIII of the 2019 Resolution is hereby amended to read in its entirety as follows:

**“SECTION 8. DELEGATION OF AWARD.** The Board hereby delegates to the Mayor or, in the alternative, the County Administrator the authority to the sell each series of the Bonds to the lowest qualified bidder or bidders in accordance with the parameters below.

In no event shall (i) the principal amount of the Series 2019A Bonds exceed \$46,000,000, the principal amount of the Series 2019B of the Bonds exceed \$26,000,000, and the principal amount of the Series 2019C Bond exceed \$61,000,000 (ii) the purchase price be less than 99% of the original principal amount of each of the Bonds (excluding original issue discount and/or premium),

(iii) the true interest cost rate (the “TIC”) of each Series of Bonds exceed 5.00%, or (iv) the final maturity date be later than November 1, 2043, and in any event the Bonds shall be subject to redemption if at all and in such manner at such time so as to produce the best market acceptance for the Bonds, all as provided in the Official Notices of Sale.

The refunding of the 2011 Bonds and the issuance of the Series 2019A Bonds shall be subject to the achievement of net present value savings of at least 7% calculated using the yield on the Series 2019A Bonds as the discount rate as confirmed by the Financial Advisor. The refunding of the 2013 Bonds and the issuance of the Series 2019B Bonds shall be subject to the achievement of net present value savings of at least 10% calculated using the yield on the Series 2019B Bonds as the discount rate as confirmed by the Financial Advisor. The refunding of all or a portion of the 2015A Bonds and the issuance of the Series 2019C Bonds shall occur if it is determined by the County Administrator upon consultation with Bond Counsel to be required or advisable for federal income tax purposes to protect the current federal income tax status of the 2015A Bonds.”

**SECTION 2. CONTINUATION OF RESOLUTION NO. R-2019-1691.** Except as amended by the provisions of this Resolution, Resolution No. R-2019-1691 is hereby continued and confirmed and remains in full force and effect.

**SECTION 3. FURTHER AUTHORIZATION.** The Mayor, Vice Mayor, Clerk, Deputy Clerk, County Administrator, County Attorney, the Debt Manager and other proper officers of the County, are and each of them is hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution.

**SECTION 1. SECTION 4. EFFECTIVE DATE.** This Resolution shall take effect immediately upon its adoption.

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

Commissioner Dave Kerner, Mayor \_\_\_\_\_  
Commissioner Robert S. Weinroth, Vice Mayor \_\_\_\_\_  
Commissioner Hal R. Valeche \_\_\_\_\_  
Commissioner Gregg K. Weiss \_\_\_\_\_  
Commissioner Mary Lou Berger \_\_\_\_\_  
Commissioner Melissa McKinlay \_\_\_\_\_  
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  
SHARON R. BOCK, CLERK & COMPTROLLER

By: \_\_\_\_\_  
Deputy Clerk

APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY

By: \_\_\_\_\_  
County Attorney