Agenda Item #: 6C-2

# PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

#### AGENDA ITEM SUMMARY

**Meeting Date:** 

May 5, 2020

[ ] Consent [ ] Ordinance [X] Regular
[ ] Public Hearing

**Submitted By:** 

**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 Housing Finance Authority of Palm Beach County, Florida, Multifamily Housing Revenue Bonds (Malibu Bay Apartments) in the amount of \$40,000,000.

Summary: The Bonds are being issued by the Housing Finance Authority of Palm Beach County, Florida (Authority), to finance the costs of acquiring, constructing, renovating and equipping a multifamily rental housing facility containing approximately 264 units which is known as Malibu Bay Apartments (Project). The Project is located at 750 Malibu Bay Drive in West Palm Beach. These units will be rented to qualified persons and families whose household incomes do not exceed 60% of area median income. The borrower is Malibu Bay Preservation, Ltd. or an affiliate thereof (Borrower), and the developer is Malibu Bay Developer, LLC. The Bonds will be payable solely from revenues derived from the Borrower and/or other collateral provided by or on behalf of the Borrower. Greenberg Traurig, P.A. is Bond Counsel to the Authority with respect to the Bonds and Citibank, N.A. or a related entity is the purchaser of the Bonds. On May 1, 2020, the Authority held a public hearing with respect to the Bonds in the noticed principal amount of \$40,000,000 as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (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, or interest on the **Bonds.** District 7 (DB)

**Background and Policy Issues:** 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.

Attachment(s): 1. Resolution		
Recommended By:	on Brown	3/24

**Department Director** 

Approved By: Assistant County Administrator Date

## II. FISCAL IMPACT ANALYSIS

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

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). C	Departmental Fisca	al Review:	N/A			
		III. <u>RE</u>	VIEW COM	MENTS		
A. C	OFMB Fiscal and/o	r Contract [	Developme	nt and Conti	ol Comments	<b>5</b> :
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/.	/s/ David C. Behar	4/3/2020	)			
Ā	Assistant County At	torney				

Department Director

THE RESOLUTION OF BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA; APPROVING THE ISSUANCE OF HOUSING **FINANCE AUTHORITY** OF PALM **BEACH** COUNTY. FLORIDA, MULTIFAMILY HOUSING REVENUE BONDS (MALIBU BAY APARTMENTS).

**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 et seq., 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 hereinafter defined Bonds for the purpose of financing a portion of the costs of acquisition, construction, renovation and/or equipping of a 264 (approximate) unit multi-family rental housing facility known as Malibu Bay Apartments (herein the "Project"), and located at 750 Malibu Bay Drive, West Palm Beach, Florida 33401, to be occupied by qualified persons and families whose household incomes do not exceed 60% of area median income; and

WHEREAS, the bonds and/or notes (collectively, the "Bonds") shall be issued in one or more series, shall be limited obligations of the Authority payable from revenues derived from and secured by collateral provided by or on behalf of Malibu Bay Preservation, Ltd., a Florida limited partnership, 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 other collateral; and

**WHEREAS**, the Authority held a properly noticed public hearing pursuant to the provisions of Section 147(f) of the of the Internal Revenue Code of 1986, as amended (the "Code") on May 1, 2020, regarding the proposed issuance of the Bonds in the noticed principal amount of \$40,000,000; 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 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**, Citibank, N.A., or a related entity, will be the direct purchaser of the Bonds (the "Purchaser"); and

**WHEREAS**, the Authority has requested that the Board approve (a) 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, and (b) the purchaser of the Bonds as required by Section 2-190, Palm Beach County Code of Ordinances; and

# NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA;

- That the above recitals are hereby adopted by the Board as the findings of the County 1. and are incorporated herein.
- That the issuance of the Bonds is approved within the meaning of Section 147(f) of the 2. Code and Section 2-190, Palm Beach County Code of Ordinances.
- That the Purchaser is approved as the purchaser of the Bonds within the meaning of 3. Section 2-190, Palm Beach County Code of Ordinances.
- У,

4.	That the Clerk is authorized to exec Florida.	ute this Resolution on behalf o	f Palm Beach County,		
5.	That this Resolution shall take effect	t upon adoption.			
The f			by Commissioner		
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					
	Mayor thereupon declared the Res	solution duly passed and add	opted this		
<b>*</b>		PALM BEACH COUNTY, F BOARD OF COUNTY COM	•		
APPROVED AS TO FORM AND LEGAL SUFFICIENCY		ATTEST: SHARON R. BOCCLERK & COMPTROLLER			
By: _	/s/ David C. Behar David Behar	By:			

**Assistant County Attorney**