PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

| Meeting Date: | August 17, 2021 | [] Consent [] Ordinance | [] Regular [X] Public Hearing |
|---------------|----------------------------------|------------------------------|-----------------------------------|
| Department: | Housing and Economic Development | | |

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to adopt: a Resolution of the Board of County Commissioners of Palm Beach County, Florida, authorizing the issuance of one or more series of Revenue Bonds by the Palm Beach County Educational Facilities Authority in an aggregate principal amount not to exceed \$40,000,000 (the "Bonds") for the purpose of financing and refinancing the Project as described therein.

Summary: Palm Beach Atlantic University ("PBAU") has requested the Palm Beach County Educational Facilities Authority ("Authority") issue tax-exempt Revenue Bonds in an amount not to exceed \$40,000,000, pursuant to a Tax Equity and Fiscal Responsibility Act public hearing held on August 11, 2021 by the Palm Beach County Educational Facilities Authority. The bonds will be issued by the Authority for the purpose of providing funds to PBAU to refinance all or a portion of the Authority's Series 2012 Bonds and conventional debt of PBAU, and to finance capital expenditures at PBAU's campus located at 901 South Flagler Drive, West Palm Beach, Florida 33401 (collectively, the "Project"). All facilities to be financed and refinanced by the Bonds are owned and operated by PBAU. Approval by an elected body is required by the Internal Revenue Code; however, adoption of this resolution does not in any way obligate the County. Neither the taxing power nor the faith and credit of the County nor any County funds, shall be pledged to pay the principal, premium, if any, or interest on the Bonds. District 7 (DB)

Background and Policy Issues: The Palm Beach County Educational Facilities Authority was created pursuant to Chapter 243, Florida Statutes and by Resolution No. R79-1493 adopted by the Board of County Commissioners on October 23, 1979. The Authority is governed by a seven member governing body whose members are appointed by the County Commission. The Internal Revenue Code requires that certain tax exempt bonds be approved by an elected governmental entity after a public hearing. Members of the Authority are appointed by the Board. This approval does not in any way obligate the County on the bond or imply that the County has determined that the bond is credit-worthy or serves a public purpose.

| Attachment(s): 1 Resolution | | |
|-----------------------------|--------------------------------|-------------------|
| Recommended By | y: Department Director | 7/16/2021 Date |
| Approved By: | Assistant County Administrator | 7/26/5021 Date |

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

| Fiscal Years | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|-------------------------|--------------|------------------------------|--------------|--------------|
| Capital Expenditures | | | | | |
| Operating Costs | | | | | |
| External Revenues | | | | | |
| Program Income | | | | | |
| In-Kind Match (County) | | | | | |
| NET FISCAL IMPACT | -0- | | | | |
| # ADDITIONAL FTE POSITIONS (Cumulative) | | | | | |
| s Item Included In Curren Does this Item include the | t Budget? use of Fed | leral funds? | Yes ? Yes | No X No X | |
| Budget Account No.: | | | | | |
| Fund Dept Ur | it ∩ | niect | Program Co | de/Period | |
| unu Dept Ul | OI | JC01 | i rogiani oo | 40/1 OHOU | - |
| 3. Recommended Sou | rces of Fur | nds/Summa | ry of Fiscal | Impact: | |
| No fiscal impact | | a | , | | |
| · | | 180 | 1 | | |
| C. Departmental Fisca | I Review: | | 7) | - D.4 | |
| | | Valerie Ali | yne, Divisio | n Manager | |
| | III. <u>RE</u> | VIEW COMI | <u>MENTS</u> | | |
| A. OFMB Fiscal and/o | r Contract I | Developmeı | nt and Contr | ol Comments | S: |
| OFMB JA 7190 | 7/26/2 | 1/19/4 Cor | way Julia- ntract Develor | pment and Co | man Gueoba |
| B. Legal Sufficiency: | | | | | |
| € C | | | | | |
| Assistant County Att | | | | | |
| C. Other Department l | Review: | | | | |
| Department Director | | _ | | | |

| RESOLUTION NO. R2021- |
|-----------------------|
|-----------------------|

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF REVENUE BONDS BY THE PALM BEACH COUNTY EDUCATIONAL FACILITIES AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$40,000,000 (THE "BONDS") FOR THE PURPOSE OF FINANCING THE PROJECT AS DESCRIBED HEREIN.

WHEREAS, on August 11, 2021, a public hearing was held by the Palm Beach County Educational Facilities Authority (the "Authority") with regard to the issuance of its Revenue Bonds in one or more series in an aggregate principal amount not to exceed \$40,000,000;

WHEREAS, the Bonds are to be issued by the Authority for the purpose of financing a project (collectively referred to herein as the "Project") consisting generally of (i) the refinancing of the Authority's Series 2012 Revenue Bonds and a term loan and a line of credit obtained by Palm Beach Atlantic University ("PBAU") from a commercial bank (collectively, the "Refinanced Debt"), (ii) financing the costs of capital assets at the campus of PBAU located at 901 South Flagler Drive, West Palm Beach, Florida 33401, and (iii) financing of some or all of the costs of issuance of the Bonds and reserve funds (if any) for the Bonds; and

WHEREAS, the Bonds will not be an obligation of the County, and will be payable from funds of PBAU; and

WHEREAS, pursuant to the requirements of Section 147(f)(2)(A)(ii) of the Internal Revenue Code of 1986, as amended (the "Code"), as a prerequisite to the issuance of the Bonds, it is necessary that the Board of County Commissioners of Palm Beach County, Florida approve the issuance of the Bonds after the aforesaid public hearing; and

WHEREAS, the Board of County Commissioners of Palm Beach County, Florida desires to evidence its approval of the issuance of said Bonds solely to satisfy the requirements of the Code.

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

Section 1. AUTHORIZATION OF BONDS

The Board of County Commissioners of Palm Beach County hereby approves the issuance of the Bonds in one or more series at one or more times for the purposes of Section 147(f) of the Code.

Section 2. LIMITED OBLIGATION

The Bonds shall be limited obligations of the Authority payable from amounts received in repayment of the loan of proceeds of the Bonds. The Bonds shall not constitute a debt, liability or obligation of the County, the State of Florida (the "State") or any political subdivision or agency thereof other than the Authority, or a pledge of the faith and credit of the Authority, the County, the State or of any political subdivision or agency thereof, and neither the County, the State nor any political subdivision or agency thereof will be obligated to levy taxes of any form to secure repayment of the Bonds.

Section 3. LIMITED APPROVAL

Assistant County Attorney

The approval given herein is solely for the purpose of satisfying the requirement of Section 147(f) of the Code and shall not be construed as an approval of any necessary rezoning application or any regulatory permits required in connection with the issuance of the Bonds or the acquisition, construction or operation of the Project, and this Board shall not be construed by virtue of its adoption of this Resolution to have waived, or be estopped from asserting, any rights or responsibilities it may have in that regard.

| Section 4. <u>EFFECTIVE DATE</u> This Resolution shall take effect immediatel | y upon its passage and adoption. |
|---|---|
| | ommissioner, who moved its mmissioner, and being |
| Commissioner Dave Kerner, Mayo Commissioner Robert S. Weinroth Commissioner Maria G. Marino Commissioner Gregg K. Weiss Commissioner Maria Sachs Commissioner Melissa McKinlay Commissioner Mack Bernard The Mayor thereupon declared the Resolutiof August, 2021. | |
| | PALM BEACH COUNTY, FLORIDA BY ITS BOARD OF COUNTY COMMISSIONERS |
| APPROVED AS TO LEGAL SUFFICIENCY | ATTEST: JOSEPH ABRUZZO CLERK & COMPTROLLER |
| By: David Behar | By: Deputy Clerk |