

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: September 14, 2021 Consent Regular
 Ordinance Public Hearing

Submitted By: Department of Housing and Economic Development

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 for Island Cove Apartments in the principal amount of \$10,000,000.

Summary: The Bonds are being issued by the Housing Finance Authority of Palm Beach County, Florida (the "Authority"), to finance the costs of acquiring, constructing and equipping a multifamily rental housing facility containing approximately 60 units to be known as Island Cove (the "Project"). The Project will be located on SW 8th Street, southeast of the intersection of SW 8th Street and SW 13th Avenue in the City of Delray Beach, Florida. These units will be rented to qualified persons and families whose household incomes do not exceed 80% of area median income (currently \$68,480 for a family of four) for a minimum period of fifteen (15) years. The borrower is Island Cove, LLC, a Florida limited liability company, or an affiliate thereof (the "Borrower"), and the developer is SHAG Island Cove, 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. Bryant Miller Olive P.A. is Bond Counsel to the Authority with respect to the Bonds, and JPMorgan Chase Bank, N.A. or an affiliate thereof will be the direct purchaser of the Bonds. On August 19, 2021, the Authority held a public hearing with respect to the Bonds in the noticed principal amount of \$10,000,000 as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (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, or interest on the Bonds.** District 7. (DCB)

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.

Attachments:
1 Resolution

Recommended By: Jonathan Breslin 8/12/2021
Department Director Date

Approved By: Scott M. Miller 8/18/2021
Assistant County Administrator 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)					
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Is Item Included In Current Budget? Yes _____ No X
 Does this Item include the use of Federal funds? Yes _____ No X

Budget Account No.:

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

All costs to be borne by the Housing Finance Authority or the Borrower. No fiscal impact to Palm Beach County.

C. Departmental Fiscal Review: N/A

III. REVIEW COMMENTS

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

Lucy Mante 8/17/21
 OFMB QA 8-16-21 (8/17)

Ann J. Jacobson 8/17/21
 Contract Development and Control
 8-17-21 TW

B. Legal Sufficiency:

Diana Brunetti D. Behar 8/17/21
 Assistant County Attorney

C. Other Department Review:

 Department Director

RESOLUTION NO. R2021 - _____

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 (ISLAND COVE 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 an application to the Authority to issue its hereinafter defined Bonds for the purpose of financing a portion of the costs of acquisition, construction and equipping of a 60 unit multi-family rental housing facility to be known as Island Cove (herein the "Project"), and to be located on SW 8th Street, southeast of the intersection of SW 8th Street and SW 13th Avenue in the City of Delray Beach, Florida, to be occupied by qualified persons and families whose household incomes do not exceed 80% 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 Island Cove, 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 other collateral; and

WHEREAS, the Authority held a properly noticed public hearing pursuant to the provisions of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") on August 19, 2021, regarding the proposed issuance of the Bonds in the noticed principal amount of \$10,000,000; 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, JPMorgan Chase Bank, N.A. or an affiliate thereof 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;

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 and Section 2-190, Palm Beach County Code of Ordinances.
3. That the Purchaser is approved as the direct purchaser of the Bonds within the meaning of Section 2-190, Palm Beach County Code of Ordinances.
4. That the Clerk is authorized to execute this Resolution on behalf of Palm Beach County, Florida.
5. 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 Dave Kerner, Mayor	- _____
Commissioner Robert S. Weinroth, Vice Mayor	- _____
Commissioner Maria G. Marino	- _____
Commissioner Gregg K. Weiss	- _____
Commissioner Maria Sachs	- _____
Commissioner Melissa McKinlay	- _____
Commissioner Mack Bernard	- _____

The Mayor thereupon declared the Resolution duly passed and adopted this 14th day of September, 2021.

PALM BEACH COUNTY, FLORIDA, BY ITS BOARD OF COUNTY COMMISSIONERS

APPROVED AS TO LEGAL SUFFICIENCY

**ATTEST: JOSEPH ABRUZZO
CLERK & COMPTROLLER**

By: _____
David Behar
Assistant County Attorney

By: _____
Deputy Clerk