PALM BEACH COUNTY
<b>BOARD OF COUNTY COMMISSIONERS</b>

Agenda Item #: 6D-4

#### AGENDA ITEM SUMMARY

Meeting Date:	September 13, 2022	[ ] Consent [ ] Ordinance	[X] Regular [ ] 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 (Calusa Pointe II) by the Housing Finance Authority of Palm Beach County, Florida (the "Authority") in the principal amount of \$20,000,000 (the "Bonds").

**Summary:** The Bonds are being issued by the Authority, to finance the costs of acquiring, constructing and equipping a multifamily rental housing facility containing approximately 144 units to be known as Calusa Pointe II (the "Project"). The Project will be located southeast of the intersection of SR 80 and CR 837A in the City of Belle Glade, Florida. Pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") these units will be rented to qualified persons and families whose household incomes do not exceed 60% of area median income (\$55,200 for a family of four for 2022). The Borrower (as defined below) has agreed that the Project will have a fifty (50) year affordability period. The borrower is SP Field LLC, a Florida limited liability company, or an affiliate thereof (the "Borrower"), and the developer is Southport Development, Inc. 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 RBC Capital Markets, LLC will be the underwriter or placement agent for the Bonds. The resolution of the Authority authorizing the issuance of the Bonds will include language substantially as follows: Summary: The Bonds are being issued by the Authority, to finance the costs of acquiring,

The County assumes no responsibility for monitoring compliance by the Borrower of applicable federal income tax, securities laws or other regulatory requirements.

The Borrower understands and agrees that it is responsible for, monitoring its compliance with all applicable federal income tax, federal securities law and other regulatory requirements, retaining adequate records of such compliance, and retaining qualified counsel to respond to or assist the Authority and the County in responding to any audit, examination or inquiry of the Internal Revenue Service, the Securities and Exchange Commission or other regulatory body.

The Borrower assumes responsibility for monitoring compliance with applicable provisions of federal tax laws and U.S. Treasury Regulations relative to the Bonds, and shall retain adequate records of such compliance until at least three (3) years after the Bonds are retired.

In the event of any audit, examination or investigation by the Internal Revenue Service with respect to the tax-exempt status of the Bonds or any other related tax matters, the Borrower shall be responsible for retaining qualified counsel to respond to such audit.

# <u>Neither the taxing power nor the faith and credit of the County nor any County funds</u> are pledged to pay the principal, redemption premium, if any, or interest on the <u>Bonds</u>. <u>District 6.</u> (HJF)

**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: _	Wan Haupod	8/31/2022
	Department Director	D'ate <sup>(</sup>
Approved By:	Losson nich	9/6/2022
	Assistant County Administrator	/Dáte

# II. FISCAL IMPACT ANALYSIS

## A. Five Year Summary of Fiscal Impact:

Fiscal Years	2023	2024	2025	2026	2027
Grant Expenditures					
Operating Costs					
External Revenues	- · · · · · · · · · · · · · · · · · · ·				
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT					

# ADDITIONAL FTE			
POSITIONS (Cumulative)			

Is Item Included In Proposed Budget?	Yes	No _	X
Does this Item include the use of Federal funds?	Yes	No _	<u>X</u>

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:

ASDAL 8/31/22 And Jawling A 8/30 Ch 8/30/22 Contract Development and Control 91216 OFMB

B. Legal Sufficiency:

C.

9/6/22 Assistant County Attorney

- Other Department Review:

**RESOLUTION NO. R2022-**

OF RESOLUTION OF THE BOARD COUNTY Α COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA; APPROVING THE ISSUANCE OF HOUSING FINANCE AUTHORITY OF PALM BEACH COUNTY, FLORIDA, MULTIFAMILY HOUSING **REVENUE BONDS** (CALUSA POINTE II) BY THE HOUSING FINANCE AUTHORITY OF PALM BEACH COUNTY, FLORIDA IN THE PRINCIPAL AMOUNT OF \$20,000,000.

**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 <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) 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 and equipping of an approximately 144 unit multi-family rental housing facility to be known as Calusa Pointe II (herein the "Project"), and to be located southeast of the intersection of SR 80 and CR 837A in the City of Belle Glade, Florida, 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 SP Field 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 July 22, 2022, regarding the proposed issuance of the Bonds in the noticed principal amount of \$20,000,000; 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**, RBC Capital Markets, LLC will be the underwriter or placement agent with respect to the Bonds (the "Underwriter"); 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 underwriter or placement agent for the Bonds as required by Section 2-190, Palm Beach County Code of Ordinances.

1

# 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 Underwriter is approved as the underwriter or placement agent for 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 Robert S. Weinroth Mayor	
Commissioner Gregg K. Weiss, Vice Mayor	
Commissioner Maria G. Marino	
Commissioner Dave Kerner	
Commissioner Maria Sachs	
Commissioner Melissa McKinlay	
Commissioner Mack Bernard	

The Mayor thereupon declared the Resolution duly passed and adopted this 13th day of September, 2022.

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

APPROVED AS TO LEGAL SUFFICIENCY ATTEST: JOSEPH ABRUZZO CLERK & COMPTROLLER

Bv ant County Attorney

By: \_\_\_

Deputy Clerk

2