## PALM BEACH COUNTY **BOARD OF COUNTY COMMISSIONERS**

### AGENDA ITEM SUMMARY

**Meeting Date:** 

March 14, 2023

[ ] 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 for Lake Worth Towers, by the Housing Finance Authority of Palm Beach County, Florida (the "Authority") in the principal amount of \$30,000,000 (the "Bonds").

Summary: The Bonds are being issued by the Authority to finance a portion of the costs of acquiring, rehabilitating and equipping a multifamily rental housing facility for the elderly containing approximately 195 units known as Lake Worth Towers (the "Project"). The Project is located at 1500 Lucerne Avenue in the City of Lake Worth Beach, Florida. The Authority will require that at least 40% of these units will be rented to qualified persons and Authority will require that at least 40% of 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 thirty (30) years. In addition, the Project is expected to receive low-income housing tax credits under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code") that will require that 100% of the units will be rented to qualified persons and families, the average household incomes of which will not exceed 60% of area median income. The Borrower is Lake Worth Towers Preservation, L.P., a Florida limited partnership, or an affiliate thereof (the "Borrower"), and the developer is The Related Companies, L.P. 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. 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: 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. **Summary continued on Page 3** 

Background and Policy Issues: Continued on Page 3.

1. Resolution		
Recommended By:	Dan Howard	2-9-23
,	Department/Director	Date
		/ ,

Approved By: \_\_\_\_\_ **Assistant County Administrator** 

dona M.

# II. FISCAL IMPACT ANALYSIS

Fiscal Years	2023	2024	2025	2026	2027
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income					
n-Kind Match (County)		***************************************			-
NET FISCAL IMPACT	-0-				
# ADDITIONAL FTE POSITIONS (Cumulative)					
Item Included In Curre oes this Item include th		eral funds?	Yes		-
Recommended So	urces of Fun	ds/Summa	ry of Fiscal l	mpact:	
All costs to be bo fiscal impact to Pa			ance Author	rity or the Bo	orrower.
C. Departmental Fisc	al Review:	<u>/</u> Vále	rie Alleyne, [	Division Direc	tor II
	III. <u>REV</u>	/IEW COMI	<u>IENTS</u>		
. OFMB Fiscal and/o	or Contract D	evelopmen	t and Contro	ol Comments	s:
DFMB A 2115 NB 1/15 3. Legal Sufficiency:	2/11-12023 2/1	Toh Coh	tract Develop	Jawle Sment and Co	entro)
ALTER!	-/23/23 torney				
Assistant County At	comey		·		
Assistant County At	Davis		,		

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**Summary: Continued from Page 1**:

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.

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 3. (HJF)

**Background and Policy Issues: Continued from Page 1** 

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.

#### RESOLUTION NO. R-2023 -

RESOLUTION OF OF THE BOARD COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA; THE ISSUANCE OF HOUSING APPROVING FINANCE OF PALM BEACH COUNTY, MULTIFAMILY HOUSING REVENUE BONDS (LAKE WORTH TOWERS) BY THE HOUSING FINANCE AUTHORITY OF PALM BEACH COUNTY, FLORIDA IN THE PRINCIPAL AMOUNT OF \$30,000,000.

**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 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, rehabilitation and equipping of an approximately 195 unit multi-family rental housing facility for the elderly known as Lake Worth Towers (herein the "Project"), and located at 1500 Lucerne Avenue, Lake Worth Beach, Florida 33460, to be occupied by qualified persons and families; 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 Lake Worth Towers Preservation, L.P., 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 December 9, 2022, regarding the proposed issuance of the Bonds in the noticed principal amount of \$30,000,000; 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 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.

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

# 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.

	That the Clerk is authorized to exec Florida.	eute this Resolution on behalf	of Palm Beach County,		
5,	That this Resolution shall take effect	t upon adoption.			
The formoved			by Commissioner		
Commissioner Gregg K. Weiss, Mayor Commissioner Maria Sachs, Vice Mayor Commissioner Maria G. Marino Commissioner Michael A. Barnett Commissioner Marci Woodward Commissioner Sara Baxter Commissioner Mack Bernard					
	ayor thereupon declared the Res	solution duly passed and a	dopted this day		
		PALM BEACH COUNTY, BOARD OF COUNTY CO	•		
APPROVED AS TO FORM AND LEGAL SUFFICIENCY		ATTEST: JOSEPH ABRUZZO CLERK & COMPTROLLER			
D	AAAA	n.			

Deputy Clerk

Howard J. Palcon

Assistant County Attorney