

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

| | | | |
|----------------------|---|------------------------------------|--|
| Meeting Date: | March 12, 2024 | <input type="checkbox"/> Consent | <input type="checkbox"/> Regular |
| | | <input type="checkbox"/> Ordinance | <input checked="" type="checkbox"/> Public Hearing |
| Department: | Housing and Economic Development | | |

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:



A) Conduct a Tax Equity & Fiscal Responsibility Act (TEFRA) Public Hearing concerning the issuance of not to exceed \$125,000,000 in County Industrial Development Revenue Bonds (Provident Group – LU Properties II LLC – Lynn University Housing Project), Series 2024 (the Bonds) in one or more taxable or tax-exempt series which will fund a loan to Provident Group – LU Properties II LLC, (the Borrower), a Florida limited liability company whose sole member is Provident Resources Group Inc., a Georgia nonprofit corporation and a tax-exempt organization; and

B) Adopt a Resolution (the "TEFRA Resolution") of the Board of County Commissioners of Palm Beach County, Florida approving the issuance of the Tax-Exempt Revenue Bonds (Provident Group – LU Properties II LLC – Lynn University Housing Project), Series 2024 for purposes of Section 147(f) of the Internal Revenue Code in aggregate principal amount not to exceed \$125,000,000 in one or more series which series may include either taxable or tax-exempt bonds and may include either senior lien or subordinate lien bonds as separate series thereof.

Summary: The Bonds will provide proceeds for the purpose of financing or reimbursing all or a portion of the cost of the (i) acquisition of an existing three-story student housing facility known as the Mary and Harold Perper Residence Hall with approximately 170 beds; (ii) design, development and construction of two, three-story student housing facilities with approximately 474 beds and related facilities and amenities (collectively, the "Project"), located within Palm Beach County, Florida and to be owned by the Borrower and managed by The Michaels Organization, LLC to house students matriculating at Lynn University, and (iii) capitalizing interest, funding one or more reserve accounts, and payment of costs of issuance of the Series 2024 Bonds. All facilities to be financed by the Bonds will be owned and operated by the Borrower. Prior to the issuance of any portion of the Bonds that will be tax-exempt, the Internal Revenue Code requires that the County hold a public hearing. Neither the taxing power nor the faith and credit of the County, nor any County funds shall be pledged to pay the principal, redemption premium, if any, or interest on the Bonds. District 4 (DB)

Background and Policy Issues: Following the TEFRA Public Hearing approval and adoption of the TEFRA Resolution as described above, a separate Resolution will be brought to the Board of County Commissioners at a subsequent meeting to authorize the issuance of the County Industrial Revenue Bonds for this project.

- Attachments:**
1. Resolution
 2. Text of the TEFRA Public Notice

| | | |
|------------------------|---|-----------------|
| Recommended By: |  | <u>2/6/2024</u> |
| | Department Director | Date |
| Approved By: |  | <u>2/15/24</u> |
| | Assistant County Administrator | Date |

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

| Fiscal Years | 2024 | 2025 | 2026 | 2027 | 2028 |
|--------------------------|------|------|------|------|------|
| Capital Expenditures | | | | | |
| Operating Costs | | | | | |
| External Revenues | | | | | |
| Program Income | | | | | |
| In-Kind Match (County) | | | | | |
| NET FISCAL IMPACT | -0- | | | | |

| | | | | | |
|---|--|--|--|--|--|
| # ADDITIONAL FTE POSITIONS (Cumulative) | | | | | |
|---|--|--|--|--|--|

Is Item Included In Current Budget? Yes _____ No X
 Does this Item include the use of Federal funds? Yes _____ No X
 Does this Item include the use of State Funds? Yes _____ No X

Budget Account No.:

Fund _____ Dept _____ Unit _____ Object _____ Program Code/Period _____

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

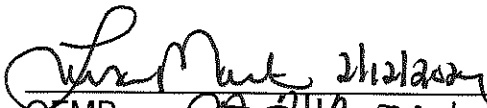
All costs to be borne by the Borrower. No fiscal impact to Palm Beach County.

C. Departmental Fiscal Review:


 Valerie Alleyne, Division Director II
 Finance and Administrative Services, DHED


III. REVIEW COMMENTS

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


 OFMB
 MB
 2/12
 CA 2/12 DA 2/12


 Contract Development and Control
 Feb 2/13/24

B. Legal Sufficiency:


 2/12/24
 Assistant County Attorney

C. Other Department Review:

 Department Director

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, APPROVING THE ISSUANCE OF ONE OR MORE SERIES OF ITS REVENUE BONDS (PROVIDENT GROUP – LU PROPERTIES II LLC - LYNN UNIVERSITY HOUSING PROJECT), SERIES 2024, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$125,000,000 IN ORDER TO FINANCE ALL OR A PORTION OF THE ACQUISITION, DESIGN, DEVELOPMENT, CONSTRUCTION AND EQUIPPING OF STUDENT HOUSING FACILITIES; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on March 12, 2024, a public hearing was held by the Board of County Commissioners (the "Board") of Palm Beach County (the "County") with regard to the issuance by the County of its Revenue Bonds (Provident Group – LU Properties II LLC - Lynn University Housing Project) in one or more series in an aggregate principal amount not to exceed \$125,000,000 (the "Bonds");

WHEREAS, the Bonds are to be issued by the County the proceeds of which will be loaned to Provident Group - LU Properties II LLC (the "Borrower"), a Florida limited liability company whose sole member is Provident Resources Group Inc., a Georgia nonprofit organization and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), for the purposes of financing or reimbursing all or a portion of the cost of the (i) acquisition of an existing three-story student housing facility known as the Mary and Harold Perper Residence Hall with approximately 170 beds; (ii) design, development and construction of two three-story student housing facilities with approximately 474 beds and related facilities and amenities (collectively, the "Project"), located within Palm Beach County, Florida and to be owned by the Borrower and managed by The Michaels Organization, LLC to house students of Lynn University, Inc., and (iii) capitalizing interest, funding one or more reserve accounts, and payment of costs of issuance of the Bonds;

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

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 approve the issuance of the Bonds after the aforesaid public hearing; and

WHEREAS, the Board 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 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 County payable from amounts received by the Borrower in repayment of the loan of proceeds of the Bonds. The Bonds shall not constitute a general debt, liability or obligation of the County, the State of Florida (the "State") or any political subdivision or agency thereof, or a pledge of the faith and credit of 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. The approval given herein is solely for the purpose of satisfying the requirement of Section 147(f) of the Code. The approval by the County of the issuance of the Bonds shall not be construed to obligate the County to incur any liability, pecuniary or otherwise, in connection with either the issuance of the Bonds or the acquisition, construction and equipping of the Project, and the County shall so provide in the financing documents setting forth the details of the Bonds. The approval given herein shall not be construed as (a) an endorsement of the creditworthiness of the Borrower or the financial viability of the Project, (b) a recommendation to any prospective purchaser to purchase the Bonds, (c) an evaluation of the likelihood of the repayment of the debt service on the Bonds, or (d) approval of any necessary rezoning applications or approval or acquiescence to the alteration of existing zoning or land use nor approval for any other regulatory permits relating to the Project, and the Board shall not be construed by reason of its adoption of this Resolution to make any such endorsement, finding or recommendation or to have waived any right of the Board or estopping the Board from asserting any rights or responsibilities it may have in such regard.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon its passage and 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 Maria Sachs, Mayor | _____ |
| Commissioner Maria G. Marino, Vice Mayor | _____ |
| Commissioner Gregg K. Weiss | _____ |
| Commissioner Michael A. Barnett | _____ |
| Commissioner Marci Woodward | _____ |
| Commissioner Sara Baxter | _____ |
| Commissioner Mack Bernard | _____ |

The Mayor thereupon declared the Resolution duly passed and adopted this 12th day of March, 2024.

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

**APPROVED AS TO LEGAL
SUFFICIENCY**

**ATTEST: JOSEPH ABRUZZO
CLERK & COMPTROLLER**

By: _____
Assistant County Attorney

By: _____
Deputy Clerk

**NOTICE OF PUBLIC HEARING
PALM BEACH COUNTY, FLORIDA**

The Board of County Commissioners of Palm Beach County, Florida (the "County") will hold a public hearing on March 12, 2024 at [9:30 a.m.], or as soon thereafter as the matter may be heard, in the Robert Weisman Governmental Center - Jane M. Thompson Memorial Chambers, 6th Floor of the Palm Beach County Governmental Center, 301 North Olive Avenue, West Palm Beach, Florida 33401, to consider the approval of a plan of finance involving the issuance by the County of not exceeding \$125,000,000 of its revenue bonds, in one or more series of taxable bonds and/or tax-exempt bonds (collectively, the "Series 2024 Bonds"). The Series 2024 Bonds will be issued for the principal purpose of loaning the proceeds thereof to Provident Group – LU Properties II LLC, a Florida not-for-profit limited liability company (the "Borrower"), whose sole member is Provident Resources Group Inc., a Georgia nonprofit corporation and a tax-exempt organization, to finance the (i) acquisition of an existing three-story student housing facility, known as the Mary and Harold Perper Residence Hall with approximately 170 beds; (ii) design, development and construction, of two, three-story student housing facilities with approximately 474 beds and related facilities and amenities (collectively, the "Project"), capitalizing interest, funding one or more reserve accounts, and paying of costs of issuance of the Series 2024 Bonds. The Project will be located on the campus of Lynn University, Inc. located at 3601 N. Military Trail, Boca Raton, Florida 33431 (the "University") and will be used by the students of the University and will be owned by the Borrower and managed by The Michaels Organization, LLC.

The County will hold this public hearing and all persons who may be interested will be given an opportunity to be heard concerning the same. Written comments may also be submitted prior to the hearing to the County Administrator, 11th Floor, 301 North Olive Avenue, West Palm Beach, Florida 33401. No revenues of the County will be pledged to secure the Series 2024 Bonds.

The County prohibits discrimination in all services, programs or activities on the basis of race, color, national origin, age, disability, sex, marital status, familial status, religion, or genetic information. Persons with disabilities who require assistance or alternative means for communication of program information (Braille, large print, audiotape, etc.), or who wish to file a complaint, should contact: pbaccessibility@pbcgov.org or contact the Public Affairs at (561) 355-2754.

ALL PERSONS FOR OR AGAINST THE APPROVAL CAN BE HEARD AT SAID TIME AND PLACE.

This notice is given pursuant to Section 147(f) of the Internal Revenue Code of 1986.