PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

| Motion and Title: Staff recommend | [] Ordinance [] Public Hearing cial Management & Budget |
|--|---|
| Motion and Title: Staff recommend A Budget Amendment of \$94 696 158 | |
| | ds motion to approve: to establish the budget for the bond proceeds, costs of |
| issuance, and project costs in the Housir | |

Summary: On June 4, 2024, the Board of County Commissioners (BCC) approved Resolution No. R2024-0665 which authorized the issuance of the Series 2024 General Obligation (GO) Bonds. The taxable Series 2024 GO Bonds are for the purpose of financing the cost of acquiring, constructing and equipping of Workforce and Affordable housing units and to pay the cost of issuance of the bonds. The bonds, issued for a 20 year term at 4.938%, will provide the amount needed to establish the low interest housing loan program, where developers can borrow funds during the project construction phase. Through an electronic bid process, the County awarded the sale to J.P. Morgan Securities, LLC. The average annual debt service is \$7.539 million and will begin FY 2025. The bond proceeds provide funding of \$94,200,000 for low interest loans to developers constructing workforce and affordable housing units. This budget amendment will establish the budget for the proceeds of the sale of the taxable Series 2024 GO Bonds. **Countywide (DB)**

Background and Justification: The BCC by Resolution No. R-2022-0626 (the Referendum Resolution) adopted on June 21, 2022 did propose the issuance of general obligation bonds, in one or more series, in the aggregate principal not exceeding \$200,000,000 and pursuant to the Referendum Resolution, the BCC ordered a Bond Referendum to be held on November 8, 2022. The qualified electors of the County approved by a majority vote the issuance of GO Bonds for financing the cost of acquiring, constructing, and equipping Workforce and Affordable housing units. The BCC by Resolution No. R-2022-1405, adopted November 22, 2022 authorized the issuance of GO Bonds of the County, in one or more series, in the aggregate principal amount not exceeding \$200,000,000 for the purpose of financing all or a portion of these projects. The bonds are secured by legally available ad valorem revenues with the source of payment being a portion of County property taxes.

Attachments:

Budget Amendment in Fund 1117

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|-----------------|---------|-----------|---|
| | <u></u> | | |
| Recommended by: | ->/m | 7/10/2024 | _ |

Date

Approved By:

| Bake | 1/30/24 |
| County Administrator | Date

Department Director

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

| Fiscal Years | 2024 | 2025 | 2026 | <u>2027</u> | 2028 | |
|---|--|-----------|---------------|--------------|------------------------|--|
| Housing Projects Expenditures Issue Cost Debt Service Costs Bond Proceeds Bond Discount External Revenues In-Kind Match (County) | 94,200,000 496,158 0 (94,940,000 243,842 | 6,871,010 | 7,539,054 | - | | |
| NET FISCAL IMPACT No. ADDITIONAL FTE POSITIONS (Cumulative) | | 6,871,010 | 7,539,054 | 7,540,61 | <u>6 7,543,241</u> | |
| Is Item Included In Current Budget? Yes NoX 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.: Fund1117 | | | | | | |
| B. Recommended Sources of Funds/Summary of Fiscal Impact: | | | | | | |
| The bonds are secured by a covenant to budget legally available ad valorem revenues with the sources of payment being a portion of County property taxes. C. Departmental Fiscal Review: | | | | | | |
| | | | | | | |
| III. REVIEW COMMENTS A. OFMB Fiscal and/or Contract Dev. and Control Comments: | | | | | | |
| Los Maida | 7/17/20 3DA7/17 7 | 24 - M | tract Dev. at | mach | 1/6-1/19/24 DI | |
| C. Other Department | Review: | | | | | |

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Department Director

REVISED 9/03
ADM FORM 01
(THIS SLIMMARY IS NOT TO BE USED AS

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.)

24-0819

BOARD OF COUNTY COMMISIONERS PALM BEACH COUNTY, FLORIDA BUDGET AMENDMENT

| BGEX | 070924*1583 | |
|------|-------------|--|
| BGRV | 070924*496 | |

FUND 1117 - Housing Bond Program

| ACCOUNT NUMBER | R ACCOUNT NAME | UNIT NAME | ORIGINAL BUDGET | CURRENT BUDGET | INCREASE | DECREASE | ADJUSTED BUDGET | EXPENDED/ ENCUMBERED as of 07/09/24 | REMAINING BALANCE |
|----------------|------------------------------|-------------------------------|--------------------|-------------------|------------|----------|--------------------|---|----------------------|
| REVENUES | | | | | | | | | , |
| 810-4100-8401 | Bond Proceeds | Revenue | 0 | 0 | 94,940,000 | 0 | 94,940,000 | | 94,940,000 |
| 810-4100-8411 | Bond Premium/Discount Revenu | € Revenue | 0 | 0 | 0 | 243,842 | (243,842) | | (243,842) |
| | Total Fund Revenues | | 0 | 0 | 94,940,000 | 243,842 | 94,696,158 | - | |
| EXPENDITURES | | | | | | | | | |
| 143-7299-9908 | Reserve New Projects | Housing Bond Program Reserves | 0 | 0 | 94,200,000 | 0 | 94,200,000 | | 94,200,000 |
| 810-7301-7305 | Issue Costs | Cost of Issuance | 0 | 0 | 496,158 | 0 | 496,158 | 106,605 | 389,553 |
| | Total Fund Expenditures | | 0 | 0 | 94,696,158 | 0 | 94,696,158 | • | |

| SIGNATURES TO STATE OF THE SIGNATURE | DATES 7/16/2024 |
|--|--------------------|
| Initiating Department/Division | |
| Administration/Budget Department Approval | 711212094 |
| Tyriminanan, podge, pepaninen, Appjoran | |
| OFMB Department - Posted | 199-1 |

| BY BOARD OF | COUNTY COMMISSIONERS | | |
|----------------|--|--|--|
| At Meeting of: | 20-Aug-24 | | |
| 777 | | | |
| | | | |
| | | | |
| | Deputy Clerk to the Board of County Commissioners | | |