Agenda Item #: 31-1

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:

January 14, 2025

[x] Consent [] Ordinance

[] Regular [] Public Hearing Regular

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 (BCC) OF PALM BEACH COUNTY, FLORIDA; APPROVING THE ISSUANCE OF HOUSING FINANCE AUTHORITY (AUTHORITY) OF PALM BEACH COUNTY, FLORIDA, MULTIFAMILY HOUSING REVENUE BONDS IN THE NOTICED PRINCIPAL AMOUNT OF \$26,000,000 FOR WATERVIEW APARTMENTS.

Summary: The Bonds are being issued by the Authority to finance a portion of the costs of acquiring, constructing and equipping a multifamily rental housing facility for the elderly containing approximately 140 units to be known as Waterview Apartments at Mangonia Park (Project). The Project will be located at the northeast corner of the intersection of S. Tiffany Drive and W. Tiffany Drive, in the Town of Mangonia Park. The Authority will require that at least 40% of these units will be rented to qualified persons and families whose average household incomes do not exceed 60% of area median income (\$64,260 for a family of four (4) for 2024). The Personne is Waterview Partners 144 P. Stariet whose average household incomes do not exceed 60% of area median income (\$64,260 for a family of four (4) for 2024). The Borrower is Waterview Partners, LLLP, a Florida Limited Liability Limited Partnership, or an affiliate thereof (Borrower), and the developer is Sun Foundation. The Borrower has agreed to comply with these limitations for at least 40 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 (Code). 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. R4 Capital Funding LLC, or an affiliate thereof (Purchaser) will be the purchaser of the Bonds. Housing Bond Loan Program funding of \$7,870,000 and Housing Initiatives Program funding of \$5,130,000 was also awarded to this project on October 22, 2024 to be used towards permanent financing.

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 (IRS), 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 Justification: Continued on Page 3.

Attachment:

1. Resolution

Recommended By:

Department Director

Approved By:

Assistant County Administrator

II. FISCAL IMPACT ANALYSIS

| Fiscal Years | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|---------------------------------|-----------------|-------------------------------|-------------------------------|-------------|
| Capital Expenditures | | | | | |
| Operating Costs | | | | | |
| External Revenues | | | | | |
| Program Income | | | | | |
| In-Kind Match (County) | | | | | |
| NET FISCAL IMPACT | | | | | |
| # ADDITIONAL FTE POSITIONS (Cumulative) | | | | | |
| s Item Included In Currer Does this Item include th Does this item include th | e use of Fed | | Yes Yes Yes | No X No X No X | |
| 3. Recommended So | urces of Fur | nds/Summa | ry of Fiscal I | mnact: | |
| All costs to be born impact to Palm Bead | e by the Ho | | | • | er. No fisc |
| C. Departmental Fisca | al Review: | | yne, Division a Administra | Director II tive Services, | — DHED |
| | III. <u>RE</u> | VIEW COMN | <u>IENTS</u> | | |
| A. OFMB Fiscal and/o | r Contract E |) Developmen | t and Contro | ol Comments | . # |
| OFMB L/L 12/13 3. Legal Sufficiency: | 12/13/2024 12/13 Mg 12/13 | | Prima | mentand Con | M-12/ |
| Assistant County Att | 7 0rney | 8/24 | | | |
| C. Other Department | Review: | | | | |
| Department Director | | _ | | | |

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

January 14, 2025 HFA Bonds – Waterview Apts Page 3

Summary: Continued from Page 1:

In the event of any audit, examination or investigation by the IRS with respect to the taxexempt 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 7 (HJF)

Background and Justification: 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 OF THE **BOARD** OF COUNTY (BCC) COMMISSIONERS OF PALM BEACH COUNTY. APPROVING ISSUANCE OF FLORIDA; THE HOUSING FINANCE AUTHORITY (AUTHORITY) OF PALM BEACH COUNTY, FLORIDA, MULTIFAMILY HOUSING REVENUE IN THE NOTICED PRINCIPAL BONDS AMOUNT \$26,000,000 FOR WATERVIEW 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 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 140 unit multi-family rental housing facility for the elderly to be known as Waterview Apartments at Mangonia Park (herein the "Project"), and to be located at the northeast corner of the intersection of S. Tiffany Drive and W. Tiffany Drive, in the Town of Mangonia Park, Florida, 33407, to be occupied by qualified persons and families; and

WHEREAS, the bonds, notes and/or other debt obligations (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 Waterview Partners, LLLP, a Florida limited liability 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 Executive Director of 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 13, 2024, regarding the proposed issuance of the Bonds in the noticed principal amount of \$26,000,000, in one or more series from time to time pursuant to a plan of finance; 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, R4 Capital Funding LLC, or an affiliate thereof (the "Purchaser") will be the purchaser of the Bonds; 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.

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 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.

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 G. Marino, Mayor Commissioner Sara Baxter, Vice Mayor Commissioner Gregg K. Weiss **Commissioner Joel Flores** Commissioner Marci Woodward **Commissioner Maria Sachs** Commissioner Bobby Powell Jr. The Mayor thereupon declared the Resolution duly passed and adopted this ____ day of , 2025. PALM BEACH COUNTY, FLORIDA, BY ITS **BOARD OF COUNTY COMMISSIONERS** APPROVED AS TO FORM AND **ATTEST: JOSEPH ABRUZZO LEGAL SUFFICIENCY CLERK & COMPTROLLER** Deputy Clerk Howard J. Falcon Chief Assistant County Attorney

That this Resolution shall take effect upon adoption.

5.