Agenda Item #: 3I-4

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:	March 11, 2025	[x] Consent [] Ordinance] Regular] Public Hearing
Submitted By:	Department of Housing a	opment	
Submitted For:	Housing Finance Author	ounty	

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 IN THE NOTICED PRINCIPAL AMOUNT OF \$34,000,000.

Summary: The Bonds are being issued by the Housing Finance Authority (Authority) to finance a portion of the costs of acquiring, constructing and equipping a multifamily rental housing facility containing approximately 168 units to be known as Calusa Pointe II (Project). The Project will be located at the Southeast quadrant of the intersection of SR 80 and CR827A, Belle Glade, Florida 33430. On July 12, 2022, the BCC approved \$2,500,000 of American Rescue Plan Act (ARPA) Response Projects funding for this Project.

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 4 for 2024). The Borrower is SP Field LLC, a Florida limited liability company, or an affiliate thereof (Borrower), and the developer is Southport Development, Inc. The units will remain affordable for a minimum of 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"). 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, is Bond Counsel to the Authority with respect to the Bonds and Bryant Miller Olive is Disclosure Counsel to the Authority with respect to the Bonds. RBC Capital Markets, LLC will be the underwriter for the Bonds.

The Resolution of the Authority authorizing the issuance of the Bonds will include language substantially as follows: Palm Beach 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	2 18 2025 Date
Approved By:	Jam Assistant County Administrator	2/27/25 Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summa		mpact:			
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 Curr Does this Item include t Does this item include t Budget Account No.:	he use of Fe		Yes ? Yes Yes	<u>No X</u>	
3. Recommended S	ources of Fu	nds/Summa	ry of Fiscal I	mpact:	
All costs to be bo impact to Palm Be		ousing Finan	ce Authority o	or the Borrow	ver. No fiscal
C. Departmental Fis	cal Review:		eyre, Division ng Administrat		DHED
	III. <u>R</u> E	VIEW COMI	<u>MENTS</u>		
. OFMB Fiscal and	or Contract l	Developmer	nt and Contro	l Comments	5:
OFMB NB 2/24	L 2/24/2 214 2/24/2 Esw 2-24-2	624- Con	UMd4 htract Develop	ment and Co	$\frac{\sum \mathcal{R}/25}{\text{ntrol}}$
3. Legal Sufficiency	:				
Chief Assistant Co	unty Attorney	6/25			

C. Other Department Review:

Department Director

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

March 11, 2025 HFA Calusa Pointe II Bonds 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. $\underline{District 6}$ (HJF)

Background and Justification: Continued from Page 1:

The Authority was established by the Board of County Commissioners (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-2025 - _

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA; APPROVING THE ISSUANCE OF HOUSING AUTHORITY OF PALM BEACH COUNTY, FINANCE FLORIDA, MULTIFAMILY HOUSING REVENUE BONDS (CALUSA POINTE II) BY THE HOUSING FINANCE AUTHORITY OF PALM BEACH COUNTY, FLORIDA IN THE NOTICED PRINCIPAL AMOUNT OF \$34,000,000.

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 168 unit multi-family rental housing facility to be known as Calusa Pointe II (herein the "Project"), and to be located at the southeast quadrant of the intersection of SR 80 and CR827A, Belle Glade, Florida 33430, 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 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 of the Internal Revenue Code of 1986, as amended (the "Code") on February 14, 2025, regarding the proposed issuance of the Bonds in the noticed principal amount of \$34,000,000, 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, RBC Capital Markets, LLC (the "Underwriter") will be the underwriter for 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 Underwriter 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 Underwriter is approved as the underwriter 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 Maria G. Marino, Mayor	-	
Commissioner Sara Baxter, Vice Mayor	-	
Commissioner Gregg K. Weiss	-	
Commissioner Joel G. Flores	-	
Commissioner Marci Woodward	-	
Commissioner Maria Sachs		
Commissioner Bobby Powell Jr.	-	

The Mayor thereupon declared the Resolution duly passed and adopted this 11th day of March, 2025.

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

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

By:

Howard J. Falcon Chiet Assistant County Attorney By:

Deputy Clerk