

Meeting Date
May 17, 2016



AGENDA REPORT

BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS

SUBJECT:	RESOLUTION APPROVING THE ISSUANCE BY BREVARD COUNTY HOUSING FINANCE AUTHORITY OF MULTI-FAMILY HOUSING REVENUE BONDS (TRINITY TOWERS SOUTH APARTMENTS PROJECT)
DEPT/OFFICE:	Brevard County Housing Finance Authority

Requested Action:

The Brevard County Housing Finance Authority (the "Authority") is requesting that the Board approve a Resolution to allow the Authority to apply for an allocation with the Florida Division of Bond Finance and to allow the issuance by the Authority of multi-family housing revenue bonds to finance the acquisition, renovation, construction and development of Trinity Towers South Apartments (the "Project").

Summary Explanation & Background:

The Authority received an application from New Trinity Towers South Preservation Associates, LLLP, a subsidiary of Preservation of Affordable Housing, Inc., a 501 (c) 3 non-profit entity, for the issuance of multi-family housing revenue bonds in an amount not to exceed \$10,500,000 to finance the acquisition, rehabilitation, construction and development of the Project. The Project is an existing facility located at 615 East New Haven Boulevard, in Melbourne, Florida, and consists of 162 units (130 studio and 32 one bedroom apartments), which will be rented exclusively to elderly residents (age 62 and over) of lower and moderate income. A Land Use Restriction Agreement encumbering the property will require that 40% of the apartments units will be set aside and available only to persons earning less than 60% of median income, for as long as the financing is outstanding, or for a term of 50 years, whichever is longer. The developer will also receiving funding from the state and is restricting an additional 20% of the units to persons earning less than 50% of median income. Project amenities will include the addition of a computer room, and services including computer training, assistance with light housework, laundry and grocery shopping, educational classes, and onsite primary healthcare visits. Renovations to the existing apartments will include new windows, new kitchens and bathrooms, HVAC improvements, accessibility upgrades and ADA renovations.

On April 6, 2016, the Authority held a public hearing, following proper publication of notice, for the purpose of receiving public input on the proposed project and bond issuance. A report of the public comments received is attached. In order to issue tax exempt bonds for the Project, the Authority must apply for and receive an allocation from the State Regional Pool before June 30, 2016. Brevard County is in Region 17, with Volusia County, which will share a total allocation of approximately \$52,206,000.

The tax exempt financing will be in the form of a construction/permanent loan through Citibank, N.A. As a condition of approval, the County's financial advisor will verify that the bonds meet or exceed the Guidelines of the Authority.

Cost Benefit Analysis:

This issue will provide funds to finance the acquisition, rehabilitation, construction and development of 162 rental housing units which will be available to Brevard County elderly residents of lower and moderate income. There is no fiscal impact to the Board of County Commissioners or the Authority. The County is only authorizing the Housing Finance Authority to issue the financing under the IRS requirements for tax exempt bonds and the County shall be indemnified from the issuance of bonds and the Project.

Contact Person: Angela A. Abbott, 264-0334; angelaabbott@cfl.rr.com
 Jay Glover, Public Financial Management, (407) 648-2208; gloverj@publicfm.com

Clerk to the Board Instructions:

Exhibits Attached: Resolution; Housing Finance Authority Resolution No. 16-01; Authority Report of Public Hearing; PRAG Memorandum

Contract /Agreement (If attached): Reviewed by County Attorney Yes No PR

County Manager
 Stockton Whitten

Assistant County Manager
 Venetta Valdengo

Assistant County Manager
 Frank Abbate

Department Director / Extension



Tammy Rowe, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001
Fax: (321) 264-6972
Tammy.Rowe@brevardclerk.us

May 18, 2016

MEMORANDUM

TO: Stockton Whitten, County Manager

RE: Item VI.E.1., Resolution Approving the Issuance by Brevard County Housing Finance Authority of Multi-Family Housing Revenue Bonds (Trinity Towers South Apartments Project)

The Board of County Commissioners, in regular session on May 17, 2016, adopted Resolution No. 16-079, approving the Authority to apply for an allocation with the Florida Division of Bond Finance, and to allow the issuance by the Authority of multi-family housing revenue bonds to finance the acquisition, renovation, construction, and development of Trinity Towers South Apartments. Enclosed is a certified Resolution.

Your continued cooperation is greatly appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Tammy Rowe, Deputy Clerk

Encl. (1)

cc: Attorney Angela Abbott
Finance
Budget

RESOLUTION NO. 16-079

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA, APPROVING THE ISSUANCE OF NOT EXCEEDING \$10,500,000 MULTI-FAMILY HOUSING REVENUE BONDS, OF THE BREVARD COUNTY HOUSING FINANCE AUTHORITY, BREVARD COUNTY, FLORIDA FOR THE TRINITY TOWERS SOUTH PROJECT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of County Commissioners of Brevard County, Florida (the "Board"), by resolution adopted on February 8, 1979, declared a need for a Housing Finance Authority to function within both the incorporated and unincorporated areas of Brevard County, Florida, to alleviate a shortage of housing and capital for investment in housing within such areas of operation; and

WHEREAS, the Board adopted Ordinance No. 79-09, on March 15, 1979, as amended by Ordinance No. 84-16, adopted on May 10, 1984 (the "Ordinance"), creating the Brevard County Housing Finance Authority (the "Authority"); and

WHEREAS, the Florida Housing Finance Authority Law, Part IV, Chapter 159, Florida Statutes (the "Act"), provides that the Authority may issue bonds for the purpose of the Act; and

WHEREAS, the Authority, on December 2, 2015 adopted a resolution, as amended and restated on February 3, 2016 (the "Resolution") to implement a financing plan in concept to issue Multi-Family Housing Revenue Bonds, Series 2016 (the "Bonds") in one or more series and held a public hearing with respect to the issuance of the Bonds; and

WHEREAS, the proceeds of the Bonds will be used (1) to finance the acquisition, rehabilitation, construction and development in one or more phases of the Trinity Towers South project in Brevard County (the "Project") and (2) to fund Bond financing costs and Bond reserves; and

WHEREAS, Section 147 of the Internal Revenue Code of 1986, as amended (the "Code"), requires public approval of the Bonds and the Project by an applicable elected official (in this case, the Board), following such public hearing; and

WHEREAS, such a public hearing following the public notice required by the Code was held by the Authority, and the minutes of such public hearing are in the public record of the Authority; and

WHEREAS, at such hearing reasonable opportunity was provided for all interested individuals to express their views, both orally and in writing, concerning the issuance of the Bonds and the Project; and

WHEREAS, the Board has diligently and conscientiously considered all comments and concerns expressed by such individuals; and

WHEREAS, the Board desires to express its approval of the action taken by the Authority and its officials pursuant to the Resolution.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA, that:

Section 1. This resolution is adopted pursuant to the provisions of Section 1-181 of the Ordinance.

Section 2. This resolution is adopted following reasonable public notice of a public hearing which was held by the Authority on April 6, 2016 with reference to the Bonds and the Project. After consideration of the minutes of the public hearing and after diligent and conscientious consideration of the views expressed by the persons appearing at the public hearing as reflected in such minutes, and comments made to this Board, the Board hereby approves the issuance by the Authority of the Bonds in an aggregate principal amount not exceeding \$10,500,000 for the purposes expressed in the Authority's Resolution. This approval is subject to the condition subsequent that the County attorney shall verify that the final documentation for the Bonds shall include the same indemnification running to the County from the Borrower as runs to the Authority from the Borrower, and that the Authority's financial advisor shall verify that the Bonds meet or exceed the Authority's guidelines.

Section 3. This resolution shall take effect immediately upon adoption.

RESOLVED this 17th day of May, 2016.

**BOARD OF COUNTY COMMISSIONERS OF
BREVARD COUNTY, FLORIDA**

By:  _____

Chairman - JIM BARFIELD

Approved by the Board May 17, 2016

(SEAL)

Attest:

By:  _____

Clerk

SCOTT ELLIS, CLERK

**RESOLUTION NO. 16-01
AMENDING AND RESTATING RESOLUTION NO. 15-02**

**RESOLUTION REGARDING THE OFFICIAL ACTION OF
THE BREVARD COUNTY HOUSING FINANCE
AUTHORITY RELATIVE TO THE ISSUANCE OF NOT TO
EXCEED OF \$10,500,000 MULTIFAMILY HOUSING
REVENUE BONDS FOR THE PURPOSE OF ACQUIRING,
REHABILITATING, EQUIPPING, AND DEVELOPING A
MULTIFAMILY RESIDENTIAL HOUSING FACILITY
FOR PERSONS OR FAMILIES OF LOW, MIDDLE OR
MODERATE INCOME; FURTHER AUTHORIZING THE
EXECUTION AND DELIVERY OF AN AGREEMENT BY
AND BETWEEN THE AUTHORITY AND NEW TRINITY
TOWERS SOUTH PRESERVATION ASSOCIATES, LLLP ;
AND PROVIDING AN EFFECTIVE DATE.**

WHEREAS, New Trinity Towers South Preservation Associates, LLLP (the "Company") has applied to the Brevard County Housing Finance Authority (the "Authority") to (i) issue its multifamily housing revenue bonds in a principal amount not to exceed \$10,500,000 (the "Bonds") for the purpose of financing the acquisition, rehabilitation, equipping and development of a multifamily residential housing facility for persons or families of low, middle or moderate income to be located in Brevard County, Florida, (the "Project"), and (ii) to loan the proceeds of the Bonds to the Company pursuant to Chapter 159, Part IV, Florida Statutes, and Chapter 159, Part II, Florida Statutes, or such other provision or provisions of Florida law as the Authority may determine advisable (the "Act"); and

WHEREAS, subject to the terms set forth herein and in the Memorandum of Agreement attached hereto as Exhibit A, the Company has requested that the Authority make a determination to issue the Bonds under the Act in one or more issues or series not exceeding an aggregate principal amount of \$10,500,000 and to loan the proceeds thereof available to finance the Project under a loan agreement or other financing agreement which will provide that payments thereunder be at least sufficient to pay the principal of and interest and redemption premium, if any, on such Bonds and such other costs in connection therewith as may be incurred by the Authority, to assist the Company and promote the purposes provided in the Act; and

WHEREAS, the Company has submitted the Memorandum of Agreement relating to the issuance of the Bonds, attached hereto; and

WHEREAS, in order to satisfy certain of the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended, the Authority intends to hold a public hearing on the proposed issuance of the Bonds for the purposes herein stated, which date will be at least 14

days following the first publication of a notice of such public hearing in a newspaper of general circulation in Brevard County, Florida (a form of such notice is attached hereto as Exhibit B), which public hearing will be conducted in a manner that provides a reasonable opportunity for persons with differing views to be heard, both orally and in writing, on both the issuance of such Bonds and the location and nature of the portion of the Project to be financed with the proceeds therefrom.

WHEREAS, it is intended that this Resolution shall constitute official action toward the issuance of the Bonds within the meaning of the applicable United States Treasury Regulations.

IT IS, THEREFORE, DETERMINED AND RESOLVED BY THE BREVARD COUNTY HOUSING FINANCE AUTHORITY, THAT:

1. APPROVAL OF THE PROJECT. The acquisition, rehabilitation, equipping and development of the Project and the financing thereof by the Authority through the issuance of the Bonds, pursuant to the Act, will promote the health and welfare of the citizens of Brevard County, Florida, and will thereby serve the public purposes of the Act.

2. EXECUTION AND DELIVERY OF THE MEMORANDUM OF AGREEMENT. The Chairman or Vice Chairman of the Authority hereby are authorized and directed to execute, for and on behalf of the Authority, the Memorandum of Agreement attached hereto as Exhibit A between the Authority and the Company providing understandings relative to the proposed issuance of the Bonds by the Authority to finance the Project in an aggregate principal amount not to exceed the lesser of (a) \$10,500,000, or (b) the cost of the Project, as determined by the Authority.

3. AUTHORIZATION OF THE BONDS. Subject to the terms and conditions set forth herein and in the Memorandum of Agreement attached hereto, there is hereby authorized to be issued and the Authority hereby determines to issue the Bonds, if so requested by the Company, in one or more issues or series in an aggregate principal amount not to exceed of \$10,500,000 for the purpose of financing the Project described in such Memorandum of Agreement. The Bonds shall be designated the "Brevard County Housing Finance Authority Multifamily Housing Revenue Bonds (New Trinity Towers South Preservation Associates, LLLP Project)". The rates of interest payable on the Bonds shall not exceed the rate permitted by law.

4. RECOMMENDATION FOR APPROVAL TO BOARD OF COUNTY COMMISSIONERS. The Authority hereby recommends that the Board of County Commissioners of Brevard County, Florida (the "Board") approve the issuance of the Bonds and the financing of the Project. The Authority hereby directs the Chairman, Vice Chairman or Authority's Counsel, either alone or jointly, at the expense of the Company, to seek approval for the issuance of the Bonds and the financing of the Project by the Board as the applicable elected representatives of Brevard County, Florida, under and pursuant to the Act and Section 147(f) of the Internal Revenue Code of 1986, as amended.

5. **GENERAL AUTHORIZATION.** The Chairman, the Vice Chairman, the Secretary-Treasurer and counsel for the Authority hereby are further authorized to proceed, upon execution of the Memorandum of Agreement, with the undertakings provided for therein on the part of the Authority and are further authorized to take such steps and actions as may be required and necessary in order to cause the Authority to issue the Bonds subject to the terms and conditions set forth herein and in the Memorandum of Agreement authorized hereby.

6. **AFFIRMATIVE ACTION.** This resolution is an affirmative action of the Authority toward the issuance of the Bonds, as contemplated in said Memorandum of Agreement, in accordance with the purposes of the laws of the State of Florida and the applicable United States Treasury Regulations.

7. **APPROVAL OF NOTICE OF PUBLIC HEARING.** The form of notice of public hearing attached hereto as Exhibit B is hereby approved and the publishing thereof authorized on behalf of the Authority.

8. **APPOINTMENT OF COUNSEL.** The firm of Nabors, Giblin & Nickerson, P.A. is duly appointed Bond Counsel in connection with the issuance of the Bonds. Angela A. Abbott, P.A., is duly appointed Issuer's Counsel.

9. **LIMITED OBLIGATIONS.** The Bonds and the interest thereon shall not constitute an indebtedness or pledge of the general credit or taxing power of the Authority, Brevard County, the State of Florida or any political subdivision or agency thereof but shall be payable solely from the revenue pledged therefor pursuant to a loan agreement or other financing agreement entered into by and between the Authority and the Company prior to or contemporaneously with the issuance of the Bonds.

10. **LIMITED APPROVAL.** The approval given herein shall not be construed as an approval of any necessary zoning applications nor for any other regulatory permits relating to the Project, and the Authority shall not be construed by reason of its adoption of this Resolution to have waived any right of the County and/or of any city in which the proposed Project is to be located or to have estopped the County and/or such city, if any, from asserting any rights or responsibilities it may have in that regard. In addition, this Resolution and the Memorandum of Agreement attached hereto as Exhibit A are conditioned upon and subject to: (1) the determination by the Authority, in its sole and absolute discretion at a future date in the future, that it is in the best interests of the Authority and the residents of Brevard County, Florida, to use the tax exempt volume cap allocation potentially available to the Authority to issue the Bonds; (2) receipt of the necessary volume cap tax exempt allocation from the State of Florida, Division of Bond Finance; (3) receipt of the approval of the Project and the proposed financing of the Project by the Board; (4) the ownership and control of the Company and its principals not varying more than five (5%) percent from what has been represented to the Authority in the Company's Application; (5) the number of multi-family units to be constructed by the Company not decreasing by more than five (5%) percent from the 162 units referenced in the Company's

Application; (6) the proposed Project, including, but not limited to design, materials, type of construction materials, etc. not changing materially without the prior written consent of the Authority; and (7) the closing of the Bonds occurring on or before one hundred and fifty-five (155) days after receipt of volume cap allocation from the State of Florida Division of Bond Finance, unless extended by the Authority in its sole and absolute discretion. In the event that any of the foregoing events shall not take place, if applicable, or shall occur or take place, if applicable, it shall operate as a termination of this Resolution and the Memorandum of Agreement.

11. BOND ALLOCATION. Upon a determination by the Authority as set forth in the Memorandum of Agreement to request private activity bond allocation with respect to such Bonds, the Chairman, Vice Chairman or Authority's Counsel are hereby authorized to execute all necessary documents for obtaining and preserving an allocation from the State of Florida, Division of Bond Finance upon request by the Company.

This Resolution shall have an effective date of December 2, 2015 and restates in its entirety Resolution No. 15-02.

ADOPTED this 3rd day of February, 2016.

**BREVARD COUNTY HOUSING
FINANCE AUTHORITY**

(SEAL)

By: 
Chairman

ATTEST:


By: 
Secretary-Treasurer

EXHIBIT A

**MEMORANDUM OF AGREEMENT FOR ISSUANCE OF
MULTIFAMILY HOUSING REVENUE BONDS**

This Agreement between the Brevard County Housing Finance Authority (the "Authority"), a body corporate and politic of the State of Florida and New Trinity Towers South Preservation Associates, LLLP (the "Company"), a Florida limited liability limited partnership organized and validly existing under the laws of the State of Florida and authorized to do business in the State of Florida.

WITNESSETH:

1. PRELIMINARY STATEMENT. Among the matters of mutual understanding which have resulted in the execution of this Memorandum of Agreement are the following:

(a) The Florida Housing Finance Authority Law (Chapter 159, Part IV, Florida Statutes), as amended, and the Florida Industrial Development Financing Act (Chapter 159, Part II, Florida Statutes) (collectively, the "Act") provides that the Authority may issue its revenue bonds and loan the proceeds thereof to one or more persons, firms or private corporations, or use such proceeds to defray the cost of acquiring, by purchase or construction, certain qualifying facilities.

(b) The Company is considering acquiring, rehabilitating, equipping and developing a multifamily residential housing facility for persons or families of low, middle or moderate income (the "Project") to be located within the boundaries of Brevard County, Florida. It is estimated that the cost of the acquisition, construction, equipping and development of the Project will be in excess of \$10,500,000.

(c) The Authority intends this Memorandum of Agreement to constitute its official binding commitment, subject to the terms and conditions set forth herein and in the Resolution authorizing the Authority to enter into this Memorandum of Agreement, to issue its bonds in a principal amount not to exceed of \$10,500,000 (the "Bonds") in one or more series or issues pursuant to the Act in an amount to be agreed upon by the Authority and the Company and to loan the proceeds thereof to the Company, and to use such proceeds to finance the cost of acquiring, rehabilitating, equipping and developing the Project, including all costs incurred in connection with the issuance of the Bonds by the Authority, up to an amount not to exceed \$10,500,000.

(d) The Authority considers the issuance and sale of the Bonds, for the purpose hereinabove set forth, consistent with the objectives of the Act. This commitment is an affirmative official action of the Authority toward the issuance of the Bonds as herein

contemplated in accordance with the purposes of both the Act and the applicable United States Treasury Regulations.

2. UNDERTAKINGS ON THE PART OF THE AUTHORITY. Subject to the terms and conditions set forth herein and in the Authority's Resolution dated December 2, 2015 (the "Inducement Resolution") authorizing the Authority to enter into this Memorandum of Agreement, the Authority agrees as follows:

(a) The Authority will authorize the issuance of the Bonds in the aggregate principal amount necessary and sufficient to finance the cost of acquiring, rehabilitating, equipping and developing the Project as the Authority and the Company shall agree in writing, but in all events, the principal amount of such Bonds shall not exceed the lesser of (i) the cost of the Project, as determined by the Authority or (ii) \$10,500,000.

(b) The Authority will cooperate with the Company and with the underwriters or purchasers of the Bonds and the Authority's Counsel with respect to the issuance and sale of the Bonds and will take such further action and authorize the execution of such documents as shall be mutually satisfactory to the Authority and the Company for the authorization, issuance and sale of such Bonds and the use of the proceeds thereof to finance the cost of acquiring, rehabilitating, equipping and developing the Project.

(c) Such actions and documents may permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether *pari passu* with other series of bonds or otherwise, for the purpose of defraying the cost of completion, enlargements, improvements and expansion of the Project, or any segment thereof, or refunding of the Bonds.

(d) The loan or financing agreement (the "Loan Agreement") between the Authority and the Company shall, under the terms agreed upon by the parties, provide for payments to be made by the Company in such sums as shall be necessary to pay the amounts required under the Act, including the principal of and interest and redemption premium, if any, on the Bonds, as and when the same shall become due and payable.

(e) In authorizing the issuance of the Bonds pursuant to the Loan Agreement, the Authority will make no warranty, either expressed or implied, that the proceeds of the Bonds will be sufficient to pay all costs of acquiring, constructing, equipping and developing the Project, or that those facilities encompassed by the Project will be suitable for the Company's purposes or needs.

(f) The Bonds shall specifically provide that they are payable solely from the revenues derived from the Loan Agreement between the Authority and the Company or other agreements approved by the Authority, except to the extent payable out of amounts attributable to Bond proceeds. The Bonds and the interest thereon shall not constitute an indebtedness or

pledge of the general credit of the Authority, Brevard County or of the State of Florida, and such fact shall be plainly stated on the face of the Bonds.

(g) Due to the tax exempt volume cap limitations established by the State of Florida on the issuance of tax exempt bonds, the Authority reserves the right, in its sole and absolute discretion, to determine if, in what amount, and when to file a Request for Allocation for the Project with the State of Florida, Division of Bond Finance. Subject to the foregoing, at any time after receipt of this Memorandum of Agreement properly executed by the Company (but before the expiration date), the Authority may file with the State of Florida, Division of Bond Finance a Request for Allocation upon receipt from the Company of an executed request therefor in the form set forth herein. Nothing contained herein shall be deemed to be a guarantee of the tax-exempt private activity bond allocation for the Company's Project.

(h) The Company has advised the Authority of the need to proceed timely to develop the Project. In that regard, assuming that the proposed financing of the Project and other matters are ultimately worked out and acceptable to the Authority, including a satisfactory third-party credit underwriting review, the Authority is desirous of assisting the Company in the financing of the Project. Accordingly, the Authority's is entering into this Memorandum of Agreement so as to assist the Company in obtaining its financing for the Project. However, it is specifically understood and agreed by the Authority and the Company that the Authority, in its sole discretion, reserves the right not to issue the Bonds if it does not ultimately approve the financing.

3. UNDERTAKINGS ON THE PART OF THE COMPANY. Subject to the terms hereof, the Company acknowledges and agrees as follows:

(a) Although the Authority has approved the proposed Project, it has reserved the right, in its sole and absolute discretion, to determine whether or not to proceed with the issuance of the Bonds as set forth in Section 2(h) above. The Company acknowledges, understands and agrees that the Authority retains said right.

(b) The Company has been advised that the State of Florida has adopted rules and regulations regarding the use of allocations and requires that an issuer issue its bonds in substantially the entire amount of the allocation within one hundred and fifty-five (155) days from the date of the granting of an allocation, unless it is extended under certain circumstances. The Company further acknowledges that the failure to timely actually issue bonds within a specified percentage of the allocation can result in the loss of the allocation and/or additional fees to be paid by the Authority. Accordingly, the Company shall be fully responsible for determining the size of the allocation to be requested, subject to the proviso that the request shall not be for a principal amount of Bonds which exceed the amounts set forth in paragraph 2(a).

(c) The Company will use reasonable efforts to ensure that the Bonds in the aggregate principal amount as stated above are timely sold; provided, however, that the terms of

such Bonds and of the sale and delivery thereof shall be mutually satisfactory to the Authority and the Company.

(d) Prior to the issuance of the Bonds, in one or more series or issues from time to time as the Authority and the Company shall agree in writing, the Company will enter into a Loan Agreement with the Authority, the terms of which shall be mutually agreeable to the Authority and Company, providing for the loan or use of the proceeds of the Bonds to finance the Project. Such agreement will provide that the Company will be obligated to pay the Authority (or pay to trustees for holders of the Bonds on behalf of the Authority, as the case may be) sums sufficient in the aggregate to enable the Authority to pay the principal of and interest and redemption premium, if any, on the Bonds, as and when the same shall become due and payable, and all other expenses related to the issuance and delivery of the Bonds. The Company will agree in such documents that if the cost of acquisition and construction of the Project exceeds the amounts allocated therefor, it shall not be entitled to any reimbursement for any such excess either from the Authority, the Bondholders or the trustee for the Bondholders.

(e) The Company shall be responsible for and timely pay the Developer Deposit required by the Authority's Guidelines for Bond Issues, the issuance fee in effect at the time the Bonds are issued and the fees and costs of Counsel to the Issuer and the fees and costs of Bond Counsel to the Issuer, plus such other fees and costs as may be required.

(f) The Company shall, in addition to paying the amount set forth in the Loan Agreement, pay all costs of operation, maintenance, taxes, governmental and other charges that may be assessed or levied against or with respect to the Project.

(g) The Company will hold the Authority free and harmless from any loss or damage and from any taxes or other charges levied or assessed by reason of any mortgaging or other disposition of the Project.

(h) The Company will take such further action as may be required to implement its aforesaid undertakings and as it may deem appropriate in pursuance thereof.

(i) All fees and costs that the Company is required to pay, including but not limited to, the issuance fee, and counsel fees and costs not paid at the time of application shall be paid in full at the time of the sale and delivery of the Bonds.

(j) The number of multi-family units to be constructed by the Company will not decrease more than five (5%) percent from the number of multi-family units that it represented that it would construct in its Application to the Authority that resulted in the issuance of the Inducement Resolution and this Memorandum of Agreement.

(k) There shall not have been a material change in the proposed Project as represented to the Authority by the Company in the Application that it filed with the Authority,

including, but not limited to design, materials, type of construction materials, etc. without the prior written consent of the Authority.

(l) The closing of the sale of the Bonds shall occur on or before one hundred and fifty-five days from the date of the granting of an allocation, unless extended by the Authority at its sole and absolute discretion. In the event that the closing on the sale of the Bonds does not occur on or before said time, and the Authority chooses not to extend the closing date, the Company shall have no further rights under this Memorandum of Agreement. Further, in such event, the Authority may apply for and use the tax exempt volume allocation, if available, for the funding of such other multifamily housing projects or single family housing as it deems best serves the interests of the residents of Brevard County, Florida.

(m) The ownership and control of the Company and its principals shall not vary more than five (5%) percent from what has been represented in the Company's Application to the Authority without the prior written consent of the Authority.

(n) The Company and its principals shall have fully and timely complied with the terms of the Authority's Guidelines for Bond Issuers, including, but not limited to the timely payment of all fees and costs due to the Authority, its Counsel and its Bond Counsel.

(o) The Company and certain related parties or guarantors as determined by the Authority shall be required to enter into an environmental indemnity and certain other guaranties.

4. GENERAL PROVISIONS. All commitments of the Authority under Section 2 hereof and of the Company under Section 3 hereof are subject to the conditions that the following events shall have occurred not later than one hundred and fifty-five days from the date of receipt of an allocation, or such other date as shall be mutually satisfactory to the Authority and Company:

(a) The Authority shall be lawfully entitled to issue the Bonds as herein contemplated.

(b) The Authority and Company shall have agreed on mutually acceptable terms for the Bonds and the sale and delivery thereof and mutually acceptable terms and conditions of any trust instrument in respect thereto and Loan Agreement or other agreements incidental to the financing or referred to in Sections 2 and 3 hereof.

(c) Such other rulings, approvals, consents, certificates of compliance, opinions of counsel and other instruments and proceedings satisfactory to the Company and to the Authority as to such matters with respect to the Bonds, the Project, the Loan Agreement and any trust instrument, as shall be specified by the Company or the Authority, shall have been obtained from such governmental, as well as non-governmental, agencies and entities as may have or assert competence or jurisdiction over or interest in matters pertinent thereto and shall be in full force and effect at the time of issuance of the Bonds.

(d) The Company and the Authority each reserve the absolute right to unilaterally cancel this Memorandum of Agreement at any time prior to the time the Bonds are issued by the Authority upon written notice of cancellation.

(e) If the events set forth in this Section 4 do not take place within the time set forth or any extension thereof, or if the Company or the Authority exercises its rights of cancellation as set forth in this Section 4, the Company agrees that it will reimburse the Authority for all the reasonable and necessary direct or indirect expenses which the Authority may incur at the Company's request arising from the execution of this Memorandum of Agreement, and the performance by the Authority of its obligations hereunder, including legal fees and expenses for counsel to the Authority and Bond Counsel. In addition, the Authority shall be entitled to keep all fees paid to it pursuant to the Authority's Application Procedures and Program Guidelines.


(f) The Company acknowledges that the Authority may, during the time this Memorandum of Agreement is in effect, issue similar "inducement" agreements to other companies for other multifamily housing projects, and/or may issue bonds or participate jointly with other authorities to issue bonds for single family housing. This Memorandum of Agreement will create no priority or rights vis a vis subsequent agreements for the issuance of multifamily or single family housing bonds.

(g) The Authority shall have obtained the consent of the Brevard County Board of County Commissioners as to the issuance of the Bonds. Further, the Authority shall have obtained private activity bond allocation sufficient to allow the issuance of the Bonds from the State of Florida, Division of Bond Finance.

5. BINDING EFFECT. All covenants and agreements herein contained by or on behalf of the Authority and the Company shall bind and inure to the benefit of the respective successors and assigns of the Authority and the Company whether so expressed or not.


IN WITNESS WHEREOF, the parties hereto have entered into this Agreement by their officers thereunder duly authorized as of the 5th day of February, 2016.

**BREVARD COUNTY HOUSING
FINANCE AUTHORITY**

By: 
Chairman

**DEVELOPER:
PRESERVATION OF AFFORDABLE
HOUSING LLC, a Florida Limited
Liability Company**

By: Preservation of Affordable Housing,
Inc., a Florida corporation, it's
Managing Member

By: 
~~Executive Director~~ Aaron Cornstein President and CEO

**OWNER:
NEW TRINITY TOWERS SOUTH
PRESERVATION ASSOCIATES, LLLP,
a Florida Limited Liability Limited
Partnership**

By: Preservation of Affordable Housing,
Inc., an Illinois non-profit corporation,
its General Partner

By: 
Aaron Cornstein
President and CEO

EXHIBIT B

PROOF OF PUBLICATION

**NOTICE OF PUBLIC HEARING
CONCERNING THE BREVARD COUNTY HOUSING AUTHORITY'S
PROPOSED ISSUANCE OF ITS
MULTIFAMILY HOUSING REVENUE BONDS, SERIES 2016, IN AN
AGGREGATE AMOUNT OF NOT TO EXCEED \$10,500,000**

Public Notice is hereby given that the Brevard County Housing Finance Authority (the "Authority") will conduct a public hearing on _____, 2016 at _____ .m., or thereafter, at the offices of _____, _____, Florida, _____, in accordance with the Tax Equity Fiscal Responsibility Act ("TEFRA") on the proposed issuance by the Authority of its Multi-Family Housing Revenue Bonds, Series 2016 in the aggregate principal amount of not to exceed \$10,500,000 for purposes of financing the Project referenced below. The proceeds of such bonds will be used to finance the acquisition, rehabilitation, and equipping of the following Project located at the following location in Brevard County, Florida:

Owner: NEW TRINITY TOWERS SOUTH PRESERVATION ASSOCIATES, LLLP
Project Name: TRINITY TOWERS SOUTH
Location: 615 East New Haven Avenue, Melbourne, Florida
No. of Units: 162
Aggregate principal amount of tax exempt Bonds: \$10,500,000

If any member of the general public wishes to be heard at the hearing he or she may do so by appearing in person at the time and place set forth above or by submitting their views in writing delivered at least 24 hours prior to the date and time of the meeting set forth above to _____.

The purpose of the public hearing is to afford members of the general public an opportunity to be heard with respect to the proposed issuance of the Bonds by the Authority.

All interested parties are invited to attend and present their comments at the time and place set forth above.

IF ANY PERSON WISHES TO APPEAL ANY DECISION MADE BY THE AUTHORITY WITH RESPECT TO ANY MATTER CONSIDERED AT THIS HEARING, HE OR SHE WILL NEED A RECORD OF THE PROCEEDINGS, AND FOR SUCH PURPOSE, HE OR SHE MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS MADE.

**BREVARD COUNTY HOUSING FINANCE
AUTHORITY**

**REPORT OF
BREVARD COUNTY HOUSING FINANCE AUTHORITY**

I HEREBY CERTIFY THAT:

1. I am the duly elected, qualified and acting Secretary/ Treasurer of the Brevard County Housing Finance Authority (the "Authority") and keeper of the records thereof, including the minutes of the proceedings;

2. The Authority, pursuant to action taken by the Authority on February 3, 2016, to conduct a public hearing on the proposed issuance of the Authority's Multifamily Housing Revenue Bonds, (Trinity Towers South Apartments Project), not to exceed \$12,000,000.

The Authority held the hearing on April 6, 2016, commencing at 3:02 p.m., at the Brevard County Agricultural Center, located at 3695 Lake Drive, Cocoa, Florida, pursuant to the notice of such hearing which was published on March 22, 2016, in Florida Today, a newspaper published in Brevard County, Florida. A copy of the publisher's affidavit is attached hereto as Exhibit A. Interested individuals were given the opportunity to express their views, both orally and in writing. The following is an extract from the minutes of the meeting of April 6, 2016:

The Chairman opened the public hearing regarding the proposed issuance of Multi-Family Housing Revenue Bonds not to exceed \$12,000,000 (Trinity Towers South Project) at 3:02 p.m. and acknowledged proof of publication of the Notice of Public Hearing. Helen Voltz asked about the financing structure of the project and whether the County or the State will be paying for the project. Ms. Abbott responded that the Authority will make the tax exempt financing possible, but the funds for the project will come from a financial institution and/or bondholders. Mr. Boudrie added that the issue will not cost the County or the taxpayers anything and that the Authority has been in operation since 1979. He commented that the renovations of the east and west towers have been completed or are underway. Mr. Katehakis stated that the developer is experienced and will be conducting renovations quickly without disruption to the current residents. Andrea Young remarked that she is running for the District III seat on the Brevard County Commission and is attending this meeting to learn about the Authority. Ms. Young stated that she would like additional information on the property and the financing so that when she takes office she will be well informed, particularly since this project is located in her district. The public hearing closed at 3:08 p.m.

No written comments were submitted in advance of the meeting and none were presented at the meeting.

Respectfully submitted this 9th day of May, 2016.



Barry Forbes, Secretary/Treasurer

A Daily Publication By:



ANGELA A. ABBOTT, P.A.
4420 S WASHINGTON AVE
TITUSVILLE

FL 32780

STATE OF FLORIDA COUNTY OF BREVARD:

Before the undersigned authority personally appeared Kim Curro, who on oath says that he or she is a Legal Advertising Representative of the FLORIDA TODAY, a daily newspaper published in Brevard County, Florida that the attached copy of advertisement, being a Legal Ad in the matter of


Legal Notices

as published in FLORIDA TODAY in the issue(s) of:

03/22/16

Affiant further says that the said FLORIDA TODAY is a newspaper in said Brevard County, Florida and that the said newspaper has heretofore been continuously published in said Brevard County, Florida each day and has been entered as periodicals matter at the post office in MELBOURNE in said Brevard County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he or she has never paid nor promised any person, firm or coporation any discount, rebale, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Sworn to and Subscribed before me this 22th of March 2016, by Kim Curro who is personally known to me


Ruby Royer
Notary Public for the State of Florida
My Commission expires January 30, 2018

Publication Cost: \$253.30
Ad No: 0001131524
Customer No: BRE-6AN287



RUBY ROYER
NOTARY PUBLIC
STATE OF FLORIDA
Comm# FF088043
Expires 1/30/2018

AD#1131524 3/22/2016

**NOTICE OF PUBLIC HEARING
CONCERNING THE BREVARD COUNTY
HOUSING AUTHORITY'S
PROPOSED ISSUANCE OF ITS
MULTIFAMILY HOUSING REVENUE
BONDS, SERIES 2016, IN AN
AGGREGATE AMOUNT OF NOT TO
EXCEED \$12,000,000**

Public Notice is hereby given that the Brevard County Housing Finance Authority (the "Authority") will conduct a public hearing on April 8, 2016, at 3:00 p.m. or thereafter, in the F.S.C. Room of the Brevard County Agricultural Center, 3655 Lake Drive, Cocoa, Florida, in accordance with the Tax Equity Fiscal Responsibility Act ("TEFRA") on the proposed issuance by the Authority of its Multi-Family Housing Revenue Bonds, Series 2016 in the aggregate principal amount of not to exceed \$12,000,000 for purposes of financing the Project referenced below. The proceeds of such bonds will be used to finance the acquisition, rehabilitation, and equipping of the following Project located at the following location in Brevard County, Florida:

Owner: NEW TRINITY TOWERS SOUTH PRESERVATION ASSOCIATES, L.L.P. or an affiliated entity
Project Name: TRINITY TOWERS SOUTH
Location: 615 East New Haven Avenue, Melbourne, Florida
No. of Units: 182
Aggregate principal amount of tax exempt bonds: \$12,000,000

If any member of the general public wishes to be heard at the hearing he or she may do so by appearing in person at the time and place set forth above or by submitting their views in writing delivered at least 24 hours prior to the date and time of the meeting set forth above to the Authority, c/o Angela Abbott, 4420 S. Washington Avenue, Titusville, Florida 32780.

The purpose of the public hearing is to afford members of the general public an opportunity to be heard with respect to the proposed issuance of the Bonds by the Authority.

All interested parties are invited to attend and present their comments at the time and place set forth above.

IF ANY PERSON WISHES TO APPEAL ANY DECISION MADE BY THE AUTHORITY WITH RESPECT TO ANY MATTER CONSIDERED AT THIS HEARING, HE OR SHE WILL NEED A RECORD OF THE PROCEEDINGS, AND FOR SUCH PURPOSE, HE OR SHE MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS MADE.

BREVARD COUNTY HOUSING FINANCE AUTHORITY



PUBLIC RESOURCES ADVISORY GROUP

MEMORANDUM TO: Brevard County Housing Finance Authority

FROM: Public Resources Advisory Group ("PRAG")

SUBJECT: Trinity Towers South Multifamily Mortgage Tax-Exempt Project Loan Application

DATE: May 11, 2016

Introduction

New Trinity Towers South Preservation Associates LLLP ("Applicant") has requested a Multifamily Mortgage Tax-Exempt Project Loan from the Brevard County Housing Finance Authority ("HFA") in an amount not to exceed \$10,500,000 for the acquisition and rehabilitation of Trinity Towers South, located in Melbourne, Florida. This memorandum describes the Trinity Towers South development and its proposed financing plan.

The Development

Trinity Towers South is a four story midrise development located at 615 East New Haven Avenue, Melbourne, Florida 32901. Originally constructed in 1982 by the Holy Trinity Episcopal Church to shelter low-income elderly residents, the property currently consists of 130 studios and 32 one-bedroom/bathroom units totaling 162 units serving an elderly (62+) population. 40% of the total units (65 units) are set aside for individuals earning 60% or less of the Area Median Income ("AMI"). The developer is also receiving funding from the State and is restricting 20% of the total units (33 units) for individuals earning 50% or less AMI. The remaining 40% of the units (64 units) are available at market rate.

The current owner of the site is Trinity Towers South Preservation Associates LLLP, subject to a ground lease with the city of Melbourne. Preservation of Affordable Housing, Inc. is the general partner of the present owner. The property has a full time property manager, as well as an assistant property manager and a resident services coordinator. Residents have access to so-site primary health care, fraud avoidance and computer education, a check-in program, and assistance with light housekeeping, grocery shopping and laundry.

The developer is proposing a comprehensive rehabilitation including upgrades or replacement of major systems including some HVAC and fire improvements; new windows, kitchens and bathrooms; accessibility upgrades and ADA renovations. All work will occur in occupied units. Residents may be asked to be out of their units on the days the work takes place in their unit but will return each evening.



Proposed Financing Plan

Source	Lender	Construction	Permanent
Tax-Exempt Project Loan	HFA/Citi	\$8,850,000	\$5,310,000
Elderly Housing Community Loan	Florida Housing	\$750,000	\$750,000
Seller third mortgage	Preservation of Affordable Housing	\$2,082,000	\$2,082,000
Sponsor's fourth mortgage	Preservation of Affordable Housing	\$1,680,276	\$1,680,276
HC Equity	Boston Capital Corporation	\$739,933	\$4,932,889
Deferred Developer Fee	Preservation of Affordable Housing, LLC	\$1,753,812	\$1,551,763
Deferred	Operating Deficit Reserve	\$450,907	\$0
TOTAL		\$16,306,928	\$16,306,928

The Applicant is requesting from the HFA a Tax-Exempt Project Loan in an amount not to exceed \$10,500,000. The total development cost is currently estimated at \$16,306,928. Citibank, N.A. has provided a Term Sheet for a Funding Loan in an amount up to \$8,850,000 to the HFA during the construction period. Proceeds from the Funding Loan will fund the Project Loan from the HFA to the borrower on a draw-down basis. At the time of construction completion and stabilization, the Project Loan will convert to permanent financing in a reduced amount not to exceed \$5,310,000.

Other sources of funds include: an Elderly Housing Community Loan ("EHCL") second mortgage from Florida Housing, in the amount of \$750,000; a Seller third mortgage from Preservation of Affordable Housing ("POAH") in the amount of \$2,082,000; and a Sponsor's fourth mortgage from POAH in the amount of \$1,680,276; and \$4,932,889 in Housing Credits Equity to be provided by Boston Capital Corporation, with \$739,933 of the total amount being available during the construction period.

To balance the construction period sources, the Operating Deficit Reserve of \$450,907 will be deferred along with \$1,753,812 in Developer Fee. \$1,555,763 of the developer fee will be deferred during the permanent period.

Debt Service Coverage

The applicant projects debt service coverage of 1.442x on the first mortgage. These numbers are subject to review in the credit underwriting process.

Recommendation

We recommend that the HFA authorize the issuance a Multifamily Mortgage Tax-Exempt Project Loan in an amount not to exceed \$10,500,000 for the acquisition and rehabilitation of Trinity Towers South.



Lincoln Plaza
300 S Orange Avenue
Suite 1170
Orlando, FL
32801-3470

407 648-2208
407-648-1323 fax
www.pfm.com

May 13, 2016

Board of County Commissioners
Brevard County, Florida
Viera, Florida

Brevard County Housing Finance Authority
Brevard County, Florida
Viera, Florida

Re: Not to Exceed \$10,500,000 Multi-Family Housing Revenue Bonds, Series 2016 – Trinity Tower South Apartments Project

Ladies and Gentlemen:

It is our understanding that New Trinity Towers South Preservation Associates LLLP (the "Borrower") has requested the Brevard County Housing Finance Authority (the "Authority") issue not to exceed \$10,500,000 Multi-Family Housing Revenue Bonds, Series 2016 (the "2016 Bonds") to (i) finance the acquisition, rehabilitation, construction and development in one or more phases of the Trinity Towers South project in Brevard County and (ii) fund financing costs and reserves. As financial advisor to Brevard County, Florida (the "County"), Public Financial Management, Inc. (PFM) is required to certify that the 2016 Bonds meet or exceed the County's debt issuance guidelines, which require an investment grade underlying credit rating for publically offered bonds, provided however that unrated bonds may be approved by the County provided that they are sold only to institutional investors in minimum denominations of \$100,000. The Borrower and its' representatives have provided a draft term sheet from Citibank, N.A. that indicates they are willing to provide the Authority a direct loan. Therefore, it is PFM's opinion that the 2016 Bonds meet the criteria of being sold to an institutional investor as required by the County and the Authority. Please note that PFM did not prepare or review any type of feasibility report related to the Borrower's ability to service the debt and has no responsibility to do so. PFM also bears no liability for potential errors in the information provided by the Borrower or its' representatives.

Sincerely,
Public Financial Management, Inc.

James W. Glover
Managing Director

Cc: Angela Abbott, Brevard County Housing Finance Authority