



AGENDA REPORT
July 10, 2018

TEFRA Hearing for Capital Trust Agency Senior Living Revenue Bonds

SUBJECT:

Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) hearing for Capital Trust Agency Senior Living Revenue Bonds (Rockledge Senior Living Project), Series 2018 (the "Bonds")

FISCAL IMPACT:

NONE

DEPT/OFFICE:

County Attorney Office

REQUESTED ACTION:

Hold TEFRA public hearing on proposed Bonds and adopt Resolution approving the Bonds for TEFRA purposes and the ability of the Capital Trust Agency to issue the Bonds in a principal amount not exceeding \$35,000,000 and to loan the proceeds thereof to Premium Edge, LLC, a Florida limited liability company (the "Borrower"), to finance the acquisition, construction, installation and equipping of a senior living and memory care facility herein described; authorize the Chair to execute the Resolution.

SUMMARY EXPLANATION and BACKGROUND:

The County Attorney's Office has been approached by Bryant Miller Olive, 1 Tampa City Center, Suite 2700, Tampa, Florida, 33602, which Firm is serving as Special Counsel to the Capital Trust Agency with respect to the above Bonds. The primary purpose of the Bonds is to finance a senior living and memory care facility. Specifically, the proceeds of the Bonds will be used for the purpose of financing or refinancing, including through reimbursement, (i) the acquisition, construction, installation and equipping of a senior living and memory care facility, yet to be named, located on approximately 11 acres at the southeast corner of South Fiske Boulevard (State Road 519) and Roy Wall Boulevard, Rockledge, Brevard County, Florida 32955, including land, an approximately 150,000 square foot building, and equipment, consisting of approximately 144 senior living units (including approximately 54 independent living units, 63 assisted living units and 27 memory care units, food service and dining areas, therapy and spa rooms, swimming pool, gym and other amenities), together with the acquisition and installation of related facilities, fixtures, furnishings and equipment; (ii) funding capitalized interest on the Bonds; (iii) funding any necessary reserves; and (iv) paying certain costs of issuing the Bonds.

The only involvement of the County in this process is to hold a TEFRA Hearing per Section 147(f) of the Internal Revenue Code and to approve, for purposes of intergovernmental cooperation, the issuance of the Bonds by the Capital Trust Agency to finance a project located in Brevard County (the County will not be the issuer of the Bonds).

In accordance with Section 5 of the Resolution, **the County will have absolutely no liability with respect to the Project or to pay principal of or interest on the Bonds and the issuance of the Bonds will not result in any obligation of the County, financial or otherwise.** The Bonds will be limited obligations of the Capital Trust Agency, payable solely from the revenue derived from the Borrower and pledged to the payment of the Bonds.

ATTACHMENTS:

Description

- ▢ **CTA Letter To County Requesting TEFRA Hearing**
- ▢ **TEFRA Resolution for Approval**
- ▢ **Exhibit B to TEFRA Resolution**
- ▢ **Bond Counsel Memo**
- ▢ **Financial Advisor Memo**
- ▢ **Exhibit A Legal Ad**



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

July 11, 2018

MEMORANDUM

TO: Eden Bentley, County Attorney

RE: Item H.7., Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) Hearing for Capital Trust Agency Senior Living Revenue Bonds (Rockledge Senior Living Project), Series 2018 (The Bonds)

The Board of County Commissioners, in regular session on July 10, 2018, adopted Resolution No. 18-096, approving the Bonds for TEFRA purposes and the ability of the Capital Trust Agency to issue the Bonds in the principal amount not exceeding \$35,000,000, and to loan the proceeds thereof to Premium Edge, LLC, a Florida Limited Liability Company, to finance the acquisition, construction, installation, and equipping of a senior living and memory care facility. Enclosed are two fully-executed Resolutions.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

A handwritten signature in cursive script that reads "Tammy Rowe".

Tammy Rowe, Deputy Clerk

Encls. (2)

cc: Finance
Budget

RESOLUTION 2018-96

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA, APPROVING, SOLELY FOR THE PURPOSES OF SECTION 147(F) OF THE INTERNAL REVENUE CODE AND SECTION 163.01, FLORIDA STATUTES, THE ISSUANCE BY THE CAPITAL TRUST AGENCY OF ITS SENIOR LIVING REVENUE BONDS (ROCKLEDGE SENIOR LIVING PROJECT), SERIES 2018, IN ONE OR MORE SERIES PURSUANT TO A PLAN OF FINANCE, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$35,000,000, FOR THE PURPOSE OF FINANCING THE SENIOR LIVING FACILITY HEREIN DESCRIBED; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of County Commissioners (the "Board") of Brevard County, Florida (the "County"), has been informed that the Capital Trust Agency (the "Issuer") proposes to issue a principal amount not exceeding \$35,000,000 of its Senior Living Revenue Bonds (Rockledge Senior Living Project), Series 2018, in one or more series (the "Bonds"), the proceeds of which will be loaned to Premium Edge, LLC, a Florida limited liability company, and/or one or more related and/or affiliated entities (collectively, the "Borrower"), for the purpose of financing or refinancing, including through reimbursement, (i) the acquisition, construction, installation and equipping of a senior living and memory care facility, yet to be named, located on approximately 11 acres at the southeast corner of South Fiske Boulevard (State Road 519) and Roy Wall Boulevard, Rockledge, Brevard County, Florida 32955, including land, an approximately 150,000 square foot building, and equipment, consisting of approximately 144 senior living units (including approximately 54 independent living units, 63 assisted living units and 27 memory care units, food service and dining areas, therapy and spa rooms, swimming pool, gym and other amenities), together with the acquisition and installation of related facilities, fixtures, furnishings and equipment (collectively, the "Senior Living Facility"); (ii) funding capitalized interest on the Bonds; (iii) funding any necessary reserves; and (iv) paying certain costs of issuing the Bonds (collectively, the "Project"); and

WHEREAS, in order to finance the costs of the Project from the proceeds of the Bonds on a tax-exempt basis, it is necessary to hold a public hearing and approve the issuance of the Bonds for the purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and Section 163.01, Florida Statutes, as amended (the "Interlocal Act"); and

WHEREAS, a public hearing was held by the Board on the date hereof, following notice by publication in *Florida Today* at least fourteen (14) days prior to the date hereof (the "Notice"), during which comments and discussions concerning the issuance of the Bonds by the Issuer to lend the proceeds thereof to the Borrower to pay costs of the Project were requested and heard, as required by Section 147(f) of the Code; and

WHEREAS, the Borrower and the Issuer have requested the Board approve the issuance of the Bonds for purposes of Section 147(f) of the Code and the Interlocal Act; and

WHEREAS, the Bonds, when issued by the Issuer, will be special, limited obligations of the Issuer payable solely from the proceeds to be derived from the repayment of the related loan to the Borrower or from the security pledged therefor by the Borrower, and the County will not be obligated to pay the Bonds or have any obligation or liability pecuniary or otherwise in any respect whatsoever with respect to the Bonds or the Project; and

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

SECTION 1. Findings. The Board hereby finds, determines and declares as follows:

A. Pursuant to the Notice published in *Florida Today*, a newspaper of general circulation in the County, not less than fourteen (14) days prior to the date hereof, a public hearing was held before the Board, as required by Section 147(f) of the Code on the date hereof. The public hearing provided a reasonable opportunity for interested persons to express their views, both orally and in writing, on the proposed issuance of the Bonds, the location and nature of the Senior Living Facility and its operation by the Borrower. The location of the public hearing, under the applicable facts and circumstances, is convenient for the residents of the County. A proof of publication of such Notice is attached hereto as Exhibit A and minutes of such public hearing will be kept on file with the Clerk of the Circuit Court and Ex-Officio Clerk to the Board (the "Clerk"), and are hereby incorporated herein by reference.

B. The Board is the elected legislative body of the County, and the County has jurisdiction over the entire area in which the Senior Living Facility is located.

C. The Board has determined, based solely upon representations and information provided by the Borrower and without any independent investigation or research by the County, that the issuance of the Bonds to finance the Project: (i) is appropriate to the needs and circumstances of, and will make contributions to the economic growth of the County, (ii) will provide or preserve gainful employment, (iii) will promote commerce within the State, (iv) will provide safe and accessible housing for the elderly, and (v) will serve a public purpose by advancing the economic prosperity, living conditions, and the general welfare of the State and its people by providing for an assisted living facility within the meaning of Chapter 159, Part II, Florida Statutes.

D. Based solely upon representations and information provided by the Borrower, the County will be able to cope satisfactorily with the impact of the Senior Living Facility and will be able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, that will be necessary for the operation, repair, and maintenance of

the Senior Living Facility and on account of any increases in population or other circumstances resulting therefrom.

SECTION 2. Approval for Purposes of Section 147(f) of the Code. For the purposes of Section 147(f) of the Code, the Board hereby approves the issuance of the Bonds by the Issuer in one or more series, in an aggregate principal amount not exceeding \$35,000,000.

SECTION 3. Approval for Purposes of the Interlocal Act.

A. For the purposes of the Interlocal Act, the County authorizes the Issuer to issue the Bonds in a principal amount not exceeding \$35,000,000 and to loan the proceeds thereof to the Borrower to finance or refinance the Project. The Issuer is hereby authorized to exercise all powers relating to the issuance of the Bonds vested in the Board pursuant to the Constitution and the laws of the State and to do all things within the jurisdiction of the County which are necessary or convenient for the issuance of the Bonds and the financing or refinancing of the Project to the same extent as if the County were issuing its own obligations for such purposes without any further authorization from the County to exercise such powers or to take such actions.

B. The County shall not be liable for any costs of issuing the Bonds or the costs incurred by it in connection with the preparation, review, execution or approval of any documentation or opinions required to be delivered in connection therewith by the County or counsel to any of them. All of such costs shall be paid from the proceeds of the Bonds or from other moneys of the Borrower.

C. The Bonds shall not constitute an indebtedness or liability of the County.

SECTION 4. Payment of Fees and Costs by Borrower. The fees and expenses of the County shall be paid by the Borrower in the manner and to the extent mutually agreed upon by the officials of the County and the Borrower at or prior to issuance of the Bonds.

SECTION 5. No Liability or Endorsement. The County shall have no obligation, financial or otherwise, with respect to the Bonds, and the approval given herein by the Board shall not be deemed or construed to create any obligation or liability, pecuniary or otherwise, of the County, in connection with either the Bonds or the Project in any respect whatsoever and the Issuer shall so provide in the documents related to the issuance of the Bonds. The general credit or taxing power of the County or the State or any political subdivision or public agency thereof shall not be pledged to the payment of the Bonds. No statement, representation or recital made herein shall be deemed to constitute a legal conclusion or a determination by the County that any particular action or proposed action is required, authorized or permitted under the laws of the State or the United States.

No recourse under or upon any obligation, covenant or agreement of this Resolution or the Bonds or any agreement executed in connection with the Bonds, or for any claim based thereon or otherwise in respect thereof, shall be had against any Board member, the County Manager, the Clerk or the County Attorney or any other County staff or professionals retained by the County in connection with the issuance of the Bonds, as such, past, present or future, either directly or through the County, it being expressly understood (a) that no personal liability whatsoever shall attach to, or is or shall be incurred by, the Board members, the County Manager, the Clerk or the County Attorney or any other staff of the County or professionals retained by the County in connection with the issuance of the Bonds, as such, under or by reason of the obligations, covenants or agreements contained in this Resolution or implied therefrom, and (b) that any and all such personal liability, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, every such Board member, the County Manager, the Clerk or the County Attorney or any other staff of the County or professionals retained by the County in connection with the issuance of the Bonds, as such, are waived and released as a condition of, and as a consideration for, the execution of this Resolution on the part of the County.

The approval given herein shall not be construed as: (i) an endorsement of the creditworthiness of the Borrower or the financial viability of the Project, (ii) a recommendation to any prospective purchaser to purchase the Bonds, (iii) an evaluation of the likelihood of the repayment of the debt service on the Bonds, or (iv) 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 Senior Living Facility, and the Board shall not be construed by reason of its adoption of this Resolution to make any endorsement, finding or recommendation or to have waived any right of the Board or to have estopped the Board from asserting any rights or responsibilities it may have in such regard.

SECTION 6. Indemnification. The receipt of the Indemnification Certificate of the Borrower attached hereto as Exhibit B and incorporated hereby by reference is a material inducement to the County in granting the approvals set forth herein.

[Remainder of Page Intentionally Left Blank]

SECTION 7. Effective Date. This Resolution shall take effect immediately upon its adoption.

DULY PASSED AND ADOPTED this 10th day of July, 2018.

BOARD OF COUNTY COMMISSIONERS OF
BREVARD COUNTY, FLORIDA

(SEAL)

By: 

Rita Pritchett
Chair

Approved by Board July 10, 2018

ATTEST:



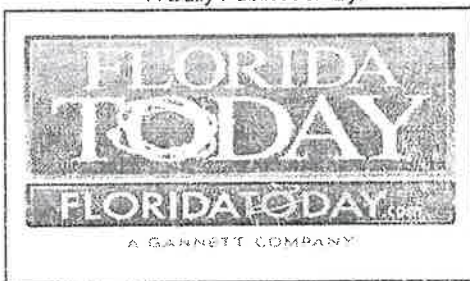
Scott Ellis, Clerk of the Circuit Court
and Ex-Officio Clerk to the Board of
County Commissioners of Brevard
County, Florida

Exhibit A: Publisher's Affidavit Regarding Notice of Public Hearing
Exhibit B: Indemnification Certificate of the Borrower

EXHIBIT A

PROOF OF PUBLICATION

[Follows.]



BRYANT MILLER OLIVE
ONE TAMPA CITY CENTER, SUITE 2700

TAMPA, FL 33602

STATE OF FLORIDA COUNTY OF BREVARD:
Before the undersigned authority personally appeared Becky Holland, 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

Notice Public Hearing

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

06/26/18

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 WELBOURNE 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, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Sworn to and Subscribed before me this 26th of June 2018, by Becky Holland who is personally known to me

Adia Bell
Notary Public for the State of Florida
My Commission expires January 27, 2020

Publication Cost: \$447.16
Ad No: C002993556
Customer No: 8132736677BRYA



Adia Bell
NOTARY PUBLIC
STATE OF FLORIDA
Comm# FF954893
Expires 1/27/2020

AD#2993556, 6/26/2018

NOTICE OF PUBLIC HEARING

The Capital Trust Agency (the "CTA") has been requested by Premium Edge, LLC, a Florida limited liability company, and/or one or more related and/or affiliated entities (collectively, the "Borrower"), to issue its Senior Living Revenue Bonds (Rockledge Senior Living Project), in one or more series, in an aggregate principal amount not to exceed \$35,000,000 (the "Bonds").

For the purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), notice is hereby given that the Board of County Commissioners (the "Board") of Brevard County, Florida (the "County"), will hold a public meeting and hearing at 5:00 p.m., or as soon thereafter as practicable, on July 10, 2018, in the Government Center, 2725 Fran Jamieson Way, Building C, First Floor, Viera, Florida. The purpose of the hearing is to consider authorization of the issuance of the Bonds to provide funds to be loaned by the CTA to the Borrower for the purpose of financing or refinancing, including through reimbursement, (i) the acquisition, construction, installation and equipping of a senior living and memory care facility, yet to be named, located on approximately 11 acres at the southeast corner of South Fiske Boulevard (State Road 519) and Roy Wall Boulevard, Rockledge, Brevard County, Florida 32955, including land, an approximately 150,000 square foot building, and equipment, consisting of approximately 144 senior living units (including approximately 54 independent living units, 63 assisted living units and 27 memory care units, food service and dining areas, therapy and spa rooms, swimming pool, gym and other amenities), together with the acquisition and installation of related facilities, fixtures, furnishings and equipment (collectively, the "Senior Living Facility"); (ii) funding capitalized interest on the Bonds; (iii) funding any necessary reserves; and (iv) paying certain costs of issuing the Bonds (collectively, the "Project").

The plan of finance contemplates that the CTA will issue, with respect to such Project, not exceeding \$35,000,000 in aggregate principal amount of the Bonds in one or more series and loan the proceeds of such Bonds to the Borrower to provide funds for the Project. The Senior Living Facility will be owned, operated and managed by the Borrower.

The County will neither issue, nor be obligated in any manner with respect to, the Bonds.

The Bonds, when issued, will be special, limited obligations of the CTA payable solely out of the revenues, income and receipts pledged to the payment thereof and derived from financing agreements with the Borrower, and the CTA will not be obligated to pay the principal of, premium, if any, or interest on the Bonds except from the payments of the Borrower. The Bonds will not constitute: (i) a debt, liability or obligation of the CTA, the County, the State, or any political subdivision, public agency or municipality thereof, (ii) a pledge of the full faith and credit of the CTA, the County, the State, or any political subdivision, public agency or municipality thereof, or (iii) a pledge of the taxing power of the County, the State, or any political subdivision, public agency or municipality thereof within the meaning of any constitutional or statutory provision. The CTA has no taxing power.

At the time and place fixed for said public hearing all who appear will be given an opportunity to express their views for or against the proposal to approve the issuance of said Bonds and the plan of finance. Prior to said public hearing, written comments may be delivered to the Clerk of the Circuit Court, Ex-Officio Clerk to the Board, 2825 Judge Fran Jamieson Way, Viera, Florida 32940. All persons are advised that, if they decide to appeal any decision made by the County with respect to any matter considered at this meeting, they will need a record of the proceedings, and for such purpose, they 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 to be based. All interested persons are invited to present their comments at the time and place set forth above.

THE COUNTY ADHERES TO THE AMERICANS WITH DISABILITIES ACT AND WILL MAKE REASONABLE ACCOMMODATIONS FOR ACCESS TO THIS MEETING UPON REQUEST. PLEASE CALL THE COUNTY MANAGER'S OFFICE AT (321) 663-2006 TO MAKE A REQUEST FOR HEARING IMPAIRED, 1-800-955-8771 (TDD) AND 1-800-955-8770 (VOICE). REQUESTS MUST BE RECEIVED AT LEAST 48 HOURS IN ADVANCE OF THE MEETING IN ORDER FOR THE COUNTY TO PROVIDE THE REQUESTED SERVICE.

EXHIBIT B

INDEMNIFICATION CERTIFICATE OF THE BORROWER

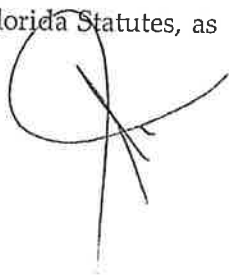
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EXHIBIT B

INDEMNIFICATION CERTIFICATE OF THE BORROWER

The undersigned hereby certifies that he or she is authorized to execute and deliver this Indemnification Certificate of the Borrower and further represents, on behalf of Premium Edge, LLC, a Florida limited liability company, and/or one or more related and/or affiliated entities (collectively, the "Borrower"), the following (capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in Resolution No. 2018-__ adopted by the Board of County Commissioners (the "Board") of Brevard County, Florida (the "County") on July 10, 2018 (the "County Resolution")):

- (1) At the request of the Borrower, the Capital Trust Agency (the "Issuer") proposes to issue a principal amount not exceeding \$35,000,000 of its Senior Living Revenue Bonds (Rockledge Senior Living Project), Series 2018 (the "Bonds"), the proceeds of which will be loaned to the Borrower for the purpose of financing or refinancing, including through reimbursement, (i) the acquisition, construction, renovation, installation and equipping of the Senior Living Facility to provide assisted living and memory care for the elderly, (ii) funding capitalized interest on the Bonds; (iii) funding any necessary reserves; and (iv) paying certain costs of issuing the Bonds (collectively, the "Project");
- (2) The issuance of the Bonds to finance the Project: (i) is appropriate to the needs and circumstances of, and will make contributions to, the economic growth of the County, (ii) will provide or preserve gainful employment, (iii) will promote commerce within the State, (iv) will provide safe and accessible housing for the elderly, and (iv) will serve a public purpose by advancing the economic prosperity, living conditions, and the general welfare of the State and its people by providing for an assisted living facility within the meaning of Chapter 159, Part II, Florida Statutes;
- (3) The County will be able to cope satisfactorily with the impact of the Senior Living Facility and will be able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, that will be necessary for the operation, repair, and maintenance of the Senior Living Facility and on account of any increases in population or other circumstances resulting therefrom;
- (4) In order to finance the costs of the Project from the proceeds of the Bonds on a tax-exempt basis, it is necessary to hold a public hearing and approve the issuance of the Bonds for the purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and Section 163.01, Florida Statutes, as amended (the "Interlocal Act");

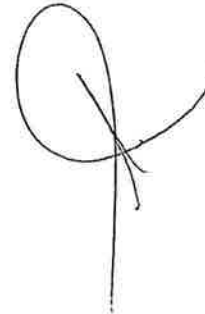


(5) The Borrower has requested the Board to hold such public hearing and approve the issuance of the Bonds for purposes of Section 147(f) of the Code and the Interlocal Act; and

(6) The County desires indemnification from the Borrower as a material inducement to the Board holding such hearing and granting the foregoing approval.

NOW THEREFORE, THE UNDERSIGNED, ON BEHALF OF THE BORROWER, DOES HEREBY: Agree to defend the County and its officials, employees, attorneys, professionals and agents and the members of the Board, and hold the County and its officials, employees, attorneys, professionals and agents and the members of the Board, harmless against any and all claims, losses, liabilities or damages to property or any injury or death of any person or persons occurring in connection with the issuance of the Bonds or the acquisition or operation of the Project by or on behalf of the Borrower, including in the case of any and all negligence of such indemnitee, or in any way growing out of or resulting from the Project or from the issuance, sale or delivery of the Bonds, including, but not limited to, liabilities or costs arising under the Code, the Securities Act of 1933, the Securities Exchange Act of 1934 or any applicable securities law of the State, including, without limitation, all costs and expenses of the County, including reasonable attorneys' fees, incurred in connection therewith.

[Remainder of Page Intentionally Left Blank]

A handwritten signature in black ink, consisting of a large, stylized loop at the top, followed by a vertical line that ends in a small hook.

IN WITNESS WHEREOF, the Borrower has executed this Indemnification Certificate of the Borrower this 20th day of June, 2018.

PREMIUM EDGE, LLC, a Florida limited liability company

By: 

Name: Alberto Espinosa Desigaud

Its: Manager

[Signature Page | Indemnification Certificate of the Borrower]

CAPITAL TRUST AGENCY

315 Fairpoint Drive • Gulf Breeze, Florida 32561 • Office 850-934-4046 • Fax 850-934-4048

June 20, 2018

VIA EMAIL

Mr. Frank Abbate
County Manager
Brevard County, Florida
2725 Judge Fran Jamieson Way, Bldg C
Viera, Florida 32940
Frank.Abbate@BrevardFL.gov

Re: Action Requested: Adoption of a resolution by the Board of County Commissioners of Brevard County, Florida, for the purposes of Section 147(f) of the Internal Revenue Code and the Florida Interlocal Cooperation Act, approving the issuance by the Capital Trust Agency of its Bonds (as hereinafter defined) for the purpose of financing a senior living facility

Dear Mr. Abbate:

I am the Executive Director of the Capital Trust Agency ("CTA"). CTA was created in 1999 through enabling Florida Statutes that provide for governmental entities to sponsor and facilitate public purpose financings that meet applicable state and federal laws. We have worked with numerous counties and municipalities throughout Florida to issue tax-exempt and taxable debt to provide capital funding of projects beneficial to the citizens of Florida. CTA has been asked to serve as issuer of bonds for a senior living facility, more fully described below, located in Brevard County, Florida (the "County").

CTA has agreed to issue its senior living revenue bonds in an amount not to exceed \$35,000,000 (the "Bonds") in one or more series, either taxable or tax-exempt, or both, and loan the proceeds thereof to Premium Edge, LLC, a Florida limited liability company, and/or one or more related and/or affiliated entities ("Premium Edge"), and a tax-exempt organization described in Section 501(c)(3) of the Internal Revenue Service Code of 1986 (the "Code"). Premium Edge, acting through itself or through its affiliates, plans to acquire, construct, develop, install and equip, as well as own and operate an independent living, assisted living, and memory care facility for the elderly, including real estate, related facilities, fixtures, furnishings and equipment and comprised of approximately 54 independent living units, approximately 63 assisted living units, and approximately 27 memory care units, to be known as Rockledge Senior Living, located in the County (the "Senior Living Facility").

In order for the Bonds to be issued as tax-exempt bonds, certain requirements of the Code relating to the issuance of the Bonds must be met. One such requirement is the approval by the County of the use of the proceeds of the Bonds within the County in accordance with the Tax Equity and Fiscal Responsibility Act ("TEFRA"), as required by Section 147(f) of the Code.

Mr. Frank Abbate
County Manager
Brevard County, Florida
June 20, 2018
Page 2

Accordingly, CTA, on behalf of Premium Edge, respectfully requests that the County, at a meeting of its Board of County Commissioners (the "Board"), consider providing its TEFRA approval by resolution of the Board. We have reviewed the Board's meeting schedule and we believe the Board's meeting on July 10, 2018 will provide adequate time for the resolution to be finalized and to provide the citizens of the County with notice. In addition, the Code requires there be a public hearing regarding the Bonds prior to the Board's consideration of the TEFRA Resolution. With the permission of the County, CTA is prepared to publish the required notice of public hearing. The law requires this hearing to be no sooner than 14 days following its published date.

Finally, for purposes of Section 163.01, Florida Statutes, as amended (the Interlocal Cooperation Act), CTA respectfully requests the local jurisdiction's permission to finance the project within the local jurisdiction's corporate limits.

We have been in contact with Assistant County Attorney Christine M. Schverak and the County's Bond Counsel Steve Miller, Esq. of Nabors, Giblin & Nickerson and the County's Financial Advisor, Jay Glover from PFM Financial Advisors. Each have reviewed and approved the following:

1. The proposed form of a resolution to be considered by the Board. As you will note from the language in Section 5 of the attached resolution, the County will have absolutely no liability with respect to the Project or to pay principal of or interest on the Bonds and the issuance of the Bonds will not result in any obligation, financial or otherwise, of the County. The Bonds will be limited obligations of CTA, payable solely from the revenue derived from Premium Edge and pledged to the payment of the Bonds;
2. The proposed form of a TEFRA Script that the Chair of the Board might use as an aid in conducting the TEFRA Hearing; and
3. The proposed form of a TEFRA Notice required to be published in a newspaper of general circulation within the County at least 14 days before the TEFRA Hearing. If you determine that we can move forward, we will coordinate the publication of the TEFRA Notice with the Clerk to the Board and will provide you with an affidavit of publication.

Mr. Frank Abbate
County Manager
Brevard County, Florida
June 20, 2018
Page 3

As noted in documents 1 – 3 above, the Bonds are not obligations of the County, and the County, the Board and its employees and agents have been granted appropriate indemnity.

As a side note, the bond counsel law firm working with the CTA on this transaction is the Jacksonville office of Foley & Lardner LLP. Additionally, we have engaged the law firm of Bryant Miller Olive P.A. for additional work on the transaction. For any professional counsel and advice the County may deem necessary to solicit, Premium Edge will make restitution for all reasonable expenses incurred by the County, including payment of the \$2,500 review fee to each of the County's Bond Counsel and the County's Financial Advisor.

We truly believe this financing is a positive for all involved. We are pleased to be a part of it, and appreciate the County giving our request for TEFRA approval due consideration.

If there is a problem with scheduling this matter for consideration at the Board's July 10, 2018 meeting, or if you or any of the members of the Board or your staff require any additional information, please contact me at your earliest convenience.

Sincerely,

A handwritten signature in cursive script that reads "Ed Gray III" followed by a stylized initial or mark.

Ed Gray III
Executive Director

cc: (All with enclosures)
Eden Bentley, County Attorney
Christine M. Schverak, Assistant County Attorney

Attachments:

Form TEFRA Resolution (including indemnification certificate from the Borrower)
Proposed TEFRA Script
Proposed TEFRA Notice

TAMPA
Suite 1060, 2502 Rocky Point Drive
Tampa, Florida 33607
(813) 281-2222 Tel
(813) 281-0129 Fax

**Nabors
Giblin &
Nickerson** P.A.
ATTORNEYS AT LAW

FORT LAUDERDALE
1225 S.E. Second Avenue
Fort Lauderdale, Florida 33316
(954) 525-8000 Tel
(954) 525-8331 Fax

TALLAHASSEE
Suite 200, 1500 Mahan Drive
Tallahassee, Florida 32308
(850) 224-4070 Tel
(850) 224-4073 Fax

MEMORANDUM

TO: Eden Bentley, Brevard County Attorney
Frank Abbate, Brevard County Manager

FROM: Steven E. Miller, Esq.

DATE: June 20, 2018

RE: Review of Legal Documentation for the Capital Trust Agency Senior
Living Revenue Bonds (Rockledge Senior Living Project)

The Capital Trust Agency ("CTA") is proposing to issue tax-exempt and taxable private activity bonds (the "Bonds") in order to finance costs of a senior living and memory care facility to be located within the City of Rockledge (the "Project"), as more particularly described in the materials provided by CTA and included in the agenda package for the July 10, 2018 meeting of the Board of County Commissioners (the "BOCC"). Proceeds of the Bonds will be loaned to Premium Edge, LLC, a Florida limited liability company, and/or one or more related and/or affiliated entities (collectively, the "Borrower"). The Borrower will own and operate the Project and will be responsible for payment of debt service on the Bonds.

In order to comply with certain Federal and State law requirements with respect to the issuance of private activity bonds such as the Bonds, CTA has requested that the BOCC hold a public hearing with respect to the Project and the issuance of the Bonds and to adopt a resolution providing limited approval of the issuance of the Bonds. You have asked Nabors, Giblin & Nickerson, PA, as Bond Counsel to the County, to review the documentation provided to the County by CTA to ensure that it satisfies the applicable legal requirements and to confirm that the County has no obligation, financial or otherwise, with respect to the Project or the Bonds.

We have reviewed all of the relevant documentation and provided various comments to counsel for CTA. Our comments have been addressed and, from the County's standpoint, all of the documentation is now legally sufficient. The resolution proposed to be adopted by the BOCC satisfies the pertinent federal and state law requirements and provides that the neither the County nor any of the elected officials or staff of the County will have any obligation or liability, financial or otherwise, with respect to the Project or the Bonds.

cc: Christine Schverak
Kathy Wall



June 21, 2018

Memorandum

To: Frank Abbate, County Manager
Eden Bentley, County Attorney

From: Jay Glover, Managing Director – PFM Financial Advisors LLC

Re: Review of Financing Structure for the Capital Trust Agency Senior Living Revenue Bonds
(Rockledge Senior Living Project)

The Capital Trust Agency ("CTA") is proposing to issue tax-exempt and taxable private activity bonds (the "Bonds") in order to finance costs of a senior living and memory care facility to be located within the City of Rockledge (the "Project"), as more particularly described in the materials provided by CTA and included in the agenda package for the July 10 meeting of the Board of County Commissioners (the "BOCC"). Proceeds of the Bonds will be loaned to Premium Edge, LLC, a Florida limited liability company, and/or one or more related and/or affiliated entities (collectively, the "Borrower"). The Borrower will own and operate the Project and will be solely responsible for payment of debt service on the Bonds.

In order to comply with certain Federal and State law requirements, as applicable, with respect to the issuance of private activity bonds such as the Bonds, CTA has requested that the BOCC hold a public hearing with respect to the Project and the issuance of the Bonds and to adopt a resolution providing limited approval of the issuance of the Bonds. You have asked PFM Financial Advisors LLC, as Financial Advisor to the County, to review the documentation provided to the County as well as the proposed financing structure to ensure that the proposed transaction will not have a financial impact on the County, impair the County's credit ratings or impact the County's ability to issue debt in the future. We have also reviewed the proposed structure to ensure that the Bonds are being sold to either "accredited investors" or "qualified institutional buyers".

We have reviewed all of the relevant documentation as well as the proposed financing structure and based on that review, can confirm that the proposed issuance of the Bonds will not have any negative impact on the County. In addition, the Bonds will be sold to only "qualified institutional buyers" or "accredited investors" who are represented by Greenwich Investment Management, Inc., a registered investment adviser under the Investment Advisers Act of 1940, as amended, as representative of each of the purchasers of the Bonds, with BB&T Capital Markets serving as underwriter.

cc: Christine Schverak, Assistant County Attorney
Kathy Wall, Special Projects Coordinator IV

TEFRA HEARING PROCEDURES
(Premium Edge, LLC)

OPEN THE TEFRA HEARING:

This is a hearing for purposes of the federal Tax Equity and Fiscal Responsibility Act ("TEFRA"), as required by section 147(f) of the Internal Revenue Code, regarding the possible issuance by the Capital Trust Agency of one or more series of its Senior Living Revenue Bonds (Rockledge Senior Living Project) in an aggregate principal amount of not to exceed \$35,000,000.

THE AUDIENCE SHOULD BE ASKED:

- (1) Are there any persons who wish to speak for or against the Bonds or the Project to be financed thereby?**
- (2) Have any written communications been received (read into record).**

THEN CONCLUDE THE PUBLIC HEARING.

GENERAL INFORMATION REGARDING TRANSACTION:

- (1) Describe the facilities to be financed with the Bonds.**

The Bonds are being issued by the Capital Trust Agency for the purpose of financing or refinancing, including through reimbursement, the acquisition, construction, installation and equipping of a senior living and memory care facility, yet to be named, located on approximately 11 acres at the southeast corner of South Fiske Boulevard (State Road 519) and Roy Wall Boulevard, Rockledge, Brevard County, Florida 32955, including land, an approximately 150,000 square foot building, and equipment, consisting of approximately 144 senior living units (including approximately 54 independent living units, 63 assisted living units and 27 memory care units, food service and dining areas, therapy and spa rooms, swimming pool, gym and other amenities), together with the acquisition and installation of related facilities, fixtures, furnishings and equipment (collectively, the "Senior Living Facility").

- (2) Describe how the Bond proceeds will be used.**

The proceeds of the Bonds will be loaned to Premium Edge, LLC, a Florida limited liability company, and/or one or more related and/or affiliated entities (collectively, the "Borrower"), for the purpose of financing or refinancing, including through reimbursement, (A) the acquisition, construction, installation and equipping of the Senior Living Facility to provide assisted living and memory care for the elderly, (B) the funding of capitalized interest on the Bonds; (C) the funding of any necessary reserves; and (iv) the payment of certain costs of issuing the Bonds (collectively, the "Project").

(3) What is the public purpose for the Bond Issue?

Based solely upon representations and information provided by the Borrower, the issuance of the Bonds to finance the Project is appropriate to the needs and circumstances of the County and serves a public purpose by (i) providing and preserving gainful employment and making contributions to the economic growth of the local community, (ii) promoting commerce within the State of Florida, (iii) providing safe and accessible housing for the elderly, and (iv) advancing the economic prosperity, living conditions, and the general welfare of the State and its people.

(4) Will the Capital Trust Agency or the County be responsible for repaying the Bonds?

The Bonds will expressly state that none of the Capital Trust Agency, the City of Gulf Breeze, Florida, Brevard County, the State of Florida, or any other municipality, political subdivision, or public agency of the State of Florida are liable to pay the principal of or interest on the Bonds. The County will have no obligations, financial or otherwise, with respect to the Bonds. The hearing and the County's approval are only necessary to satisfy certain federal tax law and state law requirements.

(5) What is the maximum amount of tax-exempt Bonds that will be issued?

The maximum amount of tax-exempt Bonds to be issued to provide funds for the Project will be approximately \$35,000,000.