



Agenda Report

2725 Judge Fran Jamieson
Way
Viera, FL 32940

Consent

F.19.

5/5/2020

Subject:

Resolution approving the issuance of Multi-Family Housing Revenue Bonds by Brevard County Housing Finance Authority (Southlake Towers Project)

Fiscal Impact:

None

Dept/Office:

County Attorney's Office

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, rehabilitation, equipping and development of Southlake Towers (the "Project").

Summary Explanation and Background:

On October 22, 2019, the Board of County Commissioners adopted Resolution No. 2019-212, which approved the issuance within the meaning of Section 147(f) of the Internal Revenue Code of 1986, as amended, of the Authority's Multifamily Housing Revenue Bonds (Southlake Towers Project), in the principal amount of not to exceed \$11,000,000. Subsequently, Southlake Towers, LLLP, an affiliate of ReBuild America -Phoenix, Inc., submitted a request for an additional \$2,200,000 in bonds to cover increased construction and development costs for the Project, for a total issue size of \$13,200,000 to finance the acquisition, rehabilitation, equipping and development of the Project. The Project is an existing apartment complex located at 5501 Pinewood Drive, Northeast, in Palm Bay, Florida, and consists of 85 units (22 efficiency and 63 one-bedroom apartments), which will be rented 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 apartment 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 30 years, whichever is longer. Project amenities will include a laundry facility, two community rooms, a dog park and an outdoor gazebo. Renovations to the existing apartments will include upgrading kitchens and bathrooms, replacing appliances with energy star appliances, replacing flooring, enhancing lighting and security features and completing deferred maintenance.

On April 22, 2020, 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 to the proposed Resolution. In order to issue tax exempt bonds for the Project, the Authority must apply for and receive an additional allocation of \$2,200,000 from the State Regional Pool prior 240

to June 30, 2020. Brevard County is in Region 17, with Volusia County, which shares a total annual allocation of approximately \$57,644,854.

The tax-exempt financing will be in the form of a construction/permanent loan. As a condition of approval, the County's financial advisor will verify that the financing meets or exceeds the Guidelines of the Authority. The County's Financial Advisor has reviewed the project and anticipates the funding will be within the county's debt issuance guidelines if it remains at the proposed levels. (See attachment.)

The Board's approval of the issuance of the Bonds by the Authority to finance costs of the Project is required by applicable federal tax law.

The County's outside bond counsel has reviewed the project and stated the following: "The Resolution proposed to be adopted by the BOCC satisfies the pertinent federal and state law requirements and provides that 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 Bond." (See attachment.)

Cost Benefit Analysis:

This issue will provide funds to finance the acquisition, rehabilitation, equipping and development of 85 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 bonds 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; Steven E. Miller, (813) 281-2222; smiller@ngn-tampa.com <<mailto:smiller@ngn-tampa.com>>; Jay Glover, PFM Financial Advisors LLC, (407) 406-5760; gloverj@pfm.com

Clerk to the Board Instructions:

Return a signed Resolution to CAO



May 6, 2020

M E M O R A N D U M

TO: Eden Bentley, County Attorney

RE: Item F.19, Resolution Approving the Issuance of Multi-Family Housing Revenue Bonds by Brevard County Housing Finance Authority (Southlake Towers Project)

The Board of County Commissioners, in regular session on May 5, 2020, adopted Resolution No. 20-043, 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, rehabilitation, equipping and development of Southlake Towers. Enclosed is a fully-executed Resolution.

Your continued cooperation is greatly appreciated.

Sincerely yours,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Kimberly Powell, Deputy Clerk

/cw

Encl. (1)

cc: Finance
Budget

RESOLUTION NO. 20-043

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA AMENDING AND RESTATING IN ITS ENTIRETY RESOLUTION NO. 2019-212, TO READ AS FOLLOWS:

"A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA, APPROVING THE ISSUANCE OF NOT EXCEEDING \$13,200,000 MULTI-FAMILY HOUSING REVENUE BONDS OF THE BREVARD COUNTY HOUSING FINANCE AUTHORITY, BREVARD COUNTY, FLORIDA FOR THE SOUTHLAKE TOWERS 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 June 26, 2019, adopted a resolution, as amended and restated on April 22, 2020 (the "Resolution") to implement a financing plan in concept to issue Multifamily Housing Revenue Bonds, Series 2020 (Southlake Towers Project) (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 and development in one or more phases of the Southlake Towers project in Brevard County (the "Project") and (2) to fund Bond financing costs and Bond reserves; and

WHEREAS, Southlake Towers, LLLP, a Florida limited liability limited partnership (the "Borrower"), and ReBuild America-Phoenix, Inc., an Arizona not-for-profit corporation, the Borrower of the proposed Bonds and general partner of the Borrower, respectively, have submitted the Indemnification Certificate attached hereto as Exhibit A; 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 a 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 a Report Regarding Public Hearing is attached hereto as Exhibit B (the "Report"); and

WHEREAS, the Authority considered all comments and concerns, if any, expressed by such individuals and the Board has reviewed the Report; and

WHEREAS, the Board desires to approve the Project and the issuance of the Bonds for federal tax purposes 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 22, 2020 with respect to the Bonds and the Project. After consideration of the Report and representations made to the County by representatives of the Authority 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 \$13,200,000 for the purposes expressed in the Authority's Resolution. This approval is subject to the condition subsequent that the County attorney and the County's Bond Counsel 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. 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 Project, 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 4. This resolution shall take effect immediately upon adoption.

This Resolution passed and adopted this 5th day of May, 2020.

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

(SEAL)

By: Bryan Andrew Lober
Bryan Lober, Chair

Attest:

As approved by the Board on May 5, 2020

By:

Scott Ellis

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

EXHIBIT A

INDEMNIFICATION CERTIFICATE

The undersigned hereby certifies that he or she is authorized to execute and deliver this Indemnification Certificate and further represents, in the name of and on behalf of Southlake Towers, LLLP, a Florida limited liability limited partnership (the "Borrower") and ReBuild America-Phoenix, Inc., an Arizona not-for-profit corporation (the "General Partner" and, collectively with the Borrower, the "Indemnitors"), the following:

(1) At the request of the Borrower, the Brevard County Housing Finance Authority (the "Issuer") proposes to issue its tax-exempt housing revenue bonds in an aggregate principal amount not to exceed \$13,200,000, in one or more series issued at one or more times (collectively, the "Bonds"), the proceeds of which are to be used to (i) finance all or a portion of the cost of the acquisition, development, construction and/or rehabilitation, financing and ownership of an approximately 85-unit multifamily rental housing development known as Southlake Towers located at 5501 Pinewood Drive, NE, Palm Bay, Florida (the "Project");

(2) The issuance of the Bonds to finance the Project: (i) is appropriate to the needs and circumstances of, and will make a significant contribution to the economic growth of the community in which it is located, (ii) will provide or preserve gainful employment, (iii) will promote commerce and economic development within the State of Florida and (iv) will serve a public purpose by advancing the general welfare of the State and its people by providing for a housing development within the meaning of Chapter 159, Part IV, Florida Statutes, as amended;

(3) Brevard County, Florida (the "County") will continue to be able to cope satisfactorily with the impact of the Project 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 Project 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");

(5) The Issuer held a public hearing with respect to the issuance of the Bonds on April 22, 2020;

(6) The Borrower has requested the Board of County Commissioners (the "Board") of the County to approve the issuance of the Bonds for purposes of Section 147(f) of the Code; and

(7) The County desires indemnification from the Indemnitors as a material inducement to the Board granting the foregoing approval.


NOW THEREFORE, THE UNDERSIGNED, ON BEHALF OF THE INDEMNITORS, DOES HEREBY: Agree to defend the County and its officials, employees, attorneys and agents and the members of the Board, and hold the County and its officials, employees, attorneys 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, development, construction rehabilitation, ownership 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 Internal Revenue Code of 1986, as amended, the Securities Act of 1933, the Securities Exchange Act of 1934 or any applicable securities law of the State of Florida, including, without limitation, all costs and expenses of the County, including reasonable attorneys' fees, incurred in connection therewith.

IN WITNESS WHEREOF, the Indemnitors have executed this Indemnification Certificate this 5th day of May, 2020.

SOUTHLAKE TOWERS, LLLP, a Florida limited liability limited partnership

By: ReBuild America-Phoenix, Inc., an Arizona not-for-profit corporation, its general partner

By:
Name:
Title:



Mark J. Kemp

Vice President

REBUILD AMERICA-PHOENIX, INC., an Arizona not-for-profit corporation

By:
Name:
Title:



Mark J. Kemp

Vice President

EXHIBIT B

REPORT REGARDING PUBLIC HEARING

REPORT OF BREVARD COUNTY HOUSING FINANCE AUTHORITY

The Brevard County Housing Finance Authority (the "Authority") conducted a public hearing on the proposed issuance by the Authority of not to exceed \$13,200,000 in Multifamily Housing Revenue Bonds, (Southlake Towers Project) (the "Bonds") and on the nature and location of the project to be financed with the Bonds.

The public hearing was held by telephone conference call on April 22, 2020, commencing at 3:03 p.m. and closing at 3:04 p.m., pursuant to the notice of such hearing which was published on April 14, 2020, on the Authority's website and on April 15, 2020, on the County's website. A copy of the Affidavit as to publication of notice is attached to Resolution No. 2020-04 as Exhibit C. Interested individuals were given the opportunity to express their views, both orally and in writing.

The following numbers of people attended the hearing or submitted written comments and were in favor of or opposed to the proposed issuance of the Bonds or the nature or location of the project to be financed with the Bonds:

Number of people in attendance:	<u>13</u>
Number of written comments:	<u>0</u>
Number of people in favor:	<u>0</u>
Number of people opposed:	<u>0</u>

Respectfully submitted this 22nd day of April, 2020.



ANGELA A. ABBOTT, ESQUIRE, Attorney for
the Brevard County Housing Finance
Authority

RESOLUTION NO. 2020-04

A RESOLUTION AMENDING AND RESTATING A RESOLUTION ENTITLED "RESOLUTION REGARDING THE OFFICIAL ACTION OF THE BREVARD COUNTY HOUSING FINANCE AUTHORITY RELATIVE TO THE ISSUANCE OF NOT TO EXCEED \$11,000,000 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 SOUTHLAKE TOWERS, LLLP; AND PROVIDING AN EFFECTIVE DATE."

Resolution No. 19-01 of the Brevard County Housing Finance Authority, is hereby amended and restated in its entirety to read as follows:

WHEREAS, Southlake Towers, LLLP, a Florida limited liability limited partnership (the "Company") has applied to the Brevard County Housing Finance Authority (the "Authority") to (i) issue its Multifamily Housing Revenue Bonds, Series 2020 (Southlake Towers Project) in a principal amount not to exceed \$13,200,000 (the "Bonds") for the purpose of financing a portion of the costs of the acquisition, rehabilitation, equipping and development of an 85-unit multifamily residential housing facility known as "Southlake Towers" for persons or families of low, middle or moderate income, to be located in Brevard, Florida (the "Project"), and (ii) to loan the proceeds of the Bonds to the Company pursuant to Chapter 159, Part IV, Florida Statutes, or such other applicable provision or provisions of Florida law (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 \$13,200,000 and to loan the proceeds thereof available to finance a portion of the Project under a project 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 reviewed 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 will on this date hold a public hearing on the proposed issuance of the Bonds for the purposes herein stated, which date is at least 7 days following the publication of a notice of such public hearing as required by law (an affidavit regarding the publication of such notice is attached hereto as Exhibit B). Such public hearing, which will occur prior to the adoption of this Resolution, 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; and

WHEREAS, it is intended that this Resolution shall constitute official action toward the issuance of the Bonds within the meaning of the Internal Revenue Code of 1986, as amended, and 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 any 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 a portion of the Project in an aggregate principal amount of not to exceed \$13,200,000.

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 \$13,200,000 for the purpose of financing a portion of the Project described in such Memorandum of Agreement. The Bonds shall be designated the "Brevard County Housing Finance Authority Multifamily Housing Revenue Bonds, Series 2020 (Southlake Towers Project)".

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, any Vice Chairman or the 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 with respect to the Bonds.

7. **APPROVAL OF NOTICE OF PUBLIC HEARING.** The form of notice of public hearing attached hereto as Exhibit B, the publication of which is evidenced by the affidavit attached hereto as Exhibit C, is hereby ratified and confirmed.

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 other 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, 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 Authority; (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

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 with respect to the Bonds.

7. **APPROVAL OF NOTICE OF PUBLIC HEARING.** The form of notice of public hearing attached hereto as Exhibit B, the publication of which is evidenced by the affidavit attached hereto as Exhibit C, is hereby ratified and confirmed.

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 other 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, 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 Authority; (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 (excluding the admission of a tax-credit limited partner and as otherwise specifically approved by the Authority); (5) the number of multi-family units to be constructed by the Company not decreasing by more than five (5%) percent from the 85 units referenced in the Company's Application; and (6) 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 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 take effect immediately.

ADOPTED this 22nd day of April, 2020.

(SEAL)

**BREVARD COUNTY HOUSING FINANCE
AUTHORITY**

ATTEST:

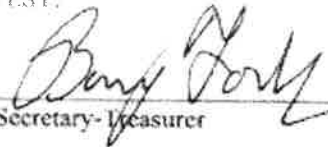

By:  Secretary-Treasurer
By:  Chairman

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 Southlake Towers, 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, rehabilitation, equipping and development of the Project will be in excess of \$13,200,000.

(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 \$13,200,000 (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 \$13,200,000.

(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 April 22, 2020 (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, constructing, 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) \$13,200,000.

(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, rehabilitating, 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 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 22nd day of April, 2020.

**BREVARD COUNTY HOUSING
FINANCE AUTHORITY**

By: 
Chairman

SOUTHLAKE TOWERS, L.L.P. a Florida
limited liability limited partnership

By: ReBuild America - Phoenix, Inc., an
Arizona not-for-profit corporation, its
General Partner

By: 

EXHIBIT B

NOTICE OF PUBLIC HEARING CONCERNING THE BREVARD COUNTY HOUSING FINANCE AUTHORITY'S PROPOSED ISSUANCE OF ITS MULTIFAMILY HOUSING REVENUE BONDS, SERIES 2020, IN AN AGGREGATE AMOUNT OF NOT TO EXCEED \$13,200,000

Public Notice is hereby given that the Brevard County Housing Finance Authority (the "Authority") will conduct a public hearing on April 22, 2020 at 3:00 p.m. by means of a virtual meeting 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 2020 in the aggregate principal amount of not to exceed \$13,200,000 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: SOUTHLAKE TOWERS, LLLP
Project Name: SOUTHLAKE TOWERS
Location: 5501 Pinewood Drive, NE, Palm Bay, Florida 32905
No. of Units: 85
Aggregate principal amount of tax exempt Bonds: not exceeding \$13,200,000

If any member of the general public wishes to be heard at the hearing he or she may do so by calling 1-866-569-3761; Passcode 8537016177 at the time 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 Angela Abbott, Esq. at angelaabbott@cfl.rr.com.

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.

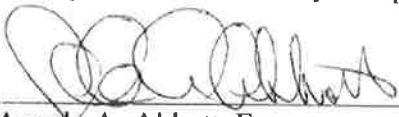
BREVARD COUNTY HOUSING FINANCE
AUTHORITY

EXHIBIT C

NOTICE AFFIDAVIT

I, Angela A. Abbott, Esquire, attorney for the Brevard County Housing Finance Authority (the "Authority") do hereby affirm that the documents attached hereto as Schedule 1 and Schedule 2 represent (a) a screen shot showing notice of the Authority's TEFRA public hearing scheduled for April 22, 2020, which notice was placed on the Authority's website on April 14, 2020, and (b) a screen shot showing said notice of public hearing as displayed on the Brevard County calendar of events as of April 15, 2020.

IN WITNESS WHEREOF, I have hereunto set my hand this 22nd day of April, 2020.



Angela A. Abbott, Esq..



Brevard County Housing Finance Authority

Home Ownership Program

First Mortgage Loan Program

The Home Ownership Program is a first mortgage loan program that provides financing for the purchase of a home. The program is designed to help low and moderate income families achieve homeownership. The program is administered by the Brevard County Housing Finance Authority.

How does the program work?

The program works by providing a first mortgage loan to eligible borrowers. The loan is used to purchase a home. The program is designed to help low and moderate income families achieve homeownership.

Down Payment and Closing Cost Assistance

The program also provides assistance with down payment and closing costs. This assistance is provided in the form of a grant. The grant is used to cover the down payment and closing costs of the home.

Mortgage Credit Certificate (MCC)

The program also provides a Mortgage Credit Certificate (MCC). The MCC is a document that is used to reduce the borrower's federal income tax liability. The MCC is issued by the Brevard County Housing Finance Authority.

Can I learn more about Mortgage Credit Certificate (MCC)?

What kind of home may I purchase?

The program is designed to help low and moderate income families achieve homeownership. The program is administered by the Brevard County Housing Finance Authority.

Who qualifies?

The program is designed to help low and moderate income families achieve homeownership. The program is administered by the Brevard County Housing Finance Authority.

What are the steps in the process?

The program is designed to help low and moderate income families achieve homeownership. The program is administered by the Brevard County Housing Finance Authority.

What are the state's role in the process?

The program is designed to help low and moderate income families achieve homeownership. The program is administered by the Brevard County Housing Finance Authority.

What is a Repayment Plan?

The program is designed to help low and moderate income families achieve homeownership. The program is administered by the Brevard County Housing Finance Authority.

Target Areas

The program is designed to help low and moderate income families achieve homeownership. The program is administered by the Brevard County Housing Finance Authority.

Participating Lenders

The program is designed to help low and moderate income families achieve homeownership. The program is administered by the Brevard County Housing Finance Authority.

NOTICE OF PUBLIC MEETING

The Brevard County Housing Finance Authority is holding a public meeting on the following agenda:

1. Approval of the minutes of the previous meeting.
2. Approval of the annual budget for the year 2019-2020.
3. Approval of the annual report for the year 2018-2019.

The meeting will be held on the following date and time:

Date: April 14, 2020
Time: 1:00 p.m.

The meeting will be held at the following location:

Location: Brevard County Administration Center, 1000 N. US Highway 1, Suite 100, Brevard, FL 32909.

The meeting is open to the public. No fee is required for attendance.

For more information, please contact the Brevard County Housing Finance Authority at (321) 633-1234.

NOTICE OF PUBLIC MEETING

The Brevard County Housing Finance Authority is holding a public meeting on the following agenda:

1. Approval of the minutes of the previous meeting.
2. Approval of the annual budget for the year 2019-2020.
3. Approval of the annual report for the year 2018-2019.

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Date: April 14, 2020
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Location: Brevard County Administration Center, 1000 N. US Highway 1, Suite 100, Brevard, FL 32909.

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For more information, please contact the Brevard County Housing Finance Authority at (321) 633-1234.

The meeting is open to the public. No fee is required for attendance.



Posted to Brevard County website April 15, 2020 at 9:29 a.m.

NOTICE OF PUBLIC HEARING

CONCERNING THE BREVARD COUNTY HOUSING FINANCE AUTHORITY'S
PROPOSED ISSUANCE OF ITS
MULTIFAMILY HOUSING REVENUE BONDS, SERIES 2020, IN AN
AGGREGATE AMOUNT OF NOT TO EXCEED \$13,200,000

Public Notice is hereby given that the Brevard County Housing Finance Authority (the "Authority") will conduct a public hearing on April 22, 2020 at 3:00 p.m. by means of a virtual meeting 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 2020 in the aggregate principal amount of not to exceed \$13,200,000 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: SOUTHLAKE TOWERS, LLLP
Project Name: SOUTHLAKE TOWERS
Location: 5501 Pinewood Drive, NE, Palm Bay, Florida 32905
No. of Units: 85
Aggregate principal amount of tax exempt Bonds: not exceeding \$13,200,000

If any member of the general public wishes to be heard at the hearing he or she may do so by calling 1-866-569-3761; Passcode 8537016177 at the time 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 Angela Abbott, Esq. at angelaabbott@cfl.rr.com.

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 ("HFA")

FROM: Public Resources Advisory Group, Inc. ("PRAG")

SUBJECT: Southlake Towers
Revision of Bond Amount

DATE: April 27, 2020

Southlake Towers, LLLP (the "Applicant") has requested an increase in the amount of its Multifamily Mortgage Tax-Exempt Project Loan in the amount of \$2,200,000. This increase will cover increased construction and development costs for the development.

The Development:

Southlake Towers is an existing senior apartment facility located at 5501 Pinewood Dr. NE, in Palm Bay, Florida and consists of 85 units which will be rented exclusively to elderly residents age 62 and above. Pursuant to the requirements for the use of tax exempt financing, a Land Use Restriction Agreement encumbering the property will require that 40% of the apartment units are 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 30 years, whichever is longer. 100% of the units will be housing credit units and will also be subject to income limits pursuant to the Internal Revenue Service tax credit rules. Existing amenities include laundry facilities, community rooms, dog park and outdoor gazebo.

The Applicant, Southlake Towers, LLLP, has entered into an Agreement of Sale and Purchase of the property with South Atlantic Housing of Brevard, a Florida not-for-profit corporation.

Rehabilitation Plan:

Renovations to the existing apartments will include upgrading of kitchens and bathrooms, replacing appliances, flooring, enhancing lighting and security features and completion of deferred maintenance.

Unit Mix:

	Square Feet	Lower Income (30% of AMI)		Low Income (60% of AMI)		80% of AMI	
		Number of Units	Rent	Number of Units	Rent	Number of Units	Rent
Studio	415	4	\$1,182	14	\$1,182	4	\$1,182
1 BR	540	9	1,217	39	1,217	15	1,217
Total		13		53		19	



Financing Plan and Sources and Uses of Funds

The development will be financed during construction with the proceeds of a tax exempt loan from Wells Fargo, a seller note, deferred developer fee and interim project income. Upon completion of the rehabilitation, Walker Dunlap will originate a permanent loan. The permanent loan will be sold to Freddie Mac, and the construction loan will be repaid.

Source	Lender	Construction	Permanent
First Mortgage	Authority Tax Exempt Note-Wells Fargo/Freddie Mac	\$12,000,000	\$7,720,000
Seller Note	Seller	9,354,652	9,354,652
Reserves	Developer	753,186	753,186
Tax Credit Equity	National Equity Fund	1,219,129	8,127,524
Interim Income	Developer	528,020	739,228
Deferred Developer Fee	Developer	<u>3,732,984</u>	<u>893,380</u>
Total		\$27,587,971	\$27,587,971

Recommendation:

Subject to review of the credit underwriting report and finalization of transaction terms, we recommend that the Brevard County Housing Finance Authority authorize the issuance of a Multifamily Mortgage Tax-Exempt Project Loan in the increased amount of \$13,200,000 for the acquisition and rehabilitation of Southlake Towers.

Map:





April 27, 2020

Memorandum

To: Frank Abbate, County Manager
Christine M. Schverak, Assistant County Attorney

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

Re: Review of Financing Structure for the Multi-Family Housing Revenue Bonds
(Southlake Towers Project) – REVISED

It is our understanding that Southlake Towers, LLLP (the "Borrower") has requested the Brevard County Housing Finance Authority (the "Authority") increase the not to exceed par amount of the Multi-Family Housing Revenue Bonds (Southlake Towers Project) (the "Bonds") from \$11,000,000 (initial request from October 2019) to \$13,200,000 to cover increased construction and development costs for the Project. The Bonds are being issued to finance the acquisition, rehabilitation, equipping and development of Southlake Towers (the "Project"). The Project is an existing apartment complex located at 5501 Pinewood Drive, NE, in Palm Bay, Florida, and consists of 85 units (22 efficiency and 63 one bedroom apartments), which will be rented to elderly residents (age 62 and over) of lower and moderate income.

As financial advisor to Brevard County, Florida (the "County"), PFM Financial Advisors LLC (PFM) is required to certify that the Bonds will 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. We have also been asked 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.

Since the original memo was provided, the Borrower and its' representatives have finalized the plan of finance. The construction will be financed with a tax-exempt loan from Wells Fargo Bank. Upon completion of the Project, a permanent loan will be sold to Freddie Mac and the construction loan will be repaid. This plan of finance will meet the criteria required by the County. We have also reviewed all of the relevant documentation and based on that review can confirm that the proposed issuance of the Bonds will not have any negative financial impact on the County.

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.

cc: Kathy Wall, Assistant to the County Manager

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: April 27, 2020

RE: Review of Legal Documentation for the Brevard County Housing Finance Authority Multifamily Housing Revenue Bonds, Series 2020 (Southlake Towers Project)

The Brevard County Housing Finance Authority (the "Authority") is proposing to issue tax-exempt private activity bonds (the "Bonds") in order to finance costs of various capital improvements to a multifamily rental housing development known as Southlake Towers and located at 5501 Pinewood Drive, NE, Palm Bay, Florida (the "Project"), as more particularly described in the materials provided by the Authority and included in the agenda package for the May 5, 2020 meeting of the Board of County Commissioners (the "BOCC"). Proceeds of the Bonds will be loaned to Southlake Towers, LLLP (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, a public hearing is required to be held with respect to the Project and the issuance of the Bonds and the BOCC is required to adopt a resolution providing limited approval of the issuance of the Bonds. The Authority held the initial required public hearing on June 26, 2019. The Authority held a second public hearing on April 22, 2020, in order to accommodate a request from the Borrower to increase the principal amount 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 the Authority 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 the Authority. 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 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



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

October 23, 2019

MEMORANDUM

TO: Eden Bentley, County Attorney Attn: Christine Schverak

RE: Item F.23, Resolution Approving the Issuance by Brevard County Housing Finance Authority of Multi-Family Housing Revenue Bonds (Southlake Towers Project)

The Board of County Commissioners, in regular session on October 22, 2019, adopted Resolution No. 19-212, allowing 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, rehabilitation, equipping, and development of the Southlake Towers (the "Project"). Enclosed is a fully-executed copy of the Resolution.

Your continued cooperation is greatly appreciated.

Sincerely yours,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Tammy Rowe

Tammy Rowe, Deputy Clerk

/cmw

Encl. (1)

cc: Attorney Angela Abbott
Finance
Budget

RESOLUTION NO. 2019-212

**A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF
BREVARD COUNTY, FLORIDA, APPROVING THE ISSUANCE OF NOT
EXCEEDING \$11,000,000 MULTI-FAMILY HOUSING REVENUE
BONDS OF THE BREVARD COUNTY HOUSING FINANCE
AUTHORITY, BREVARD COUNTY, FLORIDA FOR THE SOUTHLAKE
TOWERS 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 June 26, 2019, adopted a resolution (the "Resolution") to implement a financing plan in concept to issue Multifamily Housing Revenue Bonds, Series 2019 (Southlake Towers Project) (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 and development in one or more phases of the Southlake Towers project in Brevard County (the "Project") and (2) to fund Bond financing costs and Bond reserves; and

WHEREAS, Southlake Towers, LLLP, a Florida limited liability limited partnership (the "Borrower"), and ReBuild America-Phoenix, Inc., an Arizona not-for-profit corporation, the borrower and general partner of the borrower of the proposed Bonds, respectively, have submitted the Indemnification Certificate attached hereto as Exhibit A; 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 a 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 considered all comments and concerns, if any, 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 June 26, 2019 with reference to the Bonds and the Project. After consideration of the minutes of the public hearing and after 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 \$11,000,000 for the purposes expressed in the Authority's Resolution. This approval is subject to the condition subsequent that the County attorney and the County's Bond Counsel 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. 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 Project, 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 4. This resolution shall take effect immediately upon adoption.

This Resolution passed and adopted this 22 day of October, 2019.

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

(SEAL)

By: 

Kristine Isnardi, Chair

Attest:

By: 

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