

**RESOLUTION 2017-02**

**A RESOLUTION OF THE BREVARD COUNTY HOUSING FINANCE AUTHORITY AUTHORIZING THE ISSUANCE BY THE AUTHORITY OF NOT EXCEEDING \$8,210,000 IN AGGREGATE PRINCIPAL AMOUNT OF ITS MULTIFAMILY HOUSING REVENUE FUNDING NOTE, SERIES 2017 (CRANE CREEK APARTMENTS PROJECT) AND NOT EXCEEDING \$4,992,000 IN AGGREGATE PRINCIPAL AMOUNT OF ITS SUBORDINATE MULTIFAMILY HOUSING REVENUE NOTE, SERIES 2017 (CRANE CREEK APARTMENTS PROJECT); ESTABLISHING PARAMETERS FOR THE AWARD OF THE SALE THEREOF AND ESTABLISHING CRITERIA FOR DETERMINING THE TERMS THEREOF, INCLUDING THE DATE, INTEREST RATES, INTEREST PAYMENT DATES AND MATURITY SCHEDULE AND OTHER TERMS OF SUCH NOTES; APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION OF A FUNDING LOAN AGREEMENT, BORROWER LOAN AGREEMENT, LAND USE RESTRICTION AGREEMENT, SUBORDINATE LOAN AGREEMENT, AND RELATED LOAN DOCUMENTS; AUTHORIZING THE NEGOTIATED ISSUANCE AND DELIVERY OF THE NOTES; AUTHORIZING THE APPOINTMENT OF A FISCAL AGENT FOR THE FUNDING NOTE; AUTHORIZING THE CHAIR OR VICE CHAIR OR ANY AUTHORITY MEMBER AND THE SECRETARY TO TAKE ANY OTHER ACTIONS NECESSARY TO ISSUE THE NOTES AND MAKING OTHER PROVISIONS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Legislature of the State of Florida (the "State") has enacted the Florida Housing Finance Authority Law, Sections 159.601 through 159.623, Florida Statutes, as amended, pursuant to which the State has empowered each county in the State to create by ordinance a separate public body corporate and politic, to be known as a housing finance authority of the county for which its was created, for the purpose of alleviating a shortage of housing and creating capital for investment in housing in the area of operation of such housing finance authority, and the Florida Industrial Development Financing Act, Sections 159.25 through 159.431, Florida Statutes, whereby "local agencies" are authorized to issue revenue

bonds to enhance economic activity in the state and improve the prosperity and welfare of the state and its inhabitants (collectively, the "Act"); and

**WHEREAS**, pursuant to the Act, the Board of County Commissioners of Brevard County, Florida (the "Board") enacted 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") to carry out and exercise, without limitation, except as expressly stated in such ordinance, all powers and public and governmental functions set forth in and contemplated by the Act; and

**WHEREAS**, the Authority is a local agency within the meaning of the Act; and

**WHEREAS**, pursuant to the Act and the Ordinance, the Authority has determined, in order to further economic activity and improve the prosperity and welfare of citizens of Brevard County, to authorize the issuance of not exceeding \$8,210,000 in aggregate principal amount of its Multifamily Housing Revenue Funding Note, Series 2017 (Crane Creek Apartments Project) (the "Funding Note") and not exceeding \$4,992,000 in aggregate principal amount of its Subordinate Multifamily Housing Revenue Note, Series 2017 (Crane Creek Apartments Project) (the "Subordinate Note"; collectively with the Funding Note, the "Governmental Lender Notes") for the purpose of financing the acquisition and rehabilitation of a residential rental project for persons of low and moderate income known as Crane Creek Apartments (the "Project") located in Brevard County, Florida (the "County"); and

**WHEREAS**, the Authority deems it necessary to provide for the form of the hereinafter described Funding Loan Agreement, to be entered into with a bank or trust company to serve as Fiscal Agent, and to provide for the form of the hereinafter described Borrower Loan Agreement with respect to the Note and Subordinate Loan Agreement with respect to the Subordinate Note, and Land Use Restriction Agreement with respect to the Notes, and to authorize additional documents in connection therewith; and

**WHEREAS**, the Authority intends to negotiate the issuance of the Funding Note as hereinafter provided with Citibank, N.A. (the "Purchaser") or to such other lender as may be acceptable to the Authority, and to negotiate the issuance of the Subordinate Note with the seller of the acquired property; and

**WHEREAS**, a public hearing regarding the issuance of the Notes was duly held by the Authority on September 14, 2017 and notice thereof was published in Florida Today, and the issuance of said Notes was subsequently approved by resolution of the Board of County Commissioners of Brevard County, Florida, adopted October 24, 2017;

**NOW, THEREFORE, BE IT RESOLVED BY THE BREVARD COUNTY HOUSING FINANCE AUTHORITY, as follows:**

**SECTION 1. AUTHORITY FOR THIS RESOLUTION.** This Resolution is adopted pursuant to the provisions of Part IV of Chapter 159, Florida Statutes, Part II of Chapter 159, Florida Statutes, and other applicable provisions of law.

**SECTION 2. APPROVAL OF PROJECT.** The financing of the acquisition and rehabilitation of the Project by Melbourne Leased Housing Associates II, LLLP, a Florida limited liability limited partnership (the "Borrower"), as described in the Borrower Loan Agreements and the Subordinated Loan Agreement, is hereby approved.

**SECTION 3. AUTHORIZATION AND DESCRIPTION OF THE NOTES.** There is hereby authorized and directed to be issued the Authority's Funding Note in an aggregate principal amount not to exceed \$8,210,000 and the Subordinate Note in an aggregate amount not to exceed \$4,992,000. The Funding Note shall be issued under and secured by the Funding Loan Agreement, in substantially the form attached hereto as Exhibit "A," and the Subordinate Note shall be issued under and secured by the Subordinate Loan Agreement in substantially the form attached hereto as Exhibit "B", each with such modifications and changes as approved by the Chair or Vice Chair and Secretary or Assistant Secretary, their approval of which is presumed by their execution thereof. The form of the Notes by this reference is hereby incorporated into this Resolution as if set forth in full herein. The Notes shall mature in the amounts and at the times, shall bear interest at the rates, be redeemable at the redemption prices and upon the terms and shall have the other characteristics, as set forth in the Funding Loan Agreement and the Subordinate Loan Agreement, respectively.

**SECTION 4. NOTES ARE SPECIAL OBLIGATIONS OF THE AUTHORITY.** The Notes are special obligations of the Authority which are payable solely from moneys derived under the Borrower Loan Agreement and the Subordinate Loan Agreement, respectively. The Notes, together with the interest thereon, are limited obligations of the Authority and neither the Authority, Brevard County, Florida, the State, nor any political subdivision thereof shall be obligated to pay the Notes or the interest thereon or other costs or payments incident thereto, except from the aforementioned revenues and receipts, and neither the faith and credit nor the taxing power of Brevard County, Florida, the State or any political subdivision thereof is pledged to the payment of the Notes or the interest thereon or other costs or payments incident thereto. The Authority has no taxing power. The Notes and obligations arising thereunder do not create or reflect liability of the Authority or any member, official or employee thereof, except as otherwise described in this Section 4.

**SECTION 5. AUTHORIZATION OF EXECUTION OF FUNDING LOAN AGREEMENT.** The Funding Loan Agreement among the Authority, Citibank, N.A. and Wells Fargo Bank, National Association (the "Fiscal Agent"), in substantially the form attached hereto as Exhibit "A" (the "Funding Loan Agreement") is hereby approved, and the Chair, the Vice

Chair, or other board member and the Secretary or Assistant Secretary of the Authority or their duly authorized alternate officers are hereby authorized and directed to execute and deliver the Funding Loan Agreement on behalf of and in the name of the Authority with such additional changes, insertions and omissions therein, including but not limited to, the insertion of rates, maturities, sinking fund redemption provisions and other details of the Note determined as herein provided and as may be made prior to the delivery of the Note, and as may be otherwise made and approved by the said officers of the Authority executing the same, such execution to be conclusive evidence of such approval.

**SECTION 6. AUTHORIZATION OF EXECUTION OF BORROWER LOAN AGREEMENT.** The Borrower Loan Agreement between the Authority and the Borrower, in substantially the form attached hereto as Exhibit "B" (the "Borrower Loan Agreement") is hereby approved, and the Chair, the Vice Chair, or other board member and the Secretary or Assistant Secretary of the Authority or their duly authorized alternate officers are hereby authorized and directed to execute and deliver the Borrower Loan Agreement on behalf of and in the name of the Authority with such additional changes, insertions and omissions therein as may be made and approved by the said officers of the Authority executing the same, such execution to be conclusive evidence of such approval.

**SECTION 7. AUTHORIZATION OF EXECUTION OF SUBORDINATE LOAN AGREEMENT.** The Subordinate Loan Agreement between the Authority and the Borrower, in substantially the form attached hereto as Exhibit "C" (the "Subordinate Loan Agreement") is hereby approved, and the Chair, the Vice Chair, or other board member and the Secretary or Assistant Secretary of the Authority or their duly authorized alternate officers are hereby authorized and directed to execute and deliver the Subordinate Loan Agreement on behalf of and in the name of the Authority with such additional changes, insertions and omissions therein as may be made and approved by the said officers of the Authority executing the same, such execution to be conclusive evidence of such approval.

**SECTION 8. AUTHORIZATION OF EXECUTION OF LAND USE RESTRICTION AGREEMENT.** The Land Use Restriction Agreement among the Borrower, the Authority and the Fiscal Agent in substantially the form attached hereto as Exhibit "D" (the "Land Use Restriction Agreement") is hereby approved, and the Chair, the Vice Chair, or other board member and the Secretary or Assistant Secretary of the Authority or their duly authorized alternate officers are hereby authorized and directed to execute and deliver the Land Use Restriction Agreement on behalf of and in the name of the Authority, with such additional changes, insertions and omissions therein as may be made and approved by the said officers of the Authority executing the same, such execution to be conclusive evidence of such approval.

**SECTION 9. ISSUANCE AND DELIVERY OF NOTES.** It is hereby found and determined that due to the characteristics of the financing and the prevailing and anticipated market conditions, it is in the best interest of the Authority to negotiate the issuance and delivery of the Notes. The negotiated sale of the Funding Note to Citibank, N.A., at a price of par, is

hereby approved; provided that (i) the initial interest rate on the Funding Note shall not exceed 6.00% per annum, and (ii) the final maturity of the Funding Note shall not be later than 2052. The negotiated sale of the Subordinate Note to Crane Creek Senior Housing Partners, Ltd. at a price of par, is hereby approved, provided, that (a) the interest rate on the Subordinate Note shall not exceed 3.00% per annum, and (b) the final maturity of the Subordinate Note shall not be later than 2052.

**SECTION 10. APPOINTMENT OF FISCAL AGENT.** With respect to the Funding Note, Wells Fargo Bank, National Association is hereby appointed as Fiscal Agent.

**SECTION 11. GENERAL AUTHORITY.** The Chair, the Vice Chair, and the Secretary or Assistant Secretary and all other members of the Authority and the staff of the Authority are hereby authorized and directed to execute any and all certifications or other instruments or documents, including the endorsement of the Borrower Note to be made by the Borrower to the Authority, required by the Funding Loan Agreement, the Borrower Loan Agreement, the Subordinate Loan Agreement or any other document referred to above as a prerequisite or precondition to the issuance of the Notes, including, but not limited to, such mortgages and subordination agreements as shall be necessary to secure the repayment of the Notes, and any representation made therein shall be deemed to be made on behalf of the Authority. To the extent that the Chair, Vice Chair, and Secretary or Assistant Secretary of the Authority are unable for any reason to execute or deliver the documents referred to above, such documents may be executed, attested and/or delivered by their duly authorized alternate officers, with the same effect as if executed and/or delivered by the Chair, Vice Chair, or Secretary or Assistant Secretary. All action taken to date by the members of the Authority and the staff of the Authority in furtherance of the issuance of the Notes is hereby approved, confirmed and ratified, and the members of the Authority are hereby authorized to take such additional actions as they or any of them deem necessary or appropriate in furtherance of the issuance of the Notes.

**SECTION 12. REPEALING CLAUSE.** All prior resolutions and motions of the Authority inconsistent with the provisions of this Resolution are hereby modified, supplemented and amended to conform with the provisions herein contained, and except as otherwise modified, supplemented and amended hereby, shall remain in full force and effect.

**SECTION 13. SEVERABILITY AND INVALID PROVISIONS.** If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Notes issued hereunder.

**SECTION 14. EFFECTIVE DATE.** This Resolution shall become effective immediately upon its adoption.

**APPROVED AND ADOPTED** this 20<sup>th</sup> day of December, 2017.

**BREVARD COUNTY HOUSING  
FINANCE AUTHORITY**

(SEAL)

By: \_\_\_\_\_  
Chair

ATTEST

By: \_\_\_\_\_  
Secretary

**EXHIBIT "A"**

**FUNDING LOAN AGREEMENT**

**EXHIBIT "B"**

**BORROWER LOAN AGREEMENT**



**EXHIBIT "C"**

**SUBORDINATE LOAN AGREEMENT**

**EXHIBIT "D"**

**LAND USE RESTRICTION AGREEMENT**