



# Broward County

## Legislation Details (With Text)

<b>File #:</b>	21-948	<b>Version:</b>	1	<b>Status:</b>	Agenda Ready
				<b>In control:</b>	Resilient Environment - Housing Finance Division
<b>On agenda:</b>	6/15/2021	<b>Final action:</b>	6/15/2021		
<b>Title:</b>	MOTION TO ADOPT Resolution No. 2021-328 of the Board of County Commissioners of Broward County, Florida authorizing the issuance by the Housing Finance Authority of Broward County, Florida (the "HFA") of its not to exceed \$14,000,000 Multifamily Housing Revenue Note, Series 2021 (Pembroke Tower II) (the "Note") for the purpose of financing the acquisition, construction and equipping of Pembroke Tower II located in Broward County, Florida (the "Project"); establishing parameters for the award of the sale thereof and establishing criteria for determining the terms thereof, including interest rates, interest payment dates, maturity schedule and other terms of such Note; approving the forms of and authorizing the execution and delivery of (i) a Funding Loan Agreement by and among the HFA, STI Institutional & Government, Inc., as initial Funding Lender (the "Funding Lender"), and the Bank of New York Mellon Trust Company, N.A., as Fiscal Agent (the "Fiscal Agent"); (ii) a Project Loan Agreement by and between the HFA and SP Broward LLC (the "Borrower"); (iii) a Land Use Restriction Agreement by and among the HFA, the Fiscal Agent and the Borrower; (iv) an assignment of mortgage and loan documents by the HFA to the Fiscal Agent; (v) a Placement Agent Agreement by and between the HFA and Raymond James & Associates, Inc. and RBC Capital Markets, LLC, as Placement Agents; and (vi) a Fiscal Agent Fee Agreement by and between the HFA and the Fiscal Agent; approving and authorizing the execution and delivery by the HFA of certain additional agreements necessary or desirable in connection with the issuance of the Note; approving and ratifying the HFA's publication of a notice of public hearing and the subsequent holding of such public hearing each under Section 147(f) of the Internal Revenue Code of 1986, as amended, in connection with the issuance of the Note by the HFA; authorizing the proper Officers of the HFA to do all things necessary or advisable in connection with the issuance of the Note; and providing an effective date for this Resolution. (Commission District 6)				
<b>Sponsors:</b>					
<b>Indexes:</b>	Established Commission Goals				
<b>Code sections:</b>					
<b>Attachments:</b>	1. Exhibit 1 - County Resolution, 2. Exhibit 2 - HFA Resolution 2021-004, 3. Exhibit 3 - HFA Resolution 2021-006, 4. Exhibit 4 - TEFRA Hearing Minutes				

Date	Ver.	Action By	Action	Result
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### Broward County Commission Regular Meeting

**Director's Name:** Leonard Vialpando

**Department:** Environmental Protection

**Division:** Housing Finance & Comm. Redevelopment

### Information

#### Requested Action

MOTION TO ADOPT Resolution No. 2021-328 of the Board of County Commissioners of Broward County, Florida authorizing the issuance by the Housing Finance Authority of Broward County, Florida (the "HFA") of its not to exceed \$14,000,000 Multifamily Housing Revenue Note, Series 2021 (Pembroke Tower II) (the "Note") for the purpose of financing the acquisition, construction and equipping of Pembroke Tower II located in Broward County, Florida (the "Project"); establishing parameters for the award of the sale thereof and establishing criteria for determining the terms

thereof, including interest rates, interest payment dates, maturity schedule and other terms of such Note; approving the forms of and authorizing the execution and delivery of (i) a Funding Loan Agreement by and among the HFA, STI Institutional & Government, Inc., as initial Funding Lender (the "Funding Lender"), and the Bank of New York Mellon Trust Company, N.A., as Fiscal Agent (the "Fiscal Agent"); (ii) a Project Loan Agreement by and between the HFA and SP Broward LLC (the "Borrower"); (iii) a Land Use Restriction Agreement by and among the HFA, the Fiscal Agent and the Borrower; (iv) an assignment of mortgage and loan documents by the HFA to the Fiscal Agent; (v) a Placement Agent Agreement by and between the HFA and Raymond James & Associates, Inc. and RBC Capital Markets, LLC, as Placement Agents; and (vi) a Fiscal Agent Fee Agreement by and between the HFA and the Fiscal Agent; approving and authorizing the execution and delivery by the HFA of certain additional agreements necessary or desirable in connection with the issuance of the Note; approving and ratifying the HFA's publication of a notice of public hearing and the subsequent holding of such public hearing each under Section 147(f) of the Internal Revenue Code of 1986, as amended, in connection with the issuance of the Note by the HFA; authorizing the proper Officers of the HFA to do all things necessary or advisable in connection with the issuance of the Note; and providing an effective date for this Resolution. **(Commission District 6)**

### **Why Action is Necessary**

Board approval is required to authorize the Housing Finance Authority of Broward County, Florida ("HFA") to issue the Note and enter into contracts. The HFA is empowered under (i) the laws of the State of Florida, including the Florida Housing Finance Authority law, Florida Statutes, Sections 159.601 through 159.623 (the "Act"), and (ii) Ordinance 79-41 enacted by the Board of Commissioners of Broward County, Florida on June 20, 1979, as amended, to issue multifamily housing revenue bonds and notes.

### **What Action Accomplishes**

(i) Allows the HFA to finance the cost of the acquisition, construction and equipping of an 88 unit multifamily rental housing development, known as "Pembroke Tower II", (ii) approves a public hearing as required by Section 147(f) of the Internal Revenue Code of 1986 (the "TEFRA Hearing"), as amended, and notice thereof, and (iii) approves the form, execution, and delivery of various documents in connection with the delivery of the Note.

### **Is this Action Goal Related**

Yes

### **Previous Action Taken**

None Taken.

### **Summary Explanation/Background**

THE ENVIRONMENTAL PROTECTION AND GROWTH MANAGEMENT DEPARTMENT AND THE HOUSING FINANCE AND COMMUNITY REDEVELOPMENT DIVISION RECOMMEND APPROVAL OF THE ABOVE MOTION.

This item supports the Board's vision of offering sustainable, compatible, innovative housing options for all income-levels, including integrated supportive housing and rapid-rehousing: Goal 1: Facilitate a regional approach to growth and redevelopment through coordination and collaboration at the federal, state, county, and local levels; Goal 2: Strengthen stakeholder partnerships to increase the availability of affordable housing of all types (e.g. rental, purchase, supportive, etc.), countywide, in every community; and Goal 3: Develop, through effective community collaboration, neighborhoods

and communities incorporating intermodal connectivity, while integrating energy efficiency, community resilience, and other livability standards and initiatives.

On October 8, 2019, the Housing Finance Authority of Broward County (the "HFA") received a multifamily bond application from SP Broward LLC (the "Borrower") pertaining to the acquisition, construction, and equipping of an 88 unit multifamily residential rental housing development for persons of low to moderate income, known as "Pembroke Tower II" (the "Project"), located on approximately 1.55 acres bordering the east boundary of an existing multifamily rental housing development known as Pembroke Tower, located at 2201 North University Drive in the City of Pembroke Pines.

The Borrower has requested the HFA to issue its Multifamily Housing Revenue Note, Series 2021 (Pembroke Tower II) in the amount not to exceed \$14,000,000 (the "Note"), to provide funds with which STI Institutional and Government, Inc., a Delaware corporation, as initial funding lender (the "Funding Lender"), will make a loan to the HFA (the "Funding Loan"), and which Funding Loan proceeds will be used by the HFA to make a loan to the Borrower (the "Project Loan") to finance the acquisition, construction, and equipping of the Project.

At its April 21, 2021, board meeting, the HFA adopted Resolution No. 2021-004 (Exhibit 2), a) declaring its official intent to issue the Note in the amount not to exceed \$14,000,000 in order to finance the Project, and b) authorizing the HFA to publish notice (the "TEFRA Notice") and hold a public hearing under the Tax Equity and Fiscal Responsibility Act (the "TEFRA Hearing"). The TEFRA Notice was published in the Sun Sentinel on April 30, 2021, and the TEFRA Hearing was held on May 12, 2021, all as required by Section 147(f) of the Code. Prior to the TEFRA Hearing, the Mayor and City Manager of Pembroke Pines were provided notice regarding the proposed issuance of the Note.

At its May 19, 2021, board meeting, the HFA adopted Resolution No. 2021-006 (Exhibit 3), which among other things, authorized (i) the issuance of the Note in the amount not to exceed \$14,000,000 to finance the Project, which financing shall be tax-exempt, and (ii) the form, execution, and delivery of various documents related to the Note, all of which is subject to the approval of the Board. The HFA intends to issue the Note for the purpose of providing funds to the Funding Lender, who will make the Funding Loan to the HFA. The HFA will then use the proceeds of the Funding Loan to make the Project Loan to the Borrower in order to finance the acquisition, construction, and equipping of the Project. Upon the satisfaction of various conditions of the Funding Loan from construction to permanent (the "Conversion"), the Funding Lender will deliver, and Grandbridge Real Estate Capital LLC, a North Carolina Limited company (the "Freddie Mac Seller/Servicer"), will purchase the Funding Loan. The Federal Home Loan Mortgage Corporation, a shareholder-government-sponsored enterprise (Freddie Mac) will enter into a commitment with the Freddie Mac Seller/Servicer to, subject to the satisfaction of various conditions, purchase the Funding Loan from the Freddie Mac Seller/Servicer following Conversion. The transaction is expected to close in July or August, 2021. Resolution No. 2021-006 was prepared by Bond Counsel and approved as to form by the Office of the County Attorney.

Adoption of this Resolution (i) authorizes the HFA to issue the Note to finance the acquisition, construction, and equipping of the Project, (ii) ratifies (A) the publishing of the TEFRA Notice by the HFA on April 30, 2021, and (B) the holding of, and minutes resulting from, the TEFRA Hearing held by the HFA on May 12, 2021, in connection with the issuance of the Note, in accordance with the Code (Exhibit 4), and (iii) approves the form, execution, and delivery of various documents in

connection with the delivery of the Note.

**Source of Additional Information**

Ralph Stone, Director, Housing Finance and Community Redevelopment, 954-357-5320.

**Fiscal Impact**

**Fiscal Impact/Cost Summary**

There is no fiscal impact to the County.