



BOARD PACKAGE

Special Meeting
JULY 17, 2019

SPECIAL MEETING

A special meeting of the Housing Finance Authority of Broward County (the "HFA), Florida, will be held on Wednesday, July 17, 2019, at 5:30 p.m., in the 2nd Floor Conference Room, located at 110 N.E. 3rd Street, Fort Lauderdale, Florida.

CALLING OF THE ROLL

CONSENT AGENDA ITEMS (1 through 2)

1. Approval of May 8, 2019, Regular Meeting Minutes
2. Executive Director's (April and May Operational Report)

MOTION TO APPROVE the Consent Agenda for July 17, 2019.

REGULAR AGENDA

PRESENTATIONS

3. Ms. Tanya Davis, Partner of S. Davis & Associates, P.A., will present the 2018 Single-family and Multifamily Housing Revenue Bonds Audited Financial Statements (Results Financial Overview).

MOTION TO APPROVE the HFA, Single-family and Multifamily Housing Revenue Bonds Audited Financial Statements, for Fiscal Year ended September 30, 2018.

4. Bond Underwriter Firms – RLI No. 20190909-BU4
 - RBC Capital Markets, LLC 6:00pm
 - Raymond James Financial, Inc 6:15pm



MOTION TO APPROVE final ranking of the qualified Bond Underwriter firms associated with RLI No. 20190909-BU4 for the purpose of creating a library of available Bond Underwriters to the Housing Finance Authority in relation to its Single and Multi-Family Mortgage Revenue Bonds.

5. Financial Reports Monthly Overview – Ms. Linda Dufresne

MOTION TO APPROVE the Housing Finance Authority monthly financial report for the months of May 31, 2019.

6. Prospect Park Apartments

MOTION TO APPROVE Resolution of the Housing Finance Authority of Broward County, Florida (the “Housing Finance Authority”) declaring its official intent to issue Multifamily Housing Revenue Bonds (the “Bonds”) of the Housing Finance Authority to finance all or a portion of the costs of the acquisition, rehabilitation and equipping of certain multifamily housing facilities (Prospect Park Apartments) located within Broward County, Florida, and other related purposes; approving the issuance of the Bonds, subject to certain further findings and conditions; authorizing the Housing Finance Authority to publish notice of and hold a public hearing pursuant to the Tax Equity and Fiscal Responsibility Act (TEFRA); and providing an effective date.

7. Marquis Apartments

MOTION TO APPROVE Resolution of the Housing Finance Authority of Broward County, Florida (the “Housing Finance Authority”) declaring its official intent to issue Multifamily Housing Revenue Bonds (the “Bonds”) of the Housing Finance Authority to finance all or a portion of the costs of the acquisition, construction and equipping of certain multifamily housing facilities (Marquis Apartments) located within Broward County, Florida, and other related purposes; approving the issuance of the Bonds, subject to certain further findings and conditions; authorizing the Housing Finance Authority to publish notice of and hold a public hearing pursuant to the Tax Equity and Fiscal Responsibility Act (TEFRA); and providing an effective date.

8. **MATTERS OF HFA MEMBERS**

9. **MATTERS FROM THE FLOOR**

10. **NEXT BOARD MEETING**

August 21, 2019

11. **ADJOURNMENT**

MINUTES
BOARD MEETING
Wednesday, May 8, 2019

A regular Board Meeting of the Housing Finance Authority (“HFA”) of Broward County was held on Wednesday, May 8, 2019, at 5:30 p.m., in the 2nd Floor Conference Room, located at 110 Northeast 3rd Street, Fort Lauderdale, Florida.

The Chair, Milette Manos, called the meeting to order at 5:30 p.m.

CALLING OF THE ROLL

A Roll Call was taken by Andres Centeno.

Board Members Present

Milette Manos, Chair – Donna Jarrett-Mays, Vice Chair – Daniel D. Reynolds, Secretary
Ruth T. Cyrus, Assistant Secretary– John G. Primeau, Member – Colleen LaPlant, Member –
Jose Lopez, Member

Staff

Ralph Stone, Executive Director
Norman Howard, Manager
Andres Centeno, Office Support Spec.
Alicia Lobeiras, Asst. County Attorney

Also Present

Deborah Zomermaand, Financial Advisory Svcs
Linda Dufresne, Dufresne CPA Services, P. A.
Helen Feinberg, RBC Capital Markets, LLC
Tim Wranovix, Raymond James Financial, Inc.
Junious Brown, Nabors, Giblin & Nickerson, P.A.

CONSENT AGENDA ITEMS (1 through 4)

1. Approval of April 17, 2019, Meeting Minutes
2. Executive Director’s (April Operational Report)
3. Leasing of HFA 110 Office Building - Memorandum of Understanding between the HFA and Broward County Housing Finance and Community Redevelopment Division, 2019 Florida Association of Local Housing Finance Authorities Education Conference, Atlantic Beach, Florida
4. Anthony Brunson, P.A. Agreement – Audit Services for Single-Family and Multifamily Bonds (RLI #20190930-AS-3)



Motion was made by Daniel D. Reynolds and seconded by John G. Primeau to approve consent agenda items 1 through 4, for the May 8, 2019 meeting. The motion carried unanimously.

5. Financial Reports Monthly Overview – Ms. Linda Dufresne

Ms. Dufresne provided an overview of the monthly financial reports. She mentioned reaching out to staff to ensure checks were stopped before the end of the month to produce the financial report in a timely manner. Out of all the information gathered, only one bank statement was not obtained in time. However, there were no expectation of significant changes in balances.

She discussed activities on net-income and stated there were no specific changes from the prior month and the HFA remains in a net-income position. In addition, the audit adjustments will be posted so that the net position would align with the audited financials.

Motion was made by John G. Primeau and seconded by Donna Jarrett-Mays to approve the HFA monthly financial reports for the month of April 30, 2019. The motion carried unanimously.

6. Regency Gardens Apartments (Resolution/Credit Underwriting Report)

Before discussion of this item, Mr. Stone acknowledged in attendance: Helen Feinberg, RBC Capital Markets, LLC, Tim Wranovix, Raymond James Financial, Inc. and Junious Brown, Nabors, Giblin & Nickerson, P.A. to respond to questions.

Ms. Zomermaand stated the item contained a two-part motion; for approval on a credit underwriting report and resolution to an acquisition rehabilitation in the City of Pompano Beach. Information on the specifics of the transaction are detailed in the credit underwriting report.

The second motion was to approve the resolution; which contained the terms of the bonds and authorization to take the necessary actions to address any issues and make revisions prior to closing the deal.

There was additional discussions on the aspects of the transaction between Staff and Board Member, Colleen LaPlant.

Motion was made by Jose Lopez and seconded by Donna Jarrett-Mays to approve the Credit Underwriting Report for Regency Gardens Apartments. The motion carried unanimously.

Motion was made by Daniel D. Reynolds and seconded by Colleen LaPlant to approve (Regency Gardens Apartments) Resolution 2019-005, authorizing the issuance in the aggregate amount not to exceed \$15,000,000 of its Multifamily Mortgage Revenue Note, 2019 Series A-1 and Subordinate Multifamily Revenue Note 2019 Series A-2. The motion carried unanimously.

7. Praxis of Deerfield Beach Apartments (Resolution/Credit Underwriting Report)

Ms. Zomermaand stated the request was similar to that of Regency Gardens Apartments. An acquisition rehab development consisting of 224-units located in the City of Deerfield Beach and approving the related credit underwriting report and resolution.

There was a brief discussion on the closing date of the transaction between Staff, Bond Counsel and Board Member, Colleen LaPlant.

Motion was made by Daniel D. Reynolds and seconded by Ruth T. Cyrus to approve the Credit Underwriting Report for Praxis of Deerfield Beach Apartments. The motion carried unanimously.

Motion was made by Daniel D. Reynolds and seconded by Colleen LaPlant to approve (Praxis of Deerfield Beach Apartments) Resolution 2019-006, authorizing the issuance not to exceed \$25,000,000 Multifamily Housing Revenue Bonds, 2019 Series B. The motion carried unanimously.

8. **MATTERS OF HFA MEMBERS**

Mr. Howard reminded the board members to make reservations to the Florida ALHFA conference as soon as possible. Ms. Zomermaand shared news that two additional transaction were to follow: Marquis Apartments and Prospect Park. A request for an inducement was requested by both developers.

Mr. Stone stated the Marquis Apartment required the use of HFA gap funding and therefore was approved by the Board of County Commissioners.

Staff acknowledged all professional teamwork involved in the process of all projects' closings. A detailed discussion from Ralph Stone followed concerning the Sadowski Trust Fund.

7. **MATTERS FROM THE FLOOR**

None.

8. **NEXT MEETING DATE**

June 19, 2019

9. **ADJOURNMENT**

The Chair, Milette Manos hearing no further comments, questions or discussions adjourned the meeting at 5:44 p.m.

MEMORANDUM

Date: July 8, 2019
To: Housing Finance Authority Board Members
Through: Ralph Stone, Executive Director
From: Norman Howard, Manager
Subject: April and May Operational Report

INVESTMENT COMMITTEE

The HFA Investment Committee quarterly meeting was held on July 17, 2019 Wednesday, at 4:30 p.m., at 110 N.E. 3rd Street, 3rd Floor, Suite 201, Fort Lauderdale, Florida. The next quarterly meeting is October 16, 2019.

SINGLE-FAMILY

Information listed below is the foreclosure/bankruptcy report received from CitiMortgage for the months of April 2019 and May 2019. The report for the month of June 2019 has not been received from CitiMortgage to date.

Bankruptcy – April 2019

Loan Count	Total	1 st Lien	2 nd Lien	1 st Mort./Total	2 nd Mort./Total
0	\$0	0	0	\$0	\$0

Foreclosure (180+ days) – April 2019

Loan Count	Total	1 st Lien	2 nd Lien	1 st Mort./Total	2 nd Mort./Total
7	\$986,387	4	3	\$879,234	\$107,153

Bankruptcy – May 2019

Loan Count	Total	1 st Lien	2 nd Lien	1 st Mort./Total	2 nd Mort/Total
0	\$0	0	0	\$0	\$0

Foreclosure (180+ days) – May 2019

Loan Count	Total		1 st Lien	2 nd Lien	1 st Mort./Total	2 nd Mort./Total
8	\$1,101,676		5	3	\$994,523	\$107,153

Foreclosure (180+ days) – comparison between May 2018 to May 2019

Comparison Year	Foreclosures	1st Mortgage balance	2nd Mortgage balance	Total
May -18	12	\$1,322,112	\$143,907*	\$1,466,019
May -19	8	\$994,523	\$107,153**	\$1,101,676
Difference(+/-)	4	\$327,589	\$36,754	\$364,343

Note: * FY18 contain 12 foreclosures, 4 are second mortgages.

** FY19 contain 8 foreclosures, 3 are second mortgages.

MORTGAGE CREDIT CERTIFICATE (MCC) PROGRAM

2018/2019 MCC Program (ended date December 31, 2020)

Currently, the HFA has fifteen (15) lenders participating in the January 2019 MCC Program. Program totals to date are as follows:

<i>MCC's by Lender</i>	<i>Commitments</i>	<i>Issued</i>	<i>Cancelled</i>
Academy Mortgage Corporation	1	1	1
American Bancshares Mortgage, LLC	1	0	0
Americas Mortgage Professionals, LLC	11	4	0
Bank of America, N.A.	1	0	0
Christensen Financial, Inc	2	0	0
CMG Mortgage, Inc	0	0	0
Cornerstone Home Lending	2	0	0
Everett Financial, Inc.	0	0	0
Florida State Mortgage Group, Inc	3	1	0
Gold Star Mtg. Financial Group	4	1	0
Hamilton Funding Group	6	0	0

<i>MCC's by Lender</i>	<i>Commitments</i>	<i>Issued</i>	<i>Cancelled</i>
Home Mortgage Alliance Corporation	0	0	0
Paramount Residential Mortgage Group (PRMG)	14	8	0
The Mortgage Firm	0	0	0
United Wholesale Mortgage	1	1	
Totals	46	16	0
<i>Income to date (Y2019):</i> \$2,800			

MULTIFAMILY HOUSING BOND TRANSACTIONS

2019 Multifamily housing transactions update. (Attachment 1).

MULTI-FAMILY COMPLIANCE MONITORING

Multifamily compliance monitoring; reporting period April 21, 2019, to May 20, 2019.

Monthly Compliance

Review of this month's bond report shows all properties are following their respective Land Use Restriction Agreement (LURAs)

Occupancy Report

The HFA Rental Occupancy Report for period April 21, 2019, to May 20, 2019 is included (Attachment 2).

Annual Management Review and Inspections

There were no reviews or inspections completed during the reporting period of April 21, 2019 to May 20, 2019.

2019 MULTIFAMILY HOUSING BOND TRANSACTIONS – JULY UPDATE

<u>HFA RANKING</u>	1	2	3
<u>PROJECT NAME</u>	<u>Marquis Apartments</u>	<u>Praxis of Deerfield Beach</u>	<u>Prospect Park Apartments</u>
<u>PROJECT LOCATION</u>	NW 9 th Street; NW Corner of 9 th Street and Dr. B.J. McCormick Ave. Pompano Beach, FL	1450 FAU Research Park Blvd. Deerfield Beach, FL 33441	5500 NW 31 st Ave. Ft. Lauderdale, FL 33309
<u>DEVELOPER</u>	Cornerstone Group Partners, LLC	MRK Partners Inc.	Prospect Park Developer LLC
<u>PROFESSIONAL TEAM</u>			
<ul style="list-style-type: none"> • <i>Lead Underwriter</i> • <i>Bond Counsel</i> • <i>Credit Underwriter (“CU”)</i> 	<ul style="list-style-type: none"> • Raymond James • Nabors, Giblin & Nickerson • Seltzer 	<ul style="list-style-type: none"> • RBC • Nabors, Giblin & Nickerson • First Housing • 	<ul style="list-style-type: none"> • RBC • Nabors, Giblin & Nickerson • Seltzer
<u>BOND AMOUNTS</u>			
<ul style="list-style-type: none"> • <i>Bond Amount/Original Req.</i> • <i>Revised Request</i> • <i>CU Recommendation</i> 	<ul style="list-style-type: none"> • \$12,000,000 • • 	<ul style="list-style-type: none"> • \$25,000,000 • • \$22,000,000 	<ul style="list-style-type: none"> • \$17,910,000 • \$18,000,000 •
<u>TEFRA & Inducement</u>			
<ul style="list-style-type: none"> • <i>TEFRA/Inducement Amount</i> • <i>Date of HFA Inducement</i> • <i>Date of TEFRA Hearing</i> • <i>Date of HFA Approval</i> • <i>Date of BOCC App. TEFRA</i> • <i>Date of BOCC Approval Cust. Agreement (If Applicable)</i> 	<ul style="list-style-type: none"> • \$12,000,000(Inducement-Pending) • July 17, 2019 (Pending) • August 14, 2019 (Pending) • • • N/A 	<ul style="list-style-type: none"> • \$25,000,000 (Inducement) • December 19, 2018 • April 25, 2019 • May 8, 2019 • June 11, 2019 • • N/A 	<ul style="list-style-type: none"> • \$18,000,000(Inducement-Pending) • July 17, 2019 (Pending) • • • •
<u>ALLOCATION</u>			
<ul style="list-style-type: none"> • <i>Allocation Approved by HFA</i> 	\$12,000,000 (Pending)	\$25,000,000	
<u>TRANSACTION STATUS</u>	<i>See Note #1</i>	<i>See Note #2</i>	<i>See Note #3</i>

2019 MULTIFAMILY HOUSING BOND TRANSACTIONS – JULY UPDATE

<u>HFA RANKING</u>	4		
<u>PROJECT NAME</u>	<u>Regency Gardens - Closed</u>		
<u>PROJECT LOCATION</u>	1525 Northwest 17 th Avenue Pompano Beach, FL 33069-1691		
<u>DEVELOPER</u>	Pompano Beach Leased Housing Associates, II, LLLP		
<u>PROFESSIONAL TEAM</u>	<ul style="list-style-type: none"> • <i>Lead Underwriter</i> • <i>Bond Counsel</i> • <i>Credit Underwriter (“CU”)</i> 	<ul style="list-style-type: none"> • Raymond James • Nabors, Giblin & Nickerson Seltzer 	
<u>BOND AMOUNTS</u>	<ul style="list-style-type: none"> • <i>Bond Amount/Original Req.</i> • <i>Revised Request</i> • <i>CU Recommendation</i> 	<ul style="list-style-type: none"> • \$15,000,000 • \$10,600,000 • \$10,600,000 	
<u>TEFRA & Inducement</u>	<ul style="list-style-type: none"> • <i>TEFRA/Inducement Amount</i> • <i>Date of HFA Inducement</i> • <i>Date of TEFRA Hearing</i> • <i>Date of HFA Approval</i> • <i>Date of BOCC App. TEFRA</i> • <i>Date of BOCC Approval Cust. Agreement (If Applicable)</i> 	<ul style="list-style-type: none"> • \$15,000,000 (Inducement) • September 19, 2018 • April 10, 2019 • May 8, 2019 • June 4, 2019 • N/A 	
<u>ALLOCATION</u>	<ul style="list-style-type: none"> • <i>Allocation Approved by HFA</i> 	\$15,000,000	
<u>TRANSACTION STATUS</u>	<i>See Note #4</i>		

Note #1:

Application to fund Marquis Apartments in the 2018 allocation cycle was submitted to the HFA on October 10, 2018. The financing is expected to fund the new construction of 100 units of affordable housing in Pompano Beach. The requested bond amount is \$12,000,000. The transaction is expected to close fourth quarter 2019.

Note #2:

Application to fund Praxis of Deerfield Beach in the 2018 allocation cycle was submitted to the HFA on November 14, 2018. On December 18, 2018, the HFA approved and induced the project, such approval will effectively rank the development to receive tax-exempt bond allocation and/or carryforward in 2018. The financing is expected to fund the rehabilitation of 224 units of affordable housing in Deerfield Beach. The total bond issuance amount is estimated to be \$22,000,000. The transaction is expected to close July/August 2019.

Note #3:

Application to fund Prospect Park Apartments in the 2019 allocation cycle was submitted to the HFA on May 6, 2019. The financing is expected to fund the acquisition and rehabilitation of 125 units of affordable housing in Ft. Lauderdale. The application requested bond amount of \$17,910,000 was revised to \$18,000,000. The transaction is expected to close fourth quarter 2019.

Note #4:

Application to fund Regency Gardens in the 2018 allocation cycle was submitted to the HFA on August 24, 2018. The financing is expected to fund the acquisition and rehabilitation of 94 units of affordable housing in Pompano Beach. On September 19, 2018, the HFA approved and induced the project, such approval will effectively rank the development to receive tax-exempt bond allocation and/or carryforward in 2018. The total bond issuance amount is estimated to be \$10,600,000. ***The transaction closed on June 17, 2019.***

Housing Finance Authority of Broward County
Rental Occupancy Report

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J
<u>Property</u>	Total Number of Units	From Mgmt Number of Units Occupied	% of Units Occupied	Previous month % of Lower Units Occupied March	From Mgmt Low Income Units Occupied	% Occupied by Low Income	LURA Low Income Requirement	Certificate of Compliance rec'd April	Vacant Units
Banyan Bay	416	386	92.8	41%	152	39.4	20%	6/10/2019	30
Chaves Lakes	238	237	99.6	88%	208	87.8	40%	5/30/2019	1
Colonial Park	160	160	100.0	100%	160	100.0	99%	5/23/2019	0
Cypress Grove/Sandalgrove	814	783	96.2	96%	783	100.0	40%	5/31/2019	31
Emerald Palms	318	318	100.0	89%	285	89.6	40%	5/31/2019	0
Golden Villas	120	120	100.0	99%	119	99.2	40%	6/8/2019	0
Golf View Gardens	160	156	97.5	99%	156	100.0	100%	5/21/2019	4
Harbour Cove	212	209	98.6	87%	180	86.1	40%	5/31/2019	3
Heron Pointe	200	199	99.5	98%	195	98.0	40%	6/10/2019	1
Laguna Pointe	188	188	100.0	91%	171	91.0	40%	5/31/2019	0
Lake Vista (fka Ashlar/Pier Club)	480	453	94.4	20%	90	19.9	20%	5/31/2019	27
Landings at Coconut Creek	268	247	92.2	24%	54	21.9	20%	5/29/2019	21
Lauderhill Point (fka Driftwood Terr)	176	175	99.4	100%	175	100.0	100%	6/6/2019	1
Los Prados	444	415	93.5	32%	132	31.8	20%	5/29/2019	29
Mar Lago Village	216	205	94.9	44%	86	42.0	40%	6/11/2019	11
Meridian	160	160	100.0	100%	160	100.0	99%	5/30/2019	0
Northwest Gardens V	200	194	97.0	10%	20	10.3	40%	6/10/2019	6
Palms of Deerfield	56	56	100.0	100%	56	100.0	100%	6/3/2019	0
Pembroke Park	244	244	100.0	81%	196	80.3	40%	6/1/2019	0
Pinnacle Village	148	148	100.0	99%	147	99.3	40%	6/8/2019	0
Prospect Park	125	124	99.2	100%	124	100.0	40%	6/3/2019	1
Residences at Crystal Lake	92	91	98.9	100%	91	100.0	40%	6/10/2019	1
Sailboat Bend	37	36	97.3	100%	36	100.0	100%	6/14/2019	1
San Tropez (fka Pembroke Village)	480	462	96.3	21%	95	20.6	20%	6/7/2019	18
Sanctuary Cove	292	292	100.0	99%	290	99.3	40%	5/29/2019	0
Stanley Terrace	96	96	100.0	100%	96	100.0	40%	6/3/2019	0
St Croix	246	243	98.8	87%	240	98.8	40%	6/3/2019	3
Summerlake	108	108	100.0	100%	108	100.0	40%	6/1/2019	0
Woodsdale Oaks	172	172	100.0	100%	172	100.0	70%	5/30/2019	0
Totals	6,866	6,677			4,777	71.5%			189
* Figures in red show properties that are less than 90% occupied									
Total % rate of occupancy for all properties		97%							

MULTI-FAMILY BOND RENTAL OCCUPANCY REPORT KEY

The Rental Occupancy Report was prepared by staff from Certifications of Continuing Compliance reports received from Multi Family property management.

Column B represents the total number of units the property has.

Column C represents the number of units occupied during the reporting period.

Column D represents the percentage of units occupied versus the total number.

Column E represents the percentage of total units that were lower income occupied during the month of April, 2019.

Column F represents the number of lower income units occupied.

Column G represents the percentage of lower income units occupied versus the total number of units available.

Column H represents the lower income requirement per the Land Use Restriction Agreement.

Column I represents the date the Certificate of Compliance was received by Housing Finance Authority. Dates may vary from the 22nd of the previous month to the 14th of the following month since bond reports are submitted according to the time frame set in the LURA.

Column J represents the number of units vacant for each property.

Columns that are blank represent no report was received from property management.

**Housing Finance Authority of Broward County
July 17, 2019 – Board Meeting**

S. Davis & Associates, P.A. – Presentation

S. Davis & Associates, P.A., will present the 2018 Single-Family and Multifamily Mortgage Revenue Bonds Audit Results and Financial Overview for the Housing Finance Authority.

Enclosed

- *Presentation:* Audit Results and Financial Overview
- Bond Audit Audited Financial Statements for Year Ended September 30, 2018

Due to the large size of the document, the Bond Audit Audited Financial Statements for Year Ended September 30, 2018, (one copy) will be available at the Board meeting and at the HFA office prior to the meeting.

Housing Finance Authority of Broward County

July 17, 2019 Board Meeting

I. Presentations – HFA Bond Underwriter Services (RLI #20190909-BU4)

The following firms will present their proposals for the RLI for HFA Bond Underwriter Services:

- | | | |
|-----|-------------------------------|--------|
| I. | RBC Capital Markets | 6:00pm |
| II. | Raymond James Financial, Inc. | 6:15pm |

II. Presentations Ranking Methodology

Staff recommends the following:

- The top ranked firm should be ranked #1
- Second ranked firm #2

***Based on the above ranking methodology, Board Members will rate each firm using a ballot sheet. Staff will tally each ballot sheet and provide a total count; the firm that receives the lowest score will be awarded. The HFA Chair will make the announcement of the award.*

Attachment

1. Ranking Ballot Sheet

**HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA
HFA Bond Underwriter Services (RLI #20190909-BU4)
HFA Individual Board Member Ranking Ballot Sheet
HFA Board Meeting, Wednesday, July 17, 2019**

I.

RBC Capital Markets

II.

Raymond James Financial, Inc.

Individual Ranking:

Ranking Process:

- Top Ranked application should be ranked 1.
- Second Ranked application should be ranked 2.

Board Member Name _____
(Print)

Board Member Signature: _____

Housing Finance Authority of Broward County

Dufresne CPA Services, PA – Overview of the May 2019 Financial Reports

The following are items considered to be of note regarding the financial reports for the month of May 2019:

- a. Balance sheets (Attachments 1 and 2) changes relate primarily to individual cash and investment account activity, including funds deposited and/or released from the indemnification fund for return of good faith deposits in excess of related expenses, residual balances transferred to the HFA as a result of bond retirements and the transfer of investments from the US Bank Custody Account to the BNY Mellon Custody Account. See Attachment 2 on page 3 for details regarding significant financial impacts of bond retirements and residual balances.

Cash vs Accrual Basis for P&L Budget to Actual comparison (Attachment 4)

On a monthly basis the process to prepare the financial statements includes:

- a. Budgetary column – Cumulative 1/12 of the budgeted revenues and expenses are reported
- b. Actual column – Significant known revenue and expense items are accrued
 - a. Authority fees receivable are adjusted to correct accrual basis balance
 - b. Cumulative 1/12 of budgeted Personnel and Other Expenses due to BOCC are adjusted to correct accrual basis balance
 - c. Expenses for all invoices submitted to the HFA prior to month end are paid and recorded in the financial statements.
 - d. Bank and account management fees that are reported on the monthly bank statements are recorded as expense in the applicable month.

Index to Attachments

- Attachment 1, Page 2: Balance Sheet (Flux Report – May 2019 comparison to Apr 2019)
- Attachment 2, Page 3: Balance Sheet (Flux Report – May 2019 comparison to May 2018)
- Attachment 3, Page 4: P&L (Flux Report – May 2019 comparison to Apr 2019)
- Attachment 4, Page 5: P&L (Flux Report – May 2019 comparison to May 2018)
- Attachment 5, Page 6: P&L (Flux Report – Budget to Actual)
- Attachment 6, Page 7: Aged Receivables Report
- Attachment 7, Page 8-9: Wells Fargo Bank Reconciliation Report – Operating
- Attachment 8, Page 10: Cumulative Net Change in Investment Value

Attachment 1
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301
Balance Sheet (Flux Report)
5/31/2019

	May-19	Apr-19	\$ Difference	% Difference	Explanation (See criteria below)
Assets					
Cash-Wells Fargo	\$ 213,047	\$ 370,175	(157,128)	-74%	2
Cash- LOC	6,306	6,294	12	0.2%	
Indemnification Fund -BNY	507,185	506,426	759	0.1%	
Cash-BNY Mellon Custody Account	796,947	758,230	38,717	5%	
Total Cash	<u>1,523,485</u>	<u>1,641,125</u>			
Investments-BNY Mellon Custody Account	12,119,230	12,073,899	45,331	0.4%	
Note Receivable-DPA	330,000	330,000	-	NA	
Authority Fees Receivable	24,637	82,636	(57,999)	-235%	1
Interest Receivable	70,730	46,323	24,407	35%	1
Notes Receivable-CDC	197,083	200,000	(2,917)	-1%	
Notes Receivable - Mt. Olive	211,156	211,156	-	NA	
HFA Mortgage Receivables	8,971	9,007	(36)	-0.4%	
Whole Loan Mortgages Receivable	420,902	421,647	(745)	-0.2%	
Allowance for Doubtful Whole Loan Mortgages	(107,153)	(107,153)	-	NA	
Due from Artspace	548,817	548,817	-	NA	
Utility Deposit	1,925	1,925	-	NA	
HFA Land	621,704	621,704	-	NA	
HFA Buildings	1,036,000	1,036,000	-	NA	
Equipment	90,258	90,258	-	NA	
Capital Assets BOCC (Tagged)	127,474	127,474	-	NA	
Accumulated Depreciation -BOCC	(127,474)	(127,474)	-	NA	
Accumulated Depreciation, HFA	(679,771)	(679,771)	-	NA	
Total Assets	<u>16,417,974</u>	<u>16,527,573</u>			
Deferred Outflows					
Deferred outflows related to pension	<u>209,589</u>	<u>209,589</u>	-	NA	
Total Assets and Deferred outflows	<u>\$ 16,627,564</u>	<u>\$ 16,737,163</u>			
Liabilities					
Accrued Sick/Vacation, ST	\$ 43,000	\$ 43,000	-	NA	
Due to BOCC - Exp reimb	130,572	255,763	(125,191)	-96%	1,2
Due to BOCC - Artspace project	428,070	428,070	-	NA	
Due to BOCC - Artspace Interest	120,747	120,747	-	NA	
Audit Fees Payable	54,000	54,000	-	NA	
Good Faith Deposits	150,000	150,000	-	NA	
Net Pension Liability	423,522	423,522	-	NA	
Accrued Sick/Vacation, LT	51,000	51,000	-	NA	
Total Liabilities	<u>1,400,911</u>	<u>1,526,102</u>			
Deferred Inflows					
Deferred inflows related to pension	<u>34,578</u>	<u>34,578</u>	-	NA	
Equity					
Beginning of year	15,045,950	15,045,950			
Current Year Earnings	<u>146,125</u>	<u>130,533</u>			
Total Equity	<u>15,192,075</u>	<u>15,176,483</u>			
Total Liabilities, Deferred Inflows and Equity	<u>\$ 16,627,564</u>	<u>\$ 16,737,163</u>			

Criteria to determine if explanations are required:

Cash account fluctuation explanations provided for >=\$100,000 variance

Remaining items explanations are provided for >=10% and >=\$5,000 variance

NA No change as compared to prior month

1 Timing of receipts/payments and accruals based on budget

2 BOCC Quarterly Expenses paid in May 2019

Attachment 2
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301

Balance Sheet (Flux Report)
5/31/2019

	<u>May-19</u>	<u>May-18</u>	<u>\$ Difference</u>	<u>% Difference</u>	<u>Explanation (See criteria below)</u>
Assets					
Cash-Wells Fargo	\$ 213,047	\$ 753,979	(540,932)	-72%	4
Cash- LOC	6,306	6,176	130	2%	
Indemnification Fund -BNY	507,185	405,470	101,715	25%	6
Cash-BNY Mellon Custody Account	796,947	716,856	80,091	11%	3
Total Cash	<u>1,523,485</u>	<u>1,882,481</u>			
Investments-BNY Mellon Custody Account	12,119,230	6,658,227	5,461,003	82%	3,4
Note Receivable-DPA	330,000	367,125	(37,125)	-10%	1
Authority Fees Receivable	24,637	17,340	7,297	42%	2
Interest Receivable	70,730	38,416	32,314	84%	2
Notes Receivable-CDC	197,083	200,000	(2,917)	-1%	
Notes Receivable - Mt. Olive	211,156	231,156	(20,000)	-9%	
HFA Mortgage Receivables	8,971	9,385	(414)	-4%	
Whole Loan Mortgages Receivable	420,902	-	420,902	100%	5
Allowance for Doubtful Whole Loan Mortgages	(107,153)	-	(107,153)	100%	5
Accounts Receivable	-	3,756,388	(3,756,388)	-100%	7
Due from Artspace	548,817	548,817	-	NA	
Utility Deposit	1,925	1,925	-	NA	
HFA Land	621,704	621,704	-	NA	
HFA Buildings	1,036,000	1,036,000	-	NA	
Equipment	90,258	90,258	-	NA	
Capital Assets BOCC (Tagged)	127,474	127,474	-	NA	
Accumulated Depreciation -BOCC	(127,474)	(127,474)	-	NA	
Accumulated Depreciation, HFA	(679,771)	(679,771)	-	NA	
Total Assets	<u>16,417,974</u>	<u>14,779,453</u>			
Deferred Outflows					
Deferred outflows related to pension	209,589	209,589	-	NA	
Total Assets and Deferred outflows	<u>\$ 16,627,564</u>	<u>\$ 14,989,043</u>			
Liabilities					
Accrued Sick/Vacation, ST	\$ 43,000	\$ 43,000	-	NA	
Due to BOCC - Exp reimb	130,572	122,860	7,712	6%	
Due to BOCC - Artspace project	428,070	428,070	-	NA	
Due to BOCC - Artspace Interest	120,747	120,747	-	NA	
Audit Fees Payable	54,000	900	53,100	5900%	2
Good Faith Deposits	150,000	75,000	75,000	100%	6
Net Pension Liability	423,522	423,522	-	NA	
Accrued Sick/Vacation, LT	51,000	51,000	-	NA	
Total Liabilities	<u>1,400,911</u>	<u>1,265,099</u>			
Deferred Inflows					
Deferred inflows related to pension	34,578	34,578	-	NA	
Equity					
Beginning of year	15,045,950	13,207,828			
Current Year Earnings	146,125	481,538			
Total Equity	<u>15,192,075</u>	<u>13,689,366</u>			
Total Liabilities, Deferred Inflows and Equity	<u>\$ 16,627,564</u>	<u>\$ 14,989,043</u>			

Criteria to determine if explanations are required:

Cash account fluctuation explanations provided for >=\$100,000 variance

Remaining items explanations are provided for >=10% and >=\$5,000 variance

NA No change as compared to prior year

- 1 DPA loan payoffs
- 2 Timing of receipts/payments and accruals based on budget
- 3 Cash-BNY Mellon Custody Account used to purchase Investments-BNY Mellon Custody Account
- 4 Transfer from WF Checking to BNY Mellon Custody in December 2018
- 5 Audit adjustments recorded based on current BOCC reports
- 6 Praxis of Deerfield Beach good faith deposit received April 2019
- 7 Due from BNY Mellon – Bond Residual from Broward SF 2006 AB, SF 2007 ABC, and SF 2007 E received June 2018

Attachment 3
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301
Profit & Loss (Flux Report)

5/31/2019

	May-19	Apr-19	\$ Difference	% Difference to Prior Month	*Explanation
Income					
Bond Authority Fees	\$ 362,734	\$ 346,183	16,551	5%	
Bond redemption & other income	43,986	43,986	-	0%	
Compliance Monitoring Fees	6,000	6,000	-	0%	
Application, TEFRA and Closing Fees	17,000	8,000	9,000	113%	2
MCC and Lender Program Income	10,747	8,432	2,315	27%	
Interest Income, Mortgages	414	363	51	14%	
** Interest Income, BNY Mellon/US Bank	270,609	226,930	43,679	19%	1
* Net Change in Investment Value	152,220	87,429	64,791	74%	1
* Interest Income, FHLB LOC	94	81	13	16%	
Parking Rent Income	6,000	6,000	-	0%	
Total Income	<u>\$ 869,804</u>	<u>\$ 733,404</u>			
Expenses					
Personnel Services, Broward Co	\$ 405,236	\$ 334,782	70,454	21%	1
Other Expenses, Broward County	95,381	84,872	10,509	12%	1
Professional Fees	149,067	127,942	21,125	17%	1
Bank Management Fees	3,671	3,476	195	6%	
Advertising/Marketing	1,224	1,224	-	0%	
Dues and Membership Fees	2,395	2,395	-	0%	
Conference and Travel Expense	10,530	7,025	3,505	50%	
Building/Land Maintenance	36,641	23,550	13,091	56%	1
Utilities	13,879	11,950	1,929	16%	
Capital Outlay Expense	5,655	5,655	-	0%	
Total Expenses	<u>\$ 723,679</u>	<u>\$ 602,871</u>			
Net Profit/(Loss)	\$ 146,125	\$ 130,533	15,592	12%	3

Explanations provided for >=10% and >= \$5,000 variance

- 1** Timing of receipts/payments and accruals based on budget
- 2** Prospect Park fees deposited May 2019
- 3** Income increased more than the expenses increased in May 2019

- * Please note that to more accurately reflect the components of interest income certain line descriptions were changed
- ** BNY Mellon was combined with USBank because the USBank assets were transferred to BNY Mellon.

"%Actual to Budget" Column Legend

- 100%** - No amount reported in either of the two months
- 0%** - Current month amount is equal to prior month amount

Attachment 4
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301
Profit & Loss (Flux Report)
5/31/2019

	May-19	May-18	\$ Difference	% Difference to Prior Year	*Explanation
Income					
Bond Authority Fees	\$ 362,734	\$ 433,006	(70,272)	-16%	2
Bond redemption & other income	43,986	301,695	(257,709)	-85%	2
Compliance Monitoring Fees	6,000	10,400	(4,400)	-42%	
Application, TEFRA and Closing Fees	17,000	286,000	(269,000)	-94%	2
MCC and Lender Program Income	10,747	10,208	539	5%	
Interest Income, Mortgages	414	432	(18)	-4%	
Interest Income, Wells Fargo	-	696	(696)	100%	
** Interest Income, BNY Mellon/US Bank	270,609	73,238	197,371	269%	1
* Net Change in Investment Value	152,220	(23,254)	175,474	-755%	1
* Interest Income, FHLB LOC	94	54	40	74%	
Parking Rent Income	6,000	9,000	(3,000)	-33%	
Total Income	\$ 869,804	\$ 1,101,475			
Expenses					
Personnel Services, Broward Co	\$ 405,236	\$ 356,190	(49,046)	-14%	2
Other Expenses, Broward County	95,381	78,947	(16,434)	-21%	2
Professional Fees	149,067	91,586	(57,481)	-63%	2
Bank Management Fees	3,671	3,781	110	3%	
Advertising/Marketing	1,224	1,082	(142)	-13%	
Dues and Membership Fees	2,395	2,220	(175)	-8%	
Conference and Travel Expense	10,530	12,287	1,757	14%	
Building/Land Maintenance	36,641	58,708	22,067	38%	2
Utilities	13,879	12,780	(1,099)	-9%	
Miscellaneous Expense	-	175	(175)	100%	
Capital Outlay Expense	5,655	2,181	3,474	159%	
Total Expenses	\$ 723,679	\$ 619,938			
Net Profit/(Loss)	\$ 146,125	\$ 481,538	(335,413)	-70%	3

Explanations provided for >=10% and >= \$5,000 variance

- 1 Gain/Loss related to current market conditions and increased balance in Investments-BNY Mellon Custody Account**
- 2 Timing of receipts/payments and accruals based on budget**
- 3 Professional fees expense increased while income for bond authority fees and application, TEFRA and closing fees decreased**

- * Please note that to more accurately reflect the components of interest income certain line descriptions were changed
- ** BNY Mellon was combined with USBank because the USBank assets were transferred to BNY Mellon.

"%Actual to Budget" Column Legend

- 100% - No amount reported in either of the two years**
- 0% - Current year amount is equal to prior year amount**

Attachment 5
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301
Profit & Loss (Flux Report) Budget to Actual
Year to Date As of May 2019

	<u>Selected Period</u>	<u>Budget for Selected Period</u>	<u>\$ Difference</u>	<u>% Difference to budget</u>	<u>*Explanation</u>	<u>Total Annual Budget Amount</u>
Income						
Bond Authority Fees	\$ 362,734	\$ 297,999	64,735	22%	1	\$ 446,998
Bond redemption & other income	43,986	126,854	(82,868)	-65%	1	190,282
Compliance Monitoring Fees	6,000	-	6,000	NA		-
Application, TEFRA and Closing Fees	17,000	-	17,000	NA		-
MCC and Lender Program Income	10,747	13,333	(2,586)	-19%		20,000
Interest Income, Mortgages	414	-	414	NA		-
Interest Income, BNY Mellon/US Bank	270,609	200,000	70,609	35%	1	300,000
Net Change in Investment Value	152,220	-	152,220	NA		-
Interest Income, FHLB LOC	94	-	94	NA		-
Rent Income	-	80,700	(80,700)	100%	1	121,050
Parking Rent Income	6,000	-	6,000	NA		-
Liquidation of Investments	-	33,333	(33,333)	100%	1	50,000
Total Income	\$ 869,804	\$ 752,219				\$ 1,128,330
Expenses						
Personnel Services, Broward Co	\$ 405,236	\$ 397,487	(7,749)	-2%		\$ 596,230
Other Expenses, Broward County	95,381	123,800	(28,419)	-23%	1	185,700
Professional Fees	149,067	127,333	21,734	17%	1	191,000
Audit Expense (BOCC)	-	8,800	(8,800)	100%	1	13,200
Bank Management Fees	3,671	2,667	1,004	38%		4,000
Advertising/Marketing	1,224	3,333	(2,109)	-63%		5,000
Dues and Membership Fees	2,395	4,000	(1,605)	-40%		6,000
Conference and Travel Expense	10,530.00	15,333	(4,803)	-31%		23,000
Postage/FedEx	-	133	(133)	100%		200
Building/Land Maintenance	36,641	42,000	(5,359)	-13%	1	63,000
Utilities	13,879	14,000	(121)	-1%		21,000
Capital Outlay Expense	5,655	13,333	(7,678)	-58%	1	20,000
Total Expenses	\$ 723,679	\$ 752,219				\$ 1,128,330
Net Profit/(Loss)	\$ 146,125	\$ -				\$ -

* Explanations provided for >=10% and >= \$5,000 variance

1 Timing of receipts/payments and accruals based on budget

NA - No Budget amount

100% - Actual is zero

Attachment 6
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301

Aged Receivables
5/31/2019

Authority fee receivable	Total Due	0 - 30	31 - 60	61 - 90	90+
2003 SANTUARY COVE	13,005	13,005	-	-	-
2018 NW Gardens	11,632	-	-	-	11,632
Total Authority Fee Receivable	\$ 24,637	\$ 13,005	\$ -	\$ -	\$ 11,632

2784 Broward Housing Finance Authority

110 NE Third Street #300
Fort Lauderdale, FL 33301

Attachment 7

Reconciliation Report

6/6/2019
11:57:49 AM

Page 1

ID#	Date	Memo/Payee	Deposit	Withdrawal
Checking Account: 1-1000 Cash-Wells Fargo				
Date of Bank Statement: 5/31/2019				
Last Reconciled: 4/30/2019				
Last Reconciled Balance: \$376,166.42				
Cleared Checks				
4978	4/24/2019	Broward County Board of Coun		\$20.00
4979	4/25/2019	Zomermaand Financial Advisor		\$5,971.17
GJ000299	5/2/2019	Utility Debit		\$509.46
4980	5/8/2019	Holmes Lawn Services		\$335.00
4981	5/8/2019	Dufresne CPA Services, PA		\$1,583.50
4982	5/8/2019	Sun-Sentinel		\$0.00
SC053119	5/13/2019	WF Checking Service Charge		\$194.74
4983	5/20/2019	S. Davis & Associates, P.A.		\$13,500.00
4989	5/28/2019			\$0.00
4990	5/28/2019	Broward County Board of Coun		\$206,403.29
GJ000305	5/29/2019	Utility Debits		\$1,419.45
Total:			\$0.00	\$229,936.61

Cleared Deposits

GJ000298	5/2/2019	"2nd Mtg, Travel Reimbursed,B	\$4,003.50	
CR000083	5/3/2019	Payment; 1996 BANYAN BAY	\$22,075.37	
CR000084	5/3/2019	Payment; 1996 LOS PRADOS	\$26,416.17	
CR000085	5/3/2019	Payment; 2000 SUMMERLAKE	\$3,509.08	
CR000086	5/3/2019	Payment; 2002 MERIDIAN	\$5,933.43	
CR000087	5/3/2019	Payment; 2002 LAGUNA POIN	\$7,236.05	
CR000088	5/3/2019	Payment; 2006 Sailboat Bend	\$1,170.00	
CR000089	5/3/2019	2008 Golden Villas for 000005	\$2,619.00	
GJ000300	5/10/2019	Lee County Income	\$215.04	
GJ000301	5/14/2019	MCC Income	\$1,225.00	
GJ000302	5/20/2019	"MCC Income, Marquis Induce	\$1,675.00	
GJ000303	5/21/2019	"Application,TEFRA,Induceme	\$7,500.00	
GJ000304	5/28/2019	MCC Income	\$175.00	
CR000090	5/28/2019	Payment; 2015 Crystal Lake	\$5,591.78	
Total:			\$89,344.42	\$0.00

Outstanding Checks

4984	5/20/2019	TECO Peoples Gas		\$47.17
4985	5/20/2019	Broward County Board of Coun		\$120.00
4986	5/20/2019	Zomermaand Financial Advisor		\$6,040.85
4987	5/28/2019	Holmes Lawn Services		\$335.00
4988	5/28/2019	FL ALHFA		\$1,950.00
4991	5/31/2019	L&B Janitorial Services		\$12,254.01
4992	5/31/2019	Milette Manos		\$1,780.46
Total:			\$0.00	\$22,527.49

2784 Broward Housing Finance Authority

Attachment 7, cont.

Reconciliation Report

Page 2

6/6/2019
11:57:49 AM

ID#	Date	Memo/Payee	Deposit	Withdrawal
-----	------	------------	---------	------------

Checking Account:	1-1000	Cash-Wells Fargo		
Date of Bank Statement:	5/31/2019			
Last Reconciled:	4/30/2019			
Last Reconciled Balance:	\$376,166.42			

Outstanding Checks

Reconciliation

AccountEdge Pro Balance on 5/31/2019:	\$213,046.74
Add: Outstanding Checks:	\$22,527.49
Subtotal:	<u>\$235,574.23</u>
Deduct: Outstanding Deposits:	\$0.00
Expected Balance on Statement:	<u><u>\$235,574.23</u></u>

Attachment 8
Cumulative Net Change in Investment Value
Prior Year-to-Date Comparison to Current Year-to-Date

	<u>5/31/2018</u>	<u>5/31/2019</u>
BNY Mellon Custody Acct - New Account 11/17	\$ -	\$ 152,220
US Bank Custody Acct	(23,254)	-
	<u>\$ (23,254)</u>	<u>\$ 152,220</u>
Cumulative Net Change in Investment Value		<u>\$ 175,474</u>

NOTE: Change in investment value is attributable to the transfer of MBS to the HFA custody account from the assets remaining after retirement of the single family bond issues 06ABCD, 07ABCD and 07EF.

Housing Finance HFA of Broward County
July 17, 2019 – Board Meeting

Multifamily Bonds - Action Item

Request approval of an Inducement Resolution for a multifamily development known as Prospect Park Apartments, declaring the HFA's official intent to issue multifamily mortgage revenue bonds (the "Bonds"); approving the issuance of the Bonds subject to certain findings and conditions; authorizing the HFA to publish a notice and hold a public hearing pursuant to the Tax Equity and Fiscal Responsibility Act (the "TEFRA Hearing") subject to HFA's receipt of applicable fees; and providing an effective date,.

Background

1. On April 23, 2019, the HFA received a multifamily bond application from Prospect Park Developer LLC (the "Developer") pertaining to the acquisition, construction and equipping of a 125-unit development, known as Prospect Park Apartments (the "Development"). The Development is located at 5500 NW 31 Avenue in the City of Ft. Lauderdale. The application requested that the HFA issue the Bonds to support the Development in an amount of \$17,910,000. (Attachment I)
2. The HFA has \$88,975,637 of 2016 multifamily carryforward, \$40,372,999 of 2017 multifamily carryforward and \$56,326,275 of 2018 multifamily carryforward allocation available to fund the Development. The 2016, 2017 and 2018 allocation expire on 12/31/2019, 12/31/2020 and 12/31/2021 respectively.
3. The HFA's available allocation is enough to fund the Bonds and all pending transactions which total \$58,000,000.

Present Situation

1. Within its initial application the Developer requested inducement of the Bonds. Subsequently, the Developer requested an increase the Bonds, not to exceed \$18,000,000.
2. The \$1,500 Inducement Fee and \$500 Application Fee were paid.
3. Bond Counsel, Bond Underwriter and Credit Underwriter have been assigned to the transaction.
4. The Inducement Resolution (incorporating authorization to publish notice of and hold the TEFRA Hearing) authorizing the issuance of bonds in an amount not to exceed \$18,000,000 is attached. (Attachment II)
5. As the Bond Inducement is administrative, the Inducement will not require Broward County Board of County Commissioners ("BOCC") action.
6. The TEFRA Hearing will require ratification by the BOCC.
7. The Developer expects the transaction to close within the fourth quarter of 2019.

Recommendation

Approve the Inducement Resolution:

1. Declaring the HFA's official intent to issue the Bonds,
2. Approving the issuance of the Bonds subject to certain findings and conditions,
3. Providing authorization for HFA staff and professionals to:
 - a. Publish all appropriate notices for the TEFRA Hearing, and

- b. Hold a TEFRA Hearing for a multifamily development known as Prospect Park Apartments (subject to receipt of applicable fees), and
4. Providing an effective date.

Attachments

- I. Multifamily Bond Application
- II. HFA Inducement Resolution

3. STATUS INFORMATION

- A. Status of Site Control/Acquisition: Under Contract
- B. What is current zoning? R-3
- C. Status of Site Plan Approval: N/A
- D. Status of Platting: N/A

4. FINANCING INFORMATION

- A. Amount of Bond Financing Requested \$ 17,910,000
Taxable Amount \$ _____
Tax-Exempt Amount \$ 17,910,000
- B. Credit Enhancement Information, if applicable:
 - (i) Lender's Name SunTrust Bank
 - (ii) Address 33 Bloomfield Hills Parkway, Suite 125, Bloomfield Hills, MI 48304
 - (iii) Phone Number (212) 326-3125
 - (iv) Contact Person Justin Ginsberg
 - (v) Has it been finalized?(give status) No, will be secured in conjunction with bond financing.
 - (vi) Fixed Rate or Variable Rate (describe) Fixed rate

5. OTHER INFORMATION (optional) _____

6. UNDERSTANDING OF BOND POLICIES

I, Jonathan A. Gruskin, representing Prospect Park Developer LLC have read and understand the Policies and Procedures for the Multi-Family Housing Bond Program of the Housing Finance Authority of Broward County, Florida (the "HFA").

Jonathan A. Gruskin
Signature

5/6/19
Date

Resolution No. 2019-_____

A meeting of the Housing Finance Authority of Broward County, Florida was held at 5:30 P.M. on July 17, 2019, at the offices of the Housing Finance Authority of Broward County, Florida, 110 Northeast Third Street, Suite 201, in the City of Fort Lauderdale, Florida.

Present: _____

Absent: _____

* * * * *

Thereupon, _____ introduced the following resolution which was read:

A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA (THE “HOUSING FINANCE AUTHORITY”) DECLARING ITS OFFICIAL INTENT TO ISSUE MULTIFAMILY HOUSING REVENUE BONDS (THE “BONDS”) OF THE HOUSING FINANCE AUTHORITY TO FINANCE ALL OR A PORTION OF THE COSTS OF THE ACQUISITION, REHABILITATION AND EQUIPPING OF CERTAIN MULTIFAMILY HOUSING FACILITIES (PROSPECT PARK APARTMENTS) LOCATED WITHIN BROWARD COUNTY, FLORIDA, AND OTHER RELATED PURPOSES; APPROVING THE ISSUANCE OF THE BONDS, SUBJECT TO CERTAIN FURTHER FINDINGS AND CONDITIONS; AUTHORIZING THE HOUSING FINANCE AUTHORITY TO PUBLISH NOTICE OF AND HOLD A PUBLIC HEARING PURSUANT TO THE TAX EQUITY AND FISCAL RESPONSIBILITY ACT (TEFRA); AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Housing Finance Authority of Broward County, Florida (the “Housing Finance Authority”), is empowered under (i) the laws of the State of Florida, including the Florida Housing Finance Authority law, Sections 159.601 through 159.623, Florida Statutes (the “Act”), and (ii) Ordinance 79-41 enacted by the Board of

Commissioners (the “Board”) of Broward County, Florida (the “County”) on June 20, 1979, as amended, to issue multifamily housing revenue bonds;

WHEREAS, the Housing Finance Authority is authorized under the Act to issue its revenue bonds for the purpose of paying the costs of a “qualifying housing development” within the meaning of the Act, which includes the acquisition, rehabilitation, and equipping of multifamily housing developments;

WHEREAS, the Housing Finance Authority has been requested by Prospect Park Preservation, Ltd., or an entity related to such limited partnership (the “Developer”), to declare its official intent with respect to the issuance of its multifamily housing revenue bonds in one or more series pursuant to the Act, in the expected maximum principal amount of \$18,000,000 (the “Bonds”), to finance the costs of the acquisition, rehabilitation, and equipping of a multifamily housing project known as “Prospect Park Apartments,” consisting of approximately 125 units, located in Fort Lauderdale, Florida, and to be owned by an entity to be determined, its assigns or a related party (collectively, the “Project”); and

WHEREAS, such declaration is required pursuant to certain federal income tax regulations in order for the Developer to be able to reimburse itself from proceeds of the Bonds for capital expenditures it may make with respect to the Project prior to the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED by the Housing Finance Authority, as follows:

SECTION 1. Declaration of Findings. The Housing Finance Authority hereby finds, determines and declares the matters hereinabove set forth.

SECTION 2. Intent to Issue. The Housing Finance Authority hereby declares its official intent to issue, pursuant to the Act, multifamily housing revenue bonds, in one or more series, of the Housing Finance Authority in the expected maximum principal amount of \$18,000,000. The Housing Finance Authority retains the right to determine, in its sole discretion, whether sufficient bond allocation is available for the purpose of the tax-exempt financing of the Project. The issuance of the Bonds is further subject to the conditions set forth in Section 3, Section 4 and Section 5 below.

SECTION 3. Prior Conditions. Prior to the issuance of the Bonds, the Developer and the Housing Finance Authority must satisfy all requirements of the Act with respect to the issuance of the Bonds, including, but not limited to, the approval of the Project as a “qualifying housing development” under the Act, and all other requirements in order for the interest on the Bonds, when and if issued, to be excluded from the gross income of the owners thereof for federal income tax purposes.

SECTION 4. Public Hearing Authorized. The staff of the Housing Finance Authority is authorized to publish the notice of the Tax Equity and Fiscal Responsibility Act (“TEFRA”) Hearing (as defined below) in *The Sun Sentinel*, and to conduct the public hearing required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), prior to the issuance of the Bonds (the “TEFRA Hearing”).

SECTION 5. County Approval. Additionally, prior to the issuance of the Bonds, the Bonds must be approved by the Board in accordance with, and for purposes of, Section 147(f) of the Code.

SECTION 6. Declaration of Official Intent. This Resolution constitutes official intent under Treasury Regulations Section 1.150-2 and any amendments thereto, for

reimbursement from bond proceeds of temporary advances made by the Developer for purposes of the Project prior to the issuance of the Bonds.

SECTION 7. Scope of Approval. It is expressly stated and agreed that the adoption of this Resolution is not a guaranty, express or implied, that the Housing Finance Authority shall approve the closing and issue the Bonds, or any portion thereof, for the Project. By the presentation of this Resolution to the members of the Housing Finance Authority for consideration, the Developer agrees to hold the Housing Finance Authority and its past, present and future members, officers, staff, attorneys, financial advisors and employees harmless from any liability or claim based upon the refusal or failure of the Housing Finance Authority to close the transaction and issue the Bonds, or any other cause of action arising from the adoption of this Resolution, the processing of the financing for the Project, or the issuance of (or decision not to issue) the Bonds.

SECTION 8. Resolution Effective. This Resolution shall take effect immediately upon its passage.

[Remainder of page intentionally left blank]

Upon motion of _____, seconded by
_____, the foregoing Resolution was adopted by the following
vote:

Ayes: _____

Noes: _____

STATE OF FLORIDA)
) SS:
COUNTY OF BROWARD)

I, Daniel D. Reynolds, Secretary of the Housing Finance Authority of Broward County, Florida, do hereby certify that the foregoing is an accurate copy of the resolution of the Housing Finance Authority adopted at a meeting held on July 17, 2019, as set forth in the official minutes of the Housing Finance Authority, relating to the multifamily housing revenue bonds for the financing of Prospect Park Apartments.

I DO HEREBY FURTHER CERTIFY that said meeting was duly called and held in accordance with Chapter 286, Florida Statutes.

WITNESS my hand and the corporate seal of said Housing Finance Authority, this 17th day of July, 2019.

**HOUSING FINANCE AUTHORITY OF
BROWARD COUNTY, FLORIDA**

By: _____
Daniel D. Reynolds, Secretary

[SEAL]

Housing Finance HFA of Broward County
July 17, 2019 – Board Meeting

Multifamily Bonds - Action Item

Request approval of an Inducement Resolution for a multifamily development known as Marquis Apartments, declaring the HFA's official intent to issue multifamily mortgage revenue bonds (the "Bonds"); approving the issuance of the Bonds subject to certain findings and conditions; authorizing the HFA to publish a notice and hold a public hearing pursuant to the Tax Equity and Fiscal Responsibility Act (the "TEFRA Hearing") subject to HFA's receipt of applicable fees; and providing an effective date,.

Background

1. On May 6, 2019, the HFA received a multifamily bond application from Marquis Partners, Ltd. (the "Owner") pertaining to the acquisition, construction and equipping of a 100-unit development, known as Marquis Apartments (the "Development"). The Development is located Northwest 9th Street, the Northwest Corner of Northwest 9th Street and Dr. B.J. McCormick Avenue in the City of Pompano Beach. The application requested that the HFA issue the Bonds to support the Development in an amount of \$12,000,000. (Attachment I)
2. The developer was identified as Cornerstone Group Partners, LLC. (the "Developer").
3. The HFA has \$88,975,637 of 2016 multifamily carryforward, \$40,372,999 of 2017 multifamily carryforward and \$56,326,275 of 2018 multifamily carryforward allocation available to fund the Development. The 2016, 2017 and 2018 allocation expire on 12/31/2019, 12/31/2020 and 12/31/2021 respectively.
4. The HFA's available allocation is enough to fund the Bonds and all pending transactions which total \$58,000,000.

Present Situation

1. The Developer requested inducement of the Bonds.
2. The \$1,500 Inducement Fee and \$500 Application Fee were paid.
3. Bond Counsel, Bond Underwriter and Credit Underwriter have been assigned to the transaction.
4. The Inducement Resolution (incorporating authorization to publish notice of and hold the TEFRA Hearing) authorizing the issuance of bonds in an amount not to exceed \$12,000,000 is attached. (Attachment II)
5. As the Bond Inducement is administrative, the Inducement will not require Broward County Board of County Commissioners ("BOCC") action.
6. The TEFRA Hearing will require ratification by the BOCC.
7. The Developer expects the transaction to close within the fourth quarter of 2019.

Recommendation

Approve the Inducement Resolution:

1. Declaring the HFA's official intent to issue the Bonds,
2. Approving the issuance of the Bonds subject to certain findings and conditions,
3. Providing authorization for HFA staff and professionals to:

- a. Publish all appropriate notices for the TEFRA Hearing, and
 - b. Hold a TEFRA Hearing for a multifamily development known as Marquis Apartments (subject to receipt of applicable fees), and
4. Providing an effective date.

Attachments

- I. Multifamily Bond Application
- II. HFA Inducement Resolution

J. Est. Total Construction Cost: \$ 22,769,439

Cost per Unit: \$ 227,694

K. Est. Construction Start Date: 12/15/2020

Completion Date: 3/15/2021

3. STATUS INFORMATION

- A. Status of Site Control/Acquisition: Under Contract
- B. What is current zoning? B-3
- C. Status of Site Plan Approval: Approved
- D. Status of Platting: Submittal in Progress

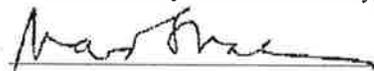
4. FINANCING INFORMATION

- A. Amount of Bond Financing Requested \$ 12,000,000.00
- Taxable Amount \$ _____
- Tax-Exempt Amount \$ 12,000,000
- B. Credit Enhancement Information, if applicable:
- (i) Lender's Name Citibank
- (ii) Address 7400 W. Camino Real, Suite 130-A, Boca Raton, FL 33433
- (iii) Phone Number 561-347-3254
- (iv) Contact Person Barry Krinsky
- (v) Has it been finalized?(give status) In process
- (vi) Fixed Rate or Variable Rate (describe) Fixed Rate

5. OTHER INFORMATION (optional) N/A

6. UNDERSTANDING OF BOND POLICIES

I, Mara S. Mades, representing Marquis Partners, Ltd. have read and understand the Policies and Procedures for the Multi-Family Housing Bond Program of the Housing Finance Authority of Broward County, Florida (the "HFA").


Signature

May 6, 2019
Date

State of Florida

Department of State

I certify from the records of this office that MARQUIS PARTNERS, LTD. is a limited partnership organized under the laws of the State of Florida, filed on September 23, 2015.

The document number of this limited partnership is A15000000598.

I further certify that said limited partnership has paid all fees due this office through December 31, 2019 and that its status is active.

I further certify that said limited partnership has not filed a Certificate of Withdrawal.

*Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this
the Third day of April, 2019*



Samuel R. Rife
Secretary of State

Tracking Number: 1780559756CU

To authenticate this certificate, visit the following site, enter this number, and then follow the instructions displayed.

<https://services.sunbiz.org/Filings/CertificateOfStatus/CertificateAuthentication>

Project Summary

Development Information

Project Name	Marquis Apts.
Location	NWC of 9th St.&Dr JB McCormick Ave
County	Broward
City	Pompano Beach
District	-
Demographic	Family
2019 AMGI	\$ 84,200
Primary Financing	4% Tax Credits/Bonds

Site Control

Purchase Price	\$ 1,916,500
Price Per Unit	\$ 19,165
Land Size (acres)	4.10
Units Per Acre	24
DDA/QCT?	QCT
Census Tract	305.00
Zip Code	33069
Ground Lease	No
Lease Payment	\$ -

Construction

Category	New Construction
Construction Material	Concrete
Construction Type	Garden
Number of Floors	3

Finance Sources

Tax Credit Equity	7,791,000
First Mortgage Loan	12,000,000
1st Mtg. Redemption	(8,800,000)
Surtax/SHIP	-
HOME	-
SAIL	3,140,000
SAIL ELI	600,000
FHLB	-
NHTF	1,319,400
Broward AHF	5,000,000
Pompano Beach Grant	407,250
Pompano Beach	200,000
Deferred Dvpr. Fee	1,231,789
Total Sources	22,889,439

Proposed Unit Distribution

Proposed Number of Units	100
Project Square Footage	88,304
Studio	0%
1 Bedroom	48%
2 Bedroom	44%
3 Bedroom	8%
% Vouchers	45%

Financial Statistics

Operating Expense/Unit	\$ 6,920
Replacement Reserve/Unit	\$ 300
Cash Flow after Debt Service	\$ 101,520
CF prior to pay off of dfd. Fee	\$ 132,920
First Mortgage/Unit	\$ 32,000
First Mortgage Interest Rate	5.35%
First Mortgage Amortization	35
Debt Service Coverage	1.41
Annual Tax Credits	\$ 828,884
Equity Price	\$ 0.94

Set Asides

22%	6
30%	15
60%	34
70%	45

\$	31,400
\$	6,000
\$	50,000
\$	4,073
\$	2,000
\$	93,473 subsidy/unit

Development Budget

Project Name Marquis Apts.
 Number of Units 100
 Project Square Footage 88,304
 Applicable Tax Credit Fraction 100%

Uses		Total Cost	Eligible Basis	Non-Eligible	Per Unit
Land Acquisition	\$	1,916,500	\$ -	\$ 1,916,500	\$ 19,165
Land Carry	\$	-	\$ -	\$ -	\$ -
Broker Fee	\$	-	\$ -	\$ -	\$ -
Impact Fees Not Refunded	\$	318,381	\$ 318,381	\$ -	\$ 3,184
Planning Fees	\$	-	\$ -	\$ -	\$ -
W&S Connection Fees	\$	250,000	\$ 250,000	\$ -	\$ 2,500
Architect	\$	250,000	\$ 250,000	\$ -	\$ 2,500
Engineer	\$	75,000	\$ 75,000	\$ -	\$ 750
Surveying & Platting	\$	35,000	\$ 35,000	\$ -	\$ 350
Environmental/Soils	\$	30,000	\$ 30,000	\$ -	\$ 300
Borrower Legal Counsel, Profess. Fees	\$	150,000	\$ 37,500	\$ 112,500	\$ 1,500
Finance Fees	\$	538,400	\$ 120,000	\$ 418,400	\$ 5,384
Builders Risk Insurance	\$	75,000	\$ 75,000	\$ -	\$ 750
Insurance	\$	27,000	\$ -	\$ 27,000	\$ 270
P&P Bond (Construction)	\$	85,000	\$ 85,000	\$ -	\$ 850
Taxes	\$	50,000	\$ 10,000	\$ 40,000	\$ 500
Title and Recording	\$	125,000	\$ -	\$ 125,000	\$ 1,250
Inspection Fee	\$	40,000	\$ 40,000	\$ -	\$ 400
Appraisal	\$	12,000	\$ 12,000	\$ -	\$ 120
Market Study	\$	6,000	\$ 6,000	\$ -	\$ 60
Accounting	\$	45,000	\$ -	\$ 45,000	\$ 450
Tax Credit Fees	\$	315,227	\$ 25,000	\$ 25,000	\$ 3,152
Marketing w/ Lease Up Reserves	\$	120,000	\$ -	\$ 120,000	\$ 1,200
Building Permit Fees	\$	280,000	\$ 280,000	\$ -	\$ 2,800
Capital Needs Assessment	\$	5,000	\$ 5,000	\$ -	\$ 50
Other	\$	-	\$ -	\$ -	\$ -
Furniture & Fixtures	\$	125,000	\$ 125,000	\$ -	\$ 1,250
Construction Interest	75%	\$ 945,000	\$ 708,750	\$ 236,250	\$ 9,450
Construction Cost (Building & Site)	\$	13,100,000	\$ 13,040,000	\$ 60,000	\$ 131,000
Hard Cost Contingency	5%	\$ 655,000	\$ 655,000	\$ -	\$ 6,550
Soft Cost Contingency	\$	120,930	\$ 120,930	\$ -	\$ 1,209
Replacement Reserves	\$	-	\$ -	\$ -	\$ -
Operating Reserve	\$	-	\$ -	\$ -	\$ -
Developer Overhead	4.00%	\$ 710,000	\$ 710,000	\$ -	\$ 7,100
Developer Profit	14.00%	\$ 2,485,000	\$ 2,485,000	\$ -	\$ 24,850
TOTAL ACQUISITION COST	\$	1,916,500	\$ -	\$ 1,916,500	\$ 19,165
TOTAL DEVELOPMENT COST	\$	20,972,939	\$ 19,498,562	\$ 1,209,150	\$ 209,729
TOTAL USES	\$	22,889,439	\$ 19,498,562	\$ 3,125,650	\$ 228,894

Sources		Total Cost	Eligible Basis	Non-Eligible	Per Unit
Tax Credit Equity		7,791,000			77,910
First Mortgage Loan		12,000,000			120,000
1st Mtg. Redemption		(8,800,000)			(88,000)
Surtax/SHIP		-			-
HOME		-			-
SAIL		3,140,000			31,400
SAIL ELI		600,000			6,000
FHLB		-			-
NHTF		1,319,400			13,194
Broward AHF		5,000,000			50,000
Pompano Beach Grant		407,250			4,073
Pompano Beach		200,000			2,000
Deferred Dvpr. Fee		1,231,789			12,318
TOTAL SOURCES	\$	22,889,439	\$ -	\$ -	\$ 228,894

Proforma

Project Name	Marquis Apts.	100	6%	15%	34%	45%	
Number of Units	100	Unit Type	% Total	22%	30%	60%	70%
County	Broward	1BR	48%	3	7	16	22
AMI	84,200	2BR	44%	3	7	15	19
LIHTC %	100%	3BR	8%	-	1	3	4
Density	24	Total	100%	6	15	34	45
ELI %	15%			6%	15%	34%	45%

	Units	% AMI	Unit Size	Total Sq. Ft.	Gross Rent	Less: Utilities	Net Rent	Annual Income	Projected
1 Bed/1 Bath	3	22%	696	2,088	346	-\$61	\$285	\$10,260	
1 Bed/1 Bath	7	30%	696	4,872	474	-\$61	\$413	\$34,692	
1 Bed/1 Bath	16	60%	696	11,136	948	-\$61	\$887	\$170,304	
1 Bed/1 Bath	22	70%	696	15,312	1,106	-\$61	\$1,045	\$275,880	\$935
2 Bed/2 Bath	3	22%	1024	3,072	418	-\$71	\$347	\$12,492	
2 Bed/2 Bath	7	30%	1024	7,168	568	-\$71	\$497	\$41,748	
2 Bed/2 Bath	15	60%	1024	15,360	1,137	-\$71	\$1,066	\$191,880	
2 Bed/2 Bath	19	70%	1024	19,456	1,326	-\$71	\$1,255	\$286,140	\$1,195
3 Bed/2 Bath	0	22%	1230	-	482	-\$78	\$404	\$0	
3 Bed/2 Bath	1	30%	1230	1,230	657	-\$78	\$579	\$6,948	
3 Bed/2 Bath	3	60%	1230	3,690	1,314	-\$78	\$1,236	\$44,496	
3 Bed/2 Bath	4	70%	1230	4,920	1,533	-\$78	\$1,455	\$69,840	\$1,350
TOTAL RENTAL REVENUE	100		883	88,304			\$ 954	\$1,144,680	

Plus: Other Income	Penetration	Per Unit/Mo.		
Misc Income	100%	\$12.00		\$14,400
Coin Laundry	0%	\$12.00		\$0
Washer/Dryer	60%	\$25.00		\$18,000
Intrusion Alarms	0%	\$30.00		\$0
Cable Income	0%	\$17.50		\$0
Retail Income	95%	\$0.00	2,600	\$0

Gross Potential Income				\$1,177,080
Less: Vacancy Factor	9.17%	because of 70% AMI rents		(107,966)
Effective Gross Income				1,069,114
Less: Operating Expenses		\$ (6,920)		(691,956)
Less: Replacement Reserve		\$ (300)		(30,000)
Net Operating Income				\$347,158
Land Lease Payment				\$ -
Cash Flow Before Debt Service				\$347,158

Debt Service:	% Total	\$/Unit	Principal Balance	Interest Rate	Amort	Constant	Debt Service	Loan/Unit
First Mortgage Loan	52%	120,000	12,000,000	5.35%	35	6.28%	\$ 753,330	\$ 32,000
1st Mtg. Redemption	-38%	(88,000)	(8,800,000)	5.35%	35	6.28%	\$ (552,442)	
Surtax/SHIP	0%	-	-	1.00%	Pay rate	1.00%	\$ -	
HOME	0%	-	-	0.25%	Int. Only	0.25%	\$ -	
SAIL	14%	31,400	3,140,000	1.25%	Int. Only	1.25%	\$ 39,250	
SAIL ELI	3%	6,000	600,000	0.25%	Int. Only	0.25%	\$ 1,500	
FHLB	0%	-	-	0.00%	Int. Only	0.00%	\$ -	
NHTF	6%	13,194	1,319,400	0%	35		\$ -	
Broward AHF	22%	50,000	5,000,000	0.00%	Int. Only	0.00%	\$ -	
Pompano Beach Gran	2%	4,073	407,250	0.00%	30	0.00%	\$ -	
Pompano Beach	1%	2,000	200,000	2.00%		2.00%	\$ 4,000	
Deferred Dvpr. Fee	5%	12,318	1,231,789				\$ -	
Total Debt Service		150,984	15,098,439				\$ 245,638	
Cash Flow After Debt Service							\$101,520	
CF after Hard Debt Svc.							\$132,920	
Debt Service Coverage - First Mortgage							1.73	
Debt Service Coverage - SAIL							1.45	
Debt Service Coverage - All Debt							1.41	

	Rate	Amort.	Constant
Base Rate	4.55%	35	
Underwriting Margin	0.25%	35	
Servicer	0.07%	35	
Other	0.00%	35	
Subtotal	4.87%	35	5.96%
Issuer Fee	0.18%		0.18%
Trustee Fee	\$ 4,500	0.14%	0.14%
Audit	\$ 5,000	0.16%	
Total	5.35%		6.28%

Resolution No. 2019-_____

A meeting of the Housing Finance Authority of Broward County, Florida was held at 5:30 P.M. on July 17, 2019, at the offices of the Housing Finance Authority of Broward County, Florida, 110 Northeast Third Street, Suite 201, in the City of Fort Lauderdale, Florida.

Present: _____

Absent: _____

* * * * *

Thereupon, _____ introduced the following resolution which was read:

A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA (THE “HOUSING FINANCE AUTHORITY”) DECLARING ITS OFFICIAL INTENT TO ISSUE MULTIFAMILY HOUSING REVENUE BONDS (THE “BONDS”) OF THE HOUSING FINANCE AUTHORITY TO FINANCE ALL OR A PORTION OF THE COSTS OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF CERTAIN MULTIFAMILY HOUSING FACILITIES (MARQUIS APARTMENTS) LOCATED WITHIN BROWARD COUNTY, FLORIDA, AND OTHER RELATED PURPOSES; APPROVING THE ISSUANCE OF THE BONDS, SUBJECT TO CERTAIN FURTHER FINDINGS AND CONDITIONS; AUTHORIZING THE HOUSING FINANCE AUTHORITY TO PUBLISH NOTICE OF AND HOLD A PUBLIC HEARING PURSUANT TO THE TAX EQUITY AND FISCAL RESPONSIBILITY ACT (TEFRA); AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Housing Finance Authority of Broward County, Florida (the “Housing Finance Authority”), is empowered under (i) the laws of the State of Florida, including the Florida Housing Finance Authority law, Sections 159.601 through 159.623, Florida Statutes (the “Act”), and (ii) Ordinance 79-41 enacted by the Board of

Commissioners (the “Board”) of Broward County, Florida (the “County”) on June 20, 1979, as amended, to issue multifamily housing revenue bonds;

WHEREAS, the Housing Finance Authority is authorized under the Act to issue its revenue bonds for the purpose of paying the costs of a “qualifying housing development” within the meaning of the Act, which includes the acquisition, construction, and equipping of multifamily housing developments;

WHEREAS, the Housing Finance Authority has been requested by Marquis Partners, Ltd., or an entity related to such limited partnership (the “Developer”), to declare its official intent with respect to the issuance of its multifamily housing revenue bonds in one or more series pursuant to the Act, in the expected maximum principal amount of \$12,000,000 (the “Bonds”), to finance the costs of the acquisition, construction, and equipping of a multifamily housing project known as “Marquis Apartments,” consisting of approximately 100 units, located in Pompano Beach, Florida, and to be owned by an entity to be determined, its assigns or a related party (collectively, the “Project”); and

WHEREAS, such declaration is required pursuant to certain federal income tax regulations in order for the Developer to be able to reimburse itself from proceeds of the Bonds for capital expenditures it may make with respect to the Project prior to the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED by the Housing Finance Authority, as follows:

SECTION 1. Declaration of Findings. The Housing Finance Authority hereby finds, determines and declares the matters hereinabove set forth.

SECTION 2. Intent to Issue. The Housing Finance Authority hereby declares its official intent to issue, pursuant to the Act, multifamily housing revenue bonds, in one or more series, of the Housing Finance Authority in the expected maximum principal amount of \$12,000,000. The Housing Finance Authority retains the right to determine, in its sole discretion, whether sufficient bond allocation is available for the purpose of the tax-exempt financing of the Project. The issuance of the Bonds is further subject to the conditions set forth in Section 3, Section 4 and Section 5 below.

SECTION 3. Prior Conditions. Prior to the issuance of the Bonds, the Developer and the Housing Finance Authority must satisfy all requirements of the Act with respect to the issuance of the Bonds, including, but not limited to, the approval of the Project as a “qualifying housing development” under the Act, and all other requirements in order for the interest on the Bonds, when and if issued, to be excluded from the gross income of the owners thereof for federal income tax purposes.

SECTION 4. Public Hearing Authorized. The staff of the Housing Finance Authority is authorized to publish the notice of the Tax Equity and Fiscal Responsibility Act (“TEFRA”) Hearing (as defined below) in *The Sun Sentinel*, and to conduct the public hearing required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), prior to the issuance of the Bonds (the “TEFRA Hearing”).

SECTION 5. County Approval. Additionally, prior to the issuance of the Bonds, the Bonds must be approved by the Board in accordance with, and for purposes of, Section 147(f) of the Code.

SECTION 6. Declaration of Official Intent. This Resolution constitutes official intent under Treasury Regulations Section 1.150-2 and any amendments thereto, for

reimbursement from bond proceeds of temporary advances made by the Developer for purposes of the Project prior to the issuance of the Bonds.

SECTION 7. Scope of Approval. It is expressly stated and agreed that the adoption of this Resolution is not a guaranty, express or implied, that the Housing Finance Authority shall approve the closing and issue the Bonds, or any portion thereof, for the Project. By the presentation of this Resolution to the members of the Housing Finance Authority for consideration, the Developer agrees to hold the Housing Finance Authority and its past, present and future members, officers, staff, attorneys, financial advisors and employees harmless from any liability or claim based upon the refusal or failure of the Housing Finance Authority to close the transaction and issue the Bonds, or any other cause of action arising from the adoption of this Resolution, the processing of the financing for the Project, or the issuance of (or decision not to issue) the Bonds.

SECTION 8. Resolution Effective. This Resolution shall take effect immediately upon its passage.

[Remainder of page intentionally left blank]

Upon motion of _____, seconded by _____, the foregoing Resolution was adopted by the following vote:

Ayes: _____

Noes: _____

STATE OF FLORIDA)
) SS:
COUNTY OF BROWARD)

I, Daniel D. Reynolds, Secretary of the Housing Finance Authority of Broward County, Florida, do hereby certify that the foregoing is an accurate copy of the resolution of the Housing Finance Authority adopted at a meeting held on July 17, 2019, as set forth in the official minutes of the Housing Finance Authority, relating to the multifamily housing revenue bonds for the financing of Marquis Apartments.

I DO HEREBY FURTHER CERTIFY that said meeting was duly called and held in accordance with Chapter 286, Florida Statutes.

WITNESS my hand and the corporate seal of said Housing Finance Authority, this 17th day of July, 2019.

**HOUSING FINANCE AUTHORITY OF
BROWARD COUNTY, FLORIDA**

By: _____
Daniel D. Reynolds, Secretary

[SEAL]