

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF ST. JOHNS COUNTY, FLORIDA (THE “AUTHORITY”) PROVIDING FOR THE SALE, ISSUANCE AND DELIVERY BY THE AUTHORITY OF ITS MULTIFAMILY HOUSING REVENUE BONDS, SERIES 2022 (THE OAKS AT ST. JOHN), IN ONE OR MORE TAX EXEMPT OR TAXABLE SERIES OR SUBSERIES, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$21,500,000 (THE “BONDS”), FOR THE PURPOSE OF MAKING A LOAN OR LOANS TO PONTE VEDRA BEACH LEASED HOUSING ASSOCIATES I, LLLP TO FINANCE OR REFINANCE THE ACQUISITION, REHABILITATION, INSTALLATION AND EQUIPPING OF A MULTIFAMILY RENTAL HOUSING FACILITY FOR FAMILIES OF LOW, MODERATE AND MIDDLE INCOME RESIDENTS IN ST. JOHNS COUNTY, FLORIDA; APPROVING THE FORM OF AND, SUBJECT TO SUBSEQUENT APPROVAL BY THE AUTHORITY, AUTHORIZING THE EXECUTION AND DELIVERY OF THE TRUST INDENTURE, THE LOAN AGREEMENT, THE LAND USE RESTRICTION AGREEMENT, THE BONDS AND OTHER DOCUMENTS IN CONNECTION WITH THE ISSUANCE AND DELIVERY OF THE BONDS; AUTHORIZING A NEGOTIATED SALE OF THE BONDS; AUTHORIZING THE OFFICERS OF THE AUTHORITY TO TAKE ALL ACTIONS REQUIRED IN CONNECTION WITH ISSUANCE OF THE BONDS; PROVIDING CERTAIN OTHER DETAILS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.**

**BE IT RESOLVED BY THE HOUSING FINANCE AUTHORITY OF ST. JOHNS COUNTY, FLORIDA (THE “AUTHORITY”), THAT:**

**SECTION 1. AUTHORITY.** This Resolution is adopted pursuant to the Constitution of the State of Florida, the Housing Finance Authority Law, Part IV of Chapter 159, Florida Statutes, as amended, Ordinance 80-7 (the “County HFA Ordinance”) enacted by the Board of County Commissioners of St. Johns County, Florida (the “County Board”) on February 26, 1980, as amended, and Resolution 80-25 (the “County HFA Resolution”) adopted by the County Board on March 11, 1980, as amended (collectively, the “Act”).

**SECTION 2. FINDINGS.** The Authority has found and determined and does hereby declare that:

A. The Authority, at the request of Ponte Vedra Beach Leased Housing Associates I, LLLP, a Minnesota limited liability limited partnership (the “Borrower”), has determined to issue its Multifamily Housing Revenue Bonds, Series 2022 (The Oaks at St. John) (the “Bonds”) in an aggregate principal amount not to exceed \$21,500,000, in one or more tax-exempt or taxable series, pursuant to various loan documents, including without limitation, a Trust

Indenture, substantially in the form attached hereto as **Exhibit A** (the “Trust Indenture”), to be entered into between the Authority and a bond trustee to be designated by a subsequent resolution of the Authority (the “Trustee”), to make a loan of the proceeds thereof to the Borrower (the “Loan”) pursuant to a Loan Agreement, substantially in the form attached hereto as **Exhibit B** (the “Loan Agreement”), to be entered into among the Authority and the Borrower, in order to finance or refinance, including through reimbursement, the acquisition, rehabilitation and equipping of a multifamily residential rental facility to be located in St. Johns County, Florida (the “Project”).

B. In order to ensure that the use and operation of the Project are in compliance with the Act, the Code and the Authority’s requirements and that the interest on the Bonds is excludable from gross income of the holders thereof for federal income tax purposes, the Authority, the Borrower and the Trustee will enter into a Land Use Restriction Agreement, substantially in the form attached hereto as **Exhibit C** (the “Land Use Restriction Agreement”).

C. The Loan will be evidenced by a Promissory Note (the “Note”) from the Borrower to the Trustee, on behalf of the Authority.

D. The Bonds will be purchased by an underwriter to be designated by a subsequent resolution of the Authority (the “Underwriter”), pursuant to a bond purchase agreement (the “Bond Purchase Agreement”), upon terms acceptable to the Borrower and Authority, as authorized by a subsequent resolution of the Authority, upon the terms provided in such subsequent resolution and the Bond Purchase Agreement.

E. In connection with the negotiated sale of the Bonds, the Authority will, by a subsequent resolution of the Authority, approve the use and distribution by the Underwriter of an official statement or other offering document with respect to the Bonds (the “Official Statement”) prior to the issuance and delivery of the Bonds.

F. To provide security for the payment of certain indemnification and recourse obligations related to the Project, the Borrower and certain affiliates (collectively, the “Guarantors”) will execute and deliver certain guaranties in substantially the forms approved by a subsequent resolution of the Authority and such other guaranties as may be required in connection with the issuance of the Bonds (collectively, the “Guaranties”).

G. A loan servicer to be designated by a subsequent resolution of the Authority (the “Servicer”) will deliver to the Authority a draft Credit Underwriting Report with respect to the Project (the “Credit Underwriting Report”) and the Authority will approve at a later date the final Credit Underwriting Report pursuant to a subsequent resolution of the Authority and upon consultation with the Financial Advisor and Bond Counsel.

H. Within the County there is a shortage of housing available at prices or rentals which many persons and families can afford and a shortage of capital for investment in such housing. This shortage constitutes a threat to the health, safety, morals and welfare of the residents of the County, deprives the County of an adequate tax base, and causes the County to make excessive expenditures for crime prevention and control, public health, welfare and safety, fire and accident protection, and other public services and facilities.

I. The shortage of capital and housing cannot be relieved except through the encouragement of investment by private enterprise and the stimulation of construction and rehabilitation of housing through the use of public financing.

J. The Project and the financing of the acquisition, rehabilitation and equipping thereof will serve the purposes of the Act and the Project constitutes a “qualifying housing development” under the Act.

K. Adequate provision has been made or will be made in the documents attached hereto and attached to a subsequent resolution of the Authority for the Loan by the Authority to the Borrower to finance the acquisition, rehabilitation and equipping of the Project, and for the operation, repair and maintenance of the Project at the expense of the Borrower and for the repayment by the Borrower of the Loan in installments sufficient to pay the principal of and the interest on the Bonds and all costs and expenses relating thereto.

L. The Authority is not obligated to pay the Bonds except from the payments received from the Borrower under the Loan Agreement. Neither the faith, revenues, credit nor taxing power of the State of Florida or any agency, subdivision or local government thereof, including the County, is pledged to the payment of the principal of, premium (if any), or interest on the Bonds. The Authority has no taxing power.

M. The Borrower has represented to the Authority that the Underwriter will purchase the Bonds through a negotiated, limited offering pursuant to the Bond Purchase Agreement. A negotiated sale of the Bonds is necessary and in the best interests of the Authority for the following reasons: (1) the Bonds will be a special limited obligation of the Authority payable from amounts derived from the payments by the Borrower pursuant to the Trust Indenture, the Loan Agreement and certain other funds and collateral pledged therefor, as applicable; (2) the Borrower will be required to pay all costs of the Authority in connection with the issuance of the Bonds and the administration of the Project and to operate and maintain the Project at the Borrower’s own expense; (3) the costs of issuance of the Bonds, which must be borne directly or indirectly by the Borrower, would most likely be greater if the Bonds are sold at a public sale by competitive bids than if the Bonds are sold at a negotiated sale; (4) the necessity of complying with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”), it is essential that the Authority and the Borrower have maximum flexibility in structuring the Bonds, which flexibility would not be possible in competitive bidding; (5) there is no basis, considering prevailing market conditions, for any expectation that the terms and conditions of a sale of the Bonds at public sale by competitive bids would be any more favorable than at a negotiated sale; and (6) multifamily housing revenue bonds which have the characteristics of the Bonds are typically sold at negotiated sale under prevailing market conditions.

N. Because of the nature and character of the Bonds, the security pledged therefor, the size and complexity of the financing and for the reasons stated above, it is in the best interest of the Authority that the Bonds be sold pursuant to a negotiated, limited offering and not at public bid, in one or more tax exempt or taxable series, in the aggregate principal amount of not to exceed \$21,500,000, upon the conditions provided herein and the Bond Purchase

Agreement, and upon delivery by the Underwriter of respective disclosure statements containing the information and truth-in-bonding statements required by Section 218.385, Florida Statutes.

O. On December 1, 2021, a notice of public hearing, inviting written and oral comments and discussions concerning the issuance of the Bonds in an aggregate amount not to exceed \$21,500,000 to finance or refinance the acquisition, rehabilitation and equipping of the Project, was published in The St. Augustine Record, a newspaper of general circulation within the County.

P. On December 9, 2021, the Authority held a public hearing concerning the issuance of the Bonds in an aggregate amount not to exceed \$21,500,000 to finance or refinance the acquisition, rehabilitation and equipping of the Project.

Q. On December 21, 2021, the County Board approved the issuance of the Bonds by the Authority in an aggregate amount not to exceed \$21,500,000 in order to finance or refinance the Project, for purposes of Section 147(f) of the Code.

R. On January 3, 2022, the Authority received from the State of Florida Division of Bond Finance a 2022 private activity bond volume cap allocation in the amount of at least \$21,500,000 for the issuance of the Bonds to finance or refinance the acquisition, rehabilitation and equipping of the Project.

S. Subject to the conditions set forth herein and the approval of the County Board for purposes of the County HFA Ordinance and the County HFA Resolution, all conditions precedent to the issuance of the Bonds have been satisfied or will be satisfied prior to or simultaneously with the delivery of the Bonds.

**SECTION 3. APPROVAL OF ISSUANCE OF BONDS.** For the purpose of making the Loan to the Borrower, subject to the satisfaction of the conditions herein and in the Credit Underwriting Report to the satisfaction of the Servicer, the issuance of the Bonds in the aggregate principal amount of not to exceed \$21,500,000 is hereby authorized. Subject to the criteria set forth herein, the Bonds shall be issued upon the terms, including the dated date, interest rate, maturity and optional and mandatory redemption provisions therefor, as set forth in the Trust Indenture.

**SECTION 4. APPROVAL OF THE TRUST INDENTURE.** The form of the Trust Indenture attached hereto as **Exhibit A** is hereby approved, subject to such changes, insertions, and omissions and such filling of blanks therein as may be made in such form and approved by the officers of the Authority executing the same in a manner consistent with the provisions of this Resolution, the execution and delivery thereof to be conclusive evidence of such approval. The form of the Bonds attached to the Trust Indenture as “Exhibit A” thereto, is hereby approved, subject to such changes, modifications, insertions and omissions and filling of blanks therein as may be made in such form and approved by the Borrower and the officers of the Authority executing same, such execution to be conclusive evidence of such approval. The execution and delivery of the Trust Indenture and the Bonds are hereby authorized and approved.

**SECTION 5. APPOINTMENT OF TRUSTEE.** The Trustee to serve as initial Trustee under the Trust Indenture will be designated by a subsequent resolution of the Authority.

**SECTION 6. APPROVAL OF LOAN AGREEMENT AND RELATED DOCUMENTS.** The form of the Loan Agreement attached hereto as **Exhibit B**, is hereby approved, subject to such changes, modifications, insertions and omissions and filling of blanks therein as may be made in such form and approved by the Borrower and the officers of the Authority executing the same, execution of the Loan Agreement to be conclusive evidence of such approval. The execution and delivery of the Loan Agreement and the documents contemplated thereby, including the assignment of the Mortgage and other security documents, are hereby authorized and approved.

**SECTION 7. APPROVAL OF LAND USE RESTRICTION AGREEMENT.** In order to provide for the use and operation of the Project in compliance with the Act, the requirements of the Authority and the requirements of the Code and to preserve the exclusion from gross income for federal income tax purposes of interest on the Bonds, the execution and delivery of the Land Use Restriction Agreement among the Borrower, the Authority and the Trustee are hereby authorized and approved. The form of the Land Use Restriction Agreement, attached hereto as **Exhibit C** is hereby approved, subject to such changes, modifications, insertions and deletions as may be made in such form of the Land Use Restriction Agreement and approved by the officers of the Authority executing the same, the execution and delivery thereof to be conclusive evidence of such approval.

**SECTION 8. APPOINTMENT OF UNDERWRITER.** The Underwriter with respect to the Bonds will be designated by a subsequent resolution of the Authority.

**SECTION 9. APPROVAL OF BOND PURCHASE AGREEMENT.** Following consultation with the Borrower, it being understood that virtually all transaction costs are being borne by the Borrower, 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 sale of the Bonds. The negotiated sale of the Bonds to the Underwriter, upon substantially the terms and conditions to be set forth in a subsequent resolution of the Authority, is to be approved at a later date pursuant to a subsequent resolution of the Authority.

**SECTION 10. APPROVAL OF OFFICIAL STATEMENT.** The Authority will approve at a later date, pursuant to a subsequent resolution of the Authority, the Official Statement in substantially the form attached to such subsequent resolution and will authorize the use and distribution by the Underwriter of the Official Statement in connection with the offering for sale of the Bonds.

**SECTION 11. APPROVAL OF GUARANTEES.** The forms of the Guaranties and the execution and delivery thereof by the Authority to the extent contemplated thereby, will be authorized and approved at a later date by a subsequent resolution of the Authority, subject to such changes, modifications, insertions and omissions and filling of blanks therein as shall be approved by the Chair or Vice Chair of the Authority, execution and/or acceptance thereof to be conclusive evidence of such approval.

**SECTION 12. APPROVAL BY COUNTY BOARD.** The Bonds shall not be issued unless the issuance of the Bonds by the Authority has been approved by the County Board for purposes of the County HFA Ordinance and the County HFA Resolution, and the County

Commission will be requested to so approve the issuance of the Bonds at a later date by a subsequent resolution of the Authority.

**SECTION 13. AUTHORIZATION TO SELL BONDS.** The Chair or Vice Chair will be authorized by a subsequent resolution of the Authority to award the sale of the Bonds to the Underwriter; provided that (A) the Bonds shall be issued in the aggregate principal amount of not to exceed \$21,500,000, (B) the Bonds shall bear interest initially at a rate or rates of not to exceed the rate computed by adding 300 basis points to the Bond Buyer “20 Bond Index” published immediately preceding the first day of the calendar month in which the Bonds are sold, and (C) the Bonds shall mature not later than 40 years from the date of issuance thereof.

**SECTION 14. VALIDATION.** The Bonds shall not be required to be validated pursuant to Chapter 75, Florida Statutes, as amended; provided, however, that if required by counsel to the Authority, counsel to the Borrower or Bond Counsel, bond validation proceedings may be filed and the Bonds may be validated and in such event Bond Counsel is hereby authorized, at the expense of the Borrower, to prepare validation pleadings on behalf of the Authority and to take any and all action as Bond Counsel may deem necessary or desirable in connection therewith.

**SECTION 15. AUTHORIZATIONS.**

A. The Chair or the Vice Chair of the Authority and, to the extent provided therein, the Executive Director, the Secretary or any Assistant Secretary of the Authority are hereby authorized and empowered on behalf of the Authority to execute and deliver or approve the Bonds, the Trust Indenture, the Loan Agreement, the Land Use Restriction Agreement, the Bond Purchase Agreement, the Official Statement, the Guaranties and to execute and deliver any other documents contemplated by the foregoing, in each case subject to such changes and modifications from the forms approved herein and to be approved at a later date pursuant to a subsequent resolution of the Authority, as either of such officers may approve, such execution to be conclusive evidence of any such approval, and to affix thereto or impress thereon the seal of the Authority, if applicable.

B. The officers, employees and agents of the Authority are hereby authorized and directed to do all acts and things required by the provisions of this Resolution and the documents authorized herein, as may be necessary in connection with the issuance of the Bonds or as otherwise may be necessary or desirable to effectuate the purpose and intent of this Resolution. The Chair or Vice Chair and the Secretary or any Assistant Secretary of the Authority are each hereby designated as the primary officers of the Authority charged with the responsibility of issuing the Bonds.

**SECTION 16. NO PERSONAL LIABILITY.** No representation, statement, covenant, warranty, stipulation, obligation or agreement herein contained, or contained in the Bonds, the Trust Indenture, the Loan Agreement, the Bond Purchase Agreement or any certificate or other document or instrument to be executed on behalf of the Authority in connection with the issuance of the Bonds, shall be deemed to be a representation, statement, covenant, warranty, stipulation, obligation or agreement of any member, officer, employee or agent of the Authority in his or her individual capacity, and none of the foregoing persons nor any officer of the Authority executing the Bonds, the Trust Indenture, the Loan Agreement, the Bond Purchase Agreement or any

certificate or other document or instrument to be executed in connection with the issuance of the Bonds shall be liable personally thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

**SECTION 17. REPEALING CLAUSE.** All resolutions or parts thereof in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

**SECTION 18. EFFECT OF TYPOGRAPHICAL OR ADMINISTRATIVE ERRORS.** To the extent that there are typographical or administrative errors or omissions that do not change the tone, tenor, or context of this Resolution, then this Resolution may be revised without subsequent approval of the Board.

[Remainder of page intentionally left blank]

**SECTION 19. EFFECTIVE DATE.** This Resolution shall become effective immediately upon its adoption.

**APPROVED AND ADOPTED** this 24th day of February, 2022.

**HOUSING FINANCE AUTHORITY OF ST.  
JOHNS COUNTY, FLORIDA**

(OFFICIAL SEAL)

ATTEST:

By: \_\_\_\_\_  
Michael O'Donnell, Chair

\_\_\_\_\_  
Linda DeGrande, Secretary



## **EXHIBIT LIST**

- EXHIBIT A --- Trust Indenture
- EXHIBIT B --- Loan Agreement
- EXHIBIT C --- Land Use Restriction Agreement

**EXHIBIT A**  
**TRUST INDENTURE**

**EXHIBIT B**  
**LOAN AGREEMENT**

**EXHIBIT C**  
**LAND USE RESTRICTION AGREEMENT**