



Brevard County Board of County Commissioners

2725 Judge Fran Jamieson
Way
Viera, FL 32940

Legislation Text

File #: 2061, **Version:** 1

Subject:

Resolution approving the issuance of multi-family housing revenue bonds by Brevard County Housing Finance Authority (Tropical Manor Project)

Fiscal Impact:

None.

Dept/Office:

County Attorney's Office

Requested Action:

The Brevard County Housing Finance Authority (the "Authority") is requesting that the Board approve a Resolution to allow the Authority to apply for an allocation with the Florida Division of Bond Finance and to allow the issuance by the Authority of multi-family housing revenue bonds to finance the acquisition, rehabilitation and development of Tropical Manor (the "Project").

Summary Explanation and Background:

The Authority received an application from HKH Tropical, LP for the issuance of multi-family housing revenue bonds in an amount not to exceed \$8,000,000 to finance the acquisition, rehabilitation and development of the Project. The Project is an existing 85-unit apartment complex (85 two-bedroom apartments) located at 1165 Jordan Road, Merritt Island, Florida. The apartments will be rented to individuals and families. A Land Use Restriction Agreement encumbering the property will require that a minimum of 40% of the apartment units will be set aside and available only to persons and families earning less than 60% of median income, for as long as the financing is outstanding, or for a term of 15 years, whichever is longer. The Project will include a community room, office/laundry/maintenance room, double pane energy star windows, new front doors, smart TV/computer combo in all units with landlord paid high speed internet/TV package, splash pad, tot lot, basketball court, picnic tables and barbecues, and five Americans with Disabilities Act (ADA) compliant units.

On May 27, 2020, the Authority held a public hearing, following proper publication of notice, for the purpose of receiving public input on the proposed project and bond issuance. A report of the public comments received is attached. In order to issue tax exempt bonds for the Project, the Authority must apply for and receive an allocation from the State Allocation Pool between November 16 and December 29, 2020, or from the Regional Allocation Pool after January 1, 2021. Brevard County is in Region 17, with Volusia County, which shares a total annual allocation of approximately \$57,644,854.

The tax-exempt financing will be in the form of a construction/permanent loan. As a condition of approval, the County's financial advisor will verify that the financing meets or exceeds the Guidelines of the Authority. The County's Financial Advisor has reviewed the project and anticipates the funding will be within the

County's debt issuance guidelines if it remains at proposed levels. (See attachment.)

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

The County's outside bond counsel has reviewed the project and stated the following: "The resolution proposed to be adopted by the BOCC satisfies the pertinent federal and state law requirements and provides that neither the County nor any of the elected officials or staff of the County will have any obligation or liability, financial or otherwise, with respect to the Project or the Bonds." (See attachment.)

Cost Benefit Analysis provided by Brevard County Housing Authority:

This issue will provide funds to finance the acquisition, rehabilitation and development of 85 rental housing units which will be available to Brevard County residents of lower and moderate income. There is no fiscal impact to the Board of County Commissioners or the Authority. The County is only authorizing the Housing Finance Authority to issue the bonds under the IRS requirements for tax exempt bonds and the County shall be indemnified from the issuance of bonds and the Project.

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Clerk to the Board Instructions:

Return a signed Resolution to the County Attorney's Office