

AGENDA

Palm Beach County Housing Finance Authority

FRIDAY, FEBRUARY 9, 2024
9:00 A.M.

**Palm Beach County Airport Center
Complex
100 Australian Avenue
1st Floor (#1-470) Training Room
West Palm Beach, FL 33406**

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Agenda – February 9, 2024 regular meeting

Executive Director - Report on agenda items

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Meeting Agenda

February 9, 2024

PBC Airport Center – First Floor Training Room 1-470
100 Australian Avenue, West Palm Beach, FL 33406

Housing Finance Authority of Palm Beach County

100 Australian Avenue, Suite 410
West Palm Beach, FL 33406
(561) 233-3656
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Chairperson

Robin B. Henderson

Vice Chair

Tracy L. Caruso

Secretary

Chricht B. Mixon

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Laurie S. Dubow

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Bobby "Tony" Smith

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I. Call to Order

- a. Roll call and establishment of quorum

II. Public comment on Agenda Items

III. Agenda Approval

- a. Additions, deletions, substitutions
- b. Adoption

IV. Consent Agenda

- a. Minutes of December 15, 2023 regular meeting
- b. Multifamily occupancy reports for November and December 2023
- c. GF Requisition 1-2024

V. Old Business

- a. "Boynton Bay" apartments – acceptance of CUR and approval of bond issuance Resolution R-2024-01

VI. New Business

[None]

VII. Other matters

- a. Matters of Authority members
- b. Matters of the Executive Director and Professionals
- c. Matters of the Public
- d. Next meeting date: 9:00 a.m., Friday, March 8, 2024
PBC Airport Center, First Floor - Rm. 1-470

VIII. Adjournment

To: Housing Finance Authority

From: Executive Director

RE: February 9, 2024 regular meeting

Dated: February 1, 2024

V. “Old Business” matters:

**Item (a.) “Boynton Bay Apartments” – acceptance of final credit underwriting
Report and approval of bond issuance Resolution #R-2024-01**

Background: In August of 2023 Smith & Henzy Affordable Housing Group (“S&H”) submitted a bond application that was considered by the HFA that month and an inducement resolution for up to \$58M of bonds was approved for the acquisition and substantial rehabilitation of the property by a joint venture consisting of an entity owned by the principals of S&H and the development entity of the West Palm Beach Housing Authority (“WPBHA”). A newly created entity of one of principals of S&H will also be the general contractor for the rehabilitation. The WPBHA will be a co-owner/developer through Magnolia Affordable Development, Inc. S&H will be the managing member and provide corporate and personal guarantees (i.e. principals), and the WPBHA will be the property manager and administrator of the 199 project based Section 8 vouchers.

The table below lists the major players for this project:

Co-developers:	SHAG Boynton Bay Developer, LLC whose principals are Darren Smith & Tim Henzy, and Magnolia Affordable Development
Guarantors:	Boynton Bay Apartments, SHAG Boynton Bay, SHAG Boynton Bay Developer, Darren Smith & Tim Henzy individually, and Magnolia Affordable Development
Equity syndicator/Investor:	Truist Community Capital, LLC
Bond structure:	Freddie Mac Immediate tax exempt first lien loan and both taxable and tax exempt construction bridge loan
Freddie Mac first mortgage lender/servicer & construction period bridge loan lender:	Grandbridge Real Estate Capital, LLC and Truist Community Capital construction equity bridge loan

The project: The project consists of a clubhouse/accessory building and 240 rental apartments in 17 residential buildings each 2-story, constructed in 1991 by The Auburn Group of Delray Beach. The property has 56 1/1 bedroom/bath units of 768 square feet, 104 2/1 units of 880 square feet, 32 2/2 units of 880 square feet, and 48 3/2 units of 1,066 square feet. The property is a secured gated community for seniors (55+) with a swimming pool, on-site fitness center, laundry, and clubhouse with lounge.

The financing: The financing will now consist of a \$49.27M first lien immediate delivery Freddie TEL tax exempt note arranged and serviced by Grandbridge at a projected interest rate of 5.74%, the equity bridge loan from Truist Bank consisting of \$8.73M amount which is tax exempt and \$17M taxable which matures in 18 months, and a seller note of \$23.425M with principal (although no mandatory amortization) and interest (5.03%) payable from available cash flow maturing in 30 years. Other sources (and uses) available during construction are summarized from the CUR and shown in the table below:

<u>Uses of Funds for construction:</u>		<u>Sources of Funds for construction:</u>	
Purchase price	\$ 77,420,000	Low Income Housing Tax Credit equity	\$ 7,014,310
Construction costs & contingency	15,095,533	Freddie Mac TE first mortgage	49,270,000
Financing costs	10,528,810	Taxable and TE Truist Bank equity bridge loan	25,730,000
General development costs	4,134,498	SHAG taxable seller financing	23,425,000
Operating reserve	1,367,126	Project revenue	5,965,764
Developer fee	<u>18,114,767</u>	Deferred developer fee	<u>15,255,660</u>
Total Uses	\$126,660,734	Total Sources:	\$ 126,660,734

The following is a summary breakdown of all permanent phase sources and uses of funds showing a per unit purchase price of \$322K and budget for hard construction cost of \$63K.

<u>Uses of Funds - permanent:</u>		<u>Sources of Funds - permanent:</u>	
Purchase price	\$77,420,000	Low Income Housing Tax Credit equity	\$ 46,726,066
Construction costs & contingency	15,095,533	Bond permanent Loan amount	49,270,000
Financing and cap interest	10,528,810	Income from operations	6,254,817
General development costs	4,134,498	Seller Note	23,425,000
Operating reserve & contingency	1,367,126		
Developer fee	<u>18,114,767</u>	Deferred developer fee	<u>948,851</u>
Total Uses	\$126,660,734	Total Sources:	\$ 126,660,734

The appraisal results reported in the CUR show pre-rehab values of \$64.2M with market

rents and \$87.7M with the Section 8 rents, and a \$91.5M valuation post rehab with Section 8 rents. The \$49.3M perm loan first mortgage amount equates to a 77% LTV and a debt service coverage ratio of 1.29x. Total perm debt is \$72.695M for a LTV of 113.2%, and a debt service coverage ratio of .946x. The “break-even” ratio (debt service + operating expense/gross revenue) is 86.1% on the first mortgage perm loan debt service and 100.8% on total debt; ratios at or below 85% are considered very strong.

Authorizing resolution: Included in the agenda materials is Resolution R-2024-01 without exhibits, prepared by Bob Reid of Bryant Miller Olive as bond counsel. The resolution exhibits are available upon request. The resolution authorizes the issuance of not-to-exceed \$58M of bonds consisting of a \$49,270,000 note and \$8,730,000 bonds, the need for a negotiated sale of the note and the bonds, the appointment of US Bank as fiscal agent, and the approval of the forms of and execution of: the funding loan agreement with Grandbridge, the project loan agreement with the borrower, the project note, mortgage and assignment thereof to US Bank; the land use restriction agreement with a 50-year affordability period; the fee guaranty and environmental indemnity agreement with the guarantors listed in the table above, and acceptance of the final Credit Underwriting Report (Summary section included in the agenda). The Board of County Commission approved the results of the TEFRA hearing and the issuance of the bonds at their December 19, 2023 meeting. The rate lock on the Freddie TEL note is expected on February 20 with a closing on the 22nd.

Staff recommends a motion to approve Resolution No. R-2024-01 authorizing the issuance of not to exceed \$49,720,000 Multifamily Mortgage Revenue Note, Series 2024 (Boynton Bay), and not to exceed \$8,730,000 Multifamily Housing Revenue Bonds (Boynton Bay Apartments), Series 2024.

Tab 1

IV. Consent Items - attachments

- a.** Minutes of December 15, 2023 regular meeting
- b.** Multifamily occupancy reports for November and December
- c.** General Fund Requisition 1-2024

DECEMBER 15, 2023
HOUSING FINANCE AUTHORITY
OF PALM BEACH COUNTY
MEETING MINUTES

Meeting Date & Time:

9:00 AM, Friday, December 15, 2023

Location:

PBC Airport Center
100 Australian Avenue
1st Floor, Room # 1-470
West Palm Beach

Attendance in person:

Jaclyn Lazarus, PBC Community Services
Bill Ogden

Attendance via Web/Ex:

None

Staff & professionals in person:

David Brandt, Executive Director
Jennifer Hamilton, Administrative Assistant
Skip Miller, General Counsel, Greenspoon Marder

Note: there was an issue with the WebEx recording of the meeting that wasn't discovered until it was replayed. There was video of the big screen showing the agenda items but no audio at all. PBC Facilities was notified of this issue as well as the fact that the other audio recording equipment located in the room was not functioning.

I. Call to Order

Roll call and establishment of quorum

Robin Henderson, Chairperson - present
Tracy Caruso, Vice Chair – absent
Chrichton Mixon, Secretary – present
Clark Bennett – present
Laurie Dubow – absent
Gary Eliopoulos – present
Bobby “Tony” Smith – present

The five (5) members present constituted a quorum. The Executive Director (“ED”) stated that Mrs. Caruso had previously advised him that she would be outside of Palm Beach County for the December meeting.

II. Public comment on Agenda Items

None.

III. Agenda Approval

The ED asked to include approval of General Fund Requisition # 12-2023 to the “Consent Agenda” as an addition to “Item d.”

Mr. Eliopoulos moved approval the agenda with this additional item. The motion was seconded by Mr. Smith and unanimously passed by a vote of 5-0.

IV. Consent Agenda

Mr. Bennett moved approval of the Consent Agenda items. The motion was seconded by Mr. Smith and passed unanimously by a vote of 5-0.

The Executive Director (“ED”) requested that given the attendance time limitation expressed by two board members that the agenda be taken out of order starting with “Matters of Executive Director” to be followed by “New Business”, and then “Old Business”.

b. Matters of Executive Director & Professionals

The ED advised that he had recently received email correspondence from Jonathan Brown of PBC Housing & Economic Development between his office and the Palm Beach County Housing Authority regarding a number of matters relating to the latter’s Legacy at 45th Street rental housing project including the status of reimbursement of the first draws under the \$5.5M PBC loan, whether PBC would allow for advances under this loan, an extension of the initial required draw down amount date of December 31, 2023, which units would constitute PBC’s 70% of projects County Assisted Units, a proposed amendment to the PBC loan to allow PBCHA/Spectra rather than the general contractor to purchase the container units directly from the manufacturer (for sales tax savings of \$358K) and related payment & performance bonding requirements, a request from PBCHA for additional funding beyond the \$5.5M due to delays, and most importantly that PBC would not reimburse for progress payments for the container units until they had been erected on-site. Given that the price costs of the units is in excess of the \$2.5M revolving line the ED stated that potentially the HFA could/would be at risk of non-reimbursement should the units not be delivered. He added that he had not received any information on historical production and delivery of units by/from this new facility. He stated that given all of these outstanding issues and their potential financial risks that he was no longer comfortable moving forward with the revolving loan. The email had referenced that PBCHA representatives had scheduled a trip to the Mexican container factory for December 18.

Following comments from members and further discussion by staff the consensus of the board was that the transaction was no longer structured as previously presented and therefore they no longer were willing to move forward on the revolving loan. A motion to that effect was made by Mr. Eliopoulos, seconded by Mr. Smith, and unanimously approved by a vote of 5-0.

VI. New Business

Item (a.) Consideration of a Multi-Family project Construction Loan Servicing Agreement

Staff discussed a draft form of Construction Loan Servicing Agreement. The purpose of having such an agreement is for a third party review and sign off on construction draws reported directly to the HFA as well as providing for a sign off on project amenities and features that are either promised by the developer/borrower or required by the HFA in the event guidelines are implemented. The general consensus of the HFA board was to have staff look at alternatives to give assurance that developer promised items have been addressed by completion of rehabilitation.

No action was taken on this item.

Item (b.) Discussion of Multi-family bond project ranking criteria and Florida Housing Finance Corporation - Features & Amenities

The ED discussed the portion of the Florida Housing Non-Competitive Application Package “Features and Amenities” (“F&A”) section. He advised that other than the federal, state building code and accessibility requirements listed that Florida Housing does not require any of these for projects that receive the 4% housing tax credit with local HFA bonds. He added that a number of local HFA have chosen to use all or a portion of these F&A requirements as well as some additional ones of their own.

The general consensus of the HFA board was not to make any mandatory F&A requirements but to include provision/a suggested set of items for developers to select with their application for multifamily bonds, and that these would be considered by the HFA board in either approving an inducement resolution and/or in ranking projects for private activity bond allocation. The ED advised that a proposed application revision would be presented for further discussion and consideration at a future meeting.

No action was taken on this item.

V. Old Business

Item (a.) Review of Draft Credit Underwriting Report – Boynton Bay Apartments

The ED did a section by section review of the December 11 draft of the Credit Underwriting Report for the Boynton Bay Apartments project. He advised that the final report will be included for acceptance by the HFA along with the bond authorizing resolution which are expected to be presented at the January 12, 2024 meeting.

No action was taken on this item.

VII. Other Matters

a. Matters of Authority members -

None

c. Matters of the Public

None

d. Next meeting date:

The next regular meeting of the HFA will be Friday, January 12, 2023 at 9:A.M. at the PBC Airport Center, First Floor, Rm. 1-470

VIII. Adjournment

Mr. Smith moved to adjourn meeting at approximately 10:00 am. The motion was seconded by Mr. Eliopoulos and passed unanimously by a vote 5-0.

Respectfully submitted,

Executive Director

Secretary/Assistant Secretary

Housing Finance Authority of Palm Beach County
Summary of Monthly Project Bond Program Reports
Preliminary November 2023

		Date	Per Rent Roll		Number of							
	Project:	Report	or FHFC Recap:		TICs included:		Total	Total	Current	Last	2023	
		was	New	Annual	# of	# of	#	Occup.	months	months	average	
		received	Move-in's	renewal	IC's (1)	AR's (1)	units	Units	occup.	occup.	occup.	
1)	Azalea Place n/k/a Lake Mangonia) (#)(@)	12/15/23	2	20	1	0	150	141	94.0%	92.7%	95.4%	
2)	Brenton At Abbey Park	12/29/23	1	n.a.	1	n.a.	160	158	98.8%	99.4%	98.9%	
3)	Christian Manor (2)(3)(#)	1/4/24	4	n.a.	4	n.a.	150	126	84.0%	81.3%	87.6%	
4)	Colonial Lakes	12/13/23	1	n.a.	1	n.a.	120	120	100.0%	99.2%	99.7%	
5)	Courts at Village Square (#)	12/14/23	1	n.a.	1	n.a.	84	83	98.8%	97.6%	97.6%	
6)	El Cid (2)(#)	12/13/23	2	n.a.	2	n.a.	73	71	97.3%	97.3%	95.3%	
7)	Gould House (2)(#)	12/28/23	0	n.a.	0	n.a.	101	100	99.0%	99.0%	98.3%	
8)	Heron Estates Senior (2)(#)	12/15/23	0	n.a.	0	n.a.	101	101	100.0%	100.0%	99.9%	
9)	Indian Trace (@)	12/11/23	6	29	6	29	330	326	98.8%	98.8%	98.6%	
10)	Island Cove (partial #)	12/13/23	8	n.a.	8	n.a.	60	60	100.0%	86.7%	n.a.	
11)	La Joya Villages	12/5/23	0	n.a.	0	n.a.	55	55	100.0%	100.0%	99.8%	
12)	Lake Delray (2)(#)	12/14/23	3	n.a.	3	n.a.	404	401	99.3%	99.3%	98.6%	
13)	Lakeside Commons (partial #)	12/15/23	0	n.a.	0	n.a.	99	94	94.9%	96.0%	96.5%	
14)	Malibu Bay	12/15/23	0	n.a.	0	n.a.	264	253	95.8%	96.2%	96.3%	
15)	Mallards Landing	12/8/23	0	n.a.	0	n.a.	163	162	99.4%	100.0%	98.7%	
16)	New South Bay Villas (#)	12/18/23	4	n.a.	4	n.a.	131	120	91.6%	89.3%	86.1%	
17)	Palm Gardens	12/8/23	1	3	1	3	80	78	97.5%	98.8%	99.0%	
18)	Palms West	12/14/23	12	n.a.	11	n.a.	290	272	93.8%	94.5%	95.7%	
19)	Paul Lawrence Dunbar Senior (2)(@)(#)	12/15/23	1	n.a.	1	n.a.	99	95	96.0%	96.0%	97.2%	
20)	Pine Run Villas	12/19/23	0	n.a.	0	n.a.	63	63	100.0%	100.0%	100.0%	
21)	Pinnacle Palms (2)(@)	12/15/23	2	n.a.	2	n.a.	152	151	99.3%	98.7%	98.7%	
22)	Riverview House (2)(@)	12/15/23	3	11	3	11	160	156	97.5%	98.1%	97.9%	
23)	Royal Palm Place (2)(#)	12/15/23	0	n.a.	0	n.a.	125	123	98.4%	98.4%	98.3%	
24)	St. Andrews Residences (2)(#)	12/15/23	0	n.a.	0	n.a.	177	170	96.0%	96.0%	97.8%	
25)	St. James Residences (2)(#)	12/15/23	0	n.a.	0	n.a.	148	145	98.0%	98.0%	97.8%	
26)	Westgate Plaza (2)(#)	12/8/23	1	n.a.	1	n.a.	80	78	97.5%	96.3%	98.1%	
27)	Woodlake (@)	12/18/23	0	n.a.	0	n.a.	224	216	96.4%	99.1%	98.1%	
	Totals		52	63	50	43	4,043	3,918	97.1%	96.5%	97.2%	
(1)	"IC's" are initial move-in "Tenant Income Certification" forms and "AR's" are annual recertification forms provided.											
(2)	Elderly/seniors only											
(3)	To date 100 of 200 have been rehabbed and available for occupancy.											
(@)	Bonds have been redeemed in whole but Qualified Project Period still in effect. (#) HAP contract.											

Housing Finance Authority of Palm Beach County
Summary of Monthly Project Bond Program Reports
Preliminary November 2023

	Project:	2022	2021	2020	2019	2022	2021	2020	2019	2022	2021	2020	2019
		ave.	ave.	ave.	ave.	monthly	monthly	monthly	monthly	monthly	monthly	monthly	monthly
		occup.	occup.	occup.	occup.	high	high	high	high	low	low	low	low
1)	Azalea Place (d/b/a Palm Grove)	99.3%	97.5%	99.2%	84.9%	100%	100%	100%	99%	97%	95%	98%	80%
2)	Brenton At Abbey Park	99.2%	98.5%	97.7%	n.a.	100%	100%	100%	n.a.	97%	98%	94%	n.a.
3)	Christian Manor (1)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
4)	Colonial Lakes	97.8%	97.8%	98.2%	99.2%	100%	100%	100%	100%	95%	97%	95%	98%
5)	Courts at Village Square	99.1%	99.0%	98.0%	98.8%	100%	100%	100%	100%	98%	95%	95%	98%
6)	El Cid	96.5%	99.3%	99.5%	n.a.	99%	100%	100%	n.a.	96%	99%	97%	n.a.
7)	Gould House	98.3%	89.2%	n.a.	n.a.	100%	96%	n.a.	n.a.	96%	86%	n.a.	n.a.
8)	Heron Estates Senior	98.9%	99.0%	98.6%	99.7%	100%	100%	100%	100%	97%	97%	96%	99%
9)	Indian Trace	97.7%	98.4%	98.2%	98.4%	99%	99%	99%	100%	96%	97%	97%	97%
10)	Island Cove (2)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
11)	La Joya Villages	100.0%	99.8%	98.2%	98.8%	100%	100%	100%	100%	100%	98%	96%	96%
12)	Lake Delray	97.5%	97.9%	97.5%	98.7%	99%	99%	99%	100%	97%	97%	97%	98%
13)	Lakeside Commons (3)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
14)	Malibu Bay	96.5%	98.5%	98.0%	95.3%	98%	99%	99%	99%	94%	98%	96%	93%
15)	Mallards Landing	98.4%	98.3%	98.1%	n.a.	100%	100%	100%	n.a.	95%	97%	90%	n.a.
16)	New South Bay Villas	95.9%	96.8%	96.7%	97.6%	99%	99%	100%	100%	91%	92%	90%	95%
17)	Palm Gardens	98.9%	98.6%	98.2%	98.2%	100%	100%	100%	100%	96%	96%	96%	94%
18)	Palms West	97.3%	95.9%	98.1%	99.1%	100%	99%	99%	100%	95%	93%	96%	98%
19)	Paul Lawrence Dunbar Senior	98.7%	99.7%	98.7%	99.4%	100%	100%	100%	100%	97%	99%	97%	98%
20)	Pine Run Villas	99.2%	99.7%	99.9%	99.6%	100%	100%	100%	100%	97%	98%	98%	98%
21)	Pinnacle Palms	98.5%	98.5%	98.3%	97.9%	100%	100%	100%	99%	97%	97%	97%	96%
22)	Riverview House	96.0%	97.3%	94.1%	94.7%	99%	100%	96%	98%	91%	94%	90%	91%
23)	Royal Palm Place	99.5%	98.4%	99.3%	99.5%	100%	100%	100%	100%	98%	98%	98%	98%
24)	St. Andrews Residences (4)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
25)	St. James Residences (5)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
26)	Westgate Plaza	98.9%	97.7%	98.4%	99.0%	100%	100%	100%	100%	98%	95%	96%	98%
27)	Woodlake	97.9%	98.0%	97.1%	98.6%	99%	100%	100%	100%	96%	95%	92%	97%
	Totals (6)	98.2%	97.9%	98.1%	97.6%								
(1)	Rehab expected to be completed by August 2023												
(2)	Construction expected to be completed by August 2023												
(3)	Rehab expected to be completed October 2023		(5)	Rehab expected to be completed 6/2023									
(4)	Rehab expected to be completed 7/2023		(6)	Sum of the averages of each project									

Housing Finance Authority of Palm Beach County
Summary of Monthly Project Bond Program Reports
Preliminary November 2023

			2022	2021	2020	2019
	Project:	Location:	occup.	occup.	occup.	occup.
			turn	turn	turn	turn
			over	over	over	over
1)	Azalea Place (d/b/a Palm Grove)	Australian Ave. south of 25st Street, WPB		9%	0%	7%
2)	Brenton At Abbey Park	Forest Hill Blvd. west of Haverhill, WPB	11%	19%	n.a.	n.a.
3)	Christian Manor	325 Executive Center Dr., WPB	n.a.	n.a.	n.a.	n.a.
4)	Colonial Lakes	Lake Worth Rd. west of Haverhill Rd., Greenacres	16%	21%	30%	18%
5)	Courts at Village Square	NE corner of SW8th Street & Auburn Ave., Del. Bch.	4%	5%	2%	n.a.
6)	El Cid	315 Almeria Rd., WPB E. of US 1 and S. of Belved.	11%	1%	n.a.	n.a.
7)	Gould House	21000 R.&B, Coleman Blvd., BR W of 441 bet. Glades	13%	n.a.	n.a.	n.a.
8)	Heron Estates Senior	2003 W. 17th Street off Congress Ave, Riviera Beach	10%	12%	n.a.	n.a.
9)	Indian Trace	N. Military Trail south of SR 710, Riviera Bch.	12%	22%	20%	31%
10)	Isand Cove	1100 NW 4th Ave south of Atlantic and east I95 Delray	n.a.	n.a.	n.a.	n.a.
11)	La Joya Villages	6th Ave S. just east of US 1, Lake Worth	5%	16%	9%	7%
12)	Lake Delray	Lindell Blvd. east of I-95/south of Linton Blvd. Del. Bch	9%	9%	20%	5%
13)	Lakeside Commons	Executive Center Dr. south of PB Lake Blvd. WPB	n.a.	n.a.	n.a.	n.a.
14)	Malibu Bay	Executive Center Dr. south of PB Lake Blvd. WPB	13%	21%	31%	25%
15)	Mallards Landing	1598 Quail Drive off of Westgate Ave., WPB	8%	12%	n.a.	n.a.
16)	New South Bay Villas	MLK and Palm Beach Road, City of South Bay	11%	23%	n.a.	n.a.
17)	Palm Gardens	4th Ave N. south of 10 Ave. N., Lake Worth		14%	14%	19%
18)	Palms West	1551 Quail Drive off Westgate Ave, suburban WPB	10%	16%	28%	11%
19)	Paul Lawrence Dunbar Senior	906 Grant St, corner of Division and Grant, WPB	7%	10%	n.a..	n.a..
20)	Pine Run Villas	6th Ave S./Melaleuca west of Haverhill Rd. Lk. Worth	19%	13%	14%	14%
21)	Pinnacle Palms	Executive Center Dr. south of Congress Ave. WPB	17%	14%	20%	15%
22)	Riverview House	Lake Worth Rd. east of S. Military Trail, Lake Worth	17%	26%	36%	28%
23)	Royal Palm Place	808&906-17th St & 805&811-15th St, WPB	4%	3%	n.a.	n.a.
24)	St. Andrews Residences	208 Fern St., downtown WPB	n.a.	n.a.	n.a.	n.a.
25)	St. James Residences	400 S. Olive, downtown WPB	n.a.	n.a.	n.a.	n.a.
26)	Westgate Plaza	Quail Drive and Westgate Ave., suburban WPB	10%	6%	4%	4%
27)	Woodlake	N. Jog Rd. south of Okeechobee Blvd., WPB	19%	15%	20%	18%
		Totals (7)	11%	14%	19%	16%

Housing Finance Authority of Palm Beach County
Summary of Monthly Project Bond Program Reports
Preliminary November 2023

							Qualified			
Most restrictive tenant set aside					Approx. QPP		Project			
requirements per HFA bond or					start		Period end			
other subordinate/HTC financing					date		(approximate)			
100% HAP contract	1)	Azalea Place (d/b/a Palm Grove)			Apr-00		QPP for term of HAP			
4% @ 30% & 96% @ 60% AMI	2)	Brenton At Abbey Park			late 2020		2034			
105 units with vouchers	3)	Christian Manor			early 2023		QPP for term of vouchers			
25% @ 30%, 30% @ 50% AMI	4)	Colonial Lakes			May-13		2028			
100% HAP contract	5)	Courts at Village Square (fka Village Square Elder			Jan-18		QPP for term of HAP			
100% HAP contract	6)	El Cid			late 2020		QPP for term of HAP			
100% HAP contract	7)	Gould House			early 2021		QPP for term of HAP			
50% HAP contract/10% @ 33% AMI	9)	Heron Estates Senior			Oct-20		QPP for term of HAP			
20% @ 50% & 80% @ 60% AMI	10)	Indian Trace			Apr-03		QPP ends 2/28/2024			
41% @ 30% & 59% @ ave.60% AMI	10)	Island Cove			7/1/2023?		QPP for term of HAP			
25% @ 50% AMI per NSP2	11)	La Joya Villages			Feb-15		2030			
100% @ 60% AMI; 50% HAP	12)	Lake Delray			Dec-16		QPP end 11/30/2031			
12% @ 30%; 88% @ 60%	13)	Lakeside Commons			Apr-23		QPP for term of HAP			
100% @ 60% AMI	14)	Malibu Bay			Aug-20		2020 QPP started 8/28/20			
100% @ 60% AMI	15)	Mallards Landing			Jan-20		2035			
HAP contract all but 1 unit	16)	New South Bay Villas			Apr-17		QPP for term of HAP			
17% @ 30% and 83% @ 60% AMI	17)	Palm Gardens			Nov-08		15-years from issuance is 2023			
2% @ 50% and 98% @ 60% AMI	18)	Palms West			Sep-13		2028			
100% HAP contract	19)	Paul Lawrence Dunbar Senior			Oct-17		QPP for term of HAP			
25% @ 30%/30% @ 50%/45% @ 60%	20)	Pine Run Villas			Oct-13		2028			
100% @ 60% AMI	21)	Pinnacle Palms (1)			Jul-05		QPP ends not sooner than July 1, 2022			
100% @ 60% AMI	22)	Riverview House (2)			Aug-01		15-years from issuance was 2016			
100% HAP contract	23)	Royal Palm Place			Dec-18		QPP for term of HAP			
100% HAP contract	24)	St. Andrews Residences			Dec-22		QPP for min. of 30 years or term of HAP			
100% @ 60% AMI	25)	St. James Residences			Dec-22		QPP for min. of 30 years or term of HAP			
100% HAP contract	26)	Westgate Plaza			Nov-12		QPP for term of HAP			
100% @ 60% AMI	27)	Woodlake			Nov-13		2028			
	(1)	PBC LURA has 60% @ 55+; FHFC has 80% @ 55+ w/no tenant under 18.								
	(2)	PBC LURA amended to 100% @ 55+ from 60+, and no tenant under 18.								

Housing Finance Authority of Palm Beach County
Summary of Monthly Project Bond Program Reports
Preliminary December 2023

		Date	Per Rent Roll		Number of						
	Project:	Report	or FHFC Recap:		TICs included:		Total	Total	Current	Last	2023
		was	New	Annual	# of	# of	#	Occup.	months	months	average
		received	Move-in's	renewal	IC's (1)	AR's (1)	units	Units	occup.	occup.	occup.
1)	Azalea Place n/k/a Lake Mangonia) (#)(@)						150		0.0%	94.0%	
2)	Brenton At Abbey Park	1/16/24	2	n.a.	2	n.a.	160	160	100.0%	98.8%	99.0%
3)	Christian Manor (2)(3)(#)	1/16/24	18	n.a.	18	n.a.	150	141	94.0%	84.0%	n.a.
4)	Colonial Lakes	1/16/24	1	n.a.	1	n.a.	120	119	99.2%	100.0%	99.7%
5)	Courts at Village Square (#)	1/17/24	0	n.a.	0	n.a.	84	83	98.8%	98.8%	97.7%
6)	El Cid (2)(#)	1/16/24	0	n.a.	0	n.a.	73	71	97.3%	97.3%	95.4%
7)	Gould House (2)(#)	1/5/24	0	n.a.	0	n.a.	101	100	99.0%	99.0%	98.3%
8)	Heron Estates Senior (2)(#)	1/15/24	0	n.a.	0	n.a.	101	109	107.9%	100.0%	99.9%
9)	Indian Trace (@)	1/10/24	4	25	4	23	330	326	98.8%	98.8%	98.6%
10)	Island Cove (partial #)	1/11/24	0	n.a.	0	n.a.	60	59	98.3%	100.0%	n.a.
11)	La Joya Villages	1/10/24	1	n.a.	1	n.a.	55	55	100.0%	100.0%	99.8%
12)	Lake Delray (2)(#)	1/5/24	0	n.a.	0	n.a.	404	399	98.8%	99.3%	98.6%
13)	Lakeside Commons (partial #)	1/12/24	2	n.a.	2	n.a.	99	95	96.0%	94.9%	96.4%
14)	Malibu Bay	1/12/24	6	n.a.	6	n.a.	264	258	97.7%	95.8%	96.4%
15)	Mallards Landing	1/11/24	3	n.a.	3	n.a.	163	162	99.4%	99.4%	98.7%
16)	New South Bay Villas (#)	1/22/24	0	n.a.	0	n.a.	131	120	91.6%	91.6%	86.6%
17)	Palm Gardens	1/10/24	1	12	2	12	80	79	98.8%	97.5%	99.0%
18)	Palms West	1/15/24	9	n.a.	9	n.a.	290	276	95.2%	93.8%	95.7%
19)	Paul Lawrence Dunbar Senior (2)(@)(#)	1/16/24	0	n.a.	0	n.a.	99	95	96.0%	96.0%	97.1%
20)	Pine Run Villas	1/22/24	0	n.a.	0	n.a.	63	63	100.0%	100.0%	100.0%
21)	Pinnacle Palms (2)(@)	1/16/24	2	n.a.	2	n.a.	152	151	99.3%	99.3%	98.7%
22)	Riverview House (2)(@)	1/17/24	3	11	3	11	160	156	97.5%	97.5%	97.9%
23)	Royal Palm Place (2)(#)	1/12/24	1	n.a.	1	n.a.	125	124	99.2%	98.4%	98.4%
24)	St. Andrews Residences (2)(#)	1/15/24	1	n.a.	1	n.a.	177	171	96.6%	96.0%	97.7%
25)	St. James Residences (2)(#)	1/15/24	0	n.a.	0	n.a.	148	144	97.3%	98.0%	97.7%
26)	Westgate Plaza (2)(#)	1/9/24	0	n.a.	0	n.a.	80	78	97.5%	97.5%	98.0%
27)	Woodlake (@)	1/16/24	5	n.a.	5	n.a.	224	223	99.6%	96.4%	98.1%
	Totals		59	48	60	46	4,043	3,817	98.2%	97.1%	97.6%
(1)	"IC's" are initial move-in "Tenant Income Certification" forms and "AR's" are annual recertification forms provided.										
(2)	Elderly/seniors only										
(3)	To date 100 of 200 have been rehabbed and available for occupancy.										
(@)	Bonds have been redeemed in whole but Qualified Project Period still in effect.			(#)	HAP contract.						

Housing Finance Authority of Palm Beach County
Summary of Monthly Project Bond Program Reports
Preliminary December 2023

	Project:	2022	2021	2020	2019	2022	2021	2020	2019	2022	2021	2020	2019
		ave.	ave.	ave.	ave.	monthly	monthly	monthly	monthly	monthly	monthly	monthly	monthly
		occup.	occup.	occup.	occup.	high	high	high	high	low	low	low	low
1)	Azalea Place (d/b/a Palm Grove)	99.3%	97.5%	99.2%	84.9%	100%	100%	100%	99%	97%	95%	98%	80%
2)	Brenton At Abbey Park	99.2%	98.5%	97.7%	n.a.	100%	100%	100%	n.a.	97%	98%	94%	n.a.
3)	Christian Manor (1)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
4)	Colonial Lakes	97.8%	97.8%	98.2%	99.2%	100%	100%	100%	100%	95%	97%	95%	98%
5)	Courts at Village Square	99.1%	99.0%	98.0%	98.8%	100%	100%	100%	100%	98%	95%	95%	98%
6)	El Cid	96.5%	99.3%	99.5%	n.a.	99%	100%	100%	n.a.	96%	99%	97%	n.a.
7)	Gould House	98.3%	89.2%	n.a.	n.a.	100%	96%	n.a.	n.a.	96%	86%	n.a.	n.a.
8)	Heron Estates Senior	98.9%	99.0%	98.6%	99.7%	100%	100%	100%	100%	97%	97%	96%	99%
9)	Indian Trace	97.7%	98.4%	98.2%	98.4%	99%	99%	99%	100%	96%	97%	97%	97%
10)	Island Cove (2)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
11)	La Joya Villages	100.0%	99.8%	98.2%	98.8%	100%	100%	100%	100%	100%	98%	96%	96%
12)	Lake Delray	97.5%	97.9%	97.5%	98.7%	99%	99%	99%	100%	97%	97%	97%	98%
13)	Lakeside Commons (3)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
14)	Malibu Bay	96.5%	98.5%	98.0%	95.3%	98%	99%	99%	99%	94%	98%	96%	93%
15)	Mallards Landing	98.4%	98.3%	98.1%	n.a.	100%	100%	100%	n.a.	95%	97%	90%	n.a.
16)	New South Bay Villas	95.9%	96.8%	96.7%	97.6%	99%	99%	100%	100%	91%	92%	90%	95%
17)	Palm Gardens	98.9%	98.6%	98.2%	98.2%	100%	100%	100%	100%	96%	96%	96%	94%
18)	Palms West	97.3%	95.9%	98.1%	99.1%	100%	99%	99%	100%	95%	93%	96%	98%
19)	Paul Lawrence Dunbar Senior	98.7%	99.7%	98.7%	99.4%	100%	100%	100%	100%	97%	99%	97%	98%
20)	Pine Run Villas	99.2%	99.7%	99.9%	99.6%	100%	100%	100%	100%	97%	98%	98%	98%
21)	Pinnacle Palms	98.5%	98.5%	98.3%	97.9%	100%	100%	100%	99%	97%	97%	97%	96%
22)	Riverview House	96.0%	97.3%	94.1%	94.7%	99%	100%	96%	98%	91%	94%	90%	91%
23)	Royal Palm Place	99.5%	98.4%	99.3%	99.5%	100%	100%	100%	100%	98%	98%	98%	98%
24)	St. Andrews Residences (4)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
25)	St. James Residences (5)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
26)	Westgate Plaza	98.9%	97.7%	98.4%	99.0%	100%	100%	100%	100%	98%	95%	96%	98%
27)	Woodlake	97.9%	98.0%	97.1%	98.6%	99%	100%	100%	100%	96%	95%	92%	97%
	Totals (6)	98.2%	97.9%	98.1%	97.6%								
(1)	Rehab expected to be completed by August 2023												
(2)	Construction expected to be completed by August 2023												
(3)	Rehab expected to be completed October 2023		(5)	Rehab expected to be completed 6/2023									
(4)	Rehab expected to be completed 7/2023		(6)	Sum of the averages of each project									

Housing Finance Authority of Palm Beach County
Summary of Monthly Project Bond Program Reports
Preliminary December 2023

			2022	2021	2020	2019
	Project:	Location:	occup.	occup.	occup.	occup.
			turn	turn	turn	turn
			over	over	over	over
1)	Azalea Place (d/b/a Palm Grove)	Australian Ave. south of 25st Street, WPB		9%	0%	7%
2)	Brenton At Abbey Park	Forest Hill Blvd. west of Haverhill, WPB	11%	19%	n.a.	n.a.
3)	Christian Manor	325 Executive Center Dr., WPB	n.a.	n.a.	n.a.	n.a.
4)	Colonial Lakes	Lake Worth Rd. west of Haverhill Rd., Greenacres	16%	21%	30%	18%
5)	Courts at Village Square	NE corner of SW8th Street & Auburn Ave., Del. Bch.	4%	5%	2%	n.a.
6)	El Cid	315 Almeria Rd., WPB E. of US 1 and S. of Belved.	11%	1%	n.a.	n.a.
7)	Gould House	21000 R.&B, Coleman Blvd., BR W of 441 bet. Glades	13%	n.a.	n.a.	n.a.
8)	Heron Estates Senior	2003 W. 17th Street off Congress Ave, Riviera Beach	10%	12%	n.a.	n.a.
9)	Indian Trace	N. Military Trail south of SR 710, Riviera Bch.	12%	22%	20%	31%
10)	Isand Cove	1100 NW 4th Ave south of Atlantic and east I95 Delray	n.a.	n.a.	n.a.	n.a.
11)	La Joya Villages	6th Ave S. just east of US 1, Lake Worth	5%	16%	9%	7%
12)	Lake Delray	Lindell Blvd. east of I-95/south of Linton Blvd. Del. Bch	9%	9%	20%	5%
13)	Lakeside Commons	Executive Center Dr. south of PB Lake Blvd. WPB	n.a.	n.a.	n.a.	n.a.
14)	Malibu Bay	Executive Center Dr. south of PB Lake Blvd. WPB	13%	21%	31%	25%
15)	Mallards Landing	1598 Quail Drive off of Westgate Ave., WPB	8%	12%	n.a.	n.a.
16)	New South Bay Villas	MLK and Palm Beach Road, City of South Bay	11%	23%	n.a.	n.a.
17)	Palm Gardens	4th Ave N. south of 10 Ave. N., Lake Worth		14%	14%	19%
18)	Palms West	1551 Quail Drive off Westgate Ave, suburban WPB	10%	16%	28%	11%
19)	Paul Lawrence Dunbar Senior	906 Grant St, corner of Division and Grant, WPB	7%	10%	n.a..	n.a..
20)	Pine Run Villas	6th Ave S./Melaleuca west of Haverhill Rd. Lk. Worth	19%	13%	14%	14%
21)	Pinnacle Palms	Executive Center Dr. south of Congress Ave. WPB	17%	14%	20%	15%
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23)	Royal Palm Place	808&906-17th St & 805&811-15th St, WPB	4%	3%	n.a.	n.a.
24)	St. Andrews Residences	208 Fern St., downtown WPB	n.a.	n.a.	n.a.	n.a.
25)	St. James Residences	400 S. Olive, downtown WPB	n.a.	n.a.	n.a.	n.a.
26)	Westgate Plaza	Quail Drive and Westgate Ave., suburban WPB	10%	6%	4%	4%
27)	Woodlake	N. Jog Rd. south of Okeechobee Blvd., WPB	19%	15%	20%	18%
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							Qualified			
Most restrictive tenant set aside					Approx. QPP		Project			
requirements per HFA bond or					start		Period end			
other subordinate/HTC financing					date		(approximate)			
100% HAP contract	1)	Azalea Place (d/b/a Palm Grove)			Apr-00		QPP for term of HAP			
4% @ 30% & 96% @ 60% AMI	2)	Brenton At Abbey Park			late 2020		2034			
105 units with vouchers	3)	Christian Manor			early 2023		QPP for term of vouchers			
25% @ 30%, 30% @ 50% AMI	4)	Colonial Lakes			May-13		2028			
100% HAP contract	5)	Courts at Village Square (fka Village Square Elder			Jan-18		QPP for term of HAP			
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25% @ 50% AMI per NSP2	11)	La Joya Villages			Feb-15		2030			
100% @ 60% AMI; 50% HAP	12)	Lake Delray			Dec-16		QPP end 11/30/2031			
12% @ 30%; 88% @ 60%	13)	Lakeside Commons			Apr-23		QPP for term of HAP			
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HAP contract all but 1 unit	16)	New South Bay Villas			Apr-17		QPP for term of HAP			
17% @ 30% and 83% @ 60% AMI	17)	Palm Gardens			Nov-08		15-years from issuance is 2023			
2% @ 50% and 98% @ 60% AMI	18)	Palms West			Sep-13		2028			
100% HAP contract	19)	Paul Lawrence Dunbar Senior			Oct-17		QPP for term of HAP			
25% @ 30%/30% @ 50%/45% @ 60%	20)	Pine Run Villas			Oct-13		2028			
100% @ 60% AMI	21)	Pinnacle Palms (1)			Jul-05		QPP ends not sooner than July 1, 2022			
100% @ 60% AMI	22)	Riverview House (2)			Aug-01		15-years from issuance was 2016			
100% HAP contract	23)	Royal Palm Place			Dec-18		QPP for term of HAP			
100% HAP contract	24)	St. Andrews Residences			Dec-22		QPP for min. of 30 years or term of HAP			
100% @ 60% AMI	25)	St. James Residences			Dec-22		QPP for min. of 30 years or term of HAP			
100% HAP contract	26)	Westgate Plaza			Nov-12		QPP for term of HAP			
100% @ 60% AMI	27)	Woodlake			Nov-13		2028			
	(1)	PBC LURA has 60% @ 55+; FHFC has 80% @ 55+ w/no tenant under 18.								
	(2)	PBC LURA amended to 100% @ 55+ from 60+, and no tenant under 18.								



**Housing Finance Authority
of Palm Beach County**

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Bobby "Tony" Smith

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Chricht B. Mixon

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(561) 233-3652

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(561) 233-3656

"An Equal Opportunity
Affirmative Action Employer"

Official Electronic Letterhead

Date: January 12, 2023

To: Sandra Swenson
U.S. Bank Corporate Trust

From: David M. Brandt, Executive Director

Re: General Fund Disbursement #1-2024

The following invoices/reimbursement requests are hereby presented for your approval and payment, with support documentation attached.

<u>PAYEE</u>	<u>AMOUNT</u>
Palm Beach County Board of County Commissioners (December)	\$ 27,042.00
Sadowski Education Effort	20,000.00
FedEx	7.59
Bryant Miller Olive	605.25
Greenspoon Marder (Dec.)	<u>1,800.00</u>
Total General Fund Disbursement:	\$ 49,454.84

Confirmed via email by Chairperson

CC: Amanda Kumar, US Bank

A handwritten signature in blue ink, appearing to be "DB", is written over the "From:" line.

Tab 2

V. Old Business - attachments

- a. “Boynton Bay” apartments – approval of bond authorizing resolution R-2024-01
 - i. Credit Underwriting Report summary
 - ii. Resolution R-2024-01 w.o. exhibits

Housing Finance Authority of Palm Beach County

Credit Underwriting Report

Tax Exempt Multifamily Mortgage Revenue Bond

Boynton Bay Apartments

Section A Report Summary

Section B Supporting Information and Schedules

Prepared by

Seltzer Management Group, Inc.

Final Report

January 3, 2024

BOYNTON BAY APARTMENTS

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Section A
Report Summary

Recommendation

Seltzer Management Group, Inc. ("SMG" or "Seltzer") recommends that the Housing Finance Authority of Palm Beach County ("HFAPBC" or "Authority") issue Multifamily Mortgage Revenue Bonds in the amount of \$58,000,000 for the Acquisition and Rehabilitation of Boynton Bay Apartments (the "Subject Development").

DEVELOPMENT & SET-ASIDES

Development Name: Boynton Bay Apartments
 Address: 499 Boynton Bay Circle
 City: Boynton Beach Zip Code: 33435 County: Palm Beach County Size: Large
 Development Category: Acquisition/Rehab Development Type: Garden Apts (1-3 Stories)
 Construction Type: Masonry
 Demographic Commitment:
 Primary: Elderly: 55+ or 62+ for 80% of the Units

Unit Composition:

of ELI Units: 0 ELI Units Are Restricted to AMI, or less. Total # of units with PBRA? 199
 # of Link Units: 0 Are the Link Units Demographically Restricted? No # of NHTF Units:

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
1	1.0	10	768	60%			\$1,096	\$81	\$1,015		\$1,036	\$1,036	\$1,015	\$121,800
1	1.0	46	768	60%			\$1,096	\$81	\$1,015	\$1,955	\$1,976	\$1,976	\$1,955	\$1,079,160
2	1.0	21	880	60%			\$1,315	\$92	\$1,223		\$1,247	\$1,155	\$1,223	\$308,196
2	1.0	83	880	60%			\$1,315	\$92	\$1,223	\$2,357	\$2,381	\$2,381	\$2,357	\$2,347,572
2	2.0	32	880	60%			\$1,315	\$92	\$1,223	\$2,357	\$2,381	\$2,381	\$2,357	\$905,088
3	2.0	10	1,066	60%			\$1,519	\$104	\$1,415		\$1,442	\$1,338	\$1,415	\$169,800
3	2.0	38	1,066	60%			\$1,519	\$104	\$1,415	\$3,132	\$3,159	\$3,159	\$3,132	\$1,428,192
		240	213,856											\$6,359,808

Buildings: Residential - 17 Non-Residential - 1
 Parking: Parking Spaces - 528 Accessible Spaces - 12

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
MMRB	100.0%	240	60%	50
HC	100.0%	240	60%	30
Existing SAIL	40.0%	96	60%	17
Existing HC	100.0%	240	60%	17

Absorption Rate 30 units per month for 8.0 months.

Occupancy Rate at Stabilization: Physical Occupancy 98.00% Economic Occupancy 97.00%
 Occupancy Comments As of November, 98.8% occupied with a waitlist

DDA: Yes QCT: No Multi-Phase Boost: No QAP Boost: No
 Site Acreage: 21.07 Density: 11.3906 Flood Zone Designation: X
 Zoning: PUD, Planned Unit Development District Flood Insurance Required?: No

DEVELOPMENT TEAM			
Applicant/Borrower:		Boynton Bay Apartments, LLC	% Ownership
Member	WPBHA Boynton Bay, LLC		
Member	SHAG Boynton Bay, LLC		
Limited Partner	TCC Boynton Bay LLC		
Special LP	CDC Special Investor Limited Partner, LLC		
Construction Completion Guarantor(s):			
CC Guarantor 1:	Boynton Bay Apartments, LLC		
CC Guarantor 2:	SHAG Boynton Bay, LLC		
CC Guarantor 3:	Darren Smith		
CC Guarantor 4:	Tim Henzy		
CC Guarantor 5:	SHAG Boynton Bay Developer, LLC		
CC Guarantor 6:	Magnolia Affordable Development, Inc.		
CC Guarantor 7:	WPBHA Boynton Bay, LLC		
Operating Deficit Guarantor(s):			
OD Guarantor 1:	Boynton Bay Apartments, LLC		
OD Guarantor 2:	SHAG Boynton Bay, LLC		
OD Guarantor 3:	Darren Smith		
OD Guarantor 4:	Tim Henzy		
OD Guarantor 5:	SHAG Boynton Bay Developer, LLC		
OD Guarantor 6:	Magnolia Affordable Development, Inc.		
OD Guarantor 7:	WPBHA Boynton Bay, LLC		
Note Purchaser		Grandbridge / Truist (Construction only)	
Developer:		SHAG Boynton Bay Developer, LLC	
Principal 1	Tim Henzy		
Principal 2	Darren Smith		
Co-Developer:		Magnolia Affordable Development, Inc.	
DEVELOPMENT TEAM (cont)			
General Contractor 1:		Affordable Group Construction LLC	
Management Company:		West Palm Beach Housing Authority	
Syndicator:		Truist Community Capital, LLC	
Note Issuer:		Palm Beach County Housing Finance Authority	
Architect:		Gallo Herbert Architects, LLC	
Market Study Provider:		Walter Duke + Partners	
Appraiser:		Walter Duke + Partners	

PERMANENT FINANCING INFORMATION						
	1st Source	2nd Source	3rd Source	4th Source	5th Source	Other
Lender/Grantor	Grandbridge	SHAG Boynton Bay Acquisition, LLC				
Amount	\$49,270,000	\$23,425,000				
Underwritten Interest Rate	5.74%	5.03%				
Loan Term	16.0	28.0				
Amortization	40.0	N/A				
Market Rate/Market Financing LTV	76.7%	113.2%				
Restricted Market Financing LTV	54.7%	80.6%				
Loan to Cost - Cumulative	39.1%	57.7%				
Debt Service Coverage	1.292	0.946				
Operating Deficit & Debt Service Reserves	\$1,376,126					
# of Months covered by the Reserves	8.0					

Deferred Developer Fee	\$241,918
As-Is Land Value	\$6,240,000
As-Is Value (Land & Building)	\$87,700,000
Market Rent/Market Financing Stabilized Value	\$64,210,000
Rent Restricted Market Financing Stabilized Value	\$90,150,000
Projected Net Operating Income (NOI) - Year 1	\$4,165,995
Projected Net Operating Income (NOI) - 15 Year	\$5,144,626
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Note Structure	Immediate Freddie TEL
Housing Credit (HC) Syndication Price	\$0.950
HC Annual Allocation - Qualified in CUR	\$4,755,612
HC Annual Allocation - Equity Letter of Interest	\$4,922,815

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
Local HFA Bonds	Grandbridge	\$49,270,000	\$49,270,000	\$205,291.67
Local HFA Bonds	Truist, Tax-Exempt Bridge	\$8,730,000	\$0	\$0.00
Bridge Loan	Truist, Taxable Bridge	\$17,000,000	\$0	\$0.00
Seller Financing	SHAG Boynton Bay Acquisition, LLC	\$23,425,000	\$23,425,000	\$97,604.17
Other	Interim Income	\$5,965,764	\$6,254,817	\$26,061.74
HC Equity	Truist Community Capital	\$7,014,310	\$46,762,066	\$194,841.94
Deferred Developer	Developer	\$14,548,727	\$241,918	\$1,007.99
TOTAL		\$125,953,801	\$125,953,801	\$524,807.50

Bond Financing Structure:

The Applicant provided a copy of the HFAPBC Resolution Number R-2023-07, dated August 11, 2022 expressing the intent of the HFAPBC to proceed with the issuance of a Multifamily Revenue Debt Obligation in an amount not to exceed \$58,000,000.

Per a Grandbridge Real Estate Capital, LLC ("Grandbridge") Letter of Intent ("LOI") dated November 20, 2023, Grandbridge will provide a first mortgage in the amount of \$49,270,000. Per a Truist Bank LOI dated November 16, 2023, the Applicant applied for a tax-exempt bridge loan in an amount up to \$8,730,000, currently estimated to be \$8,730,000. The LOI details that the Applicant has applied for a Funding Loan to be provided to HFAPBC, pursuant to the Federal Home Loan Mortgage ("Freddie Mac") Direct Purchase of Tax-Exempt Loan Program ("TEL Program"), in an amount of. The proceeds of the Funding Loan will be utilized by the Governmental Lender to fund a mortgage loan with matching economic terms (see Construction/Permanent Financing Sources section). The Bonds will be placed through a Direct Purchase and Grandbridge will facilitate Freddie Mac's purchase of the Funding Loan.

Changes from the Application:

COMPARISON CRITERIA	YES	NO
Does the level of experience of the current team equal or exceed that of the team described in the application?	X	
Are all funding sources the same as shown in the Application?		1
Are all local government recommendations/contributions still in place at the level described in the Application?	X	
Is the Development feasible with all amenities/features listed in the Application?	X	
Do the site plans/architectural drawings account for all amenities/features listed in the Application?	X	
Does the Applicant have site control at or above the level indicated in the Application?	X	
Does the Applicant have adequate zoning as indicated in the Application?	X	
Has the Development been evaluated for feasibility using the total length of set-aside committed to in the Application?	X	
Have the Development costs remained equal to or less than those listed in the Application?		2
Is the Development feasible using the set-asides committed to in the Application?	X	
If the Development has committed to serve a special target group (e.g. elderly, large family, etc.), do the development and operating plans contain specific provisions for implementation?	X	
HOME ONLY: If points were given for match funds, is the match percentage the same as or greater than that indicated in the Application?	N/A	

HC ONLY: Is the rate of syndication the same as or greater than that shown in the Application?	X	
Is the Development in all other material respects the same as presented in the Application?	X	

The following are explanations of each item checked “No” in the table above:

1. Change in Funding Sources:

- Construction Period First Mortgage was \$72,000,000 in the application, it is now \$49,270,000, the application included the two bridge loans in the Construction Period First Mortgage.
- There are two Construction Bridge Loans that were included in the Construction Period First Mortgage from Truist Bank (“Truist”). A Tax-Exempt Bridge Loan in the amount of \$8,730,000 and a Taxable Bridge Loan in the amount of \$17,000,000
- Permanent Period First Mortgage increased from \$48,820,000 in the Application to \$49,270,000.
- The Sellers Note has increased from \$21,625,000 in the application to \$23,425,000.
- Interim Income increased from \$5,723,635 in the application to \$5,965,764 during the construction period and \$6,254,817 during the permanent period.
- Deferred Developer Fee in the construction period has increased from \$14,909,423 in the Application to \$14,548,727.
- Deferred Developer Fee in the permanent period has increased from \$196,075 in the Application to \$241,918.

2. Change in Development Costs:

- Total Development Costs have increased by \$5,008,682 from \$120,945,119 in the application to \$125,953,801. The costs have increased largely due to increases in Construction Costs, General Development Costs and Financial Costs.

These changes have no substantial material impact to the MMRN recommendations for this Development.

Does the Development Team have any Florida Housing Finance Corporation (“FHFC” or “Florida Housing”) Financed Developments on the Past Due/Noncompliance Report?

Florida Housing’s Past Due Report dated October 18, 2023, reflects the following past due item(s): None
Florida Housing’s Asset Management Noncompliance Report dated October 18, 2023 reflects the following open noncompliance item(s): None

Strengths:

1. The Development will receive 199 units (or 83%) Project Based Rental Vouchers paying 110% of the FMRs. There are 41 (or 17%) units not receiving rental assistance.

2. Per the Market Study, Walter Duke + Partners ("WDP") concludes strong demand in the Primary Market Area ("PMA") as evidenced by an overall occupancy rate that exceeds 99% for comparable properties in the PMA and current occupancy for the Subject Development of 98.6% with a waitlist. WDP concludes that the non-HAP units will obtain maximum allowable Housing Credit ("HC") rents.
3. Although the Applicant, WPBHA Boynton Bay, LLC, and SHAG Boynton Bay, LLC are newly formed, the principals of the Applicant, Co-Developers, and the Management Company have sufficient experience and financial resources to develop, construct and operate the Subject Development.

Other Considerations: None

Waiver Requests/Special Conditions: None

Additional Information:

1. SMG estimates the Tax-Exempt Bond amount to be 50.13% of Depreciable Development Costs plus Land Acquisition Costs. If, at the time of Final Cost Certification, the Tax-Exempt Bond Amount is less than 50%, developer fees will have to be reduced by an amount to ensure compliance with the 50% Test. That may, in turn, result in a reduction to HC Equity.
2. The designated General Contractor ("GC") proposed for this rehabilitation endeavor is Affordable Group Construction, LLC ("AGC"). AGC is affiliated with the Developer and is owned by Mr. Darren Smith, who is the Principal of the Developer, and Mr. Matthew Muldoon, a duly licensed General Contractor in the state of Florida. Mr. Muldoon, prior to his attainment of the Florida GC License CGC1532847, on October 7, 2022, has accrued experience in the role of a construction project manager. According to a GC Qualification Statement, Mr. Muldoon and AGC, under the GC License, have no construction projects currently underway and has no completed construction projects.

Issues and Concerns: None

Mitigating Factors: None

Closing Conditions

1. Applicant has provided two documents from the West Palm Beach Housing Authority, Resolution No. 1981 granting the property an allocation of up to 60 PBVS and Resolution No. 1980 granting the property an allocation of up to 180 PBVS. Per the Applicant there is a floor of 199 PBV units, Seltzer recommends the PBCHFA confirm there are at least 199 PBV units before closing.
2. A final Capital Needs Assessment.
3. A final PCA confirming that Partner reviewed the sealed and signed drawing set of plans, or an affidavit from the architect certifying that the project complies with all applicable building codes and accessibility requirements.
4. Updated Appraisal to include the updated Utility Allowance.
5. Executed Management Agreement with terms not different than previously provided.
6. Executed Construction Contract with terms not different than previously provided.

Recommendation:

SMG recommends HFAPBC issue Multifamily Mortgage Revenue Bonds in an amount up to of \$58,000,000 to the Subject Development for acquisition, rehab and permanent period financing.

This recommendation is based upon the assumptions detailed in the Report Summary (Section A) and Supporting Information and Schedules (Section B). The reader is cautioned to refer to these sections for complete information.

This recommendation is only valid for six months from the date of the report.

Prepared by:



Justin Coles
Credit Underwriter

Reviewed by:



Joshua Scribner
Credit Underwriting Manager

RESOLUTION NO. R-2024-01

A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF PALM BEACH COUNTY, FLORIDA AUTHORIZING THE ISSUANCE OF HOUSING FINANCE AUTHORITY OF PALM BEACH COUNTY, FLORIDA MULTIFAMILY MORTGAGE REVENUE NOTE, SERIES 2024 (BOYNTON BAY) (THE "GOVERNMENTAL NOTE") AND MULTIFAMILY HOUSING REVENUE BONDS (BOYNTON BAY APARTMENTS) SERIES 2024 (THE "SERIES 2024 BONDS") AND PROVIDING FOR CERTAIN DETAILS THEREOF; WITH RESPECT TO THE GOVERNMENTAL NOTE AND THE SERIES 2024 BONDS, APPOINTING A FISCAL AGENT; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FUNDING LOAN AGREEMENT WITH GRANDBRIDGE REAL ESTATE CAPITAL, AS INITIAL FUNDING LENDER, AND U.S. BANK NATIONAL ASSOCIATION, AS FISCAL AGENT; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PROJECT LOAN AGREEMENT WITH THE FISCAL AGENT AND BOYNTON BAY APARTMENTS, LLC, AS BORROWER; APPROVING THE FORM OF THE MORTGAGE AND APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF THE ASSIGNMENT OF MORTGAGE AND LOAN DOCUMENTS WITH RESPECT TO THE GOVERNMENTAL NOTE; APPROVING THE FORM OF AND AUTHORIZING A FINANCING AGREEMENT WITH THE FISCAL AGENT, THE BORROWER AND TRUIST BANK; APPROVING THE FORM OF THE MORTGAGE AND APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF THE ASSIGNMENT OF MORTGAGE AND LOAN DOCUMENTS WITH RESPECT TO THE SERIES 2024 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE ENDORSEMENT OF A PROMISSORY NOTE FROM THE BORROWER WITH RESPECT TO THE SERIES 2024 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LAND USE RESTRICTION AGREEMENT; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE GUARANTY AND ENVIRONMENTAL INDEMNITY AGREEMENT; ACCEPTING A FINAL CREDIT UNDERWRITING REPORT; DETERMINING THE NEED FOR A NEGOTIATED PRIVATE SALE OF THE GOVERNMENTAL NOTE AND THE SERIES 2024 BONDS AND DELEGATING TO THE CHAIRPERSON OR VICE CHAIRPERSON THE AUTHORITY TO APPROVE THE TERMS OF SUCH PRIVATE PLACEMENT SUBJECT TO CERTAIN CRITERIA; AUTHORIZING THE PROPER OFFICERS TO DO ALL THINGS NECESSARY OR ADVISABLE; AND PROVIDING AN EFFECTIVE DATE FOR THIS RESOLUTION.

WHEREAS, the Board of County Commissioners of Palm Beach County, Florida (the "Board"), has heretofore adopted Resolution R-70-1150 and Sections 2-181 through 2-191, Code

of Ordinances of Palm Beach County, Florida, creating the Housing Finance Authority of Palm Beach County, Florida (the "Authority"), pursuant to the provisions of Chapter 159, Part IV, Florida Statutes, as amended and supplemented (the "Act"); and

WHEREAS, the Board has heretofore adopted a resolution declaring a need for the Authority to function in order to alleviate the shortage of housing and capital for investment in housing within Palm Beach County, Florida (the "County"); and

WHEREAS, the Authority, pursuant to the Act and the Funding Loan Agreement (the "Funding Loan Agreement") among the Authority, Grandbridge Real Estate Capital, as the Initial Funding Lender (the "Funding Lender") and U.S. Bank National Association, as fiscal agent (the "Fiscal Agent"), in substantially the form attached hereto as Exhibit A, has determined to issue its Multifamily Mortgage Revenue Note, Series 2024 (Boynton Bay Apartments) (the "Governmental Note") in a principal amount not to exceed \$49,270,000 as adjusted in accordance with Section 12 hereof, to make the Loan (as defined below) to be used by Boynton Bay Apartments, LLC, a Florida limited liability company (together with its successors and assigns, the "Borrower") to pay a portion of the costs of the acquisition and rehabilitation of a 240-unit multifamily housing facility known as Boynton Bay Apartments, located at 499 Boynton Bay Circle, Boynton Beach, Florida (the "Project"), the form of which Governmental Note shall be as provided in the Funding Loan Agreement; and

WHEREAS, the Governmental Note will be purchased by the Funding Lender through a negotiated private placement and the proceeds received by the Authority from the Funding Lender will be loaned (the "Loan") to the Borrower to finance a portion of the costs of the Project pursuant to the terms and provisions of that certain Project Loan Agreement among the Authority, the Fiscal Agent and the Borrower (the "Project Loan Agreement") in substantially the form attached hereto as Exhibit B-1; and

WHEREAS, the Loan made pursuant to the Project Loan Agreement will be evidenced by that certain Multifamily Mortgage Revenue Note from the Borrower payable to the Authority (the "Project Note"), which Project Note shall be in substantially the form attached hereto as Exhibit B-2, and will be secured by a Multifamily Mortgage, Assignment of Rents and Security Agreement (the "Mortgage") in substantially the form attached hereto as Exhibit C from the Borrower to the Authority; and

WHEREAS, pursuant to that certain Assignment of Security Instrument, in substantially the form attached hereto as Exhibit D (the "Mortgage Assignment"), the Authority will assign (other than certain unassigned rights) its right in the Project Note and Mortgage to the Fiscal Agent; and

WHEREAS, the Authority, pursuant to the Act and the Financing Agreement (the "Financing Agreement") among the Authority, Truist Bank, as the purchaser (the "Purchaser"), the Fiscal Agent and the Borrower, in substantially the form attached hereto as Exhibit G, has

determined to issue its Multifamily Housing Revenue Bonds (Boynton Bay Apartments) Series 2024 (the "Series 2024 Bonds") in a principal amount not to exceed \$8,730,000 as adjusted in accordance with Section 13 hereof, to make the Loan (as defined below) to be used by the Borrower to pay a portion of the costs of the acquisition and rehabilitation of the Project, the form of which Series 2024 Bonds shall be as provided in the Financing Agreement; and

WHEREAS, the Series 2024 Bonds will be purchased by the Purchaser through a negotiated private placement and the proceeds received by the Fiscal Agent on behalf of the Authority from the Purchaser will be loaned to the Borrower as evidenced by the Series 2024 Note in substantially the form attached hereto as Exhibit H from the Borrower to the Authority (the "Series 2024 Note") to finance a portion of the costs of the Project pursuant to the terms and provisions of the Financing Agreement; and

WHEREAS, the loan of the proceeds of the Series 2024 Bonds made pursuant to the Series 2024 Note will be secured by a Mortgage, Assignment of Rents, Security Agreement and Fixture Filing (the "Series 2024 Bonds Mortgage") in substantially the form attached hereto as Exhibit I from the Borrower to the Authority; and

WHEREAS, pursuant to that certain Assignment of Mortgage, in substantially the form attached hereto as Exhibit I (the "Mortgage Assignment"), the Authority will assign (other than certain unassigned rights) its right in the Series 2024 Note and Mortgage to the Fiscal Agent; and

WHEREAS, it is the intent of the Funding Lender and the Authority and the Purchaser and the Authority that the interest payable on the Governmental Note and the Series 2024 Bonds, respectively, be excludable from the gross income of the Funding Lender and the Purchaser, as applicable, for federal income tax purposes (herein, "Tax-Exempt Obligations"); and

WHEREAS, the Internal Revenue Code of 1986, as amended (the "Code") and the regulations promulgated thereunder impose certain requirements on governmental issuers, such as the Authority, in order that the debt of such issuers be issued as Tax-Exempt Obligations; and, in furtherance of such requirements, the Authority desires to authorize the execution and delivery of a Land Use Restriction Agreement expected to be dated as of the first day of the month and year in which the Governmental Note and the Series 2024 Bonds are issued, by and among the Borrower, the Fiscal Agent and the Authority (the "Land Use Restriction Agreement") in substantially the form presented at this meeting and attached hereto as Exhibit E, which agreement evidences certain restrictions placed on the use and occupancy of the Project as required under the Act, certain requirements of Palm Beach County, Florida and the applicable provisions of the Code (the "Regulatory Agreement"); and

WHEREAS, the Authority desires to authorize the execution and delivery of a Fee Guaranty and Environmental Indemnity Agreement expected to be dated as of the first day of

the month and year in which the Governmental Note and the Series 2024 Bonds are issued from the Borrower and the individual indemnitors named therein to the Authority and Fiscal Agent in substantially the form attached hereto as Exhibit F (the "Indemnity Agreement"); and

WHEREAS, the Authority desires to accept the final Credit Underwriting Report delivered to the Authority by Seltzer Management Group, Inc. ("Seltzer") with respect to the Project (the "Credit Underwriting Report"); and

WHEREAS, 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, which 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; and

WHEREAS, the shortage of capital and housing cannot be relieved except through the encouragement of investment by private enterprise and the stimulation of construction of housing through the use of public financing; and

WHEREAS, the Project and the financing thereof will assist in alleviating the shortage of housing in the County and of capital for investment therein, will serve the purposes of the Act and the Project will constitute a "qualifying housing development" under the Act; and

WHEREAS, adequate provision has been made in the documents attached hereto for the Loan by the Authority to the Borrower to finance the acquisition and rehabilitation 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 Governmental Note, and all costs and expenses relating thereto; and

WHEREAS, the Authority is not obligated to pay the Governmental Note or the Series 2024 Bonds except from the proceeds derived from the repayment of the Loan and other payments received from the Borrower or from the other security pledged therefor; and

WHEREAS, the Funding Lender has indicated its willingness to purchase the Governmental Note through a negotiated private placement; and

WHEREAS, a negotiated sale of the Governmental Note to the Funding Lender is necessary and in the best interests of the Authority for the following reasons: the Governmental Note will be a special limited obligation of the Authority payable from amounts derived from the payments by the Borrower pursuant to the Project Loan Agreement and certain other funds and collateral pledged therefor; the Borrower will be required to pay all costs of the Authority in connection with the issuance of the Governmental Note and the administration of the Project

and to operate and maintain the Project at the Borrower's own expense; the costs of issuance of the Governmental Note, which must be borne directly or indirectly by the Borrower, would most likely be greater if the Governmental Note were sold at a public sale by competitive bids than if the Governmental Note is sold at a negotiated sale; in light of the unsettled bond market and the necessity of complying with certain requirements of the Code, it is essential that the Authority and the Borrower have maximum flexibility in structuring the Governmental Note, which flexibility would not be possible in competitive bidding; there is no basis, considering prevailing market conditions, for any expectation that the terms and conditions of a sale of the Governmental Note at public sale by competitive bids would be any more favorable than at a negotiated sale; multifamily housing revenue obligations which have the characteristics of the Governmental Note are typically sold at negotiated sale under prevailing market conditions; and the Borrower and the Funding Lender have undertaken substantial negotiations with respect to the Governmental Note and the security therefor; and

WHEREAS, the Purchaser has indicated its willingness to purchase the Series 2024 Bonds through a negotiated private placement; and

WHEREAS, a negotiated sale of the Series 2024 Bonds to the Purchaser is necessary and in the best interests of the Authority for the following reasons: the Series 2024 Bonds will be a special limited obligation of the Authority payable from amounts derived from the payments by the Borrower pursuant to the Financing Agreement and certain other funds and collateral pledged therefor; the Borrower will be required to pay all costs of the Authority in connection with the issuance of the Series 2024 Bonds and the administration of the Project and to operate and maintain the Project at the Borrower's own expense; the costs of issuance of the Series 2024 Bonds, which must be borne directly or indirectly by the Borrower, would most likely be greater if the Series 2024 Bonds were sold at a public sale by competitive bids than if the Series 2024 Bonds are sold at a negotiated sale; in light of the unsettled bond market and the necessity of complying with certain requirements of the Code, it is essential that the Authority and the Borrower have maximum flexibility in structuring the Series 2024 Bonds, which flexibility would not be possible in competitive bidding; there is no basis, considering prevailing market conditions, for any expectation that the terms and conditions of a sale of the Series 2024 Bonds at public sale by competitive bids would be any more favorable than at a negotiated sale; multifamily housing revenue obligations which have the characteristics of the Series 2024 Bonds are typically sold at negotiated sale under prevailing market conditions; and the Borrower and the Purchaser have undertaken substantial negotiations with respect to the Series 2024 Bonds and the security therefor; and

WHEREAS, notice of a public hearing conducted by the Authority on October 31, 2023, inviting written and oral comments and discussions concerning the issuance of the Governmental Note was published in the *Palm Beach Post* on October 20, 2023, in accordance with Applicable Treasury Regulations at least 7 days prior to the date of such hearing; and

WHEREAS, on December 19, 2023, the Board approved the issuance of bonds by the Authority for purposes of Section 147(f) of the Code and for purposes of the Act; and

WHEREAS, the Authority has received from the State of Florida Division of Bond Finance 2021 carryforward private activity bond volume cap allocation for multifamily housing revenue bonds in the remaining amount of \$63,831,839 which may be used by the Authority for the issuance of multifamily housing revenue obligations, including the Governmental Note and the Series 2024 Bonds; and

WHEREAS, the Authority desires to authorize the execution of all documents deemed necessary and to be in acceptable form as determined by its Bond Counsel and general counsel to the Authority.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING FINANCE AUTHORITY OF PALM BEACH COUNTY, FLORIDA THAT:

SECTION 1. RECITALS. The foregoing recitals stated above are hereby found by the Authority to be true and correct and incorporated into this Resolution as findings.

SECTION 2. DEFINITIONS. In addition to the terms defined above, the words and terms referred to in this Resolution, unless a different meaning clearly appears from the context, shall have the same meanings in this Resolution as in the Funding Loan Agreement, as applicable.

SECTION 3. AUTHORIZATION OF THE GOVERNMENTAL NOTE. For the purpose of providing funds to make the Loan to the Borrower to finance a portion of the costs of the Project, there is hereby authorized by the Authority, a Tax-Exempt Obligation to be known as the "Multifamily Mortgage Revenue Note, Series 2024 (Boynton Bay Apartments)," in one or more series in the principal amount of FORTY-NINE MILLION TWO HUNDRED SEVENTY THOUSAND DOLLARS (\$49,270,000), as such principal amount may be adjusted in accordance with Section 12 hereof.

The proceeds of the Governmental Note, together with the moneys received by the Fiscal Agent from the Borrower or tax credit investor, shall be applied, the Governmental Note shall mature in the years and in the amounts, bear interest at such rate or rates, and be subject to redemption, and be in such form, all as provided in the Funding Loan Agreement. The Authority hereby authorizes, pursuant to the provisions of the Funding Loan Agreement, the use of the proceeds of the Governmental Note to make the Loan to the Borrower for the Borrower to pay a portion of the costs of the Project. The execution of the Funding Loan Agreement by the authorized officers of the Authority as set forth in Section 5 hereof shall constitute approval of such terms as set forth in this Section 3.

SECTION 4. SECURITY FOR THE GOVERNMENTAL NOTE. The Governmental Note will be a limited obligation of the Authority. The principal of, or redemption price and interest on, the Governmental Note will be payable solely as provided in the Funding Loan Agreement. Neither the members of the Authority nor any person executing the Governmental Note shall be liable personally on the Governmental Note by reason of the issuance thereof. The Governmental Note will not be a debt of the Authority, the County, the State of Florida (the "State") or any other political subdivision thereof, and neither the faith and credit nor the taxing power of the County, the State or any other political subdivision thereof will be pledged to the payment of the principal of, or redemption price and interest on, the Governmental Note. The Authority has no taxing power.

SECTION 5. APPROVAL OF FORMS AND EXECUTION OF LOAN DOCUMENTS, INCLUDING FUNDING LOAN AGREEMENT, PROJECT LOAN AGREEMENT, PROJECT NOTE, MORTGAGE AND MORTGAGE ASSIGNMENT. The forms of the Funding Loan Agreement (including the Governmental Note), the Project Loan Agreement, the Project Note, the Mortgage and the Mortgage Assignment, relating to the Loan, in substantially the form presented at this meeting (and attached hereto as Exhibits A, B-1, B-2, C and D, respectively), are hereby approved and adopted by the Authority, together with such changes, modifications and deletions as may be deemed necessary and appropriate. The Chairperson (or, in the Chairperson's absence, the Vice Chairperson or any other member of the Authority in the absence of the Vice Chairperson) is hereby authorized to execute and deliver on behalf of the Authority, and the Secretary (or, in the Secretary's absence, any Assistant Secretary) of the Authority is authorized to affix the Seal of the Authority and attest to the execution of the Funding Loan Agreement, the Governmental Note, the Project Loan Agreement and the Mortgage Assignment in the form presented at this meeting, together with such changes, modifications and deletions as the officer of the Authority executing the same may deem necessary and appropriate with the advice of Bond Counsel and general counsel to the Authority, such execution and delivery to be conclusive evidence of the approval and authorization thereof by the Authority.

SECTION 6. AUTHORIZATION OF THE SERIES 2024 BONDS. For the purpose of providing funds to make a loan to the Borrower to finance a portion of the costs of the Project, there is hereby authorized by the Authority, a Tax-Exempt Obligation to be known as the "Multifamily Housing Revenue Bonds (Boynton Bay Apartments) Series 2024" in one or more series in the aggregate principal amount of EIGHT MILLION SEVEN HUNDRED THIRTY THOUSAND DOLLARS (\$8,730,000), as such principal amount may be adjusted in accordance with Section 13 hereof.

The proceeds of the Series 2024 Bonds, together with the moneys received by the Fiscal Agent from the Borrower or tax credit investor, shall be applied, the Series 2024 Bonds shall mature in the years and in the amounts, bear interest at such rate or rates, and be subject to redemption, and be in such form, all as provided in the Financing Agreement. The Authority hereby authorizes, pursuant to the provisions of the Financing Agreement, the use of the

proceeds of the Series 2024 Bonds to make the loan to the Borrower for the Borrower to pay a portion of the costs of the Project. The execution of the Financing Agreement by the authorized officers of the Authority as set forth in Section 8 hereof shall constitute approval of such terms as set forth in this Section 6.

SECTION 7. SECURITY FOR THE SERIES 2024 BONDS. The Series 2024 Bonds will be a limited obligation of the Authority. The principal of, or redemption price and interest on, the Series 2024 Bonds will be payable solely as provided in the Financing Agreement. Neither the members of the Authority nor any person executing the Series 2024 Bonds shall be liable personally on the Series 2024 Bonds by reason of the issuance thereof. The Series 2024 Bonds will not be a debt of the Authority, the County, the State of Florida (the "State") or any other political subdivision thereof, and neither the faith and credit nor the taxing power of the County, the State or any other political subdivision thereof will be pledged to the payment of the principal of, or redemption price and interest on, the Series 2024 Bonds. The Authority has no taxing power.

SECTION 8. APPROVAL OF FORMS AND EXECUTION OF DOCUMENTS, INCLUDING FINANCING AGREEMENT, SERIES 2024 NOTE, MORTGAGE AND MORTGAGE ASSIGNMENT. The forms of the Financing Agreement (including the Series 2024 Bond), the Series 2024 Note, the Mortgage and the Mortgage Assignment, relating to the Series 2024 Bonds, in substantially the form presented at this meeting (and attached hereto as Exhibits G, H, I and J, respectively), are hereby approved and adopted by the Authority, together with such changes, modifications and deletions as may be deemed necessary and appropriate. The Chairperson (or, in the Chairperson's absence, the Vice Chairperson or any other member of the Authority in the absence of the Vice Chairperson) is hereby authorized to execute and deliver on behalf of the Authority, and the Secretary (or, in the Secretary's absence, any Assistant Secretary) of the Authority is authorized to affix the Seal of the Authority and attest to the execution of the Financing Agreement, the Series 2024 Note, the Mortgage and the Mortgage Assignment in the form presented at this meeting, together with such changes, modifications and deletions as the officer of the Authority executing the same may deem necessary and appropriate with the advice of Bond Counsel and general counsel to the Authority, such execution and delivery to be conclusive evidence of the approval and authorization thereof by the Authority.

SECTION 9. APPOINTMENT OF FISCAL AGENT. U.S. Bank National Association, having its designated office in Fort Lauderdale, Florida, is hereby appointed Fiscal Agent under the Funding Loan Agreement, the Project Loan Agreement, the Project Note, the Mortgage, the Land Use Restriction Agreement, the Financing Agreement and the Indemnity Agreement.

SECTION 10. APPROVAL AND EXECUTION OF THE REGULATORY AGREEMENT. The form of the Regulatory Agreement in substantially the form presented at this meeting (and attached hereto as Exhibit E) is hereby approved and adopted by the Authority, together with such changes, modifications and deletions as may be deemed

necessary and appropriate. The Chairperson (or, in the Chairperson's absence, the Vice Chairperson or any other member of the Authority in the absence of the Vice Chairperson) is hereby authorized to execute and deliver on behalf of the Authority, and the Secretary (or, in the Secretary's absence, any Assistant Secretary) of the Authority is hereby authorized to affix the Seal of the Authority and attest to the execution of the Regulatory Agreement in the form presented at this meeting, together with such changes, modifications and deletions as the officer of the Authority executing the same may deem necessary and appropriate with the advice of Bond Counsel and general counsel to the Authority, such execution and delivery to be conclusive evidence of the approval and authorization thereof of the Authority.

SECTION 11. APPROVAL AND EXECUTION OF INDEMNITY AGREEMENT. The Indemnity Agreement in substantially the form presented at this meeting (and attached hereto as Exhibit F) is hereby approved and adopted by the Authority, together with such changes, modifications and deletions as may be deemed necessary and appropriate. The Chairperson (or, in the Chairperson's absence, the Vice Chairperson or any other member of the Authority in the absence of the Vice Chairperson) is hereby authorized to execute and deliver on behalf of the Authority, and the Secretary (or, in the Secretary's absence, any Assistant Secretary) of the Authority is hereby authorized to affix the Seal of the Authority and attest to the execution of the Indemnity Agreement in the form presented at this meeting together with such changes, modifications and deletions as the officer of the Authority executing the same may deem necessary and appropriate with the advice of Bond Counsel and general counsel to the Authority, such execution and delivery to be conclusive evidence of the approval and authorization thereof of the Authority.

SECTION 12. NEGOTIATED PRIVATE SALE OF THE GOVERNMENTAL NOTE. Based on the findings contained in the recitals to this Resolution, the Authority finds that it is necessary and in the best interest of the Authority that the Governmental Note is sold on a negotiated basis directly to the Funding Lender so long as (a) the interest rate on the Governmental Note does not exceed the maximum rate permitted by Section 215.84 Florida Statutes, the principal amount is not in excess of \$49,270,000 (provided however, in the event the Series 2024 Bonds are not issued in the principal amount of \$8,730,000, the principal amount of the Governmental Note may be increased provided the total principal amount of the Governmental Note and Series 2024 Bonds are not in excess of \$58,000,000), and the maturity date of the Governmental Note is not later than forty (40) years from the date of issuance thereof, and (b) the Authority receives from the Funding Lender a truth-in-bonding statement required by Section 218.385, Florida Statutes.

SECTION 13. NEGOTIATED PRIVATE SALE OF THE SERIES 2024 BONDS. Based on the findings contained in the recitals to this Resolution, the Authority finds that it is necessary and in the best interest of the Authority that the Series 2024 Bonds are sold on a negotiated basis directly to the Purchaser so long as (a) the interest rate on the Series 2024 Bonds do not exceed the maximum rate permitted by Section 215.84 Florida Statutes, the principal amount is not in excess of \$8,730,000 (provided however, in the event the Governmental Note is

not issued in the principal amount of \$49,270,000, the principal amount of the Series 2024 Bonds may be increased provided the total principal amount of the Governmental Note and Series 2024 Bonds are not in excess of \$58,000,000), and the maturity date of the Series 2024 Bonds is not later than five (5) years from the date of issuance thereof, and (b) the Authority receives from the Purchaser a truth in bonding statement required by Section 218.385, Florida Statutes.

SECTION 14. ACCEPTANCE OF CREDIT UNDERWRITING REPORT. The Credit Underwriting Report with respect to the Project delivered to the Authority by Seltzer is hereby accepted, subject to the understanding that the Closing Conditions specified in the Credit Underwriting Report are satisfied prior to closing or will have been waived by the Initial Funding Lender and the purchaser of the Series 2024 Bonds.

SECTION 15. SEVERABILITY. In case any one or more of the provisions of this Resolution, or of the documents entered into in connection with the issuance of the Governmental Note or any other agreements to which the Authority is a party and which have been approved by the Authority shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any of the other provisions thereof and said Governmental Note shall be construed and enforced as if such illegal or invalid provision or provisions had not been contained therein.

SECTION 16. FURTHER ACTIONS. The Chairperson, the Vice Chairperson, the Secretary and any Assistant Secretary of the Authority and the other members of the Authority, the Executive Director of the Authority, and the Authority's general counsel or Bond Counsel are hereby authorized and directed to do all acts and things required of them by the provisions of the Governmental Note and the Series 2024 Bonds and the other documents herein approved and also to do all acts and things required of them by the provisions of this Resolution, including, but not limited to, the execution of such other documents that may be required for the better securing of the Governmental Note and the Series 2024 Bonds, making the Governmental Note and the Series 2024 Bonds Tax-Exempt Obligations or as a condition precedent for the issuance thereof.

SECTION 17. HEADINGS NOT PART OF THIS RESOLUTION. Any headings preceding the texts of the several sections of this Resolution shall be solely for convenience of reference and shall not form a part of this Resolution, nor shall they affect its meaning, construction or effect.

SECTION 18. COUNTY RELATED PROVISIONS. The County assumes no responsibility for monitoring compliance by the Borrower of applicable federal income tax, securities laws or other regulatory requirements.

The Borrower understands and agrees that it is responsible for, monitoring its compliance with all applicable federal income tax, federal securities law and other regulatory requirements, retaining adequate records of such compliance, and retaining qualified counsel to

respond to or assist the Authority and the County in responding to any audit, examination or inquiry of the Internal Revenue Service, the Securities and Exchange Commission or other regulatory body.

The Borrower assumes responsibility for monitoring compliance with applicable provisions of federal tax laws and U.S. Treasury Regulations relative to the Governmental Note and the Series 2024 Bonds and shall retain adequate records of such compliance until at least three (3) years after the Governmental Note and the Series 2024 Bonds are retired.

In the event of any audit, examination, or investigation by the Internal Revenue Service with respect to the tax-exempt status of the Governmental Note and the Series 2024 Bonds or any other related tax matters, the Borrower shall be responsible for retaining qualified counsel to respond to such audit.

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SECTION 19. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

ADOPTED this 9th day of February, 2024.

**HOUSING FINANCE AUTHORITY OF PALM
BEACH COUNTY, FLORIDA**

(S E A L)

ATTEST:

By: _____

Name: Robin B. Henderson

Title: Chairperson

By: _____

Name: _____

Title: Secretary/Assistant Secretary

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

By: _____

Morris G. (Skip) Miller, Esq.

Attorney

EXHIBIT LIST

EXHIBIT A – FUNDING LOAN AGREEMENT
EXHIBIT B -1– PROJECT LOAN AGREEMENT
EXHIBIT B-2—PROJECT NOTE
EXHIBIT C –MORTGAGE
EXHIBIT D –MORTGAGE ASSIGNMENT
EXHIBIT E – LAND USE RESTRICTION AGREEMENT
EXHIBIT F – FEE GUARANTY AND ENVIRONMENTAL INDEMNITY AGREEMENT
EXHIBIT G – FINANCING AGREEMENT
EXHIBIT H – SERIES 2024 NOTE
EXHIBIT I – SERIES 2024 BONDS MORTGAGE
EXHIBIT J – SERIES 2024 BONDS ASSIGNMENT OF MORTGAGE

Tab 3

VI. New Business - attachments

None

Tab 4

VII. Other Matters – attachments

- b.** Matters of Executive Director
 - i. Memorandum

To: Housing Finance Authority

From: Executive Director

RE: February 9, 2024 meeting - Matters of Executive Director

NALFHA and FL ALHFA annual conferences for 2024

Back in October of last year I forwarded the email from NALHFA regarding the 2024 conference to be held in Las Vegas on May 1-4. Conference registration is required to reserve a hotel room and the early bird registration deadline is April 1 after which no refunds for cancellation will be given. If you know you will be going please advise me as soon as possible so that I can register you after which you will be have access to the conference hotel reservation system.

The FL ALHFA conference will be in St. Augustine July 10-13. Registration has not opened as of this date.

2024 Florida legislative update:

Suzanne Cabrera of the Housing Leadership Council made a presentation at the October board meeting on the gave a presentation on proposed funding for the Sadowski Housing Trust Fund as well as other possible affordable housing legislation to be considered during the 2024 session that began on January 9. As of January 31 FL ALHFA opined that while budget bills have yet to be considered in committee that it appears likely that full Sadowski funding will be approved. There are a couple of corrective bills being considered on certain provisions of the Live Local Act that was passed in 2023.

Update on Surplus Funds Construction Loans:

Davis Commons, LLC: The \$5.1M revolving loan for the 20-unit for-sale “Davis Commons” townhome development closed in August of 2023 simultaneously with the a \$2M SHIP funded loan from Palm Beach County for costs of construction a reimbursement basis. This SHIP funding will remain in the project in the form of a soft second mortgage subsidy to the home buyers. The project owner/developer is a sole purpose entity created by the not-for-profit Community Land Trust of Palm Beach County and the Treasure Coast and

Housing Partnership, Inc. d/b/a Community Partners of South Florida. The HFA's loan is a revolver for this \$2M of PBC funding and then is to be drawn down in whole to fully finance (together with \$100K of grant/credits) the total project cost of \$7.15M (excluding \$400K developer fee).

The closing date of August 15 was set by PBC due to a full SHIP expenditure and final home sales deadline of June 30, 2024. The closing occurred prior to the execution of a final construction contract with the same general contractor that the CLT has been using for the past ten or so years. A total of approximately \$100K of closing and pre-development costs were invoiced and paid of which PBC reimbursed \$20K. Subsequent to those disbursements the contract presented by the GC was 70% greater than the CLT's projection (\$8.5M actual vs \$5M budget). The development team was able to reduce the difference to around \$2.5M and approached PBC Department of Housing & Economic Development with a request for an additional loan/grant amount from PBC of \$2-\$2.5M depending upon a change in the mix of homebuyer income cap to 140% of AMI to build all 20 townhomes, or to build in two phases with all \$2M of the SHIP going towards site work and infrastructure for the entire project but build only 9-units in the first phase. The remaining 11-units in the second phase would require additional funding from PBC or another source. I've asked Cindee LaCourse-Blum for an update which I'll provide at the meeting.

Legacy at 45th Street, LLC: The HFA took action at the last meeting in December to advise the Spectra Organization/Palm Beach County Housing Authority that it would not move forward with the proposed \$2.5M revolving construction loan for the 48-container unit rental housing project in the City of West Palm Beach. PBCHA staff were on a trip to the container manufacturing facility in Mexico that following Monday and upon their return requested a meeting with County Administrator Baker's office and staff from HED to go over the County's issues with the project/funding. I was asked to attend this meeting on December 21 where I reiterated the HFA's concerns for not moving forward, and stated that I thought that ironclad assurance of reimbursement by the County would be required for reconsideration of the revolving loan. The big hurdle was the County's unwillingness to fund/reimburse costs (i.e. deposit and progress billings for the containers prior to delivery) not in place on the project site. I received an email from the PBCHA in early January that they and the County had been working through this and other matters, and that once finalized, they would like to revisit the revolving loan.