Introduced by the Council President at the request of the Jacksonville Housing Finance Authority:

# **RESOLUTION 2018-169**

A RESOLUTION, UPON AN ACKNOWLEDGEMENT OF DUE AUTHORIZATION AND THE MAKING OF FINDINGS, APPROVING THE ISSUANCE BY THE JACKSONVILLE HOUSING FINANCE AUTHORITY OF ITS MULTIFAMILY HOUSING REVENUE BONDS (THE WAVES PROJECT), SERIES 2018, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $17,750,000 FOR THE PURPOSE OF FINANCING THE ACQUISITION AND DEMOLITION OF EXISTING MULTIFAMILY RENTAL HOUSING FACILITIES AND THE REDEVELOPMENT, CONSTRUCTION AND EQUIPPING OF NEW SCATTERED SITE MULTIFAMILY RENTAL HOUSING FACILITIES FOR PERSONS OF LOW, MIDDLE, OR MODERATE INCOME, LOCATED IN THE CITY OF JACKSONVILLE BEACH, FLORIDA, CURRENTLY OWNED AND OPERATED BY THE JACKSONVILLE HOUSING AUTHORITY; DETERMINING CREDIT NOT BEING PLEDGED; PROVIDING AN EFFECTIVE DATE.

**WHEREAS**, the Jacksonville Housing Finance Authority (the “Authority”) is authorized and empowered by the provisions of the Constitution and laws of the State of Florida to issue mortgage revenue bonds for the purpose of providing funds to finance the debt of a “qualifying housing development” as defined in the Florida Housing Finance Authority Law, Part IV, Chapter 159, Florida Statutes, and Chapter 52 of the Ordinance Code of the City of Jacksonville, Florida and other applicable provisions of law, including the acquisition and demolition of existing multifamily residential housing facilities containing approximately 62 units and currently owned and operated by the Jacksonville Housing Authority and the redevelopment, construction and equipping of an approximate 127 unit new scattered site multifamily rental housing facilities located on all or a portion of the following:

1. 1st Ave. S., NW of intersection of 1st Ave. S. and 9th St. S., Jacksonville Beach;
2. 1st Ave. S., NE of intersection of 1st Ave. S. and 9th St. S., Jacksonville Beach;
3. 1st Ave. S., SW of intersection of 1st Ave. S. and 8th St. S., Jacksonville Beach;
4. 1st Ave. S., SE of intersection of 1st Ave. S. and 8th St. S., Jacksonville Beach;
5. 1st Ave. S., SE of intersection of 1st Ave. S. and 6th St. S., Jacksonville Beach;
6. 2nd Ave. S., NE of intersection of 2nd Ave. S. and 8th St. S., Jacksonville Beach;
7. 5th Ave. S., NW of intersection of 5th Ave. S. and 9th St. S., Jacksonville Beach;
8. 5th Ave. S., NE of intersection of 5th Ave. S. and 9th St. S., Jacksonville Beach;
9. 5th Ave. S., SW of intersection of 5th Ave. S. and 9th St. S., Jacksonville Beach;
10. 5th Ave. S., SE of intersection of 5th Ave. S. and 7th St. S., Jacksonville Beach;
11. 5th Ave. S., SE of intersection of 5th Ave. S. and 8th St. S., Jacksonville Beach; and

the general location of which is shown on the map attached hereto and incorporated herein as **Exhibit 1** (collectively, the “The Waves Project”); and

**WHEREAS**, The Waves of Jacksonville, Ltd., a Florida limited partnership, or its permitted successors and assigns (the “Borrower”), desires to acquire and demolish existing improvements and redevelop, construct and equip The Waves Project, and the Borrower has requested the Authority to issue its Multifamily Housing Revenue Bonds (The Waves Project), Series 2018 (the “Bonds”) in the aggregate principal amount not to exceed $17,750,000 for the purpose of financing all or a portion of the costs associated with the acquisition and demolition of existing improvements, and redevelopment, new construction and equipping of The Waives Project by the Borrower; and

**WHEREAS,** anaffiliate of the Jacksonville Housing Authority has an partnership interest in the Borrower; and

**WHEREAS**, the Authority believes that The Waves Project assists in alleviating the shortage of rental housing for eligible persons of low, moderate, or middle income, and the issuance of the Bonds to provide financing for the debt and for acquisition and demolition of existing improvements and redevelopment, new construction, and equipping of The Waves Project will assist in alleviating the shortage of capital available for investment in such rental housing, and thereby increase the health, safety, welfare, and tax base of the State and Duval County; and

**WHEREAS**, the Authority (pursuant to the minutes and Authority Resolution made at its general meeting on November 29, 2017, as set forth in composite materials attached hereto and incorporated herein as **Exhibit 2**) has requested that the Council of the City of Jacksonville, Florida (the “Council”) approve the issuance of the Bonds by the Authority for purposes of Section 147(f) of the Internal Revenue Code of 1986, and the issuance of the Bonds for purposes of Chapter 52 of the Ordinance Code of the City of Jacksonville in an aggregate principal amount not to exceed $17,750,000; now therefore

**BE IT RESOLVED** by the Council of the City of Jacksonville:

**Section 1. Authority.** This Resolution is adopted pursuant to the Constitution of the State of Florida, the Ordinance Code of the City of Jacksonville, and other applicable provisions of law.

**Section 2. Findings.** The Council hereby finds, determines and declares as follows:

A. Notice of a public hearing inviting comments and discussion concerning the issuance of the Bonds to finance certain debt of the Borrower relating to the acquisition and demolition of existing improvements, and redevelopment, new construction, and equipping of The Waves Project, and the nature and location of The Waves Project was published in a newspaper of general circulation in Duval County, at least fourteen (14) days prior to the date of such public hearing and proof of such publication is attached hereto and incorporated herein as **Exhibit 3**.

B. Following publication of such notice, a public hearing was held on behalf of the Authority by its Hearing Officer on February 28, 2018, for comments and discussions concerning the issuance of the Bonds and The Waves Project and comments were received from the public all of which are summarized in the report of such public hearing which is attached hereto and incorporated herein as **Exhibit 4**.

C. The financing of all or a portion of the costs associated with The Waves Project through the issuance of the Bonds will have a substantial public benefit.

D. The Council is the elected legislative body of Duval County, Florida, and has jurisdiction over the entire area in which The Waves Project is located.

**Section 3. Approval.** For purposes of Section 147(f) of the Internal Revenue Code (as such relates to the Bonds), and Chapter 52 of the Ordinance Code of the City of Jacksonville, the Council hereby approves the issuance of the Bonds in a maximum principal or face amount not to exceed $17,750,000 to finance all or a portion of the costs associated with The Waves Project, and the execution of all documents necessary to effectuate the issuance and the sale of the Bonds. Financing details concerning the use of budgeted funds and costs of issuance are attached hereto and incorporated herein as **Exhibit 5**. This approval, however, is subject to the requirement that the Borrower, The Waves Project, and the Bonds will be in compliance with the applicable terms and conditions of the Authority’s 2018 Multifamily Bond Allocation Policies and Procedures (revised November 2016).

**Section 4. Credit Not Pledged.** The Bonds issued by the Authority for The Waves Project shall not be deemed to constitute a debt, liability, or obligation payable from the general revenues of the Authority, the City of Jacksonville, Duval County, the State of Florida or any political subdivision or agency thereof, and such Bonds shall be payable solely from revenues derived from the sale, operation, or leasing of The Waves Project or other payments received under financing agreements solely with respect thereto. The general credit or taxing power of the Authority, the City of Jacksonville, Duval County and the State of Florida or any political subdivision or agency thereof shall not be pledged to the payment of the Bonds.

**Section 5. Effective Date.**  This Resolution shall become effective upon signature by the Mayor or upon becoming effective without the Mayor’s signature.

Form Approved:

/s/ \_\_ Emerson M. Lotzia \_

Office of General Counsel

Legislation Prepared By: Emerson M. Lotzia

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