

## **MEMORANDUM OF UNDERSTANDING**

**THIS MEMORANDUM OF UNDERSTANDING** (the “Memorandum”) is made and entered into as of this \_\_\_\_ day of September, 2022, by and between the Alachua County Housing Authority, a public body corporate and politic established pursuant to Chapter 421 of the Florida Statutes (the “Housing Authority”), and the City of Alachua, a municipality located in Alachua County, Florida (the “City”).

### **RECITALS:**

**WHEREAS**, the Housing Authority has been awarded \$6,651,192 of Florida Housing Financing Corporation (“FHFC”) funding (in the form of authorized tax credit financing) for the construction of Phase I, a 40-unit three story senior housing facility to be known as Arbours at Merrillwood I, and located at 13207 N.W. 153 Terrace, Alachua, Florida (the “Project”), for which construction is now scheduled to begin September, 2022 and be resident ready in September, 2023, and construction of the Project will result in 40 new senior living units in Merrillwood; and

**WHEREAS**, the Housing Authority and its development partner, Arbour Valley Development, LLC, a Florida limited liability company, have formed the Florida limited liability limited partnership, Arbours at Merrillwood I, LLLP, (the “Partnership”) to construct, own, and operate the 40-unit Project, in which the Housing Authority will continue to own the ground and will have an option to purchase the affordable Project at the end of the tax credit compliance period; and

**WHEREAS**, the ever-increasing costs of the Project have burdened the Housing Authority and its development partner as well as all other projects awarded funding by FHFC last summer, which funding shortfall for the Project could reach \$2,000,000, for which the Project will be receiving viability funding from FHFC to cover some of the shortfall, which FHFC loan is forgivable; and

**WHEREAS**, the Project fulfills public purposes of the City, such as meeting the City adopted Strategic Initiative 4.1- Encourage Construction of Senior Living Housing Opportunities including Assisted Living Facilities; and

**WHEREAS**, at the April 25, 2022, City Commission meeting, the City committed to funding \$200,000 as a contribution to the Project under certain conditions as described herein below.

**NOW, THEREFORE**, in consideration of these presents, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties do hereby confirm the terms of their understanding as follows:

1. The above recitals are hereby incorporated into this Memorandum and are made a part hereof.
2. The City commits to fund and provide \$200,000 (the “Funding”) to the Housing Authority upon the following conditions: (a) the Funding must be applied to the construction of

the Project; and (b) the Funding will occur not before October 20, 2022, or a later date of the commencement of vertical construction of the Project.

Further, the City's commitment to fund shall expire of its own terms unless vertical construction of the Project has commenced on or prior to September 30, 2023, unless modified and extended by prior City Commission action. The Housing Authority shall cooperate with the City to confirm that the conditions for the Funding are being met.

3. At the Closing on the Project, the Housing Authority shall pay the City's attorneys' fees and costs in connection with the Funding directly to the law office of Rush and Frisco, at an hourly rate of \$250. These fees and costs are estimated not to exceed \$2,000, unless there is a modification of this Memorandum, including a modification or extension of the Funding date.

4. The City acknowledges that the Housing Authority, due to tax issues, will be loaning the Funding to the Partnership. Provided that the conditions in Section 2 of this Memorandum are met, the Funding will not be required by the City to be repaid by the Housing Authority.

5. The City and the Housing Authority each represent that the person signing this Memorandum on its behalf has been duly authorized to so sign.

6. This Memorandum may be executed in counterparts and all such counterparts shall be deemed originals and together shall constitute but one and the same instrument.


[SIGNATURES CONTINUE ON NEXT PAGE]


IN WITNESS WHEREOF, this Memorandum has been executed effective as of the day and year first hereinabove written.

**WITNESSES:**

**ALACHUA COUNTY HOUSING  
AUTHORITY**, a public body corporate and politic  
established pursuant to Chapter 421 of the Florida  
Statutes

  
Print Name Amanda Nazaro

  
Print Name: Cody Pierce

By:   
Ken D. Armstrong, Executive Director

**THE CITY OF ALACHUA, FLORIDA,**  
municipality located in Alachua County, Florida

By: \_\_\_\_\_  
Gib Coerper, Mayor

ATTEST:

\_\_\_\_\_  
Mike DaRoza, City Manager/City Clerk