

RESOLUTION NO. 2024-78

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA APPROVING A LOAN FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT IN ORDER TO FINANCE COSTS OF THE HASTINGS COMMUNITY CENTER AND LIBRARY PROJECT; APPROVING THE FORM OF A CONTRACT FOR LOAN GUARANTEE; AUTHORIZING THE ISSUANCE OF A PROMISSORY NOTE TO EVIDENCE SUCH LOAN; AUTHORIZING THE REPAYMENT OF SUCH NOTE FROM A COVENANT TO BUDGET AND APPROPRIATE LEGALLY AVAILABLE NON-AD VALOREM REVENUES; PROVIDING FOR ADDITIONAL SECURITY; DELEGATING CERTAIN AUTHORITY TO THE CHAIR, THE COUNTY ADMINISTRATOR, CLERK AND OTHER OFFICERS OF THE COUNTY FOR THE AUTHORIZATION, EXECUTION AND DELIVERY OF THE LOAN AGREEMENT, THE NOTE AND VARIOUS OTHER DOCUMENTS WITH RESPECT THERETO; RECOGNIZING AND APPROPRIATING LOAN PROCEEDS WITHIN THE FISCAL YEAR 2024 BUDGET; AND PROVIDING FOR AN EFFECTIVE DATE FOR THIS RESOLUTION.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA:

SECTION 1. DEFINITIONS. When used in this Resolution, capitalized terms not otherwise defined herein shall have the meanings set forth in the Loan Agreement (as defined herein), unless the context clearly indicates a different meaning.

"**Act**" shall mean the Florida Constitution, Chapter 125, Florida Statutes, and other applicable provisions of law.

"**Board**" shall mean the Board of County Commissioners of St. Johns County, Florida.

"**Chair**" shall mean the Chair of the Board or, in his or her absence or unavailability, the Vice Chair of the Board.

"**Clerk**" shall mean the Clerk of the Circuit Court of St. Johns County, Florida and Ex-Officio Clerk of the Board of County Commissioners of the St. Johns County, Florida and such other person as may be duly authorized to act on her or his behalf, including any Deputy Clerk.

"**County**" shall mean St. Johns County, Florida.

"County Administrator" shall mean the County Administrator of the County or, in his or her absence or unavailability, any Assistant County Administrator or a designee of the County Administrator.

"Governmental Funds Revenues" shall mean total revenues of the County derived from any source whatsoever and that are allocated to and accounted for in the "governmental funds" of the County as shown in the annual audited financial statements of the County.

"Loan Agreement" shall mean the Contract for Loan Guarantee Assistance to be executed between the County and the U.S. Department of Housing and Urban Development ("HUD"), which shall be substantially in the form attached hereto as Exhibit A.

"Non-Ad Valorem Revenues" shall mean all Governmental Funds Revenues other than revenues generated from ad valorem taxation on real or personal property, and which are legally available to make the payments required under the Agreement and the Note.

"Note" shall mean the promissory note to be issued by the County to evidence the loan to be provided pursuant to the Loan Agreement, which shall be substantially in the form attached hereto as Exhibit B.

"Project" shall mean the Hastings Community Center and Library Project, as particularly described in the plans and specifications on file with the County, as the same may be amended and supplemented from time to time.

"Resolution" shall mean this Resolution, as the same may from time to time be amended, modified or supplemented by a supplemental resolution.

The terms "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms, shall refer to this Resolution; the term "heretofore" shall mean before the date of adoption of this Resolution; and the term "hereafter" shall mean after the date of adoption of this Resolution.

Words importing the masculine gender include every other gender.

Words importing the singular number include the plural number, and vice versa.

SECTION 2. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of the Act. The County has ascertained and hereby determined that adoption of this Resolution is necessary to carry out the powers, purposes and duties expressly provided in the Act, that each and every matter and thing as to which provision is made herein is necessary in order to carry out and effectuate the purposes of the County in accordance with the Act and to carry out and effectuate the plan and purpose of the Act, and that the powers of the County herein exercised are in each case exercised

in accordance with the provisions of the Act and in furtherance of the purposes of the County.

SECTION 3. RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the purchase and acceptance of the Note by the Holder of the Note, the provisions of this Resolution shall be a part of the contract of the County with the holder of the Note, and shall be deemed to be and shall constitute a contract between the County and the Holder of the Note. The provisions, covenants and agreements in this Resolution set forth to be performed by or on behalf of the County shall be for the benefit, protection and security of the Holder of the Note.

SECTION 4. FINDINGS. It is hereby ascertained, determined and declared that:

(A) It is in the best interest of the County to undertake and implement the Project in order to improve and maintain the health, safety and welfare of the residents of the County.

(B) The County desires to finance costs of the Project through a loan program of HUD.

(C) The Note shall evidence the loan to be received through HUD's loan program and shall be repaid solely from the Non-Ad Valorem Revenues in the manner and to the extent set forth herein and in the Loan Agreement and the ad valorem taxing power of the County will never be necessary or authorized to pay said amounts.

(D) Due to the potential volatility of the market for municipal obligations such as the Note and the complexity of the transactions relating to the Note, it is in the best interest of the County to issue the Note by a negotiated sale to the Holder of the Note, allowing the County to sell and issue the Note at the most advantageous time, rather than at a specified advertised date, thereby permitting the County to obtain the best possible price, terms and interest rate for the Note.

SECTION 5. AUTHORIZATION OF THE FINANCING OF COSTS OF THE PROJECT. The financing of costs of the Project with proceeds of the Note is hereby authorized.

SECTION 6. APPROVAL OF FORM OF LOAN AGREEMENT AND THE NOTE. The County hereby approves a term loan from the Holder of the Note in the principal amount of not to exceed \$5,075,000. The terms and provisions of the Loan Agreement in substantially the form attached hereto as Exhibit A are hereby approved, with such changes, insertions and additions as the Chair may approve. The County hereby authorizes the Chair to execute and deliver, and the Clerk to attest and affix the County seal to, the Loan Agreement substantially in the form attached hereto as Exhibit A, with

such changes, insertions and additions as the Chair may approve, his execution thereof being conclusive evidence of such approval. In order to evidence the loan under the Loan Agreement, it is necessary to provide for the execution of the Note. The Chair and the Clerk are authorized to execute and deliver the Note substantially in the form attached hereto as Exhibit B with such changes, insertion and additions as they may approve, their execution thereof being evidence of such approval.

SECTION 7. LIMITED OBLIGATION. The obligation of the County to repay the Note is a limited and special obligation payable from Non-Ad Valorem Revenues solely in the manner and to the extent set forth in the Loan Agreement and shall not be deemed a pledge of the faith and credit or taxing power of the County and such obligation shall not create a lien on any property whatsoever of or in the County. The Non-Ad Valorem Revenues shall consist of legally available Non-Ad Valorem Revenues budgeted and appropriated by the Board to pay debt service on the Note, all in the manner and to the extent described in the Loan Agreement.

SECTION 8. ADDITIONAL SECURITY. As additional security for the Note, the County has agreed to fund a debt service reserve fund in the amount of \$787,000, all in the manner and to the extent provided in the Loan Agreement.

SECTION 9. GENERAL AUTHORIZATION. The Chair, the County Administrator and the Clerk are authorized to execute and deliver such documents, instruments and contracts, whether or not expressly contemplated hereby; and the County Attorney and other employees or agents of the County are hereby authorized and directed to do all acts and things required hereby or thereby as may be necessary for the full, punctual and complete performance of all the terms, covenants, provisions and agreements herein and therein contained, or as otherwise may be necessary or desirable to effectuate the purpose and intent of this Resolution.

SECTION 10. RECOGNIZING AND APPROPRIATING LOAN PROCEEDS. The Board of County Commissioners of St. Johns County, Florida hereby recognizes loan proceeds in an amount not to exceed \$5,075,000 from the U.S. Department of Housing and Urban Development as unanticipated revenue in the FY 2024 budget and authorizes its expenditure for the Hastings Community Center and Library project.

SECTION 11. REPEAL OF INCONSISTENT DOCUMENTS. All ordinances, resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

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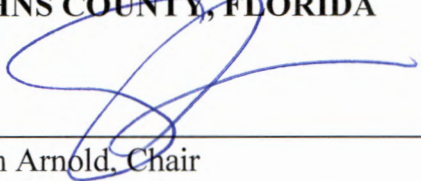
SECTION 12. EFFECTIVE DATE. This Resolution shall become effective immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 20th day of February, 2024.

(SEAL)

ST. JOHNS COUNTY, FLORIDA

Rendition Date: FEB 20 2024

By: 
Sarah Arnold, Chair

ATTEST: Brandon J. Patty, Clerk of
the Circuit Court & Comptroller

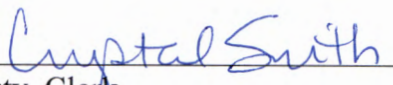
By: 
Deputy Clerk



EXHIBIT A

Form of Loan Agreement

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

CONTRACT FOR LOAN GUARANTEE ASSISTANCE UNDER
SECTION 108 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT
OF 1974, AS AMENDED, 42 U.S.C. §5308

Date of Contract _____

This Contract for Loan Guarantee Assistance ("Contract") is entered into between St. Johns County, Florida, as Borrower (the "Borrower"), and the Secretary of Housing and Urban Development ("Secretary"), as guarantor for the Guarantee made pursuant to section 108 ("Section 108") of title I of the Housing and Community Development Act of 1974, as amended (the "Act") and 24 CFR Part 570, Subpart M, of the promissory note executed contemporaneously herewith and numbered B-21-UC-12-0021 [Hastings Community Center and Library Project], in the Maximum Commitment Amount of \$ 5,075,000, and any amended note or note issued in substitution for such note and having the same note number (the "Note"). This is the first Contract under the Funding Approval ("Commitment") of the same number, which was approved by the Secretary on March 4, 2022. The funds paid or credited to the account of the Borrower pursuant to the Note are referred to herein as the "Guaranteed Loan Funds." The Note (including the Fiscal Agency Agreement and the Trust Agreement as defined in Section I.A. of the Note and incorporated therein) is hereby incorporated into the Contract. Terms used in the Contract with initial capital letters and not otherwise defined in the text hereof shall have the respective meanings given thereto in the Note. The Fiscal Agency Agreement and the Trust Agreement are sometimes collectively referred to herein as the "Fiscal Agency/Trust Agreements," and the Fiscal Agent and the Trustee respectively are sometimes collectively referred to as the "Fiscal Agent/Trustee."

PART I

- A. **The Note: Advances and Records.** The Note provides that Advances and Conversion Date Advances shall be made thereunder upon the written request of the Borrower and the approval of the Secretary, pursuant to this Contract and the Fiscal Agency Agreement. The Commitment Schedule attached to the Note represents the principal repayment schedule for the Maximum Commitment Amount of the Note. At all times, the total amount of all Advances and Conversion Date Advances under the Note for all Principal Due Dates shall not exceed the Maximum Commitment Amount of the Note. Prior

to the Conversion Date (as defined in the Note, Section I.A.), the total amount of Advances made by the Holder for each Principal Due Date under the Note shall not exceed the applicable Commitment Amount for such Principal Due Date set forth in the Commitment Schedule of the Note. Prior to the Conversion Date, the Borrower agrees that the Fiscal Agent pursuant to the Fiscal Agency Agreement shall record the date and amount of each payment and Advance under the Note and shall maintain the books and records of all Advances and Conversion Date Advances for each Principal Due Date, interest rates on Advances, payments, and Principal Amounts outstanding for each Principal Due Date. On and after the Conversion Date, the Borrower agrees that the Trustee pursuant to the Trust Agreement will maintain the books and records of all payments on the Note and all Principal Amounts and interest rates on such Principal Amounts (each as to be set forth on Schedule P&I to the Note). No advances of any kind may be made on the Note after its Conversion Date.

- B. **Borrower's Requests for Advances.** All requests for Advances or Conversion Date Advances by the Borrower under the Note shall: be in writing; specify the amount of the Advance requested; identify the Note by Borrower, number and Maximum Commitment Amount; be addressed to the Secretary at the address for notices specified in paragraph 12(f) of this Contract; be signed by an authorized official of the Borrower; and otherwise be in the form prescribed by the Secretary. Advances and Conversion Date Advances shall be requested and will only be approved and made in increments of not less than \$1,000 for any Principal Due Date. A request for an initial Advance under a Note, or a request for a Conversion Date Advance, shall be received by the Secretary at least ten Business Days prior to the Borrower's proposed Funding Date or Conversion Date, as applicable. All other requests for Advances shall be received by the Secretary not less than five Business Days prior to the proposed Funding Date. The Borrower may not deliver a Note or a request for an Advance or Conversion Date Advance to the Secretary more than two calendar months prior to the Borrower's proposed Funding Date. At least two Business Days prior to the proposed Funding Date or Conversion Date if the Borrower's request was timely received, or the next available Funding Date for which the request was timely received, the Secretary shall, except as otherwise provided in paragraph 11(c) or 12 hereof, deliver a corresponding Authorization Order or Advance Order (as applicable) to the Fiscal Agent in accordance with Section 2.03 or 2.04 of the

Fiscal Agency Agreement for the applicable Funding Date or Conversion Date. If the Borrower requests an Advance or Conversion Date Advance of less than the outstanding Maximum Commitment Amount under the Note, the Borrower may also specify in its written request the amount of the Advance or Conversion Date Advance to be allocated to each Commitment Amount or Principal Amount per Principal Due Date under the Note. If the Borrower does not specify how the Advance or Conversion Date Advance should be allocated among Commitment Amounts/Principal Due Dates, the Borrower hereby authorizes the Secretary to direct the Fiscal Agent to allocate the Advance to the respective Commitment Amounts or Principal Amounts in order of the earliest Principal Due Date(s).

- C. **Guarantee Fee.** The Borrower shall pay to the Secretary a fee equal to 2.0% of each Advance to offset the credit subsidy cost of the guaranteed loan. This fee, which was announced on October 27, 2021, 86 Fed. Reg. 59302, for Section 108 loan guarantee disbursements under loan guarantee commitments awarded in FY 2022 is due to the Secretary no later than the time of the disbursement of each Advance to the Borrower. The fee is payable from allocations or grants which have been made to Borrower under Section 106 of the Act (including program income derived therefrom) or from other sources, but is only payable from Guaranteed Loan Funds if the fee is deducted from the Advance.
- D. **Conversion; Public Offering.** On the Conversion Date (if any), trust certificates backed by the Note (and similar notes issued by other Section 108 borrowers) will be purchased for a purchase price of the full principal amount thereof by underwriters selected by the Secretary (the "Underwriters") pursuant to an Underwriting Agreement between the Underwriters and the Secretary, at a closing on such Conversion Date as determined by the Secretary and the Underwriters. The Borrower agrees that the interest rate at which the trust certificate of a specified maturity is sold to the Underwriters shall govern the interest rate inserted on the Conversion Date in Schedule P&I of the Note for the Principal Amount of corresponding maturity.
- E. **Consents.** By execution of this Contract, the Borrower ratifies and consents to the Secretary's selection of the Underwriters and authorizes the Secretary to negotiate with the Underwriters the terms of the Underwriting Agreement and of the public offering of interests in the trust certificates to investors (including the applicable interest rates). In addition, by execution hereof the Borrower

ratifies and consents to the Secretary's selection of the Fiscal Agent/Trustee and agrees to the respective terms of the Fiscal Agency/Trust Agreements. If Advances have been made in the Maximum Commitment Amount of the Note not less than ten Business Days prior to the proposed Conversion Date, or if the Borrower requests a Conversion Date Advance, the Borrower authorizes the Secretary to deliver Schedule P&I to the Note completed in accordance herewith to the Fiscal Agent/Trustee on the Conversion Date in accordance with the Fiscal Agency/Trust Agreements, concurrent with delivery of the Secretary's Guarantee of the trust certificates at the closing on the Conversion Date, and thereafter the Note shall be enforceable in accordance with its terms including Schedule P&I. In addition, the Secretary reserves the right to notify the Borrower not less than one calendar month in advance of a specified Conversion Date that the Note will be sold to the Underwriters on such date, if the Secretary in the Secretary's sole discretion determines that market conditions or program needs require the participation in the proposed public offering of all or substantially all Borrowers with outstanding Advances.

PART II

1. Receipt, Deposit and Use of Guaranteed Loan Funds.

(a) Except for funds deducted on the Conversion Date pursuant to paragraph 4(b) and fees and charges deducted by the Fiscal Agent/Trustee pursuant to paragraph 4(a), the Guaranteed Loan Funds shall be electronically transferred in accordance with the Borrower's instructions for deposit in a separate, identifiable account (the "Guaranteed Loan Funds Account") with a financial institution whose deposits or accounts are Federally insured. The Guaranteed Loan Funds Account shall be established and designated as prescribed in the attached form document entitled "Letter Agreement for Section 108 Loan Guarantee Program Deposit Account" (**Attachment 1**) and shall be continuously maintained for the Guaranteed Loan Funds. Such Letter Agreement must be executed when the Guaranteed Loan Funds Account is established. (A fully executed copy of such Letter Agreement shall be submitted to the Secretary within thirty days of its execution.)

The Borrower shall make withdrawals from said account only for payment of the costs of approved Section 108 activities, for transfer to the Loan Repayment Account or for the

temporary investment of funds pursuant to this paragraph 1(a). Such temporary investment of funds into the Guaranteed Loan Funds Investment Account shall be required within three Business Days after the balance of deposited funds exceeds the amount of the Federal deposit insurance on the Guaranteed Loan Funds Account unless the Secretary determines that the Guaranteed Loan Funds Account is already fully collateralized in Government Obligations or through another mechanism approved by the Secretary in writing. At that time, any balance of funds in the Guaranteed Loan Funds Account exceeding such insurance coverage shall be fully (100%) and continuously invested in Government Obligations, as defined in paragraph 10 hereof, held in the Guaranteed Loan Funds Investment Account.

All temporary investments, whether or not required as above, shall be limited to Government Obligations having maturities that are consistent with the cash requirements of the approved activities. In no event shall the investments mature on or after June 30, 2026 or have maturities which exceed one year. All such investments shall be held in trust for the benefit of the Secretary by the above financial institution in an account (the "Guaranteed Loan Funds Investment Account") established and designated as prescribed in the attached form document entitled "Letter Agreement for Section 108 Loan Guarantee Program Investment Account" (**Attachment 2**), which account shall be maintained for all Government Obligations purchased with funds from the Guaranteed Loan Funds Account. The Guaranteed Loan Funds Investment Account need only be established if and when the Borrower is required to invest, or otherwise invests, the Guaranteed Loan Funds in Government Obligations. Such Letter Agreement must be executed when the Guaranteed Loan Funds Investment Account is established. (A fully executed copy of such Letter Agreement shall be submitted to the Secretary within thirty days of its execution.) All proceeds and income derived from such investments shall be returned to the Guaranteed Loan Funds Account. 1

All funds in the Guaranteed Loan Funds Account or the Guaranteed Loan Funds Investment Account must be withdrawn and disbursed by the Borrower for approved activities by June 30, 2026. Any funds remaining in either Account after this date shall be immediately transferred to the Loan Repayment Account established pursuant to paragraph 6 of this Contract.

(b) The Borrower shall by the fifteenth day of each month

provide the Secretary with an electronic copy of a written statement showing the balance of funds in the Guaranteed Loan Funds Account and the withdrawals from such account during the preceding calendar month, and an electronic copy of a statement identifying the obligations and their assignments in the Guaranteed Loan Funds Investment Account. Borrower shall email the electronic copies to 108reports@hud.gov.

(c) Upon the Secretary giving notice that the Borrower is in Default under this Contract or the Note, all right, title, and interest of the Borrower in and to the Guaranteed Loan Funds and Guaranteed Loan Funds Investment Accounts shall immediately vest in the Secretary for use in making payment on the Note, purchase of Government Obligations in accordance with paragraph 10, or payment of any other obligations of the Borrower under this Contract or the Fiscal Agency/Trust Agreements.

2. **Payments Due on Note; Final Payment and Discharge.** The Borrower shall pay to the Fiscal Agent/Trustee, as collection agent for the Note, all amounts due pursuant to the terms of the Note. In accordance with the Note and the Fiscal Agency/Trust Agreements, payment shall be made by 3:00 P.M. (New York City time) on the seventh Business Day (the "Note Payment Date") preceding the relevant Interest Due Date or Principal Due Date (each as defined in the Note). If any Note Payment Date falls on a day that is not a Business Day, then the required payment shall be made on the next Business Day. Payment may be made by check or wire transfer.

Upon final payment of all amounts due to Holders under the Note, including any payment made by the Secretary pursuant to the Guarantee, the Fiscal Agent/Trustee is required by the Fiscal Agency/Trust Agreements to return the Note to the Secretary. Upon final payment to the Secretary of any amounts due as a result of Guarantee Payments or otherwise due under this Contract, the Secretary will cancel and return the Note to the Borrower in discharge of the Borrower's obligations under the Note.

3. **Selection of New Fiscal Agent or Trustee.** The Secretary shall select a new Fiscal Agent or Trustee if the Fiscal Agent or Trustee resigns or is removed by the Secretary. The Borrower hereby consents in advance to any such selection and to any changes in the Fiscal Agency/Trust Agreements agreed to by any Fiscal Agent or Trustee and the

Secretary, subject to paragraph 4(e) of this Contract.

4. Payments Due Fiscal Agent or Trustee; Documents to the Secretary.

(a) The Borrower agrees to pay the fees of the Fiscal Agent as required by Exhibit G to the Fiscal Agency Agreement, and any additional amounts that may be due pursuant to Section 6.01 of the Fiscal Agency Agreement. If not paid by the Borrower by any other means prior thereto, the Borrower agrees that any such fees or additional amounts that have been incurred prior to an Advance or a Conversion Date Advance may be deducted by the Fiscal Agent/Trustee from the proceeds of the Advance or Conversion Date Advance, as applicable.

(b) The Borrower agrees to pay the Borrower's share, as determined by the Secretary, of the customary and usual issuance, underwriting, and other costs related to the public offering and future administration of the Note and the trust certificates, as approved by the Secretary, including the cost of reimbursement and/or compensation of the Trustee pursuant to the Trust Agreement, including Sections 3.11 and 7.01 thereof. In connection with the public offering on the Conversion Date, such payment shall either be made by wire transfer to the Trustee on the day prior to the Conversion Date or shall be deducted from the Guaranteed Loan Funds on the Conversion Date.

(c) The Borrower shall submit to the Secretary not later than ten Business Days prior to the Funding Date for the initial Advance hereunder, or if not submitted earlier, prior to any Conversion Date or Public Offering Date applicable to the Note, this executed Contract, the executed Note, a request for an Advance or a Conversion Date Advance (as applicable) in proper form, and an opinion acceptable to the Secretary from the Borrower's counsel to the effect that: (i) the governing body of the Borrower has authorized by resolution or ordinance, in accordance with applicable State and local law, the issuance of the Note and the execution of this Contract; (ii) the Note and this Contract are valid, binding, and enforceable obligations of the Borrower; (iii) the pledge of funds pursuant to 24 CFR 570.705(b)(2) and paragraph 5(a) of this Contract is valid and binding; and (iv) there is no outstanding litigation that will affect the validity of the Note or this Contract. In addition, the Borrower shall submit any other additional documents or opinions specifically required by this Contract (e.g., paragraph 5(c), or paragraph

15, et seq.), at the time required thereby.

(d) The Borrower agrees to reimburse the Underwriters upon demand by the Secretary for the Borrower's share, as determined by the Secretary, of all reasonable out-of-pocket expenses (including reasonable fees and disbursements of counsel) incurred in connection with a proposed public offering, if the Underwriters incur such additional costs for the public offering because of any refusal, inability, or failure on the part of the Borrower timely to submit in acceptable form any document required by this Contract (including paragraph 4(c)), or because of any withdrawal by the Borrower from the public offering, after the Borrower has submitted a request for a Conversion Date Advance hereunder. By execution and delivery of this Contract to the Secretary, the Borrower hereby expressly authorizes the Secretary to pay amounts due under this paragraph from funds pledged under paragraph 5(a) of this Contract.

(e) The undertakings in paragraphs 3 and 4 of this Contract are expressly subject to the requirement that the Fiscal Agency/Trust Agreements shall in no event require payment of fees or charges, reimbursement of expenses, or any indemnification by the Borrower from any source other than funds pledged pursuant to paragraphs 5 or 15 et seq. of this Contract.

5. **Security.** The Borrower hereby pledges as security for repayment of the Note, and such other charges as may be authorized in this Contract, the following:

(a) All allocations or grants which have been made or for which the Borrower may become eligible under Section 106 of the Act, as well as any grants which are or may become available to the Borrower pursuant to Section 108(q).

(b) Program income, as defined at 24 CFR 570.500(a) (or any successor regulation), directly generated from the use of the Guaranteed Loan Funds.

(c) Other security as described in paragraph 15, et seq.

(d) All proceeds (including insurance and condemnation proceeds) from any of the foregoing.

(e) All funds or investments in the accounts established pursuant to paragraphs 1 and 6 of this Contract.

6. **Loan Repayment Account.**

(a) All amounts pledged pursuant to paragraphs 5(b), 5(c), and 5(d) of this Contract shall be deposited immediately on receipt in a separate identifiable account (the "Loan Repayment Account") with a financial institution whose deposits or accounts are Federally insured. The Loan Repayment Account shall be established and designated as prescribed in the attached form document entitled "Letter Agreement for Section 108 Loan Guarantee Program Deposit Account" (**Attachment 1**) and shall be maintained for such pledged funds. The Loan Repayment Account need only be established if and when the Borrower receives amounts pledged pursuant to paragraph 5(b), 5(c) or 5(d). Such Letter Agreement must be executed when the Loan Repayment Account is established. (A fully executed copy of such Letter Agreement shall be submitted to the Secretary within thirty days of its execution.) Borrower shall make withdrawals from said account only for the purpose of paying interest and principal due on the Note (including the purchase of Government Obligations in accordance with paragraph 10 hereof), for payment of any other obligation of the Borrower under this Contract or the Fiscal Agency/Trust Agreements, or for the temporary investment of funds pursuant to this paragraph, until final payment and discharge of the indebtedness evidenced by the Note, unless otherwise expressly authorized by the Secretary in writing. Such temporary investment of funds shall be required within three Business Days after the balance of deposited funds exceeds the amount of the Federal deposit insurance on the Loan Repayment Account unless the Secretary determines that the Loan Repayment Account is already fully collateralized in Government Obligations or through another mechanism approved by the Secretary in writing. At that time, the balance of funds in the Loan Repayment Account exceeding such insurance coverage shall be fully (100%) and continuously invested in Government Obligations, as defined in paragraph 10 hereof.

All temporary investments, whether or not required as above, shall be limited to Government Obligations having maturities that are consistent with cash requirements for payment of principal and interest as required under the Note. In no event shall the maturities of such investments exceed one year. All such investments shall be held in trust for the benefit of the Secretary by the above financial institution in an account (the "Loan Repayment Investment Account") established and designated as prescribed in the attached

form document entitled "Letter Agreement for Section 108 Loan Guarantee Program Investment Account" (**Attachment 2**), which account shall be maintained for all Government Obligations purchased with funds from the Loan Repayment Account. Such Letter Agreement must be executed when the Loan Repayment Investment Account is established. (A fully executed copy of such Letter Agreement shall be submitted to the Secretary within thirty days of its execution.) All proceeds and income derived from such investments shall be returned to the Loan Repayment Account.

(b) Borrower shall by the fifteenth day of each month, provide the Secretary with an electronic copy of a written statement showing the balance of funds in the Loan Repayment Account and the deposits and withdrawals of all funds in such account during the preceding calendar month and an electronic copy of a statement identifying the obligations and their assignments in the Loan Repayment Investment Account. Borrower shall email the electronic copies to 108reports@hud.gov.

(c) Upon the Secretary giving notice that the Borrower is in Default under this Contract or the Note, all right, title, and interest of the Borrower in and to the Loan Repayment and Loan Repayment Investment Accounts shall immediately vest in the Secretary for use in making payment on the Note, purchase of Government Obligations in accordance with paragraph 10, or payment of any other obligation of the Borrower under this Contract or the Fiscal Agency/Trust Agreements.

7. **Use of CDBG, EDI or BEDI Funds for Repayment.** Any funds available to the Borrower under Section 106 of the Act (including program income derived therefrom) are authorized to be used by the Borrower for payments due on the Note, Optional Redemption (as defined in the Note), payment of any other obligation of the Borrower under this Contract or the Fiscal Agency/Trust Agreements, or the purchase of Government Obligations in accordance with paragraph 10. Any funds specifically available to the Borrower for such payments or as a debt service reserve under an EDI or BEDI Grant Agreement pursuant to Section 108(q) of the Act which supports the eligible project(s) and activities financed by the Note may also be used therefor; any other use of Section 108(q) funds for such purposes shall require the prior written approval of the Secretary. Unless otherwise specifically provided herein or unless otherwise expressly authorized by the Secretary in writing, the Borrower shall substantially disburse funds

available in the Loan Repayment or the Loan Repayment Investment Accounts before funds from grants under Section 106 of the Act are withdrawn from the U.S. Treasury for such purposes.

8. **Secretary's Right to Restrict Use of CDBG Funds to Repayment.** Upon a determination by the Secretary that payments required by paragraph 2 and/or paragraph 4 of this Contract are unlikely to be made as specified, the Secretary may give the Borrower notice that the availability to the Borrower of funds pledged under paragraph 5(a) of this Contract for purposes other than satisfaction of the pledge is being restricted. This restriction shall be in an amount estimated by the Secretary to be sufficient to ensure that the payments referred to in paragraph 2 and/or paragraph 4 hereof are made when due. This restriction may be given effect by conditioning the restricted amounts to prohibit disbursement for purposes other than satisfaction of the pledge at the time such restricted funds are approved as grants, by limiting the Borrower's ability to draw down or expend the restricted funds for other purposes, and by disapproving payment requests submitted with respect to such grants for purposes other than satisfaction of the pledge.
9. **Secretary's Right to Use Pledged Funds for Repayment.** The Secretary may use funds pledged under paragraph 5(a) of this Contract or funds restricted under grants pursuant to paragraph 8 of this Contract to make any payment required of the Borrower under paragraph 2 and/or paragraph 4, if such payment has not been timely made by the Borrower.
10. **Defeasance.** For purposes of this Contract, after the Conversion Date the Note shall be deemed to have been paid (defeased) if there shall have been deposited with the Trustee either moneys or Government Obligations (as defined below), which in the sole determination of the Secretary, mature and bear interest at times and in amounts sufficient, together with any other moneys on deposit with the Trustee for such purpose, to pay when due the principal and interest to become due on the Note. The Aggregate Principal Amount of the Note or any unpaid Principal Amount may be so defeased, in whole or in part, as of any Interest Due Date, or any other Business Day acceptable to both HUD and the Borrower. In accordance with the Note and the Trust Agreement, the Borrower shall give timely notice and written instructions to the Secretary and the Trustee concerning any principal amounts proposed to be defeased, including any Optional Redemptions proposed, which instructions shall be approved by the Secretary. If the unpaid Aggregate Principal Amount of the Note guaranteed pursuant to this

Contract shall be defeased and deemed to have been paid in full, then the Borrower shall be released from all agreements, covenants, and further obligations under the Note.

"Government Obligation" means a direct obligation of, or any obligation for which the full and timely payment of principal and interest is guaranteed by, the United States of America, including but not limited to, United States Treasury Certificates of Indebtedness, Notes and Bonds - State and Local Government Series or certificates of ownership of the principal of or interest on direct obligations of, or obligations unconditionally guaranteed by, the United States of America, which obligations are held in trust by a commercial bank which is a member of the Federal Reserve System and has capital and surplus (exclusive of undivided profits) in excess of \$100,000,000.

11. **Default.** (a) A Default under the Note and this Contract shall occur upon failure by the Borrower to:

(i) pay when due an installment of principal or interest on the Note; or (ii) punctually and properly perform, observe, and comply with any covenant, agreement, or condition contained in: (A) this Contract, (B) any security agreement, deed of trust, mortgage, assignment, guarantee, or other contract securing payment of indebtedness evidenced by the Note, or (C) any future amendments, modifications, restatements, renewals, or extensions of any such documents.

(b) The Borrower waives notice of Default and opportunity for hearing with respect to a Default under paragraph 11(a).

(c) In addition to Defaults under paragraph 11(a), the Secretary may declare the Note in Default if the Secretary makes a final decision in accordance with the provisions of section 111 of the Act and 24 CFR 570.913 (or any successor provisions), including requirements for reasonable notice and opportunity for hearing, that the Borrower has failed to comply substantially with title I of the Act. Notwithstanding any other provision, following the giving of such reasonable notice, the Secretary may, in the Secretary's sole discretion pending the Secretary's final decision, withhold the guarantee of any or all obligations not yet guaranteed on behalf of the Borrower under outstanding commitments, suspend approval of any further Advances or Conversion Date Advances under the Note, and/or

direct the Borrower's financial institution to: refuse to honor any instruments drawn upon, or withdrawals from, the Guaranteed Loan Funds Account or the Loan Repayment Account initiated by the Borrower, and/or refuse to release obligations and assignments by the Borrower from the Guaranteed Loan Funds Investment Account or the Loan Repayment Investment Account.

12. **Remedial Actions.** Upon a Default or declaration of Default under this Contract, the Secretary may, in the Secretary's sole discretion, take any or all of the following remedial actions:

(a) With any funds or security pledged under this Contract, the Secretary may: (i) continue to make payments due on the Note, (ii) make a prepayment under Section I.D. of the Note or make an acceleration payment with respect to the principal amount of the Note subject to Optional Redemption as provided in Section III of the Note, (iii) purchase Government Obligations in accordance with paragraph 10 of this Contract, (iv) pay any interest due for late payment as provided in the Note, this Contract, or the Fiscal Agency/Trust Agreements, (v) pay any other obligation of the Borrower under this Contract or the Fiscal Agency/Trust Agreements, and/or (vi) pay any reasonable expenses incurred by the Secretary or the Fiscal Agent/Trustee as result of the Borrower's Default.

(b) The Secretary may withhold the guarantee of any or all obligations not yet guaranteed or the disbursement of any or all grants not yet disbursed in full under outstanding guarantee commitments or grant approvals for the Borrower under Sections 108 and/or 106 of the Act.

(c) The Secretary may withhold approval of any or all further Advances or Conversion Date Advances under the Note (if applicable); direct the Borrower's financial institution to refuse to: honor any instruments drawn upon, or withdrawals from, the Guaranteed Loan Funds Account or the Loan Repayment Account by the Borrower, and/or to release obligations and assignments by the Borrower from the Guaranteed Loan Funds Investment Account or the Loan Repayment Investment Account; and/or direct the Borrower and/or the Borrower's financial institution to transfer remaining balances from the Guaranteed Loan Funds Account to the Loan Repayment Account.

(d) Until the Conversion Date, or with respect to amounts subject to Optional Redemption, the Secretary may accelerate the Note.

(e) The Secretary may exercise any other appropriate remedies or sanctions available by law or regulation applicable to the assistance provided under this Contract, or may institute any other action available under law to recover Guaranteed Loan Funds or to reimburse the Secretary for any payment under the Secretary's Guarantee or any reasonable expenses incurred by the Secretary as a result of the Default.

(f) All notices and submissions provided for hereunder shall be in writing (including by telex, telecopier or any other form of facsimile communication) and mailed or sent or delivered, as to each party hereto, at its address set forth below or at such other address as shall be designated by such party in a written notice to the other party hereto. All such notices and other communications shall be effective when received as follows: (i) if sent by hand delivery, upon delivery; (ii) if sent by mail, upon the earlier of the date of receipt or five Business Days after deposit in the mail, postage prepaid; (iii) if sent by telex, upon receipt by the sender of an answer back; and (iv) if sent by telecopier, upon receipt.

The Secretary:

U.S. Dept. of Housing and Urban Development
Attention: Paul Webster, Director
Financial Management Division
451 7th Street SW, Room 7282
Washington, DC 20410

Borrower:

St. Johns County, Florida
Attention: Joseph Cone, Assistant Director
Health and Human Services Department
200 San Sebastian View, Suite 2300
Saint Augustine, FL 32084

13. **Limited Liability.** Notwithstanding any other provision of this Contract, the Fiscal Agency/Trust Agreements or the Note, any recovery against the Borrower for any liability for amounts due pursuant to the Note, the Fiscal Agency/Trust Agreements or this Contract shall be limited to the sources of security pledged in paragraph 5 or any Special Conditions of this Contract. Neither the general credit nor the taxing power of the Borrower, or of the State in which the Borrower is located, is pledged for any payment due under the Note, the Contract, or the Fiscal Agency/Trust Agreements.

14. **Incorporated Grant Agreement.** The Contract and the Note are hereby incorporated in and made a part of the Grant Agreement authorized by the Secretary on December 1, 2021, under the Funding Approval for grant number B-21-UC-12-0021 to the Borrower. In carrying out activities with the Guaranteed Loan Funds hereunder, the Borrower agrees to comply with the Act and 24 CFR Part 570, as provided in Subpart M thereof.

15. **Special Conditions and Modifications:**

- (a) (i) Paragraph 5(c) of the Contract is amended by deleting the paragraph as written in its entirety and substituting therefor the following:

“(c)Additional security, including, but not limited to, Borrower's pledge of security defined in paragraph 15(a)(ii) in support of all obligations of the Borrower under the Note and this Contract, as described in the Borrower's Resolution No. _____ approved _____, which resolution is attached as **Attachment 3** to this Contract (the 'Resolution').”

(ii) As additional security for the Note, the Borrower covenants that it will budget, appropriate, and set aside in a Debt Service Reserve ("Reserve Fund") an amount equal to \$787,000 ("Fund Balance") in the Borrower's General Fund Balance identified as a "Reserve Fund - Hastings Community Center and Library Project" for the Note to finance the construction project known as the Hastings Community Center and Library Project (the "Project"). The Borrower shall fund the Reserve Fund from all Governmental Funds Revenues other than revenues generated from ad valorem taxation on real or personal property, and which are legally available to make the payments required herein ("Non-Ad Valorem Revenues"). For purposes of this Contract, "Governmental Funds Revenues" shall mean total revenues of the County derived from any source whatsoever and that are allocated to and accounted for in the governmental funds of the County as described and identified in the annual audited financial statements of the County. Borrower shall not incur, create, assume, or permit to exist, any lien or encumbrance on the Reserve Fund other than as provided in this Contract.

If amounts in the Reserve Fund (or Deposit Account, if

required) are used for payments on the Note, the Borrower covenants and agrees to appropriate in its annual budget, by amendment, if necessary, from Non-Ad Valorem Revenues amounts sufficient to pay principal of and interest on the Note when due. Such covenant and agreement on the part of the Borrower to budget and appropriate such amounts of Non-Ad Valorem Revenues shall be cumulative to the extent not paid and shall continue until such Non-Ad Valorem Revenues or other legally available funds in amounts sufficient to make all such required payments shall have been budgeted, appropriated and actually paid. Notwithstanding the foregoing covenant of the Borrower, the Borrower does not covenant to maintain any services or programs, now provided or maintained by the Borrower, which generate Non-Ad Valorem Revenues.

Such covenant to budget and appropriate does not create any lien upon or pledge of such Non-Ad Valorem Revenues, nor does it preclude the Borrower from pledging in the future its Non-Ad Valorem Revenues, nor does it require the Borrower to levy and collect any particular Non-Ad Valorem Revenues, nor does it give the Secretary a prior claim on the Non-Ad Valorem Revenues as opposed to claims of general creditors of the Borrower. Such covenant to budget and appropriate Non-Ad Valorem Revenues is subject in all respects to the payment of obligations secured by a pledge of such Non-Ad Valorem Revenues heretofore or hereafter entered into (including the payment of debt service on bonds and other debt instruments). However, the covenant to budget and appropriate for the purposes and in the manner stated herein shall have the effect of making available for the payment of the Note, in the manner described herein, Non-Ad Valorem Revenues and placing on the Borrower a positive duty to appropriate and budget, by amendment, if necessary, amounts sufficient to meet its obligations hereunder; subject, however, in all respects to the restrictions of Section 129.07, Florida Statutes, which generally provide that the governing body of each county may only make appropriations for each fiscal year which, in any one year, shall not exceed the amount to be received from taxation or other revenue sources; and subject, further, to the payment of services and programs which are for essential public purposes affecting the health, safety and welfare of the inhabitants of the Borrower or which are legally mandated by applicable law.

There shall be no other requirements for the location of the Reserve Fund as long as the Borrower maintains a General

Obligation (or General Obligation-related) bond rating in the AA category or higher from either Fitch or Standard and Poor's rating agencies. If the Borrower's rating drops below the AA category by both of these rating agencies, then the Borrower shall establish a new Reserve Fund within an account held by a third party financial institution whose deposits are Federally insured (the "Deposit Account"), satisfactory to the Secretary and transfer cash in the amount of the Reserve Fund to the third party financial institution. Instead of cash funding the Deposit Account, the Secretary, in the Secretary's discretion, may approve the substitution of a surety bond or standby letter of credit if the issuer, the terms, and the form of the substitute collateral are acceptable to the Secretary. All investment earnings attributable to the Reserve Fund shall be credited to the Borrower's General Fund.

Funds in the Reserve Fund (or Deposit Account, if required) shall be used solely for payment of amounts due on the Note, and only in any year that the Borrower has no other legally available funds from which it can budget and appropriate for the payment of any deficiency, or to make final payment on the Note. Together with reports required by paragraphs 1(b) and 6(b) of this Contract, Borrower shall, by the fifteenth day of each month, provide the Secretary with a written statement showing the balance of the Reserve Fund (or if a Deposit Account, if required), and the deposits and withdrawals of all funds in such account during the preceding calendar month, together with a beginning and ending balance.

In the event that Borrower must establish a Deposit Account, Borrower shall enter into a Deposit Account Control Agreement with the Secretary and the third party financial institution before transferring the Fund Balance of the Reserve Fund to the Deposit Account. Borrower pledges any and all rights, titles, and interests of the Borrower in and to the Deposit Account described in the Deposit Account Control Agreement to secure all obligations of the Borrower under the Note and this Contract (the 'Security Agreement'). The Deposit Account Control Agreement shall provide the Secretary with a security interest in the Deposit Account when executed. The Deposit Account Control Agreement shall be in a form acceptable to the Secretary and attached and incorporated into this Contract as in **Attachment 4**. The Secretary, in the Secretary's discretion and in writing, may authorize another form of agreement to perfect the Secretary's interest in the Deposit Account, consistent with Florida

Law.

The Borrower agrees that the covenants and obligations in this Contract, including the obligation to budget, appropriate, and set aside the Fund Balance in the Reserve Fund (or Deposit Account, if required) in support of obligations under this Note, to the extent legally available, shall be enforceable in mandamus against the Borrower and its officials that must act to carry out such covenants and obligations.

- (b) The Borrower shall use Guaranteed Loan Funds in connection with the Project to carry out the activities described in subparagraphs (i) and (ii), subject to the requirements in subparagraph (iii):
- (i) Borrower shall use Guaranteed Loan Funds to construct community facility, pursuant to 24 CFR 570.703(1) to the extent eligible under 24 CFR 570.201(c).
- (ii) Borrower shall use Guaranteed Loan Funds for the payment of fees charged by HUD pursuant to 24 CFR 570.712, in accordance with 24 CFR 570.703(n).
- (iii) **Requirements on the Use of Guaranteed Loan Funds.** The Borrower agrees to comply with the requirements on the use of Guaranteed Loan Funds imposed by this Contract and the Commitment, including but not limited to:
- (A) **Transfer of Guaranteed Loan Funds.** Borrower shall not grant, loan, or otherwise transfer Guaranteed Loan Funds to, or use Guaranteed Loan Funds on behalf of, any entity other than the Obligor, or to pay the costs of directly carrying out the activity authorized under paragraph (b)(ii).
- (B) **Intercreditor and Other Agreements.** If HUD requirements made applicable by this Contract conflict with any other agreement governing the use of the Guaranteed Loan Funds, HUD's requirements on the use of Guaranteed Loan Funds shall control.

Without written approval by the Secretary, neither the Obligor nor Borrower shall enter or amend an intercreditor agreement, subordination agreement, or similar agreement that affects the Borrower's or HUD's rights (each individually, an "Intercreditor

Agreement"). Intercreditor Agreements approved by the Secretary, including amendments, must be in a form acceptable to the Secretary.

- (C) **New Market Tax Credits.** Without prior written approval by HUD, the Borrower shall not use Guaranteed Loan Funds for an activity that is part of a project in which New Market Tax Credits are a part of the financing structure or in which Guaranteed Loan Funds will be used to leverage or generate New Markets Tax Credits pursuant to Section 45(D) of the Internal Revenue Code. At the discretion of the Secretary, HUD's approval and any related conditions may be provided in **Attachment 6**, as discussed below.
- (D) **Alternative Collateral Security Arrangements.** The Borrower shall not incur any obligations to be paid with Guaranteed Loan Funds which will be subject to the alternative collateral or security arrangements described in paragraph 15 prior to the approval and memorialization of the alternative collateral or security arrangements in **Attachment 6**.
- (E) **Limitation on Tax-Exempt Bond Financing.** Without prior written approval by HUD, the Borrower shall not use Guaranteed Loan Funds for an activity or project that is financed in whole or in part with tax-exempt bonds. HUD will not unreasonably withhold approval if the use of Guaranteed Loan Funds shall not void the tax-exempt status of any bonds under the requirements of 26 U.S.C. 149 and otherwise complies with Circular No. A-129, Policies for Federal Credit Programs and Non-Tax Receivables, published by the White House Office of Management and Budget. For purposes of making this determination, HUD shall rely upon an opinion of Borrower's counsel that the tax-exempt bonds meet an exception under 26 U.S.C. § 149(b)(3) or are not considered "Federally Guaranteed," as defined in 26 U.S.C. 149(b)(2). For tax-exempt bond financing associated with Low Income Housing Tax Credits, any tax-exempt bonds used in connection with the Project must meet the exclusion in 26 U.S.C. § 149(b)(3)(C)(i)(I) as "private activity bonds" within the meaning of 26 U.S.C. § 141, issued to finance a "qualified residential rental project" as defined in 26 U.S.C. § 142(d).
- (F) **Prohibition on use of Guaranteed Loan Funds in**

connection with Eminent Domain. The Borrower shall not use Guaranteed Loan Funds to acquire properties through the County's powers of eminent domain.

(G) Reimbursement With Guaranteed Loan Funds:

Notwithstanding anything to the contrary in this Contract, proceeds of Advances or Conversion Date Advances advanced to the Borrower under the Note that will be used to reimburse Borrower for costs it incurred for authorized activities as described in this paragraph 15(b) for the Project and paid with non-Federal funds, shall be subject to the requirements of Part II, paragraph 1, as revised by this paragraph. Such Guaranteed Loan Funds paid or credited to the account of the Borrower pursuant to the Note as reimbursements are not required to be deposited in a separate, identifiable account established and designated as prescribed in the attached form document entitled "Letter Agreement for Section 108 Loan Guarantee Program Deposit Account" (Attachment 1). In addition to the other requirements in Part I, B, if Borrower is requesting Advances or Conversion Date Advances under the Note as reimbursements, rather than to make direct payments for costs related to approved activities, Borrower must indicate the Guaranteed Loan Funds that are being requested will be used for reimbursements in its requests for Advances or Conversion Date Advances.

(c) Pledge of Reserve Fund.

- (i) The Borrower shall deliver to the Secretary contemporaneously with the delivery of this Contract and the Note an opinion of Borrower's counsel on its letterhead, addressed and satisfactory to the Secretary, that the pledge of the Reserve Fund and other covenants and obligations of the Borrower referenced in the Resolutions in Attachment 3 and described in paragraph 15(a) are valid, legally binding and obligations of the Borrower, enforceable in accordance with their terms.
- (ii) Within 30 days of a rating change that, under the terms of this Contract, requires the Borrower to establish a Deposit Account, Borrower shall deliver to the Secretary:

A. original, executed copies of the Deposit Account

Control Agreement.

- B. an opinion of Borrower's counsel on its letterhead, addressed and satisfactory to the Secretary, that the Deposit Account Control Agreement is valid and legally binding, enforceable in accordance with its terms.
- (d) The collateral described or identified in paragraph 15(c) shall be referred to as the "Collateral", and shall be subject to the requirements in 15(e) and 15(f):
- (e) **Alternative Collateral**. The Borrower shall take all steps necessary to maintain the security interests granted to the Secretary in the Collateral described in paragraphs 15(c), unless otherwise required by this paragraph or **Attachment 6**.
- Alternative collateral or security arrangements may be requested by the Borrower and approved by the Secretary in writing. The alternative collateral shall be described in **Attachment 6** to this Contract, which may be updated from time to time to include all alternative collateral approved by the Secretary as security for the Note. The last dated **Attachment 6** that is agreed to and acknowledged by the signature of the parties identified in paragraph 12, their successors, or other authorized agents of the parties, is incorporated into this Contract and shall represent the agreement of the parties.
- (f) **Custodian Requirements**. If the Borrower is required to establish a Deposit Account in accordance with the terms in paragraph 15, the Borrower shall select a financial institution acceptable to the Secretary (the "Custodian") to act as custodian for the documents listed in paragraph 15 (g). The Borrower and the Custodian shall enter into a written agreement pertaining to the custody containing such provisions as the Secretary deems necessary. A fully signed original of such agreement, with original signatures, shall be forwarded to the Secretary

contemporaneously with the delivery of this Contract and the Note. The Borrower shall consult with the Secretary before amending the agreement with the Custodian for any reason, and the amendment shall contain any provisions the Secretary deems necessary. The Borrower shall provide the Secretary with an original signed amendment within five business days after it is signed.

- (g) **Post-closing requirements.** The Borrower shall deliver to the Secretary contemporaneously with the delivery of this Contract and the Note an opinion of Borrower's counsel on its letterhead, addressed and satisfactory to the Secretary, that the pledge of the Reserve Fund and other covenants and obligations of the Borrower referenced in the Resolution in Attachment 3 and described in paragraph 15(a) are valid, legally binding and enforceable obligations of the Borrower. Within 30 days of a rating change that, under the terms of this Contract, requires the Borrower to establish a Deposit Account, Borrower shall deliver to the Secretary:

- (i) An original, executed copy of the Deposit Account Control Agreement.
- (ii) an opinion of Borrower's counsel on its letterhead, addressed and satisfactory to the Secretary, that the Deposit Account and Control Agreement is valid and legally binding obligations, enforceable in accordance with their terms.

- (h) Additional Grounds for Default. Notice of Default. Restriction of Pledged Grants. Availability of Other Remedial Actions.

- (i) The Borrower acknowledges and agrees that the Secretary's guarantee of the Note is made in reliance upon the availability of grants pledged pursuant to paragraph 5(a) (individually, a "Pledged Grant" and, collectively, the "Pledged Grants") **in any Federal fiscal year subsequent to the Federal fiscal year ending September 30, 2022** to: (A) pay when due the payments to become due on the Note, or (B) defease (or, if permitted, prepay) the full amount outstanding on the Note. The Borrower further acknowledges and agrees that

if the Secretary (in the Secretary's sole discretion) determines that Pledged Grants are unlikely to be available for either of such purposes, such determination shall be a permissible basis for any of the actions specified in paragraphs (ii) and (iii) below (without notice or hearing, which the Borrower expressly waives).

- (ii) Upon written notice from the Secretary to the Borrower at the address specified in paragraph 12(f) above that the Secretary (in the Secretary's sole discretion) has determined that Pledged Grants are unlikely to be available for either of the purposes specified in (A) and (B) of paragraph (i) above (such notice being hereinafter referred to as the "Notice of Impaired Security"), the Secretary may limit the availability of Pledged Grants by withholding amounts at the time a Pledged Grant is approved or by disapproving payment requests (drawdowns) submitted with respect to Pledged Grants.
- (iii) If after 60 days from the Notice of Impaired Security the Secretary (in the Secretary's sole discretion) determines that Pledged Grants are still unlikely to be available for either of the purposes specified in (A) and (B) of paragraph (i) above, the Secretary may declare the Note in Default and exercise any and all remedies available under paragraph 12. This paragraph (iii) shall not affect the right of the Secretary to declare the Note and/or this Contract in Default pursuant to paragraph 11 and to exercise in connection therewith any and all remedies available under paragraph 12.
- (iv) All notices and submissions provided for hereunder shall be submitted as directed in paragraph 12(f) above.

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THE UNDERSIGNED, as authorized officials on behalf of the Borrower or the Secretary, have executed this Contract for Loan Guarantee Assistance, which shall be effective as of the date of execution hereof on behalf of the Secretary.

St. Johns County, Florida
BORROWER

BY: _____
(Signature)

(Name)

(Title)

(Date)

SECRETARY OF HOUSING AND URBAN

DEVELOPMENT

BY: _____
(Signature)

Claudia I. Monterrosa
(Name)

Deputy Assistant Secretary
for Grant Programs

(Title)

(Date)

ATTACHMENT 1

**[Letter Agreement For
Section 108 Loan Guarantee Program
Deposit Account]**

Note No. B-21-UC-12-0021

Attachment 1

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

**LETTER AGREEMENT FOR
SECTION 108 LOAN GUARANTEE PROGRAM
DEPOSIT ACCOUNT**

Name of Institution (and Branch)

Street

City, State, Zip Code

This account is established for funds received by the Borrower under Note(s) guaranteed by the United States Department of Housing and Urban Development (HUD) under the Section 108 Loan Guarantee Program (**Guaranteed Loan Funds Account**) and held in accordance with and subject to the requirements of paragraph 1 of the Contract for Loan Guarantee Assistance under Section 108 of the Housing and Community Development Act of 1974, as Amended, 42 U.S.C. §5308 by and between Borrower and the Secretary of the United States Department of Housing and Urban Development, which is incorporated herein by reference.

This account is established for repayment of the Note(s) guaranteed by HUD under the Section 108 Loan Guarantee Program (**Loan Repayment Account**) and held in accordance with and subject to the requirements of paragraph 6 of the Contract for Loan Guarantee Assistance under Section 108 of the Housing and Community Development Act of 1974, as Amended, 42 U.S.C. §5308 by and between Borrower and the Secretary of the United States Department of Housing and Urban Development, which is incorporated herein by reference..

This account is established as a debt service reserve under the Section 108 Loan Guarantee Program (**Debt Service Reserve Account**) and held in accordance with and subject to the requirements of paragraph 15(c) of the Contract for Loan Guarantee Assistance under Section 108 of the Housing and Community Development Act of 1974, as Amended, 42 U.S.C. §5308 by and between Borrower and the Secretary of the United States Department of Housing and Urban Development, which is incorporated herein by reference.

You are hereby authorized and requested to establish a deposit account to be specifically designated:

"The St. Johns County, Florida, as
Trustee of United States Department of Housing and Urban Development." All deposits made into such account shall be subject to withdrawal therefrom by the Borrower named below, unless and until HUD provides you with a notice that it is assuming control over the account.

Thereafter withdrawals may not be made by the Borrower. Within a reasonable period of time, not to exceed two business days, after your receipt of such notice from HUD, you shall so prevent such Borrower withdrawals and, if requested by HUD in writing, shall thereafter forward monthly to HUD, to an account it specifies in its notice, the collected and available balance in such account.

You are further authorized, after receipt of the notice from HUD, to refuse to honor any instrument drawn upon or withdrawals from such account by parties other than HUD. In no instance shall the funds in the deposit account be used to offset funds which may have been advanced to, or on behalf of, the Borrower by you. You are permitted, however, to debit from the account your customary fees and charges for maintaining the account and the amount of any deposits that are made to the account and returned unpaid for any reason.

Such account shall also be subject to your standard agreement and documents relating to the opening and maintenance of bank accounts with you. In the event of any conflict between this Letter Agreement and such agreements and documents, this Letter Agreement shall control.

This letter is submitted to you in duplicate. Please execute the duplicate copy of the certificate below, acknowledging the existence of such account, so that we may present the copy signed by you to HUD.

Name of Borrower: St. Johns County, Florida

By: _____ Date: _____
[Signature]

Name and Title: _____

The undersigned institution certifies to the United States Department of Housing and Urban Development (HUD) that the account identified is in existence in this institution under account number: _____, and agrees with the Borrower named above and HUD to promptly comply with HUD's notice in the manner provided in the above letter, but in no event to exceed two business days. The undersigned institution further agrees, after receipt of the HUD notice as set forth above, to refuse to honor any instruments drawn upon or withdrawals from such account by parties other than HUD. In no instance shall the funds in the deposit account be used to offset funds which may have been advanced to, or on behalf of, the Borrower by the institution, except as set forth above. Deposits in this institution are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration up to statutory limits.

Name of Institution: _____

By: _____
(Signature)

Date: _____

Name and Title: _____

ATTACHMENT 2

**[Letter Agreement For
Section 108 Loan Guarantee Program
Deposit Account]**

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

**LETTER AGREEMENT FOR
SECTION 108 LOAN GUARANTEE PROGRAM
INVESTMENT ACCOUNT**

Name of Institution (and Branch)

Street

City, State, Zip Code

[] This account is established to hold obligations and their assignments, such obligations having been purchased with funds from the Guaranteed Loan Funds Account (**Guaranteed Loan Funds Investment Account**) and held in accordance with and subject to the requirements of paragraph 1 of the Contract for Loan Guarantee Assistance under Section 108 of the Housing and Community Development Act of 1974, as Amended, 42 U.S.C. §5308 by and between Borrower and the Secretary of the United States Department of Housing and Urban Development, which is incorporated herein by reference.

[] This account is established to hold obligations and their assignments, such obligations having been purchased with funds from the Loan Repayment Account (**Loan Repayment Investment Account**) and held in accordance with and subject to the requirements of paragraph 6 of the Contract for Loan Guarantee Assistance under Section 108 of the Housing and Community Development Act of 1974, as Amended, 42 U.S.C. §5308 by and between Borrower and the Secretary of the United States Department of Housing and Urban Development, which is incorporated herein by reference.

[] This account is established to hold obligations and their assignments, such obligations having been purchased with funds from the Debt Service Reserve Account (**Debt Service Reserve Investment Account**) and held in accordance with and subject to the requirements of paragraph 15(c) of the Contract for Loan Guarantee Assistance under Section 108 of the Housing and Community Development Act of 1974, as Amended, 42 U.S.C. §5308 by and between Borrower and the Secretary of the United States Department of Housing and Urban Development, which is incorporated herein by reference..

You are hereby authorized and requested to hold obligations and assignments of those obligations in trust for the United States Department of Housing and Urban Development (HUD) in an account specifically designated:

"The St. Johns County, Florida _____, as

Trustee of United States Department of Housing and Urban Development." All obligations and assignments shall be subject to release to the Borrower named below, unless and until HUD provides you with a notice that it is assuming control over the account. If the Director or Deputy Director from the Financial Management Division of HUD's Office of Community Planning and Development, or a HUD official authorized to act in such capacity, provides written notice in the form provided in Exhibit 1 to this Agreement, then releases may not be made by the Borrower. Within a reasonable period of time, not to exceed two business days, after your receipt of such notice from HUD, you shall so prevent such Borrower releases and, if requested by HUD in writing, shall thereafter forward monthly to HUD, to an account it specifies in its notice, the collected and available balance in such account.

You are further authorized, after receipt of the notice from HUD, to refuse to honor any request for release of the obligations and assignments from such account by parties other than HUD. In no instance shall the obligations in this account be used to offset funds which may have been advanced to, or on behalf of, the Borrower by you. You are permitted, however, to debit from the account your customary fees and charges for maintaining the account and the amount of any deposits that are made to the account and returned unpaid for any reason.

Such account shall also be subject to your standard agreement and documents relating to the opening and maintenance of bank accounts with you. In the event of any conflict between this Letter Agreement and such agreements and documents, this Letter Agreement shall control.

This letter is submitted to you in duplicate. Please execute the duplicate copy of the certificate below, acknowledging the existence of such account, so that we may present the copy signed by you to HUD.

Name of Borrower: St. Johns County, Florida

By: _____ Date: _____
[Signature]

Name and Title: _____

The undersigned institution certifies to the United States Department of Housing and Urban Development (HUD) that the account identified is in existence in this institution under account number: _____, and agrees with the Borrower named above and HUD to promptly comply with HUD's notice, which shall be in the form provided in Exhibit 1, in the manner provided in the above letter, but in no event to exceed two business days. The undersigned institution further agrees, after receipt of the HUD notice as set forth above, to refuse to honor any request for release of the obligations and assignments from such account by parties other than HUD. In no instance shall the obligations in the account be used to offset funds which may have been advanced to, or on behalf of, the Borrower by the financial institution, except as set forth above. Deposits in this institution are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration up to the statutory limits.

Name of Institution: _____

By: _____ Date: _____
(Signature)

Name and Title: _____

[HUD Letterhead]

Exhibit 1

NOTICE OF EXCLUSIVE CONTROL

[Date]

Depository Bank
Title/Office
Address

Re: [Guaranteed Loan Funds Investment Account, Loan Repayment Investment Account, Debt Service Reserve Investment Account, as applicable

Account Number(s): _____

Notice of Exclusive Control

Ladies and Gentlemen:

Reference is made to the Letter Agreement dated as of _____, 20__ (the "**Letter Agreement**") by and among _____ (the "**Debtor**") and _____ ("**Bank**") regarding the above-described account(s) (whether one or more, individually and collectively, the "**Account(s)**"). A copy of the Letter Agreement is attached hereto. I am [the Director, the Deputy Director, or authorized to act in the capacity of the Director] of the Financial Management Division of the Office of Community Planning and Development.

In my official capacity and in accordance with the Letter Agreement, I hereby give you notice of HUD's exercise of exclusive control over the Account(s), and hereby instruct you to transfer collected and available funds to our account as follows:

Bank Name: _____
Address: _____

ABA Routing: _____
Account No.: _____
Reference: _____

Very truly yours,

Secretary of Housing and Urban Development

By: _____

Name: _____

Title: _____

ATTACHMENT 3

[Resolution]

ATTACHMENT 4

[Deposit Account Control Agreement]

DEPOSIT ACCOUNT CONTROL AGREEMENT

THIS DEPOSIT ACCOUNT CONTROL AGREEMENT ("Agreement") is made and entered into as of _____, by the _____, a municipal corporation (the "Debtor"), and the SECRETARY OF HOUSING AND URBAN DEVELOPMENT (the "Secured Party"), and _____ (the "Bank"), collectively the Parties (the "Parties").

The Parties agree, effective the dated date set forth above, as follows:

A. Pursuant to that certain CONTRACT FOR LOAN GUARANTEE ASSISTANCE UNDER SECTION 108 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974, AS AMENDED, 42 U.S.C. § 5308 of even date herewith, between the Debtor and Secured Party, as amended, supplemented or otherwise modified from time to time (the "Contract"), Secured Party has agreed to approve the Debtor's Section 108 loan guarantee, and Debtor has granted Secured Party a security interest in a deposit account maintained by Bank for Debtor.

B. Debtor has established the following deposit account with Bank (whether one or more, individually and collectively, the "Deposit Account"):

Name in Which Account is Maintained	Branch in which Account is Maintained / Routing Number	Account Number
_____ _____	_____, _____ Branch	_____

C. The parties hereto desire to enter into this Agreement in order to set forth their respective rights and obligations with respect to the Deposit Account and all funds on deposit therein from time to time and to perfect Secured Party's security interest in the Deposit Account.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements hereinafter set forth and included in the Contract and Section 108 Note ("Section 108 Loan Documents), the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Effectiveness. This Agreement shall take effect immediately upon its execution by all parties hereto and shall supersede any deposit account control agreement or similar agreement in effect with respect to any Deposit Account.

2. Control of Deposit Account by Secured Party.

(a) Bank will comply with all instructions it receives originated by Secured Party directing disposition of the funds in the Deposit Account without further consent by

Debtor. Bank will not permit the withdrawal or other disposition of any funds in the Deposit Account except as expressly provided in this Agreement.

(b) Until such time as Secured Party delivers a Notice of Exclusive Control (in form substantially the same as attached hereto as Exhibit A and incorporated herein by this reference) to Bank, Bank shall comply with instructions directing the withdrawal, payment, transfer or other disposition of funds in the Deposit Account ("Disposition Instructions") originated by Debtor which Debtor is entitled to give concerning the Deposit Account. Nothing in the foregoing shall, or shall be construed to, limit, impair, or otherwise adversely affect any of Secured Party's rights or remedies under the Contract. A "Notice of Exclusive Control" is a written notice from Secured Party to Bank that Secured Party is thereby exercising exclusive control over the Deposit Account and the funds therein; for an example, see Sample Exhibit A. Secured Party may, at any time at which there exists a "Default" (as defined in the Contract) under the Contract, deliver to Bank a Notice of Exclusive Control.

(c) Within a reasonable time after Bank receives a Notice of Exclusive Control, but in all events no later than three (3) business days after such receipt, and until the Secured Party has rescinded or withdrawn such Notice of Exclusive Control: (i) Bank will comply solely with instructions originated by Secured Party with respect to the Deposit Account and any and all funds therein, including, without limitation, any withdrawals from the Deposit Account or any other disposition thereof, without further consent by Debtor and (ii) Bank will cease, without further consent of Debtor, complying with Disposition Instructions concerning the Deposit Account or funds on deposit therein originated by Debtor or the representatives of Debtor. Without in any way limiting the foregoing, in the event of any dispute between Secured Party and Debtor (including, but not limited to, as to whether a Default exists), Bank shall, in all circumstances after a Notice of Exclusive Control has been given, follow the directions of the Secured Party and shall not follow the directions of the Debtor.

(d) If Secured Party believes a Default exists, Secured Party is entitled to give a Notice of Exclusive Control and Bank is obligated to follow the directions of Secured Party in respect of the Deposit Account, without any right or duty to inquire as to whether a Default in fact exists under the Contract. If it is later concluded that no Default existed at the time the Notice of Exclusive Control was given, Debtor will have as its sole remedy against Secured Party a claim only for any actual damages caused by the giving of such Notice of Exclusive Control, subject to the limitations set forth in the Contract.

(e) Debtor shall notify Secured Party of any money judgments against Debtor that could result in a garnishment action.

(f) Bank shall give Secured Party notice of the receipt of any garnishments and give Secured Party sufficient time (minimum of 30 days) to seek an injunction or otherwise take steps to stop the payment being made to the garnishing creditor.

3. Fees. Debtor shall be responsible only for those usual and customary service charges, transfer fees, and account maintenance fees (collectively, "Fees") of Bank in connection with the Deposit Account that would otherwise exist in the absence of this Agreement. Secured Party shall not have any responsibility or liability for the payment of any Fees.

4. Representations and Warranties. The Bank represents and warrants to the Secured Party that the Bank (i) is an organization engaged in the business of banking, (ii) maintains the Deposit Account as a demand deposit account(s) in the ordinary course of the Bank's business and (iii) has not entered into any currently effective agreement with any person under which the Bank may be obligated to comply with Disposition Instructions originated by a person other than the Debtor or the Secured Party. The Bank will not enter into any agreement with any person under which the Bank may be obligated to comply with Disposition Instructions originated by a person other than the Debtor or the Secured Party.

5. Priority of Secured Party's security interest. Bank subordinates in favor of Secured Party any security interest, lien, or right of setoff Bank may have, now or in the future, against the Deposit Account or funds in the Deposit Account, except that Bank will retain its prior lien on funds in the Deposit Account for Fees pursuant to Section 3.

6. Setoff. Except for Fees of Bank payable pursuant to Section 3 hereof, Bank hereby agrees that Bank will not exercise or claim any right of setoff or security interest or banker's lien against the Deposit Account or any deposit therein, and Bank hereby further waives any such right or lien that it may have against any funds deposited in the Deposit Account.

7. Limits of Bank's Liability.

(a) Bank will not be liable to Debtor for any expense, claim, loss, damage or cost ("Damages") arising out of or relating to its performance under this Agreement other than those Damages which result directly from Bank's acts or omissions constituting gross negligence or willful misconduct.

(b) Notwithstanding any of the other provisions in this Agreement, in the event of the commencement of a case under then applicable federal or state law providing for the relief of debtors or the protection of creditors by or against Debtor, Bank may act as Bank deems necessary to comply with all applicable provisions of governing statutes and shall not be in violation of this Agreement as a result.

(c) Bank shall be permitted to comply with any writ, levy order or other similar judicial or regulatory order or process concerning the Deposit Account and shall not be in violation of this Agreement for so doing.

8. Indemnity.

(a) Debtor will indemnify Bank, its officers, directors, employees, and agents against claims, liabilities, damages, and expenses arising out of this Agreement or the Deposit Account (including reasonable attorneys' fees and disbursements and the reasonable estimate of the allocated costs and expenses of in-house legal counsel and staff), except to the extent such claims, liabilities, or expenses are caused by Bank's gross negligence or willful misconduct.

(b) Notwithstanding anything set forth in this Agreement to the contrary, Secured Party shall not be subject to or obligated in any manner under any indemnification obligations in this Agreement in the event Secured Party takes control of the Deposit Account.

9. Termination. This Agreement may be terminated by Debtor only upon delivery to Bank of a written notification jointly executed by Debtor and Secured Party. This Agreement may be terminated by Secured Party at any time, upon its delivery of written notice to Debtor and Bank. This Agreement may be terminated by Bank at any time on not less than 30 days' prior written notice delivered to Debtor and Secured Party. Upon delivery or receipt of such notice of termination by Bank, Bank will immediately transmit to such deposit account as Secured Party may direct all funds, if any, then on deposit in the Deposit Account. If Secured Party notifies Bank that Secured Party's security interest in the Deposit Account has terminated, this agreement will immediately terminate.

10. Notices. Any notice or document required or permitted to be delivered hereunder shall be in writing and shall be effective upon (i) delivery, if personally delivered or sent by overnight courier, or (ii) three business days after mailing, if mailed. All notices shall be personally delivered, delivered by overnight courier or sent by United States Mail, postage prepaid, Certified or Registered Mail, addressed to the parties hereto at the respective addresses set forth on the signature pages, or at such other address as they have theretofore specified by written notice delivered in accordance herewith. Any party hereto, at any time, by written notice given to the others in accordance with this Section, may designate a different address to which such communications shall thereafter be directed.

11. Deposit Account Information. If the Secured Party so requests, the Bank will provide to the Secured Party, whether by Internet access, to the extent that the Bank has the operational ability to do so, or otherwise, a copy of each periodic account statement relating to the Deposit Account ordinarily furnished by the Bank to the Debtor. The Bank's liability for failing to provide the account statement will not exceed the Bank's cost of providing the statement. The Debtor authorizes the Bank to provide to the Secured Party, whether by internet access or otherwise, any other information concerning the Deposit Account that the Bank may agree to provide to the Secured Party at the Secured Party's request.

12. Successor Accounts. The Deposit Account will include the deposit accounts described in Section B, any substitute or replacement deposit accounts, and any deposit accounts maintained by Bank into which funds from the Deposit Account are transferred, unless Secured Party expressly agrees in writing prior to the transfer that the account into which such funds are transferred will not be subject to this agreement.

13. Miscellaneous.

(a) This Agreement shall be binding on and shall inure to the benefit of the parties and their respective successors and assigns, but neither Debtor nor Bank shall be entitled to assign or delegate any of its rights and/or duties under this Agreement without mutual agreement of all of the parties.

(b) Secured Party may assign its rights and/or duties under this Agreement by written notice to Bank and Debtor and such assignment shall be effective as to Debtor and Bank upon written notice to same.

(c) This Agreement may be executed in any number of several counterparts,

each of which shall be deemed an original but all of which together shall constitute one and the same instrument. A signature delivered by facsimile transmission or other electronic means shall be deemed the equivalent of an original signature for all purposes.

(d) This Agreement shall be governed by the laws of the State of

_____.

(e) This Agreement may be amended only by a written instrument executed by Secured Party, Bank, and Debtor acting by their respective duly authorized representatives.

(f) Debtor acknowledges that the agreements made by it and the authorizations granted by it in this Agreement are irrevocable and that the authorizations granted in this Agreement are powers coupled with an interest.

[SIGNATURES ON FOLLOWING PAGES]

In Witness Whereof, the parties hereto have executed this Agreement by their duly authorized officers as of the day and year first above written.

("Debtor")

By: _____

Address for notices:

Name: _____

Title: _____

("Secured Party")

By: _____

Address for notices:

Name: _____

Title: _____

("Bank")

By: _____

Address for notices:

Name: _____

Title: _____

Sample Exhibit A

NOTICE OF EXCLUSIVE CONTROL

[Letterhead of Secured Party]

[Date]

Depository Bank
Title/Office
Address

Re: Deposit Account Number(s): _____
Notice of Exclusive Control

Ladies and Gentlemen:

Reference is made to the Deposit Account Control Agreement dated as of _____, 20__ (the "**Agreement**") by and among _____ (the "**Debtor**"), _____ (as "**Secured Party**") and _____ ("**Bank**") regarding the above-described deposit account(s) (whether one or more, individually and collectively, the "**Deposit Account(s)**"). A copy of the Agreement is attached hereto.

In accordance with this Agreement, we hereby give you notice of our exercise of exclusive control over the Deposit Account, and we hereby instruct you to transfer collected and available funds to our account as follows:

Bank Name: _____
Address: _____
ABA Routing: _____
Account No.: _____
Reference: _____

Very truly yours,

Name of Secured Party
as Secured Party

By: _____
Name: _____
Title: _____

ATTACHMENT 5

[Legal Property Description]

ATTACHMENT 6

HUD-Approved Alternative Collateral or Security Arrangements

Date: _____

This attachment may be updated from time to time as anticipated by paragraph 15. The last dated Attachment 6 that is signed by the parties identified in paragraph 12, or their successors or other authorized agents of the parties, is incorporated into the Contract for Loan Guarantee Assistance (the Contract) and shall represent the agreement of the parties.

The last dated Attachment 6 shall include a list of all previously approved alternative collateral or security arrangements that secure either the Note and all other charges authorized in this Contract and in all related future contracts or amendments between Borrower and the Secretary pertaining to the Note.

Date Approved by HUD: _____

Note Number and Maximum Commitment Amount: _____

These alternative collateral and security arrangements are agreed to by the Secretary and the Borrower pursuant to paragraph 15(e), and describe the obligations related to the HUD-guaranteed promissory note executed by Borrower on _____, numbered _____, in the Maximum Commitment Amount of \$ _____ (the "Project Note").

The Secretary and Borrower agree to the following:

EXHIBIT B

Form of Note

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
SECTION 108 LOAN GUARANTEE PROGRAM**

VARIABLE/FIXED RATE NOTE

NOTE NUMBER: **B-21-UC-12-0021**

DATE OF NOTE: _____

BORROWER: **St. Johns County, Florida**

PRINCIPAL DUE DATES AND PRINCIPAL AMOUNT: Before the Conversion Date, the aggregate of Advances made for each applicable Principal Due Date specified in the Commitment Schedule to this Note; on or after the Conversion Date, the Principal Amount (if any) listed for each Principal Due Date in Schedule P & I hereto.

[Hastings Community Center and Library Project]

MAXIMUM COMMITMENT AMOUNT: **\$5,075,000**

COMMITMENT AMOUNTS: See Commitment Schedule attached hereto.

VARIABLE INTEREST RATE: As set forth below.

REGISTERED HOLDER: Daedalus & Co
As Nominee for
Federated Hermes Money Market Obligations Trust
on behalf of its Federated Hermes Government
Obligations Fund

I. Terms Applicable Before the Conversion Date

A. Advances

For value received, the undersigned, the County of St. Johns (the "Borrower"), which term includes any successors and assigns, a public entity organized and existing under the laws of the State of Maryland, promises to pay to the Registered Holder (the "Holder," which term includes any

successors or assigns), at the time, in the manner, and with interest at the rate or rates hereinafter provided, such amounts as may be advanced under this Note from time to time by the Holder for disbursement to, or on behalf of, the Borrower (individually, an "Advance", and collectively, "Advances"). The Holder shall make Advances upon the written request of the Borrower and the approval of the Secretary of Housing and Urban Development or his designee (the "Secretary"), pursuant to the Contract for Loan Guarantee Assistance (as further defined in Section IV.A. of this Note, the "Contract"), and the Amended and Restated Master Fiscal Agency Agreement (the "Fiscal Agency Agreement") dated as of May 17, 2000, between The Bank of New York Mellon (successor to The Chase Manhattan Bank and JPMorgan Chase Bank, N.A.), as Fiscal Agent (the "Fiscal Agent"), and the Secretary. The total amount of Advances made for each Principal Due Date under this Note shall not exceed the applicable Commitment Amount for such Principal Due Date set forth on the Commitment Schedule attached hereto. The aggregate of all Advances under this Note for all Principal Due Dates shall not exceed the Maximum Commitment Amount specified on the attached Commitment Schedule. The Fiscal Agent shall record the date and amount of all payments and Advances on this Note and maintain the books and records of all such Advances and Commitment Amounts for each corresponding Principal Due Date, and all payments. No Advances shall be made on this Note after its Conversion Date.

As used herein, "Conversion Date" means the date (if any) upon which this Note is (i) delivered by the Holder to the Fiscal Agent against payment therefore by the purchasers selected by the Secretary to make such payment; and (ii) assigned to Bank of New York Mellon (or any successor thereto) acting in its capacity as Trustee (the "Trustee") pursuant to a Trust Agreement between the Secretary and the Trustee, dated as of January 1, 1995, as such agreement may be amended or supplemented (the "Trust Agreement"). Upon the occurrence of both (i) and (ii) in the previous sentence, Section III of this Note applies, thereby converting this Note to a fixed rate obligation.

B. Variable Rate of Interest

From and including the date of each Advance to but excluding the earlier of (i) the Conversion Date, and (ii) the date of redemption or prepayment of such Advance pursuant to Section I.D. below (each such date of redemption or prepayment, a "Prepayment Date") interest shall be paid quarterly at a variable interest rate (as set forth below) on the unpaid principal balance of each Advance on the first day of each February, May, August and November (each, an "Interim Payment Date"), commencing on the first Interim Payment Date after the initial Advance is made under this Note. Interest also shall be paid on each applicable Conversion Date, Prepayment Date or Principal Due Date. The amount of interest payable on each Interim Payment Date will represent interest accrued during the three-month period ending immediately prior to such Interim Payment Date, or in the case of the first Interim Payment Date following each Advance that is not made on an Interim Payment Date, the period from and including the date of such Advance to but excluding the first Interim Payment Date following such Advance. The amount of interest payable on this Note's Conversion Date, Prepayment Date, or on any Principal Due Date that precedes such Conversion Date will represent interest accrued during the period from the last Interim Payment Date to such Conversion Date, Prepayment Date, or Principal Due Date, respectively.

The initial variable interest rate for each Advance will be set on the date of such Advance and will be equal to the Applicable Rate (as hereinafter defined) and thereafter will be adjusted monthly on the first day of each month (each, a "Reset Date") to a variable interest rate equal to the Applicable Rate (such interest rate, as reset from time to time, the "Standard Note Rate"). If Secretary and Holder agree to a Subsequent Rate (as hereinafter defined) and Subsequent Variable Interest Rate (as hereinafter defined) pursuant to paragraph IV.H. of this Note, the Secretary shall notify the Fiscal Agent in writing of any Subsequent Rate and Subsequent Variable Interest Rate within two Business Days of the determination thereof. If the Conversion Date for this Note has not occurred by the March 1 following the initial Advance under this Note, then the terms of Appendix A shall be used to set the variable interest rate. If the Fiscal Agent does not receive notice of either a Negotiated Special Interest Rate or Holder Determined Special Interest Rate (as defined in Appendix A attached hereto) from the Secretary or Holder, respectively, by the times specified in Appendix A to this Note, then the Standard Note Rate shall apply for the period to which such Negotiated Special Interest Rate or Holder Determined Special Interest Rate would otherwise apply. The Fiscal Agent may conclusively rely on any such notice as to the correctness of any matters set forth therein. Appendix A shall be inapplicable to this Note on or after the Conversion Date.

"3-Month T-Bill Rate" for any given Business Day means, except in the case of manifest error, the High Rate announced in the most recent Treasury Auction Results release corresponding to the 13-Week Bill auction with an auction date on a day preceding the initial Advance, or for subsequent Advances, the most recent Reset Date (but not with respect to an auction published on any Reset Date), as published on TreasuryDirect or any successor publication, published by the U.S. Department of the Treasury Bureau of the Fiscal Service, under the "Financial Institutions" heading (or any successor heading), in the section titled "Announcements, Data & Results" (or any successor section) and under the subsection "Bills – Security Term: 13-Week" (or any successor caption). If, as of any Reset Date, such rate was not published on TreasuryDirect or any successor publication any day since the immediately preceding Reset Date, for each interest period, the 3-Month T-Bill Rate shall be the yield on Treasury Bills (secondary market) with 3-month maturity, as reported in Federal Reserve Statistical Release H. 15, Selected Interest Rates of the Board of Governors of the Federal Reserve System (or any successor publication).

Prior to the effective date of a Subsequent Rate and Subsequent Variable Interest Rate established by an amendment to this Note pursuant to paragraph IV.H. of this Note, "Applicable Rate" means: (1) with respect to the initial interest rate for the first Advance hereunder, 35 basis points (0.35%) above the 3-Month T-Bill Rate one New York Banking Day before the date of such first Advance; (2) with respect to the initial interest rate for any subsequent Advance made before the first Reset Date, the interest rate borne by the first Advance; (3) with respect to the initial interest rate for any subsequent Advance made after the first Reset Date, 35 basis points (0.35%) above the 3-Month T-Bill Rate one New York Banking Day before the immediately preceding Reset Date; and (4) with respect to the subsequent interest rate at any Reset Date for any Advance, 35 basis points (0.35%) above the 3-Month T-Bill Rate one New York Banking Day before such Reset Date.

Upon the effective date of a Subsequent Rate and Subsequent Variable Interest Rate established by an amendment to this Note pursuant to paragraph IV.H. of this Note, "Applicable Rate" means the Subsequent Variable Interest Rate.

"New York Banking Day" means any day in which dealings in deposits in United States dollars are transacted in the New York interbank market. Interest payable on or before the Conversion Date shall be calculated on the basis of a 360-day year and the actual number of days lapsed.

"Subsequent Rate" means the rate, as agreed upon by Secretary and Holder, that shall be used in lieu of the 3-Month T-Bill Rate to establish the Applicable Rate, upon agreement between the Secretary and Holder. The Subsequent Rate shall be a rate that is publicly available daily.

"Subsequent Variable Interest Rate" means the interest rate for each Advance that will be set on the date of such Advance and will be equal to a specific amount of basis points above or below the Subsequent Rate, and thereafter will be adjusted monthly on the Reset Date to an interest rate equal to a specific amount of basis points above or below the Subsequent Rate, all as agreed upon by the Secretary and Holder pursuant to paragraph IV.H. of this Note.

C. Principal Amount

Prior to the Conversion Date, the aggregate amount of Advances under this Note for each specified Principal Due Date shall be the Principal Amount paid by the Borrower on such Principal Due Date (as assigned to such Advances by the Secretary's instructions to the Fiscal Agent in accordance with the Contract and the Fiscal Agency Agreement), except to the extent such Principal Amount shall have been reduced by redemption before such Principal Due Date as provided below.

D. Redemption before Conversion Date

At any time on or before the Conversion Date, the Borrower, with the consent of the Secretary, may redeem this Note, in whole or in part, upon fourteen calendar days notice to the Fiscal Agent and the Secretary, at the purchase price of one hundred percent (100%) of the unpaid Principal Amount to be redeemed, plus accrued interest thereon to the date of redemption. Partial redemptions shall be credited against the applicable Principal Amount(s). The related Commitment Amounts and the Maximum Commitment Amount shall be adjusted concurrently with any such redemptions in accordance with the Secretary's instructions to the Fiscal Agent pursuant to the Contract and the Fiscal Agency Agreement.

II. Conversion

The following events shall occur on the Conversion Date:

A. Schedule P&I

On the Conversion Date all Advances owed by the Borrower under this Note with the same Principal Due Date shall be aggregated into a single Principal Amount which will accrue interest at the fixed rate applicable to such Principal Due Date. Such Principal Amount may be adjusted by the Fiscal Agent in accordance with the following paragraph or paragraph IV.H, as applicable. Whether or not adjusted, each Principal Amount, the fixed rate applicable to each Principal Amount, and the applicable Principal Due Date, shall be listed by the Secretary in Schedule P&I. Schedule P&I will be provided by the Secretary to the Fiscal Agent and attached to this Note by the Fiscal Agent upon the Fiscal Agent's receipt of this Note on the Conversion Date.

B. Conversion Date Advances

If, on or prior to the Conversion Date, the Borrower has not utilized the entire Commitment Amount indicated on the Commitment Schedule attached hereto for a given Principal Due Date, the Borrower may, in accordance with the Fiscal Agency Agreement and the Contract, and with the approval of the Secretary, utilize such Commitment Amount on the Conversion Date to obtain a Conversion Date Advance. A "Conversion Date Advance" shall mean any amount by which the Secretary instructs the Fiscal Agent to increase a Principal Amount on Schedule P&I for a given Principal Due Date, effective as of the Conversion Date of this Note. Conversion Date Advances shall be funded by the sale of this Note to the purchaser selected by the Secretary. The proceeds of a Conversion Date Advance (net of any applicable fees) shall be distributed to or on behalf of the Borrower on the Conversion Date. The total amount of Conversion Date Advances hereunder shall not exceed the sum of any unused Commitment Amounts for all Principal Due Dates.

III. Terms Applicable Upon Conversion

The following terms shall apply to this Note from the Conversion Date (if any) until this Note is canceled, or matured and paid in full:

Commencing on the Conversion Date, the Borrower promises to pay to the Holder on the applicable Principal Due Date each Principal Amount set forth on the attached Schedule P&I, together with interest on each such Principal Amount at the rate applicable thereto specified on the Schedule P&I. Interest shall be calculated and payments shall be made in the manner set forth below.

Interest on each scheduled Principal Amount of this Note due as of a given date specified on Schedule P&I hereto shall accrue at the related per annum rate specified on Schedule P&I from (and including) the Conversion Date to (but excluding) such Principal Due Date or, if applicable, to the applicable Interest Due Date on which an Optional Redemption (as defined below) occurs. Each interest amount accrued on each unpaid Principal Amount of this Note shall be due semiannually as of February 1 and August 1 of each year (each such February 1 and August 1, an "Interest Due Date") commencing on the first such date after the Conversion Date, until each Principal Amount listed on Schedule P&I to this Note is paid in full. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Certain Principal Amounts that are indicated as being eligible for Optional Redemption on Schedule P&I may be paid, in whole or in part, at the option of the Borrower as of any Interest Due Date on or after the date specified in such schedule (an "Optional Redemption"). In order to elect an Optional Redemption of such a Principal Amount, the Borrower shall give notice of its intention to prepay a Principal Amount to the Trustee and the Secretary not less than 60 days and not more than 90 days prior to the Interest Due Date as of which the Borrower intends to prepay the Principal Amount. The Trustee shall apply any payments received in respect of Optional Redemptions in accordance with written instructions of the Borrower, as approved by the Secretary. Principal Amounts that are not indicated as being eligible for Optional Redemption on Schedule P&I may not be prepaid.

IV. General Terms

A. Additional Definitions

For purposes of this Note, the following terms shall be defined as follows:

"Business Day" shall mean a day on which banking institutions in New York City are not required or authorized to remain closed and on which the Federal Reserve Bank and the New York Stock Exchange are not closed. If any payment (including a payment by the Secretary) is required to be made on a day that is not a Business Day, then payment shall be made on the next Business Day.

"Contract" shall mean the Contract for Loan Guarantee Assistance, and any amendments thereto, among the Secretary and the Borrower, the designated public entity named therein (if applicable), and the State named therein (if applicable), that refers to and incorporates this Note by the number hereof.

"Principal Amount" shall mean: (i) before the Conversion Date for this Note, the aggregate amount of Advances made for each Principal Due Date specified in the Commitment Schedule attached to this Note, less the amount of any redemptions pursuant to Section I.D. hereof, and any principal repayment; and (ii) on or after the Conversion Date, the principal amount (if any) stated for each Principal Due Date in Schedule P&I attached hereto, less the amount of any principal repayment and any Optional Redemptions made pursuant to Section III hereof and the Trust Agreement.

B. Timely Payment to Fiscal Agent or Trustee

Notwithstanding anything contained in Section I, Section II, or Section III, the Borrower, in accordance with the Contract, shall be required to make all payments of interest and principal, including any Optional Redemption payment, directly to the Fiscal Agent or the Trustee (as applicable) on the seventh Business Day prior to the appropriate Interim Payment Date, Interest Due Date, Principal Due Date, Prepayment Date, or date of Optional Redemption, as applicable.

C. Interest on Late Payments

If a payment of principal or interest herein provided for shall not be made by either (i) 2:30 p.m. on an Interest Due Date or Principal Due Date; or (ii) 2:30 p.m. on the second Business Day (as herein defined) next succeeding an Interim Payment Date, then interest shall accrue on the amount of such payment at the then applicable interest rate or rates payable on this Note, from the relevant due date, as the case may be, until the date such payment is made. Nothing in the immediately preceding sentence shall be construed as permitting or implying that the Borrower may, without the written consent of the Holder and the Secretary, modify, extend, alter or affect in any manner whatsoever the right of the Holder timely to receive any and all payments of principal and interest specified in this Note.

D. Applicability of Fiscal Agency Agreement or Trust Agreement

Prior to the Conversion Date, this Note and Advances and payments made hereunder shall be administered pursuant to the terms of the Fiscal Agency Agreement and are subject to such agreement. On or after the Conversion Date, this Note and Advances and payments made hereunder shall be administered pursuant to the Trust Agreement and are subject to such agreement. The terms and provisions of the Fiscal Agency Agreement or the Trust Agreement, insofar as they affect the rights, duties and obligations of the Holder and/or the Borrower, are hereby incorporated herein and form a part of this Note. The Borrower hereby agrees to be bound by all obligations of the Borrower to the Fiscal Agent set forth in the Fiscal Agency Agreement. Capitalized terms not defined in this Note shall have the meanings ascribed to them in the Fiscal Agency Agreement or Trust Agreement, as applicable. The Fiscal Agency Agreement provides for the Fiscal Agent to perform certain duties, including the duties of (i) paying agent and calculation agent for this Note until its Conversion Date, and (ii) registrar for this Note until this Note is canceled or a new registrar appointed, each in accordance with the Fiscal Agency Agreement. The Trust Agreement provides for the Trustee to perform certain duties, including the duties of collection agent for this Note after its Conversion Date until a new Trustee is appointed in accordance with the Trust Agreement. This Note may be surrendered to the Fiscal Agent for registration of transfer or exchange, as provided in the Fiscal Agency Agreement. The Fiscal Agent and Trustee each shall permit reasonable inspection to be made of a copy of the Fiscal Agency Agreement or Trust Agreement kept on file at its respective corporate trust office. Neither the Fiscal Agency Agreement nor the Trust Agreement shall change the Borrower's payment obligations under this Note.

E. Applicability of Contract and Secretary's Guarantee

This Note evidences indebtedness incurred pursuant to and in accordance with the Contract and pursuant to Section 108 of Title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. § 5308) (the "HCD Act"). This Note is subject to the terms and provisions of the Contract, to which Contract reference is hereby made for a statement of said terms and provisions and for a description of the collateral security for this Note. The payment of principal on the applicable Principal Due Dates and interest on the applicable Interim Payment Dates or Interest Due Dates under this Note is unconditionally guaranteed by the Secretary to the Holder through a guarantee (the "Guarantee"). Execution of the Secretary's Guarantee is required before this Note is effective, and such Guarantee shall be issued pursuant to and in accordance with the terms of the Contract and Section 108 of the HCD Act.

F. Default

A default under this Note shall occur upon failure by the Borrower to pay principal or interest on this Note when due hereunder. If a Borrower defaults on the payment of any interest or Principal Amounts when due, or if the Secretary gives notice of a final decision to declare the Borrower in default pursuant to the following paragraph of this Section IV.F, the Secretary may, but is not obligated to, make on any date on or prior to the Conversion Date with fourteen calendar days prior notice to the Fiscal Agent, or on the seventh Business Day preceding any Interest Due Date on or after the first permissible Optional Redemption date with seven Business Days prior notice to the Trustee, an acceleration payment to the Fiscal Agent or the Trustee, as applicable, equal to the unpaid Aggregate Principal Amount of the Note, together with accrued and unpaid interest thereon to such acceleration payment date or Interest Due Date, as applicable. In the event that any such acceleration payment is made from sources other than funds pledged by the Borrower as security under the Contract (or other Borrower funds), the amounts paid on behalf of the Borrower shall be deemed to be immediately due and payable to the Secretary. Nothing in this paragraph shall be construed as permitting or implying that the Borrower may, without the written consent of the Holder and the Secretary, modify, extend, alter or affect in any manner whatsoever the right of the Holder timely to receive any and all payments of principal and interest specified in this Note.

In addition, the Secretary may declare the Borrower in default under this Note if the Secretary makes a final decision in accordance with the provisions of 24 C.F.R. § 570.913 (or any successor regulation thereof), including requirements for reasonable notice and opportunity for hearing, that the Borrower has failed to comply substantially with Title I of the HCD Act. Following the giving of such reasonable notice, the Secretary may take the remedial actions specified as available in the relevant provisions of the Contract pending the Secretary's final decision.

G. Holder's Reliance on Guarantee

Following a default by the Borrower under the terms of this Note, the Holder agrees to rely wholly and exclusively for repayment of this Note upon the Guarantee. The enforcement of any instruments or agreements securing or otherwise related to this Note shall be the sole responsibility of the Secretary, and the Holder shall not be responsible for the preparation, contents or administration of such instruments and agreements, or for any actions taken in connection with such instruments and agreement. The Holder, to the extent it is legally able to do so, shall bind or cause to be bound its successors and assigns to all limitations imposed upon the Holder by this Note.

H. Amendment

This Note may only be amended with the prior written consent of the Secretary and the Borrower. No such amendment shall reduce, without the prior written consent of the Holder of this Note, in any manner the amount of, or delay the timing of, payments required to be received on this Note by the Holder, Fiscal Agent or Trustee, including Guarantee Payments; provided that prior to the Conversion Date, the Commitment Amounts on the Commitment Schedule attached hereto, and the Principal Amounts due on the corresponding Principal Due Dates may be rescheduled pursuant to written instructions given to the Fiscal Agent by the Secretary based upon a written request by the Borrower absent the consent of the Holder.

Notwithstanding the foregoing, Borrower agrees that Note may be amended without consent of the Borrower to establish a Subsequent Rate and a Subsequent Variable Interest Rate for purposes of determining the Applicable Rate, if the Secretary, in his or her sole discretion, determines that an Applicable Rate based upon the 3-Month T-Bill Rate no longer represents a reasonable rate, and the Secretary and Holder agree on a reasonable Subsequent Rate and Subsequent Variable Interest Rate. Any amendment establishing a Subsequent Rate and Subsequent Variable Interest Rate shall be appended to and become part of this Note as of the effective date of such amendment. Borrower shall be given 30 days-notice prior to the effective date of an amendment establishing a Subsequent Rate and Subsequent Variable Interest Rate.

I. Waivers

The Borrower hereby waives any requirement for presentment, protest or other demand or notice with respect to this Note. The Borrower hereby waives notice of default and opportunity for hearing for any failure to make a payment when due.

J. Delivery and Effective Date

This Note is deemed issued, executed, and delivered on behalf of the Borrower by its authorized official as an obligation guaranteed by the Secretary pursuant to Section 108 of the HCD Act, effective as of the date of the Secretary's Guarantee.

V. Borrower-Specific Provisions

[This space intentionally left blank]

THE UNDERSIGNED, as an authorized official of the Borrower, has executed and delivered this Note.

St. Johns County, Florida _____
BORROWER

By: _____
(Signature)

(Name)

(Title)

ASSIGNMENT AND TRANSFER

For value received, the undersigned assigns and transfers this Note to

(Name and Address of Assignee)

(Social Security or Other Identifying Number of Assignee)

and irrevocably appoints _____
attorney-in-fact to transfer it on the books kept for registration of the Note, with full power of
substitution.

Dated: _____

Note: The signature to this assignment
must correspond with the name as written on
the face of the Note without alteration or
enlargement or other change.

Signature Guaranteed:

Qualified Financial Institution

By: _____
Authorized Signature

[This page to be completed by the Fiscal Agent for transfer of the Note by the Holder as of the
Conversion Date pursuant to the last paragraph of Section I.A. of this Note.]

APPENDIX A

Special Pre-Conversion Interest Rates.

- (a) The Holder and the Secretary contemplate that the majority of the outstanding Variable/Fixed Rate Notes will be purchased by underwriters selected by the Secretary for sale in public offerings to occur each year. If a public offering including this Note has not occurred by each March 1 following the initial Advance under this Note, the Secretary shall, upon request, advise the Holder as to when a public offering including this Note is expected to occur, and the Holder and the Secretary agree to consult with each other as to what the interest rate on this Note will be after May 1 of that year if a public offering has not occurred by such May 1. The Holder shall notify the Secretary if such consultation has not occurred by April 1 of that year. If no public offering including this Note has occurred on or before such May 1, the applicable interest rate on this Note from such May 1 shall be the rate (if any) negotiated and agreed upon by the Secretary and the Holder. Such rate may be the Standard Note Rate or some other rate agreed upon by the Holder and the Secretary at least two Business Days before such May 1 (such other rate, the "Negotiated Special Interest Rate"). The Secretary shall notify the Fiscal Agent and the Holder in writing of any Negotiated Special Interest Rate within two Business Days of the determination thereof.
- (b) If the Secretary and the Holder do not, by the April 15th preceding such May 1, negotiate and agree under Section (a) of this Appendix on an interest rate applicable to this Note, then the Holder may, on or before the April 20th preceding such May 1, give written notice to the Secretary of its intent to change the interest rate on this Note and, if such notice was given during such period, the Holder may, on such May 1, unilaterally determine (subject to the terms of this paragraph) the interest rate that this Note will bear (such rate, the "Holder Determined Interest Rate") from and including such May 1 to but excluding the earliest of: (i) the Conversion Date; (ii) the date that this Note is purchased by a new Holder (as described in Section (c) below) or (iii) a Monthly Special Reset Date (as defined below). Interest from and including such May 1 to but excluding the Public Offering Date shall be paid on the unpaid principal balance of all outstanding Advances under this Note at the rate(s) to be determined by the Holder which, based upon then prevailing market conditions and taking into account all the circumstances, will enable the Holder to sell this Note at one hundred percent (100%) of the aggregate amount of all Advances hereunder prior to the date of such sale. Such interest rate shall be determined as of such May 1 and shall be determined again on the foregoing basis on the first of each month thereafter (the first of each month after such May 1, a "Monthly Special Reset Date"). The Holder shall notify the Fiscal Agent and the Secretary in writing within two Business Days following such dates of the determination of the Holder Determined Interest Rate and each applicable interest rate determined on a Monthly Special Reset Date.

- (c) If the Secretary and the Holder have failed to agree upon an interest rate pursuant to Section (a) of this Appendix A, the Secretary, upon seven calendar days notice to the Holder, may arrange for the purchase of this Note in full by another entity on the following May 1 or any Business Day thereafter. If such a purchase occurs, the Holder shall sell and assign this Note to the purchaser thereof without recourse to the Holder and deliver this Note and its Guarantee to the Fiscal Agent for registration in the name of the purchaser thereof in accordance with the Secretary's written instructions. The purchase price for this Note shall be 100% of the aggregate amount of all Advances owing hereunder plus accrued interest to the date of purchase. Payment to the Holder of the purchase price for this Note shall be made by the purchaser thereof in Federal funds at the offices of the Holder, or at such other place as shall be agreed upon by the Holder and the Secretary, at 10:00 a.m., New York time, on the date of purchase. After such purchase date this Note shall bear a rate of interest negotiated between the Secretary and the new interim Holder (the "New Purchaser Special Interest Rate"). The Secretary shall notify the Fiscal Agent and the new purchaser in writing of any New Purchaser Special Interest Rate within two Business Days following the date of determination thereof.
- (d) Notwithstanding Sections (a) through (c) (inclusive) of this Appendix, no Borrower is obligated to pay interest at a variable rate exceeding the maximum rate permitted by generally applicable law of the Borrower's state (such rate, the "Maximum Rate"). If the Borrower receives notice of a variable interest payment that exceeds the Maximum Rate, then the Borrower shall timely pay such amount as does not exceed the Maximum Rate, and concurrently shall notify the Secretary and the Fiscal Agent of the reason for any interest non-payment.

COMMITMENT SCHEDULE

Note No. B-21-UC-12-0021

<u>Principal Due Date</u>	<u>Commitment Amount</u>
August 1, 2024	\$507,000
August 1, 2025	507,000
August 1, 2026	507,000
August 1, 2027	507,000
August 1, 2028	507,000
August 1, 2029	508,000
August 1, 2030	508,000
August 1, 2031	508,000
August 1, 2032	508,000
August 1, 2033	508,000
August 1, 2034	-
August 1, 2035	-
August 1, 2036	-
August 1, 2037	-
August 1, 2038	-
August 1, 2039	-
August 1, 2040	-
August 1, 2041	-
August 1, 2042	-
August 1, 2043	-
Maximum Commitment Amount =	\$5,075,000

SCHEDULE P&I*

Note No. B-21-UC-12-0021

Principal Amount	Principal Due Date	Interest Rate**	Optional Redemption Available	
			YES	NO
	August 1, 2024			X
	August 1, 2025			X
	August 1, 2026			X
	August 1, 2027			X
	August 1, 2028			X
	August 1, 2029			X
	August 1, 2030			X
	August 1, 2031			X
	August 1, 2032			X
	August 1, 2033			X
	August 1, 2034		X	
	August 1, 2035		X	
	August 1, 2036		X	
	August 1, 2037		X	
	August 1, 2038		X	
	August 1, 2039		X	
	August 1, 2040		X	
	August 1, 2041		X	
	August 1, 2042		X	
	August 1, 2043		X	

\$ _____ = Aggregate Principal Amount

Principal Amounts due on or after August 1, 2034, may be redeemed, subject to the terms contained herein and in the Trust Agreement, on any Interest Due Date on or after August 1, 2033.

*This schedule will not be completed when initially executed and delivered by the Borrower for Guarantee for interim, variable-rate financing. It will be completed when assigned by the Holder at the request of the Borrower for conversion to Fixed Rates on the Conversion Date. The first date shown above on which Optional Redemption is available is expected to be the same when this schedule is completed, if the Borrower participates in the initial Section 108 public offering after receiving an interim financing Advance hereunder. If the Borrower participates in a later public offering, the first date on which Optional Redemption is available is expected to be correspondingly later.

** The fixed rate applicable to each Principal Amount shall be listed by the Secretary.

[On Letterhead of Borrower]

TEMPLATE LETTER---REQUEST FOR ADVANCE

U.S. Department of Housing and Urban Development
Paul D. Webster, Director
Financial Management Division – Room 7282
451 Seventh Street, SW
Washington, DC 20410

Dear Mr. Webster:

The City/County/State of [Borrower], State hereby requests an advance in the amount of \$[amount] under the Variable/Fixed Rate (“VFR”) Note No. B-XX-XX-XX-XXXX guaranteed pursuant to Section 108 of the Housing and Community Development Act of 1974, as amended.

The Guaranteed Loan Funds that are being requested will be used for reimbursements of previously incurred on Section 108 eligible costs.

The amount to be advanced under the Note(s) is \$ _____

Table with 2 columns: Principal Due Date and Advance Amount. Rows include dates like August 1, 20XX and an (etc.) row.

Please wire transfer the advance using the following information:

BORROWER :
AMOUNT :
VARIABLE FIXED RATE NOTE NUMBER :

- 1. Name of Bank :
2. Address of Receiving Bank :
3. A.B.A. Number* :
4. Borrower’s Account Number :
5. Account Name :
6. Bank Official to Contact :
7. Phone Number of Bank Official :

CORRESPONDENT BANK (If applicable)

- 1. Bank :
2. Address :
3. A.B.A. Identification* :
4. Borrower’s Account Number :
5. Name of Account :

BORROWER :
AMOUNT :
VARIABLE FIXED RATE NOTE NUMBER :

*American Bankers Association number (9 digits)

This letter must be signed by TWO officials with signatures on the authorized signature card.

This letter must have the contact information for TWO financial reporting officials that will be responsible for monthly account balance submissions.

Note: If request letter is two pages or more, please include name of Borrower, requested amount and VFR Note number on each page.

Standard Form 1194 TFRM 6-000 Fiscal Service Bureau of Accounts	AUTHORIZED SIGNATURE CARD FOR PAYMENT VOUCHERS ON LETTER OF CREDIT	Letter of Credit Number Federal Reserve Bank
Letter of Credit Issued in Favor of <i>(Recipient)</i>	Issued by <i>(Federal Agency)</i>	
SIGNATURES OF INDIVIDUALS AUTHORIZED TO DRAW ON THE CITED LETTER OF CREDIT		
_____ ONLY ONE SIGNATURE REQUIRED ON PAYMENT VOUCHERS or <input checked="" type="checkbox"/> ANY TWO SIGNATURES REQUIRED TO SIGN OR COUNTERSIGN		
Typed Name and Signature	Typed Name and Signature	
Typed Name and Signature	Typed Name and Signature	
I CERTIFY THAT THE SIGNATURES ABOVE ARE OF THE INDIVIDUALS AUTHORIZED TO DRAW PAYMENT VOUCHERS FOR THE CITED LETTER OF CREDIT.	APPROVED: [to be completed by HUD]	
DATE AND SIGNATURE OF AUTHORIZING OFFICIAL <i>(Recipient)</i> [individual signing here should be different from persons who sign above]	DATE AND SIGNATURE OF AGENCY CERTIFYING OFFICER	

To view this email as a web page, go [here](#).

FROM THE OFFICE OF
**GOVERNOR
RON DESANTIS**

[@GOVRONDESANTIS](#) | [WWW.FLGOV.COM](#) | 850-717-9252 | [MEDIA@EOG.MYFLORIDA.COM](#)

ICYMI: Governor Ron DeSantis Delivers \$223 Million to Expand Rural Broadband Access

California and New York Announcement comes as the FCC attempts to tie funding for broadband expansion to DEI stipulations

BOWLING GREEN, Fla. — Today, Governor Ron DeSantis awarded nearly \$223 million to expand broadband internet access to Floridians, including small and rural communities. This funding includes \$135 million in state funding through the Broadband Opportunity Program and \$86 million in federal funds through the Multipurpose Community Facilities Program. Awards through the Broadband Opportunity Program will support 54 projects in 33 Florida counties for broadband internet expansion that will provide internet to over 27,000 unserved residential, educational, agricultural, business and community locations. Awards through the Multipurpose Facility Program will support 29 community infrastructure projects including health clinics, schools and workforce development programs providing internet to Floridians across 18 counties. To learn more, click [here](#).

This funding comes as the Federal Communications Commission recently enacted new rules relating to private companies' broadband expansion efforts, aimed at preventing "digital discrimination of access to broadband services based on income level, race, ethnicity, color, religion or national origin." Through rules like this, the Biden administration is directly disincentivizing private companies from providing services like broadband internet to rural communities because they don't meet certain diversity quotas. Florida will not enforce these discriminatory strings attached to federal funding that drive investment away from small and rural communities that are already underserved.

"Connecting Florida's small and rural communities to broadband internet will help them find jobs, access education resources and expand their businesses," **said Governor Ron DeSantis**. "We will continue to make investments in broadband internet that support

long-term growth for our communities, without federally imposed strings attached."

"Under Governor DeSantis' leadership, Florida's economy has grown at a persistent pace. Today's strategic awards help maintain Florida's forward momentum," **said FloridaCommerce Secretary J. Alex Kelly**. "By connecting Floridians with centrally located community hubs, residents have increased access to find their next professional opportunity, upskill for future jobs and access telemedicine resources through a steady broadband internet connection."

"Thank you, Governor DeSantis, for your leadership and for investing in our community," **said Representative Kaylee Tuck**. "The need for reliable broadband access has never been more prevalent, and the strain on rural communities like Hardee County has never been felt more than it is today. This investment will be incredible for our area."

Today's awards build on [Governor DeSantis' earlier announcement](#) of more than \$226 million awarded for projects across 53 Florida counties, connecting more than 250,000 homes and businesses through the Broadband Opportunity Program. Additionally, Governor DeSantis [awarded more than \\$247 million](#) through the Broadband Infrastructure Program, connecting more than 59,000 unserved and underserved businesses, homes, farms and anchor institutions like hospitals and libraries to high-speed internet.

The federally funded Multipurpose Community Facilities Program supports the construction and rehabilitation of community facilities that provide important resources to Floridians to support workforce development, educational opportunities and access to healthcare in small and rural communities. Projects include community centers, health clinics, schools and workforce development programs serving Floridians across 18 counties.

Administered by FloridaCommerce, the Broadband Opportunity Program funds the installation and deployment of broadband internet infrastructure in unserved Florida communities, providing valuable access to telehealth, economic, educational and workforce development opportunities to offer a brighter future for all Floridians.

For a list of projects awarded through the Multipurpose Community Facilities Projects Program, [CLICK HERE](#).

For a list of projects awarded through the Broadband Opportunity Program, [CLICK HERE](#).

Multipurpose Community Facilities Projects Program Awards – February 2024

- **Centro Campesino Community Center (\$4,000,000)** — to renovate an existing multi-purpose service hub and add private offices for health monitoring, computer lab, and outdoor areas for recreation and other community activities; and ensure the facility is wholly equipped as a storm shelter/refuge during hurricanes or other natural disasters.
- **Osceola County Technology Center (\$4,000,000)** — to provide direct on-site services addressing the work, education, and health monitoring needs of the target community in Partnership with CareerSource Central Florida, County Library System and County/State Health Department and other health services organizations.
- **Gadsden County-Chattahoochee Library-Telehealth-Career Center (\$4,000,000)** — to renovate and expand the existing library structure. The project will help bridge the digital divide in Gadsden County addressing unmet internet access, technological, health monitoring, work and education needs identified by the Local Technology Planning Team to better position Gadsden County to compete in a technology-dependent environment.
- **SMART TECH Health Hub (\$4,000,000)** — to cater to the community's multifaceted needs by offering advanced technology with broadband Internet, pathways to STEM careers, and a floor dedicated to health services which includes access to vaccinations and telehealth in collaboration with local health agencies that will foster community progress and increased opportunities.
- **Madison County Community Center (\$3,994,600)** — to build a new facility that will increase access to public Internet, telehealth services, employment and re-employment education, workforce trainings, job fairs, and career conferences. Residents will be able to access needed resources for work, education, and health-related services at no cost to them.
- **Community Library and Technology Hub Enhancements (\$2,000,000)** — to renovate and expand an existing community center that will effectively serve a large portion of the community's low-income residents for educational support, employment training and opportunities, and telehealth needs. The project aims to establish a library and technology hub at the center.
- **Gadsden County-Havana-Telehealth-Career Center (\$2,000,000)** — to renovate a building to provide a dedicated telehealth and career center. The project will have spaces with Internet access to support health monitoring, work, and educational purposes.
- **POWER (\$4,000,000)** — to renovate an existing facility that will serve as a one-stop site for high-speed Internet and workforce readiness activities. The facility will provide access to a suite of CareerSource South Florida services, online and onsite educational programming, health monitoring via telehealth and a variety of services from community providers. The project will have a computer lab, training rooms, private telehealth rooms, and a wellness center.
- **Hastings Community Center and Library (\$4,000,000)** — to build a new facility in Hastings that will have services to enable education, workforce and health monitoring. The center aims to be the resource for multiple public functions and services including social services, disaster response, community events, recreation, and a public meeting space.