

TERM SHEET FOR HOME-ARP RENTAL DEVELOPMENT AGREEMENT BETWEEN:

I.M. Sulzbacher Center for the Homeless, INC. (“Developer”)

and

CITY OF JACKSONVILLE, a Florida municipal corporation (the “City”)

1. **The Project.** The development and construction of permanent supportive housing for chronically homeless individuals consisting of one hundred (100) units of rental housing known as Sulzbacher Enterprise Village and located at Walgreen Rd., 2,800 feet north of intersection of Golfair Blvd. and Walgreen Rd., Jacksonville, Duval County, Florida 32209 (“the Project”).
2. **Loan Amount.** The City will provide a forgivable loan (the “Loan”) of \$12,000,000.00 to the Borrower that shall be used solely and exclusively for the construction and permanent financing of the Project.
3. **Terms of Loan.** Deferred payment loan for the Developer’s construction of the Project in the principal amount of \$12,000,000.00. So long as there is no uncured default, the Borrower shall not be required to make any payments of principal or interest. The note will be forgiven at the later of: (a) by 5% of the original outstanding balance per year of documented compliance with the affordable housing and permanent supportive housing requirements beginning 12 months after the issuance of a certificate of occupancy for the Project or (b) by September 30, 2046.
4. **Collateral.** The loan shall be an unsecured obligation of I.M. Sulzbacher Center for the Homeless, Inc.
5. **Affordable Housing Requirements.** The rental units of the Project shall be occupied by households whose annual incomes do not exceed sixty percent (60%) of the Area Median Income for Duval County, Florida, as determined by the U.S. Department of Housing and Urban Development, with adjustments for smaller and larger families. All rental units that are to be constructed in connection with the Project shall remain affordable for a minimum term of twenty (20) years commencing on the date of Project completion or occupancy as documented by the certificate of occupancy and ending on the twentieth (20TH) anniversary.
6. **Disbursements.** The funds shall be disbursed based upon draw requests approved by the senior lender, Jacksonville Housing Finance Authority (the “Senior Lender”) or the Senior Lender’s loan servicer, and the City. Up to \$10,000,000 may be drawn during the construction phase, and an additional \$2,000,000 may be drawn as part of the permanent financing of the project, for tax compliance purposes. See the Sources of funding below:

Sources	Construction Financing	Permanent Financing
Tax Exempt Bonds	\$16,000,000	\$0.00
HOME ARPA	\$10,000,000	\$12,000,000
Tax Credit Equity	\$1,774,274	\$11,828,494
Other Grants/Private Funding	\$0.00	\$5,680,000
Deferred Developer Fee Total	\$2,824,116	\$1,089,896
TOTAL	\$30,598,390	\$30,598,390

7. **Duration of Funding.** Funding by the City shall commence on the effective date of the Home-ARP Contract between the City and the Developer and shall end on September 30, 2025. The City's obligation to fund disbursements to the Developer shall be limited to expenses incurred on or before September 30, 2025. The City's obligation to fund any and all disbursements to the Developer shall end 60 days thereafter. The City, at its sole discretion, may make payments by check to the Developer or as provided by the Senior Lender's loan servicer.
8. **Performance Schedule.** All construction of the Project must be completed by September 30, 2025.