JACKSONVILLE HOUSING FINANCE AUTHORITY

Jacksonville
Where Florida Begins.

TO: Gregory Pease, Chairman
Professional Services Evaluation Committee

FROM: Laura Stagner-Crites, Director - Finance
Jacksonville Housing Finance Authority

DATE: January 24, 2020

SUBJECT: Contract & Fee Negotiation - P-41-18 JHFA Trustee

The Jacksonville Housing Finance Authority RFP Review Subcommittee has completed its fee and contract negotiations with BNY Mellon Trust Company, N.A., which is the number one (1) ranked respondent to the above referenced RFP.

Accordingly, it is recommended that the Jacksonville Housing Finance Authority enter into a contract with BNY Mellon Trust Company, N.A., incorporating the attached RFP identified as "Exhibit "A" and incorporating the attached fee schedule identified as "Exhibit "B". Because these fees are paid out of the proceeds of the underlying issues, this contract will not be encumbered within the City's accounting system.

Services shall be provided for a period commencing on the date of contract execution and ending September 30, 2023, with an option for two (2) additional one-year periods. All terms and conditions of the contract shall be in accordance with the RFP and in the standard contractual language as is customary to the Jacksonville Housing Finance Authority.

Your favorable consideration to this request is appreciated. Thank you.

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Form 1 – Price Sheet

NAME OF CONSULTANT The Bank of New York Mellon Trust Company, N.A.

Proposal Number RFP # P-41-18

SCHEDULE OF PROPOSED PRICES/RATES

1. **Flat Fee** (payable upon completion of project or upon completion of listed deliverables):

   Please refer to our MultiFamily and Single Family fee schedules attached for complete pricing.

2. **Per Bond Rates** - These rates shall be expressed as X amount per $1,000 principal amount of bonds to be issued for (i) a hypothetical $20,000,000 single family bond issue (and whether the rates change the higher or lower the amount of the issue); and (ii) a hypothetical $20,000,000 multi-family project bond issue (and whether the rates change the higher or lower the amount of the issue), together with sub-contracting costs (if any – please specifically identify) and travel and reimbursable expenses. Please include any proposed minimum or maximum fee. It is understood and agreed that attendance at JHFA meetings and any City Council meetings is included in this fee.

   Please refer to our MultiFamily and Single Family fee schedules attached for complete pricing.

3. **Hourly Rates** - Set forth all present applicable hourly rates that you may charge during the term of the engagement for services rendered outside of a specific bond transaction, and identify the work if possible. For example, you may set forth hourly rates for partners, associates, paralegals, etc. Also, you may set forth hourly rates which differ based upon court preparation and court appearances, conference time, travel time, document drafting, etc. Do not use "blended" hourly rates.

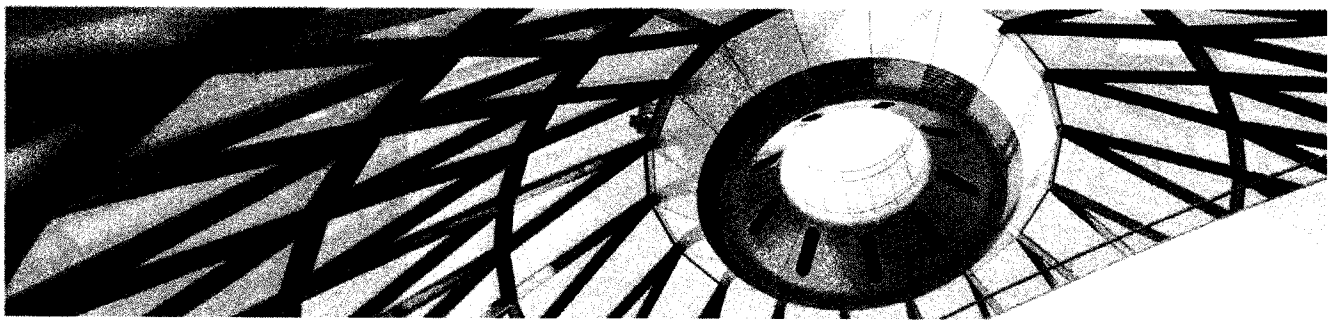
   Please refer to our MultiFamily and Single Family fee schedules attached for complete pricing.

4. **Reimbursable Expenses** - Your proposed reimbursable expenses should cover estimates for travel (air fare, meals, lodging, etc.), reproduction, postage, long distance telephone, air express charges, and other "out of pocket" reimbursable expenses, including any surcharge or billing charge associated therewith. Travel expenses will be adjusted in accordance with the City Ordinance Code and Rules promulgated thereunder. Also, include any substantial costs for services to be performed on a subcontracted basis.

   Please refer to our MultiFamily and Single Family fee schedules attached for complete pricing.

5. Estimated percentage of total fee to be performed by sub-contractors 0 %

   Proposed per bond rates, hourly rates and reimbursable expense estimates shall not be binding upon the JHFA. Any and all of the foregoing shall be subject to negotiation and mutual agreement except for travel reimbursement as specified in the Ordinance Code of the City of Jacksonville. The JHFA specifically reserves the right to negotiate, accept or reject any proposed per bond rates, hourly rates or reimbursable expenses which are not reasonable, necessary and acceptable to the JHFA.



Jacksonville Housing Finance Authority
RFP #P-41-18

Date: August 28, 2019

Presented By:

BNY Mellon Corporate Trust

Fee Schedule for Single Family Transactions for the following:

- Trustee
- Paying Agent
- Registrar
- Dissemination Agent
- Arbitrage Rebate Analyst

BNY MELLON

Fee Schedule - Single Family Transactions

Subject to the Terms and Disclosures below, upon appointment of The Bank of New York Mellon Trust Company, N.A. ("BNYM" or "us" or "affiliates" or "subsidiaries") in the roles as outlined within this Fee Schedule (this "Fee Schedule"), Jacksonville Housing Finance Authority ("Client") shall be responsible for the payment of the fees, expenses and charges as set forth herein. Fees are payable or accrue at the time of the execution of the governing documents (the "Transaction Documents") in connection with the closing of the transaction (the "Transaction") which is the subject of this Fee Schedule.

General Fees

Acceptance Fee	$3,500

The Transaction Acceptance Fee is payable at the time of the execution of the governing documents in connection with the closing of the transaction which is the subject of this Agreement (the "**Transaction**"), and compensates BNYM for the following: review of all supporting documents, initial establishment of the required accounts and Know Your Client checks.

Annual Trustee Administration Fee	2 Basis Points of Outstanding
Annual Minimum	Subject to minimum of $2,000 per Tranche

Annual fees of 2 basis points of bonds outstanding, subject to a minimum of $2,000 per Tranche, covers the duties and responsibilities related to account administration and bondholder services, which may include maintenance of accounts on various systems, collection and payment of principal and interest to bondholders, the preparation and distribution of any sinking fund redemption notices and the monitoring of issuer compliance. The fee is payable in arrears for the year and shall not be prorated.

Annual Paying Agent/Registrar Fee	Included in Trustee Fee

An annual charge covering the normal paying agent duties related to account administration and bondholder services. Our pricing is based on the assumption that the bonds are DTC-eligible/book-entry only. If the bonds are certificated or physical, an additional $1,000 per year will be added to the Annual Paying Agent Administrative fee. This fee is payable annually, in arrears.

Annual Tender Agent Fee	Included in Trustee Fee

An annual charge covering the normal administrative duties and responsibilities, assuming the issuance of book entry bonds.

Annual Dissemination Agent Fee	$250

An annual charge covering the normal dissemination agent duties that include but are not limited to determining the names and addresses of repositories, annually file the Annual Report, Audited Financial Statement with each National and State repository and upon receipt file a notice of material event to both National and State Repositories.

Investment Compensation

With respect to investments in money market mutual funds for which BNYM provides shareholder services, BNYM (or its affiliates) may receive fees from the mutual funds (or their affiliates) for shareholder services as set forth in the Authorization and Direction to Invest Cash Balances in Money Market Mutual Funds or other similar fees described in the fund prospectus.

Investment Agreement/Repurchase/Forward Purchase Agreement – Annual Fee, per agreement	(if applicable) $1,000

An annual fee for ongoing administration of each Investment Agreement, Repurchase Agreement or Forward Purchase Agreement.

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BNYM will assess a setup fee of $500 covering the review and negotiation of each agreement. The fees and expenses incurred by BNYM's Counsel in connection with its review and negotiation of each agreement will additionally be billed at the actual amount of fees and expenses charged by Counsel.

Counsel Fees - External	$6,000

If external legal counsel is retained by BNYM, a bill for the fees, expenses and disbursements of such external legal counsel will be sent to Client. Client will be billed for the actual amount of the fees, expenses and disbursements charged by external legal counsel for its services plus any applicable taxes, and such amount will be payable upon the closing of the Transaction. In the event that the Transaction is terminated prior to closing, Client will remain responsible for the payment of external counsel fees, expenses and disbursements incurred up to and including the termination date.

Arbitrage Rebate Calculations	$1,250 per annual report
(Available in an Annual or 5 Year Option)	$2,500 per 5 year report

Our arbitrage rebate compliance services are designed to help tax-exempt bond issuers and conduit borrowers comply with the yield restriction and arbitrage rebate requirements of Internal Revenue Code Section 148 and related Treasury Regulations. When BNYM is the trustee and/or paying agent for your tax-exempt bonds, we simplify the process and provide seamless arbitrage reporting and information. Payable upon delivery of calculation report.

Extraordinary Services/Miscellaneous Fees

The charges may be hourly or fixed for performing extraordinary or other services not contemplated at the time of the execution of the Transaction Documents or not specifically covered elsewhere in this schedule will be commensurate with the service to be provided and may be charged in BNY Mellon's sole discretion. If it is contemplated that BNY Mellon hold/and or value collateral, additional acceptance, administration and counsel review fees will be applicable to the agreement governing such services. If the bonds are converted to certificated form, additional annual fees will be charged for any applicable tender agent and/or registrar/paying agent services. Additional information will be provided at such time. If all outstanding bonds of a series are defeased or redeemed, or BNY Mellon is removed as paying agent prior to the maturity of the bonds, a termination fee may be assessed at that time.

Miscellaneous fees and expenses may include, but are not necessarily limited to supplemental agreements, tender processing, the preparation and distribution of sinking fund redemption notices, optional redemptions, failed remarketing processing, preparation of special or interim reports, UCC filing fees, auditor confirmation fees, wire transfer fees, Letter of Credit drawdown fees, transaction fees to settle third-party trades, and reconcilement fees to balance trust account balances to third-party investment provider statements. Counsel, accountants, special agents and others will be charged at the actual amount of fees and expenses billed. FDIC or other governmental charges will be passed along as incurred. Reimbursement will be required for any out-of-pocket expenses and will be invoiced to the Client at cost.

Client agrees to reimburse BNYM for extraordinary expenses incurred by it in connection with the Transaction to the extent permitted by law.

Unless specifically listed in this Fee Schedule, the fees, expenses and disbursements of BNYM legal counsel are not included in the charges listed above.

Default Administration

If a default occurs under the Transaction Documents, the services of each employee of BNYM administering such default will be charged at the prevailing hourly rate for default administration services as set out from time to time. In addition, all of BNYM's costs and expenses "including but not limited to any legal costs, travel costs and applicable taxes" shall be charged to Client.

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Negative Interest Rates – Charges

With respect to any funds invested by BNYM in connection with the Transaction, if: (i) any recognized overnight benchmark rate or any official overnight interest rate set by a central bank or other monetary authority is negative or zero; or (ii) any market counterparty or other institution applies a negative interest rate or any related charge to any account or balance of BNYM or any account or balance opened for You by BNYM, BNYM may apply a charge to any of Your accounts or balances. BNYM will give you prompt written notice of the application of any such charges. You acknowledge and agree that the application of such a charge by BNYM may cause the effective interest rate applicable to your account or balance to be negative, notwithstanding that one or more of the rates set by third parties specified in clauses (i) and (ii) above may be positive.

Terms and Disclosures

General

BNYM's final acceptance of its appointment pursuant to the Transaction Documents is subject to the full review and approval of all related documentation and standard Know Your Client procedures. In the event that this Transaction does not proceed with BNYM in the roles contemplated by this Fee Schedule and the Transaction Documents, Client will be responsible for payment of any external counsel fees and expenses and out-of-pocket expenses which BNYM may have incurred up to and including the termination date.

Client shall be responsible for filing any applicable information returns with the U.S. Department of Treasury, Internal Revenue Service in connection with payments made by BNYM to vendors who have not performed services for BNYM's benefit under the various bond or note issuances or other undertakings contemplated by this Fee Schedule.

The Bank of New York Mellon Corporation is a global financial organization that operates in and provides services and products to clients through its affiliates and subsidiaries located in multiple jurisdictions (the "BNY Mellon Group"). The BNY Mellon Group may (i) centralize in one or more affiliates and subsidiaries certain activities (the "Centralized Functions"), including audit, accounting, administration, risk management, legal, compliance, sales, product communication, relationship management, and the compilation and analysis of information and data regarding Client (which, for purposes of this provision, includes the name and business contact information for Client employees and representatives) and the accounts established pursuant to the Transaction Documents ("Client Information") and (ii) use third party service providers to store, maintain and process Client Information ("Outsourced Functions"). Notwithstanding anything to the contrary contained elsewhere in this Fee Schedule or the Transaction Documents and solely in connection with the Centralized Functions and/or Outsourced Functions, Client consents to the disclosure of, and authorizes BNY Mellon to disclose, Client Information to (i) other members of the BNY Mellon Group (and their respective officers, directors and employees) and to (ii) third-party service providers (but solely in connection with Outsourced Functions) who are required to maintain the confidentiality of Client Information. In addition, the BNY Mellon Group may aggregate Client Information with other data collected and/or calculated by the BNY Mellon Group, and the BNY Mellon Group will own all such aggregated data, provided that the BNY Mellon Group shall not distribute the aggregated data in a format that identifies Client Information with Client specifically. Client represents that it is authorized to consent to the foregoing and that the disclosure of Client Information in connection with the Centralized Functions and/or Outsourced Functions does not violate any relevant data protection legislation. Client also consents to the disclosure of Client Information to governmental and regulatory authorities in jurisdictions where the BNY Mellon Group operates and otherwise as required by law.

Please note the fees quoted in this Fee Schedule are based upon the information available at the present time. Further quotes may be provided once the structure of the deal has been finalized. Annual Fees cover a period of one year and any portion thereof and are not subject to pro-ration. Fees may be subject to adjustment during the life of the engagement.

Advance Fees

BNYM requires that Client agree to the fees quoted in this Fee Schedule prior to the commencement of any work or the provision of any services by BNYM in relation to the Transaction. In the event that BNYM provides any services to Client prior to your agreement to the fees quoted herein, the commencement of such work or the provision of such services shall not be deemed to constitute a waiver of the fees listed in this Fee Schedule. BNYM reserves the right to cease providing services until such time as

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Client agrees to the fees quoted herein. BNYM reserves the right to request that any and all fees due and payable pursuant to this Fee Schedule and related in any way to the Transaction are paid in advance (either in whole or in part) prior to the provision of any services.

Acceptance/Revocation of Offer

You may agree to the fees quoted herein by (i) executing this Fee Schedule and returning it to us, (ii) closing the Transaction, or (iii) instructing us or continuing to instruct us after receipt of this Fee Schedule. Upon the earlier to occur of (i), (ii) and (iii), the fees quoted herein shall be deemed accepted by you. If you agree to the fees quoted herein, the terms of this Fee Schedule shall supersede any prior fees quoted with respect to the Transaction. BNYM may revoke the terms of this Fee Schedule if the Transaction does not close within three months from the date of this Fee Schedule. Should the Transaction fail to close for any reason, a termination fee equal to BNYM's Acceptance Fee, any external counsel fees, expenses and disbursements and all out-of-pocket expenses will apply.

Confidential Information

Except as otherwise provided by law, all information provided to Client by BNYM must remain confidential and may not be intentionally disclosed, reproduced, copied, published, or displayed in any form to any third party without BNYM's prior written approval.

Client Notice Required By the USA Patriot Act

To help the U.S. government fight the funding of terrorism and money laundering activities, US Federal law requires all financial institutions to obtain, verify and record information that identifies each person (whether an individual or organization) for which a relationship is established. When Client establishes a relationship with BNYM, we will ask Client to provide certain information (and documents) that will help us to identify Client. We will ask for your organization's name, physical address, tax identification or other government registration number and other information that will help us identify Client. We may also ask for a Certificate of Incorporation or similar document or other pertinent identifying documentation for your type of organization.

Jacksonville Housing Finance Authority hereby accepts and agrees to the fees and the terms and conditions set forth in this Fee Schedule.

By: _____

Name: _____ (***Print name in full***)

Title: _____

Date: _____

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