

FLORIDA HOUSING FINANCE CORPORATION

Board Meeting

April 27, 2012

Consent Items



PUBLIC HOUSING MITIGATION INITIATIVE (PHMI)

Consent

I. PUBLIC HOUSING MITIGATION INITIATIVE (PHMI)

A. Request Approval of Credit Underwriting Report for Arcadia Housing Authority (RFP 2009-07-01)

Public Housing Authority (“PHA”):	Arcadia Housing Authority
Location:	Desoto County
Number of Units ≥ 30 Years Old:	69
Grant Amount:	\$79,028

1. Background/Present Situation

- a) On November 13, 2009, Florida Housing Finance Corporation issued a request for proposal (RFP) for the Public Housing Mitigation Initiative to assist in the preservation and rehabilitation of dwellings which are 30 years or older under control by Public Housing Authorities.
- b) On January 22, 2010, the Board approved the final scores and ranking and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 5, 2010, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Public Housing Mitigation Initiative funds in the amount of \$79,028 to Arcadia Housing Authority.
- d) On March 29, 2012, staff received a credit underwriting report with a positive recommendation for a Public Housing Mitigation Initiative grant in the amount of \$79,028 ([Exhibit A](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFP 2009-07.

2. Recommendation

Approve the final credit underwriting report and direct staff to proceed with issuance of a firm commitment and closing activities.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

II. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Approval of PLP Loan for Ashley Oaks, LLC, a Not-for-Profit Entity, for Beaver Street Villas (2011-004P-09)

DEVELOPMENT NAME (“Development”):	Beaver Street Villas
APPLICANT/DEVELOPER (“Developer”):	Ashley Oaks, LLC
CO-DEVELOPER:	Clara White Mission
NUMBER OF UNITS:	16
LOCATION (“County”):	Duval County
TYPE:	Rental, homeless
SET ASIDE:	20% @ or below 50% AMI
PLP LOAN AMOUNT:	\$374,128
ADDITIONAL COMMENTS: This is a proposed rehabilitation of an existing building	

1. Background

- a) On November 9, 2011, Florida Housing received a PLP Application from the Applicant for Beaver Street Villas, a property that is proposed for redevelopment in Duval County.
- b) On November 21, 2011, Florida Housing issued an Invitation to Participate in the PLP to the Developer and assigned them to work with a technical assistance provider (TAP).

2. Present Situation

- a) The TAP has submitted a letter ([Exhibit A](#)) and Development Plan ([Exhibit B](#)) recommending a loan amount of \$374,128 for PLP eligible activities. Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.

3. Recommendation

Approve the PLP Loan in the amount of \$374,128 to Ashley Oaks, LLC, a Not-for-Profit Entity, for Beaver Street Villas for eligible predevelopment expenses as recommended by the TAP and allow staff to issue the Commitment Letter and commence with loan closing proceedings on the PLP Loan in an amount up to \$374,128.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Request Approval of PLP Loan for The ARC Jacksonville, Inc., a Not-for-Profit Entity, for Hodges Village (2011-003P-09)

DEVELOPMENT NAME (“Development”):	Hodges Village
APPLICANT/DEVELOPER (“Developer”):	The ARC Jacksonville, Inc.
CO-DEVELOPER:	Vestcor Companies
NUMBER OF UNITS:	100
LOCATION (“County”):	Duval County
TYPE:	Rental, Persons with Developmental Disabilities
SET ASIDE:	20% @ or below 50% AMI
PLP LOAN AMOUNT:	\$500,000

1. Background

- a) On September 26, 2011, Florida Housing received a PLP Application from the Applicant for Hodges Village, a property that is proposed for development in Duval County.
- b) On October 13, 2011, Florida Housing issued an Invitation to Participate in the PLP to the Developer and assigned them to work with a technical assistance provider (TAP).

2. Present Situation

The TAP has submitted a letter ([Exhibit C](#)) and Development Plan ([Exhibit D](#)) recommending a loan amount of \$500,000 for PLP eligible activities. Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.

3. Recommendation

Approve the PLP Loan in the amount of \$500,000 to ARC Jacksonville, Inc., a Not-for-Profit Entity, for Hodges Village for eligible predevelopment expenses as recommended by the TAP and allow staff to issue the Commitment Letter and commence with loan closing proceedings on the PLP Loan in an amount up to \$500,000.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

C. Request Approval of Maturity Extension, Reduction in Units and De-Obligation of Remaining Funds on PLP Loan for MBCDC: The London, LLC, a Not-for-Profit Entity, for the London Apartments (05-123)

DEVELOPMENT NAME (“Development”):	The London Apartments
APPLICANT/DEVELOPER (“Developer”):	MBCDC: The London, LLC
CO-DEVELOPER (“Co-Developer”)	N/A
NUMBER OF UNITS:	30 (total for both phases)
LOCATION (“County”):	Miami-Dade County
TYPE:	Rental, Family
SET ASIDE:	60% at or below 60% AMI
PLP LOAN AMOUNT:	\$500,000
ADDITIONAL COMMENTS: The Board previously approved this development being completed, and repaid, in two phases.	

1. Background

- a) On March 14, 2008, Florida Housing approved a PLP Loan in the amount of \$500,000 for the Applicant for Ridgewood Apartments.
- b) On May 29, 2009, the Developer closed on the loan.
- c) On June 10, 2011, the Board approved a one year loan extension to May 29, 2012.
- d) The Developer has drawn a total of \$292,269. The remaining loan funds total \$207,731.
- e) On September 1, 2011 the Board granted a rule waiver to the developer to allow for the two buildings in the development to be treated as separate phases due to the developer having secured construction (rehabilitation) financing for one of the buildings. This waiver allows for the developer to repay the prorated amount of the PLP loan (\$76,977.12) upon closing on the financing in May 2012 for Phase 1 while funding is still being pursued for Phase 2.

2. Present Situation

- a) The Developer has secured financing for Phase 1 of the development and will begin construction in 2012 with completion scheduled for 2013. Phase 2 funding is being pursued and is anticipated to be secured later in 2012.
- b) In order to prevent the loan from maturing and to continue pursuit of funding for phase 2, the Developer is requesting a one year extension to the loan maturity date ([Exhibit E](#)).

PREDEVELOPMENT LOAN PROGRAM (PLP)

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- c) In addition to the maturity extension request, a requirement of the City of Miami Beach's Neighborhood Stabilization Program (NSP), which is providing financing for Phase 1, requires a minimum size for each unit which forces a reduction in the number of units that can be accommodated within the existing structures from 30 to 24 total for both phases. Phase 1 which originally consisted of 10 units will now consist of 6 units, while Phase 2 will be reduced from 20 to 18 units. Staff has reviewed the grant funding agreement for the NSP funds between the City of Miami Beach and the Developer and confirmed this unit configuration requirement.
- d) The developer has also determined that the remaining PLP funds in the amount of \$207,731 will not be necessary in order to complete the development.
- e) The TAP has reviewed this request and has provided a letter ([Exhibit F](#)) and a revised development plan ([Exhibit G](#)) recommending the one year extension to the loan maturity date, the reduction in units from 30 to 24 and the de-obligation of remaining PLP funds.

3. Recommendation

Approve a one year loan maturity extension for the PLP Loan (both phases) from May 29, 2012 to May 29, 2013; the reduction in units from 30 to 24; and the de-obligation of remaining PLP funds for The London Apartments, and allow staff to begin the amendment and execution of loan documents.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

D. Request Approval of Maturity Extension of PLP Loan for MTZ Carver, LLC, a Not-for-Profit Entity, for the Carver Apartments and Shoppes (07-164)

DEVELOPMENT NAME (“Development”):	Carver Apartments and Shoppes
APPLICANT/DEVELOPER (“Developer”):	MTZ Carver, LLC
NUMBER OF UNITS:	10
LOCATION (“County”):	Miami-Dade County
TYPE:	Rental
SET ASIDE:	60% at or below 60% AMI
PLP LOAN AMOUNT:	\$412,978

1. Background

- a) On March 13, 2009, Florida Housing approved a PLP Loan in the amount of \$412,978 for the Applicant for the Carver Apartments and Shoppes.
- b) On May 8, 2009, the Developer closed on the non-site acquisition portion of the loan in the amount of \$152,978. The Developer closed on the site acquisition portion of the loan in the amount of \$260,000 on October 15, 2009.
- c) To date, the Developer has drawn \$380,127.95.

2. Present Situation

- a) The Developer has the following construction financing commitments: \$670,000 in the form of a grant from Southeast Overtown/Park West Community Redevelopment Agencies (CRA); \$624,400 in the form of a forgivable HOME loan from the City of Miami; and a \$410,884 permanent loan from the Florida Community Loan Fund.
- b) The Developer will close on the CRA grant in order to begin rehabilitation that is necessary to increase the loan to value of the property to 85% which is required prior to closing on the permanent loan from the Florida Community Loan Fund. Once the rehabilitation process is completed, which is anticipated to occur in November 2012, the Developer will close on the HOME loan and the permanent loan simultaneously and will repay the PLP loan in full.
- c) In order to allow for this process to be completed, the Developer has requested a one-year extension to the maturity date on the loan ([Exhibit H](#)).
- d) The TAP has reviewed this request and is supporting the one year extension to the loan maturity date ([Exhibit I](#)).

3. Recommendation

Approve the one year loan maturity extension for the PLP loan for the Carver Apartments and Shoppes from May 8, 2012 to May 8, 2013 and allow staff to begin the amendment and execution of loan documents.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

III. PROFESSIONAL SERVICES SELECTION (PSS)

A. Environmental Engineers Contract Renewal

1. Background

- a) At its June 2008 meeting, the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with Malcolm Pirnie, Genesis Group, Florida Planning Group and Professional Services Industries to provide Environmental Engineering Services.
- b) The initial term of the contracts began in July 2008 for a three year term and expired in July of 2011. Contingent upon Environmental Engineers satisfactorily performing their obligations under the contract as determined by Florida Housing, the contracts may be renewed twice. Each renewal shall be for an additional one (1) year period. In April 2011, the Board gave permission to renew the contracts for the initial one-year period. These contracts were renewed in June 2011.

2. Present Situation

Florida Housing staff supports a renewal to extend the term of the contract for the final one-year period for the following firms: Malcolm Pirnie, Genesis Group, Professional Services Industries and Florida Planning Group.

3. Recommendation

Staff believes that it is in the best interests of Florida Housing to continue to retain all environmental engineers and recommends the Board direct staff to proceed with the final contract renewal.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

B. Printing, Binding, Shipping and Electronic Transmission of Preliminary and Final Official Statements Services Contract Renewal

1. Background

- a) On May 29, 2008, Florida Housing entered into a contract with ImageMaster, Inc. to provide services for the printing, binding, shipping, and electronic transmission of preliminary and final official statements.
- b) The original term was for a period three years and expired on May 29, 2011. The contract allows an option to renew on a yearly basis for a period of up to two (2) years. The contract was renewed in 2011 for the initial one-year period.

2. Present Situation

Florida Housing staff supports a renewal to extend the term of the contracts for the final one-year period.

3. Recommendation

Staff believes that it is in the best interests of Florida Housing to continue to retain ImageMaster, Inc., and recommends that the Board direct staff to proceed with the initial renewal. If the need arises for any amendments to the substance of the contracts, such changes will be brought to the Board for approval.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

C. **Printing/Copying Contract Renewal**

1. **Background**

Florida Housing entered into a contract with Rapid Press for printing services on May 29, 2009. Fla. Admin. Code, R. 67-49.002(b) provides that when the purchase price of commodities or contractual services exceeds or is estimated to exceed \$25,000 in any twelve (12) month period, purchases of these commodities or contractual services, except as otherwise provided in subsection 67-49.002(4),(5) and (6), must be made pursuant to an Invitation to Bid, Invitation to Negotiate, Request for Proposals, or Request for Qualifications.

2. **Present Situation**

The initial term of the contracts began in May of 2009 for a three year term and will expire in May of 2012. Contingent upon Rapid Press satisfactorily performing their obligations under the contract as determined by Florida Housing, the contracts may be renewed twice. Each renewal shall be for an additional one (1) year period.

3. **Recommendation**

Florida Housing requests permission to extend the contracts in May of 2012 with Rapid Press for the initial one-year renewal period.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

IV. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Credit Underwriting Letter for Westwood Apartments (2011-05-10)

Development Name:	Westwood Apartments
Developer/Principal:	TWC Seventy-Five, Ltd./The Wilson Company
Number of Units:	288
Location :	Lee County
Type/Demographic:	Rental/Family (MMRB, Guarantee/HUD-Risk, HC and SMI)
Set-Aside:	50% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)
Allocated Funding Amount:	MMRB 2001 Series A1 & A2 \$9,465,000 Tax-Exempt Bonds and \$4,780,000 Taxable Bonds \$664,704 Housing Credits \$693,328 Subordinate Mortgage Initiative (SMI)
SAIL ELI Funding under RFP 2011-05 not to exceed:	\$5,400,000

1. Background/Present Situation

- a) On October 21, 2011, Florida Housing staff issued RFP 2011-05 to award SAIL ELI funding to Applicants where the Applicant's development had a mortgage note guaranteed by the Florida Affordable Housing Guarantee Program which closed by September 30, 2003, and the Applicant committed to provide additional ELI set-aside units. The deadline for receipt of Responses was Wednesday, November 9, 2011.
- b) On December 9, 2011, the Board approved the award list of RFP 2011-05 and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 30, 2011, staff issued a preliminary commitment and an invitation to enter credit underwriting for SAIL Funding under RFP 2011-05 for units set-aside for ELI Households.
- d) On April 9, 2012, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI loan in the amount of \$5,400,000 ([Exhibit A](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2011-05.

2. Recommendation

Approve the credit underwriting letter and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval of Credit Underwriting Letter for San Marco (RFP 2011-05-14)

Development Name:	San Marco
Developer/Principal:	Cornerstone Group Development, LLC
Number of Units:	260
Location :	Volusia County
Type/Demographic:	Rental/Family (Guarantee and HC)
Set-Aside:	90% @ 60% AMI (HC)
Allocated Funding Amount:	\$14,100,000 Housing Finance Authority of Volusia County Bonds \$590,799 Housing Credits \$501,336 Subordinate Mortgage Initiative (SMI)
SAIL ELI Funding under RFP 2011-05 not to exceed:	\$3,375,000

1. Background/Present Situation

- a) On October 21, 2011, Florida Housing staff issued RFP 2011-05 to award SAIL ELI funding to Applicants where the Applicant’s development had a mortgage note guaranteed by the Florida Affordable Housing Guarantee Program which closed by September 30, 2003, and the Applicant committed to provide additional ELI set-aside units. The deadline for receipt of Responses was Wednesday, November 9, 2011.
- b) On December 9, 2011, the Board approved the award list of RFP 2011-05, and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 30, 2011, staff issued preliminary commitments and invitations to credit underwriting to the awardees. San Marco did not yet qualify to receive a preliminary commitment and invitation to credit underwriting.
- d) On February 6, 2012, staff issued an at risk invitation to credit underwriting to San Marco at the Developer’s request.
- e) On March 16, 2012, the Board denied funding to an awardee who had been issued a preliminary commitment and invitation to credit underwriting. The returned award was re-allocated in accordance with the guidelines of RFP 2011-05.
- f) On March 27, 2012, staff issued a preliminary commitment and an invitation to enter credit underwriting to San Marco for SAIL Funding under RFP 2011-05 for units set-aside for ELI Households for up to \$2,100,000 in partial funding.
- g) On April 10, 2012, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI loan in the amount of \$2,100,000 ([Exhibit B](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2011-05.

2. Recommendation

Approve the credit underwriting letter and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

SPECIAL ASSETS

Consent

V. SPECIAL ASSETS

A. Request Approval of the Extension of the SAIL Loan for Homestead Housing Partnership II, Ltd., a Florida Limited Partnership, for San Sherri Villas (93HRR-001/96L-005)

Development Name: San Sherri Villas (“Development”)	Location: Miami-Dade County
Developer/Principal: Richman Group (“Developer”); Homestead Housing Partnership II, Ltd. (“Borrower”)	Set-Aside: SAIL and HC 10% @ 40%, 15% @ 45%, 20% @ 50% & 55% @ 60% AMI; LURA & EUA: 50 years
Number of Units: 80	Allocated Amount: SAIL \$2,373,200; HC \$670,096
Demographics: Family	Servicer: First Housing

1. Background

During the 1993 SAIL/HRR (State Apartment Incentive Loan/Hurricane Andrew Recovery and Rebuilding Program) Cycle, Florida Housing awarded a \$2,373,200 construction/permanent loan to Homestead Housing Partnership II, Ltd., a Florida Limited Partnership (“Borrower”), for the development of an 80-unit development in Miami-Dade County. The SAIL loan closed on February 19, 1996, and matured on February 19, 2012. The Development also received a 1996 allocation of low-income housing tax credits of \$670,096.

2. Present Situation

The Borrower has requested approval to extend the SAIL loan, at its current terms, to February 19, 2013, to allow time for refinancing of the Development. The Borrower has agreed to an extension of the LURA term equal to the loan extension (adding one year to the current 50 years).

3. Recommendation

Approve the extension of the SAIL loan, at its current terms, to February 19, 2013, extend the LURA for an additional year, and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

- B. Request Approval to Subordinate the Extended Use Agreement to New First Mortgage Financing for Buena Vista at Cypress Point, LP, a Florida Limited Partnership, for Buena Vista Pointe Apartments (92L-017)**

Development Name: Buena Vista Pointe Apartments (“Development”)	Location: Orange County
Developer/Principal: Banyan (“Developer”); Buena Vista at Cypress Point, LP (“Owner”)	Set-Aside: HC 100% @ 60% AMI EUA 30 years
Number of Units: 324	Allocated Amount: HC \$1,351,723
Demographics: Family	Servicer: First Housing

1. Background

There is no FHFC debt on this property. The first mortgage is currently financed with a conventional loan through Fannie Mae. In 1992, Buena Vista at Cypress Point, LP received an allocation of low-income housing tax credits for the development of a 324-unit apartment complex in Orange County, Florida. The annual tax credits were \$1,351,723.

2. Present Situation

By correspondence dated April 9, 2012, the Owner requests consent from the Board to subordinate the Housing Credit Extended Use Agreement (HC EUA) to the new first mortgage. The existing first mortgage will be refinanced using HUD 223(f) financing. There is no need for credit underwriting of this request as there are no FHFC loans on the property.

3. Recommendation

Approve the subordination of the HC EUA to the new first mortgage and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

- C. **Request Approval to Refinance the First Mortgage for TWC Ninety-One, Ltd., a Florida Limited Partnership, for Willow Lake (MR1997J1&2/GUAR 73/RISK/SAIL ELI RFP 2010-16-16/1998-503C)**

Development Name: Willow Lake (“Development”)	Location: Orange County
Developer/Principal: The Wilson Company (“Developer”)/TWC Ninety-One, Ltd. (“Borrower”)	Set-Aside: MMRB 50% @ 60%; HC 100% @ 60%; ELI 15% @ 33% AMI LURA: 15 years; ELI: 15 years; EUA: 50 years
Number of Units: 428	Allocated Amount: MMRB \$20,580,000; ELI \$4,875,000; HC \$1,441,055
Demographics: Large Family	Servicer: First Housing Development Corporation

1. **Background**

- a) During the 1997 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a first mortgage of FHFC issued bonds in the original amount of \$20,580,000 to TWC Ninety-One, Ltd., a Florida Limited Partnership (“Borrower”), for the development of a 428-unit apartment complex in Orange County, Florida. The Borrower also received a second mortgage SAIL ELI loan of \$4,875,000.
- b) The Multifamily Revenue Bonds (“MMRB”) loan closed on December 1, 1997, and is scheduled to mature on January 1, 2038. The SAIL ELI loan closed on March 28, 2011, and will mature on March 28, 2026. The Development is HUD risk sharing with Florida Housing’s Guarantee Program (“Guarantee Program”). The Development also received a 1998 allocation of low-income housing tax credits of \$1,441,055.

2. **Present Situation**

- a) The Borrower requests consent from the Board to refinance the existing first mortgage. The Borrower intends to obtain a HUD insured 223(f) program first mortgage loan originated by First Housing Development Corporation, the proceeds of which will be utilized to satisfy the existing first mortgage, redeeming the underlying bonds and effectively terminating the mortgage guaranty issued by the Guarantee Program and its associated financial risk to FHFC. The Borrower also requests that the term of the SAIL ELI loan be extended to meet the requirements of the new first mortgage. As necessary to facilitate the refinance, MMRB loan documents may need to be modified and extended. The SAIL ELI loan, MMRB LURA, and HC EUA also need to be subordinated to the new first mortgage.
- b) Staff has received a credit underwriting report ([Exhibit A](#)) providing a positive recommendation for approval for the new financing, subordination of the SAIL ELI loan, MMRB LURA, and HC EUA to the new first mortgage, extension of the SAIL ELI loan term, and modification and extension of MMRB loan documents as necessary.

SPECIAL ASSETS

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3. **Recommendation**

Approve the refinancing of the first mortgage, extension of the SAIL ELI loan, subordination of the SAIL ELI loan, MMRB LURA, and HC EUA to the new first mortgage, and modification and extension of MMRB loan documents as necessary subject to the conditions outlined in the credit underwriter's report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

- D. **Request Approval to Refinance the First Mortgage, Restructure General Partnership Interest, and Release the Guaranties for Aswan Village Associates, LLC, a Florida Limited Partnership, for Aswan Village Apartments (2003-026S/2004-506C)**

Development Name: Aswan Village Apartments (“Development”)	Location: Miami-Dade County
Developer/Principal: Bank of America CDC; Aswan Village Associates, LLC (“Borrower”)	Set-Aside: SAIL 5% @ 30%, 95% @ 60%; HC 100% @ 60% AMI LURA 50 years; EUA 50 years
Number of Units: 216	Allocated Amount: SAIL \$2,000,000; HC \$637,828
Demographics: Family	Servicer: First Housing Development Corporation

1. **Background**

During the 2003 funding cycle, Florida Housing awarded a \$2,000,000 SAIL loan to Aswan Village Associates, LLC, a Florida Limited Partnership (“Borrower”), for the development of a 216-unit apartment complex in Miami-Dade County, Florida. The State Apartment Incentive Loan (“SAIL”) loan closed on July 28, 2005, and will mature on July 1, 2036. The Development also received a 2004 allocation of low-income housing tax credits of \$637,828.

2. **Present Situation**

- a) By correspondence dated January 24, 2012, the Borrower requests consent from the Board to refinance the existing first mortgage, subordinate the SAIL loan to the new first mortgage, extend the term of the SAIL loan to be co-terminus with the new first mortgage and extend the SAIL Land Use Restriction Agreement (“LURA”) by an equal time.
- b) The Borrower also requests approval to transfer the membership interest in Aswan Development Associates, LLC, the general partner, from Banc of America Community Development Corporation to Hallkeen Management, Inc. or its affiliate. Opa Locka Community Development Corporation, the co-member, will also transfer 2% of its interest to Hallkeen Management, Inc. or its affiliate.
- c) The Borrower further requests that the existing guaranties provided by Banc of America Community Development Corporation be released. These guaranties will be replaced by guaranties from Hallkeen Management, Inc. or its affiliate.
- d) Staff received a credit underwriting report ([Exhibit B](#)) from First Housing Development Corporation recommending approval for the new financing, subordination of the SAIL loan to the new first mortgage, extension of the SAIL loan term and extension of the SAIL LURA affordability period for the SAIL loan, the restructure of the general partnership interest, and the release of guaranties.

SPECIAL ASSETS

Consent

3. **Recommendation**

Approve the refinancing of the first mortgage and extension of the SAIL loan, extension of the SAIL LURA for an additional amount of time equal to the term of the loan extension, subordination of the SAIL loan to the new first mortgage, the restructure of the general partnership interest, and the release of guaranties, subject to the conditions outlined in the credit underwriter's report and verification of the required SAIL pay down amount per Rule 67-48, all subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities.