

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
December 13, 2013
Consent Items



AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Consent

I. AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

A. Request Approval of Credit Underwriting Update Letter for Cypress Cove Apartments (2009-047CTX)

Development Name: Cypress Cove Apartments (“Development”)	Location: Polk County
Developer/Principal: Pinnacle Housing Group, LLC & Rural Neighborhoods, Inc. (“Developer”)	Set-Aside: 40% @ 40% AMI & 60% @ 60% AMI
Number of Units: 80	Tax Credit Assistance Program: \$3,805,167
Type: Garden Style	Tax Credit Exchange Program: \$10,242,500
Demographics: Farmworker	MMRB: N/A

1. Background/Present Situation

- a) On April 7, 2010, a Tax Credit Assistance Program (TCAP) loan in the amount of \$3,805,167 (consisting of TCAP non-Supplemental for \$2,995,167, TCAP Supplemental of \$680,000 and HOME of \$130,000) and a Tax Credit Exchange Program (TCEP) loan in the amount of \$10,242,000 closed for this 80 unit farmworker development in Polk County.
- b) On November 22, 2013, staff received a credit underwriting update letter with a positive recommendation for the release of Pinnacle Housing Group, LLC and its affiliates from all guarantees and to allow the withdrawal of the Pinnacle Housing co-general partner from the borrowing entity with an interest rate reduction on the outstanding TCAP non-Supplemental loan and HOME loan to 0% corresponding to the non-profit status of Rural Neighborhoods, Inc. ([Exhibit A](#)). Staff has reviewed this letter and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C., and RFP 2009-04.

2. Recommendation

Approve the credit underwriting update letter subject to the conditions outlined in the letter 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.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Consent

B. Request Approval of Credit Underwriting Update Letter for Orchid Grove Apartments (2009-061CTX)

Development Name: Orchid Grove Apartments (“Development”)	Location: Miami-Dade County
Developer/Principal: Pinnacle Housing Group, LLC & Rural Neighborhoods, Inc. (“Developer”)	Set-Aside: 20% @ 33% AMI, @ 20% @ 40% AMI & 60% @ 60% AMI
Number of Units: 80	Tax Credit Assistance Program: \$3,546,467
Type: Garden Style	Tax Credit Exchange Program: \$12,674,248
Demographics: Farmworker/Commercial Fishing Worker	MMRB: N/A

1. Background/Present Situation

- a) On April 29, 2010, a Tax Credit Assistance Program (TCAP) loan in the amount of \$3,546,467 (consisting of TCAP non-Supplemental for \$2,750,567, TCAP Supplemental of \$680,000 and HOME of \$115,900) and a Tax Credit Exchange Program (TCEP) loan in the amount of \$12,674,248 closed for this 80 unit farmworker/commercial fishing worker development in Miami-Dade County.
- b) On November 22, 2013, staff received a credit underwriting update letter with a positive recommendation for the release of Pinnacle Housing Group, LLC and its affiliates from all guarantees and to allow the withdrawal of the Pinnacle Housing co-general partner from the borrowing entity with an interest rate reduction on the outstanding TCAP non-Supplemental loan and HOME loan to 0% corresponding to the non-profit status of Rural Neighborhoods, Inc. ([Exhibit B](#)). Staff has reviewed this letter and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C., and RFP 2009-04.

2. Recommendation

Approve the credit underwriting update letter subject to the conditions outlined in the letter 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.

COMMUNITY WORKFORCE HOUSING INNOVATION PILOT (CWHIP) PROGRAM

Consent

II. COMMUNITY WORKFORCE HOUSING INNOVATION PILOT (CWHIP) PROGRAM

A. Request for Deobligation of CWHIP funds for The Village at Portofino Meadows / 2007-047W

1. Background

- a) On May 2, 2008, the Board approved the final rankings for the 2007 Community Workforce Housing Innovation Pilot (CWHIP). Florida Housing issued the Applicant an invitation into credit underwriting on November 13, 2008.
- b) On April 24, 2009, the Developer was advised that their preliminary commitment of CWHIP funds was being de-obligated, pursuant to the implementation of 67ER09-4, FAC.
- c) Due to the withdrawal of another project, \$2,500,000 in CWHIP funds was offered to the Developer on August 17, 2012 as the project was the next highest ranking unfunded eligible 2007 CWHIP Development.
- d) On September 20, 2013, the Developer was granted an extension of the credit underwriting report period until August 17, 2014, contingent on receipt of 1% extension fee.

2. Present Situation

On November 15, 2013, the Developer advised program staff via email, attached as [Exhibit A](#), that they would not be proceeding with the CWHIP Development.

3. Recommendation

Staff recommends that the Board deobligate the CWHIP funds.

HOUSING CREDITS

Consent

III. HOUSING CREDITS

A. Request Approval to Minimally Exceed Subcontractor Cost Limit for City Crossings (2011-090C / 2013-014C)

Development Name:	City Crossings
Developer/Principal:	Landmark Development Corporation
Location :	Miami-Dade County
Type/Demographic:	Family
Set-Aside:	10% @ 28% AMI and 90% @ 60% AMI
Allocated Amount:	\$2,561,000.00

1. Background/Present Situation

- a) City Crossings (2011-090C / 2013-014C) is a Competitive Housing Credit, New Construction Development providing 103 set-aside units in Miami-Dade County, Florida. City Crossings was invited to enter credit underwriting on November 7, 2012. Subsequently, Florida Housing issued an allocation of \$2,561,000 in Housing Credits to City Crossings in March of 2013.
- b) The Developer has requested Board approval, required by Rule 67-48.0072(17)(f), to allow one subcontractor (L&R) to receive more than 20% of construction cost.
- c) First Housing Development Corporation engaged GLE Facilities and Environmental Consultants (“GLE” or “Construction Consultant”) to perform a Plan & Cost Analysis (“PCA”) of the Development. GLE issued a preliminary that indicates the building shell subcontractor is to receive 29% of the total contract price. GLE opines that this is not uncommon for a high-rise project.
- d) Given the above opinion, First Housing has provided a positive recommendation ([Exhibit A](#)) to this request as long as satisfactory insurance and bonding protection is provided from the general contractor.

2. Recommendation

Approve the request to allow the 20% subcontractor limit to be exceeded as referenced above.

MULTIFAMILY BONDS

Consent

IV. MULTIFAMILY BONDS

A. Request Approval of the Transfer of Ownership Interest and the Subordination of the Land Use Restriction Agreement (LURA) for Chapel Trace

Development Name: Chapel Trace	Location: Orange County
Development Owner: Chapel Trace, Ltd.	Set-Asides: 50% @ 60% AMI MMRB 100% @ 60% AMI HC 100% @ 120% AMI GUAR
Funding Source: Multi-Family Housing Revenue Bonds (MMRB), 4% Housing Credits, Guarantee/HUD Risk	Amount: \$16,220,000 Tax Exempt Bonds \$838,543 Housing Credits
Number of Units: 312	Type: Rental/Family (MMRB)

1. Background

Florida Housing financed the construction of the above referenced Development in 2003 with \$16,220,000 in tax exempt bonds designated as 2003 Series C. In addition, \$838,543 in tax credits was allocated to this Development.

2. Present Situation

In a letter dated November 11, 2013, Chapel Trace, Ltd. has requested Florida Housing's consent to transfer the ownership interest of its general partner from Wells Fargo Bank, NA to Orlando Leased Housing Associates III, LLC ([Exhibit A](#)). The letter also notified that the limited partner interest will transfer from Wells Fargo Bank, NA to Orlando Leased Housing Associates LP III, LLC. In addition, approval is requested for subordination of the LURA and EUA to the new mortgage liens.

3. Recommendation

That the Board approve the transfer of ownership, the assumption and subordination of the LURA and EUA subject to approval by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

B. Request Approval of the Transfer of Ownership Interest and the Subordination of the Land Use Restriction Agreement (LURA) for Grande Pointe Apartments

Development Name: Grande Pointe Apartments	Location: Orange County
Development Owner: Grande Pointe Associates, Ltd.	Set-Asides: 50% @ 60% AMI MMRB 100% @ 60% AMI HC 100% @ 120% AMI GUAR
Funding Source: Multi-Family Housing Revenue Bonds (MMRB), 4% Housing Credits, Guarantee/HUD Risk/SMI	Amount: \$12,985,000 Tax Exempt Bonds \$777,803 Housing Credits \$669,145 SMI
Number of Units: 276	Type: Rental/Family (MMRB)

1. Background

Florida Housing financed the construction of the above referenced Development in 2000 with \$12,985,000 in tax exempt bonds designated as 2000 Series Q. In addition, \$777,803 in tax credits and \$669,145 Subordinated Mortgage Initiative was allocated to this Development.

2. Present Situation

In a letter dated November 11, 2013, Grande Pointe Associates, Ltd. has requested Florida Housing's consent to transfer the ownership interest of its general partner from Wells Fargo Bank, NA to Orlando Leased Housing Associates IV, LLC ([Exhibit A](#)). The letter also notified that the limited partner interest will transfer from Wells Fargo Bank, NA to Orlando Leased Housing Associates LP IV, LLC. In addition, approval is requested for subordination of the LURA and EUA to the new mortgage liens.

3. Recommendation

That the Board approve the transfer of ownership, the assumption and subordination of the LURA and EUA subject to approval by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

V. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Approval of Loan Extension for Florida Non-Profit Services, Inc., a Not-for-Profit Entity, for Esperanza Place Phase II (2009-010P-07)

DEVELOPMENT NAME (“Development”):	Esperanza Place, Phase II
APPLICANT/DEVELOPER (“Developer”):	Florida Non-Profit Services, Inc.
CO-DEVELOPER (“Co-Developer”)	N/A
NUMBER OF UNITS:	64
LOCATION (“County”):	Collier County
TYPE:	Rental, Elderly
SET ASIDE:	60% @ or below 60% AMI
PLP LOAN AMOUNT:	\$300,000
ADDITIONAL COMMENTS:	

1. Background

- a) On December 4, 2009, the Board approved a PLP loan and a credit underwriting report in the amount of \$300,000 for an elderly development called Esperanza Place II located in Collier County.
- b) On February 16, 2010, the Developer closed on the PLP loan.
- c) The Developer intended to apply for Low Income Housing Tax Credits in the fall of 2012. However, funding was not available to the Development. The borrower also intended to apply to USDA for funds, but funding was not available for development in this area.
- d) The Developer intended to apply for funding in the 2014 funding cycle, but the property is located in an area designated as a Limited Development Area for all demographics which means the development is ineligible for funding.
- e) On December 7, 2012, the Board approved a one-year loan maturity extension. The PLP loan is due to mature on February 16, 2014.

2. Present Situation

- a) The Developer has requested a second one-year extension ([Exhibit A](#)) to the maturity date to allow it to pursue financing for the development.
- b) The Developer intends to continue to seek financing from all possible sources including 2014 Federal Home Loan Bank-Atlanta funds, Collier County funds, and future FHFC application cycles when available.
- c) The Technical Assistance Provider has evaluated the request and is supporting the one year extension ([Exhibit B](#)).

3. Recommendation

Approve the extension to the maturity date on the PLP Loan for Esperanza Place, Phase II, from February 16, 2014 to February 16, 2015, and allow staff to amend loan documents.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Request Approval of Loan Extension for Towers of Jacksonville, Inc., a Not-for-Profit Entity, for Towers of Jacksonville (07-168)

DEVELOPMENT NAME (“Development”):	Towers of Jacksonville
APPLICANT/DEVELOPER (“Developer”):	Towers of Jacksonville, Inc.
CO-DEVELOPER (“Co-Developer”):	Retirement Housing Foundation
NUMBER OF UNITS:	194
LOCATION (“County”):	Duval County
TYPE:	Rental, Elderly
SET ASIDE:	60% @ or below 60% AMI
PLP LOAN AMOUNT:	\$300,000
ADDITIONAL COMMENTS: This is an Acquisition and Rehab project.	

1. Background

- a) On March 13, 2009, the Board approved a PLP loan in the amount of \$300,000 for an assisted elderly development called Towers of Jacksonville that is seeking financing to carry out preservation activities.
- b) On December 17, 2009, the Developer, Towers of Jacksonville, Inc. closed on the PLP loan.
- c) On November 2, 2012, the Board approved a one-year loan maturity extension. The PLP loan is due to mature on December 17, 2013.

2. Present Situation

- a) The Developer has requested a second one-year extension to the loan maturity date ([Exhibit C](#)). The Developer received a bond allocation from Florida Housing and was moving toward closing. However, the original pro forma was based on the project being exempt from property tax as the owner is a limited partnership with a nonprofit general partner. In the 2013 session, the Florida Legislature eliminated this exemption. The applicant has been working with the Duval County property appraiser to secure a property tax exemption as a “home for the aged” under Florida Statute 196.1975. They anticipate receiving approval for this exemption by the end of October 2013. After the exemption is received, they will move once again toward closing on the bond financing. Given their proposed timeline, they anticipate closing on the bond financing by the end of the first quarter of 2014.
- b) The Technical Assistance Provider has evaluated the request and is supporting the second one-year extension ([Exhibit D](#)) to allow for all of the required activities to occur in order to close on the bonds.

3. Recommendation

Approve the extension to the maturity date on the PLP Loan for Towers of Jacksonville, Inc. from December 17, 2013, to December 17, 2014, and allow staff to amend loan documents.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

VI. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Credit Underwriting Letter for Clipper Bay (RFP 2011-05-18)

Development Name:	Clipper Bay
Developer/Principal:	Cornerstone Group Development, LLC
Number of Units:	276
Location :	Hillsborough County
Type/Demographic:	Rental/Family (MMRB, Guarantee/HUD-RISK, SAIL and HC)
Set-Aside:	17% @ 50% AMI & 68% @ 60% (HC, SAIL & MMRB)
Allocated Funding Amount:	\$12,680,000 MMRB 2004 Series D Tax-Exempt Bonds \$691,585 Housing Credit \$2,000,000 SAIL
SAIL ELI Funding under RFP 2011-05:	\$1,050,000

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. Clipper Bay did not yet qualify to receive a preliminary commitment and invitation to credit underwriting.
- c) On September 20, 2013, the Board de-obligated funding to two awardees that had been issued a preliminary commitment and invitation to credit underwriting. The returned awards were re-allocated in accordance with the guidelines of RFP 2011-05.
- d) On October 14, 2013, staff issued a preliminary commitment and an invitation to enter credit underwriting to Clipper Bay for SAIL ELI Funding under RFP 2011-05 for units set-aside for ELI Households for an amount up to \$1,050,000.
- e) On November 21, 2013, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI loan in the amount of \$1,050,000 ([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 Portofino (RFP 2011-05-19)

Development Name:	Portofino
Developer/Principal:	Cornerstone Group Development LLC
Number of Units:	270
Location :	Palm Beach County
Type/Demographic:	Rental/Family (MMRB, Guarantee/HUD-RISK, SAIL and HC)
Set-Aside:	85% @ 60% AMI (MMRB) 94% @ 60% AMI (HC & SAIL)
Allocated Funding Amount:	MMRB 2003 Series D1 & D2 \$19,570,000 Tax-Exempt Bonds and \$450,000 Taxable Bonds \$770,949 Housing Credit \$3,000,000 SAIL \$2,475,000 SAIL ELI (RFP 2012-04)
SAIL ELI Funding under RFP 2011-05:	\$1,125,000

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. Portofino did not yet qualify to receive a preliminary commitment and invitation to credit underwriting.
- c) On September 20, 2013, the Board de-obligated funding to two awardees that had been issued a preliminary commitment and invitation to credit underwriting. The returned awards were re-allocated in accordance with the guidelines of RFP 2011-05.
- d) On October 14, 2013, staff issued a preliminary commitment and an invitation to enter credit underwriting to Portofino for SAIL ELI Funding under RFP 2011-05 for units set-aside for ELI Households for an amount up to \$1,125,000.
- e) On November 25, 2013, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI loan in the amount of \$1,125,000 ([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.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

C. Request Approval of Credit Underwriting Letter for Bristol Bay (RFP 2011-05-20)

Development Name:	Bristol Bay
Developer/Principal:	Cornerstone Group Development, LLC
Number of Units:	300
Location :	Hillsborough County
Type/Demographic:	Rental/Family (MMRB, Guarantee/HUD-RISK, SAIL and HC)
Set-Aside:	100% @ 60% AMI (HC & SAIL) 85% @ 60% (MMRB)
Allocated Funding Amount:	\$15,500,000 MMRB 2003 Series T Tax-Exempt Bonds \$731,896 Housing Credit \$3,000,000 SAIL
SAIL ELI Funding under RFP 2011-05:	\$1,125,000

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. Bristol Bay did not yet qualify to receive a preliminary commitment and invitation to credit underwriting.
- c) On September 20, 2013, the Board de-obligated funding to two awardees that had been issued a preliminary commitment and invitation to credit underwriting. The returned awards were re-allocated in accordance with the guidelines of RFP 2011-05.
- d) On October 14, 2013, staff issued a preliminary commitment and an invitation to enter credit underwriting to Bristol Bay for SAIL ELI Funding under RFP 2011-05 for units set-aside for ELI Households for an amount up to \$1,125,000.
- e) On November 21, 2013, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI loan in the amount of \$1,125,000 ([Exhibit C](#)). 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

VII. SPECIAL ASSETS

A. Request Approval of the Extension of the SAIL Loan for TWC Eighty-Eight, Ltd., a Florida Limited Partnership, for Woodhill Apartments (95S-061/96L-001)

Development Name: Woodhill (“Development”)	Location: Orange County
Developer/Principal: The Wilson Company (“Developer”); TWC Eighty-Eight, Ltd. (“Borrower”)	Set-Aside: SAIL & HC 20% @ 40% & 80% @ 60% AMI; LURA: 52 years; EUA: 50 years
Number of Units: 450	Allocated Amount: SAIL \$3,000,000; HC \$2,454,166
Demographics: Family	Servicer: Seltzer Management Group

1. Background

During the 1995 State Apartment Incentive Loan (“SAIL”) Cycle VII, Florida Housing awarded a \$3,000,000 construction/permanent loan to TWC Eighty-Eight, Ltd., a Florida limited partnership (“Borrower”), for the development of a 450-unit development in Orange County. The SAIL loan closed on September 19, 1995, and had an original maturity date of February 8, 2012. The Board previously approved loan extensions to February 8, 2014. The Development also received a 1996 annual allocation of low-income housing tax credits of \$2,454,166.

2. Present Situation

The Borrower has requested approval to extend the SAIL loan, at its current terms, to February 8, 2015, to allow additional time for refinancing of the Development. The Borrower expects to close on a loan using the HUD 223(f) program by early 2014. The Borrower has agreed to an extension of the Land Use Restriction Agreement (“LURA”) term equal to the loan extension.

3. Recommendation

Approve the extension of the SAIL loan, at its current terms, to February 8, 2015, extend the LURA for an additional year, and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

B. Request Approval of the Extension of the SAIL Loan for Garden Walk Associates, Ltd., a Florida Limited Partnership, for Garden Walk Apartments (93HRR-008/95L-004)

Development Name: Garden Walk (“Development”)	Location: Miami-Dade County
Developer/Principal: Tacolcy Economic Development Corporation (“Developer”); Garden Walk Associates, Ltd. (“Borrower”)	Set-Aside: SAIL & HC 33% @ 40%, 52% @ 50%, & 15% @ 60% AMI; LURA: 52 years & EUA: 50 years
Number of Units: 228	Allocated Amount: SAIL - \$3,110,901; HC \$1,554,615
Demographics: Family	Servicer: First Housing Development Corporation

1. Background

During the 1993 State Apartment Incentive Loan/Hurricane Recovery and Rebuilding Program Cycle (“SAIL/HRR”), Florida Housing awarded a \$3,110,901 construction/permanent loan to Garden Walk Associates, Ltd., a Florida limited partnership (“Borrower”), for the development of a 228-unit development in Miami-Dade County. The SAIL loan closed on October 27, 1994, and originally matured on October 31, 2011. The Board previously approved loan extensions to December 31, 2013. The Development also received a 1995 allocation of low-income housing tax credits of \$1,554,615.

2. Present Situation

The Borrower has requested approval to extend the SAIL loan, at its current terms, to December 31, 2014, to allow additional time for refinancing of the Development. The Borrower expects to close on a loan using the HUD 223(f) program by early 2014. The Borrower has agreed to an extension of the Land Use Restriction Agreement (“LURA”) term equal to the loan extension.

3. Recommendation

Approve the extension of the SAIL loan, at its current terms, to December 31, 2014, extend the LURA for an additional year, and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

C. **Request Approval of the Extension of the SAIL Loan for Regal Trace, Ltd., a Florida Limited Partnership, for Regal Trace Apartments (93S-009/93L-008/93L-114)**

Development Name: Regal Trace (“Development”)	Location: Broward County
Developer/Principal: Milton Jones Development Company, Inc. (“Developer”); Regal Trace, Ltd. (“Borrower”)	Set-Aside: SAIL & HC 100% @ 60% AMI; LURA: 52 years, EUA: 50 years
Number of Units: 408	Allocated Amount: SAIL - \$4,159,047; HC: \$2,857,740
Demographics: Family	Servicer: Seltzer Management Group

1. **Background**

During the 1992-93 State Apartment Incentive Loan (“SAIL”) Cycle V, Florida Housing awarded a \$4,159,047 construction/permanent loan to Regal Trace, Ltd. (“Borrower”), a Florida limited partnership, for the development of a 408-unit development in Broward County. The SAIL loan closed on January 11, 1994, and originally matured on December 31, 2011. The Board previously approved loan extensions to December 31, 2013. The Development also received a 1993 allocation of low-income housing tax credits of \$2,857,740.

2. **Present Situation**

The Borrower has requested an additional six-month extension of the SAIL loan, at current terms. The Borrower needs the additional time to complete the refinancing. The Borrower expects to close on a loan using the HUD 223(f) program in early 2014 and pay off the SAIL loan with proceeds from the refinancing. The Borrower has agreed to an extension of the SAIL Land Use Restriction Agreement (“LURA”) term equal to the loan extension.

3. **Recommendation**

Approve the six-month extension of the SAIL loan, at its current terms, to June 30, 2014, extend the LURA for an equal amount of time, and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

- D. **Request Approval to Refinance the First Mortgage and Renegotiate the SAIL loan terms for Pinnacle at Abbey Park, Ltd., a Florida Limited Partnership, for Pinnacle at Abbey Park (Guarantee/2002-068S/2002-540C)**

Development Name: Pinnacle at Abbey Park (“Development”)	Location: Palm Beach County
Developer/Principal: Pinnacle Housing Group (“Developer”); Pinnacle at Abbey Park, Ltd. (“Borrower”)	Set-Aside: SAIL & HC: 4% @ 30%, 96% @ 60% AMI LURA: 50 years; EUA 30 years
Number of Units: 160	Allocated Amount: SAIL: \$1,000,000; HC \$436,478
Demographics: Family	Servicer: Seltzer Management Group

1. **Background**

During the 2002 funding cycle XIV, Florida Housing awarded a State Apartment Incentive Loan (“SAIL”) in the original amount of \$1,000,000 to Pinnacle at Abbey Park, Ltd., a Florida limited partnership (“Borrower”), for the development of a 160-unit apartment complex in Palm Beach County, Florida. The SAIL loan closed on July 14, 2003, and will mature on July 14, 2043. The Development also received a 2002 allocation of low-income housing tax credits of \$436,478 and has funding from local bonds with a HUD-Risk Sharing guarantee through Florida Housing’s Guarantee Program.

2. **Present Situation**

- a) The Borrower requests consent from the Board to refinance the existing first mortgage, removing the Guarantee Program liability and to renegotiate the SAIL loan terms to be co-terminus with the new first mortgage for thirty-five years. The Borrower will pay a percentage of the accrued interest at closing with the remaining accrued interest added to the end of the loan to be paid at maturity. The Borrower also requests that the annual SAIL loan interest payments not exceed 75% of surplus cash as required by HUD.
- b) Staff received a positive recommendation from the credit underwriter ([Exhibit A](#)).

3. **Recommendation**

Approve the refinancing of the first mortgage and the renegotiated terms of the SAIL loan as stated in the credit underwriting report, subject to the conditions outlined in the credit underwriter’s report, and to further approvals and verifications by the credit underwriter, legal counsel, and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

- E. **Request Approval to Refinance the First Mortgage, Transfer the General Partnership Interest, and Renegotiate the HOME Loan Terms for Whistler’s Green, Ltd., a Florida Limited Partnership, for Whistler’s Green Apartments (1999-076H/1999-513C/GUAR)**

Development Name: Whistler’s Green Apartments (“Development”)	Location: Collier County
Developer/Principal: Wendover Housing Partners, Ltd. (“Developer”)/ Whistler Green, Ltd. (“Borrower”)	Set-Aside: HOME 20% @ 50%; 80% @ 60%; 98.21% HOME Assisted; HC 100% @ 60% AMI LURA 50 years; EUA 30 years
Number of Units: 169	Allocated Amount: HOME \$2,043,000; HC \$492,443
Demographics: Family	Servicer: First Housing Development Corporation

1. **Background**

During the 1999 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a HOME Investment Partnerships (“HOME”) loan in the original amount of \$2,043,000 to Whistler’s Green, Ltd., a Florida limited partnership (“Borrower”), for the development of a 169-unit apartment complex in Collier County, Florida. The HOME loan closed on February 11, 2000, and will mature on May 20, 2039. The first mortgage loan is guaranteed with Florida Housing’s Guarantee Program (“Guarantee Program”). The Development also received a 1999 allocation of low-income housing tax credits of \$492,443.

2. **Present Situation**

- a) The Borrower requests consent from the Board to refinance the existing first mortgage loan. The Borrower intends to obtain funding from The Private Bank and Trust Company, the proceeds of which will be utilized to satisfy the existing first mortgage, redeeming the underlying bonds and effectively terminating the mortgage loan guaranty issued by the Guarantee Program and its associated financial risk to FHFC.
- b) The Borrower also requests that the HOME loan, Low Income Housing Tax Credit Extended Use Agreement (“EUA”), and the HOME Land Use Restriction Agreement (“LURA”) be subordinated to the new first mortgage.
- c) The Borrower further requests approval to transfer the general partnership interest from Naples Leased Housing Associates SLP I, LLC to TPI Communities, LLC, that is fully owned by The Partnership, Inc., a Florida non-profit corporation. Since the sole general partner will be a non-profit entity, the Borrower further requests that the HOME loan terms be renegotiated to reduce the interest rate from 3% to 0%.
- d) Staff received a credit underwriting report ([Exhibit B](#)) from First Housing Development Corporation recommending approval for the new financing, subordination of the HOME loan, HOME LURA, and HC EUA to the new first mortgage, transfer of general partner interest, and renegotiation of the HOME loan terms to reduce the interest rate from 3% to 0%.

SPECIAL ASSETS

Consent

3. **Recommendation**

Approve the refinancing of the first mortgage, subordination of the HOME loan, HOME LURA, and HC EUA to the new first mortgage, reduction of the interest rate from 3% to 0%, and transfer of the general partnership interest contingent upon the refinancing of the first mortgage and termination of the Guarantee Program commitment thereon, subject to the conditions outlined in the credit underwriter's report, 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

- F. **Request Approval to Renegotiate the HOME loan terms for Punta Gorda Pines, Ltd., a Florida Limited Partnership, for Seven Palms fka Pines of Punta Gorda (HOME 2000-060CH)**

Development Name: Seven Palms fka Pines of Punta Gorda (“Development”)	Location: Charlotte County
Developer/Principal: LCA Development, Inc. (“Developer”)/Punta Gorda Pines, Ltd. (“Borrower”)	Set-Aside: HOME 22% @ 50%; 78% @ 60%; HC 15% @ 33%; 85% @ 60% AMI LURA: 50 years; HC: 50 years
Number of Units: 336	Allocated Amount: HOME \$2,290,000; HC \$1,528,861
Demographics: Family	Servicer: Seltzer Management Group

1. **Background**

During the 2000 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a HOME Investment Partnerships (“HOME”) loan in the original amount of \$2,290,000 to Punta Gorda Pines, Ltd., a Florida limited partnership (“Borrower”), for the development of a 336-unit apartment complex in Charlotte County, Florida. The HOME loan closed on June 29, 2001, and will mature on June 29, 2023. The Development also received a 2000 allocation of low-income housing tax credits of \$1,528,861.

2. **Present Situation**

- a) On December 21, 2012, Alliant Holdings of Punta Gorda, LLC, the former General Partner and affiliate of Alliant Capital, withdrew from the Partnership and assigned the general partnership interest to The Partnership, Inc., a Florida non-profit corporation. Since the current sole general partner is a non-profit entity, the Borrower requests that the HOME loan terms be renegotiated to reduce the interest rate from 3% to 0%.
- b) Staff received a credit underwriting report ([Exhibit C](#)) from Seltzer Management Group recommending approval for the reduction of the HOME loan interest rate from 3% to 0%.

3. **Recommendation**

Approve the renegotiation of the HOME loan terms to reduce the interest rate from 3% to 0%, subject to the conditions in the credit underwriting report and direct staff to proceed with loan modification activities as required.

SPECIAL ASSETS

Consent

G. Request Approval of Change in Ownership Structure in Del Prado Gardens, Ltd., a Florida Limited Partnership, for Del Prado Gardens Townhouses (98S-009/97L-029)

Development Name: Del Prado Gardens Townhouses (“Development”)	Location: Miami-Dade County
Developer/Principal: Carrfour Supportive Housing (“Developer”)/Del Prado Gardens, Ltd. (“Borrower”)	Set-Aside: SAIL 50.01% @ 50%; 40% @ 60%; HC 15% @ 35%, 35% @ 50%, 50% @ 60% AMI; LURA 50 years; EUA 50 years
Number of Units: 32	Allocated Amount: SAIL \$332,592; HC \$1,685,770
Demographics: Family	Servicer: Seltzer Management Group

1. Background

During the 1998 funding cycle, Florida Housing Finance Corporation (“Florida Housing”) awarded a State Apartment Incentive Loan (“SAIL”) in the amount of \$332,592 to Del Prado Gardens, Ltd., a Florida limited partnership (“Borrower”), for the development of a 32-unit property in Miami-Dade County, Florida. The loan was closed on November 24, 1998, and will mature on November 23, 2014. The Development also received a 1997 allocation of low-income housing tax credits of \$1,685,770.

2. Present Situation

The Borrower requests approval to change the current ownership structure of the development for Del Prado Gardens, Ltd. Under this current structure, the Borrower is owned by Carrfour Supportive Housing, Inc. (“Carrfour”), a Florida non-profit corporation, the general partner (“GP”) with 0.01% interest and Enterprise Social Investment Corporation, the limited partner (“LP”) with 99.99% interest. For the proposed transaction, Del Prado Acquisition, LLC, a wholly owned subsidiary of Carrfour, will acquire the 99.99% LP interest so that Carrfour remains the 0.01% GP and Del Prado Acquisition, LLC becomes the 99.99% LP. Thereafter, Del Prado Gardens, Ltd. will merge into Del Prado Acquisition, LLC, thereby making Del Prado Acquisition, LLC, the new borrower/owner entity that will be wholly owned by Carrfour. This change allows the 100% non-profit ownership to be eligible for property tax abatement. Florida Housing’s recommendation is conditioned upon receipt of a positive recommendation from the credit underwriter.

3. Recommendation

Staff recommends that the Board approve the change in ownership structure of the development conditioned upon the receipt of a positive recommendation from the credit underwriter and the conditions provided therein 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 as needed.

SPECIAL ASSETS

Consent

H. Request Approval of Change in Ownership Structure in Forest Edge, Ltd., a Florida Limited Partnership, for Forest Edge Apartments fka Weston Lane (90S-044/90L-044)

Development Name: Forest Edge Apartments (“Development”)	Location: Orange County
Developer/Principal: Orlando Neighborhood Improvement Corporation (“Developer”)/Forest Edge, Ltd. (“Borrower”)	Set-Aside: SAIL & HC 100% @ 60% AMI; LURA & EUA: 30 years
Number of Units: 48	Allocated Amount: SAIL \$130,000; HC \$204,868
Demographics: Family	Servicer: First Housing Development Corporation

1. Background

During the 1990 funding cycle, Florida Housing Finance Corporation (“Florida Housing”) awarded a State Apartment Incentive Loan (“SAIL”) in the amount of \$130,000 to Forest Edge, Ltd., a Florida limited partnership (“Borrower”), for the development of a 48-unit property in Orange County, Florida. The loan was closed on June 12, 1992, and matured on June 12, 2007. On September 26, 1997, the loan term was extended to September 1, 2022. The Development also received a 1990 allocation of low-income housing tax credits of \$204,868.

2. Present Situation

The Borrower requests approval to change the current ownership structure of the development for Forest Edge, Ltd. Under this current structure, the Borrower is owned by ONIC–Forest Edge GP, LLC, the general partner (“GP”) with 1% interest and ONIC–Forest Edge LP, LLC, the limited partner (“LP”) with 99% interest. For the proposed transaction, the current GP will acquire the LP interest thereby dissolving the partnership under Forest Edge, Ltd. and leaving ONIC–Forest Edge GP, LLC as the remaining entity. ONIC–Forest Edge GP, LLC, that is wholly owned by Orlando Neighborhood Improvement Corporation, Inc., a non-profit entity, becomes the new borrower/owner entity of the development. This change allows the 100% non-profit ownership to be eligible for property tax abatement. Florida Housing’s recommendation is conditioned upon receipt of a positive recommendation from the credit underwriter.

3. Recommendation

Staff recommends that the Board approve the change in ownership structure of the development conditioned upon the receipt of a positive recommendation from the credit underwriter and the conditions provided therein 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 as needed.

SPECIAL ASSETS

Consent

I. Request Approval of Change in Ownership Structure in Liberty Gateway, Ltd., a Florida Limited Partnership, for Dr. Barbara Carey-Shuler Manor (2007-036CS/2007 Supplemental/2009-038X (RFP 2009-04)

Development Name: Dr. Barbara Carey-Shuler Manor (“Development”)	Location: Miami-Dade County
Developer/Principal: Carrfour Supportive Housing, Inc. (“Developer”)/Liberty Gateway, Ltd. (“Borrower”)	Set-Aside: SAIL & TCEP 20% @33%, 80% @60% (1st 15 yrs); 10% @33%, 90% @60% (next 35 yrs); Supplemental 10% @33% AMI; LURA & EUA: 50 years
Number of Units: 100	Allocated Amount: SAIL \$1,267,637 (homeless); \$1,267,637 (non-homeless); Supplemental \$765,000; TCEP \$2,561,000
Demographics: 50% Homeless	Servicer: Seltzer Management Group

1. Background

During the 2007 funding cycle, Florida Housing Finance Corporation (“Florida Housing”) awarded a State Apartment Incentive Loan (“SAIL”) in the amount of \$3,300,274 to Liberty Gateway, Ltd., a Florida limited partnership (“Borrower”), for the development of a 100-unit property in Miami-Dade County, Florida. The loan was closed on April 23, 2010, and will mature on April 23, 2025. The Development was also awarded funds from the Tax Credit Exchange Program in the loan amount of \$2,561,000 annually.

2. Present Situation

The Borrower requests approval to transfer the general partner (“GP”) interest from Liberty Gateway, Inc., a wholly owned subsidiary of Carrfour Supportive Housing, Inc. (“Carrfour”), the current GP, to C4 Gateway, LLC, a newly formed, wholly owned limited liability company that is also a subsidiary of Carrfour. This change allows the 100% non-profit ownership to be eligible for property tax abatement. Florida Housing’s recommendation is conditioned upon receipt of a positive recommendation from the credit underwriter.

3. Recommendation

Staff recommends that the Board approve the change in ownership structure of the development conditioned upon the receipt of a positive recommendation from the credit underwriter and the conditions provided therein 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 as needed.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

I. PROFESSIONAL SERVICES SELECTION (PSS)

A. Request to Authorize Staff to Enter into Contract Renewal Negotiations with TP Thirteen, LLC for the Lease of Florida Housing Finance Corporation Corporate Office at 227 N. Bronough, Tallahassee, Florida

1. Background

Florida Housing has, and has had, its corporate office at 227 N. Bronough Street, Tallahassee, Florida since 1994. The Third Amendment, which is the final renewal to the Lease Agreement, was signed on June 1, 2009 and expires on May 31, 2014. The final available renewal is for the five year period June 1, 2014 and ending on May 31, 2019. This is an all in lease including utilities, janitorial and parking.

2. Present Situation

a) Florida Housing is working with TP Thirteen, LLC, on terms for the lease renewal. In December 2013, TP Thirteen, LLC, proposed the following options for renewal.

Option 1. Rate \$16.25/Sq.Ft. Escalation/Year 3%
Improvement Allowance \$85,000

Option 2. Rate \$16.50/Sq.Ft. Escalation/Year 3%
Improvement Allowance \$150,000

Option 3. Rate \$16.75/Sq.Ft. Escalation/Year 2.5%
Improvement Allowance \$175,000

Option 4. Rate \$17.00/Sq.Ft. Escalation/Year 2.5%
Improvement Allowance \$240,000

b) Each option includes 4 months of half rent.

c) In addition, upon execution of the lease renewal, the existing rental rate will drop to the new rate.

d) The existing rent rental rate per square foot is \$20.33. If the option selected is Option 4, the highest priced option, the early execution of the lease represents no less than a 16% reduction in the price per square foot.

3. Recommendation

Staff recommends the Board authorize staff to enter into Lease Agreement negotiations for the final five year lease renewal and enter into a Lease Agreement with TP Thirteen, LLC provided the negotiations result in a lease with equal or better terms as those outlined above.