

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
August 8, 2014
Consent Items



ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)

Consent

I. ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)

A. Request Approval of Additional Subordinate Funding for Plymouth Apartments (2007-001E)

Development Name:	Plymouth Apartments
Developer/Principal:	The Housing Authority of the City of Winter Park
Number of Units:	196
Location :	Orange County
Demographic:	Elderly
Set-Aside:	20% @ 50% AMI
Allocated Amount:	\$597,384

1. Background/Present Situation

- a) On July 10, 2008, an EHCL loan in the amount of \$597,384 closed for this 196-unit development in Orange County. The EHCL loan was secured with a fourth mortgage.
- b) On June 6, 2014, staff received a letter from the Borrower requesting approval for an additional funding source for the development, which will be subordinate to the EHCL loan ([Exhibit A](#)).
- c) On July 15, 2014 staff received a credit underwriting update letter with a positive recommendation to allow additional funding, specifically a \$500,000 loan from the Orange County Housing Finance Corporation to be used to fund critical life safety repairs ([Exhibit B](#)). Staff has reviewed this credit underwriting update letter and finds that the development meets all of the requirements of Rule Chapter 67-32, F.A.C.

2. Recommendation

Approve the credit underwriting update letter and direct staff to proceed with loan closing and/or document modification activities.

HOUSING CREDITS

Consent

II. HOUSING CREDITS

A. Request Approval of the Final Credit Underwriting Report for Palms West Apartments (#2013-505C)

DEVELOPMENT NAME (“Development”):	Palms West Apartments APPLICATION #2013-505C
DEVELOPER/PRINCIPAL (“Developer”):	Southport Development, Inc.
APPLICANT: (“Owner”)	Sp West Palm LP
NUMBER OF UNITS:	290
LOCATION (“County”):	Palm Beach
TYPE:	Acquisition and Rehabilitation
SET ASIDE:	100% @ 60% AMI
RECOMMENDED NON-COMPETITIVE HOUSING CREDIT ALLOCATION AMOUNT:	\$1,109,475.00

1. Background/Present Situation

- a) Palms West Apartments is a Non-Competitive Housing Credit, Acquisition and Rehabilitation Development utilizing tax-exempt bond financing from Palm Beach County. The Development will provide 290 set-aside units targeting the Family demographic in Palm Beach County, Florida.
- b) Since Palms West Apartments is located within a 2.5 mile radius of the longitude/latitude coordinates of an existing Florida Housing Guarantee Fund Development with a Subordinate Mortgage Initiative loan, it is within a Restricted Area as defined in the Non Competitive Application Instructions. As a result, and per page 38 of the Non-Competitive Application Instructions, “The CUR will require final approval of the Board prior to issuance of the Preliminary Determination for the 4 percent HC.” The final Credit Underwriting Report is attached at [Exhibit A](#).

2. Recommendation

Approve the final credit underwriting report and direct staff to issue the Preliminary Determination for the non-competitive 4 percent Housing Credits.

HOUSING CREDITS

Consent

B. Request Approval to Change Principal of Developer for Forest Ridge (2014-038C)

DEVELOPMENT NAME (“Development”):	Forest Ridge APPLICATION # 2014-038C
DEVELOPER: (“Developer”):	Forest Ridge SD GM Dev, LLC
APPLICANT: (“Owner”)	Forest Ridge at Beverly Hills, Ltd.
NUMBER OF UNITS:	119
LOCATION (“County”):	Citrus County
TYPE:	New Construction
SET ASIDE:	10% @ 45% AMI 90% @ 60% AMI
ALLOCATED AMOUNT:	\$1,510,000 Housing Credits

1. Background/Present Situation

- a) Forest Ridge is a new construction Development providing 119 set-aside units in Citrus County, Florida. Florida Housing issued an invitation to enter credit underwriting in June 2014.
- b) Florida Housing received a request from the Owner on July 9, 2014, asking for approval to change a Principal of the Developer ([Exhibit B](#)). In their Application, the Applicant identified the member of the Developer as Strategic Development & Construction Group of South Florida, LLC, who is being replaced by Royal American Development, Inc. The other Principals of the Developer remain the same. Royal American Development, Inc. possesses the required experience to be a Principal.

2. Recommendation

Approve the requested change reflected above.

LEGAL

Consent

III. LEGAL

A. In Re: PC Redevelopment Partners, LLC - FHFC Case No. 2014-071VW

Development Name: (“Development”):	Palmetto Court Apartments Application No. 2011-118C
Developer/Principal: (“Developer”):	Pinnacle Housing Group, LLC; Southwest Florida Affordable Housing Choice Foundation, Inc.
Number of Units: 86	Location: Lee
Type: Garden	Set Asides: RRLP: 20% @ 33% AMI 80% @ 60% AMI
Demographics: Family	HC: \$1,510,000

1. Background

- a) During the 2011 Universal Cycle, PC Redevelopment Partners, LLC (“Petitioner”) applied for and was awarded an allocation of tax credits to finance the redevelopment, with 50% or more the units are new construction, of a family development known as Palmetto Court Apartments (the “Development”) located in Lee County, Florida.
- b) On May 30, 2014, Florida Housing received a “Petition for Waiver of 2011 Universal Application Instructions, Housing Credit Program, Part III, Section (B)(4)(a)” (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit A](#).

2. Present Situation

- a) Rule 67-48.004(1)(a) Fla. Admin. Code (2011) provides, in pertinent part:
 - (a) The Universal Application Package or UA1016 (Rev. 2-11) is adopted and incorporated herein by reference and consists of the forms and instructions available, without charge, on the Corporation’s Website under the 2011 Universal Application link labeled Instructions and Application, or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-00703>, which shall be completed and submitted to the Corporation in accordance with this rule chapter in order to apply for the HOME and HC Program(s).
- b) Part III.B.4.a. of the Instructions provides in pertinent part:
 - a. For all new construction units:

If the proposed Development includes any new construction units (regardless of the Development Category selected at Part III.A.3.a. of the Application), the eligible new construction units must (i) meet the requirements of Energy Star New Homes per the Energy Star Qualified Homes Florida Builder Option Package, Rev. 01/05/2010, which is incorporated by reference and available on the 2011 Universal Application link labeled Related References and Links...

LEGAL

Consent

- c) Petitioner requested a waiver of the above Rule to allow it to install a 16 SEER air conditioner with heat strips, instead of a heat pump in all three bedroom units in the Development.¹As justification, Petitioner states that the use of a heat pump would be inefficient and costly, as opposed to the use of heat strips, which were not an option in the Builder Option Package. Petitioner further provides that the Development will achieve substantially the same Home Energy Rating System Index score, increase durability, and is more cost-efficient and energy efficient than a heat pump.
- d) The requested change would neither affect the scoring of Petitioner's application nor allow Petitioner to gain an unfair advantage over other applicants.
- e) On June 3, 2014, the Notice of Petition was published in the Florida Administrative Register in Volume 40, Number 107. To date, Florida Housing has received no comments concerning the Petition.
- f) Section 120.542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- g) Petitioner has demonstrated that strict application of the above Rule under these circumstances would violate the principles of fairness. Petitioner established that permitting this change in Development would promote construction of energy-efficient systems and also serve the underlying purpose of the statute by permitting upgraded features and amenities within the residential units. A denial of the requested waiver would result in a substantial hardship due to increased costs of installation and operation of heat pumps.

3. Recommendation

Staff recommends the Board grant Petitioner's request for a waiver of Part III.B.4.a. of the Instructions, to allow Petitioner to install a 16 SEER air conditioner with heat strips in all three bedroom units in the Development, instead of a heat pump.

¹ Petitioner is not seeking a waiver for the one and two bedroom units.

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Consent

B. In Re: Palm Breeze Partners, Ltd., FHFC Case No. 2014-072VW

Development Name: (“Development”):	Palm Coast Landing Senior Living
Developer/Principal: (“Developer”):	Atlantic Housing Partners, LLLP
Number of Units: 61	Location: Flagler County
Type: Mid-Rise w/ elevator	Set Aside: 85% @ 60% AMI 10% @ 35% AMI
Demographics: Elderly non-ALF	Allocated Amount: \$811,430 HC

1. Background

- a) Under Request for Applications (RFA) 2013-001, Florida Housing awarded an allocation of Low Income Housing Tax Credits to Palm Breeze Partners, Ltd. to finance the Development described above. The Palm Breeze Application indicated that the Development Type was to be “Mid-Rise with elevator, 5-6 stories and concrete construction.”
- b) On July 23, 2014, Florida Housing received a Petitioner for Waiver from Florida Administrative Code Rule 67-48.004” (“Petition”), from Palm Breeze Partners, Ltd. (“Petitioner”). A copy of the Petition is attached as [Exhibit B](#).
- c) Rule 67-48.004(3), Florida Administrative Code, states in pertinent part:
 - (1) Notwithstanding any other provision of these Rules, there are certain items that must be included in the Application and cannot be revised, corrected or supplemented after the Application Deadline. Failure to submit these items in the Application at the time of the Application Deadline shall result in rejection of the Application without opportunity to submit additional information. Any attempts to make changes to these items will not be accepted. Those items are as follows:

- (g) Development Type;
- d) Petitioner requests a waiver of the above Rule to permit a change in Development Type, from “Mid-Rise with Elevator (a building comprised of 5-6 stories) with concrete construction” to “Mid-Rise with Elevator (a building comprised of 4 stories) with wood construction.”
- e) On July 25, 2014, the Notice of Petition was published in the Florida Administrative Weekly.
- f) To date, Florida Housing has received one comment supporting the Petition, this correspondence is attached hereto as [Exhibit C](#).

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Consent

2. **Present Situation**

- a) Petitioner seeks this change in Development Type as a result of changes to the status of the Development Site to a Difficult to Develop Area (DDA) as recognized by HUD. HUD designates areas as DDA based on the high cost of construction, land and utilities compared to the median gross income for the area. To facilitate and encourage the development of affordable housing in these areas, the DDA designation allows a project to increase the eligible basis by 130%. At the time of Application for this RFA, Petitioner's Development Site was not designated as a DDA, but has since been added to the DDA list by HUD.
- b) HUD's designation of the site as a DDA evidences the substantial hardship Petitioner would experience without the granting of this waiver, which would reduce overall project costs with resulting decrease in general contractor fees and developer fees. Granting this waiver would also lower the Development's leveraging calculation per set-aside unit.
- c) Under these specific circumstances, the granting of this waiver would serve the underlying purpose of the statute by reducing the costs of the Development and would provide the Applicant with no unfair advantage over its competitors in the Application process.
- d) Section 120.542(2), Florida Statutes provides in pertinent part:
- e) Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.

3. **Recommendation**

Staff recommends the Board grant the Petitioner's request for a waiver of Rule 67-48.004(3), Florida Administrative Code, to permit the requested change in Development Type, conditioned upon Petitioner meeting the revised requirements regarding Total Development Cost during Credit Underwriting.

MULTIFAMILY BONDS

Consent

IV. MULTIFAMILY BONDS

A. Request Approval of the Transfer of Ownership Interest and the Assignment and Assumption of the Land Use Restriction Agreement (LURA) and Extended Use Agreement (EUA) for Beacon Hill Apartments

Development Name: Beacon Hill Apartments	Location: Orange County
Development Owner: Beacon Hill, Ltd.	Set-Asides: 50% @ 60% AMI MMRB 100% @ 60% AMI Housing Credits
Funding Source: Multi-Family Mortgage Revenue Bonds (MMRB) and 4% Housing Tax Credits (Housing Credits)	Amount: \$8,800,000 MMRB \$667,586 Housing Credits
Number of Units: 192	Type: Family

1. Background

Florida Housing financed the construction of the above referenced Development in 1998 with \$8,800,000 in tax exempt MMRB designated as 1998 Series C. In addition, \$667,586 in Housing Credits was allocated to this Development.

2. Present Situation

In a letter dated May 16, 2014, Beacon Hill, Ltd. has requested Florida Housing's consent to transfer the ownership interest to RP Beacon Hill, LLC ([Exhibit A](#)). The General Partner will transfer from Beacon Hill, Inc. to Oscar Vila and Crown Way, LLC. First Housing Development Corporation has reviewed this request and provided a recommendation ([Exhibit B](#)).

3. Recommendation

That the Board approve the transfer of ownership and the assignment and assumption of the LURA and EUA, subject to the conditions in the credit underwriting report, with further approval by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

MULTIFAMILY PROGRAMS

Consent

V. MULTIFAMILY PROGRAMS

A. Request Approval of Credit Underwriting Report for Renovation of the 12th Road Home (2014-140G)

Development Name:	Renovation of the 12th Road Home
Applicant/Principal:	The Arc of Alachua County, Inc.
Location :	Alachua County
Type/Demographic:	Persons with Developmental Disabilities
Set-Aside:	2 residents @ 35% AMI; 4 residents @ 60% AMI
Allocated Amount:	\$71,886

1. Background/Present Situation

- a) On October 11, 2013, Florida Housing issued RFA 2013-005 Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities. The Review Committee met on November 22, 2013, to discuss the Applications and answer Review Committee members' questions, and on December 10, 2013, to give their scores and submit a recommendation to the Board.
- b) Renovation of the 12th Road Home was among the Developments recommended for this grant funding. The Board approved the recommendation on December 13, 2013.
- c) An invitation to enter credit underwriting was issued January 10, 2014. The Corporation received a positive recommendation from the credit underwriter on July 9, 2014 ([Exhibit A](#)) recommending a grant amount of \$71,886 be allocated to the Development for renovation of the existing Community Residential Home that houses six (6) residents with developmental disabilities.

2. Recommendation

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

MULTIFAMILY PROGRAMS

Consent

B. Request Approval of Credit Underwriting Report for Menendez Residential Facility (2014-287G)

Development Name:	Menendez Residential Facility
Applicant/Principal:	The Arc of St. Lucie County, Inc.
Location :	St. Lucie County
Type/Demographic:	Persons with Developmental Disabilities
Set-Aside:	2 residents @ 40% AMI; 4 residents @ 60% AMI
Allocated Amount:	\$72,000

1. Background/Present Situation

- a) On October 11, 2013, Florida Housing issued RFA 2013-005 Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities. The Review Committee met on November 22, 2013, to discuss the Applications and answer Review Committee members' questions, and on December 10, 2013, to give their scores and submit a recommendation to the Board.
- b) Menendez Residential Facility was among the Developments recommended for this grant funding. The Board approved the recommendation on December 13, 2013.
- c) An invitation to enter credit underwriting was issued January 10, 2014. The Corporation received a positive recommendation from the credit underwriter on July 14, 2014 ([Exhibit B](#)) recommending a grant amount of \$72,000 be allocated to the Development for renovation of the existing Community Residential Home that houses six (6) residents with developmental disabilities.

2. Recommendation

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

MULTIFAMILY PROGRAMS

Consent

C. Request Approval of Credit Underwriting Report for Pine Forest Project (2014-391G)

Development Name:	Pine Forest Project
Applicant/Principal:	BASCA, Inc.
Location :	Clay County
Type/Demographic:	Persons with Developmental Disabilities
Set-Aside:	2 residents @ 33% AMI; 3 residents @ 60% AMI
Allocated Amount:	\$138,000

1. Background/Present Situation

- a) On February 28, 2014, Florida Housing issued RFA 2014-105 Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities. The Review Committee met on April 23, 2014 to discuss the Applications, answer Review Committee members' questions, give their scores and submit a recommendation to the Board.
- b) Pine Forest Project was among the Developments recommended for this grant funding. The Board approved the recommendation on April 25, 2014.
- c) An invitation to enter credit underwriting was issued May 2, 2014. The Corporation received a positive recommendation from the credit underwriter on July 21, 2014 ([Exhibit C](#)) recommending a grant amount of \$138,000 be allocated to the Development for renovation of the existing Community Residential Home that houses five (5) residents with developmental disabilities.

2. Recommendation

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

MULTIFAMILY PROGRAMS

Consent

D. Request Approval of Credit Underwriting Report for Blackburn Group Home (2014-381G)

Development Name:	Blackburn Group Home
Applicant/Principal:	The Arc of North Florida
Location :	Suwanee County
Type/Demographic:	Persons with Developmental Disabilities
Set-Aside:	2 residents @ 45% AMI; 4 residents @ 60% AMI
Allocated Amount:	\$70,371

1. Background/Present Situation

- a) On February 28, 2014, Florida Housing issued RFA 2014-105 Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities. The Review Committee met on April 23, 2014 to discuss the Applications, answer Review Committee members' questions, give their scores and submit a recommendation to the Board.
- b) Blackburn Group Home was among the Developments recommended for this grant funding. The Board approved the recommendation on April 25, 2014.
- c) An invitation to enter credit underwriting was issued May 2, 2014. The Corporation received a positive recommendation from the credit underwriter on July 15, 2014 ([Exhibit D](#)) recommending a grant amount of \$70,371 be allocated to the Development for renovation of the existing Community Residential Home that houses six (6) residents with developmental disabilities.

2. Recommendation

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

MULTIFAMILY PROGRAMS

Consent

E. Request Approval of Credit Underwriting Report for Windsong Place (2014-397G)

Development Name:	Windsong Place
Applicant/Principal:	The Arc of Washington-Holmes Counties, Inc.
Location :	Washington County
Type/Demographic:	Persons with Developmental Disabilities
Set-Aside:	2 residents @ 45% AMI; 3 residents @ 60% AMI
Allocated Amount:	\$60,000

1. Background/Present Situation

- a) On February 28, 2014, Florida Housing issued RFA 2014-105 Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities. The Review Committee met on April 23, 2014 to discuss the Applications, answer Review Committee members' questions, give their scores and submit a recommendation to the Board.
- b) Windsong Place was among the Developments recommended for this grant funding. The Board approved the recommendation on April 25, 2014.
- c) An invitation to enter credit underwriting was issued May 2, 2014. The Corporation received a positive recommendation from the credit underwriter on July 22, 2014 ([Exhibit E](#)) recommending a grant amount of \$60,000 be allocated to the Development for renovation of the existing Community Residential Home that houses five (5) residents with developmental disabilities.

2. Recommendation

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

MULTIFAMILY PROGRAMS

Consent

F. Request Approval of Credit Underwriting Report for Broadwater IV (2014-155G)

Development Name:	Broadwater IV
Applicant/Principal:	Pinellas Affordable Living, Inc.
Location :	Pinellas County
Demographic:	Homeless
Number of Units/Type:	10 Garden Apartments
Set-Aside:	50% @ 40% AMI & 50% @ 60% AMI
Allocated Amount:	\$1,002,095.00

1. Background/Present Situation

- a) On October 11, 2013, Florida Housing Finance Corporation issued a request for applications (RFA) 2013-006 for financing to build permanent supportive housing for homeless persons and families. The funding must be used to purchase and renovate existing houses or to construct or purchase and renovate small specialty housing of 15 units or less.
- b) On December 13, 2013, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 19, 2013, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Pinellas Affordable Living, Inc.
- d) On July 25, 2014, staff received a positive recommendation for a grant in the amount of \$1,002,095.00 ([Exhibit F](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2013-006.

2. Recommendation

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

MULTIFAMILY PROGRAMS

Consent

G. Request Approval of Credit Underwriting Report for Duval Park (RFP 2013-08)

Development Name:	Duval Park
Applicant/Principal:	Duval Park, Ltd.
Location :	Pinellas County
Demographic:	Veterans with Special Needs
Number of Units/Type:	88 Garden Apartments
Set-Aside:	25% @ 40% AMI & 75% @ 60% AMI
Allocated Amounts:	\$1,300,000 – 9% Housing Credit (HC) \$3,175,128 – Set-Aside Gap Loan \$300,000 – ELI Supplemental Loan

1. Background/Present Situation

- a) On April 15, 2013, Florida Housing Finance Corporation issued a request for proposals (RFP) 2013-08 for financing to build special needs high priority affordable housing developments.
- b) On June 21, 2013, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On November 12, 2013, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Duval Park, Ltd.
- d) On July 24, 2014, staff received a credit underwriting report with a positive recommendation for funding ([Exhibit G](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFP 2013-08.

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

Consent

VI. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Approval of PLP Loan for Habitat for Humanity of Citrus County, a Not-for-Profit Entity, for Habitat Village at Southern Pines (2014-005P-09)

DEVELOPMENT NAME (“Development”):	Habitat Villages at Southern Pines
APPLICANT/DEVELOPER (“Developer”):	Habitat for Humanity of Citrus County
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	30
LOCATION (“County”):	Citrus County
TYPE:	Homeownership, Family
MINIMUM SET ASIDE:	50% @ 80% AMI, 50% @ 120% AMI
PLP LOAN AMOUNT:	\$372,750
ADDITIONAL COMMENTS: This development has a \$675,000 commitment of HOP funds from Florida Housing.	

1. Background

- a) On June 26, 2014, Florida Housing received a PLP Application from the Developer for the Habitat Village at Southern Pines.
- b) On June 27, 2014, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

2. Present Situation

The Technical Assistance Provider (TAP) has submitted a Development Plan and recommended a loan amount of \$372,750 for PLP eligible activities ([Exhibit A](#)). 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 \$372,750 to Habitat for Humanity of Citrus County for Habitat Village at Southern Pines, as recommended by the TAP, and allow staff to issue a Commitment Letter and commence with loan closing.

PREDEVELOPMENT LOAN PROGRAM

Consent

B. Request Approval of PLP Loan for Dade Oaks, LLC, a Not-for-Profit Entity, for Hilltop Gardens (2014-004P-09)

DEVELOPMENT NAME (“Development”):	Hilltop Gardens
APPLICANT/DEVELOPER (“Developer”):	Dade Oaks, LLC
CO-DEVELOPER:	Gorman and Company
NUMBER OF UNITS:	69
LOCATION (“County”):	Pasco County
TYPE:	Rental
MINIMUM SET ASIDE:	20% @ or below 50% AMI
PLP LOAN AMOUNT:	\$500,000

1. Background

- a) On May 5, 2014, Florida Housing received a PLP Application from the Developer for the Hilltop Gardens.
- b) On May 15, 2014, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

2. Present Situation

The Technical Assistance Provider (TAP) has submitted a Development Plan and recommended a loan amount of \$500,000 for PLP eligible activities ([Exhibit B](#)). 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 Dade Oaks, LLC a not-for-profit entity, for Hilltop Gardens for eligible predevelopment expenses, as recommended by the TAP, and allow staff to issue a Commitment Letter and commence with loan closing.

PREDEVELOPMENT LOAN PROGRAM

Consent

C. **Request Approval of Credit Underwriting Report for New Beginnings of Lake County, Inc. a Not-for-Profit Entity, for New Beginnings Village (2013-005P-09)**

DEVELOPMENT NAME (“Development”):	New Beginnings Village
APPLICANT/DEVELOPER (“Developer”):	New Beginnings of Lake County, Inc.
CO-DEVELOPER:	Blue Sky Communities
NUMBER OF UNITS:	108
LOCATION (“County”):	Lake County
TYPE:	Homeless
MINIMUM SET ASIDE:	20% at or below 50% AMI
PLP LOAN AMOUNT:	\$750,000

1. **Background**

- a) On January 31, 2014, the Board approved a PLP loan to New Beginnings of Lake County, Inc. in the amount of \$750,000. Of this loan amount, \$500,000 was requested for the acquisition of the subject property and was, by program rule, subject to review and a positive recommendation from an assigned credit underwriter.
- b) To date, the developer has drawn \$9,395 of the non-acquisition funds that were not subject to credit underwriting.

2. **Present Situation**

On July 21, 2014, staff received a credit underwriting report from Seltzer Management Group ([Exhibit C](#)) recommending the PLP funding for the \$500,000 acquisition portion of the PLP loan.

3. **Recommendation**

Approve the credit underwriting report for New Beginnings Village and allow staff to commence with loan closing on the site acquisition portion of the PLP Loan in the amount of \$500,000.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

VII. PROFESSIONAL SERVICES SELECTION (PSS)

A. Request Approval of Response to the Request for Qualifications 2013-01 for Housing Counseling Agencies to Provide Services for the Foreclosure Counseling Program

1. Background

- a) On February 1, 2013, the Board approved a staff recommendation to issue a Request for Qualifications (RFQ) for Housing Counseling Agencies (HCAs) for the implementation of the Foreclosure Counseling Program (FCP) funded through the National Mortgage Settlement.
- b) To date, the Board has approved 58 HCAs to provide services through the FCP.

2. Present Situation

- a) The RFQ allowed for HCAs to respond beyond the original submission date so that Florida Housing can maximize the number of qualified agencies to provide adequate foreclosure counseling coverage across the state. One additional HCA, GreenPath, Inc., has applied to participate in the FCP.
- b) On July 9, 2014, the proposal was reviewed by the RFQ review committee and recommended for approval pending the submission of required documentation. At this time, all documents have been submitted and reviewed.

3. Recommendation

Approve GreenPath, Inc. dba GreenPath Debt Solutions, as recommended for approval by the RFQ review committee on July 9, 2014.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

B. Hearing Officer Services

1. Background

- a) At the August 2013 meeting, the Board of Directors of Florida Housing authorized staff to expand the pool of available hearing officers with the Division of Administrative Services.
- b) Subsequent to that meeting, Florida Housing entered into a contract with Christopher D. McGuire to perform these services for the Corporation. Contract #2013-031-X-001, will expire on September 19, 2014; however, the agreement may be renewed at the discretion of Florida Housing.

2. Present Situation

- a) Florida Housing continues to utilize Mr. McGuire for Hearing Officer Services and he has complied with the terms and conditions of this contract to the satisfaction of Florida Housing.
- b) Florida Housing staff supports a renewal to extend the term of the contract for a one (1) year period.

3. Recommendation

Staff believes that it is in the best interests of Florida Housing to continue to retain Mr. McGuire as a hearing officer and recommends that the Board direct staff to proceed with a renewal.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

VIII. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Credit Underwriting Report for Caravel Arms Apartments (2014-313S)

Development Name: Caravel Arms Apartments (“Development”)	Location: Broward County
Developer/Principal: Southport Development, Inc. (“Developer”)	Set-Aside: 10% @ 30% AMI and 90% @ 60% AMI
Number of Units: 110	SAIL: \$250,000 & ELI Gap: \$825,000
Development Category: Acquisition and Rehabilitation	Housing Credit Allocation: \$441,203
Demographic: Family	MMRB: \$6,300,000

1. Background/Present Situation

- a) On January 14, 2014, Florida Housing Finance Corporation issued a request for applications (RFA) 2014-103 for the development of affordable multifamily housing utilizing State Apartment Incentive Loan (SAIL) funding. The SAIL funding must be used in conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits.
- b) On June 23, 2014, staff issued an at-risk credit underwriting opportunity to Southport Development, Inc. per the Developer’s request.
- c) On July 25, 2014, staff received a positive recommendation for a SAIL loan in the amount of \$250,000, ELI Gap funding in the amount of \$825,000 and \$6,300,000 in tax exempt Multifamily Mortgage Revenue Bonds ([Exhibit A](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2014-103.

2. Recommendation

Approve the final credit underwriting report and direct staff to proceed with issuance of a firm commitment and closing activities subject to and conditioned upon the Board’s approval of the staff recommendation as set forth in the applicable Legal Action Item.

SPECIAL ASSETS

Consent

IX. SPECIAL ASSETS

A. Request Approval of the Extension of the HOME Loan for Edison Terraces (II), Ltd., a Florida Limited Partnership, for Edison Terraces II (92HR-002/92L-025)

Development Name: Edison Terraces II (“Development”)	Location: Miami-Dade County
Developer/Principal: Talcoly Economic Development Corporation (“Developer”); Edison Terraces (II), Ltd. (“Borrower”)	Set-Aside: 83.33% HOME Assisted 20% @ 50%, 80% @ 80% AMI; HC 83.3% @ 60% AMI LURA: 21 years; EUA: 30 years
Number of Units: 60 (50 units set-aside for HOME & HC)	Allocated Amount: HOME \$1,775,000; HC \$150,978
Demographics: Family	Servicer: First Housing Development Corporation

1. Background

During the 1992 HOME Cycle, Florida Housing awarded a \$1,775,000 construction/permanent loan to Edison Terraces (II), Ltd., a Florida limited partnership (“Borrower”), for the construction of a 60-unit development in Miami-Dade County. The HOME loan closed on September 3, 1993, and originally matured on September 3, 2013. The Board previously approved an extension to September 3, 2014. The Development also received a 1992 allocation of low-income housing tax credits of \$150,978.

2. Present Situation

The Borrower requests approval for an additional one-year extension of the HOME loan, at its current terms, to September 3, 2015. Refinancing of the Development using the HUD 221 (d) (4) program is expected to close in December. The Borrower needs the additional time to complete the refinancing of the Development. The Borrower has agreed to pay the FHFC loan extension fee and extension of the affordability period under the Land Use Restriction Agreement (“LURA”) to be equal to the loan extension (adding one year to the current 21 years).

3. Recommendation

Approve the extension of the HOME loan, at its current terms, to September 3, 2015, extension of the LURA for an additional one year, and direct staff to proceed with loan document modification activities as needed.

SPECIAL ASSETS

Consent

B. Request Approval to Refinance the First Mortgage for Heron Pond Apartment, Ltd., a Florida Limited Partnership, for Heron Pond Apartments (2002-054S/2002-538C)

Development Name: Heron Pond Apartments (“Development”)	Location: Lee County
Developer/Principal: Carlisle Development Group (“Developer”)/Heron Pond Apartments, Ltd. (“Borrower”)	Set-Aside: SAIL 4.49%@35%, 95.51%@60%; HC 100%@60% AMI SAIL LURA 50 years; EUA 30 years
Number of Units: 156	Allocated Amount: SAIL \$1,500,000; HC \$347,300
Demographics: Family	Servicer: Seltzer Management Group

1. Background

During the 2002 funding cycle, Florida Housing Finance Corporation (“Florida Housing”) awarded \$1,500,000 in State Apartment Incentive Loan Program (“SAIL”) funds to Heron Pond Apartments, Ltd., a Florida limited partnership (“Borrower”), for the development of a 156-unit property in Lee County, Florida. The SAIL loan was closed on May 9, 2003, and will mature on December 1, 2043. The Development also received a 2002 allocation of low-income housing tax credits of \$347,300.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage. The Borrower intends to obtain refinancing through a first mortgage loan originated by C-III Commercial Mortgage, the proceeds of which will be utilized to satisfy the existing first mortgage and pay related financing and repair cost.
- b) The Borrower also requests that the SAIL loan, the SAIL Land Use Restriction Agreement (“LURA”), and the Low Income Housing Tax Credit Extended Use Agreement (“EUA”) be subordinated to the new first mortgage.
- c) Staff has received a credit underwriting report ([Exhibit A](#)) providing a positive recommendation for approval for the new financing, and subordination of the SAIL loan, SAIL LURA, and HC EUA to the new first mortgage.

3. Recommendation

Approve the refinancing of the first mortgage loan and subordination of the SAIL loan, SAIL LURA, and HC EUA 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 as needed.

SPECIAL ASSETS

Consent

C. Request Approval to Refinance the First Mortgage for Nantucket Bay, Ltd., a Florida Limited Partnership, for Nantucket Bay Apartments (98-075CS)

Development Name: Nantucket Bay Apartments (“Development”)	Location: Hillsborough County
Developer/Principal: Gatehouse (“Developer”)/Nantucket Bay, Ltd. (“Borrower”)	Set-Aside: SAIL 50% @ 50%, 40% @ 60%; HC 20% @ 40%, 30% @ 50%, 50% @ 60% AMI SAIL LURA 50 years; EUA 50 years
Number of Units: 180	Allocated Amount: SAIL \$1,850,000; HC \$946,449
Demographics: Family/Elderly	Servicer: AmeriNational Community Services, Inc.

1. Background

- a) During the 1998 funding cycle, Florida Housing Finance Corporation (“Florida Housing”) awarded \$1,850,000 in State Apartment Incentive Loan Program (“SAIL”) funds to Nantucket Bay, Ltd., a Florida limited partnership (“Borrower”), for the development of a 180-unit property in Hillsborough County, Florida. The SAIL loan was closed on January 5, 1999, and will mature on June 30, 2015. The Development also received a 1998 allocation of low-income housing tax credits of \$946,449.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage. The Borrower intends to obtain financing through a first mortgage loan originated by Citibank, NA, the proceeds of which will be utilized to satisfy the existing first mortgage and pay related financing cost.
- b) The Borrower also requests that the term of the SAIL loan be extended to be co-terminus with the new first mortgage and the SAIL Land Use Restriction Agreement (“LURA”) by an equal amount of time, and that the SAIL loan, SAIL LURA and the Low Income Housing Tax Credit Extended Use Agreement (“EUA”) be subordinated to the new first mortgage.
- c) Staff has received a credit underwriting report ([Exhibit B](#)) providing a positive recommendation for approval for the new financing, the extension of the SAIL loan term and SAIL LURA, and subordination of the SAIL loan, SAIL LURA, and HC EUA to the new first mortgage.

3. Recommendation

Approve the refinancing of the first mortgage loan, extension of the SAIL loan and SAIL LURA, and subordination of the SAIL loan, SAIL LURA, and HC EUA 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 as needed.