

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
August 7, 2015
Consent Items



HOME RENTAL

Consent

I. HOME RENTAL

A. Request Approval of HOME Credit Underwriting Report for Gateway Townhomes of St. Joe (2014-403H)

| | |
|--|---|
| Development Name: Gateway Townhomes of St. Joe (“Development”) | Location: Gulf County |
| Developer: Gateway Townhomes of St. Joe, LLC, The Paces Foundation, Inc. (“Developers”) | Set-Aside: 20% @ 50% AMI 80% @ 60% AMI 50 HOME Units |
| Type: New Construction/Garden Style Apartments | HOME: \$5,482,633 |
| Total Number of Units: 50 | Demographics: Family |

1. Background/Present Situation

- a) The Applicant applied for funding under Request for Applications (“RFA”) 2014-109, seeking an allocation of HOME Program funds for rental developments in rural areas. On August 8, 2014, the Board approved the selection of six (6) Applications, including Gateway Townhomes of St. Joe, for funding and invitation to credit underwriting.
- b) On August 18, 2014, the Corporation issued a preliminary commitment letter. In accordance with the RFA, the Developer had a March 31, 2015 deadline to complete the credit underwriting report.
- c) On March 20, 2015, the Board approved the Developers’ request to extend the completion of the credit underwriting reports from the March 31, 2015 deadline, to no later than the June 19, 2015 Board Meeting and on June 19, 2015, the Board approved the Developer’s request to extend the credit underwriting deadline for Gateway Townhomes of St. Joe to no later than July 15, 2015.
- d) Rule Chapter 67-48.0072(4)(c), F.A.C. states the loan must close within 12 months of the date of the letter of invitation to enter credit underwriting. Applicants may request one (1) extension of the closing date, up to 12 months.
- e) On July 14, 2015, staff received a final credit underwriting report with a positive recommendation for a HOME loan in the amount of \$5,482,633 ([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.

2. Recommendation

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

HOME RENTAL

Consent

B. Request Approval to Extend HOME Loan Closing Deadline for Cyndy's Place (2014-408H)

| | |
|--|---|
| Development Name: Cyndy's Place ("Development") | Location: DeSoto County |
| Developer: NVision Communities, Inc., Texas Housing, LLC (Developers) | Set-Aside: 20% @ 50% AMI 80% @ 60% AMI 18 HOME Units |
| Type: New Construction/Single Family Homes | HOME: \$2,284,200 |
| Total Number of Units: 18 | Demographics: Rural |

1. Background/Present Situation

- a) The Applicant applied for funding under Request for Applications ("RFA") 2014-109, seeking an allocation of HOME Program funds for rental developments in rural areas. On August 8, 2014, the Board approved the selection of six (6) Applications, including Cyndy's Place, for funding and invitation to credit underwriting.
- b) On August 18, 2014, the Corporation issued a preliminary commitment letter. In accordance with the RFA, the Developer had a March 31, 2015 deadline to complete the credit underwriting report. On March 20, 2015, the Board approved the Developers' request to extend the completion of the credit underwriting reports from the March 31, 2015 deadline, to no later than the June 19, 2015 Board Meeting.
- c) On June 19, 2015, the Board approved the final credit underwriting report and directed staff to proceed with a firm loan commitment and loan closing activities.
- d) On June 22, 2015, staff issued a firm commitment letter for a HOME loan in an amount up to \$2,284,200. Pursuant to the firm commitment, the loan must close by August 18, 2015.
- e) Rule Chapter 67-48.0072(4)(c), F.A.C. states the loan must close within 12 months of the date of the letter of invitation to enter credit underwriting. Applicants may request one (1) extension of the closing date, up to 12 months.
- f) On July 16, 2015, staff received a letter from the Developers requesting a loan closing extension until August 18, 2016. The request was made in order to include additional structures to meet the Southwest Florida Water Management District permitting requirements ([Exhibit B](#)). The request for the extension is made in the event the developer cannot close the loan by August 18, 2015.

2. Recommendation

Approve the Developer's request to extend the closing deadline until August 18, 2016, in the event they are not able to close prior to or on August 18, 2015 as required in the firm loan commitment.

LEGAL

Consent

II. LEGAL

A. In Re: Ridge Club Apartments – FHFC Case No. 2015-026VW

| | |
|--|--------------------------------------|
| Development Name: (“Development”): | Ridge Club Apartments |
| Developer/Principal: (“Developer”): | Dalcor Ridge Club, LTD |
| Number of Units: 372 | Location: Orange County |
| Type: Garden Style Apartments | MMRB Set Aside: 85% @ 60% AMI |
| Demographics: Family | MMRB: \$28,000,000 |
| HC Set Aside 100% @ 60% AMI | HC: \$ 1,758,308 |

1. Background

- a) Petitioner successfully applied for Multifamily Mortgage Revenue Bond (MMRB) program and 4% Non-Competitive Housing Credit program (2014-102B/2013-520C) to assist in the acquisition and rehabilitation of Ridge Club Apartments, a 372 unit affordable housing community in Orange County, Florida. In connection with this Application, Petitioner committed to set aside the following for Low Income Tenants (at 60% of Area Median Income (AMI)): 85% (317 units) for MMRB and 100% (372 units) for Housing Credits.
- b) On June 3, 2015, Florida Housing received a “Petition for Waiver of, or Variance from, Rule 67-21.003(8) to Decrease the Total Set-Aside Percentage” from Petitioner. A copy of the Petition is attached as [Exhibit A](#).

2. Present Situation

- a) Rule 67-21.003(8), Fla. Admin. Code, provides in pertinent part:

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 is deemed complete. Those items are as follows:

- (j) The Total Set-Aside Percentage as stated in the last row of the total-set aside breakdown chart for the program(s) applied for in the Set-Aside Commitment Section of the Application...
- b) Petitioner requests a waiver or variance of the above Rule to permit it to decrease the total set-aside percentage for the MMRB program from 85% to 80%. This would allow 16 current tenants to remain in their units despite having incomes greater than 60% of AMI. These tenants originally qualified to reside in the development and are allowed to continue to reside in the development pursuant to a “safe harbor” provision in the Housing Credits program.
- c) Had Petitioner selected an 80% total set-aside for the MMRB in its original Application, it would not have affected its eligibility for the bonds or housing credits. Because these programs are non-competitive, granting this variance would not allow Petitioner to gain any unfair advantage over other applicants for such bonds or housing credits.

LEGAL

Consent

d) On June 5, 2015, the Notice of Petition was published in the Florida Administrative Register in Volume 41, Number 109. To date, Florida Housing has received no comments concerning the Petition.

e) 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.

f) Petitioner has demonstrated that strict application of the above Rule under these circumstances would constitute a substantial hardship and violate the principles of fairness, by unnecessarily subjecting these current tenants to the hardship of locating alternate housing.

3. **Recommendation**

Staff recommends the Board **GRANT** Petitioner's request for a waiver of the above Rule to permit a reduction in the Development's set-aside regarding the Multifamily Mortgage Revenue Bond from 85% @ 60% AMI to 80% @ 60% AMI. This waiver will not impact the current set-aside requirements regarding the 4% Non-Competitive Housing Credits.

LEGAL

Consent

B. In Re: Castle Woods Apartments - FHFC Case No. 2015-027VW

| | |
|--|--------------------------------------|
| Development Name: (“Development”): | Castle Woods Apartments |
| Developer/Principal: (“Developer”): | Dalcor Castle Woods, LTD |
| Number of Units: 304 | Location: Seminole County |
| Type: Garden Style Apartments | MMRB Set Aside: 85% @ 60% AMI |
| Demographics: Family | MMRB: \$14,000,000 |
| HC Set Aside: 100% @ 60% AMI | HC: \$995,645 |

1. Background

- a) Petitioner successfully applied for Multifamily Mortgage Revenue Bond (MMRB) funding and 4% Non-Competitive Housing Credit funding (2014-101B/2013-516C) to assist in the acquisition and rehabilitation of Castle Woods Apartments, a 304 unit affordable housing community in Seminole County, Florida. In connection with this Application, Petitioner committed to set aside the following for Low Income Tenants (at 60% of Area Median Income (AMI)): 85% (259 units) for MMRB and 100% (304 units) for Housing Credits.
- b) On June 3, 2015, Florida Housing received a “Petition for Waiver of, or Variance from, Rule 67-21.003(8) to Decrease the Total Set-Aside Percentage” from Petitioner. A copy of the Petition is attached as [Exhibit B](#).

2. Present Situation

- a) Rule 67-21.003(8), Fla. Admin. Code, provides in pertinent part:

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 is deemed complete. Those items are as follows:

- (j) The Total Set-Aside Percentage as stated in the last row of the total-set aside breakdown chart for the program(s) applied for in the Set-Aside Commitment Section of the Application...
- b) Petitioner requests a waiver or variance of the above Rule to permit it to decrease the total set-aside percentage for the MMRB program from 85% to 76%. This would allow 27 current tenants to remain in their units despite having incomes greater than 60% of AMI. These tenants originally qualified to reside in the development and are allowed to continue to reside in the development pursuant to a “safe harbor” provision in the Housing Credits program.
- c) Had Petitioner selected a 76% total set-aside for the MMRB in its original Application, it would not have affected its eligibility for the bonds or housing credits. Because these programs are non-competitive, granting this variance would not allow Petitioner to gain any unfair advantage over other applicants for such bonds or housing credits.

LEGAL

Consent

d) On June 5, 2015, the Notice of Petition was published in the Florida Administrative Register in Volume 41, Number 109. To date, Florida Housing has received no comments concerning the Petition.

e) 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.

f) Petitioner has demonstrated that strict application of the above Rule under these circumstances would constitute a substantial hardship and violate the principles of fairness, by unnecessarily subjecting these current tenants to the hardship of locating alternate housing.

3. **Recommendation**

Staff recommends the Board **GRANT** Petitioner's request for a waiver of the above Rule to permit a reduction in the Development's set-aside regarding the Multifamily Mortgage Revenue Bond from 85% @ 60% AMI to 76% @ 60% AMI. This waiver will not impact the current set-aside requirements regarding the 4% Non-Competitive Housing Credits.

MULTIFAMILY BONDS

Consent

III. MULTIFAMILY BONDS

A. Request Approval of Credit Underwriting Report for Coquina Place (2014-104B / 2014-318S)

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|---|--|
| Development Name: Coquina Place | Location: Miami-Dade County |
| Developer/Principal (“Applicant”): Brookstone Partners, LLC / Coquina Place Associates, Ltd. | Set-Asides: 85% @ 60% AMI (MMRB) 100% @ 60% AMI (Housing Credits) 10% @ 33% AMI (SAIL and ELI) 90% @ 60% AMI (SAIL) |
| Funding Source: Multifamily Mortgage Revenue Bonds (MMRB), State Apartment Incentive Loan (SAIL), ELI Gap Funding (ELI) and 4% Housing Tax Credits (Housing Credits) | Amount: \$9,750,000 MMRB \$2,592,000 SAIL \$750,000 ELI \$772,098 Housing Credits |
| Number of Units: 96 | Type: Family |

1. Background/Present Situation

- a) On January 10, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-103 for the Financing of Affordable Multifamily Housing Developments with SAIL Funding to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) As required in RFA 2014-103, the Applicant submitted a Non-Competitive Application package requesting MMRB in the amount of \$8,400,000 and Non-Competitive Housing Credits in the amount of \$586,829. The Applicant subsequently increased the MMRB request amount to \$9,750,000.
- c) On August 8, 2014, the Board approved the final scores and recommendations for RFA 2014-103 and directed staff to proceed with all necessary credit underwriting activities.
- d) On August 14, 2014, staff issued an invitation to enter credit underwriting to the Applicant.
- e) Staff reviewed the credit underwriting report giving a positive recommendation for a SAIL loan in the amount of \$2,592,000, ELI Gap Funding in the amount of \$750,000, \$9,750,000 in Tax Exempt MMRB, and \$772,098 in Housing Credits ([Exhibit A](#)). Staff finds that the development meets all of the requirements of RFA 2014-103 and the Non-Competitive Application.

2. Recommendation

Approve the recommendation of the Credit Underwriter outlined in the final credit underwriting report recommending and allocating \$9,750,000 in Tax Exempt MMRB, \$2,592,000 in SAIL, and \$750,000 in ELI Gap Funding for the construction of the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

B. Assignment of Bond Underwriter and Recommended Method of Sale

1. Background

- a) Pursuant to staff's request for approval to issue bonds to finance the construction of the proposed Development referenced below, the Final Credit Underwriting Report is being presented to the Board for approval simultaneously with this request to assign the appropriate professional for the transaction and approval of the recommended method of sale. A brief description of the Development is detailed below along with staff's recommendation.
- b) Pursuant to Rule 67-21.0045, F.A.C., staff has requested a review of the proposed bond structure by the Independent Registered Municipal Advisor (IRMA) in order to make a recommendation to the Board for the method of bond sale. Caine Mitter and Associates Incorporated has prepared an analysis and recommendation for the method of bond sale for the Development. The recommendation letter is attached as [Exhibit B](#).

2. Present Situation

Florida Housing staff, the Credit Underwriter, and the IRMA have reviewed the financial structure for the proposed Development.

3. Recommendation

Approve the assignment of the recommended professional and the Independent Registered Municipal Advisor's recommendation for the method of bond sale, as shown in the chart below, for the proposed Development.

| Development Name | Location of Development | Number of Units | Method of Bond Sale | Recommended Professional | Exhibit |
|-------------------------|--------------------------------|------------------------|-------------------------------------|---------------------------------|------------------|
| Coquina Place | Miami-Dade County | 96 | Negotiated Private Placement | RBC Capital Markets, LLC | Exhibit B |

MULTIFAMILY PROGRAMS

Consent

IV. MULTIFAMILY PROGRAMS

A. Request Approval of Credit Underwriting Report for SunUp Project (2015-006G)

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|-----------------------------|---|
| Development Name: | SunUp Project |
| Applicant/Principal: | The Arc of Indian River County, Inc. |
| Location: | Indian River |
| Number of Residents: | 6 |
| Set-Aside: | 33% @ 40% AMI & 67% @ 60% AMI |
| Allocated Amounts: | \$367,000.00 Grant funding |

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 6, 2015, staff issued a Notice of Preliminary Award to The Arc of Indian River County, Inc. and on March 20, 2015, staff issued an invitation to enter credit underwriting.
- d) On July 21, 2015, staff received a credit underwriting report with a positive recommendation for a grant in the amount of \$367,000.00 ([Exhibit A](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2014-112.

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 John’s Place (2015-019G)

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|-----------------------------|--|
| Development Name: | John’s Place |
| Applicant/Principal: | The Arc of Putnam County, Inc. |
| Location: | Putnam |
| Number of Residents: | 6 |
| Set-Aside: | 33% @ 45% AMI & 67% @ 60% AMI |
| Allocated Amounts: | \$367,000.00 Grant funding |

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 6, 2015, staff issued a Notice of Preliminary Award to The Arc of Putnam County, Inc., and on February 19, 2015, staff issued an invitation to enter credit underwriting.
- d) On July 20, 2015, staff received a credit underwriting report with a positive recommendation for a grant in the amount of \$367,000.00 ([Exhibit B](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2014-112.

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 Neff Lake Estate II (2015-012G)

| | |
|-----------------------------|--|
| Development Name: | Neff Lake Estate II |
| Applicant/Principal: | The Arc Nature Coast, Inc. |
| Location: | H |
| Number of Residents: | 6 |
| Set-Aside: | 33% @ 40% AMI & 67% @ 60% AMI |
| Allocated Amounts: | \$367,000.00 Grant funding |

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 6, 2015, staff issued a Notice of Preliminary Award to The Arc Nature Coast, Inc., and on February 24, 2015, staff issued an invitation to enter credit underwriting.
- d) On July 23, 2015, staff received a credit underwriting report with a positive recommendation for a grant in the amount of \$367,000.00 ([Exhibit C](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2014-112.

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 Neff Lake Estate III (2015-011G)

| | |
|-----------------------------|--|
| Development Name: | Neff Lake Estate III |
| Applicant/Principal: | The Arc Nature Coast, Inc. |
| Location: | Hernando County |
| Number of Residents: | 6 |
| Set-Aside: | 33% @ 40% AMI & 67% @ 60% AMI |
| Allocated Amounts: | \$367,000.00 Grant funding |

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 6, 2015, staff issued a Notice of Preliminary Award to The Arc Nature Coast, Inc., and on February 24, 2015, staff issued an invitation to enter credit underwriting.
- d) On July 23, 2015, staff received a credit underwriting report with a positive recommendation for a grant in the amount of \$367,000.00 ([Exhibit D](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2014-112.

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 Extension for Quanset House (2015-023G)

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|-----------------------------|--|
| Development Name: | Quanset House |
| Applicant/Principal: | ARC of Martin County, Inc. |
| Location: | Martin |
| Number of Residents: | 6 |
| Set-Aside: | 33% @ 40% AMI & 67% @ 60% AMI |
| Allocated Amounts: | \$367,000.00 Grant funding |

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 6, 2015, staff issued a Notice of Preliminary Award to ARC of Martin County, Inc. and on March 30, 2015, staff issued an invitation to enter credit underwriting. Per RFA 2014-112, the final credit underwriting report must be approved at the August 2015 board meeting.
- d) The Borrower has requested a credit underwriting extension. Staff is requesting an extension of the credit underwriting deadline to the October 30, 2015 board meeting.

2. Recommendation

Approve an extension of the credit underwriting deadline to the October 30, 2015 Board meeting.

MULTIFAMILY PROGRAMS

Consent

F. Request Approval of Credit Underwriting Report Extension for The Deleon Residential Facility (2015-017G)

| | |
|-----------------------------|--|
| Development Name: | The Deleon Residential Facility |
| Applicant/Principal: | The Arc of St. Lucie County, Inc. |
| Location: | St. Lucie |
| Number of Residents: | 6 |
| Set-Aside: | 33% @ 40% AMI & 67% @ 60% AMI |
| Allocated Amounts: | \$188,000.00 Grant funding |

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 6, 2015, staff issued a Notice of Preliminary Award to The Arc of St. Lucie County, Inc. and on February 24, 2015, staff issued an invitation to enter credit underwriting. Per RFA 2014-112, the final credit underwriting report must be approved at the August 2015 board meeting.
- d) The Borrower has requested a credit underwriting extension. Staff is requesting an extension of the credit underwriting deadline to the October 30, 2015 board meeting.

2. Recommendation

Approve an extension of the credit underwriting deadline to the October 30, 2015 Board meeting.

MULTIFAMILY PROGRAMS

Consent

G. Request Approval of Credit Underwriting Report Extension for Setlowe Haven (2015-024G)

| | |
|-----------------------------|--|
| Development Name: | Setlowe Haven |
| Applicant/Principal: | Citrus County Association for Retarded Citizens, Inc. |
| Location: | Citrus |
| Number of Residents: | 6 |
| Set-Aside: | 33% @ 45% AMI & 67% @ 60% AMI |
| Allocated Amounts: | \$367,000.00 Grant funding |

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 6, 2015, staff issued a Notice of Preliminary Award to Citrus County Association for Retarded Citizens, Inc. and on May 6, 2015, staff issued an invitation to enter credit underwriting. Per RFA 2014-112, the final credit underwriting report must be approved at the August 2015 board meeting.
- d) The Borrower has requested a credit underwriting extension. Staff is requesting an extension of the credit underwriting deadline to the September 18, 2015 board meeting.

2. Recommendation

Approve an extension of the credit underwriting deadline to the September 18, 2015 Board meeting.

MULTIFAMILY PROGRAMS

Consent

H. Request Approval of Credit Underwriting Report Extension for Adding Units in Seminole County for Individuals with DD (2015-005G)

| | |
|-----------------------------|---|
| Development Name: | Adding Units in Seminole County for Individuals with DD |
| Applicant/Principal: | Crystal Lakes Supportive Environments, Inc. dba Attain, Inc. |
| Location: | Seminole |
| Number of Residents: | 6 |
| Set-Aside: | 33% @ 40% AMI & 67% @ 60% AMI |
| Allocated Amounts: | \$367,000.00 Grant funding |

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 6, 2015, staff issued a Notice of Preliminary Award to Crystal Lakes Supportive Environments, Inc. dba Attain, Inc., and on April 23, 2015, staff issued an invitation to enter credit underwriting. Per RFA 2014-112, the final credit underwriting report must be approved at the August 2015 board meeting.
- d) The Borrower has requested a credit underwriting extension. Staff is requesting an extension of the credit underwriting deadline to the October 30, 2015 board meeting.

2. Recommendation

Approve an extension of the credit underwriting deadline to the October 30, 2015 Board meeting.

MULTIFAMILY PROGRAMS

Consent

I. Request Approval of Credit Underwriting Report Extension for Greenwood Court Group Home (2015-007G)

| | |
|-----------------------------|--|
| Development Name: | Greenwood Court Group Home |
| Applicant/Principal: | Life Concepts, Inc. dba Quest, Inc. |
| Location: | Hillsborough |
| Number of Residents: | 6 |
| Set-Aside: | 33% @ 40% AMI & 67% @ 60% AMI |
| Allocated Amounts: | \$101,000.00 Grant funding |

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 6, 2015, staff issued a Notice of Preliminary Award to Life Concepts, Inc. dba Quest, Inc., and on February 27, 2015, staff issued an invitation to enter credit underwriting. Per RFA 2014-112, the final credit underwriting report must be approved at the August 2015 board meeting.
- d) The Borrower has requested a credit underwriting extension. Staff is requesting an extension of the credit underwriting deadline to the October 30, 2015 board meeting.

2. Recommendation

Approve an extension of the credit underwriting deadline to the October 30, 2015 Board meeting.

MULTIFAMILY PROGRAMS

Consent

J. Request Approval of Credit Underwriting Report Extension for Oakwood Group Home (2015-008G)

| | |
|-----------------------------|--|
| Development Name: | Oakwood Group Home |
| Applicant/Principal: | Ann Storck Center, Inc. |
| Location: | Broward |
| Number of Residents: | 6 |
| Set-Aside: | 33% @ 30% AMI & 67% @ 60% AMI |
| Allocated Amounts: | \$101,000.00 Grant funding |

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 6, 2015, staff issued a Notice of Preliminary Award to Ann Storck Center, Inc., and on February 25, 2015, staff issued an invitation to enter credit underwriting. Per RFA 2014-112, the final credit underwriting report must be approved at the August 2015 board meeting.
- d) The Borrower has requested a credit underwriting extension. Staff is requesting an extension of the credit underwriting deadline to the September 18, 2015 board meeting.

2. Recommendation

Approve an extension of the credit underwriting deadline to the September 18, 2015 Board meeting.

MULTIFAMILY PROGRAMS

Consent

K. Request Approval of Credit Underwriting Report Extension for The Century Oak Home at The Arc of Alachua County (2015-009G)

| | |
|-----------------------------|--|
| Development Name: | The Century Oak Home at The Arc of Alachua County |
| Applicant/Principal: | The Arc of Alachua County |
| Location: | Alachua |
| Number of Residents: | 6 |
| Set-Aside: | 33% @ 35% AMI & 67% @ 60% AMI |
| Allocated Amounts: | \$367,000.00 Grant funding |

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 6, 2015, staff issued a Notice of Preliminary Award to The Arc of Alachua County, Inc., and on April 30, 2015, staff issued an invitation to enter credit underwriting. Per RFA 2014-112, the final credit underwriting report must be approved at the August 2015 board meeting.
- d) The Borrower has requested a credit underwriting extension. Staff is requesting an extension of the credit underwriting deadline to the October 30, 2015 board meeting.

2. Recommendation

Approve an extension of the credit underwriting deadline to the October 30, 2015 Board meeting.

MULTIFAMILY PROGRAMS

Consent

L. Request Approval of Credit Underwriting Report Extension for BASCA Group Home 5 (2015-016G)

| | |
|-----------------------------|--|
| Development Name: | BASCA Group Home 5 |
| Applicant/Principal: | BASCA, Inc. |
| Location: | Clay |
| Number of Residents: | 6 |
| Set-Aside: | 33% @ 33% AMI & 67% @ 60% AMI |
| Allocated Amounts: | \$367,000.00 Grant funding |

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 6, 2015, staff issued a Notice of Preliminary Award to BASCA, Inc., and on April 30, 2015, staff issued an invitation to enter credit underwriting. Per RFA 2014-112, the final credit underwriting report must be approved at the August 2015 board meeting.
- d) The Borrower has requested a credit underwriting extension. Staff is requesting an extension of the credit underwriting deadline to the October 30, 2015 board meeting.

2. Recommendation

Approve an extension of the credit underwriting deadline to the October 30, 2015 Board meeting.

MULTIFAMILY PROGRAMS

Consent

M. Request Approval of Credit Underwriting Report Extension for Arc Gateway Fassett House (2015-018G)

| | |
|-----------------------------|--|
| Development Name: | Arc Gateway Fassett House |
| Applicant/Principal: | The Arc Gateway, Inc. |
| Location: | Escambia |
| Number of Residents: | 6 |
| Set-Aside: | 33% @ 40% AMI & 67% @ 60% AMI |
| Allocated Amounts: | \$367,000.00 Grant funding |

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 6, 2015, staff issued a Notice of Preliminary Award to The Arc Gateway, Inc., and on March 10, 2015, staff issued an invitation to enter credit underwriting. Per RFA 2014-112, the final credit underwriting report must be approved at the August 2015 board meeting.
- d) The Borrower has requested a credit underwriting extension. Staff is requesting an extension of the credit underwriting deadline to the October 30, 2015 board meeting.

2. Recommendation

Approve an extension of the credit underwriting deadline to the October 30, 2015 Board meeting.

MULTIFAMILY PROGRAMS

Consent

N. Request Approval of Credit Underwriting Report Extension for Overhill Group Home (2015-020G)

| | |
|-----------------------------|--|
| Development Name: | Overhill Group Home |
| Applicant/Principal: | Life Concepts, Inc. dba Quest, Inc. |
| Location: | Hillsborough |
| Number of Residents: | 6 |
| Set-Aside: | 33% @ 40% AMI & 67% @ 60% AMI |
| Allocated Amounts: | \$101,000.00 Grant funding |

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 6, 2015, staff issued a Notice of Preliminary Award to Life Concepts, Inc. dba Quest, Inc., and on February 27, 2015, staff issued an invitation to enter credit underwriting. Per RFA 2014-112, the final credit underwriting report must be approved at the August 2015 board meeting.
- d) The Borrower has requested a credit underwriting extension. Staff is requesting an extension of the credit underwriting deadline to the October 30, 2015 board meeting.

2. Recommendation

Approve an extension of the credit underwriting deadline to the October 30, 2015 Board meeting.

MULTIFAMILY PROGRAMS

Consent

O. Request Approval of Credit Underwriting Report Extension for Coulter Group Home (2015-021G)

| | |
|-----------------------------|--|
| Development Name: | Coulter Group Home |
| Applicant/Principal: | Life Concepts, Inc. dba Quest, Inc. |
| Location: | Hillsborough |
| Number of Residents: | 6 |
| Set-Aside: | 33% @ 40% AMI & 67% @ 60% AMI |
| Allocated Amounts: | \$101,000.00 Grant funding |

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 6, 2015, staff issued a Notice of Preliminary Award to Life Concepts, Inc. dba Quest, Inc., and on February 27, 2015, staff issued an invitation to enter credit underwriting. Per RFA 2014-112, the final credit underwriting report must be approved at the August 2015 board meeting.
- d) The Borrower has requested a credit underwriting extension. Staff is requesting an extension of the credit underwriting deadline to the October 30, 2015 board meeting.

2. Recommendation

Approve an extension of the credit underwriting deadline to the October 30, 2015 Board meeting.

MULTIFAMILY PROGRAMS

Consent

P. Request Approval of Credit Underwriting Report Extension for The Harper Home (2015-022G)

| | |
|-----------------------------|---|
| Development Name: | The Harper Home |
| Applicant/Principal: | The Arc Sunrise of Central Florida |
| Location: | Lake |
| Number of Residents: | 6 |
| Set-Aside: | 33% @ 40% AMI & 67% @ 60% AMI |
| Allocated Amounts: | \$367,000.00 Grant funding |

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 6, 2015, staff issued a Notice of Preliminary Award to The Arc Sunrise of Central Florida, and on May 4, 2015, staff issued an invitation to enter credit underwriting. Per RFA 2014-112, the final credit underwriting report must be approved at the August 2015 board meeting.
- d) The Borrower has requested a credit underwriting extension. Staff is requesting an extension of the credit underwriting deadline to the September 18, 2015 board meeting.

2. Recommendation

Approve an extension of the credit underwriting deadline to the September 18, 2015 Board meeting.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

V. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Approval of PLP Loan Amount for Dunbar Improvement Association, Inc., a not-for-profit entity, for Palm City Garden Apartments (2015-001P-09)

| | |
|--|---|
| DEVELOPMENT NAME (“Development”): | Palm City Garden Apartments |
| APPLICANT/DEVELOPER (“Developer”): | Dunbar Improvement Association, Inc. |
| CO-DEVELOPER: | |
| NUMBER OF UNITS: | 100 |
| LOCATION (“County”): | Lee County |
| TYPE: | Elderly |
| MINIMUM SET ASIDE: | 20% @ 50% AMI |
| PLP LOAN AMOUNT: | \$233,820 |
| ADDITIONAL COMMENTS: This property is currently owned by Dunbar Improvement Association and is fully occupied. The PLP loan is being requested in order to complete predevelopment activities required prior to the planned rehabilitation of housing units using funds from several programs including the Elderly Housing Community Loan (EHCL)-already committed and the Multifamily Energy Retrofit Program (MERP)-to be applied for. | |

1. Background

- a) On April 23, 2015, the Developer submitted a PLP application for Palm City Garden Apartments in the amount of \$233,820.
- b) On April 23, 2015, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

2. Present Situation

- a) On July 1, 2015, staff received a development plan and a letter ([Exhibit A](#)) from our technical assistance provider recommending approval of the PLP Loan in the amount of \$233,820.
- 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 \$233,820 to Dunbar Improvement Association, Inc. for Palm City Garden Apartments and allow staff to commence with the loan closing process.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

VI. PROFESSIONAL SERVICES SELECTION (PSS)

A. Contract Renewal for Investment Manager Services

1. Background

a) At the December 2012 meeting, the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with the following firms for Investment Manager Services:

- (1) Logan Circle Partners, L.P.
- (2) PFM Asset Management LLC

b) The initial three (3) year term for both contracts began January 2, 2013. Contingent upon these firms satisfactorily performing its obligations under the contract as determined by Florida Housing, these contracts may be renewed twice. Each renewal shall be for an additional one year period. There are two (2) optional renewal terms remaining.

2. Present Situation

Florida Housing staff supports a renewal to extend the term of the contracts for the first one (1) year period.

3. Recommendation

Staff recommends the Board direct staff to proceed with the first one (1) year renewal option.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

B. Renewal for Contracts Providing Credit Underwriting, Construction and Permanent Loan Servicing, and Compliance Monitoring Services

1. Background

- a) At the July 2011 meeting, the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with the following firms for Credit Underwriting, Construction and Permanent Loan Servicing, and Compliance Monitoring Services:
 - (1) Amerinational Community Services, Inc.
 - (2) First Housing Development Corporation of Florida
 - (3) Seltzer Management Group, Inc.
- b) The initial four (4) year term of this contract began for each of these firms in December 2011. Contingent upon these firms satisfactorily performing its obligations under the contract as determined by Florida Housing, these contracts may be renewed twice. Each renewal shall be for an additional one year period. There are two (2) optional renewal terms remaining.

2. Present Situation

Florida Housing staff supports a renewal to extend the term of the contracts for the first one (1) year period.

3. Recommendation

Staff believes that it is in the best interest of Florida Housing to continue to retain all three firms pursuant to the existing contract and recommends the Board direct staff to proceed with the first one (1) year renewal option.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

C. **Single Source Procurement for a Hardest Hit Fund (HHF) Program Manager**

1. **Background**

- a) Starting in September 2010, Florida Housing has entered into an annual single source contract with Lainie Lowery, President of RCL Consulting and Management, Inc. to act as Program Manager for the HHF Program. Ms. Lowery's experience and knowledge in this field cannot be readily obtained through the competitive solicitation process, and has greatly assisted both the implementation and the continued management of the Program.

2. **Present Situation**

- a) On September 21, 2015, the term for Florida Housing's current contract with RCL Consulting and Management, Inc. will expire.
- b) Florida Housing has a continuing need for a HHF Program Manager to assist and advise Florida Housing with managing the Hardest Hit Fund program.

3. **Recommendation**

Staff believes that it is in the best interests of Florida Housing to proceed with a new contract for these services. Staff requests authorization to enter into a single source contract with Lainie Lowery, President of RCL Consulting and Management, Inc.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

VII. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Loan Closing Extension for Brookestone I (2014-310S)

| | |
|---|--|
| Development Name: Brookestone I (“Development”) | Location: Leon County |
| Developer/Principal: Rosedale Holding, LLC and Southport Development, Inc. (“Developer”) | Set-Aside: 10% @ 33% AMI and 90% @ 60% AMI |
| Number of Units: 108 | Requested Amounts: SAIL: \$3,050,000, ELI Gap loan \$750,000, MMRB \$6,000,000, 4% HC \$475,000 |
| Development Category/Type: New Construction/Garden Apartments | Demographic: Elderly |

1. Background/Present Situation

- a) On January 10, 2014, Florida Housing Finance Corporation issued a Request for Applications 2014-103 (RFA) for the Financing of Affordable Multifamily Housing Developments with SAIL Funding to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On August 8, 2014, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities.
- c) On August 14, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Brookestone I, LP.
- d) On July 10, 2015, staff received a request from the Applicant requesting an extension of the loan closing deadline of August 14, 2015 ([Exhibit A](#)), which will allow additional time to complete the credit underwriting process. Per the RFA, the loan must close within 12 months of the date of the invitation to enter credit underwriting. Applicants may request one (1) extension of up to 12 months related to the loan closing. Staff has reviewed the request and finds that the development meets all of the requirements of the RFA.

2. Recommendation

Approve the request to extend the loan closing deadline from August 14, 2015 to August 14, 2016, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval of Loan Closing Extension for Tuscany Cove I (2014-325S)

| | |
|--|--|
| Development Name: Tuscany Cove I (“Development”) | Location: Miami-Dade County |
| Developer/Principal: Tacolcy Economic Development Corporation, Inc.; Stone Soup Development, Inc. (“Developer”) | Set-Aside: 10% @ 33% AMI and 90% @ 60% AMI |
| Number of Units: 160 | Requested Amounts: SAIL: \$2,524,999, ELI: Gap loan \$1,200,000, MMRB \$12,545,000, 4% HC \$861,696 |
| Development Category/Type: New Construction/Mid-Rise with Elevator | Demographic: Elderly |

1. Background/Present Situation

- a) On January 10, 2014, Florida Housing Finance Corporation issued a Request for Applications 2014-103 (RFA) for the Financing of Affordable Multifamily Housing Developments with SAIL Funding to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On August 8, 2014, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities.
- c) On August 14, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Tacolcy Tuscany Cove I, LLC.
- d) On July 8, 2015, staff received a request from the Applicant requesting an extension of the loan closing deadline of August 14, 2015 ([Exhibit B](#)), which will allow additional time to complete the credit underwriting process. Per the RFA, the loan must close within 12 months of the date of the invitation to enter credit underwriting. Applicants may request one (1) extension of up to 12 months related to the loan closing. Staff has reviewed the request and finds that the development meets all of the requirements of the RFA.

2. Recommendation

Approve the request to extend the loan closing deadline from August 14, 2015 to August 14, 2016, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

C. Request Approval of Loan Closing Extension for Grove Park Apartments (2014-301S)

| | |
|---|--|
| Development Name: Grove Park Apartments (“Development”) | Location: St. Lucie County |
| Developer/Principal: Atlantic Housing Partners, L.L.P. (“Developer”) | Set-Aside: 10% @ 40% AMI and 70% @ 60% AMI |
| Number of Units: 210 | Requested Amounts: SAIL: \$4,200,000, ELI Gap loan \$1,575,000, 4% HC \$1,372,237 |
| Development Category/Type: New Construction/Garden Apartments | Demographic: Family |

1. Background/Present Situation

- a) On January 10, 2014, Florida Housing Finance Corporation issued a Request for Applications 2014-103 (RFA) for the Financing of Affordable Multifamily Housing Developments with SAIL Funding to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On August 8, 2014, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities.
- c) On August 14, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Leon Road Partners, Ltd.
- d) On March 20, 2015, the Board approved the final credit underwriting report and directed staff to proceed with a firm loan commitment and loan closing activities. On March 23, 2015, staff issued a firm commitment letter for funding which states the loan must close within 180 calendar days of the firm commitment. In addition, the loan must close within 12 months of the date of the invitation to enter credit underwriting. Per the RFA, Applicants may request one (1) extension of up to 12 months related to the loan closing.
- e) On June 9, 2015, staff received a request from the Applicant requesting an extension of the loan closing deadline of August 14, 2015 ([Exhibit C](#)), which will allow additional time to provide due diligence items associated with closing. Staff has reviewed the request and finds that the development meets all of the requirements of the RFA.

2. Recommendation

Approve the request to extend the loan closing deadline from August 14, 2015 to August 14, 2016, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

D. Request Approval of Loan Closing Extension for Paul Laurence Dunbar Senior Complex (2014-300S)

| | |
|--|---|
| Development Name: Paul Laurence Dunbar Senior Complex (“Development”) | Location: Palm Beach County |
| Developer/Principal: Landmark Development Corp.; Baobab Development, Inc. (“Co-Developers”) | Set-Asides: 30% @ 33% AMI and 70% @ 60% AMI |
| Number of Units: 99 | Loan Amount: SAIL \$2,474,000, ELI Gap Loan \$750,000, 4% HC \$807,469 |
| Development Category/Type: New Construction/Garden Apartments | Demographic: Elderly |

1. Background/Present Situation

- a) On January 10, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-103 for the Financing of Affordable Multifamily Housing Developments with SAIL Funding to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On August 8, 2014, the Board approved the final scores and recommendations for RFA 2014-103, and directed staff to proceed with all necessary credit underwriting activities.
- c) On August 14, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Paul Laurence Dunbar Senior Complex, Ltd. (Applicant)
- d) The Applicant requested the following waivers:
 - (1) On April 14, 2015 the Applicant requested a waiver and adjustment of the Total Development Cost (TDC) per Unit Limitation. Per the RFA, the TDC per unit limitations before and after the allowable escalation factor (1.8%) are \$201,000 and \$204,618 per unit, respectively. The Applicant requested an increase to the TDC per unit limitation to \$216,000 per unit due to increased construction costs and compliance with Davis-Bacon requirements. Staff recommends an increase of the TDC per unit limitation to only \$206,000 per unit before the allowable escalation factor.
 - (2) On April 15, 2015, the Applicant requested a waiver of Rule 67-21.026(12)(e) and Rule 67-48.0072(17)(f) in order to allow one subcontractor to receive more than 20% of construction cost for the development. The shell work for the development equals 23.83% of total construction costs. The shell work will be subcontracted to one company. There is no affiliation between the shell subcontractor and general contractor.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

- (3) On May 28, 2015, the Applicant requested a waiver to allow the 30% ELI set-aside be adjusted to 10% if they should lose their HAP contract, which is subject to Congressional appropriation. At the time of application, the development was located in a Limited Development Area (LDA) due to proximity of an FHFC Guarantee Program development. The development has since refinanced and this location was removed from the LDA in the most recent RFA.
- e) On June 19, 2015, the Board approved the final credit underwriting report dated June 2, 2015 and the waivers listed above. Staff was directed to proceed with a firm loan commitment and loan closing activities. On June 22, 2015, staff issued a firm commitment letter for funding which states the loan must close within 180 calendar days of the firm commitment. In addition, the loan must close within 12 months of the date of the invitation to enter credit underwriting giving them a loan closing deadline of August 14, 2015. Per the RFA, Applicants may request one (1) extension of up to 12 months related to the loan closing.
- f) On July 17, 2015, staff received a request from the Applicant requesting an extension of the loan closing deadline of August 14, 2015 ([Exhibit D](#)) due to a delay in the HUD due diligence items. The required extension fee of 1 percent of each loan amount will be paid at such time the loan closing occurs after the August 14, 2015 deadline. However, if the loan closing occurs before the deadline, the extension fee will not be required. Staff has reviewed the request and finds that the development meets all of the requirements of the RFA.

2. **Recommendation**

Approve the request to extend the loan closing deadline from August 14, 2015 to August 14, 2016, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

E. Request Approval of Credit Underwriting Report for Northwest Gardens V (2014-322S)

| | |
|--|---|
| Development Name: Northwest Gardens V (“Development”) | Location: Broward County |
| Applicant/Borrower: Northwest Properties V, Ltd. | Set-Asides: 10% @ 30% AMI and 90% @ 60% AMI |
| Number of Units: 200 | Loan Amount: SAIL \$4,960,000 & ELI Gap Loan \$1,500,000 |
| Type: Garden Style | Housing Credit Allocation: \$807,469 |
| Demographic: Elderly | MMRB: Local (BCHFA) |

1. Background/Present Situation

- a) On January 10, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-103 for the Financing of Affordable Multifamily Housing Developments with SAIL Funding to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On August 8, 2014, the Board approved the final scores and recommendations for RFA 2014-103, and directed staff to proceed with all necessary credit underwriting activities.
- c) On August 14, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Northwest Properties V, Ltd.
- d) On July 23, 2015, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit E](#)). 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.

SPECIAL ASSETS

Consent

VIII. SPECIAL ASSETS

A. Request Approval of Transfer of Ownership in Teal Pointe Apartments, Inc., a Florida Limited Liability Company, for Teal Pointe Apartments (93HD-014/93L-097)

| | |
|--|--|
| Development Name: Teal Pointe Apartments (“Development”) | Location: Miami-Dade County |
| Developer/Principal: Related (“Original Developer”)/Teal Pointe Apartments, Inc. (“Current Borrower”) | Set-Aside: HOME 50% @ 50%; 50% @ 80%; HC 50% @ 50%; 50% @ 60% AMI LURA: 45 years; EUA: 65 years |
| Number of Units: 45 | Allocated Amount: HOME \$1,000,000 Housing Credit \$108,714 |
| Demographics: Family | Servicer: First Housing Development Corporation |

1. Background

- a) During the 1993 funding cycle, Florida Housing awarded a \$1,000,000 HOME loan to Teal Pointe Associates, Ltd., a Florida limited company, (“Original Borrower”) for the development of a 45-unit apartment complex in Miami-Dade County, Florida. The HOME loan closed on December 21, 1993. The Development also received a Housing Credit allocation of \$108,714.
- b) In 2006, the Board approved a transfer of ownership when the development was sold by Teal Pointe Associates, Ltd. (The Related Group) to Teal Pointe Apartments, Inc. (The Jimenez Group) and the new owner assumed the HOME loan. The transaction also included the payoff of an existing first mortgage moving the HOME loan into first lien position. The acquisition of the Development was also supported by a second mortgage.
- c) In August 2008, there was a transfer of membership interests in Teal Pointe Apartments, Inc., the Current Borrower entity.
- d) On December 12, 2008, the Board approved renegotiation of the HOME loan to renew the principal at 1.5% interest for thirty years, with monthly amortization of principal and interest, and extension of the Land Use Restriction Agreement for an additional 30 years.
- e) In 2009, there was another transfer of membership interests in Teal Pointe Apartments, Inc.

2. Present Situation

- a) The Borrower requests approval to transfer the ownership of the development from Teal Pointe Apartments, Inc. to JJR Apartments, LLC.
- b) Florida Housing received a positive recommendation from the credit underwriter ([Exhibit A](#)).

SPECIAL ASSETS

Consent

3. **Recommendation**

Staff recommends that the Board approve the transfer of ownership, subject to the conditions provided in the credit underwriting report and direct staff to proceed with loan document modification activities as needed.

SPECIAL ASSETS

Consent

B. Request Approval of Release of Guarantor and Transfers of Membership Interests in General Partner Entities for Forty Four Cornerstone Group Developments from Stuart Meyers to Other Cornerstone Principals and Affiliated Entities

1. Background

- a) Cornerstone Development Group, LLC, The Cornerstone Group, LLC, and various related entities received funding from Florida Housing Finance Corporation (“FHFC”) for the development and/or rehabilitation of forty four affordable housing properties from 1992 to 2014. Funding sources from FHFC included Multifamily Mortgage Revenue Bonds, State Apartment Incentive Loan (SAIL), SAIL Extremely Low Income (ELI), Rental Recovery Loan Program (RRLP), HOME, Supplemental Loans, and Housing Credits. The information for each development is shown herein on [Schedule A](#).
- b) There are four properties in which FHFC is the credit enhancer through the Guarantee Program.
- c) There are thirty-nine properties in which FHFC holds a loan and is the Housing Credit authority. FHFC is the bond issuer for seven of the said loans.
- d) There are four properties in which there are General Partner Interests and FHFC is the Housing Credit authority, but not a lender.

2. Present Situation

- a) By letter dated April 30, 2015, Cornerstone Development Group is requesting FHFC’s approval for the transfer of the membership interests in the general partner entities from Stuart Meyers to the remaining Cornerstone principals, Leon Wolfe, Jorge Lopez, and Mara Maded, and their respective affiliates as outlined in Exhibit A as attached to the credit underwriting report. Cornerstone also requests that Stuart Meyers be released from all Guarantee obligations for these deals.
- b) Staff received a credit underwriting report from Seltzer Management Group ([Exhibit B](#)) providing a positive recommendation for the proposed transfers and guarantee releases.

3. Recommendation

Approve the release of guarantor and transfer of membership interests in the general partner entities from Stuart Meyers to the remaining Cornerstone principals and their entities in the forty four developments specified herein, subject to the conditions in the credit underwriting report, and direct staff to proceed with loan modification activities as required.

SPECIAL ASSETS

Consent

C. Request Approval to Refinance the First Mortgage and Renegotiate the SAIL Loan for Vestcor Fund XVI, Ltd., a Florida Limited Partnership, for Lindsey Terrace Apartments (2001-100S/2002-520C)

| | |
|--|---|
| Development Name: Lindsey Terrace Apartments (“Development”) | Location: Duval County |
| Developer/Principal: Vestcor (“Developer”); Vestcor Fund XVI, Ltd. (“Borrower”) | Set-Aside: SAIL 15.3% @ 28%, 79.9% @ 60%; HC 4% @ 30%, 91% @ 60% AMI LURA 50 years; EUA 50 years |
| Number of Units: 336 | Allocated Amount: SAIL \$2,500,000; HC \$735,921 |
| Demographics: Family | Servicer: Seltzer Management Group |

1. Background

During the 2001 funding cycle, Florida Housing awarded a \$2,500,000 State Apartment Incentive Loan (“SAIL”) to Vestcor Fund XVI, Ltd., a Florida limited partnership (“Borrower”), for the development of a 336-unit apartment complex in Duval County, Florida. The SAIL loan closed on August 20, 2002, and will mature on January 1, 2034. The Development also received a 2002 allocation of low-income housing tax credits of \$735,921.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage. The Borrower intends to obtain a first mortgage loan from PNC Capital, the proceeds of which will be used to satisfy the existing first mortgage from the Housing Finance Authority of Duval County, redeeming the underlying bonds, and effectively terminating the mortgage.
- b) The Borrower also requests that the SAIL loan, Low Income Housing Tax Credit Extended Use Agreement (“EUA”), and the SAIL LURA be subordinated to the new first mortgage. The Borrower further requests that the annual SAIL loan interest payments not exceed 75% of surplus cash as required by the new first mortgage lender.
- c) The Borrower has requested that the SAIL loan interest rate be modified from a 9% interest rate to a 3% interest rate in accordance with section 420.5087, FS and as stated in Rule 67-48. The Borrower has agreed to pay all accrued and outstanding 3% interest on the current SAIL note in order for the loan to be modified.
- d) Staff received a credit underwriting report ([Exhibit C](#)) from Seltzer Management Group providing a positive recommendation for the new financing, subordination of the SAIL loan, SAIL LURA, and HC EUA to the new first mortgage, and renegotiation of the SAIL loan terms to reduce the interest rate from 9% to 3%.

SPECIAL ASSETS

Consent

3. **Recommendation**

Approve the refinancing of the first mortgage, subordination of the SAIL loan, SAIL LURA, and HC EUA to the new first mortgage, renegotiation of the SAIL loan terms, and modifications to any other loan documents deemed necessary by FHFC counsel, 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 as needed.

SPECIAL ASSETS

Consent

D. Request Approval to Refinance the First Mortgage for City View Apartments, Inc., a Florida Corporation, for City View Apartments aka Little River Bend (2001/08-006HL)

| | |
|---|--|
| Development Name: City View Apartments aka Little River Bend (“Development”) | Location: Miami-Dade County |
| Developer/Principal: Carrfour (“Developer”); City View Apartments, Inc. (“Borrower”) | Set-Aside: DEMO 100% @ 30% AMI; LURA: 15 years; |
| Number of Units: 66 | Allocated Amount: DEMO \$1,500,000 |
| Demographics: extremely low or homeless | Servicer: First Housing Development Corporation |

1. Background

In 2001 through RFP 2001-08, Florida Housing Finance Corporation (“Florida Housing”) awarded \$1,500,000 to City View Apartments, Inc., a Florida corporation and non-profit, tax-exempt 501(c)(3) entity (“Borrower”), for the construction and rehabilitation of a 66-unit property in Miami-Dade County. The Demonstration (“DEMO”) loan closed on July 22, 2004, and will mature on July 22, 2019.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage with a loan from Florida Community Loan Fund, and to extend the Demonstration (“DEMO”) loan to be co-terminus with the new first mortgage. The affordability period of the Land Use Restriction Agreement (“LURA”) will be extended by an equal amount of time as the loan extension. The Demo loan and LURA will also need to be subordinated to the new first mortgage.
- b) Florida Housing received a positive recommendation from the credit underwriter ([Exhibit D](#)).

3. Recommendation

Approve the refinancing of the first mortgage, extension of the Demo Loan and the LURA by an equal amount of time, and subordination of the Demo loan and LURA subject to the conditions provided in the credit underwriting 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 as needed.

SPECIAL ASSETS

Consent

E. Request Approval of Refinancing of First Mortgage and SAIL Loan Modification for Hidden Creek Villas, Ltd., a Florida Limited Partnership, for Hidden Creek Villas (95S-019/96L-003)

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|---|---|
| Development Name: Hidden Creek Villas (“Development”) | Location: Orange County |
| Developer/Principal: Banyan Realty Advisors, LLC (“Developer”) | Set-Aside: SAIL & HC: 20% @ 40% & 80% @ 60% AMI; LURA: 50 years; EUA: 50 Years |
| Number of Units: 304 | Allocated Amount: SAIL - \$3,100,000 |
| Demographics: Family | Housing Credits: \$1,499,036 |

1. Background

During the 1994/1995 State Apartment Incentive Loan (“SAIL”) Cycle VII, Florida Housing awarded a \$3,100,000 construction/permanent loan to Hidden Creek Villas, Ltd. (“Borrower”), a Florida limited partnership, for the construction of a 304-unit development in Orange County. The SAIL loan closed on November 9, 1995, and will mature on December 1, 2015. The Development also received an allocation of low-income housing tax credits of \$1,499,036.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage, subordinate the SAIL loan, the SAIL Land Use Restriction Agreement (“LURA”), and the Housing Credit Extended Use Agreement (“EUA”), and extend the SAIL loan for approximately ten years to be co-terminus with the new first mortgage. The Borrower has agreed to an extension of the LURA term equal to the loan extension.
- b) The Borrower also requests that the SAIL loan be further modified from the current interest only payments based on 3% interest, subject to cash flow, to a hard pay structure requiring annual payments of interest and principal with a 1% interest and a 25 year amortization schedule. The proposed payment structure will result in at least \$47,197 more in annual payments to Florida Housing than the current interest only payments.
- c) Staff received a credit underwriting report ([Exhibit E](#)) from Seltzer Management Group providing a positive recommendation for the new financing and subordination of the SAIL loan, SAIL LURA, and HC EUA to the new first mortgage, modification of the SAIL loan terms, a ten year extension of the SAIL loan to be co-terminus with the new first mortgage, and extension of the LURA term equal to the loan extension.

SPECIAL ASSETS

Consent

3. **Recommendation**

Approve the refinancing of the first mortgage, extension and modification of the SAIL loan terms, subordination of the SAIL loan, the SAIL LURA, and the HC EUA to the new first mortgage, 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

F. Request Approval to Refinance the First Mortgage for Panama Commons, L.P., a Georgia Limited Partnership, for Panama Commons Apartments (2009-264XS/2010-010X)

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| Development Name: Panama Commons Apartments (“Development”) | Location: Bay County |
| Developer/Principal: The Paces Foundation (“Developer”); Panama Commons, L.P. (“Borrower”) | Set-Aside: 10% @ 40%, 10% @ 50%, 80% @ 60% AMI; LURA/EUA: 50 years; |
| Number of Units: 92 | Allocated Amount: SAIL \$1,892,544 HC: \$1,275,000 |
| Demographics: Family | Servicer: Seltzer Management Group |

1. Background

In 2009 through RFP 2009-04, Florida Housing Finance Corporation (“Florida Housing”) awarded a State Apartment Incentive Loan (“SAIL”) loan in the amount of \$1,892,544 to Panama Commons, L.P., a Georgia Limited Partnership authorized to do business in the State of Florida (“Borrower”), for the construction of a 92-unit property in Bay County. The SAIL loan closed on August 17, 2010, and will mature on August 17, 2025. The Development also received Tax Credit Exchange Program (“TCEP”) allocation in the amount of \$1,275,000.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage with a Fannie Mae loan through First Housing Development Corporation and to extend the SAIL loan to be co-terminus with the new first mortgage. The SAIL loan terms will also be renegotiated to limit annual SAIL interest to 75% of annual cash flow. The affordability period of the Land Use Restriction Agreement (“LURA”) will be extended by an equal amount of time as the loan extension. The SAIL loan, LURA and Housing Credit Extended Use Agreement (“EUA”) will also need to be subordinated to the new first mortgage.
- b) Florida Housing received a positive recommendation from the credit underwriter ([Exhibit F](#)).

3. Recommendation

Approve the refinancing of the first mortgage, extension of the SAIL Loan and the LURA by an equal amount of time, and subordination of the SAIL loan, LURA and EUA subject to the conditions provided in the credit underwriting report, with 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

G. Request Approval to Refinance the First Mortgage for Andrews Place II, LLC, a Florida Limited Corporation, for Andrews Place Apartments (2004-068S/2004-513C/G109)

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| Development Name: Andrew Place II Apartments (“Development”) | Location: Bay County |
| Developer/Principal: Nantahala Housing, LLC (“Developer”); Andrews Place II, LLC (“Borrower”) | Set-Aside: 100% @ 60% AMI; LURA/EUA: 50 years; |
| Number of Units: 120 | Allocated Amount: SAIL \$1,000,000 HC: \$409,231 |
| Demographics: Family | Servicer: First Housing Development Corporation |

1. Background

In 2004 Florida Housing Finance Corporation (“Florida Housing”) awarded a State Apartment Incentive Loan (“SAIL”) loan in the amount of \$1,000,000 to Andrews Place II, LLC, a Florida Limited Liability Corporation (“Borrower”), for the construction of a 120-unit property in Bay County. The SAIL loan closed on June 30, 2005, and will mature on September 1, 2046. The Development also received a Housing Tax Credit allocation in the amount of \$409,231. The Development is also part of Florida Housing’s Guarantee Program (“Guarantee Program”).

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage with a HUD 223(f) loan from Walker & Dunlop, LLC and to extend the SAIL loan to be co-terminus with the new first mortgage. The SAIL loan terms will also be renegotiated to limit annual SAIL interest to 75% of annual surplus cash flow. The affordability period of the Land Use Restriction Agreement (“LURA”) will be extended by an equal amount of time as the loan extension. The SAIL loan, LURA and Housing Credit Extended Use Agreement (“EUA”) will also need to be subordinated to the new first mortgage. The refinancing will satisfy the existing first mortgage which will effectively terminate the mortgage guaranty issued by the Guarantee Program and its associated financial risk to FHFC.
- b) Florida Housing received a positive recommendation from the credit underwriter ([Exhibit G](#)).

3. Recommendation

Approve the refinancing of the first mortgage, extension of the SAIL Loan and the LURA by an equal amount of time, and subordination of the SAIL loan, LURA and EUA subject to the conditions provided in the credit underwriting report, with 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 the Refinancing of the First Mortgage and Extension of the SAIL Loan for Garden Walk Associates, Ltd., a Florida Limited Partnership, for Garden Walk Apartments (93HRR-008/95L-004)

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|---|---|
| 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: 54 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, 2015. The Development also received a 1995 allocation of low-income housing tax credits (“HC”) of \$1,554,615.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage, subordinate the SAIL loan, the SAIL Land Use Restriction Agreement (“LURA”), and the Housing Credit Extended Use Agreement (“EUA”), and extend the SAIL loan for approximately two years to be co-terminus with the new first mortgage. The Borrower has received a funding proposal from Neighborhood Lending Partners for a first mortgage bridge loan which will allow the Borrower to repay the existing first mortgage and allow time for permanent loan refinancing for rehabilitation of the Development to ensure the units remain affordable. The Borrower has agreed to pay the FHFC loan extension fee and to the extension of the affordability period under the LURA to be equal to the loan extension (adding two years to the current 54 years).
- b) Staff received a credit underwriting report ([Exhibit H](#)) from First Housing Development Corporation providing a positive recommendation for the new financing and subordination of the SAIL loan, SAIL LURA, and EUA to the new first mortgage, a two year extension of the SAIL loan to be co-terminus with the new first mortgage, and extension of the LURA term equal to the loan extension.

SPECIAL ASSETS

Consent

3. **Recommendation**

Approve the refinancing of the first mortgage, extension, subordination of the SAIL loan, the SAIL LURA, and the EUA to the new first mortgage, 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.