

**FLORIDA HOUSING FINANCE CORPORATION**  
**Board Meeting**  
December 11, 2015  
Consent Items



## HOUSING CREDITS

### *Consent*

#### I. HOUSING CREDITS

##### A. Request Approval of General Partner Change for Northwest Gardens II (2011-185C/2012-035C)

<b>Development Name:</b>	<b>Northwest Gardens II</b>
<b>Applicant/Principal:</b>	<b>Northwest Properties II, Ltd.</b>
<b>Location :</b>	<b>Broward County</b>
<b>Demographic:</b>	<b>Elderly</b>
<b>Set-Aside:</b>	<b>10% @ 25% AMI &amp; 90% @ 60% AMI</b>
<b>Allocated Amount:</b>	<b>\$2,170,036.00</b>

#### 1. Background/Present Situation

- a) Northwest Gardens II is a new construction Development providing 128 set-aside units in Broward County. The Applicant entered credit-underwriting in June 2012 and received a Carryover Allocation Agreement in November 2012.
- b) On October 29, 2015, Florida Housing received notification from Bank of America, N.A. (“investor limited partner”) of the immediate removal of CDG Northwest Properties II, LLC (the “managing general partner”) and Matthew Greer from the partnership following a breach of the partnership agreement ([Exhibit A](#)). The managing general partner has been replaced with HEF-Graff, Inc., an affiliate of the Housing Authority of the City of Fort Lauderdale (formerly the “Administrative General Partner”).
- c) On October 30, 2015, the Board entered an Order of Ineligibility, ordering Matthew Greer is ineligible for and precluded from participation in any program administered by FHFC for a period of two years.

#### 2. Recommendation

Staff recommends the Board **GRANT** Applicant’s request for replacement of the managing general partner.

## HOUSING CREDITS

### *Consent*

**B. Request Approval of General Partner Change for Northwest Gardens IV (2011-191C/2012-037/2013-001C)**

<b>Development Name:</b>	<b>Northwest Gardens IV</b>
<b>Applicant/Principal:</b>	<b>Northwest Properties IV, Ltd.</b>
<b>Location :</b>	<b>Broward County</b>
<b>Demographic:</b>	<b>Family</b>
<b>Set-Aside:</b>	<b>10% @ 25% AMI &amp; 90% @ 60% AMI</b>
<b>Allocated Amount:</b>	<b>\$2,473,710.00</b>

**1. Background/Present Situation**

- a) Northwest Gardens IV is a new construction Development providing 138 set-aside units in Broward County. The Applicant entered credit-underwriting in June 2012 and received a Carryover Allocation Agreement in January 2013.
- b) On October 29, 2015, Florida Housing received notification from Bank of America, N.A. of the immediate removal of CDG Northwest Properties IV, LLC (the “managing general partner”) and Matthew Greer from the partnership following a breach of the partnership agreement ([Exhibit B](#)). The managing general partner has been replaced with HEF-Lindsey, Inc., an affiliate of the Housing Authority of the City of Fort Lauderdale (formerly the “Administrative General Partner”).
- c) On October 30, 2015, the Board entered an Order of Ineligibility, ordering Matthew Greer is ineligible for and precluded from participation in any program administered by FHFC for a period of two years.

**2. Recommendation**

Staff recommends the Board **GRANT** Applicant’s request for replacement of the managing general partner.

## HOUSING CREDITS

### *Consent*

C. **Request Approval of General Partner Change for Washington Square (2011-208C/2012-004C)**

<b>Development Name:</b>	<b>Washington Square</b>
<b>Applicant/Principal:</b>	<b>Green Turnkey Plaza, Ltd.</b>
<b>Location :</b>	<b>Miami-Dade County</b>
<b>Demographic:</b>	<b>Elderly</b>
<b>Set-Aside:</b>	<b>10% @ 28% AMI &amp; 90% @ 60% AMI</b>
<b>Allocated Amount:</b>	<b>\$2,288,607.00</b>

1. **Background/Present Situation**

- a) Washington Square is a new construction Development providing 89 set-aside units in Miami-Dade County. The Applicant entered credit-underwriting in June 2012 and received a Carryover Allocation Agreement in August 2012.
- b) On October 1, 2015, Florida Housing received notification from Bank of America, N.A. (“investor limited partner”) of the immediate removal of CDG Green Turnkey Plaza, LLC (“managing general partner”), and Matthew Greer from the partnership following a breach of the Partnership agreement ([Exhibit C](#)). The managing general partner has been replaced with Banc of America CDC Special Holding Company, Inc. (formerly the “special limited partner”) until a replacement general partner can be found.
- c) On October 30, 2015, the Board entered an Order of Ineligibility, ordering Matthew Greer is ineligible for and precluded from participation in any program administered by FHFC for a period of two years.

2. **Recommendation**

Staff recommends the Board **GRANT** Applicant’s request for replacement of the managing general partner.

## HOME RENTAL

### *Consent*

## II. HOME RENTAL

### A. Request Approval of General Partner Change for St. Martin's Place (2011-069CH/2013-021CH)

<b>Development Name:</b>	<b>St. Martin's Place</b>
<b>Applicant/Principal:</b>	<b>BHG St. Martin's Place, Ltd.</b>
<b>Location :</b>	<b>Miami-Dade County</b>
<b>Demographic:</b>	<b>Homeless</b>
<b>Set-Aside:</b>	<b>10% @ 28% AMI &amp; 90% @ 60% AMI</b>
<b>Allocated Amount:</b>	<b>\$2,561,000 HC \$4,700,000 HOME</b>

#### 1. Background/Present Situation

- a) St. Martin's Place is a new construction Development providing 94 set-aside units in Miami-Dade County, Florida. The Applicant entered credit underwriting at their own risk on April 10, 2012, and executed a Carryover Allocation for \$2,561,000 in Housing Credits on August 1, 2013.
- b) On August 28, 2013, Florida Housing received a Petition for Rule Waiver to change a Principal of the Applicant prior to HOME loan closing ([Exhibit A](#)). The Rule Waiver was granted by the Board on September 20, 2013 ([Exhibit B](#)). However, the Waiver and subsequent Order did not include or reference the Housing Credits.
- c) On October 8, 2015, the Applicant requested approval to change the Applicant's Co-General Partner (MM BHG St. Martin's Place, LLC) to a Special Limited Partner with new members. The new Special Limited Partner will consist of MDES as manager and MDES Irrevocable Trust as the Member (with 100% ownership). With Board approval of this change for the HOME Rental Loan and Housing Credits, the managing General Partner of BHG ST. MARTIN'S PL, LTD. (the Applicant entity) will be St. Martin's Place MBS GP, Inc., with .0051% ownership, and the Co-General Partner will be MM BHG St. Martin's Place, LLC, with .0049% ownership ([Exhibit C](#)).
- d) On November 24, 2015, staff received an update letter from the credit underwriter with a positive recommendation for the change in Principals ([Exhibit D](#)).

#### 2. Recommendation

Staff recommends that the Board grant the Applicant's request to change the Principals of the Applicant entity.

# LEGAL

## Consent

### III. LEGAL

#### A. In Re: Summerset Apartments, LP. - FHFC Case No. 2015-039VW

<b>Development Name: (“Development”):</b>	<b>Summerset Apartments Application No. 2014-008C</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Summerset Apartments LP</b>
<b>Number of Units: 96</b>	<b>Location: Pasco County</b>
<b>Type: Garden Apartments</b>	<b>Set Aside: 90% @ 60% AMI or lower</b>
<b>Demographics: Family</b>	<b>Housing Credits: \$1,501,257.00</b>

#### 1. Background

- a) Pursuant to RFA 2013-001 (the “RFA”), Summerset Apartments, LP, (“Petitioner”) successfully applied for an allocation of Low Income Housing Tax Credits (HC) to finance the construction of Summerset Apartments (the “Development”) located in Pasco County, Florida. As part of its application, Petitioner identified the Development Type for the Development as Garden Apartments.
- b) On November 9, 2015, Florida Housing received a “Petition for Waiver of Rule 67-48.004(14)(g) For a Change in Development Type.” A copy of the Petition is attached as [Exhibit A](#). Florida Housing also received a follow up letter on November 16 containing additional information, a copy of which is attached as [Exhibit B](#).
- c) Rule 67-48.004(14)(g), Florida Administrative Code (2011), provides in pertinent part:

(3) 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 attempted changes to these items will not be accepted. Those items are as follows:

...

(g) Development Type;
- d) Petitioner requested a waiver of the above rule to change the Development Type from Garden Apartments to Mid-Rise with Elevator (a building comprised of 4 stories) in order to minimize costs, reduce the overall footprint, and better accommodate amenity spaces and residential units within the Development. Additionally, the change would allow Petitioner to better accommodate adaptability, accessibility and visitability within the Development by the addition of two elevators. Petitioner has also indicated that the total development cost limitation of constructing the Development will be within the allowable limitations that were set forth in RFA 2013-001.

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### *Consent*

- e) The requested change would neither affect the scoring of Petitioner's application nor allow Petitioner to gain an unfair advantage over other applicants.
- f) Notice of the Petition was published on November 10 in Volume 41, Number 219, of the Florida Administrative Register. To date, Florida Housing has received no comments regarding the Petition.
- g) 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.
- h) Petitioner has demonstrated that strict application of the above Rule under these circumstances would cause substantial hardship and would violate the principles of fairness. The change in Development Type would not have given Petitioner an unfair advantage in scoring of its Application, and denial of the Petition could deprive Pasco County, Florida of essential affordable low-income housing units in a timely manner. Petitioner demonstrated that permitting this change in Development would also serve the purpose of the underlying statute, which is to provide safe, sanitary and affordable housing to the citizens of Florida. Additionally, the total development cost limitation of constructing the Development will not change from the total cost planned at the time of filing of the Application.

### 2. Recommendation

Staff recommends the Board **GRANT** Petitioner's request for a waiver from Rule 67-480.004(14)(g), Florida Administrative Code (2011) to allow Petitioner to change the Development Type from Garden to Mid-Rise with Elevator (a building comprised of 4 stories) with the condition that the Development will be held to the Total Development Cost limits of the Garden Apartments Type as initially applied for.

**LEGAL**

*Consent*

**B. In Re: Osprey Apartments, LLC - FHFC Case No. 2015-042VW**

<b>Development Name: (“Development”):</b>	<b>Liberty Village</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Osprey Apartments, LLC</b>
<b>Number of Units: 64</b>	<b>Location: Miami-Dade County</b>
<b>Type: High-rise (New)</b>	<b>Set Asides: 80% homeless veterans</b>
<b>Demographics: Homeless Veterans</b>	<b>9% HC: \$1,310,000</b> <b>SAIL: \$2,400,000</b> <b>ELI Gap loan: \$225,000</b>

**1. Background**

Petitioner successfully applied for an allocation of Low Income Housing Tax Credits (HC) and loan funding under the State Apartment Incentive Loan program (“SAIL”) under RFA 2014-107 to assist in the construction of new high-rise apartments serving low-income veteran and chronically homeless tenants in Miami, Florida. On November 24, 2015, Florida Housing received a “Petition for Waiver of the Qualified Allocation Plan’s Requirement for Returning Housing Credit Allocations, and for an Immediate Allocation of 2015 Housing Credits and for Waiver of Rule 67-48.004(3)(g) Pertaining to Development Type” (the “Petition”). A copy of the Petition is attached as [Exhibit C](#).

**2. Present Situation**

a) Rule 67-48.002(92), Fla. Admin. Code (2013), provides:

(92) “QAP” or “Qualified Allocation Plan” means, with respect to the HC Program, the 2014 Qualified Allocation Plan which is adopted and incorporated herein by reference, effective upon approval by the Governor of the state of Florida, pursuant to Section 42(m)(1)(B) of the IRC and sets forth the selection criteria and the preferences of the Corporation for Developments which will receive Housing Credits. The QAP is available on the Corporation’s Website under the Multifamily Programs link labeled Related References and Links or by contacting the Housing Credit Program at 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329, or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-03248>.

b) Section II.K. of the Qualified Allocation Plan (“QAP”), as adopted by reference in Rule 67-48.002(92), Fla. Admin. Code (2013), provides:

K. Notwithstanding any other provision of this QAP, where a Development has not been placed in service by the date required or it is apparent that a Development will not be placed in service by the date required, and such failure is due to circumstances beyond the Applicant’s control, and the Applicant has returned its Housing Credit Allocation in the last calendar quarter of the year in which it was otherwise required to be placed in service, the Corporation may reserve allocation in an amount not to exceed the amount of Housing Credits returned, and may allocate such Housing Credits to the Applicant for the year after the year in which the Development was otherwise required to be placed in service, provided the following conditions have



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been met: (i) the sponsor must have provided written notice to the Corporation, describing the circumstances, all remedial measures attempted by the Applicant to mitigate the delay, and any other pertinent information, prior to returning the allocation; and (ii) the Executive Director must find and determine that the delay was caused by circumstances beyond the Applicant's control, that the sponsor exercised due diligence in seeking to resolve the circumstances causing delay, that the Development in all respects, except time placed in service, still meets the conditions upon which the Housing Credits were originally allocated, and that the Development is still desirable in terms of meeting affordable housing needs.

- c) Petitioner now seeks a waiver of the provision in the QAP that would require it to return its 2014 Housing Credit Allocation in the last calendar quarter of 2016 in order to qualify for a new allocation of Housing Credits. Petitioner also seeks a waiver of the provision of the QAP that would limit such an allocation to 2017 Housing Credits. Petitioner proposes instead to return its 2014 Housing Credit allocation now, and obtain an immediate allocation of 2015 Housing Credits. Petitioner has demonstrated that it meets all of the other requirements in Section II.K. of the QAP necessary for such an allocation.
- d) Petitioner also seeks a waiver of Rule 67-48.004(3)(g), which requires that an applicant must maintain, and cannot change, the Development Type identified in the RFA application. Petitioner seeks to change the Development Type from High-Rise to Mid-Rise 5 to 6 story.
- e) Petitioner petitioned the Corporation for a waiver in July of 2015 that would have allowed it to raise the Total Development Cost (TDC) for the project. That waiver was denied at the August 7, 2015 Board meeting. Since then the project has been redesigned so that it can be constructed within the approved TDC. Changing from a High-Rise to a Mid-Rise is part of that redesign.
- f) On September 26, 2015, Notice of the Petition was published in the Florida Administrative Register in Volume 41, Number 230. To date, Florida Housing has received no comments concerning the Petition.
- g) 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.
- h) Granting the requested waivers would not have any impact on other participants in the Housing Tax Credit programs administered by Florida Housing, nor would it have a detrimental impact on Florida Housing. Petitioner has demonstrated that the waivers are needed because of circumstances beyond its control, and that it would suffer a substantial hardship if the waivers are not granted. Petitioner has also demonstrated that the purpose of the underlying statute, which is to "encourage development of low-income housing in the state" (§420.5099, Fla. Stat.), would still be achieved if the waivers are granted.

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### *Consent*

#### **3. Recommendation**

Staff recommends the Board **GRANT** Petitioner's request for a waiver of Section II.K. of the QAP, as adopted by reference in Rule 67-48.002(92), Fla. Admin. Code (2013), to permit Petitioner to return its 2014 Housing Credit Allocation and to allow the Corporation to allocate an equivalent amount of 2015 Housing Credits to Petitioner. Staff also recommends that the Board **GRANT** Petitioner's request for waiver of Rule 67-48.004(3)(g), Fla. Admin Code (2013) to permit Petitioner to change the Development Type from High-Rise to Mid-Rise 5 to 6 story.

# MULTIFAMILY BONDS

## Consent

### IV. MULTIFAMILY BONDS

#### A. Request Approval of the Transfer of Ownership Interest and the Assignment, Assumption, and Subordination of the Land Use Restriction Agreement (LURA) and Extended Low Income Housing Agreement (ELIHA) for Buchanan Bay

<b>Development Name: Buchanan Bay</b>	<b>Location: Orange County</b>
<b>Development Owner: Buchanan Bay, Ltd.</b>	<b>Set-Asides for MMRB and Housing Credits: 5% @ 50% AMI 45% @ 60% AMI</b>
<b>Funding Source: Multifamily Mortgage Revenue Bonds (MMRB) and 4% Housing Tax Credits (Housing Credits)</b>	<b>Amount: \$10,725,000 Tax Exempt MMRB \$722,351 Housing Credits</b>
<b>Number of Units: 228</b>	<b>Type: Family</b>

#### 1. Background

Florida Housing financed the construction of the above referenced Development in 1998 with \$10,725,000 in tax exempt MMRB designated as 1998 Series S. In addition, \$722,351 in Housing Credits was allocated to this Development.

#### 2. Present Situation

In a letter dated October 30, 2015, Buchanan Bay, Ltd. has requested Florida Housing's consent to transfer the ownership interest to Orlando Leased Housing Associates V, LLLP ([Exhibit A](#)). The General Partner will transfer from MBS GP 133, LLC to Orlando Leased Housing Associates V, LLC. The limited partner will transfer from SunAmerica Housing Fund 576 and SLP Housing II, LLC to Orlando Leased Housing Associates V LP, LLC. The buyer intends to redeem the 1998 Series S bonds and obtain a new first mortgage through Oak Grove Capital. The LURA and Housing Credits ELIHA will need to be subordinated to the new first mortgage. Seltzer Management Group, Inc. has reviewed this request and provided a recommendation ([Exhibit B](#)).

#### 3. Recommendation

Approve the transfer of ownership and the assignment, assumption, and subordination of the LURA and ELIHA, subject to further approvals and verifications by counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities.

## MULTIFAMILY BONDS

### *Consent*

**B. Request Approval of the Transfer of Ownership Interest and the Assignment, Assumption, and Subordination of the Land Use Restriction Agreement (LURA) and Extended Low Income Housing Agreement (ELIHA) for Sands at St. Lucie**

<b>Development Name: Sands at St. Lucie fka Savannah Palms fka Grand Savannah Club</b>	<b>Location: St. Lucie County</b>
<b>Development Owner: Grand Savannah Club, Ltd.</b>	<b>Set-Asides: 50% @ 60% AMI (MMRB) 100% @ 60% AMI (Housing Credits)</b>
<b>Funding Source: Multifamily Mortgage Revenue Bonds (MMRB) and 4% Housing Tax Credits (Housing Credits)</b>	<b>Amount: \$13,650,000 Tax Exempt MMRB \$852,935 Housing Credits</b>
<b>Number of Units: 320</b>	<b>Type: Family</b>

**1. Background**

Florida Housing financed the construction of the above referenced Development in 1998 with \$13,650,000 in tax exempt MMRB designated as 1998 Series A. In addition, \$852,935 in Housing Credits was allocated to this Development.

**2. Present Situation**

In a letter dated November 9, 2015, Grand Savannah Club, Ltd. has requested Florida Housing's consent to transfer the ownership interest to CC Sands, LLC ([Exhibit C](#)). The General Partner will transfer from MBS GP 32, LLC to Code Capital Partners, LLC. The limited partner will transfer from an affiliate of SunAmerica to CC RE Holdings, LLC. The buyer intends to redeem the 1998 Series A bonds and obtain a new first mortgage through Arbor Commercial Funding, LLC. The MMRB LURA and Housing Credits ELIHA will need to be subordinated to the new first mortgage. Seltzer Management Group, Inc. has reviewed this request and provided a recommendation ([Exhibit D](#)).

**3. Recommendation**

Approve the transfer of ownership and the assignment, assumption, and subordination of the LURA and ELIHA, subject to further approvals and verifications by counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities.

## MULTIFAMILY BONDS

### *Consent*

**C. Request Approval for a Subordination and Extension of the Land Use Restriction Agreement (MMRB) and Extended Low Income Housing Agreement (ELIHA) for Seminole Ridge**

<b>Development Name: Seminole Ridge</b>	<b>Location: Orange County</b>
<b>Developer/Principal (“Applicant”): Seminole Ridge Apartments, LTD.</b>	<b>Set-Asides: 50% @ 60% AMI (MMRB) 100% @ 60% (Housing Credits)</b>
<b>Funding Source: Multifamily Mortgage Revenue Bonds (MMRB) and 4% Housing Tax Credits (Housing Credits)</b>	<b>Amount: \$9,000,000 Tax Exempt MMRB \$1,835,000 Taxable MMRB \$811,200 Housing Credits</b>
<b>Number of Units: 240</b>	<b>Type: Family</b>

**1. Background**

Florida Housing financed the acquisition and rehabilitation of the above referenced Development in 1999 with \$9,000,000 in tax exempt MMRB designated as 1999 Series O-1 and \$1,835,000 subordinate bonds designated as 1999 Series O-2.

**2. Present Situation**

The 1999 Series O-1 and O-2 bonds were redeemed in 2010. The Borrower intends to refinance the current first mortgage through HUD and thereby requests consent from the Board that the MMRB LURA and Housing Credits ELIHA be subordinated to the new first mortgage. In addition, HUD requires that the LURA and ELIHA affordability periods be extended to a date which is 15 years from the date of the HUD loan closing, or such longer period as HUD may require.

**3. Recommendation**

Approve the subordination and extension of the MMRB LURA and Housing Credits ELIHA upon the refinancing of the first mortgage, subject to further approvals and verifications by counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities.

## MULTIFAMILY PROGRAMS

### *Consent*

#### V. MULTIFAMILY PROGRAMS

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

<b>Development Name:</b>	<b>The Deleon Residential Facility</b>
<b>Applicant/Principal:</b>	<b>The Arc of St. Lucie County, Inc.</b>
<b>Location:</b>	<b>St. Lucie County</b>
<b>Number of Residents:</b>	<b>6</b>
<b>Set-Aside:</b>	<b>33% @ 40% AMI &amp; 67% @ 60% AMI</b>
<b>Allocated Amounts:</b>	<b>\$188,000 Grant funding</b>

##### 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 Letter of Preliminary Award to The Arc of St. Lucie County, Inc., and on February 24, 2015, staff issued an invitation to enter credit underwriting.
- d) On November 23, 2015, staff received a credit underwriting report with a positive recommendation for a grant in the amount of \$188,000 ([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 Adding Units in Seminole County for Individuals with DD (2015-005G)**

<b>Development Name:</b>	<b>Adding Units in Seminole County for Individuals with DD</b>
<b>Applicant/Principal:</b>	<b>Crystal Lakes Supportive Environments, Inc. dba Attain, Inc.</b>
<b>Location:</b>	<b>Seminole County</b>
<b>Number of Residents:</b>	<b>6</b>
<b>Set-Aside:</b>	<b>33% @ 40% AMI &amp; 67% @ 60% AMI</b>
<b>Allocated Amounts:</b>	<b>\$367,000 Grant funding</b>

**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 Letter 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.
- d) On November 24, 2015, staff received a credit underwriting report with a positive recommendation for a grant in the amount of \$367,000 ([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 Variance for John's Place (2015-019G)

<b>Development Name:</b>	<b>John's Place</b>
<b>Applicant/Principal:</b>	<b>The Arc of Putnam County, Inc.</b>
<b>Location:</b>	<b>Putnam County</b>
<b>Number of Residents:</b>	<b>6</b>
<b>Set-Aside:</b>	<b>33% @ 45% AMI; 67% @ 60% AMI</b>
<b>Allocated Amount:</b>	<b>\$367,000 Grant Funding</b>

#### 1. Background/Present Situation

- a) On October 24, 2014, Florida Housing issued RFA 2014-112 for the Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities. The funding must be used for new construction or renovation of existing housing Units, including Community Residential Homes.
- 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 19, 2015, staff issued an invitation to enter credit underwriting to The Arc of Putnam County, Inc.
- d) On August 7, 2015, staff received a positive recommendation for a grant amount of \$367,000 to be allocated to the Development.
- e) On October 8, 2015, staff received a request of variance from the requirement to provide a fully accessible kitchen in accordance with the 2010 ADA Standards for Accessible Design per RFA 2014-112, specifically the height of the countertops and sink. Staff has determined that the residents served by John's Place will not be utilizing the kitchen due to safety issues associated with their condition. Therefore, variance from this requirement should be granted on the grounds of the health and safety of the staff and residents of John's Place.

#### 2. Recommendation

Staff recommends the Board grant the Applicant's request for a variance allowing that the ADA countertop and sink height requirement be waived to ensure the health and safety of the residents of John's Place.



## PROFESSIONAL SERVICES SELECTION (PSS)

### *Consent*

#### VI. PROFESSIONAL SERVICES SELECTION (PSS)

##### A. Single Source Procurement for Hardest Hit Fund (HHF) Homeowner Retention Data

###### 1. Background

Each quarter, staff must gather data necessary to determine if HHF funded applicants are still in their homes. This data must then be reported to the U.S. Treasury on our Quarterly Performance Report (QPR). This process takes several weeks of research and requires staff to currently account for 21,300 individual HHF borrowers. A significant number of these must also be researched by reviewing records across each of the 67 counties' websites, and the number will keep increasing as the number of HHF funded applicants increases.

###### 2. Present Situation

- a) In early 2015, staff researched alternative methods of efficiently and effectively pulling the retention data needed for the QPR, and determined that CoreLogic Solutions, LLC is the only provider in the market that can pull the specific types of data needed in the timeframe required. The Board approved moving forward with a single source procurement at the March 20, 2015 meeting.
- b) Florida Housing entered into a one-year contract with CoreLogic Solutions, LLC on April 16, 2015. Staff continues to believe that CoreLogic Solutions, LLC is the only provider in the market that can provide the services needed.

###### 3. Recommendation

Authorize staff to enter into another one-year single source contract with CoreLogic Solutions, LLC. for the HHF retention data necessary to complete the QPR.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Consent*

#### **B. Contract Renewal - Training, Technical Assistance and Counseling Evaluation Services for the Foreclosure Counseling Program**

##### **1. Background**

- a) On January 17, 2013, the Legislative Budget Commission approved a \$10 million allocation from National Mortgage Settlement funds to provide foreclosure counseling services to be administered by Florida Housing. The funding allows Florida Housing to carry out the following objectives:
  - (1) Help prevent homeowners from going into foreclosure; and
  - (2) Provide at-risk homeowners with good financial management education to help them better manage their money and assist them with credit issues in order to become financially stable.
- b) At the April 26, 2013 meeting, the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with the Florida Housing Counseling Network (the Network) for the provision of training, technical assistance and counseling evaluation services for the Foreclosure Counseling Program.
- c) The Network provides services in the form of:
  - (1) On-site visits with Housing Counseling Agencies (HCAs) participating in the program to provide technical assistance to the staff;
  - (2) Evaluations of HCAs' abilities to carry out program functions;
  - (3) Webinars training HCAs on specific aspects of the program; and
  - (4) Support to Florida Housing staff on FCP program policies and procedures.
- d) The initial three (3) year term for this contract began June 12, 2013. Contingent upon satisfactorily performing its obligations under the contract as determined by Florida Housing, this contract may be renewed twice for an additional one-year period. There are two (2) optional renewal terms remaining.

##### **2. Present Situation**

Florida Housing staff finds that the Network has provided satisfactory performed its obligations and supports a renewal to extend the term of the contract for the first one-year renewal period.

##### **3. Recommendation**

Staff recommends that the Board direct staff to proceed with the first one-year renewal option.

## STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

### *Consent*

#### VII. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

##### A. Request Approval of Loan Closing Extension for The Villages Apartments, Phase I (2014-422S)

<b>Development Name: The Villages Apartments, Phase I (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Applicant/Borrower: The Village Miami Phase I, Ltd.</b>	<b>Set-Aside: 5% @ 33% AMI and 95% @ 60% AMI</b>
<b>Number of Units: 150</b>	<b>Loan Amount: SAIL: \$5,000,000, ELI Gap loan \$636,500</b>
<b>Type: High Rise</b>	<b>Housing Credit Allocation: \$1,494,811</b>
<b>Demographic: Family</b>	<b>MMRB: \$19,500,000 (Local - HFAMDC)</b>

##### 1. Background/Present Situation

- a) On August 25, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-111 for SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On December 12, 2014, the Board approved the final scores and recommendations for RFA 2014-111, and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 19, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to The Village Miami Phase I, Ltd., which states that the loan must close within 12 months of the date of the invitation to enter credit underwriting, giving them a loan closing deadline of December 21, 2015.
- d) On October 30, 2015, the Board approved the final credit underwriting report and directed staff to proceed with issuance of a firm commitment and loan closing activities. Staff issued a firm commitment for funding on November 2, 2015.
- e) On November 13, 2015, staff received a request from the Applicant for an extension of the loan closing deadline of December 21, 2015 ([Exhibit A](#)), which will allow additional time to execute the subordinate agreement by the subordinate lenders. 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 December 21, 2015 to December 21, 2016, pursuant to the requirements of the RFA.

**STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)**

*Consent*

**B. Request Approval of Loan Closing Extension for Garden Trail (2014-409S)**

<b>Development Name: Garden Trail (“Development”)</b>	<b>Location: Pinellas</b>
<b>Applicant/Borrower: Garden Trail Apartments 2013 LLC</b>	<b>Set-Aside: 5% @ 40% AMI and 95% @ 60% AMI</b>
<b>Number of Units: 76</b>	<b>Loan Amount: SAIL: \$4,100,000, ELI Gap loan \$185,700</b>
<b>Type: Garden</b>	<b>Housing Credit Allocation: \$541,355</b>
<b>Demographic: Family</b>	<b>MMRN: \$6,750,000 (FHFC)</b>

**1. Background/Present Situation**

- a) On August 25, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-111 for SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On December 12, 2014, the Board approved the final scores and recommendations for RFA 2014-111, and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 19, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Garden Trail Apartments 2013 LLC, which states that the loan must close within 12 months of the date of the invitation to enter credit underwriting, giving them a loan closing deadline of December 21, 2015.
- d) On October 30, 2015, the Board approved the final credit underwriting report and directed staff to proceed with issuance of a firm commitment and loan closing activities. Staff issued a firm commitment for funding on November 2, 2015.
- e) On November 13, 2015, staff received a request from the Applicant for an extension of the loan closing deadline of December 21, 2015 ([Exhibit B](#)), which will allow additional time to close in the event that the pending closing activities are delayed. 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 December 21, 2015 to December 21, 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)**

<b>Development Name: Grove Park Apartments (“Development”)</b>	<b>Location: St. Lucie County</b>
<b>Applicant/Borrower: Lennard Road Partners, Ltd.</b>	<b>Set-Aside: 10% @ 40% AMI and 70% @ 60% AMI</b>
<b>Number of Units: 210</b>	<b>Requested Amounts: SAIL: \$4,200,000, ELI Gap loan \$1,575,000, 4% HC \$1,372,237</b>
<b>Development Category/Type/Demographic: New Construction/Garden Apartments/Family</b>	<b>MMRB: \$18,000,000 (Local – STLCHF)</b>

**1. Background/Present Situation**

- a) On January 10, 2014, Florida Housing Finance Corporation issued a Request for Applications 2014-103 (RFA) for 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 Lennard 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. Staff issued a firm loan commitment for funding on March 23, 2015. Per the RFA, the loan must close within 180 calendar days of the firm commitment, which is September 21, 2015. A request for an extension of the firm loan commitment may be considered by the Board for an extension term of up to 90 Calendar Days. On September 18, 2015, the Board approved a loan closing deadline extension request from the Applicant to extend the deadline from September 21, 2015 to December 20, 2015.
- e) On November 10, 2015, staff received a request from the Applicant for an additional extension of the firm commitment closing deadline ([Exhibit C](#)). The extension will allow additional time in order to close the loan after lien free completion. 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 firm commitment loan closing deadline from December 20, 2015 to March 18, 2016, pursuant to the requirements of the RFA.

**STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)**

*Consent*

**D. Request Approval of Loan Closing Extension for Mount Carmel Gardens (2014-423S)**

<b>Development Name: Mount Carmel Gardens (“Development”)</b>	<b>Location: Duval County</b>
<b>Applicant/Borrower: MCG Senior Apartments, Ltd.</b>	<b>Set-Asides: 15% @ 33% AMI and 85% @ 60% AMI</b>
<b>Number of Units: 207</b>	<b>Loan Amount: SAIL \$4,010,087 &amp; ELI Gap Loan \$1,968,900</b>
<b>Type: High Rise</b>	<b>Housing Credit Allocation: \$611,874</b>
<b>Demographic: Elderly Transformative Preservation</b>	<b>MMRB: \$9,750,000 (Local - JHFA)</b>

**1. Background/Present Situation**

- a) On August 25, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-111 for SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On December 12, 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 December 19, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to MCG Senior Apartments, LLC.
- d) On March 20, 2015, the Board approved the Applicant’s request to change its name from MCG Senior Apartments, LLC to MCG Senior Apartments, Ltd.
- e) On November 16, 2015, staff received a request from the Applicant for an extension of the loan closing deadline of December 21, 2015 ([Exhibit D](#)). Due to changes in the final design plan, the HUD FHA commitment has not yet been submitted. This had delayed closing of the bond issue with the Jacksonville Housing Finance Authority until March 2016. 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 December 21, 2015 to December 21, 2016, pursuant to the requirements of the RFA.

**STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)**

*Consent*

**E. Request Approval of Loan Closing Extension for Royal Palm Place (2014-429S)**

<b>Development Name: Royal Palm Place (“Development”)</b>	<b>Location: Palm Beach County</b>
<b>Applicant/Borrower: Royal Palm Place, Ltd.</b>	<b>Set-Aside: 30% @ 33% AMI and 70% @ 60% AMI</b>
<b>Number of Units: 125</b>	<b>Requested Amounts: SAIL: \$4,750,000, ELI Gap loan \$495,000</b>
<b>Development Category/Type/Demographic: Redevelopment/Mid-Rise (4-stories), Family</b>	<b>MMRB: \$ TBD (Local)</b>

**1. Background/Present Situation**

- a) On August 25, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-111 for SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On December 12, 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 December 19, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Royal Palm Place, Ltd.
- d) On November 23, 2015, staff received a request from the Applicant for an extension of the loan closing deadline of December 21, 2015 ([Exhibit E](#)), which will allow additional time to obtain the required HUD approval and complete the HUD subsidy layering review. 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 December 21, 2015 to December 21, 2016, pursuant to the requirements of the RFA.

**STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)**

*Consent*

**F. Request Approval of Loan Closing Extension for Oasis at Renaissance Preserve (2014-421S)**

<b>Development Name: Oasis at Renaissance Preserve (“Development”)</b>	<b>Location: Lee County</b>
<b>Applicant/Borrower: Oasis at Renaissance Preserve I LP</b>	<b>Set-Asides: 10% @ 40% AMI and 90% @ 60% AMI</b>
<b>Number of Units: 100</b>	<b>Requested Amounts: SAIL \$2,489,000, ELI Gap Loan \$207,500, 4% HC \$928,312</b>
<b>Development Category/Type/Demographic: Redevelopment/Mid-Rise (4 stories), Elderly ALF</b>	<b>MMRB: \$11,000,000 (Local - HFALC)</b>

**1. Background/Present Situation**

- a) On August 25, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-111 for SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On December 19, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Oasis at Renaissance Preserve I LP.
- c) On November 6, 2015, staff received a request from the Applicant requesting an extension of the loan closing deadline of December 21, 2015 ([Exhibit F](#)), 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 December 21, 2015 to December 21, 2016, pursuant to the requirements of the RFA.



STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

G. Request Approval of Loan Closing Extension for Quest Village (2015-004CSG)

Development Name: Quest Village (“Development”)	Location: Orange County
Developer/Principal: TVC Development, Inc., & Quest Village Developer, LLC (“Developer”)	Set-Aside: @ 40% AMI and 60% AMI
Number of Units: 48	Requested Amounts: SAIL \$1,000,000 GRANT \$2,000,000, HC \$957,253
Development Category/Type: New Construction/Quadraplex	Demographic: Development Disabilities

1. Background/Present Situation

- a) On December 12, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-113 for Financing to Build Larger Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On December 12, 2014, the Board approved the final scores and recommendations for RFA 2014-113, and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 23, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Quest Village, Ltd.
- d) On November 10, 2015, staff received a request from the Applicant requesting an extension of the loan closing deadline of December 23, 2015 ([Exhibit G](#)), 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 December 23, 2015 to December 23, 2016, pursuant to the requirements of the RFA.

**STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)**

*Consent*

**H. Request Approval of Loan Closing Extension for Lake Worth Commons (2014-416S)**

<b>Development Name: Lake Worth Commons (“Development”)</b>	<b>Location: Palm Beach County</b>
<b>Developer/Principal: Southport Development Services, Inc. (“Developer”)</b>	<b>Set-Aside: 5% @ 33% AMI and 95% @ 60% AMI</b>
<b>Number of Units: 120</b>	<b>Requested Amounts: SAIL: \$4,666,680, ELI Gap loan \$453,000, 4% HC \$5,714,628</b>
<b>Development Category/Type/Demographic: New Construction /Mid-Rise (4 Stories), Family</b>	<b>MMRB: \$ TBD (Local)</b>

**1. Background/Present Situation**

- a) On August 25, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-111 for SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On December 12, 2014, the Board approved the final scores and recommendations for RFA 2014-111, and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 19, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to SP BP Apartments LLC.
- d) On November 13, 2015, staff received a request from the Applicant requesting an extension of the loan closing deadline of December 21, 2015 ([Exhibit H](#)), 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 December 21, 2015 to December 21, 2016, pursuant to the requirements of the RFA.

**STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)**

*Consent*

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

<b>Development Name: Paul Laurence Dunbar Senior Complex (“Development”)</b>	<b>Location: Palm Beach County</b>
<b>Applicant/Borrower: Paul Laurence Dunbar Senior Complex, Ltd..</b>	<b>Set-Aside: 30% @ 33% AMI and 70% @ 60% AMI</b>
<b>Number of Units: 99</b>	<b>Loan Amount: SAIL: \$2,4,74,000, ELI Gap loan \$750,000</b>
<b>Type: Garden</b>	<b>Housing Credit Allocation: \$807,469</b>
<b>Demographic: Elderly</b>	<b>MMRB: \$10,750,000 (Local - HFAPBC)</b>

**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., which states that 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, subject to the applicable extension fee.
- 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 the issuance of a firm commitment and loan closing activities.
- f) On June 22, 2015, staff issued a firm commitment letter for funding which states the loan must close within 180 calendar days of the issuance of the firm commitment, giving them a closing deadline of December 21, 2015. Per the RFA, Applicants may request an extension of up to 90 calendar days, subject to the applicable extension fee.
- g) On July 17, 2015, staff received correspondence from the Applicant requesting an extension of the August 14, 2015 loan closing deadline due to a delay in the HUD due diligence items.
- h) On August 7, 2015, the Board approved the request to extend the loan closing deadline (of the invitation to enter credit underwriting) from August 14, 2015 to August 14, 2016, pursuant to the requirements of the RFA.
- i) On November 17, 2015, staff received correspondence from the Applicant requesting an extension of the December 21, 2015 firm commitment closing deadline due to the continued delay in the HUD due diligence items ([Exhibit I](#)). The required extension fee of one-half of one percent of each loan amount will be paid at such time the loan closing occurs after the December 21, 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 December 21, 2015 to March 21, 2016, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

J. Request Approval of Loan Closing Extension for Cathedral Terrace (2014-426S)

Development Name: Cathedral Terrace (“Development”)	Location: Duval County
Applicant/Borrower: Cathedral Terrace 2, Ltd.	Set-Aside: 5% @ 33% AMI and 95% @ 60% AMI
Number of Units: 240	Loan Amount: SAIL: \$3,200,000, ELI Gap loan \$734,400
Type: High Rise	Housing Credit Allocation: \$889,441
Demographic: Elderly	MMRB: \$12,500,000 (Local - JHFA)

1. Background/Present Situation

- a) On August 25, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-111 for SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On December 12, 2014, the Board approved the final scores and recommendations for RFA 2014-111, and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 19, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Cathedral Terrace 2, Ltd., which states that the loan must close within 12 months of the date of the invitation to enter credit underwriting, giving them a loan closing deadline of December 21, 2015.
- d) On October 30, 2015, the Board approved the final credit underwriting report and directed staff to proceed with issuance of a firm commitment and loan closing activities. Staff issued a firm commitment for funding on November 2, 2015.
- e) On November 20, 2015, staff received a request from the Applicant for an extension of the loan closing deadline of December 21, 2015 ([Exhibit J](#)), to allow time for HUD to review the HAP assignment request and issue approval. 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 December 21, 2015 to December 21, 2016, pursuant to the requirements of the RFA.

## STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

### *Consent*

#### K. Request Approval of Loan Closing Extension for Brookside Square (2014-417S)

<b>Development Name: Brookside Square (“Development”)</b>	<b>Location: Pinellas</b>
<b>Applicant/Borrower: Brookside Tax Credit, Ltd.</b>	<b>Set-Aside: 5% @ 40% AMI and 95% @ 60% AMI</b>
<b>Number of Units: 142</b>	<b>Loan Amount: SAIL: \$4,400,000, ELI Gap loan \$383,600</b>
<b>Type: Garden</b>	<b>Housing Credit Allocation: \$602,867</b>
<b>Demographic: Family</b>	<b>MMRB: \$9,500,000 (FHFC)</b>

#### 1. Background/Present Situation

- a) On August 25, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-111 for SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On December 12, 2014, the Board approved the final scores and recommendations for RFA 2014-111, and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 19, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Brookside Tax Credit, Ltd., which states that the loan must close within 12 months of the date of the invitation to enter credit underwriting, giving them a loan closing deadline of December 21, 2015.
- d) On June 19, 2015, the Board approved the final credit underwriting report and directed staff to proceed with issuance of a firm commitment and loan closing activities. Staff issued a firm commitment for funding on June 22, 2015.
- e) On November 23, 2015, staff received a request from the Applicant for an extension of the loan closing deadline of December 21, 2015 ([Exhibit K](#)), which will allow additional time to close in the event that the pending closing activities are delayed. 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 December 21, 2015 to December 21, 2016, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

L. Request Approval of Loan Closing Extension for Promise in Brevard (2015-002CSG)

<b>Development Name: Promise in Brevard (“Development”)</b>	<b>Location: Brevard County</b>
<b>Applicant/Borrower: Promise in Brevard, LLC</b>	<b>Set-Asides: 25% @ 35% AMI and 75% @ 60% AMI</b>
<b>Number of Units: 52</b>	<b>Requested Amounts: SAIL \$1,000,000, Grant \$3,000,000, 9% HC \$1,300,000</b>
<b>Development Category/Type: New Construction/Garden Apartments</b>	<b>Demographic: Family</b>

1. **Background/Present Situation**

- a) On October 17, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-113 for Financing to Build Larger Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On December 12, 2014, the Board approved the final scores and recommendations for RFA 2014-113, and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 23, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Promise in Brevard, LLC.
- d) On November 23, 2015, staff received a request from the Applicant for an extension of the loan closing deadline of December 23, 2015 ([Exhibit L](#)), which will allow additional time to complete the credit underwriting, document preparation and review. 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 December 23, 2015 to December 23, 2016, pursuant to the requirements of the RFA.

**STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)**

*Consent*

**M. Request Approval of Credit Underwriting Report for Mount Carmel Gardens (2014-423S)**

<b>Development Name: Mount Carmel Gardens (“Development”)</b>	<b>Location: Duval County</b>
<b>Applicant/Borrower: MCG Senior Apartments, Ltd.</b>	<b>Set-Asides: 15% @ 33% AMI and 85% @ 60% AMI</b>
<b>Number of Units: 207</b>	<b>Loan Amount: SAIL \$4,010,087 &amp; ELI Gap Loan \$1,968,900</b>
<b>Type: High Rise</b>	<b>Housing Credit Allocation: \$611,874</b>
<b>Demographic: Elderly Transformative Preservation</b>	<b>MMRB: \$9,750,000 (Local - JHFA)</b>

**1. Background/Present Situation**

- a) On August 25, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-111 for SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On December 12, 2014, the Board approved the final scores and recommendations for RFA 2014-111, and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 19, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to MCG Senior Apartments, LLC.
- d) On March 20, 2015, the Board approved the Applicant’s request to change its name from MCG Senior Apartments, LLC to MCG Senior Apartments, Ltd.
- e) On November 24, 2015, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit M](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2014-111.

**2. Recommendation**

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



**STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)**

*Consent*

**N. Request Approval of Credit Underwriting Report for Oasis at Renaissance Preserve (2014-421S)**

<b>Development Name: Oasis at Renaissance Preserve (“Development”)</b>	<b>Location: Lee County</b>
<b>Applicant/Borrower: Oasis at Renaissance Preserve I LP</b>	<b>Set-Asides: 10% @ 40% AMI and 90% @ 60% AMI</b>
<b>Number of Units: 100</b>	<b>Requested Amounts: SAIL \$2,489,000, ELI Gap Loan \$207,500, 4% HC \$928,312</b>
<b>Development Category/Type/Demographic: Redevelopment/Mid-Rise (4 stories), Elderly ALF</b>	<b>MMRB: \$11,000,000 (Local - HFALC)</b>

**1. Background/Present Situation**

- a) On August 25, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-111 for SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On December 12, 2014, the Board approved the final scores and recommendations for RFA 2014-111, and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 19, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Oasis at Renaissance Preserve I LP.
- d) On November 20, 2015, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit N](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2014-111.

**2. Recommendation**

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

**STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)**

*Consent*

**O. Request Approval of Credit Underwriting Report for The Graham at Gracepoint (2015-140CS)**

<b>Development Name: The Graham at Gracepoint (“Development”)</b>	<b>Location: Hillsborough County</b>
<b>Applicant/Borrower: The Graham at Gracepoint, LLC</b>	<b>Set-Asides: 15% @ 40% AMI and 85% @ 60% AMI</b>
<b>Number of Units: 90</b>	<b>Requested Amounts: SAIL \$4,500,000, 9% HC \$1,460,000</b>
<b>Development Category/Type: New Construction/Garden Apartments</b>	<b>Demographic: Homeless</b>

**1. Background/Present Situation**

- a) On November 21, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) RFA 2014-115 for Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties.
- b) On May 8, 2015, the Board approved the final scores and recommendations for RFA 2014-115, and directed staff to proceed with all necessary credit underwriting activities.
- c) On June 10, 2015, staff issued an at-risk opportunity to enter credit underwriting to the The Graham at Gracepoint, LLC.
- d) On November 25, 2015, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit O](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2014-115.

**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 the Extension of the HOME Loan for Naranja Affordable Housing, Ltd., a Florida Limited Partnership, for Naranja Villas (94DRHR-025/96L-012)**

<b>Development Name: Naranja Villas (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal: Swezy Realty (“Developer”)/ Naranja Affordable Housing, Ltd. (“Borrower”)</b>	<b>Set-Aside: HOME &amp; HC 22% @ 40%, 59% @ 45% &amp; 19% @ 50% AMI; LURA: 20 years; EUA: 45 Years</b>
<b>Number of Units: 90</b>	<b>Allocated Amount: HOME \$1,923,997; HC \$483,638</b>
<b>Demographics: Family</b>	<b>Servicer: First Housing Development Corporation</b>

1. **Background**

During the 1994 funding cycle, Florida Housing Finance Corporation awarded a \$1,923,997 Home Investment Partnership Program Loan (“HOME”) to Naranja Affordable Housing, Ltd., a Florida limited partnership (“Borrower”), for the construction of a 90-unit development in Miami-Dade County. The HOME loan closed on December 27, 1995, and matures on December 27, 2015. The Development also received a 1996 allocation of low-income housing tax credits (“HC”) of \$483,638.

2. **Present Situation**

- a) The Borrower has requested a one-year extension of the HOME loan to allow time to refinance the Development.
- b) The Borrower has agreed to pay the loan extension fee, and to an 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 20 years).

3. **Recommendation**

Approve the extension of the HOME loan at its current terms, to December 27, 2016, extension of the LURA for an additional year, and direct staff to proceed with loan document modification activities, as needed.

## SPECIAL ASSETS

### *Consent*

**B. Request Approval of the Extension of the HOME Loan for Indiantown Non-Profit Housing, Incorporated, a Florida not-for-profit Corporation, for New Hope Community II (95HR-001)**

<b>Development Name: New Hope Community II (“Development”)</b>	<b>Location: Martin County</b>
<b>Developer/Principal: Indiantown Non-Profit Housing, Incorporated (“Developer”)/ (“Borrower”)</b>	<b>Set-Aside: HOME 63.8% @ 50%, 22.7% @ 80% &amp; 8.5% @ 80% AMI LURA: 50 years</b>
<b>Number of Units: 57</b>	<b>Allocated Amount: HOME \$1,910,814</b>
<b>Demographics: Family</b>	<b>Servicer: AmeriNational Community Services. Inc.</b>

**1. Background**

During the 1995 funding cycle, Florida Housing Finance Corporation awarded a \$1,910,814 Home Investment Partnership Program Loan (“HOME”) to Indiantown Non-Profit Housing, Incorporated, a Florida not-for-profit corporation (“Borrower”), for the construction of a 57-unit development in Martin County. The HOME loan closed on January 26, 1996, and matures on January 26, 2016.

**2. Present Situation**

The Borrower has requested a one-year extension of the HOME loan to allow time to refinance the Development and restructure the HOME loan in conjunction with funding awarded from FHFC RFA-2014-117. The Borrower is in credit underwriting and expects to close on the new funding in 2016. The Borrower has agreed to pay the loan extension fee, and to an 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 50 years).

**3. Recommendation**

Approve the extension of the HOME loan at its current terms, to January 26, 2017, extension of the LURA for an additional year, and direct staff to proceed with loan document modification activities, as needed.

## SPECIAL ASSETS

### *Consent*

C. **Request Approval of Supplemental Financing for Banyan Pointe Associates, Ltd., a Florida Limited Partnership, for Banyan Pointe Apartments (2000-044S/2000-540C)**

<b>Development Name: Banyan Pointe (“Development”)</b>	<b>Location: Broward County</b>
<b>Developer/Principal: Cornerstone Group Development, LLC (“Developer”); Banyan Pointe Associates, Ltd. (“Borrower”)</b>	<b>Set-Aside: SAIL &amp; HC 100% @ 60% AMI LURA &amp; EUA: 50 years</b>
<b>Number of Units: 300</b>	<b>Allocated Amount: SAIL - \$2,500,000; HC - \$822,929</b>
<b>Demographics: Family</b>	<b>Servicer: First Housing Development Corporation</b>

1. **Background**

During the 2000 funding cycle, Florida Housing Finance Corporation awarded a State Apartment Incentive Loan (“SAIL”) in the amount of \$2,500,000 to Banyan Pointe Associates, Ltd., a Florida Limited Partnership (“Borrower”), for the development of a 300-unit apartment complex in Broward County, Florida. The loan closed on August 24, 2001, and matures on July 1, 2040. The Development also received a 2000 allocation of low-income housing tax credits (“HC”) of \$822,929.

2. **Present Situation**

- a) The Borrower requests approval to obtain supplemental financing to be used for the settlement of litigation and to acquire all the Limited Partner interests from one of the former principals of the Borrower. The Borrower intends to obtain supplemental proceeds from Berkeley Point Capital in the amount of \$5,500,000.
- b) The Borrower also requests that the SAIL loan documents, the HC Extended Low-Income Housing Agreement (“EUA”), and the SAIL Land Use Restriction Agreement (“LURA”) be subordinated to the new supplemental financing.
- c) The Borrower has agreed to make a principal reduction payment on the SAIL loan in the amount of \$1,250,000 and pay all outstanding deferred and accrued SAIL loan interest.
- d) Florida Housing received a positive recommendation from the credit underwriter ([Exhibit A](#)).

3. **Recommendation**

Approve the request to obtain supplemental financing and subordination of the SAIL loan documents, the HC EUA, and the SAIL LURA to the new supplemental financing and modifications to any other loan documents deemed necessary by FHFC counsel, 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*

**D. Request Approval of Supplemental Financing for Doral Terrace Associates, Ltd., a Florida Limited Partnership, for Doral Terrace Apartments (1999-082S/1999-510C)**

<b>Development Name: Doral Terrace (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal: Cornerstone Group Development, LLC (“Developer”); Doral Terrace Associates, Ltd. (“Borrower”)</b>	<b>Set-Aside: SAIL &amp; HC 72% @ 60% AMI LURA: 50 years; EUA: 40 years</b>
<b>Number of Units: 256</b>	<b>Allocated Amount: SAIL - \$2,500,000; HC - \$650,385</b>
<b>Demographics: Family</b>	<b>Servicer: Seltzer Management Group</b>

**1. Background**

During the 1999 funding cycle, Florida Housing Finance Corporation awarded a State Apartment Incentive Loan (“SAIL”) in the amount of \$2,500,000 to Doral Terrace Associates, Ltd., a Florida Limited Partnership (“Borrower”), for the development of a 256-unit apartment complex in Miami-Dade County, Florida. The loan closed on September 1, 2000, and matures on August 1, 2030. The Development also received a 1999 allocation of low-income housing tax credits (“HC”) of \$650,385.

**2. Present Situation**

- a) The Borrower requests approval to obtain supplemental financing to be used for the settlement of litigation, to acquire all the Limited Partner interests from one of the former principals of the Borrower, and to repay an existing \$650,000 Miami-Dade County Subsidy Loan. The Borrower intends to obtain the supplemental proceeds from Berkeley Point Capital in the approximate amount of \$6,000,000.
- b) The Borrower also requests that the SAIL loan documents, the HC Extended Low-Income Housing Agreement (“EUA”), and the SAIL Land Use Restriction Agreement (“LURA”) be subordinated to the new supplemental financing.
- c) The Borrower has agreed to make a principal reduction payment on the SAIL loan in the amount of \$1,250,000, and pay all outstanding deferred and accrued SAIL loan interest.
- d) Florida Housing received a positive recommendation from the credit underwriter ([Exhibit B](#)).

**3. Recommendation**

Approve the request to obtain supplemental financing and subordination of the SAIL loan documents, the HC EUA, and the SAIL LURA to the new supplemental financing and modifications to any other loan documents deemed necessary by FHFC counsel, 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*

**E. Request Approval of SAIL Loan Modification for Landings at Sea Forest, Ltd., a Florida Limited Partnership, for Landings at Sea Forest (MR1996T/GUAR/HUD Risk/97S-011/1999-506C)**

<b>Development Name: Landings at Sea Forest (“Development”)</b>	<b>Location: Pasco County</b>
<b>Developer/Principal: Affordable Housing Institute (“Developer”)/ Landings at Sea Forest, Ltd. (“Borrower”)</b>	<b>Set-Aside: MMRB 40% @60%; SAIL 20% @40%, 80% @60%; HC 60% @60% AMI; LURA &amp; EUA: 50 years</b>
<b>Number of Units: 200</b>	<b>Allocated Amount: MMRB \$7,595,000; SAIL \$3,240,000; HC \$279,606</b>
<b>Demographics: Family</b>	<b>Servicer: Seltzer Management Group</b>

**1. Background**

- a) During the 1996 funding cycle, Florida Housing Finance Corporation awarded a first mortgage of issued tax-exempt bonds in the original amount of \$7,595,000 to Landings at Sea Forest, Ltd., a Florida limited partnership (“Borrower”), for the development of a 200-unit apartment complex in Pasco County, Florida. The Multifamily Mortgage Revenue Bonds (“MMRB”) loan closed on January 1, 1999, and matures on October 1, 2036.
- b) The Borrower received a State Apartment Incentive Loan (“SAIL”) in the amount of \$3,240,000 of which \$9,591.65 was de-obligated. The loan closed on December 12, 1996, and matures on December 1, 2036. The Development also received a 1999 allocation of low-income housing tax credits (“HC”) of \$279,606. The Development is HUD risk sharing with Florida Housing’s Guarantee Program.

**2. Present Situation**

- a) 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 Senate Bill 1996 passed by the legislature in 2012 and as stated in Rule 67-48 as follows:

Any SAIL Applicant from SAIL Application cycles with non-amortizing loans at 9 percent simple interest per annum with payments based on Development Cash Flow pursuant to the applicable cycle rule, may submit a written renegotiation request to the Corporation to modify their SAIL loan interest rate going forward from 9 percent simple interest per annum to 3 percent simple interest per annum with payments based on Development Cash Flow pursuant to subsections 67-48.010 (25), F.A.C., in exchange for providing a payment to the Corporation of the deferred interest based on an accrual rate of 3 percent simple interest per annum in no more than five (5) equal annual installments but in no event shall it be later than the maturity date of the loan. Payments made from Development Cash Flow, shall be included as Development Expenses as stated in paragraph 67-48.010 (6) (b), F.A.C. All loan renegotiation requests must be submitted in writing to the Director of Special Assets. In addition to any related professional fees, the Corporation shall charge a non-refundable renegotiation fee as

## SPECIAL ASSETS

### *Consent*

outlined in the Universal Application instructions. The Corporation shall not proceed with the request until the Applicant or Developer has satisfied any financial obligations for which the Applicant or Developer, or Principal, Affiliate or Financial Beneficiary of the Applicant or Developer is in arrears to the Corporation or any agent or assignee of the Corporation.

- b) 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 to the 3% interest rate.

### 3. **Recommendation**

Approve the modification of the loan terms from a 9% cash flow note to a 3% cash flow note for the remaining term of the loan after payment of all accrued 3% base interest and direct staff to proceed with loan document modification activities as needed.



## SPECIAL ASSETS

### *Consent*

**F. Request Approval of SAIL Loan Modification for Centre Court on 53rd, Ltd., a Florida Limited Partnership, for Centre Court (2000-049S/2000-546C)**

<b>Development Name: Centre Court (“Development”)</b>	<b>Location: Manatee County</b>
<b>Developer/Principal: T. Mannausa &amp; Co. (“Developer”)/ Centre Court on 53rd, Ltd. (“Borrower”)</b>	<b>Set-Aside: SAIL 15% @ 30% &amp; 85% @ 60% AMI; HC 100% @ 60% AMI; LURA &amp; EUA: 50 years</b>
<b>Number of Units: 180</b>	<b>Allocated Amount: SAIL \$1,824,678; HC \$587,476</b>
<b>Demographics: Family</b>	<b>Servicer: First Housing Development Corporation</b>

**1. Background**

During the 2000/2001 State Apartment Incentive Loan (“SAIL”) Cycle XII, Florida Housing Finance Corporation awarded a \$1,824,678 construction/permanent loan to Centre Court on 53rd, Ltd. (“Borrower”), a Florida limited partnership, for the construction of a 180-unit development in Manatee County. The loan closed on August 27, 2001, and matures on April 1, 2016. The Development also received a 2000 allocation of low-income housing tax credits (“HC”) of \$587,476.

**2. Present Situation**

- a) 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 Senate Bill 1996 passed by the legislature in 2012 and as stated in Rule 67-48 as follows:

Any SAIL Applicant from SAIL Application cycles with non-amortizing loans at 9 percent simple interest per annum with payments based on Development Cash Flow pursuant to the applicable cycle rule, may submit a written renegotiation request to the Corporation to modify their SAIL loan interest rate going forward from 9 percent simple interest per annum to 3 percent simple interest per annum with payments based on Development Cash Flow pursuant to subsections 67-48.010 (25), F.A.C., in exchange for providing a payment to the Corporation of the deferred interest based on an accrual rate of 3 percent simple interest per annum in no more than five (5) equal annual installments but in no event shall it be later than the maturity date of the loan. Payments made from Development Cash Flow, shall be included as Development Expenses as stated in paragraph 67-48.010 (6) (b), F.A.C. All loan renegotiation requests must be submitted in writing to the Director of Special Assets. In addition to any related professional fees, the Corporation shall charge a non-refundable renegotiation fee as outlined in the Universal Application instructions. The Corporation shall not proceed with the request until the Applicant or Developer has satisfied any financial obligations for which the Applicant or Developer, or Principal, Affiliate or Financial Beneficiary of the Applicant or Developer is in arrears to the Corporation or any agent or assignee of the Corporation.

## SPECIAL ASSETS

### *Consent*

- b) 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 to the 3% interest rate.

### 3. **Recommendation**

Approve the modification of the loan terms from a 9% cash flow note to a 3% cash flow note for the remaining term of the loan after payment of all accrued 3% base interest, and direct staff to proceed with loan document modification activities, as needed.

## SPECIAL ASSETS

### *Consent*

**G. Request Approval of SAIL Loan Modification for Woodcreek Apartments, Ltd., a Florida Limited Partnership, for Park Springs (1999-077S/2000-503C)**

<b>Development Name: Park Springs (“Development”)</b>	<b>Location: Hillsborough County</b>
<b>Developer/Principal: Park Richey Development, Inc. (“Developer”); Woodcreek Apartments, Ltd. (“Borrower”)</b>	<b>Set-Aside: SAIL 99% @ 60% AMI; HC 100% @ 60% AMI; LURA 50 years; EUA 30 years</b>
<b>Number of Units: 200</b>	<b>Allocated Amount: SAIL - \$2,375,578; HC - \$499,158</b>
<b>Demographics: Family</b>	<b>Servicer: First Housing Development Corporation</b>

**1. Background**

During the 1998/1999 State Apartment Incentive Loan (“SAIL”) Cycle XI, Florida Housing awarded a \$2,375,578 construction/permanent loan to Woodcreek Apartments, Ltd., a Florida limited partnership (“Borrower”), for the construction of a 200-unit development in Hillsborough County. The SAIL loan closed on March 13, 2000, and matures on July 1, 2039. The Development also received a 2000 allocation of low-income housing tax credits (“HC”) of \$499,158.

**2. Present Situation**

- a) 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 Senate Bill 1996 passed by the legislature in 2012 and as stated in Rule 67-48 as follows:

Any SAIL Applicant from SAIL Application cycles with non-amortizing loans at 9 percent simple interest per annum with payments based on Development Cash Flow pursuant to the applicable cycle rule, may submit a written renegotiation request to the Corporation to modify their SAIL loan interest rate going forward from 9 percent simple interest per annum to 3 percent simple interest per annum with payments based on Development Cash Flow pursuant to subsections 67-48.010 (5)- (10), F.A.C., in exchange for providing a payment to the Corporation of the deferred interest based on an accrual rate of 3 percent simple interest per annum in no more than five (5) equal annual installments but in no event shall it be later than the maturity date of the loan. Payments made from Development Cash Flow, shall be included as Development Expenses as stated in paragraph 67-48.010 (6) (b), F.A.C. All loan renegotiation requests must be submitted in writing to the Director of Special Assets. In addition to any related professional fees, the Corporation shall charge a non-refundable renegotiation fee as outlined in the Universal Application instructions. The Corporation shall not proceed with the request until the Applicant or Developer has satisfied any financial obligations for which the Applicant or Developer, or Principal, Affiliate or Financial Beneficiary of the Applicant or Developer is in arrears to the Corporation or any agent or assignee of the Corporation.

## SPECIAL ASSETS

### *Consent*

- b) 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 to the 3% interest rate.

### 3. **Recommendation**

Approve the modification of the loan terms from a 9% cash flow note to a 3% cash flow note along with payment of all accrued 3% base interest and direct staff to proceed with loan document modification activities, as needed.

## SPECIAL ASSETS

### *Consent*

#### H. Request Affirmation of the Sale and Release of the LURA, for Ravenwood Apartments, LLC, a Florida Corporation, for Ravenwood Apartments (1998-001S)

<b>Development Name: Ravenwood Apartments (“Development”)</b>	<b>Location: Duval County</b>
<b>Developer/Principal: Ravenwood Apartments, LLC (“Borrower”)</b>	<b>Set-Aside: SAIL 71% % @ 50% AMI</b>
<b>Number of Units: 112</b>	<b>Allocated Amount: SAIL \$2,500,000</b>
<b>Demographics: Family</b>	<b>Servicer: AmeriNational Community Services, Inc.</b>

#### 1. Background

- a) Ravenwood Apartments (“Development”) is a 112-unit multifamily development in Duval County, financed with \$2,500,000 of funds from the State Apartment Incentive Loan (“SAIL”) Program. The SAIL loan closed on December 4, 1997 and matured on March 4, 2014. A Land Use Restriction Agreement (“LURA”), dated December 4, 1997, restricts the occupancy for 50 years to Families with Area Median Income (“AMI”) levels at 71% @ 50% (80 units).
- b) In March 2014, after maturity of the SAIL loan, Borrower requested a restructure of the loan. The request was assigned to AmeriNational Community Services, Inc. (“Credit Underwriter”) for review and recommendation for Board approval. The Borrower failed to send the due diligence items and financial information required and thus the Credit Underwriter was unable to prepare a recommendation. Due to lack of progress in obtaining the information to prepare a recommendation for Board approval, Florida Housing engaged Bryant Miller Olive (“Counsel”) and filed a foreclosure complaint on March 24, 2015 in Duval County.
- c) Subsequently, Staff and Counsel entered into negotiations with the Borrower for sale of the Development and payoff of the SAIL loan. The Borrower entered into a purchase and sale contract with the Buyer for \$3,100,000. An appraisal valued the property at \$1,785,000. A capital needs assessment, prepared on September 2, 2014, listed “Immediate Needs” of \$1,363,549. The Development’s condition and its occupancy continued to decline under current ownership. The purchase price of \$3,100,000 was enough to pay off the principal and a portion of the accrued interest after closing. Staff agreed to accept \$2,800,000 as full payment on the note.
- d) There was a receivership hearing on October 7, 2015. The court entered an order to install a receiver on October 28, 2015 if the sale did not close and Florida Housing did not receive the amount of \$2,800,000. The closing was delayed because of title issues and the receiver was appointed on October 28. The SAIL Rule allows for release of the LURA in situations where the Development is foreclosed or transferred through a deed-in-lieu. Staff proposed that Florida Housing accept the \$2,800,000 offer allowing Florida Housing to recover the full amount of the principal balance of the SAIL loan and a portion of the SAIL loan accrued interest, and satisfy the mortgage and release the LURA.

## SPECIAL ASSETS

### *Consent*

#### 2. **Present Situation**

- a) Pursuant to Florida Housing's Board Resolution 2010-002 dated January 22, 2010, the Board authorizes Stephen P. Auger, Executive Director of Florida Housing, and in the Executive Director's absence, Barbara E. Goltz, Chief Financial Officer, with the advice of Florida Housing's financial advisor, upon approval by the Chair, or in the absence of the Chair, the Vice Chair to (i) engage in activities to sell the Development (the "Sale"), (ii) to negotiate, finalize, execute, deliver and perform on behalf of Florida Housing any and all agreements, documents, certificates and instruments required in connection with the sale of the Development, and (iii) bind Florida Housing thereby, as may become necessary between Board meetings to maintain or recover the maximum value from such properties.
- b) On October 12, 2015, the Board Chair authorized staff to proceed with the sale of the Development. The sale closed on November 6, 2015 with receipt of \$2,800,000.

#### 3. **Recommendation**

Ratify the sale of the Development and release of the SAIL LURA.

## SPECIAL ASSETS

### *Consent*

**I. Request Approval of Mortgage Modification and Transfer of Fee Interest in Ground Lease Improvements for HPT-Cypress Grove Associates Ltd., a Florida Limited Partnership, for Cypress Grove Apartments (2004-082S / 2004-517C)**

<b>Development Name: Cypress Grove (“Development”)</b>	<b>Location: Broward County</b>
<b>Developer/Principal: Reliance Housing Services (“Developer”)/ HPT-Cypress Grove Associates, Ltd. (“Borrower”)</b>	<b>Set-Aside: SAIL &amp; EUA 100% @ 60% AMI LURA: 50 years; EUA : 30 years</b>
<b>Number of Units: 814</b>	<b>Allocated Amount: SAIL \$2,000,000; HC \$2,309,605</b>
<b>Demographics: Family</b>	<b>Servicer: Seltzer Management Group</b>

**1. Background**

During the 2004 funding cycle, Florida Housing Finance Corporation awarded a State Apartment Incentive Loan (“SAIL”) in the amount of \$2,000,000 to HPT-Cypress Grove Associates, Ltd. (“Borrower”), for the development of an 814-unit property in Broward County, Florida. The loan closed on June 5, 2006, and matures on September 1, 2037. The Development also received a 2004 allocation of low-income housing tax credits (“HC”) of \$2,309,605.

**2. Present Situation**

- a) The Borrower, as lessee, currently holds a leasehold interest in the land for the Development pursuant to a ground lease with the lessor, Sandalgrove, LLC (“Sandalgrove”). The leasehold interest in the land and the fee title to the improvements are all currently pledged to Florida Housing under the SAIL mortgage. The Borrower desires to transfer its fee interest in the improvements to Sandalgrove, at which point Sandalgrove will immediately lease the improvements back to the Borrower pursuant to an amendment to the ground lease. The purpose of the request is to avoid a substantial increase in ad valorem real estate taxes that will be detrimental to the economic viability of the Development.
- b) Florida Housing received a positive recommendation from the credit underwriter ([Exhibit C](#)).

**3. Recommendation**

Staff recommends that the Board approve the transfer of fee interest in the ground lease improvements and a mortgage modification 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*

**J. Request Approval of Transfer of Ownership Interests, Release of Guarantors, and Restructure of the SAIL Loan for Lenox Court Associates, Ltd., a Florida Limited Partnership, for Lenox Court Apartments (2002-053S/2001-023C)**

<b>Development Name: Lenox Court (“Development”)</b>	<b>Location: Duval County</b>
<b>Developer/Principal: Carlisle Development Group (“Developer”)/ Lenox Court Associates, Ltd. (“Borrower”)</b>	<b>Set-Aside: SAIL 15.04% @ 30%; 5.01% @ 50%; 79.95% @ 60% AMI HC 15.04% @ 28%; 5.01% @ 50%; 79.95% @ 60% AMI LURA: 50 years; EUA: 50 years</b>
<b>Number of Units: 360</b>	<b>Allocated Amount: SAIL \$2,000,000; HC \$1,500,000</b>
<b>Demographics: Family</b>	<b>Servicer: Seltzer Management Group</b>

**1. Background**

During the 2002 funding cycle, Florida Housing Finance Corporation awarded a State Apartment Incentive Loan (“SAIL”) in the amount of \$2,000,000 to Lenox Court Associates, Ltd. (“Borrower”), a Florida limited partnership, for the development of a 360-unit property in Duval County, Florida. The loan closed on May 9, 2003, and matures on December 31, 2022. The Development also received a 2001 allocation of low-income housing tax credits (“HC”) of \$1,500,000.

**2. Present Situation**

- a) The limited partner, a JP Morgan affiliate, took over the general partner interests in the Borrower entity. The Borrower requests approval to sell the ownership interests to affiliates of The Vestcor Companies, Inc. (“Vestcor”), a Florida corporation.
- b) The Borrower also requests the release of the current guarantor, its affiliates, and principals, and the substitution of the Vestcor affiliates, as the new guarantors.
- c) Further, staff has negotiated a restructure of the SAIL loan to include terms as specified in the credit underwriter’s recommendation. The proposed restructure will prevent a potential foreclosure scenario.
- d) Florida Housing received a positive recommendation from the credit underwriter ([Exhibit D](#)).

**3. Recommendation**

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