

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
September 18, 2015
Consent Items



HOUSING CREDITS

Consent

I. HOUSING CREDITS

A. Request Approval of Applicant Name Change for Villages at Tarpon (2014-359C)

Development Name:	The Villages at Tarpon
Applicant/Principal:	The Villages at Tarpon, LLC
Location :	Pinellas County
Demographic:	Elderly
Set-Aside:	30% @ 40% AMI & 70% @ 60% AMI
Allocated Amount:	\$1,186,000

1. Background/Present Situation

- a) On February 7, 2014, Florida Housing issued RFA 2014-104 for the Preservation of Existing Affordable Housing Developments. The funding must be used for the rehabilitation of existing affordable housing developments.
- b) On April 25, 2014, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 29, 2014, staff issued an invitation to enter credit underwriting to The Villages at Tarpon.
- d) On December 19, 2014, staff received a positive recommendation that \$1,186,000 in Low-Income Housing Tax Credits be allocated to the Development.
- e) On July 30, 2015 staff received a request to change the name of the Applicant from The Villages at Tarpon, LLC to The Villages at Tarpon, Ltd. Staff has reviewed this request and determined that the Applicant name change is acceptable.

2. Recommendation

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

HOUSING CREDITS

Consent

B. Request Approval to proceed with the present General Contractor structure of Wagner Creek Apartments (2014-239C)

Development Name:	Wagner Creek Apartments
Applicant/Principal:	HTG Miami-Dade 5, LLC
Location :	Miami-Dade County
Demographic:	Family
Set-Aside:	10% @ 33% AMI & 83% @ 60% AMI
Allocated Amount:	\$1,601,881

1. Background/Present Situation

- a) On September 19, 2013, Florida Housing issued RFA 2013-003 for Affordable Housing Developments Located in Broward, Miami-Dade and Palm Beach Counties.
- b) On January 31, 2014, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On June 13, 2014, staff issued an invitation to enter credit underwriting to Wagner Creek Apartments.
- d) On December 2, 2014, staff received a positive recommendation that \$1,601,881 in Low-Income Housing Tax Credits be allocated to the Development.
- e) Rule Chapter 67-48.0072(17)(g) states: “The General Contractor must meet the following conditions:
 - (g) Ensure that no construction cost is subcontracted to any entity that has common ownership or is affiliated with the General Contractor unless otherwise approved by the Board for a specific Development. With regard to said approval, the Board shall consider the facts and circumstances of each Applicant’s request, inclusive of construction costs and ownership interests in the Development.”
- f) The General Contractor for the Development (CB Constructors, Inc.) is a subsidiary of Current Builders, Inc., which is a third party entity to the Applicant. CB Constructors will subcontract the construction of the building shell to CB Structures, Inc., an affiliated company of Current Builders, Inc., ([Exhibit A](#)).
- g) On September 8, 2015, Florida Housing received a positive recommendation from the credit underwriter recommending approval of CB Structures, Inc. as the Sub-Contractor ([Exhibit B](#)).

2. Recommendation

Approve the request to allow the affiliated entity to proceed with construction of the building shell.

HOME RENTAL

Consent

II. HOME RENTAL

A. **Request that the Board set the Interest Rate for Applications (RFA) 2015-110 for the Financing of Affordable Multifamily Housing Developments with HOME Investment Partnerships Program (HOME Rental) Funding to be used in Conjunction with Florida Housing Issued Multifamily Mortgage Revenue Bond Program (MMRB) Financing and Non-Competitive Housing Credits**

1. **Background/Present Situation**

- a) The Corporation issued RFA 2015-110 on September 4, 2015, with a due date of October 20, 2015. All Applicants responding to RFA 2015-110 are required to also request Corporation Issued MMRB.
- b) Paragraph 67-48.020(2)(e), F.A.C., states that the annual interest rate for HOME loans where the HOME Developments are at least partially financed with an MMRB loan shall be determined by the Corporation's Board of Directors. RFA 2013-010, issued on November 22, 2013 also used HOME Rental funding and MMRB financing and received Board approval to establish a 0 percent interest rate.

2. **Recommendation**

Staff recommends that the Board set a 0 percent annual interest rate for all of the HOME loans issued under RFA 2015-110.

HOME RENTAL

Consent

B. Request Approval to Extend HOME Loan Closing Deadline for Gateway Townhomes of St. Joe (2014-403H)

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

1. Background/Present Situation

- a) The Applicant applied for funding under Request for Applications (“RFA”) 2014-109, seeking an allocation of HOME Program funds for rental developments in rural areas. On August 8, 2014, the Board approved the selection of six (6) Applications, including Gateway Townhomes of St. Joe, for funding and invitation to credit underwriting.
- b) On August 18, 2014, the Corporation issued a preliminary commitment letter. In accordance with the RFA, the Developer had a March 31, 2015 deadline to complete the credit underwriting report. On March 20, 2015, the Board approved the Developers’ request to extend the completion of the credit underwriting reports from the March 31, 2015 deadline, to no later than the June 19, 2015 Board Meeting.
- c) On June 19, 2015, the Board approved the final credit underwriting report and directed staff to proceed with a firm loan commitment and loan closing activities.
- d) On August 7, 2015, staff issued a firm commitment letter for a HOME loan in an amount up to \$5,482,633. Pursuant to the firm commitment, the loan must close by August 18, 2015.
- e) Rule Chapter 67-48.0072(4)(c), F.A.C. states the loan must close within 12 months of the date of the letter of invitation to enter credit underwriting. Applicants may request one (1) extension of the closing date, up to 12 months.
- f) On August 27, 2015, staff received a letter from the Developers requesting a loan closing extension until August 18, 2016. The request was made as a result of delays in the permitting process ([Exhibit A](#)).

2. Recommendation

Approve the Developer’s request to extend the closing deadline until August 18, 2016.

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III. LEGAL

A. In Re: HTG Freedom, LLC - FHFC Case No. 2015-028VW

Development Name: (“Development”):	Freedom Gardens
Developer/Principal: (“Developer”):	HTG Freedom, LLC
Number of Units: 95	Location: Hernando County
Type: Mid-Rise	Set Aside: 90% @ 60% AMI 10% @ 40% AMI
Demographics: Family	HC: \$ 1,510,000.00

1. Background

- a) Pursuant to RFA 2014-114 (the “RFA”), HTG Freedom, LLC, (“Petitioner”) applied for and was awarded Housing Credits in Application 2015-039C, to assist in the development of Freedom Gardens in Hernando County, Florida.
- b) On August 14, 2015, Florida Housing received a “Petition of Waiver” from Petitioner for a change in development type, an increase in site, an increase of number of units, and a change in construction to concrete¹. A copy of the Petition is attached as [Exhibit A](#).

2. Present Situation

- a) Rule 67-48.004(3), Fla. Admin. Code, provides in pertinent part:

(3) Notwithstanding any other provision of these rules, the following items as identified by the Applicant in the Application must be maintained and cannot be changed by the Applicant after the applicable submission, unless provided otherwise below:

...

(g) Development Type;

- b) At the time Petitioner submitted its Application, Petitioner was forced to be overly conservative with its development plans because wetlands and flood plains run through the site. Now, after civil engineering studies and a detailed wetland delineation, Petitioner requests a waiver or variance of the above to permit it to change the following:

¹ Petitioner made the request to increase the Site for the Development and increase the total number of units after Petitioner was invited to enter credit underwriting. According to Fla. Admin. Code R. 68-48.004(3)(e) and (i), such increases do not require a waiver or variance. Therefore, staff internally reviewed and subsequently approved those requests.

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- (1) Change the Development Type from “Mid-Rise” to “Garden Apartments;”
 - (2) Change the construction type from wood to concrete².
- c) Petitioner requests these changes to accommodate the difficulties and impediments caused by the presence of wetlands on the Development site. The requested changes would neither affect the scoring of Petitioner’s application nor allow Petitioner to gain an unfair advantage over other applicants. Further, the Total Development Costs per unit remain unchanged. Petitioner further asserts that not granting this waiver would result in substantial economic hardship for the Petitioner, and could deprive Hernando County, Florida of essential affordable low-income housing units in a timely manner, and would violate the principles of fairness.
- d) On August 18, 2015, the Notice of Petition was published in the Florida Administrative Register in Volume 41, Number 160. To date, Florida Housing has received no comments concerning the Petition.
- e) Section 120.542(2), Florida Statutes provides in pertinent part:
- Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- f) Petitioner has demonstrated that strict application of the above Rule under these circumstances would constitute a substantial hardship and violate the principles of fairness.

3. Recommendation

Staff recommends the Board **GRANT** Petitioner’s request for a waiver of the above Rule to permit the requested change in Development Type from “Mid-Rise” to “Garden Apartments” and to construction type from wood to concrete. Petitioner will be subject to and must complete the development within the Total Development Cost limits of the new Garden Apartments Development Type.

² The change in construction type from wood to concrete does not require a waiver or variance according to Rule 67-48.004(3), Fla. Admin. Code. However, as it is a deviation from the specifications in the RFA, it does require board approval. The requested change is being included with the waiver request in order to streamline the approval process.

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B. In Re: San Juan of Osceola, LP - FHFC Case No. 2015-030VW

Development Name: (“Development”):	The San Juan Application No. 2015-067C
Developer/Principal: (“Developer”):	Royal American Development, Inc.
Number of Units: 112	Location: Osceola
Type: Garden	Set Aside: 40% at 60% AMI
Demographics: Elderly	Housing Credits: \$ 1,510,00.00

1. Background

- a) During the 2015 Universal Cycle, San Juan of Osceola, LP, (“Petitioner”) successfully applied for an allocation of Low Income Housing Tax Credits (HC) to finance the construction of The San Juan (the “Development”) located in Osceola County, Florida. As part of its application, Petitioner stated that the Development Type for the Development as Garden Apartments.
- b) On August 18, 2015, Florida Housing received a “Petition for Waiver from Florida Administrative Code Rule 67-48.004(3)(g)” A copy of the Petition is attached as [Exhibit B](#).
- c) Rule 67-48.004(3)(g), Florida Administrative Code (2013), provides in pertinent part:

(3) Notwithstanding any other provision of these rules, the following items as identified by the Applicant in the Application must be maintained and cannot be changed by the Applicant after the applicable submission, unless provided otherwise below...(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. After submitting its Application for funding and prior to final design and permitting, it was the opinion of the civil engineer and the architect that adequate storm water retention was available from the existing on-site pond (the “Existing Pond”) even taking into account the three buildings, various green spaces, landscape areas, recreational areas, and the surface parking lot contemplated under the Garden Designation. As San Juan embarked on the permitting process following submission of the Application, it was discovered that the South Florida Water Management District (the “District”) could not verify the original master-planning for the Existing Pond, nor could the District confirm that the Existing Pond was originally engineered to accommodate the surface water runoff for the Development as well as two adjacent communities intended to be served by the Existing Pond. The District is now requiring that the Existing Pond be enlarged to serve all the adjoining properties, regardless of whether its current capacity is adequate for that intended purpose. The result is that the increased surface area of the Existing Pond will usurp the square footage within the Development, leaving inadequate space in which to build three separate low-rise buildings that would be mandated under the Garden Designation. San Juan desires to construct instead a single building under the Mid-Rise Designation, to accommodate the District’s drainage requirements, while not compromising the required parking and the amenities to be enjoyed by the residents of the Development in the form of green space, recreational areas and parking. Further, Petitioner has provided

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documentation in the form of a confirmatory letter from Osceola County that the change from Garden Designation to Mid-Rise Designation would not be inconsistent with or violate the zoning applicable to the Development. Petitioner has also demonstrated that 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.

- 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 in Volume 41, Number 162, of the Florida Administrative Register. To date, Florida Housing 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 violate the principles of fairness. The change in Development Type, 'Mid-Rise with Elevator,' would not have given Petitioner an unfair advantage in scoring of its Application, and denial of the Petition would preclude the residents the benefits of the amenities in the form of green space, recreational areas and required parking. Petitioner demonstrated that permitting this change in Development would also serve the underlying purpose of the statute. 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. By granting the Petition, Petitioner will be able to provide needed housing in Osceola County.

2. Recommendation

- a) Staff recommends the Board **GRANT** Petitioner's request for a waiver from Rule 67-480.004(3)(g), Florida Administrative Code (2013) to allow Petitioner to change the Development Type from Garden to Mid-Rise with Elevator. Petitioner has demonstrated that strict application of the above Rule under these circumstances would violate the principles of fairness and that 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.

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C. In Re: Aida Palms, Ltd. - FHFC Case No. 2015-032VW

Development Name: (“Development”):	Aida Palms Application No. 2015-066C
Developer/Principal: (“Developer”):	Aida Palms Dev, LLC
Number of Units: 94	Location: Polk County
Type: Garden Apartments	Set Aside: 40% @ 60% AMI or lower
Demographics: Family	Housing Credits: \$1,510,000.00

1. Background

- a) Pursuant to RFA 2014-114 (the “RFA”), Aida Palms, Ltd., (“Petitioner”) successfully applied for an allocation of Low Income Housing Tax Credits (HC) to finance the construction of Aida Palms (the “Development”) located in Polk County, Florida. As part of its application, Petitioner stated that the Development Type for the Development as Garden Apartments.
- b) On August 31, 2015, Florida Housing received a “Petition for Waiver from Florida Administrative Code Rule 67-48.004(3)(g)” A copy of the Petition is attached as [Exhibit C](#).
- c) Rule 67-48.004(3)(g), Florida Administrative Code (2013), provides in pertinent part:

(3) For the SAIL, HOME, and Housing Credit Programs, notwithstanding any other provision of these rules, the following items as identified by the Applicant in the Application must be maintained and cannot be changed by the Applicant after the applicable submission, unless provided otherwise below:...(g) Development Type;...

- d) Petitioner requested a waiver of the above rule to change the Development Type from Garden Apartments to Mid-Rise, 4 stories in order to reduce the overall footprint, better accommodate drainage/parking and provide expanded open space on the Development. Additionally, the change would allow the Petitioner to increase the number of units available to low and very-low income families from 94 to 96. Petitioner has also indicated that 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.
- 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 in Volume 41, Number 171, of the [Florida Administrative Register](#). To date, Florida Housing received no comments regarding the Petition.
- g) Section 120.542(2), Florida Statutes provides in pertinent part:

Variations 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.

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- h) Petitioner has demonstrated that strict application of the above Rule under these circumstances would violate the principles of fairness. The change in Development Type, 'Mid-Rise, 4 stories,' would not have given Petitioner an unfair advantage in scoring of its Application, and denial of the Petition would preclude the residents the benefits of the amenities in the form of green space and required parking. Petitioner demonstrated that permitting this change in Development would also serve the underlying purpose of the statute. 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. By granting the Petition, Petitioner will be able to provide needed housing in Polk County.

2. Recommendation

Staff recommends the Board **GRANT** Petitioner's request for a waiver from Rule 67-480.004(3)(g), Florida Administrative Code to allow Petitioner to change the Development Type from Garden to Mid-Rise, 4 stories with the condition that the Development will be held to the Garden-Wood total development cost.. Petitioner has demonstrated that strict application of the above Rule under these circumstances would violate the principles of fairness.

MULTIFAMILY BONDS

Consent

IV. MULTIFAMILY BONDS

A. Request Approval of Credit Underwriting Report for Orangewood Village Apartments (2014-146B / 2014-411S)

Development Name: Orangewood Village Apartments	Location: St. Lucie County
Developer/Principal (“Applicant”): Southport Development, Inc. / Orange Apartments LLC	Set-Asides: 30% @ 40% AMI (MMRB, Housing Credits, SAIL & ELI) 70% @ 60% AMI (MMRB, Housing Credits, SAIL and ELI)
Funding Source: Multifamily Mortgage Revenue Bonds (MMRB), State Apartment Incentive Loan (SAIL), ELI Gap Funding (ELI) and 4% Housing Tax Credits (Housing Credits)	Amount: \$4,200,000 MMRB \$1,739,000 SAIL \$143,400 ELI \$311,058 Housing Credits
Number of Units: 60	Type: Family

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) As required in RFA 2014-111, the Applicant submitted a Non-Competitive Application package requesting MMRB in the amount of \$4,000,000 and non-competitive Housing Credits in the amount of \$260,000. The Applicant subsequently increased the MMRB request amount to \$4,200,000.
- c) 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.
- d) On December 19, 2014, staff issued an invitation to enter credit underwriting for the SAIL and ELI Gap Funding to the Applicant. Upon acceptance of the invitation, the Applicant also entered credit underwriting for MMRB and Housing Credits at risk, due to the fact that the Limited Development Area information in the Non-Competitive Application form used for this Application had not yet been updated.
- e) Staff reviewed the credit underwriting report dated September 3, 2015, giving a positive recommendation for a SAIL loan in the amount of \$1,739,000, ELI Gap funding in the amount of \$143,400, \$4,200,000 in tax exempt MMRB, and \$311,058 in Housing Credits ([Exhibit A](#)). Staff finds that the development meets all of the requirements of RFA 2014-111 and the Non-Competitive Application.

MULTIFAMILY BONDS

Consent

2. **Recommendation**

Approve the recommendation of the Credit Underwriter outlined in the final credit underwriting report, recommending and allocating \$4,200,000 in Tax Exempt MMRB, \$1,739,000 in SAIL, and \$143,400 in ELI Gap Funding for the construction of the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

B. Request Approval of Credit Underwriting Report for Valencia Grove (2014-135B / 2014-433S)

Development Name: Valencia Grove	Location: Lake County
Developer/Principal (“Applicant”): HTG Valencia Developer, LLC / HTG Valencia, LLC	Set-Asides: 5% @ 40% AMI (MMRB, Housing Credits, SAIL & ELI) 95% @ 60% AMI (MMRB, Housing Credits, SAIL & ELI)
Funding Source: Multifamily Mortgage Revenue Bonds (MMRB), State Apartment Incentive Loan (SAIL), ELI Gap Funding (ELI) and 4% Housing Tax Credits (Housing Credits)	Amount: \$12,000,000 MMRB \$5,000,000 SAIL \$383,600 ELI \$776,325 Housing Credits
Number of Units: 144	Type: Family

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) As required in RFA 2014-111, the Applicant submitted a Non-Competitive Application package requesting MMRB in the amount of \$12,000,000 and non-competitive Housing Credits in the amount of \$808,418.
- c) 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.
- d) On December 19, 2014, staff issued an invitation to enter credit underwriting for the SAIL and ELI Gap Funding to the Applicant. Upon acceptance of the invitation, the Applicant also entered credit underwriting for MMRB and Housing Credits at risk, due to the fact that the Limited Development Area information in the Non-Competitive Application form used for this Application had not yet been updated.
- e) Staff reviewed the credit underwriting report dated September 3, 2015, giving a positive recommendation for a SAIL loan in the amount of \$5,000,000, ELI Gap funding in the amount of \$383,600, \$12,000,000 in tax exempt MMRB, and \$776,325 in Housing Credits ([Exhibit B](#)). Staff finds that the development meets all of the requirements of RFA 2014-111 and the Non-Competitive Application.

MULTIFAMILY BONDS

Consent

2. **Recommendation**

Approve the recommendation of the Credit Underwriter outlined in the final credit underwriting report, recommending and allocating \$12,000,000 in Tax Exempt MMRB, \$5,000,000 in SAIL, and \$383,600 in ELI Gap Funding for the construction of the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

C. Assignment of Bond Underwriter and Recommended Method of Sale

1. Background

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

2. Present Situation

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

3. Recommendation

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

Development Name	Location of Development	Number of Units	Method of Bond Sale	Recommended Professional	Exhibit
Orangewood Village Apartments	St. Lucie County	60	Negotiated Public Offering	RBC Capital Markets, LLC	Exhibit C
Valencia Grove	Lake County	144	Negotiated Private Placement	RBC Capital Markets, LLC	Exhibit D

MULTIFAMILY PROGRAMS

Consent

V. MULTIFAMILY PROGRAMS

A. Request Approval of Variance for Goodson Home (2014-389G)

Development Name:	The Goodson Home
Applicant/Principal:	The Arc Sunrise of Central Florida
Location :	Lake County
Demographic:	Persons with Developmental Disabilities
Set-Aside:	2 residents @ 40% AMI; 2 residents @ 60% AMI
Allocated Amount:	\$224,469

1. Background/Present Situation

- a) On February 28, 2014, Florida Housing issued RFA 2014-105 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 April 25, 2014, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 2, 2014, staff issued an invitation to enter credit underwriting to The Arc Sunrise of Central Florida.
- d) On August 29, 2014, staff received a positive recommendation for a grant amount of \$224,469 to be allocated to the Development.
- e) On July 30, 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 2014-104. Staff has determined that the residents served by Goodson Home 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 Goodson Home.

2. Recommendation

Staff recommends the Board grant the Applicant's request for a variance of allowing that the fully ADA accessible kitchen requirement be waived to ensure the health and safety of the residents of Goodson Home.

MULTIFAMILY PROGRAMS

Consent

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

Development Name:	Oakwood Group Home
Applicant/Principal:	Ann Storck Center, Inc.
Location:	Broward County
Number of Residents:	6
Set-Aside:	33% @ 30% AMI & 67% @ 60% AMI
Allocated Amounts:	\$101,000 Grant funding

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 6, 2015, staff issued a Notice of Preliminary Award to Ann Storck Center, Inc. and on February 25, 2015, staff issued an invitation to enter credit underwriting.
- d) On September 1, 2015, staff received a credit underwriting report with a positive recommendation for a grant in the amount of \$101,000 ([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

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

Development Name:	Setlowe Haven
Applicant/Principal:	Citrus County Association for Retarded Citizens, Inc.
Location:	Citrus County
Number of Residents:	6
Set-Aside:	33% @ 45% AMI & 67% @ 60% AMI
Allocated Amounts:	\$367,000 Grant funding

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 6, 2015, staff issued a Notice of Preliminary Award to Citrus County Association for Retarded Citizens, Inc. and on May 6, 2015, staff issued an invitation to enter credit underwriting.
- d) On August 28, 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

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

Development Name:	Arc Gateway Fassett House
Applicant/Principal:	The Arc Gateway, Inc.
Location:	Escambia County
Number of Residents:	6
Set-Aside:	33% @ 40% AMI & 67% @ 60% AMI
Allocated Amounts:	\$367,000 Grant funding

1. **Background/Present Situation**

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 6, 2015, staff issued a Notice of Preliminary Award to The Arc Gateway, Inc. and on March 10, 2015, staff issued an invitation to enter credit underwriting.
- d) On August 28, 2015, staff received a credit underwriting report with a positive recommendation for a grant in the amount of \$367,000 ([Exhibit C](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2014-112.

2. **Recommendation**

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

MULTIFAMILY PROGRAMS

Consent

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

Development Name:	The Harper Home
Applicant/Principal:	The Arc Sunrise of Central Florida
Location:	Lake County
Number of Residents:	6
Set-Aside:	33% @ 40% AMI & 67% @ 60% AMI
Allocated Amounts:	\$367,000 Grant funding

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 6, 2015, staff issued a Notice of Preliminary Award to The Arc Sunrise of Central Florida and on May 4, 2015, staff issued an invitation to enter credit underwriting.
- d) On September 3, 2015, staff received a credit underwriting report with a positive recommendation for a grant in the amount of \$367,000 ([Exhibit D](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2014-112.

2. Recommendation

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

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

VI. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Developer Change for Cathedral Terrace (2014-426S)

Development Name: Cathedral Terrace (“Development”)	Location: Duval County
Applicant/Borrower: Cathedral Terrace 2, Ltd.	Set-Asides: 5% @ 33% AMI and 95% @ 60% AMI
Number of Units: 240	Requested Amounts: SAIL \$3,200,000, ELI Gap Loan \$734,400, 4% Housing Credits \$906,180
Development Category/Type: Rehabilitation/High Rise	Demographic: Elderly

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, 2015, staff issued an invitation to enter credit underwriting to Cathedral Terrace 2, Ltd.
- d) On August 10, 2015, staff received a letter from the Applicant requesting a change to the structure of Cathedral Terrace Redevelopment Associates, LLC (“Developer”). The request is to add a member (Scott Macdonald) as a new 5% principal to Blue Sky Communities, LLC which is a 70% member of the Developer. Per the RFA, the Principals of each Developer identified in the Application, including all co-Developers, may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. In addition, any allowable replacement of an experienced Principal of a Developer entity must meet the experience requirements that were met by the original Principal. On August 20, 2015, staff received a positive recommendation from the credit underwriter to approve the proposed change to the Developer ([Exhibit A](#)). Staff has reviewed the request and finds that the development meets all of the requirements of the RFA.

2. Recommendation

Approve the request to change the structure of the Developer as requested.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

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

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

1. Background/Present Situation

- a) On January 10, 2014, Florida Housing Finance Corporation issued a Request for Applications 2014-103 (RFA) for the Financing of Affordable Multifamily Housing Developments with SAIL Funding to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On August 8, 2014, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities.
- c) On August 14, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to 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.
- e) On September 2, 2015, staff received a request from the Applicant for an extension of the September 21, 2015 firm commitment closing deadline ([Exhibit B](#)). Per the RFA, 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. 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 September 21, 2015 to December 20, 2015, pursuant to the requirements of the RFA.

SPECIAL ASSETS

Consent

VII. SPECIAL ASSETS

A. Request Approval of the Transfer of Ownership and Release of Guarantors for thirty one developments from The Wilson Company to Starwood Property Trust, Inc. and Affiliated Entities

1. Background

- a) The Wilson Company, Inc. and various related entities received funding from Florida Housing Finance Corporation (“FHFC”) for the development and/or rehabilitation of thirty one affordable housing properties from 1994 to 2012. Funding sources from FHFC included Multifamily Mortgage Revenue Bonds, State Apartment Incentive Loan (SAIL), SAIL Extremely Low Income (ELI), and Housing Credits. The information for each development is shown herein on [Exhibit A](#).
- b) There are six properties in which FHFC is the credit enhancer through the Guarantee Program.
- c) There are twenty properties in which FHFC holds a loan and is the Housing Credit authority. FHFC is the bond issuer for seven of the said loans.
- d) There are eleven properties in which there are General Partner Interests and FHFC is the Housing Credit authority, but not a lender.

2. Present Situation

- a) The Wilson Company (“TWC”) is requesting FHFC’s approval for the transfer of ownership to Starwood Property Trust, Inc., and its affiliates for thirty one Wilson developments. TWC also requests that the current guarantors be released from all Guarantee obligations for these deals and replaced by Starwood and its affiliates.
- b) Staff received a credit underwriting report from Seltzer Management Group ([Exhibit B](#)) providing a positive recommendation for the proposed transfers and guarantee releases.

3. Recommendation

Approve the transfer of ownership and release of guarantors for TWC and its entities for the thirty one developments specified herein, 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

B. Request Approval of Transfer of General Partner Interests and Release of Guarantors in Renaissance Preserve I, LLLP, a Florida Limited Liability Limited Partnership, for Renaissance Preserve Senior (2007-147S/2007 Supplemental/2008-525C)

Development Name: Renaissance Preserve Senior (“Development”)	Location: Lee County
Developer/Principal: Norstar Development USA (“Developer”)/ Renaissance Preserve I, LLLP (“Borrower”)	Set-Aside: SAIL & HC 10% @ 33%, 90% @ 60% AMI LURA 50 years; EUA 50 years
Number of Units: 120	Allocated Amount: SAIL \$6,150,000; Supplemental \$ 1,020,000; HC \$814,456
Demographics: Elderly	Servicer: Seltzer Management Group

1. Background

During the 2007 funding cycle, Florida Housing Finance Corporation (“Florida Housing”) awarded a State Apartment Incentive Loan (“SAIL”) in the amount of \$6,150,000 and a Supplemental Loan in the amount of \$1,020,000 to Renaissance Preserve I, LLLP (“Borrower”), a Florida limited liability limited partnership, for the development of a 120-unit property in Lee County, Florida. The loans closed on April 10, 2008. The SAIL loan will mature on April 10, 2058, and the Supplemental loan will mature on April 10, 2023. The Development also received a 2008 allocation of low-income housing tax credits (“HC”) of \$814,456.

2. Present Situation

- a) The Borrower requests approval to transfer the general partner interests in Renaissance Preserve I, LLLP from Norstar Renaissance Preserve Senior, Inc. (managing general partner), a Florida corporation, to Renaissance Preserve I, LLC (co-general partner), a Florida limited liability company. Renaissance Preserve I, LLC will become the sole member of Renaissance Preserve I, LLLP.
- b) The Borrower also requests the release of the Norstar Renaissance Preserve Senior, Inc., its affiliates and principals, as current guarantors, and the substitution of Renaissance Preserve I, LLC and its affiliates, as the remaining guarantors.
- c) Staff received a credit underwriting report from Seltzer Management Group ([Exhibit C](#)) providing a positive recommendation for the proposed transfer and guarantee releases.

3. Recommendation

Staff recommends that the Board approve the transfer of the general partner interests, and the replacement of guarantors, subject to the conditions outlined in the credit underwriter’s report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities as needed.

SPECIAL ASSETS

Consent

- C. **Request Approval of Transfer of Membership Interests in General Partner Entity and Release of Guarantors for Creative Choice Homes XX, Ltd., a Florida Limited Partnership, for Peacock Run Apartments (MR2002H1&2/GUAR/HUD Risk/2002-522C/RFP 2010-16-19/SMI#24)**

Development Name: Peacock Run Apartments (“Development”)	Location: Saint Lucie County
Developer/Principal: Creative Choice (“Developer”)/ Creative Choice Homes XX, Ltd. (“Borrower”)	Set-Aside: MMRB 40% @ 60%; HC 100% @ 60%; ELI 5% @ 33% AMI ELI: 15 years; EUA: 30 years
Number of Units: 264	Allocated Amount: MMRB \$9,690,000; \$3,090,000; SMI \$605,345.52; ELI \$1,050,000; HC \$674,643
Demographics: Family	Servicer: First Housing Development Corporation

1. Background

- a) During the 2002 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a first mortgage of FHFC issued tax-exempt bonds in the original amount of \$9,690,000 and taxable bonds in the original amount of \$3,090,000 to Creative Choice Homes XX, Ltd., a Florida limited partnership (“Borrower”), for the development of a 264-unit apartment complex in Saint Lucie County, Florida. The Multifamily Revenue Bonds (“MMRB”) loan closed on July 31, 2002, and matures on July 15, 2042. The Development received a 2002 allocation of low-income housing tax credits (“HC”) of \$674,643.
- b) The Development also received a loan under the Subordinate Mortgage Initiative (“SMI”) in the original amount of \$605,345.52, but only \$454,009.14 was disbursed, which closed on July 14, 2010, and matures on August 15, 2020. Additional funds were provided to the Development through a State Apartment Incentive Loan Extremely Low Income (“SAIL ELI”) loan in the amount of \$1,050,000. The loan closed on March 28, 2011, and matures on March 28, 2026. The Development is HUD risk sharing with Florida Housing’s Guarantee Program (“Guarantee Program”).
- c) In October 2014, the Board approved the refinance of the existing first mortgage, the redemption of the underlying bonds and the termination of the mortgage guaranty issued by the Guarantee Program and its associated financial risk to FHFC.

2. Present Situation

- a) The Borrower requests consent from the Board for the transfer of the membership interests in the general partner entity, Creative Choice Homes XX, Inc., from Dilip Barot to Naimisha Barot. The Borrower also requests the release of Dilip Barot and all associated affiliates as current guarantors, and Naimisha Barot and associated affiliates will be replacement guarantors.
- b) Staff received a credit underwriting report from First Housing Development Corporation ([Exhibit D](#)) providing a positive recommendation for the proposed transfer of membership interests and release of guarantors.

SPECIAL ASSETS

Consent

3. **Recommendation**

Approve the transfer of membership interests in the general partner entity from Dilip Barot to Naimisha Barot, and release of guarantors, 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 Transfer of General Partner Interests and Release of Guarantors in Town Park Crossing, LP, a Florida Limited Partnership, for Town Park Crossing (RFP 2010-04/2009-255C/2010-038CX)

Development Name: Town Park Crossing (“Development”)	Location: Broward County
Developer/Principal: NuRock Development Group and Eastwind Development (“Co-Developers”)/ Town Park Crossing, LP (“Borrower”)	Set-Aside: TCEP & HC 10% @ 28%, 90% @ 60% AMI TCEP & EUA: 50 years
Number of Units: 100	Allocated Amount: TCEP \$4,000,000; HC \$1,735,993
Demographics: Family	Servicer: Seltzer Management Group

1. Background

During the 2010 funding cycle, Florida Housing Finance Corporation (“Florida Housing”) awarded a Tax Credit Exchange Program (“TCEP”) loan in the amount of \$4,000,000 to Town Park Crossing, LP (“Borrower”), a Florida limited partnership, for the development of a 100-unit property in Broward County, Florida. The TCEP loan closed on November 30, 2010, and matures on February 10, 2027. The Development also received a 2010 allocation of low-income housing tax credits (“HC”) of \$1,735,993.

2. Present Situation

- a) The Borrower requests approval to transfer general partner interests in Town Park Crossings, LP from Eastwind Town Park, LLC (co-general partner), a Florida limited liability company, to NuRock Town Park, LLC (managing general partner), a Florida limited liability company. NuRock Town Park, LLC will become the sole member of Town Park Crossing, LP.
- b) The Borrower also requests the release of Eastwind Town Park, LLC, its affiliates and principals, as guarantors. NuRock Town Park, LLC, its affiliates and principals will remain as guarantors.
- c) Staff received a credit underwriting report from Seltzer Management Group ([Exhibit E](#)) providing a positive recommendation for the proposed transfer and guarantee releases.

3. Recommendation

Staff recommends that the Board approve the transfer of the general partner interests, and the release of guarantors, 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 to Refinance the First Mortgage, Transfer the Ownership Interest, and Renegotiate the SAIL ELI Loan for Sundance Pointe Associates, Ltd., a Florida Limited Partnership, for Sundance Pointe Apartments (MR2000N1&2/GUAR/SMI-11/ELI 2010-16-08/ELI 2012-04-12/2000-541C)**

Development Name: Sundance Pointe Apartments (“Development”)	Location: Duval County
Developer/Principal: Cornerstone (“Developer”)/ Sundance Pointe Associates, Ltd. (“Borrower”)	Set-Aside: MMRB 50% @ 60%; HC 100% @ 60%; ELI 19.4% @ 30%, 9.7% @ 30% AMI LURA: 50 years; ELIs: 15/15 years; EUA: 30 years
Number of Units: 288	Allocated Amount: MMRB \$10,010,000, \$6,275,000; SMI \$859,713.55; ELIs \$4,200,000, \$2,100,000; HC \$676,819
Demographics: Family	Servicer: Seltzer Management Group

1. **Background**

- a) During the 2000 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a first mortgage of FHFC issued tax-exempt bonds in the original amount of \$10,010,000 and taxable bonds in the original amount of \$6,275,000 to Sundance Pointe Associates, Ltd., a Florida limited partnership (“Borrower”), for the development of a 288-unit apartment complex in Duval County, Florida. The Multifamily Revenue Bonds (“MMRB”) loan closed on December 12, 2000, and matures on January 1, 2041. The Development received a 2000 allocation of low-income housing tax credits (“HC”) of \$676,819.
- b) The Development also received a second mortgage under the Subordinate Mortgage Initiative (“SMI”) in the original amount of \$859,713.55 which closed on July 22, 2009. Additional funds were provided to the Development through a SAIL ELI loan in the amount of \$4,200,000 that closed on March 28, 2011, and matures on March 28, 2026. A second SAIL ELI loan was awarded in the amount of \$2,100,000 that closed on June 19, 2013, and matures on June 19, 2028. The Development is HUD risk sharing with Florida Housing’s Guarantee Program (“Guarantee Program”).

2. **Present Situation**

- a) The Borrower requests consent from the Board to refinance the existing first mortgage, the proceeds of which will be used to satisfy the existing first mortgage, redeeming the underlying bonds and effectively terminating the mortgage guaranty issued by the Guarantee Program and its associated financial risk to FHFC. The SMI loan will also be repaid.
- b) The Borrower also requests that the SAIL ELI loans and SAIL ELI loan documents be subordinated to the new first mortgage. The MMRB Land Use Restriction Agreement (“LURA”) and HC Extended Use Agreement (“EUA”) will also need to be subordinated to the new first mortgage.

SPECIAL ASSETS

Consent

- c) The Borrower further requests that the ownership of the development be transferred to Peak Capital Partners, and that the SAIL ELI loan (2010-16-08) be renegotiated back to a 15-year forgivable loan.
- d) Staff received a credit underwriting report from Seltzer Management Group ([Exhibit F](#)) providing a positive recommendation for approval of the new financing, subordination of the SAIL ELI loans, SAIL ELI loan documents, MMRB LURA, and the HC EUA to the new first mortgage, the modification and extension of MMRB loan documents, as necessary, the transfer of ownership interest, and the renegotiation of the SAIL ELI loan.

3. **Recommendation**

Approve the refinancing of the first mortgage and subordination of the SAIL ELI loans, SAIL ELI loan documents, MMRB LURA, and HC EUA to the new first mortgage, modification and extension of MMRB loan documents as necessary, and modification of any other loan documents required to effectuate the refinancing, transfer of the ownership interest contingent upon the refinancing of the first mortgage and termination of the Guarantee Program commitment thereon, and the renegotiation of the SAIL ELI loan, 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

F. Request Approval of Short Sale for Richmond Pine Limited Partnership, a Florida Limited Partnership, for Richmond Pine Apartments (93HRR-003/93L-100)

Development Name: Richmond Pine Apartments (“Development”)	Location: Miami-Dade County
Developer/Principal: Enterprise Community Investment, Inc. (“Developer”)/ Richmond Pine Limited Partnership (“Borrower”)	Set-Aside: SAIL & HC 20% @40%, 80% @60% AMI LURA: 53 years; EUA: 50 years
Number of Units: 80	Allocated Amount: SAIL \$2,800,000; HC \$461,452
Demographics: Family	Servicer: Seltzer Management Group

1. Background

During the 1993 State Apartment Incentive Loan/Hurricane Andrew Recovery and Rebuilding Program (“SAIL”) Cycle, Florida Housing awarded a \$2,800,000 construction/permanent loan to Richmond Pine Limited Partnership, a Florida limited partnership (“Borrower”), for the development of an 80-unit development in Miami-Dade County. The SAIL loan closed on October 6, 1994, and originally matured on October 31, 2011. The Borrower previously requested and was approved for extensions for the SAIL loan, to October 31, 2014. The Development also received a 1993 allocation of low-income housing tax credits (“HC”) of \$461,452. The Development was placed in service in December 1995.

2. Present Situation

- a) The Borrower states that the development has been underwater for some time and has made attempts to sell the property and now has a potential purchaser to buy the Development for less than the total debt outstanding. The Borrower has been unable to secure any better offers for the property. The current purchaser is Banyan Realty Advisors, LLC. Although the purchase price is not enough to make any payment on the SAIL loan, the purchaser has agreed to make a partial payment on the SAIL loan of \$1,400,000 in return for a satisfaction of the mortgage.
- b) Fla. Admin. Code R. 9I-43.008 (8) allows that upon sale of the development if there is insufficient funds from the sale, “the SAIL loan shall not be satisfied until the Agency has received: An appraisal ... indicating that the purchase price ... is reasonable and consistent with existing market conditions; A certification from the borrower that the purchase price reported is the actual price paid for the project and that no other consideration passed between the parties and that the income reported to the Agency during the life of the loan was true and accurate; and A certification that there are no other funds available to repay the loan and that the borrower knows of no other source of funds that could or would be forthcoming so as to pay off the loan”.

SPECIAL ASSETS

Consent

- c) The Borrower will be required to meet the outlined requirements to the satisfaction of Florida Housing before closing. An appraisal has been received confirming that the sale price is reasonable and consistent with market conditions. The Borrower requests that Florida Housing approve the sale and provide a satisfaction of the mortgage upon payment of \$1,400,000 to be applied to the balance of the SAIL loan at the time of the closing.

3. **Recommendation**

Affirm the conditions pursuant to Fla. Admin. Code R. 9I-43.008 (8) and direct staff to release the mortgage upon payment, subject to review and approval of all proceeds and costs by the credit underwriter and staff review of same and assumption of all use restrictions by the purchaser, as applicable, all subject to further approvals and verifications by legal counsel and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities as needed.

SPECIAL ASSETS

Consent

- G. Request Approval for the Renegotiation and Modification of the SAIL Loan Terms for Park Richey Apartments, Ltd., a Florida Limited Partnership, for Regency Palms aka Park Richey Apartments (1999-079S/1998-527C)**

Development Name: Regency Palms aka Park Richey Apartments (“Development”)	Location: Pasco County
Developer/Principal: Dominion Development and Acquisition, LLC (“Developer”)/ Park Richey Apartments, Inc. (“Borrower”)	Set-Aside: SAIL 99% @ 60%; HC 100% @ 60% AMI LURA: 50 years; EUA: 50 years
Number of Units: 200	Allocated Amount: SAIL \$2,000,000; HC \$521,946
Demographics: Family	Servicer: Seltzer Management Group

1. Background

During the 1998/1999 State Apartment Incentive Loan (“SAIL”) Cycle XI, Florida Housing Finance Corporation (“Florida Housing”) awarded a SAIL loan in the amount of \$2,000,000 to Park Richey Apartments, Ltd. (“Borrower”), a Florida limited partnership, for the development of a 200-unit property in Pasco County, Florida. The loan closed on March 13, 2000, and will mature on August 1, 2031. The Development also received a 1998 allocation of low-income housing tax credits (“HC”) of \$521,946.

2. Present Situation

- a) In March 2015, the first mortgage lender Fannie Mae initiated foreclosure proceedings against the Borrower. Subsequently, Dominion Development and Acquisition, LLC (“Dominium”) acquired the loan and replaced Fannie Mae in the foreclosure proceedings. In lieu of foreclosure, Dominion reached a workout agreement with the Borrower to restructure the ownership and ultimately, the financing of the partnership, to restore the Development to a physically viable affordable housing project. The Borrower anticipates refinancing the Development and is expected to request approval for the refinance at a future Board meeting.
- b) In an attempt to stop the foreclosure proceedings, the Borrower has requested that the SAIL loan be renegotiated to reduce the interest rate to 3%, forgive all interest rate above the 3% rate, and defer payment of the remaining interest until maturity of the loan.
- c) Staff received a credit underwriting report from Seltzer Management Group ([Exhibit G](#)) providing a positive recommendation for approval of the renegotiation of the SAIL loan terms.

3. Recommendation

Approve the renegotiation of the SAIL loan terms 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

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

Development Name: Edison Terraces II (“Development”)	Location: Miami-Dade County
Developer/Principal: Tacolcy Economic Development Corporation (“Developer”)/ Edison Terraces (II), Ltd. (“Borrower”)	Set-Aside: 83.33% HOME Assisted 20% @ 50%, 80% @ 80% AMI; HC 83.3% @ 60% AMI LURA: 22 years; EUA: 30 years
Number of Units: 60 (50 units set-aside for HOME & HC)	Allocated Amount: HOME \$1,775,000; HC \$150,978
Demographics: Family	Servicer: First Housing Development Corporation

1. Background

- a) During the 1992 HOME Cycle, Florida Housing awarded a \$1,775,000 construction/permanent loan to Edison Terraces (II), Ltd., a Florida limited partnership (“Borrower”), for the construction of a 60-unit development in Miami-Dade County. The HOME loan closed on September 3, 1993, and originally matured on September 3, 2013. The Development also received a 1992 allocation of low-income housing tax credits (“HC”) of \$150,978.
- b) On December 12, 2014, the Board approved a refinancing of the first mortgage and extension of the HOME loan which closed on July 20, 2015. The HOME loan was extended to January 20, 2017.

2. Present Situation

- a) The Borrower requests approval to refinance and restructure the first mortgage. A new owner entity will be created to acquire and rehabilitate both Edison Terraces I and II of the newly-combined Development, and new first mortgage financing from Freddie Mac will be put in place. The new first mortgage lender will require subordination of the HOME loan and HOME Land Use Restriction Agreement (“LURA”), the Low Income Housing Tax Credit Extended Use Agreement (“EUA”) and extension of the HOME loan terms to be co-terminus with the new first mortgage plus 90 days. As part of the refinancing, the Borrower has agreed to make two principal reduction payments of \$443,750 each, thereby paying \$887,500 towards the reduction of the HOME loan principal amount. The affordability period of the HOME loan will be extended by an equal amount of time as the loan extension which is about 17 years.
- b) Staff received a credit underwriting report from First Housing Development Corporation ([Exhibit H](#)) providing a positive recommendation for the new financing, and subordination of the HOME loan and LURA, and the HC EUA to the new first mortgage, and extension of the HOME loan and LURA.

SPECIAL ASSETS

Consent

3. **Recommendation**

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

SPECIAL ASSETS

Consent

I. Request Approval to Refinance the First Mortgage, Extension and Renegotiation of the Demo Loan, and Release of Guarantors for Metro Place I, Ltd., a Florida Limited Partnership, for Metro Place I (Demonstration Loan/97L-049)

Development Name: Metro Place I (“Development”)	Location: Orange County
Developer/Principal: Banyan (“Developer”)/ Metro Place I, Ltd. (“Borrower”)	Set-Aside: HC 15% @35% AMI, 85% @60% AMI EUA: 50 years
Number of Units: 288	Allocated Amount: Demo \$3,000,000; HC \$1,950,000
Demographics: Family	Servicer: Seltzer Management Group

1. Background

During 1997 funding cycle, Florida Housing awarded a \$3,000,000 Demonstration loan (“Demo”) to Metro Place I, Ltd., a Florida limited partnership (“Borrower”), for the construction of a 288-unit development in Orange County. The loan was closed on May 21, 1999, and will mature on May 31, 2019. The Development also received a 1997 allocation of low-income housing tax credits (“HC”) of \$1,950,000. At the September 2014 Board meeting, the Borrower’s request for refinancing was approved and subsequently the balance of the Demo loan was paid down to \$1,500,000.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage loan. The Borrower intends to obtain a first mortgage loan from Centerline, a Fannie Mae DUS lender, the proceeds of which will be used to satisfy the existing first mortgage from Wells Fargo. The Demo loan documents, the Low Income Housing Tax Credit Extended Use Agreement (“EUA”), and the Demo Land Use Restriction Agreements (“LURA”) will need to be subordinated to the new first mortgage, and the Demo loan be extended to be coterminous with the new first mortgage. The Borrower has agreed to an extension of the LURA by an equal amount of time as the loan extension.
- b) The Borrower also requests that the Demo loan be further extended and renegotiated from the current interest only payments based on 3% interest only to annual payments of interest and principal with 1% interest and a 15 year term and amortization schedule. The proposed payment structure will result in at least \$62,729 more in annual payments to Florida Housing than the current interest only payments.
- c) The Borrower further requests that Eileen L. Vogt be released as a guarantor on all Guarantees.
- d) Staff received a credit underwriting report from Seltzer Management Group ([Exhibit I](#)) providing a positive recommendation for the new financing, subordination of the Demo loan documents, the HC EUA, and the Demo LURA to the new first mortgage, renegotiation and extension of the Demo loan to be co-terminus with the new first mortgage financing, extension of the LURA by an equal amount of time as the loan extension, and the release of guarantors.

SPECIAL ASSETS

Consent

3. **Recommendation**

Approve the refinancing of the first mortgage loan, extension and renegotiation of the Demo loan terms, subordination of the Demo loan documents, the HC EUA, and the Demo LURA to the new first mortgage, release of guarantors, and modification of any other loan documents required to effectuate the refinancing, 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

J. Request Approval to Refinance the First Mortgage, Renegotiation of the SAIL Loan, and Release of Guarantors for Metro Place II, Ltd., a Florida Limited Partnership, for Metro Place II (1998-051S/1998-505C)

Development Name: Metro Place II (“Development”)	Location: Orange County
Developer/Principal: Banyan (“Developer”)/ Metro Place II, Ltd. (“Borrower”)	Set-Aside: SAIL & HC 90% @ 60% AMI; LURA: 50 years; EUA: 50 years
Number of Units: 224	Allocated Amount: SAIL \$2,500,000; HC \$653,290
Demographics: Family	Servicer: Seltzer Management Group

1. Background

During the 1997/1998 State Apartment Incentive Loan (“SAIL”) Cycle X(b), Florida Housing awarded a \$2,500,000 construction/permanent loan to Metro Place II, Ltd., a Florida limited partnership (“Borrower”), for the construction of a 224-unit development in Orange County. The SAIL loan closed on March 22, 1999, and will mature on April 30, 2031. The Development also received a 1998 allocation of low-income housing tax credits (“HC”) of \$653,290.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage loan. The Borrower intends to obtain a first mortgage loan from Centerline, a Fannie Mae DUS lender, the proceeds of which will be used to satisfy the existing first mortgage from Wells Fargo Bank and pay down a portion of the SAIL loan. The SAIL loan, the Low Income Housing Tax Credit Extended Use Agreement (“EUA”), and the SAIL Land Use Restriction Agreements (“LURA”) will need to be subordinated to the new first mortgage.
- b) The Borrower also requests that the SAIL loan be further renegotiated from the current interest only payments based on 3% interest, subject to cash flow, to a hard pay structure requiring annual payments of interest and principal with a 1% interest and a 25 year amortization schedule. The proposed payment structure will result in at least \$38,062 more in annual payments to Florida Housing than the current interest only payments.
- c) The Borrower further requests that Eileen L. Vogt be released as a guarantor on all Guarantees.
- d) Staff received a credit underwriting report from Seltzer Management Group ([Exhibit I](#)) providing a positive recommendation for the new financing, subordination of the SAIL loan, the HC EUA, and the SAIL LURA to the new first mortgage, renegotiation of the SAIL loan, and the release of guarantors.

SPECIAL ASSETS

Consent

3. **Recommendation**

Approve the refinancing of the first mortgage loan, renegotiation and subordination of the SAIL loan, the HC EUA, and the SAIL LURA to the new first mortgage, the release of guarantors, and modification of any other loan documents required to effectuate the refinancing, 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

- K. Request Approval to Refinance the First Mortgage, Renegotiate the SAIL Loan, and Release of Guarantors for Park Avenue Villas, Ltd., a Florida Limited Partnership, for Park Avenue Villas (1999-087S/1999-515C)**

Development Name: Park Avenue Villas (“Development”)	Location: Orange County
Developer/Principal: Banyan Realty Advisors, LLC (“Developer”)/ Park Avenue Villas, Ltd. (“Borrower”)	Set-Aside: SAIL & HC: 100% @ 60% AMI LURA: 50 years; EUA: 50 Years
Number of Units: 120	Allocated Amount: SAIL \$850,000; HC \$254,844
Demographics: Family	Servicer: Seltzer Management Group

1. Background

During the 1998/99 State Apartment Incentive Loan (“SAIL”) Cycle XI, Florida Housing awarded an \$850,000 construction/permanent loan to Park Avenue Villas, Ltd. (“Borrower”), a Florida limited partnership, for the construction of a 120-unit development in Orange County. The SAIL loan closed on April 18, 2000, and will mature on September 1, 2031. The Development also received an allocation of low-income housing tax credits (“HC”) of \$254,844.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage loan. The Borrower intends to obtain a first mortgage loan from Bank United, the proceeds of which will be used to satisfy the existing first mortgage from Wells Fargo Bank and pay down a portion of the SAIL loan. The SAIL loan, the Low Income Housing Tax Credit Extended Use Agreement (“EUA”), and the SAIL Land Use Restriction Agreements (“LURA”) will need to be subordinated to the new first mortgage.
- b) The Borrower also requests that the SAIL loan be modified from the current interest only payments based on 3% interest, subject to cash flow, to a hard pay structure requiring annual payments of interest and principal with a 1% interest and a 25 year amortization schedule. The proposed payment structure will result in at least \$12,941 more in annual payments to Florida Housing than the current interest only payments.
- c) The Borrower further requests that Eileen L. Vogt be released as a guarantor on all Guarantees.
- d) Staff received a credit underwriting report from Seltzer Management Group ([Exhibit J](#)) providing a positive recommendation for the new financing, subordination of the SAIL loan, the HC EUA, and the SAIL LURA to the new first mortgage, renegotiation of the SAIL loan, and the release of guarantors.

SPECIAL ASSETS

Consent

3. **Recommendation**

Approve the refinancing of the first mortgage loan, renegotiation and subordination of the SAIL loan, the HC EUA, and the SAIL LURA to the new first mortgage, the release of guarantors, and modification of any other loan documents required to effectuate the refinancing, 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.