

**FLORIDA HOUSING FINANCE CORPORATION**  
**Board Meeting**  
July 28, 2017  
Consent Items



# HOUSING CREDITS

## Consent

### I. HOUSING CREDITS

#### A. Request Approval of Developer Change, Developer Principal Change and Applicant Principal Change for Sweetwater Villas (2015-564C)

<b>Development Name: Sweetwater Villas</b>	<b>Location: Hillsborough County</b>
<b>Applicant/Borrower: Blue Humphrey Street, LLC</b>	<b>Set Aside(s): 100% @ 60% AMI</b>
<b>Developer/Principal: Blue Sky Communities, LLC</b>	<b>Demographic/Number of units: Family / 56 units</b>
<b>Requested Amounts: \$6,618,000 Housing Credits</b>	<b>Development Category/Type: Garden Style Apartments</b>

#### 1. Background/Present Situation

- a) Sweetwater Villas (2015-564C) is a 4% Housing Credit Development providing 56 set-aside units in Hillsborough County, Florida. The Applicant was invited to enter credit underwriting on September 6, 2016.
- b) On June 12, 2017, staff received a request from the Applicant for a structure change of the Developer, Blue Sky Communities, LLC (current and proposed Developer structures are provided as Exhibits [A](#) and [B](#)) as well as a structure change of a Principal of the Applicant, Blue Humphrey Street, LLC (current and proposed Applicant structures are provided as Exhibits [C](#) and [D](#)).
- c) Regarding the structure of the Developer, the Applicant proposes to replace Blue Sky Communities, LLC (Developer) with Blue Sky Communities III, LLC. Furthermore, Weedon Enterprises, LLC (66.5% member) will be replaced with Weedon Enterprises II, LLC. The ownership interest of Weedon Enterprises II, LLC will remain the same except that Sembler Provision Fund Generation Skipping Trust #4 (50% member) will be replaced with Sembler Provision Fund Generation Skipping Trust #5 (50% member).
- d) Regarding the structure of the Applicant Principal, the Applicant proposes replacing Weedon Enterprises, LLC (66.5% member) with Harry R. Chadwick and Laurel J. Chadwick Family Trust (33.25% member) and Sembler Provision Fund Generation-Skipping Trust Number Five (33.25% member).
- e) Staff received a positive recommendation for the above changes from the credit underwriter (AmeriNat).

#### 2. Recommendation

- a) Approve the request to allow for the change of the Developer, Developer Principal and Applicant Principal as referenced above.

## HOUSING CREDITS

### *Consent*

#### B. Request Approval of Developer Principal Change for Cathedral Towers (RFA 2015-111/2016-294C)

<b>Development Name: Cathedral Towers</b>	<b>Location: Duval County</b>
<b>Applicant/Borrower: Cathedral Towers, Ltd.</b>	<b>Set Aside(s): 20% @ 35% AMI and 71% @ 60% AMI</b>
<b>Developer/Principal: Cathedral Towers Redevelopment Associates, LLC</b>	<b>Demographic/Number of units: Elderly / 203 units</b>
<b>Requested Amounts: \$1,660,000 Housing Credits</b>	<b>Development Category/Type: Acquisition/Preservation / High Rise</b>

#### 1. Background/Present Situation

- a) Cathedral Towers (RFA 2015-111/2016-294C) is a Competitive Housing Credit, Preservation Development providing 185 set-aside units in Duval County, Florida. The Applicant was invited to enter credit underwriting on October 28, 2016. Subsequently, Florida Housing issued an allocation of \$1,660,000.00 in Housing Credits in December of 2016.
- b) On March 24, 2017, the Board approved a request from the Applicant for both a structure change to Blue Sky Communities, LLC as well as a structure change to Blue Sky SLP, LLC, a Principal of the Applicant.
- c) On July 7, 2017, staff received a follow-up request from the Applicant (provided as [Exhibit E](#)) to correct an administrative error which occurred in their initial request. The original and proposed organizational charts of the Developer which were provided to Florida Housing incorrectly identified Cathedral Towers, Inc. as the 30% member of Cathedral Towers Redevelopment Associates, LLC. Rather, the 30% member listed on the Application, Cathedral Foundation of Jacksonville, Inc., is the correct 30% member of the Developer Entity and has been since the time of application. The incorrect and corrected organizational charts of the Developer are provided as Exhibits [F](#) and [G](#).

#### 2. Recommendation

- a) Approve the corrected Developer structure, with Cathedral Foundation of Jacksonville, Inc. as the 30% member.

## HOUSING CREDITS

### *Consent*

#### C. Request Approval of Waiver by Action of Rule for Cathedral Towers (2015-111/2016-294C)

<b>Development Name: Cathedral Towers</b>	<b>Location: Duval County</b>
<b>Applicant/Borrower: Cathedral Towers, Ltd.</b>	<b>Set-Aside(s): 20% @ 35% AMI; 71% @ 60% AMI</b>
<b>Developers/Principals: Cathedral Towers Redevelopment Associates, LLC</b>	<b>Demographic/Number of Units: Elderly/203</b>
<b>Requested Amounts: 9% HC \$1,660,000</b>	<b>Development Category/Type: Acquisition/Preservation / High Rise</b>

#### 1. Background/Present Situation

- a) Cathedral Towers, LTD ("Applicant") was selected for funding in RFA 2015-111, Housing Credit Financing for the Preservation of Existing Affordable Multifamily Housing Developments.
- b) The Applicant is seeking Florida Housing Finance Corporation's ("Florida Housing") Board of Directors ("Board") approval to allow the mechanical subcontract to exceed the 20% limitation in Rule 67-48.0072(17)(f), F.A.C., so that the Applicant can proceed to closing and commence rehabilitation of the Development as scheduled. See [Exhibit H](#) for Applicant's Request.
- c) Pursuant to Rule 67-48.0072(17)(f), F.A.C., the General Contractor must meet the following conditions:

Ensure that not more than 20 percent of the construction cost is subcontracted to any one entity, with the exception of a subcontractor contracted to deliver the building shell of a building of at least five (5) stories which may not have more than 31 percent of the construction cost in a subcontract, *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 the General Contractor's fees. (Emphasis Added)
- d) At the request of Florida Housing staff, First Housing Development Corporation ("First Housing") reviewed the Applicant's request, including the construction costs and the proposed percentage of total construction costs to be subcontracted to the low bidder for mechanical work - 25.94 percent to Thermodyne Services, Inc. ("Thermodyne"). After review and analysis, First Housing concluded that this percentage should pose no significant risk to the completion of the project, as long as the Subcontractor provides insurance and bond protection to the Applicant that are of equal value to the value limits required of the General Contractor to the Applicant. See [Exhibit I](#) for First Housing's recommendation.

## HOUSING CREDITS

### *Consent*

#### 2. **Recommendation**

- a) Approve the request to grant the waiver of the relevant provisions in the Rule to allow for the General Contractor's use of one Subcontractor that provides work at a cost that is more than 20 percent of the rehabilitation cost of this Development, subject to the Subcontractor providing satisfactory insurance and bond protection, as stated above.

# HOME RENTAL

## *Consent*

### II. HOME RENTAL

#### A. Request Approval of HOME Credit Underwriting Report for American Way Townhomes (2016-320H)

<b>Development Name: American Way Townhomes (“Development”)</b>	<b>Location: Baker County</b>
<b>Developer: National Development Foundation, Inc. (“Developer”)</b>	<b>Set-Aside: 20% @ 50% AMI 80% @ 60% AMI 30 HOME Units</b>
<b>Type: New Construction/Townhouses</b>	<b>HOME: \$4,975,000</b>
<b>Total Number of Units: 30</b>	<b>Demographics: Family</b>

#### 1. Background/Present Situation

- a) The Applicant applied for funding under Request for Applications (“RFA”) 2016-101, seeking an allocation of HOME Financing to be Used for Rental Developments in Rural Areas. On August 5, 2016, the Board approved the selection of six (6) Applications, including American Way Townhomes, for funding and invitation to credit underwriting.
- b) On August 10, 2016, the Corporation issued a preliminary commitment letter. In accordance with Rule 67-48, the Developer had a May 5, 2017 deadline to complete the credit underwriting report. At the May 5, 2017 Board Meeting the developer requested and the Board approved an extension of the credit underwriting deadline from May 5, 2017 until July 28, 2017.
- c) On July 10, 2017, staff received a final credit underwriting report with a positive recommendation for a HOME loan in the amount of \$4,975,000 ([Exhibit A](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of Rule Chapter 67-48, F.A.C.

#### 2. Recommendation

- a) Approve the final credit underwriting report and direct staff to proceed with issuance of a firm loan commitment and loan closing activities subject to further approvals and verifications by the Credit Underwriter, Special Counsel and the appropriate Florida Housing Staff.

# HOME RENTAL

## Consent

### B. Request Approval of HOME Credit Underwriting Report for St. John Paul II Villas (2016-319H)

<b>Development Name: St. John Paul II Villas (“Development”)</b>	<b>Location: DeSoto County</b>
<b>Developer: National Development of America, Inc. (“Developer”)</b>	<b>Set-Aside: 20% @ 50% AMI 80% @ 60% AMI 32 HOME Units</b>
<b>Type: New Construction/Quadplexes</b>	<b>HOME: \$3,520,000</b>
<b>Total Number of Units: 32</b>	<b>Demographics: Elderly</b>

#### 1. Background/Present Situation

- a) The Applicant applied for funding under Request for Applications (“RFA”) 2016-101, seeking an allocation of HOME Financing to be Used for Rental Developments in Rural Areas. On August 5, 2016, the Board approved the selection of six (6) Applications, including St. John Paul Villas, for funding and invitation to credit underwriting.
- b) On August 10, 2016, the Corporation issued a preliminary commitment letter. In accordance with Rule 67-48, the Developer had a May 5, 2017 deadline to complete the credit underwriting report. At the May 5, 2017 Board Meeting the developer requested and the Board approved an extension of the credit underwriting deadline from May 5, 2017 until July 28, 2017.
- c) On July 10, 2017, staff received a final credit underwriting report with a positive recommendation for a HOME loan in the amount of \$3,520,000 ([Exhibit B](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of Rule Chapter 67-48, F.A.C.

#### 2. Recommendation

- a) Approve the final credit underwriting report and direct staff to proceed with issuance of a firm loan commitment and loan closing activities subject to further approvals and verifications by the Credit Underwriter, Special Counsel and the appropriate Florida Housing Staff.

## HOME RENTAL

### *Consent*

#### C. Request Approval to Extend the Loan Closing Deadlines for two HOME Rental Developments Approved Under RFA 2016-101

##### 1. Background

- a) Request for Applications (RFA) 2016-101 was open to Applicants proposing the construction of affordable housing utilizing HOME Investment Partnerships Program (“HOME Rental”) to be used for Rental Developments in Rural Areas. The RFA was issued on January 22, 2016 and Applications were received on or prior to February 25, 2016.
- b) Florida Housing received nine (9) Applications in response to the RFA. On May 6, 2016, the Board approved and Florida Housing posted a notice of its intended decision to award funding to five (5) eligible applicants.
- c) National Development Foundation, Inc. (“NDF”) the developer for American Way Townhomes (“American Way”) an ineligible Applicant, filed a formal written protest contesting the ineligibility of its Application. A hearing was conducted on June 22, 2016 and a Recommended Order was received on July 18, 2016.
- d) On August 5, 2016, the Board approved American Way for selection for funding under RFA 2016-101, in addition to the original five Applicants selected on May 6, 2016 and all six Applicants to receive an invitation to credit underwriting.
- e) On August 10, 2016, the Corporation issued preliminary commitment letters for all six Applicants. On March 24, 2017, the Board approved the underwriting report for the Towns of Okeechobee. In accordance with Rule 67-48, the Developers of the remaining five developments had a May 5, 2017 deadline to complete the credit underwriting report.
- f) On May 5, 2017, the Board approved extensions to the credit underwriting deadline for Willie Downs Villas, American Way Townhomes, Highland Grove, St. John Paul II Villas and Turner Senior at Five Ash until July 28, 2017. The Developer for Turner Senior at Five Ash formally withdrew their Application on June 8, 2017.

##### 2. Present Situation

- a) At present, three of the Applicants have submitted information for the credit underwriting reports, St. John Paul II Villas and American Way will be presented for approval at the July 28, 2017 Board Meeting (Towns of Okeechobee was approved at the May 5, 2017 Board Meeting).



## HOME RENTAL

### *Consent*

- b) Pursuant to the RFA, the Applicants had until August 10, 2017 to close their HOME loans (as permitted by Rule, one year from the date of the issuance of the preliminary commitments), however with the credit underwriting reports going to the Board on July 28, 2017, two weeks will not be enough time to close the loan.
- c) Pursuant to Rule 67-48.0072(4)(c), the Applicants for St John Paul II Villas and American Way Townhomes have each requested up to a one year extension to close their HOME loans by August 10, 2018 ([Exhibit C](#)).

### 3. **Recommendation**

- a) Approve Staff recommendation to extend the deadlines for HOME loan closings for the Applicants of St. John Paul II Villas and American Way Townhomes to August 10, 2018.

## HOME RENTAL

### *Consent*

#### **D. Request Approval to Extend the Credit Underwriting and Loan Closing Deadlines for Highland Grove, a Development Approved Under RFA 2016-101**

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

- a) Request for Applications (RFA) 2016-101 was open to Applicants proposing the construction of affordable housing utilizing HOME Investment Partnerships Program (“HOME Rental”) to be used for Rental Developments in Rural Areas. The RFA was issued on January 22, 2016 and Applications were received on or prior to February 25, 2016.
- b) Florida Housing received nine (9) Applications in response to the RFA. On May 6, 2016, the Board approved and Florida Housing posted a notice of its intended decision to award funding to five (5) eligible applicants.
- c) National Development Foundation, Inc. (“NDF”) the developer for American Way Townhomes (“American Way”) an ineligible Applicant, filed a formal written protest contesting the ineligibility of its Application. A hearing was conducted on June 22, 2016 and a Recommended Order was received on July 18, 2016.
- d) On August 5, 2016, the Board approved American Way for selection for funding under RFA 2016-101, in addition to the original five Applicants selected on May 6, 2016 and all six Applicants to receive an invitation to credit underwriting.
- e) On August 10, 2016, the Corporation issued preliminary commitment letters for all six Applicants. On March 24, 2017, the Board approved the underwriting report for the Towns of Okeechobee. In accordance with Rule 67-48, the Developers of the remaining five developments had a May 5, 2017 deadline to complete the credit underwriting report.
- f) On May 5, 2017, the Board approved extensions to the credit underwriting deadline for Willie Downs Villas, American Way Townhomes, Highland Grove, St. John Paul II Villas and Turner Senior at Five Ash until July 28, 2017. The Developer for Turner Senior at Five Ash formally withdrew their Application on June 8, 2017.

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

- a) The Applicant for Highland Grove is unable to complete the credit underwriting report in time to present at the July 28, 2017 Board meeting, therefore they have requested an extension until the October 27, 2017 Board meeting ([Exhibit D](#)). The Applicant has struggled with high construction pricing in Highlands County, specifically due to a tight labor market which has driven up labor costs for subcontractors. This has forced the Applicant to revise the original site and unit plans to ensure project feasibility. They have moved forward in good faith and have closed on the land which is shovel-ready and zoned appropriately for the proposed development.

## HOME RENTAL

### *Consent*

- b) Pursuant to Rule 67-48.0072(4)(c), the Applicant has one year from the issuance of the preliminary commitment or August 10, 2017 to close their HOME loan. However, with the credit underwriting report for Highland Grove not being complete until the October 27, 2017 Board Meeting, the applicant has requested up to a one year extension on the loan closing until August 10, 2018, as permitted by Rule.

### 3. **Recommendation**

- a) Approve Staff recommendation to extend the deadline for completion of the credit underwriting report until October 27, 2017 and to extend the loan closing deadline until August 10, 2018.

## LEGAL

### Consent

### III. LEGAL

#### A. In Re: SP Manor, LLC - FHFC Case No. 2017-053VW

<b>Development Name: (“Development”):</b>	<b>Lummus Park Manor</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Southport Development, Inc.</b>
<b>Number of Units: 96</b>	<b>Location: Miami -Dade County</b>
<b>Type: Apartments</b>	<b>Set Asides: 11 units @ 33% AMI</b>
<b>Demographics: Elderly, Family</b>	<b>HC: \$500,000</b>

#### 1. Background

- a) SP Manor, LLC, (“Petitioner”) successfully applied for an award of Low Income Housing Tax Credits (“HC”) funding under Request for Applications 2015-111 (the “RFA”) to assist in the preservation of a 51-unit development called Lummus Park Manor.
- b) On July 6, 2017, Florida Housing received a “Petition for Waiver of Rule 67-48.002(95) (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit A](#).

#### 2. Present Situation

- a) Rule 67-48.002(95) Fla. Admin. Code defines and incorporates by reference the 2016 Qualified Allocation Plan (the “QAP”). Section II.K. of the QAP provides in pertinent part:

[W]here 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, 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 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.

## LEGAL

### *Consent*

- b) Petitioner requests a waiver from the above timing provisions of the QAP to permit the immediate return of its Carryover Allocation of 2016 Housing Credits. Petitioner asserts that it cannot meet its currently required “placed in service” date of December 31, 2018, due to delays outside its control. Petitioner asserts that due to disruptions in the equity market, the Development is unlikely to be placed in service by December 31, 2018. Additionally, Petitioner is concerned it will be unable to find a tax credit investor if the credit swap is delayed until the last quarter of 2018.
- c) The requested change would neither affect the scoring of Petitioner’s application nor allow Petitioner to gain an unfair advantage over other applicants.
- d) On July 10, 2017, the Notice of Petition was published in the Florida Administrative Register in Volume 43, Number 132. 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 provision of the QAP under these circumstances would constitute a substantial hardship and violate the principles of fairness, in that the completion of the Development has been disrupted by circumstances beyond Petitioner’s control.

### 3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of the timing requirements found in the 2016 QAP as set forth in Rule 67-48.002(95) Fla. Admin. Code to permit the immediate return of its Carryover Allocation of 2016 Housing Credits and to receive a reservation and Carryover Allocation of 2017 Housing Credits, with a corresponding extension of all deadlines relative to those credits.

## LEGAL

### Consent

**B. In Re: Amelia Court at Creative Village Partners, Ltd. - FHFC Case No. 2017-054VW (RFA 2015-113/2016-305CS)**

<b>Development Name: (“Development”):</b>	<b>Amelia Court at Creative Village</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Atlantic Housing Partners, LLLP</b>
<b>Number of Units: 116</b>	<b>Location: Orange County</b>
<b>Type: Mid-Rise, 5 or 6-stories</b>	<b>Set Asides: 10% @ 40% AMI 70% @ 60% AMI 20% @ Market Rate</b>
<b>Demographics: Family, Link</b>	<b>Funding: HC \$2,185,789 SAIL \$2,000,000</b>

**1. Background**

- a) Amelia Court at Creative Village Partners, Ltd., (“Petitioner”) successfully applied for an award of competitive Housing Credits and State Apartment Incentive Loan (“SAIL”) financing under Request for Applications 2015-113 (the “RFA”) to assist in the construction of Amelia Court at Creative Village (“Amelia Court”).
- b) On July 6, 2017, Florida Housing received a Petition for Waiver of Provision of Rule-Adopted 2015 Housing Credit Qualified Allocation Plan to Allow Exchange of 2016 Housing Credits for 2017 Housing Credits, from Petitioner. A copy of the Petition is attached as [Exhibit B](#).

**2. Present Situation**

- a) Rule 67-48.002(95), Fla. Admin. Code defines and incorporates by reference the following provision of the 2015 QAP at Section II.2:

K. ...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 Application for the year after the year in which the Development was otherwise required to be placed in service...
- b) Petitioner requests a waiver of the above Rule and bolded selection of the QAP provision above to permit it to exchange its tax credits now rather than in the last calendar quarter of 2018. Petitioner asserts that unforeseen events will cause the Development to not be placed in service by December 31, 2018. Petitioner asserts that the Development was proceeding towards a closing when the equity markets suffered a retraction which resulted in significant downward pressure and instability on tax credit pricing. Additionally, according to Petitioner, the delay in construction of a downtown campus of the University of Central Florida, resulted in the necessary delay of Amelia Court as placing tenants in the middle of a active heavy construction zone could present an unsafe environment. Given these circumstances, Petitioner asserts that achievement of the scheduled placed in service deadline is extremely unlikely.

## LEGAL

### *Consent*

Petitioner therefore requests that it be permitted to swap the allocated tax credits now instead of the last quarter of 2018.

c) On July 12, 2017, the Notice of Petition was published in the Florida Administrative Register in Volume 43, Number 134. To date, Florida Housing has received no comments concerning the Petition.

d) 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.

e) Granting the requested waiver would not have any impact on other participants in funding programs administered by Florida Housing, nor would it have a detrimental impact on Florida Housing or the Development. Petitioner has demonstrated that strict application of the above Rules under these circumstances would constitute a substantial hardship and violate the principles of fairness. 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 waiver is granted.

### 3. Recommendation

a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of the above Rule and 2015 QAP provision to permit Petitioner to exchange its 2016 housing credits for 2017 housing credits now rather than in the last calendar quarter of 2018.

## LEGAL

### Consent

C. **In Re: Sunset Pointe Associates, Ltd. - FHFC Case No. 2017-055VW (RFA 2015-110/2016-107H)**

<b>Development Name: (“Development”):</b>	<b>Sunset Pointe</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Cornerstone Group Partners, LLC</b>
<b>Number of Units: 82</b>	<b>Location: Miami-Dade County</b>
<b>Type: Garden Apartments</b>	<b>Set Asides: HOME: 40% @ 60% AMI 60% @ MR 4%: 100% @ 60% AMI</b>
<b>Demographics: Family</b>	<b>Funding: HOME \$4,346,000 MMRB \$9,200,000 4% \$670,172</b>

1. **Background**

- a) Sunset Pointe Associates, Ltd., (“Petitioner”) successfully applied for an award of HOME funding to be used in conjunction with Florida Housing-Issued MMRB and Non-Competitive Housing Credits under Request for Applications 2015-110 (the “RFA”) to assist in the construction of Sunset Pointe.
- b) On July 12, 2017, Florida Housing received a Petition for Waiver of Rule 67-48.0072(26), Fla. Admin. Code, from Petitioner. A copy of the Petition is attached as [Exhibit C](#).

2. **Present Situation**

- a) The relevant portion of Rule 67-48.0072(26), Fla. Admin. Code provides as follows:

For SAIL, EHCL, and HOME, that is not in conjunction with Competitive HC, these Corporation loans and other mortgage loans related to the Development must close within 120 Calendar Days of the date of the firm loan commitment(s), unless the Development is a Tax-Exempt Bond-Financed Development which then the closing must occur within 180 Calendar Days of the firm loan commitment(s). Unless an extension is approved by the Board, failure to close the loan(s) by the specified deadline outlined above shall result in the firm loan commitment(s) being deemed void and the funds shall be de-obligated. Applicants may request one (1) extension of the loan closing deadline outlined above for a term of up to 90 Calendar Days.... In the event the Corporation loan(s) does not close by the end of the extension period, the firm loan commitment(s) shall be deemed void and the funds shall be de-obligated.

- b) Petitioner was previously granted a ninety-day extension of the HOME loan closing deadline from December 24, 2016 to March 24, 2017. Then, Petitioner petitioned for and was granted a waiver of the above rule to extend the HOME loan closing deadline to June 22, 2017 under FHFC Case No. 2017-002VW. Petitioner now requests another waiver of the above Rule to allow a further extension of the HOME closing deadline. Petitioner is requesting the further extension of the HOME loan closing date from June 22, 2017 to December 31, 2017. Petitioner asserts that the extension is necessary due to delays in the



## LEGAL

### *Consent*

process for obtaining building and development permits and to account for any further unforeseen delay.

- c) On July 14, 2017, the Notice of Petition was published in the Florida Administrative Register in Volume 43, Number 136. To date, Florida Housing has received no comments concerning the Petition.

- d) 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.

- e) Granting the requested waiver would not have any impact on other participants in funding programs administered by Florida Housing, nor would it have a detrimental impact on Florida Housing or the Development. Petitioner has demonstrated that strict application of the above Rules under these circumstances would constitute a substantial hardship and violate the principles of fairness. 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 waiver is granted.

### 3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of the above Rule to allow an extension of the HOME loan closing date from June 22, 2017 to December 31, 2017.

## LEGAL

### Consent

#### D. In Re: Centerra Associates, Ltd. - FHFC Case No. 2017-056VW (RFA 2015-110/2016-104H)

<b>Development Name: (“Development”):</b>	<b>Centerra</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Cornerstone Group Development, LLC</b>
<b>Number of Units: 104</b>	<b>Location: Miami-Dade County</b>
<b>Type: Townhouse units</b>	<b>Set Asides: HOME: 11% @ 50% AMI 41% @ 60% AMI 48% @ MR MMRB: 40% @ 60% AMI 60% @ MR 4%: 94% @ 60% 6% @ MR</b>
<b>Demographics: Family</b>	<b>Funding: HOME \$5,304,000 MMRB \$14,500,000 4% \$1,004,859</b>

#### 1. Background

- a) Centerra Associates, Ltd., (“Petitioner”) successfully applied for an award of HOME funding to be used in conjunction with Florida Housing-Issued MMRB and Non-Competitive Housing Credits under Request for Applications 2015-110 (the “RFA”) to assist in the construction of Centerra.
- b) On July 12, 2017, Florida Housing received a Petition for Waiver of Rule 67-48.0072(26), Fla. Admin. Code, from Petitioner. A copy of the Petition is attached as [Exhibit D](#).

#### 2. Present Situation

- a) The relevant portion of Rule 67-48.0072(26), Fla. Admin. Code provides as follows:

For SAIL, EHCL, and HOME, that is not in conjunction with Competitive HC, these Corporation loans and other mortgage loans related to the Development must close within 120 Calendar Days of the date of the firm loan commitment(s), unless the Development is a Tax-Exempt Bond-Financed Development which then the closing must occur within 180 Calendar Days of the firm loan commitment(s). Unless an extension is approved by the Board, failure to close the loan(s) by the specified deadline outlined above shall result in the firm loan commitment(s) being deemed void and the funds shall be de-obligated. Applicants may request one (1) extension of the loan closing deadline outlined above for a term of up to 90 Calendar Days.... In the event the Corporation loan(s) does not close by the end of the extension period, the firm loan commitment(s) shall be deemed void and the funds shall be de-obligated.

## LEGAL

### *Consent*

- b) Petitioner was previously granted a ninety-day extension of the HOME loan closing deadline from December 24, 2016 to March 24, 2017. Then, Petitioner petitioned for and was granted a waiver of the above rule to extend the HOME loan closing deadline to June 22, 2017 under FHFC Case No. 2017-003VW. Petitioner now requests another waiver of the above Rule to allow a further extension of the HOME closing deadline. Petitioner is requesting the further extension of the HOME loan closing date from June 22, 2017 to October 20, 2017. Petitioner asserts that the extension is necessary due to delays in the process for obtaining building and development permits and to account for any further unforeseen delay.
- c) On July 14, 2017, the Notice of Petition was published in the Florida Administrative Register in Volume 43, Number 136. To date, Florida Housing has received no comments concerning the Petition.
- d) 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.
- e) Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness..

### 3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner's request for a waiver of the above Rule to allow an extension of the HOME loan closing date from June 22, 2017 to October 20, 2017.

# LEGAL

## Consent

### E. In Re: West Lake I, LTD - FHFC Case No. 2017-047VW

<b>Development Name: (“Development”):</b>	<b>West Lake Apartments</b>
<b>Developer/Principal: (“Developer”):</b>	<b>HTG Matthew Rieger</b>
<b>Number of Units: 100</b>	<b>Location: Polk</b>
<b>Type: New Garden apartments</b>	<b>Set Asides: 90% at 60% AMI 10% at 45% AMI</b>
<b>Demographics: Elderly non-ALF</b>	<b>SAIL: \$5,000,000 ELI: \$294,000 4% HC: \$634,596 MMRB: \$9,000,000</b>

#### 1. Background

- a) Petitioner was selected to receive SAIL Financing of Affordable Multifamily Housing Developments under RFA 2015-112, to be used in conjunction with Multifamily Mortgage Revenue Bonds<sup>1</sup> (MMRB) and non-competitive Housing Credits to assist in the construction of a Development serving low-income elderly. On June 23, 2017, Florida Housing received a Petition for Waiver of Rule 67-21.013, Fla. Admin. Code (2015) to allow the purchase of non-credit enhanced revenue bonds by an entity that does not meet the definition of a Qualified Institutional Buyer. A copy of the amended Petition is attached as [Exhibit E](#).

#### 2. Present Situation

- a) Rule 67-21.013, Fla. Admin. Code (2015), allows a non-credit enhanced revenue bond to be sold only to a Qualified Institutional Buyer (QIB), as defined in Rule 67-21.002(88), Fla. Admin. Code (2015).<sup>2</sup> The rule also requires that the purchaser of such bonds provide an investment letter.

#### **67-21.013 Non-Credit Enhanced Multifamily Mortgage Revenue Bonds**

Any issuance of non-Credit Enhanced revenue Bonds shall be sold only to a Qualified Institutional Buyer. . . . Unless such Bonds are rated in one of the four highest rating categories by a nationally recognized rating service, such Bonds shall not be held in a full book-entry system (but may be Depository Trust Company (DTC)-Eligible) and shall comply with at least one of the following criteria:

\* \* \*

<sup>1</sup> The particular form of indebtedness here is a note. However, the rule to be waived uses the term “bonds,” which is defined in Section 420.503(4), F.S., to include any note issued by the Corporation.

<sup>2</sup> QIBs are sometimes referred to as sophisticated investors that are capable of understanding and managing the risks associated with a non-credit enhanced bond.

## LEGAL

### *Consent*

(2) The Bonds shall be issued in minimum denominations of \$250,000 (subject to reduction by means of redemption) and an investment letter satisfactory to the Corporation and its counsel shall be obtained from each initial purchaser of the Bonds (including any purchaser purchasing such Bonds in an immediate resale from an underwriter), but shall not be required of subsequent purchasers of the Bonds, to the effect that, among other things, such purchaser is a Qualified Institutional Buyer, is purchasing such Bonds for its own account and not for immediate resale to a purchaser other than a Qualified Institutional Buyer, and has made an independent investment decision as a sophisticated or institutional investor.

- b) Petitioner is funding its Development using, among other things, a Freddie Mac Tax Exempt Multifamily Revenue Note (Bond) under its Tax Exempt Loan (TEL) Program. Federal law requires Freddie Mac to purchase the bonds through an intermediary, which in this case is Walker & Dunlop, LLC (“W&D”). W&D, however, does not meet the definition of a Qualified Institutional Buyer in Rule 67-21.002(88), Fla. Admin. Code (2015). Petitioner seeks a waiver that will allow it to use the services of W&D in order to facilitate the note/bond portion of the financing for this Development. The notes/bonds will ultimately be sold to Freddie Mac (which is a QIB) in accordance with an executed commitment letter between W&D and Freddie Mac. Unless the waiver is granted, Petitioner will be required to find alternate financing, and funding for the Development will be jeopardized.
- c) On July 10, 2017, Notice of the Petition was published in the Florida Administrative Register in Volume 43, Number 132. To date, Florida Housing has received no comments concerning the Petition.
- d) 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.
- e) Granting the requested waiver would not have any impact on other participants in funding programs administered by Florida Housing, nor would it have a detrimental impact on Florida Housing. Petitioner has demonstrated that the waiver is needed because of circumstances beyond its control, and that it would suffer a substantial hardship if the waiver is 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 waiver is granted.

### 3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rule 67-21.013, Fla. Admin. Code (2015), so that W&D will be able to purchase the non-credit enhanced revenue bonds as part of the TEL Program and will not be required to submit an investment letter.

## MULTIFAMILY BONDS

### *Consent*

#### IV. MULTIFAMILY BONDS

##### A. Request Approval of Credit Underwriting Report for Douglas Gardens V (2016-177BS)

<b>Development Name: Douglas Gardens V</b>	<b>Location: Broward County</b>
<b>Applicant/Borrower: Douglas Gardens V, Ltd.</b>	<b>Set Aside(s): 100% @ 60% AMI (MMRB and Housing Credits) 10% @ 33% AMI (SAIL and ELI) 90% @ 60% AMI (SAIL)</b>
<b>Developer/Principal: Douglas Gardens V Developer, LLC</b>	<b>Demographic/Number of units: Elderly / 110</b>
<b>Requested Amounts: \$13,200,000 Multifamily Mortgage Revenue Bond (MMRB) \$5,000,000 State Apartment Incentive Loan (SAIL) \$781,900 ELI Gap Funding (ELI) \$852,000 Housing Credits</b>	<b>Development Category/Type: New Construction / Mid-Rise (4 stories)</b>

##### 1. Background/Present Situation

- a) On October 9, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-112 for the SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On March 18, 2016, the Board approved the Final Order(s) allowing staff to proceed with invitations to credit underwriting and preliminary awards.
- c) On March 21, 2016, staff issued an invitation to enter credit underwriting to the Applicant.
- d) Staff reviewed the credit underwriting report, giving a positive recommendation for a SAIL loan in the amount of \$5,000,000, ELI Gap funding in the amount of \$781,900, and \$13,200,000 in Tax Exempt MMRB ([Exhibit A](#)). Staff finds that the development meets all of the requirements of RFA 2015-112.

##### 2. Recommendation

- a) Approve the recommendation of the Credit Underwriter outlined in the final credit underwriting report recommending and allocating \$13,200,000 in Tax Exempt MMRB, \$5,000,000 in SAIL funding, and \$781,900 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 the Method of Bond Sale Recommendation from Florida Housing's Independent Registered Municipal Advisor and Assignment of a Bond Underwriter**

#### **1. Background**

- a) Pursuant to staff's request for approval to issue bonds to finance the construction 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 transactions and approval of the recommended methods 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 financing structures by the Independent Registered Municipal Advisor (IRMA) in order to make a recommendation to the Board for the method of bond sales for the developments. Caine Mitter and Associates Incorporated has prepared an analysis and recommendations for the method of bond sales for the Developments. The recommendation letters are attached as Exhibit B and C.

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

- a) Florida Housing staff, the Credit Underwriter, and the IRMA have reviewed the financial structures for the proposed Developments.

#### **3. Recommendation**

- a) Approve the assignment of the recommended professionals and the Independent Registered Municipal Advisor's recommendations for the method of bond sales, as shown in the chart below, for the proposed Developments.

<b>Development Name</b>	<b>Location of Development</b>	<b>Number of Units</b>	<b>Method of Bond Sale</b>	<b>Recommended Professional</b>	<b>Exhibit</b>
Douglas Gardens V	Broward County	110	Negotiated Private Placement	RBC Capital Markets, LLC	<a href="#">Exhibit B</a>
Centerra	Miami-Dade County	104	Negotiated Private Placement	RBC Capital Markets, LLC	<a href="#">Exhibit C</a>

## MULTIFAMILY BONDS

### *Consent*

C. **Request Approval of the Transfer of General and Limited Partner Ownership Interest for Tuscany Lakes Apartments (2002 Series K / 2002-524C)**

<b>Development Name: Tuscany Lakes Apartments</b>	<b>Location: Manatee County</b>
<b>Applicant/Borrower: Tuscany Lakes, Ltd.</b>	<b>Set Aside(s): 40% @ 60% AMI (MMRB) 100% @ 60% AMI (Housing Credits)</b>
<b>Developer/Principal: The Carlisle Group, LLC / Alden Torch Financial</b>	<b>Demographic/Number of units: Family / 348 units</b>
<b>Requested Amounts: \$16,700,000 MMRB \$834,748 Housing Credits</b>	<b>Development Category/Type: New Construction / Garden Apartments</b>

1. **Background/Present Situation**

- a) Florida Housing financed the above referenced Development in 2002 with \$14,000,000 in tax exempt MMRB designated as 2002 Series K-1 and \$2,700,000 in taxable bonds designated as 2002 Series K-2. In addition, \$834,748 in Housing Credits was allocated to this Development.
- b) Tuscany Lakes, Ltd. has requested Florida Housing's consent to the transfer of the general partner and limited partner ownership interest to entities affiliated with Lincoln Avenue Capital LLC. Seltzer Management Group, Inc. has reviewed this request and provided a positive recommendation for the transfer and the assignment, assumption, and subordination of the Land Use Restriction Agreement "LURA" and Extended Low-Income Housing Agreement "ELIHA" ([Exhibit D](#)).

2. **Recommendation**

- a) Approve the transfer of ownership interest and the assignment, assumption, and subordination of the LURA and ELIHA, subject to the conditions in the credit underwriting report with further approval by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.



## MULTIFAMILY BONDS

### *Consent*

**D. Request Approval of Credit Underwriting Update Letter for Twin Lakes Estates fka West Lake Apartments (2016-184BS)**

<b>Development Name: Twin Lakes Estates fka West Lake Apartments</b>	<b>Location: Polk County</b>
<b>Applicant/Borrower: West Lake I, Ltd.</b>	<b>Set Aside(s): 10% @ 45% AMI (SAIL &amp; ELI) 40% @ 60% AMI (MMRN) 90% @ 60% AMI (SAIL) 100% @ 60% AMI (Housing Credits)</b>
<b>Developer/Principal: HTG West Lake Developer, LLC</b>	<b>Demographic/Number of units: Elderly / 100</b>
<b>Requested Amounts: \$9,000,000 Multifamily Mortgage Revenue Note (MMRN) \$5,000,000 State Apartment Incentive Loan (SAIL) \$294,000 ELI Gap Funding (ELI) \$640,816 Housing Credits</b>	<b>Development Category/Type: New Construction / Garden Apartments</b>

**1. Background/Present Situation**

- a) On October 9, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-112 for the SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On March 18, 2016, the Board approved the Final Order(s) allowing staff to proceed with invitations to credit underwriting and preliminary awards.
- c) On March 21, 2016, staff issued an invitation to enter credit underwriting to the Applicant.
- d) On May 5, 2017, the Board approved the credit underwriting report giving a positive recommendation for a SAIL loan in the amount of \$5,000,000, ELI Gap funding in the amount of \$294,000, and \$9,000,000 in Tax Exempt MMRN. Subsequently, the Borrower requested approval to substitute the fourth mortgage from the Housing Authority of the City of Lakeland in the amount of \$790,000 for a \$1,200,000 Affordable Housing Program subordinate loan through the Federal Home Loan Bank of San Francisco.
- e) Staff received a credit underwriting update letter with a positive recommendation for the Affordable Housing Program subordinate loan ([Exhibit E](#)). Staff has reviewed this letter and finds that the development meets all of the requirements of RFA 2015-112.

## MULTIFAMILY BONDS

### *Consent*

#### 2. **Recommendation**

- a) Approve the credit underwriting update letter and direct staff to proceed with closing activities, subject to further approvals and verifications by the Credit Underwriter, Note Counsel, Special Counsel, and the appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

#### E. Request Approval of Credit Underwriting Report for Centerra (2015-106B / 2016-104H)

<b>Development Name: Centerra</b>	<b>Location: Miami-Dade County</b>
<b>Applicant/Borrower: Centerra Associates, Ltd.</b>	<b>Set Aside(s):</b> 40% @ 60% AMI (MMRB) 10% @ 50% AMI (HOME) 41% @ 60% AMI (HOME) 94% @ 60% AMI (Housing Credits)
<b>Developer/Principal: Cornerstone Group Partners, LLC</b>	<b>Demographic/Number of units:</b> Family / 104
<b>Requested Amounts:</b> \$15,700,000 Multifamily Mortgage Revenue Bond (MMRB) \$5,304,000 HOME Investment Partnership Loan (HOME) \$1,040,848 Housing Credits	<b>Development Category/Type:</b> New Construction / Townhouses

#### 1. Background/Present Situation

- a) On September 4, 2015, Florida Housing issued a Request for Applications (RFA) 2015-110 for the Financing of Affordable Multifamily Housing Developments with HOME Funding to be used in Conjunction with Florida Housing-Issued Multifamily Mortgage Revenue Bond Financing and Non-Competitive Housing Credits.
- b) As required in RFA 2015-110, the Applicant submitted a Non-Competitive Application package requesting MMRB in the amount of \$14,000,000 and Housing Credits in the amount of \$916,369. The Applicant has subsequently increased the MMRB request amount to \$15,700,000.
- c) On December 11, 2015, the Board approved the final scores and recommendations for RFA 2015-110 and directed staff to proceed with all necessary credit underwriting activities.
- d) On January 13, 2016, staff issued an invitation to enter credit underwriting to the Applicant.
- e) The Board previously approved a credit underwriting report on June 24, 2016, which contained a recommendation valid for six months. Due to the loan not closing within six months and changes to the financing structure that needed to be underwritten, a new credit underwriting report was prepared. Staff reviewed the credit underwriting report, giving a positive recommendation for a HOME loan in the amount of \$5,304,000 and \$15,700,000 in Tax Exempt MMRB ([Exhibit F](#)). Staff finds that the development meets all of the requirements of RFA 2015-110 and the Non-Competitive Application.

## MULTIFAMILY BONDS

### *Consent*

#### 2. **Recommendation**

- a) Approve the recommendation of the Credit Underwriter outlined in the final credit underwriting report, recommending and allocating \$15,700,000 in tax exempt MMRB and \$5,304,000 in HOME 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 PROGRAMS**

*Consent*

**V. MULTIFAMILY PROGRAMS**

**A. Request Approval of Credit Underwriting Report and RFA Waiver Requests for Attain’s Second Seminole County Residential Group Home (2016-347G)**

<b>Development Name: Attain’s Second Seminole County Residential Group Home</b>	<b>Location: Seminole County</b>
<b>Applicant/Borrower: Crystal Lake Supportive Environments, Inc. dba Attain, Inc.</b>	<b>Set Aside(s): 33% @ 40% AMI and 67% at 60% AMI</b>
<b>Developer/Principal: N/A</b>	<b>Demographic/Number of Residents: Persons with Developmental Disabilities / 6 Residents</b>
<b>Requested Amounts: \$392,000 Grant Funding</b>	<b>Development Category/Type: New Construction and Rehab/CRH</b>

**1. Background/Present Situation**

- a) On March 11, 2016, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2016-105 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On June 24, 2016, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On October 5, 2016, staff issued an invitation to enter credit underwriting to Crystal Lake Supportive Environments, Inc. dba Attain, Inc.
- d) On July 12, 2017, staff received a positive recommendation for a grant amount of \$392,000 to be allocated to the Development ([Exhibit A](#)).
- e) There are two items in the required design and construction that are not feasible, per the physical needs assessment performed at the property: the clear opening of 32” inches is not feasible for one of the exterior doors, a door that leads from a bedroom to the patio; and the mid-point height of 48 inches for light switches in three of the existing bedrooms (the three fully accessible bedrooms will meet the requirement). The Applicant has requested a waiver of these RFA requirements for the specific bedrooms affected.

**2. Recommendation**

- a) Staff recommends that the Board approve the request to waive the aforementioned construction features, 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 Grant Closing Extension for Little Ranch Estate (2015-268G)

<b>Development Name: Little Ranch Estate</b>	<b>Location: Pasco County</b>
<b>Applicant/Borrower: The Arc Nature Coast, Inc.</b>	<b>Set-Aside: 33% @ 40% AMI and 67% @ 60% AMI</b>
<b>Developer/Principal: N/A</b>	<b>Demographic/Number of Residents: Persons with Developmental Disabilities/6 Residents</b>
<b>Requested Amount: \$392,000 Grant Funding</b>	<b>Development Category/Type: New Construction/Single Family</b>

#### 1. Background/Present Situation

- a) On August 14, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-105 for Financing to Build Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On December 11, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities. On December 17, 2015, staff issued a Notice of Preliminary Award to The Arc Nature Coast, Inc., and on March 16, 2016, staff issued an invitation to enter credit underwriting.
- c) On August 24, 2016, staff received a credit underwriting report with a positive recommendation for a grant in the amount of \$392,000. Staff reviewed this report and found that the development meets all of the requirements of RFA 2015-105. The report was approved by the Board on September 16, 2016, and the Applicant executed their firm commitment on October 3, 2016.
- d) On October 28, 2016, the Board approved the Applicant's request to waive the Maximum Eligible Funding Award Amount and increase it by \$25,000 to cover the additional costs of new fire safety standards. However, Pasco County subsequently waived the new fire safety standard for this Applicant so the additional funds were not granted.
- e) On December 19, 2016, staff approved a closing extension until February 28, 2017. On February 24, 2017 staff received information from the credit underwriter (Amerinat) regarding permitting delays that resulted from the applicability of new fire safety standards, for which the awardee requested and the Board granted an additional extension of the deadline to May 31, 2017.
- f) On May 31, 2017, staff received a request to further extend the closing deadline to August 31, 2017 due to a shortage of plumbing trade resources within Pasco County. The Borrower currently has a PLP loan amount of \$42,080. The building foundation was poured on June 22, 2017, for which the underwriter is waiting for an inspection which should then give them sufficient hard costs to repay the PLP funds. The underwriter will need to verify that the GC incurred the costs prior to signing off on the PLP repayment. These are the last outstanding items before the grant can close.

## MULTIFAMILY PROGRAMS

### *Consent*

#### 2. Recommendation

- a) Staff recommends that the Board approve the closing deadline extension to August 31, 2017.

## MULTIFAMILY PROGRAMS

### *Consent*

#### C. Request Approval of Grant Closing Extension for Marvin Gutter's House (2015-267G)

<b>Development Name: Marvin Gutter's House</b>	<b>Location: Broward County</b>
<b>Applicant/Borrower: Ann Storck Center, Inc.</b>	<b>Set-Asides: 33% @ 33% AMI &amp; 67% @ 60% AMI</b>
<b>Developer/Principal: N/A</b>	<b>Demographic/Number of Residents: Persons with Developmental Disabilities/6 Residents</b>
<b>Requested Amount: \$392,000 Grant funding</b>	<b>Development Category/Type: New Construction/Single Family</b>

#### 1. Background/Present Situation

- a) On August 14, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-105 for Financing to Build Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On December 11, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities. On December 17, 2015, staff issued a Letter of Preliminary Award to Ann Storck Center, Inc., and on March 18, 2016, staff issued an invitation to enter credit underwriting.
- c) On September 15, 2016, staff approved an extension of the credit underwriting report deadline to December 9, 2016, and subsequently on November 29, 2016, staff approved extensions of the credit underwriting report and closing deadlines to February 28, 2017. On January 12, 2017, staff received a credit underwriting report with a positive recommendation for a grant in the amount of \$392,000. The report was approved by the Board on February 3, 2017 and the Applicant executed their firm commitment on February 22, 2017.
- d) On February 28, 2017, staff received a request to extend the closing deadline to May 31, 2017 due to delayed plan reviews by Broward County. This extension was approved by the Board on March 24, 2017.
- e) On May 31, 2017, staff received a request for an additional extension of the closing deadline which was further delayed due to plan reviews by Broward County. The underwriter (First Housing) indicates that the plans still have not been approved and that there are several items remaining in order to close, which include an updated site survey, updated certificate of good standing, GC, Flood, and Worker's Compensation Insurance, closing draw schedule, owner equity account verification, and notice of commencement draft.

#### 2. Recommendation

- a) Staff recommends that the Board approve the closing deadline extension to September 30, 2017.



## MULTIFAMILY PROGRAMS

### *Consent*

#### D. Request Approval of Grant Closing Extension for Neff Lake Estate IV (2015-270G)

<b>Development Name: Neff Lake Estate IV</b>	<b>Location: Hernando County</b>
<b>Applicant/Borrower: The Arc Nature Coast, Inc.</b>	<b>Set Aside(s): 33% @ 40% AMI and 67% @ 60% AMI</b>
<b>Developer/Principal: N/A</b>	<b>Demographic/Number of Residents: Persons with Developmental Disabilities / 6 Residents</b>
<b>Requested Amounts: \$392,000 Grant Funding</b>	<b>Development Category/Type: New Construction / Single Family</b>

#### 1. Background/Present Situation

- a) On August 14, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-105 for Financing to Build Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On December 11, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities. On December 17, 2015, staff issued a Notice of Preliminary Award to The Arc of Nature Coast, Inc. and on March 16, 2016, staff issued the invitation to enter credit underwriting.
- c) On March 16, 2016, staff issued an invitation to enter credit underwriting to The Arc Jacksonville, Inc.
- d) On August 24, 2016, staff received a positive recommendation for a grant amount of \$392,000. Staff reviewed this report and found that the development met all of the requirements of RFA 2015-105. The report was approved by the Board on September 16, 2016 and the Applicant executed their firm commitment on October 3, 2016.
- e) On October 28, 2016, the Board approved the Applicant's request to waive the Maximum Eligible Funding Award Amount and increase it by \$25,000 to cover the additional costs of new fire safety standards. However, Hernando County subsequently waived the new fire safety standard for this Applicant so the additional funds were not granted.
- f) On December 19, 2016 staff approved a request to extend the closing deadline until February 28, 2017. However, on February 24, 2017 staff received information from the credit underwriter (Amerinat) regarding permitting delays that resulted from the applicability of new fire safety standards, for which an additional extension of the closing deadline until was recommended. Subsequently on March 1, 2017 staff received a request to extend the closing deadline to May 31, 2017, which was approved by the Board on March 24, 2017.

## MULTIFAMILY PROGRAMS

### *Consent*

- g) On May 31, 2017 staff received a request to further extend the closing deadline to August 31, 2017 due to the prior delays that resulted from the applicability of the new fire safety standards. The underwriter (Amerinat) indicated that they have requested some revisions to the General Contractor's pay application. Upon receipt of these changes, the underwriter has indicated that they will be ready to close.

### 2. **Recommendation**

- a) Staff recommends that the Board approve the closing deadline extension to August 31, 2017.

## PREDEVELOPMENT LOAN PROGRAM (PLP)

### *Consent*

#### VI. PREDEVELOPMENT LOAN PROGRAM (PLP)

##### A. Request Approval of PLP Loan for Residential Options of Florida, Inc., a not-for-profit entity, for Independence Place (2017-005P-09)

DEVELOPMENT NAME (“Development”):	Independence Place
APPLICANT/DEVELOPER (“Developer”):	Residential Options of Florida, Inc. (ROOF)
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	3
LOCATION (“County”):	Collier County
TYPE:	Persons with Developmental Disabilities
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$279,750

#### 1. Background

- a) On May 9, 2017, the Developer submitted a PLP application for Independence Place.
- b) On May 12, 2017, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

#### 2. Present Situation

- a) On June 23, 2017, staff received a development plan and a letter ([Exhibit A](#)) from our technical assistance provider (TAP) recommending approval of the PLP Loan in the amount of \$279,750. The Developer is requesting \$175,000 of the overall \$279,750 loan for the site acquisition of the subject property. The site acquisition portion of the loan is required to be reviewed by an assigned credit underwriter.
- b) Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.

#### 3. Recommendation

- a) Approve the PLP Loan in the amount of \$279,750 to Residential Options of Florida, Inc., for Independence Place and allow staff to commence with the loan closing process on the non-site acquisition funds in the amount of \$104,750 and assign the site acquisition portion of the loan to a credit underwriter.

**PREDEVELOPMENT LOAN PROGRAM (PLP)**

*Consent*

**B. Request Approval of Credit Underwriting Report for Manatee County Habitat for Humanity for The Gardens (2016-010P-09)**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>The Gardens</b>
<b>APPLICANT/DEVELOPER (“Developer”):</b>	<b>Manatee County Habitat for Humanity</b>
<b>CO-DEVELOPER:</b>	<b>N/A</b>
<b>NUMBER OF UNITS:</b>	<b>12</b>
<b>LOCATION (“County”):</b>	<b>Manatee County</b>
<b>TYPE:</b>	<b>Homeownership, Family</b>
<b>MINIMUM SET ASIDE:</b>	<b>50% @ 80% AMI, 50% @ 120% AMI</b>
<b>PLP LOAN AMOUNT:</b>	<b>\$402,002</b>
<b>ADDITIONAL COMMENTS:</b>	

**1. Background**

- a) On March 24, 2017, the Board approved a PLP loan for The Gardens in the amount of \$402,002. Of this amount, \$195,000 was requested for the acquisition of the subject property. By rule, this portion of the loan is subject to a review by a credit underwriter.

**2. Present Situation**

- a) On July 7, 2017, staff received a credit underwriting report ([Exhibit B](#)) recommending the PLP loan in the amount of \$402,002 including \$195,000 for the site acquisition.

**3. Recommendation**

- a) Approve the credit underwriting report and allow staff to commence with the loan closing process on the acquisition portion of the loan in the amount of \$195,000.

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

*Consent*

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

**A. Request Approval of Waiver Request for Suncrest Court (2016-378BS)**

<b>Development Name: Suncrest Court</b>	<b>Location: Broward County</b>
<b>Applicant/Borrower: Suncrest Court Redevelopment, LLC</b>	<b>Set-Aside(s): 10% @ 30% AMI; 90% @ 60% AMI</b>
<b>Developers/Principals: Pinnacle Housing Group, LLC; HEF-Dixie Court Development, LLC; David O. Deutch; Housing Authority of the City of Ft. Lauderdale</b>	<b>Demographic/Number of Units: Family/116</b>
<b>Requested Amts: SAIL \$6,500,000; ELI \$600,000 9% HC \$1,042,000; MMRB \$15,250,000</b>	<b>Development Category/Type: New Construction/Garden Apartments</b>

**1. Background/Present Situation**

- a) On September 19, 2016, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2016-109 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 9, 2016, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities.
- c) At the March 24, 2017, Board Meeting, the Florida Housing Finance Corporation Board of Directors authorized staff to issue Administrative Complaints and Orders of Ineligibility against Pinnacle Housing Group (PHG), LLC, PHG Builders, LLC, and several Principals of PHG. The Administrative Complaint was issued by the Corporation's Counsel on May 1, 2017. The penalty requested in the Administrative Complaint is that PHG and its affiliates be precluded from participation in any program administered by the Corporation for two years.
- d) On June 28, 2017, staff received a request from the Principals of the Applicant that are not a part of, and who are unaffiliated with PHG, to remove PHG and any other precluded PHG affiliated entities and/or PHG affiliated persons/Principals from the Suncrest Court development ([Exhibit A](#)). As such, the Applicant hereby requests that the Corporation grant a waiver of certain provisions of the RFA to permit the removal of (i) PHG Suncrest and David O. Deutch as members of the Applicant, (ii) PHG as a Developer of Suncrest Court, and (iii) PMI as the Management Company of Suncrest Court.

**2. Recommendation**

- a) Approve the request to grant the waiver of the relevant provisions in the RFA to allow for (i) a change in the Principals of the Applicant, (ii) a change in one of the two Developer entities listed in the Application, and (iii) a change in the Management Company listed in the Application.

## SPECIAL ASSETS

### *Consent*

#### VIII. SPECIAL ASSETS

- A. **Request Approval of the Separation and Release of Land for Cabana Club Apartments Associates, Ltd., a Florida Limited Partnership, for Cabana Club Apartments (94DRHR-013/95L-034)**

<b>Development Name: Cabana Club Apartments (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal: Wendover (“Developer”); Cabana Club Apartments Associates, Ltd. (“Original Owner”)</b>	<b>Set-Aside: HOME &amp; HC 8% @50%; 92% @60% AMI; LURA 50 years; EUA 50 years</b>
<b>Number of Units: 332</b>	<b>Allocated Amount: HOME - \$1,545,000; HC - \$897,435</b>
<b>Demographics: Frail Elderly</b>	<b>Servicer: First Housing Development Corporation</b>

#### 1. **Background**

- a) During the 1994 Disaster Relief II funding cycle, Florida Housing Finance Corporation (“Florida Housing”) awarded a \$1,545,000 Home Investment Partnership Program Loan (“HOME”) to Cabana Club Apartments Associates, Ltd., a Florida limited partnership (“Original Owner”), for the construction of a 332-unit development in Miami-Dade County. The HOME loan closed on January 30, 1996. The Development also received a 1995 allocation of low-income housing tax credits (“HC”) of \$897,435.
- b) On August 26, 2014, the Development was sold by the Original Owner to RACH Cabana LLC, SJA Cabana Club LLC, and ROEM Cabana LLC (“Current Owner”), and the HOME loan was paid off simultaneously. There is currently no Florida Housing debt on the Development.
- c) On July 13, 2017, the Development was sold by the Current Owner to Cabana Club Preservation, L.P., an affiliate of Lincoln Avenue Capital, LLC (“Owner”).

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

- a) The Owner requests approval of the Board to separate the property into two tracts, Tract A and Tract B, and to modify the legal description of the HOME Land Use Restriction Agreement (“LURA”) and HC Extended Low-Income Housing Agreement (“ELIHA”) to include only Tract A as the additional land (Tract B) is not needed to maintain the affordability of the current development. The additional land will be used solely for affordable housing purposes.
- b) Staff received a credit underwriting report ([Exhibit A](#)) from First Housing Development Corporation with a positive recommendation for the separation and release of land, and the modification of the legal description in the HOME LURA and HC ELIHA.

## SPECIAL ASSETS

### *Consent*

#### 3. **Recommendation**

- a) Approve the separation and release of land, and the modification of the legal description in the HOME LURA and HC ELIHA, subject to the conditions provided in the credit underwriter's report, further approvals and verifications by the credit underwriter, counsel, and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities, as needed.

## SPECIAL ASSETS

### *Consent*

**B. Request Approval for Transfer of Ownership and Refinance of the First Mortgage and Renegotiation and Extension of the SAIL loan for Cameron Creek, Ltd., a Florida Limited Partnership, for Cameron Creek (2002-052S/2000-016C)**

<b>Development Name: Cameron Creek (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal: Carlisle Development Group (“Developer”)/ Cameron Creek, Ltd. (“Borrower”) Alden Torch (Limited Partner)</b>	<b>Set-Aside: SAIL 16.22%@35% &amp; 14.19%@50% &amp; 68.59%@60% AMI; HC 16%@33% &amp; 84%@60% AMI; LURA: 50 years; EUA 50 years</b>
<b>Number of Units: 148</b>	<b>Allocated Amount: SAIL \$1,125,000; HC \$814,000</b>
<b>Demographics: Family</b>	<b>Servicer: Seltzer Management Group</b>

**1. Background**

- a) During the 2002 funding cycle, Florida Housing Finance Corporation awarded a \$1,125,000 State Apartment Incentive Loan (“SAIL”) to Cameron Creek, Ltd., a Florida Limited Partnership (“Borrower”), for the construction of a 148-unit development in Miami-Dade County, Florida. The SAIL loan closed on March 26, 2003 and will mature on March 26, 2018. The Development also received a 2000 allocation of low-income housing tax credits (“HC”) of \$814,000.

**2. Present Situation**

- a) The Limited Partner (Alden Torch) requests approval of the transfer of ownership to entities affiliated with Lincoln Avenue Capital LLC (“Purchaser”).
- b) The Purchaser also requests consent from the Board to refinance the existing first mortgage with a new loan from NEF and consent for renegotiation and extension of the SAIL loan. The refinancing will require that the SAIL loan documents, SAIL Land Use Restriction Agreement (“LURA”), and Low-Income Housing Tax Credit Extended Use Agreement (“EUA”) be subordinated to the new first mortgage.
- c) Staff has received a credit underwriting report from Seltzer Management Group ([Exhibit B](#)) with a positive recommendation for approval of the transfer of ownership and new financing, renegotiation and extension of the SAIL loan and subordination of the SAIL loan documents, SAIL LURA, and the HC EUA to the new first mortgage.

**3. Recommendation**

- a) Approve the transfer of ownership, refinancing of the first mortgage loan, renegotiation and extension of the SAIL loan and subordination of the SAIL loan, the SAIL LURA, and HC EUA subject to the conditions outlined in the credit underwriter’s report, and subject to further approvals and verifications by the credit underwriter, counsel, and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities, as needed.



## SPECIAL ASSETS

### *Consent*

**C. Request Approval for Transfer of Ownership and Refinance of the First Mortgage and Renegotiation of the SAIL loan for Allapattah Gardens, Ltd., a Florida Limited Partnership, for Allapattah Gardens (2002-060S/2002-536C)**

<b>Development Name: Allapattah Gardens (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal: Carlisle Development Group (“Developer”)/ Allapattah Gardens, Ltd. (“Borrower”) Alden Torch (Limited Partner)</b>	<b>Set-Aside: SAIL 4.69% @35% &amp; 95.31% @60% AMI; HC 100% @60% AMI; LURA: 50 years; EUA 50 years</b>
<b>Number of Units: 128</b>	<b>Allocated Amount: SAIL \$1,500,000; HC \$547,585</b>
<b>Demographics: Family</b>	<b>Servicer: Seltzer Management Group</b>

**1. Background**

- a) During the 2002 funding cycle, Florida Housing Finance Corporation awarded a \$1,125,000 State Apartment Incentive Loan (“SAIL”) to Allapattah Gardens, Ltd., a Florida Limited Partnership (“Borrower”), for the construction of a 128-unit development in Miami-Dade County, Florida. The SAIL loan closed on May 12, 2003 and will mature on November 1, 2044. The Development also received a 2002 allocation of low-income housing tax credits (“HC”) of \$547,585.

**2. Present Situation**

- a) The Limited Partner (Alden Torch) also requests approval of the transfer of ownership to entities affiliated with Lincoln Avenue Capital LLC (“Purchaser”).
- b) The Purchaser also requests consent from the Board to refinance the existing first mortgage with a loan from NEF and consent for renegotiation of the SAIL loan. The refinancing will require that the SAIL loan documents, SAIL Land Use Restriction Agreement (“LURA”), and Low-Income Housing Tax Credit Extended Use Agreement (“EUA”) be subordinated to the new first mortgage.
- c) Staff has received a credit underwriting report from Seltzer Management Group ([Exhibit C](#)) with a positive recommendation for approval of the transfer of ownership, new financing, and renegotiation of the SAIL loan and subordination of the SAIL loan documents, SAIL LURA, and the HC EUA to the new first mortgage.

**3. Recommendation**

- a) Approve the transfer of ownership, refinancing of the first mortgage loan, renegotiation of the SAIL loan and subordination of the SAIL loan, SAIL LURA, and HC EUA subject to the conditions outlined in the credit underwriter’s report, and subject to further approvals and verifications by the credit underwriter, counsel, and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities, as needed.

## SPECIAL ASSETS

### *Consent*

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

<b>Development Name: Garden Walk (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal: Tacolcy Economic Development Corporation (“Developer”); Garden Walk Associates, Ltd. (“Borrower”)</b>	<b>Set-Aside: SAIL &amp; HC 33% @ 40%, 52% @ 50%, &amp; 15% @ 60% AMI; LURA: 56 years; EUA: 50 years</b>
<b>Number of Units: 228</b>	<b>Allocated Amount: SAIL - \$3,110,901; HC \$1,554,615</b>
<b>Demographics: Family</b>	<b>Servicer: First Housing Development Corporation</b>

**1. Background**

- a) During the 1993 State Apartment Incentive Loan/Hurricane Recovery and Rebuilding Program Cycle (“SAIL/HRR”), Florida Housing awarded a \$3,110,901 construction/permanent loan to Garden Walk Associates, Ltd., a Florida limited partnership (“Borrower”), for the development of a 228-unit development in Miami-Dade County. The SAIL loan closed on October 27, 1994, and originally matured on October 31, 2011. The Board previously approved loan extensions to August 27, 2017. The Development also received a 1995 allocation of low-income housing tax credits (“HC”) of \$1,554,615.

**2. Present Situation**

- a) The Borrower has requested approval to extend the SAIL loan, at its current terms, to August 27, 2018, to allow additional time for refinancing of the Development. The Borrower expects to close on new financing using Miami-Dade Housing Finance Authority bonds by the end of 2017. The new financing will be used to rehabilitate the Development and pay down a portion of the SAIL loan. The Borrower will request approval from FHFC for the refinancing at a later date. The Borrower has agreed to pay the FHFC loan extension fee and to the 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 56 years).

**3. Recommendation**

- a) Approve the extension of the SAIL loan, at its current terms, to August 27, 2018, extend the LURA for an additional year, and direct staff to proceed with loan document modification activities, as needed.

## SPECIAL ASSETS

### *Consent*

**E. Request Approval of the Extension of the SAIL Loan for Orchard Park, Ltd., a Florida Limited Partnership, for Orchard Park Apartments (2001-026S/2001-017C)**

<b>Development Name: Orchard Park (“Development”)</b>	<b>Location: Hillsborough County</b>
<b>Developer/Principal: Carlisle Development Group (“Developer”); Orchard Park, Ltd. (“Borrower”)</b>	<b>Set-Aside: SAIL &amp; HC 15.47% @ 30%, 4.76% @ 50%, &amp; 79.77% @ 60% AMI; LURA &amp; EUA: 50 years</b>
<b>Number of Units: 84</b>	<b>Allocated Amount: SAIL - \$870,000; HC \$336,000</b>
<b>Demographics: Family with 40% Farmworker</b>	<b>Servicer: Seltzer Management Group</b>

**1. Background**

- a) During the 2001 State Apartment Incentive Loan Program Cycle (“SAIL”), Florida Housing awarded an \$870,000 construction/permanent loan to Orchard Park, Ltd., a Florida limited partnership (“Borrower”), for the development of an 84-unit development in Hillsborough County. The SAIL loan closed on June 28, 2002, and matured on June 1, 2017. The Development also received a 2001 allocation of low-income housing tax credits (“HC”) of \$336,000.

**2. Present Situation**

- a) The Borrower has requested approval to extend the SAIL loan, at its current terms, to June 1, 2018, to allow additional time for refinancing of the Development. The Borrower expects to close on a new first mortgage loan from which the proceeds will be used to pay off the SAIL loan. The Borrower has agreed to pay the FHFC loan extension fee and to the 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 51 years).

**3. Recommendation**

- a) Approve the extension of the SAIL loan, at its current terms, to June 1, 2018, extend the LURA for an additional year, and direct staff to proceed with loan document modification activities, as needed.

## SPECIAL ASSETS

### *Consent*

**F. Request Approval of the Extension and Renegotiation of the SAIL Loan for Summerlake Apartments, Ltd., a Florida Limited Partnership, for Summerlake Apartments (2000-019S/2001-508C)**

<b>Development Name: Summerlake Apartments (“Development”)</b>	<b>Location: Broward County</b>
<b>Developer/Principal: Carlisle Development Group (“Developer”)/ Summerlake Apartments, Ltd. (“Borrower”), Alden Torch (Limited Partner)</b>	<b>Set-Aside: SAIL 15.74% @ 25% &amp; 84.26% @ 60% AMI; HC 100% @ 60% AMI; LURA: 51 years; EUA 50 years</b>
<b>Number of Units: 108</b>	<b>Allocated Amount: SAIL \$1,100,000; HC \$319,358</b>
<b>Demographics: Family</b>	<b>Servicer: First Housing</b>

**1. Background**

- a) During the 2000 funding cycle, Florida Housing Finance Corporation awarded a \$1,100,000 State Apartment Incentive Loan (“SAIL”) to Summerlake Apartments, Ltd., a Florida Limited Partnership (“Borrower”), for the construction of a 108-unit development in Broward County, Florida. The SAIL loan closed on July 6, 2001 and would have originally matured on July 6, 2016. The Board previously approved an extension to July 6, 2017. The Development also received a 2001 allocation of low-income housing tax credits (“HC”) of \$319,358.

**2. Present Situation**

- a) The Limited Partner (Alden Torch) has requested approval to extend the SAIL loan to July 6, 2018. The Borrower needs the additional time to refinance the Development. The Borrower has agreed 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 51 years).
- b) The Borrower also requests that the SAIL loan interest rate be renegotiated from a 9% interest rate to a 3% interest rate in accordance with section 420.5087, FS and as stated in Rule 67-48. The Borrower will pay all accrued and outstanding 3% interest on the current SAIL note and a renegotiation fee, as required, for the loan to be renegotiated.

**3. Recommendation**

- a) Approve the extension of the SAIL loan to July 6, 2018, extension of the LURA for an additional one year, and renegotiation of the SAIL loan terms from a 9% interest rate to a 3% interest rate along with payment of all accrued 3% base interest and direct staff to proceed with loan document modification activities, as needed.