

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
December 10, 2021
Consent Items



COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RELIEF (CDBG-DR)

Consent

I. COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RELIEF (CDBG-DR)

A. Request Approval of RFA Waiver Requests to extend the Loan Closing Deadline and Waive Loan Closing Extension Fees for Cardinal Corner (2020-005D)

Development Name: Cardinal Corner (“Development”)	Location: DeSoto County
Developer: Heartland Development Group, LLC. (“Developer”)	Set-Aside: 90% @ 80% AMI 10% @ 40% AMI
Type: New Construction/Duplexes	CDBG-DR: \$4,994,200
Total Number of Units: 42	Demographics: Disaster Relief/Workforce

1. Background/Present Situation

- a) The Applicant applied for funding under Request for Applications (“RFA”) 2019-103, seeking an allocation of CDBG-DR Financing to be Used for Small Rental Developments in Hurricane Irma Impacted Areas Deemed Hurricane Recovery Priorities.
- b) On December 13, 2019, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 26, 2019, the Corporation issued a preliminary commitment letter. In accordance with the RFA, the Developer had a December 26, 2020 deadline to complete the credit underwriting report.
- d) At the October 16, 2020 Board meeting the Board approved the credit underwriting report dated September 23, 2020 for a CDBG-DR loan in the amount of \$4,994,200.
- e) At the April 30, 2021 Board meeting the Board approved the first credit underwriting update letter for 1) Borrower’s requested increase in their construction and permanent first mortgage from \$2,896,728 to \$3,600,000 and 2) the reduction in the CDBG-DR units from 48 to 41, with the remaining 7 units as market rate units.
- f) At the June 18, 2021 Board meeting the Board approved an RFA Waiver Request asking to change the ownership structure of the Development due to “being located in an Opportunity Zone” in order to apply for additional funding and benefits.
- g) At the July 30, 2021 Board meeting the Board approved the RFA Waiver request to extend loan closing from September 3, 2021 to December 31, 2021 and the waiver of the CDBG-DR extension fees.
- h) At the October 22, 2021 Board meeting the Board approved the credit underwriting update letter with a positive recommendation for approval of the proposed changes.

COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RELIEF (CDBG-DR)

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- i) On November 8, 2021, staff received a second RFA Waiver Request ([Exhibit A](#)) requesting: 1) extending the loan closing from December 31, 2021 to March 31, 2022 due to the recent Development's ownership restructuring that triggered having the first lender to re-underwrite the viability of the USDA-RD 538 loan, and 2) the waiver of CDBG-DR loan closing and extension fees.

2. Recommendation

- a) Approve the second RFA Waiver Request allowing the loan closing to be extended through March 31, 2022 and due to the funding source and nature of the CDBG-DR funds, approve the request to waive applicable extension fees. Additionally, direct staff to continue with loan closing activities, subject to further approvals and verifications by the Credit Underwriter, Special Counsel, and applicable Florida Housing staff.

COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RELIEF (CDBG-DR)

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B. Request Approval of RFA Waiver Requests to Extend the Loan Closing Deadline and Waive Loan Closing Extension Fees for Saratoga Crossings III (2020-026BD)

Development Name: Saratoga Crossings III	Location: Broward County
Applicant/Borrower: Saratoga Crossings III, Ltd.	Set-Aside: 40% @ 60% AMI (MMRN) 36% @ 30% AMI (CDBG-DR, ELI & 4% HC) 10.667% @ 60% AMI (CDBG-DR & 4% HC) 53.333% @ 80% AMI (Workforce, CDBG-DR & 4% HC)
Developers/Principal: APC Saratoga Crossings III Development, LLC. / Howard D. Cohen	Demographic/Number of Units: Workforce / 75 units
Requested Amounts: \$13,000,000 Multifamily Mortgage Revenue Note (MMRN) \$5,499,990 Community Development Block Grant – Disaster Recovery (CDBG-DR) \$960,436 Housing Credits (4% HC)	Development Category/Type: New Construction / Mid-Rise (5-6 stories)

1. Background/Present Situation

- a) On July 30, 2019, Florida Housing issued a Request for Applications (RFA) 2019-102 for Community Development Block Grant – Disaster Recovery (CDBG-DR) funding to be Used in Conjunction with Tax-Exempt MMRB and Non-Competitive Housing Credits in Counties Deemed Hurricane Recovery Priorities.
- b) On December 13, 2019, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On April 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant on April 27, 2020. The acceptance was acknowledged on April 29, 2020.
- d) On March 12, 2021, the Board approved the request to extend the firm loan commitment issuance deadline from April 29, 2021 to October 29, 2021.
- e) On June 18, 2021, the Board approved the credit underwriting report and directed staff to proceed with loan closing activities.
- f) On October 22, 2021, the Board approved the ownership percentage structure of the Applicant Entity and continue with loan closing activities, subject to further approvals and verifications by the Credit Underwriter, Note Counsel, Special Counsel, and appropriate Florida Housing staff.

COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RELIEF (CDBG-DR)

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- g) On November 3, 2021, staff received correspondence ([Exhibit B](#)) requesting: 1) to extend the loan closing deadline from December 20, 2021 to March 20, 2022 due to the on-going “unprecedented impacts of COVID-19” and HUD’s delayed approval of tenant relocation vouchers; and 2) to waive the CDBG-DR loan closing and extension fees.

2. Recommendation

- a) Approve the request allowing the loan closing to be extended through March 20, 2022 and due to the funding source and nature of the CDBG-DR funds, approve the request to waive applicable extension fees. Additionally, direct staff to continue with loan closing activities, subject to further approvals and verifications by the Credit Underwriter, Note Counsel, Special Counsel, and applicable Florida Housing staff.

COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RELIEF (CDBG-DR)

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C. Request Approval of CDBG-DR and Non-Competitive Housing Credits Credit Underwriting Report for Solaris Apartments (2020-039D)

Development Name: Solaris Apartments	Location: Broward County
Applicant/Borrower: Solaris Apartments, Ltd.	Set-Aside(s): 44% @ 70% AMI – 34 units 41% @ 60% AMI – 32 units 15% @ 30% AMI – 12 units
Developer/Principal: Cornerstone Group Partners, LLC./Mara Makes; Residential Options of Florida, Inc./Sheryl Soukup	Demographic/Number of Units: Disaster Relief/Workforce/78 units
Requested Amounts: <ul style="list-style-type: none"> • Community Development Block Grant – Disaster Relief (CDBG-DR): \$3,420,000 (Development Funding); \$4,500,000 (Site Acquisition Funding) • Annual Housing Credit (“HC”) Allocation: \$1,352,539 	Development Category/Type: New Construction/High Rise

1. Background/Present Situation

- a) On July 30, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-102 for Community Development Block Grant – Disaster Recovery (CDBG-DR) to be used in conjunction with Tax-Exempt MMRB and Non-Competitive Housing Credits (HC) in Counties Deemed Hurricane Recovery Priorities.
- b) On April 17, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities for the thirteen (13) eligible Applicants.
- c) On April 23, 2020, staff issued a preliminary commitment letter. In accordance with the RFA, the Developer had an April 23, 2021 deadline to complete the credit underwriting report and be issued a firm loan commitment.
- d) On March 12, 2021, the Board approved an RFA Waiver extension of the April 23, 2021 firm loan commitment deadline for six months until October 28, 2021.
- e) On September 10, 2021, the Board approved a second RFA Waiver extension of the October 28, 2021 firm loan commitment deadline for six months until April 23, 2022.
- f) On November 30, 2021, staff received a final credit underwriting report ([Exhibit C](#)) with a positive recommendation for a CDBG-DR loan in the total amount of \$7,920,000, including \$3,420,00 in development funding and \$4,500,000 in Land Acquisition funding, and \$1,352,539 annual non-competitive housing credit allocation. Staff has reviewed this report and finds that the Development meets the requirements of the RFA.

COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RELIEF (CDBG-DR)

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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.

ELDERLY HOUSING COMMUNITY LOAN (EHCL)

Consent

I. ELDERLY HOUSING COMMUNITY LOAN (EHCL)

A. Request Approval of Credit Underwriting Report for Clear Bay Terrace (2021-188E)

Development Name: Clear Bay Terrace	Location: Pinellas County
Applicant/Borrower: Clear Bay Terrace VOA Affordable Housing, LP	Set-Asides: 20% @ 50% AMI (EHCL) 80% @ 60% AMI (EHCL)
Developers/Principals: Clear Bay Terrace VOA Affordable Housing, LP/Kimberly Black King	Demographic/Number of Units: Elderly/101 Units
Requested Amounts: \$750,000 Elderly Housing Community Loan (EHCL)	Development Category/Type: Rehabilitation/Garden Apartments

1. Background/Present Situation

- a) On October 22, 2020, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2020-101 for Elderly Housing Community Loan.
- b) On January 22, 2021, the Board approved the final scores and recommendations, and directed staff to proceed with all necessary credit underwriting activities.
- c) On January 26, 2021 Staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on January 28, 2021, giving them a firm loan commitment issuance deadline of January 28, 2022. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On November 24, 2021, staff received final credit underwriting report with a positive recommendation for funding ([Exhibit A](#)). Staff has reviewed this report and finds that the development meets all requirements of the RFA.

2. Recommendation

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

ELDERLY HOUSING COMMUNITY LOAN (EHCL)

Consent

B. Request Approval of Loan Closing Extension and Loan Term Extension for Creekside Manor (2020-378E)

Development Name: Creekside Manor	Location: Pinellas County
Applicant/Borrower: Creekside Manor VOA Affordable Housing, LP	Set-Asides: 20% @ 50% AMI (EHCL) 80% @ 60% AMI (EHCL)
Developers/Principals: Volunteers of America National Services/Kimberly Black King	Demographic/Number of Units: Elderly/92 units
Requested Amounts: \$750,000 Elderly Housing Community Loan (EHCL)	Development Category/Type: Rehabilitation/Mid-Rise

1. Background/Present Situation

- a) On September 24, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-118 for Elderly Housing Community Loan.
- b) On January 24, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On January 30, 2020, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on January 31, 2020, giving them a firm loan commitment issuance deadline of January 31, 2021. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On January 22, 2021, the Board approved the request to extend the firm loan commitment issuance deadline from January 31, 2021 to July 31, 2021.
- e) On July 30, 2021, the Board approved the final credit underwriting report with a positive recommendation for funding and directed staff to proceed with the closing activities. On August 2, 2021, staff issued a firm commitment to the Applicant giving them a loan closing deadline of January 31, 2022. A request for an extension of the loan closing deadline may be considered by the Board for an extension term of up to 90 Calendar Days. An extension fee of one percent of each loan amount will be required if the Board approves the extension request.
- f) On November 3, 2021, staff received a request from the Borrower for a loan closing deadline extension from January 31, 2022 to May 2, 2022 ([Exhibit B](#)). Creekside Manor is a HUD Section 202 senior project with two project-based Section 8 contracts. To close on the property, additional time is needed to secure numerous approvals from HUD.

ELDERLY HOUSING COMMUNITY LOAN (EHCL)

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- g) Additionally, the Borrower requested to extend the EHCL loan term from 10 years to 18 years which is coterminous with the existing first mortgage. Per the Rule, if the lien of the Corporation's encumbrance is subordinate to the lien of another mortgage, then the term may be made coterminous with the longest term of the superior lien if requested by the Borrower and approved by the Credit Underwriter based on debt service coverage ratio, loan to value ratio and other factors established in a competitive solicitation.
- h) On November 24, 2021, staff received an update letter from the credit underwriter with a positive recommendation to extend the loan ([Exhibit C](#)). Staff has reviewed this letter and finds that the development meets the requirements of the RFA.

2. **Recommendation**

- a) Approve the request for a loan closing deadline extension from January 31, 2022 to May 2, 2022, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA. Approve the Loan Term Extension request from 10 to 18 years.

HOUSING CREDITS

Consent

I. HOUSING CREDITS

A. Request Approval of Co-Developer Removal and Co-Developer Principal Change for The Enclave at Lake Shadow (RFA 2020-202/2021-013C)

Development Name: The Enclave at Lake Shadow	Location: Orange County
Applicant/Borrower: MHP FL II, LLC	Set Aside(s): 15 units @ 30% (15.625%) 37 units @ 60% (38.542%) 44 units @ 70% (45.833%)
Developer/Principal: MHP FL II Developer, LLC / Mario Sariol & Magellan Housing, LLC / Nikul Inamdar	Demographic/Number of units: Family/96
Requested Amounts: \$1,828,000 Housing Credits	Development Category/Type: New Construction / Garden

1. Background/Present Situation

- a) MHP FL II, LLC (“Applicant”) applied for and was awarded funding from Request for Applications (RFA) 2020-202 for Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach and Pinellas Counties. The funds are being utilized to finance the construction of a 96-unit Family development in Orange County, Florida. The Applicant was invited to enter credit underwriting on February 3, 2021. Subsequently, Florida Housing issued a Carryover Allocation Agreement dated September 17, 2021.
- b) On October 25, 2021, Florida Housing received a letter from the Applicant requesting to remove one of two co-Developers and to make changes to the Principals of the remaining Developer. The request letter and current/proposed Principal Disclosure Forms are provided as [Exhibit A](#).
- c) The first request made by the Applicant is to remove co-Developer Magellan Housing, LLC (“Magellan”). This request is made as Magellan purportedly cannot dedicate the time or resources to meet the business arrangement/terms that were agreed upon at the time of Application.
- d) In the second request, the Applicant proposes to modify the remaining Developer, MHP FL II Developer, LLC by replacing MHP Developers, LLC as a Manager/Member of the Developer with MHP Developers X, LLC (“MHP”). The ownership of MHP will consist of W. Patrick McDowell 2001 Trust (Manager/Member), Kenneth Lee (Manager/Member) and Michael Lee (Member). The ownership structures of the remaining members/managers (Shear Development Company, LLC and Sariol Development, LLC) of the Developer will remain unchanged. The request is made to facilitate a more efficient tax structure.
- e) As a requirement of the RFA, at least one natural person Principal of at least one of the Developer entities must meet specific Developer Experience requirements. In the case of this Application, Nikul Inamdar of Magellan met this requirement. However, since Magellan is being removed as a co-Developer, a new Principal meeting the Developer Experience requirements must be named.

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As part of the Applicant's request, they named Mario Sariol as the natural person Principal meeting the Developer Experience requirements and provided the required Development Prior Experience Chart for Mr. Sariol. Staff has reviewed and verified that the submission of this documentation meets the Developer Experience requirements of the RFA.

- f) 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.
- g) Staff has reviewed this request and finds that the development meets all other requirements of the RFA.

2. Recommendation

- a) Approve the request to remove the co-Developer and allow for the Principal changes of the remaining Developer as listed above.

HOUSING CREDITS

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B. Request Approval of Co-Developer Removal and Co-Developer Principal Change for Southpointe Vista (RFA 2020-203/2021-163C)

Development Name: Southpointe Vista	Location: Miami-Dade County
Applicant/Borrower: MHP FL I, LLC	Set-Asides: 19 Units at 30% AMI 77 Units at 60% AMI 28 Units at 80% AMI
Co-Developers/Principal: MHP FL I Developer, LLC/ Mario A. Sariol and Magellan Housing, LLC/ Nikul Inamdar	Demographic/Number of Units: Family/124
Requested Amounts: \$2,882,000 Housing Credits	Development Category/Type: New Construction/High Rise

1. Background/Present Situation

- a) MHP FL I, LLC (“Applicant”) applied for and was awarded funding from Request for Applications (RFA) 2020-203 for Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County. The funds are being utilized to finance the construction of a 124-unit Family development in Miami-Dade County. On June 25, 2021, Housing Credit staff issued an invitation to the Applicant to enter credit underwriting, and subsequently executed a Carryover Allocation Agreement on October 22, 2021.
- b) On October 25, 2021, Florida Housing received a letter from the Applicant requesting to remove one of two co-Developers and to make changes to the Principals of the remaining Developer. The request letter and current/proposed Principal Disclosure Forms are provided as [Exhibit B](#).
- c) The first request made by the Applicant is to remove co-Developer Magellan Housing, LLC (“Magellan”). This request is made as Magellan purportedly cannot dedicate the time or resources to meet the business arrangement/terms that were agreed upon at the time of Application.
- d) In the second request, the Applicant proposes to modify the remaining Developer, MHP FL I Developer, LLC by replacing MHP Developers, LLC as a Manager/Member of the Developer with MHP Developers X, LLC (“MHP”). The ownership of MHP will consist of W. Patrick McDowell 2001 Trust (Manager/Member), Kenneth Lee (Manager/Member) and Michael Lee (Member). The ownership structures of the remaining members/managers (Shear Development Company, LLC and Sariol Development, LLC) of the Developer will remain unchanged. The request is made to facilitate a more efficient tax structure.
- e) As a requirement of the RFA, at least one natural person Principal of at least one of the Developer entities must meet specific Developer Experience requirements. In the case of this Application, Nikul Inamdar of Magellan met this requirement. However, since Magellan is being removed as a co-Developer, a new Principal meeting the Developer Experience requirements must be named. As part of the Applicant’s request, they named Mario Sariol as the natural person Principal meeting the Developer Experience requirements and provided the required Development Prior Experience Chart for Mr. Sariol. Staff has

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reviewed and verified that the submission of this documentation meets the Developer Experience requirements of the RFA.

- f) 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.
- g) Staff has reviewed this request and finds that the development meets all other requirements of the RFA.

2. **Recommendation**

- a) Approve the request to remove the co-Developer and allow for the Principal changes of the remaining Developer as listed above.

HOUSING CREDITS

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C. Request Approval of RFA Waiver of General Features for Centennial Towers (RFA 2018-113/2019-126C)

Development Name: Centennial Towers	Location: Duval County
Applicant/Borrower: Centennial Towers, Ltd.	Set Aside(s): 20.19% @ 33% AMI and 77.40% @ 60% AMI
Developer/Principal: TVC Development, Inc./ John Rood & Jax Urban Initiatives Development, LLC/ Dwayne Alexander	Demographic/Number of units: Elderly, Non-ALF/208
Requested Amounts: \$1,868,000 Housing Credits	Development Category/Type: Acquisition/Preservation / High Rise

1. Background/Present Situation

- a) Centennial Towers, Ltd (“Applicant”) applied for and was awarded funding from Request for Applications (RFA) 2018-113 for Housing Credit Financing for the Preservation of Existing Affordable Multifamily Housing Developments. The funds are being utilized to finance the acquisition and preservation of a 208-unit Elderly, non-ALF development in Duval County. On February 28, 2019, staff issued an invitation to the Applicant to enter credit underwriting and subsequently executed a Carryover Allocation Agreement on July 8, 2019. A credit underwriting report was finalized on May 13, 2021 with a positive recommendation for an allocation of \$1,868,000 in 9% Housing Credits.

- b) On November 1, 2021, staff received a request from the Applicant to waive the minimum number of washers and dryers per unit to allow one Energy Star certified washer and one Energy Star certified or commercial grade dryer per every 20.8 (rounded to 21) units. This would result in the Applicant providing 10 washers and 10 dryers as opposed to the required 14 washers and 14 dryers. The Applicant provided data from Speed Queen, the equipment manufacturer, which shows that the typical industry ratio for elderly developments is 1 washer/dryer per every 25-40 units. In addition, the Applicant noted space limitations in the laundry area and purports that with fewer washers and dryers the space will be more efficient and will provide room for additional seating and folding tables. The Request Letter is provided as [Exhibit C](#).

- c) Per the RFA, all units are expected to meet all requirements as outlined in Section Four A.8.b(1) of the RFA, which reflects the following requirement for on-site laundry facilities:
 - (1) There must be a minimum of one Energy Star certified washer and one Energy Star certified or commercial grade* dryer per every 15 units. To determine the required number of washers and dryers for the on-site laundry facility; divide the total number of the Development’s units by 15, and then round the equations total up to the nearest whole number.

 - (2) *Commercial grade dryers were approved and added to the language, consistent with the most recent RFAs as it was discovered that no commercial grade dryers are Energy Star certified.

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2. **Recommendation**

- a) Approve the RFA waiver request to allow for a minimum of one Energy Star certified washer and one Energy Star certified or commercial grade dryer per every 21 units.

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I. LEGAL

A. In Re: Park Towers Assisted Housing Preservation, L.P. - FHFC Case No. 2021-081VW (App. No. 2020-525C)

Development Name: (“Development”):	Park Towers Apartments
Developer/Principal: (“Developer”):	Park Towers Assisted Housing Developer, LLC/Eliot Reid
Number of Units: 144	Location: Miami-Dade County
Type: High Rise, Acquisition and Rehabilitation	Set Asides: 100% at 60% AMI
Demographics: Elderly, Non-ALF	Funding: 4% HC: \$2,147,178

1. Background

- a) Petitioner successfully applied for non-competitive housing credits to assist in the acquisition and rehabilitation of a 144-unit elderly, affordable housing development named the Park Towers Apartments to be located in Miami-Dade County, Florida (the “Development”). On November 4, 2021, Florida Housing received a Petition for Waiver Rule 67-21.003(1)(b) (eff. 6-23-20) and the Non-Competitive Application Instructions to allow Petitioner to change its Applicant Principals prior to the issuance of the Preliminary Determination and Request for Board Approval Pursuant to Rule 67-21.003(8)(b) (eff. 6-23-20) (the “Petition”) to allow Petitioner to change its Developer Principals. A copy of the Petition is attached as [Exhibit A](#).

2. Present Situation

- a) Rule 67-21.003(1)(b), Fla. Admin. Code (2020), in relevant part, adopts and incorporates the Non-Competitive Application Package (NCA), which applicants for non-competitive housing credits are required to use.
- b) Section A.6.b(1) of the NCA Package states:

The Applicant entity shall be the recipient of the Housing Credits and the ownership structure of the Applicant entity as set forth in the Principal Disclosure Form and cannot be changed in any way (materially or non-materially) until after the Preliminary Determination is issued. Once the Preliminary Determination has been issued, (a) any material change in the ownership structure of the named Applicant will require Board approval prior to the change, and (b) any non-material change in the ownership structure of the named Applicant will require Corporation approval prior to the change. The ownership structure of the Applicant entity may be changed without Corporation or Board approval after a Final Housing Credit Allocation Agreement has been approved and the IRS Forms 8609 have been issued; however, the Corporation must still be notified in writing of the change. Changes to the ownership structure of the Applicant entity prior to the issuance of the Preliminary Determination or without Board approval or Corporation approval, as applicable, prior to the approval of the Final Housing Credit Allocation and issuance of the IRS Forms 8609 shall result in a disqualification from receiving funding and shall be deemed

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a material misrepresentation. Changes prior to the issuance of the Preliminary Determination to the officers or directors of a Public Housing Authority, officers or directors of a Non-Profit entity, or the limited partner of an investor limited partnership or an investor member of a limited liability company owning the syndicating interest therein will not result in disqualification, however, the Corporation must be notified of the change. Changes to the officers or directors of a Non-Profit entity shall require Corporation approval.

c) Rule 67-21.003(8)(b), Fla. Admin. Code (2020), in relevant part, states:

(8) Notwithstanding any other provision of these rules, there are certain items that must be included in the Application and cannot be revised, corrected or supplemented after the Application is deemed complete. Those items are as follows:

...

(b) Principals of each Developer, including all co-Developers; notwithstanding the foregoing, the Principals of the Developer(s) 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. With regard to said approval, the Board shall consider the facts and circumstances of each Applicant's request, inclusive of validity and consistency of Application documentation;

d) Petitioner requests a waiver or variance of the above quoted Rules and NCA application instructions to allow Petitioner to change the Principals identified in its application prior to issuance of the Preliminary Determination and also to change the Principals of the Developer. Petitioner, a Florida limited partnership, disclosed the following at the first Principal disclosure level in its NCA:

- (1) Florida Community Development Corporation (General Partner; 0.005%)
- (2) Synovus Park Towers 2021, LLC (Investor LP; 99.98%)
- (3) Synovus Special Limited Partner, LLC (Investor LP; 0.01%)
- (4) Park Towers Assisted Housing, LLC ("PTAH") (Non-Investor LP; 0.005%)

e) At the second disclosure level, Petitioner disclosed the following as Principals of PTAH:

- (1) Perez Housing Associates, LLC (Member; 50%)
- (2) LEDG Park Towers Member, LLC (Member; 50%)
- (3) Patrick Plunkett (Manager; 0%)
- (4) Eliot Reid (Manager; 0%)

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- f) Petitioner asserts that PTAH released its manager, Patrick Plunkett, and he is no longer authorized to bind PTAH. Petitioner states that at the second disclosure level, it is seeking to substitute Anthony Del Pozzo for Patrick Plunkett as the manager of PTAH.
- g) At the third disclosure level, only the Principals of Perez Housing Associates, LLC are at issue. Petitioner states that because Mr. Plunkett is no longer the manager of PTAH, Petitioner would like to redistribute Mr. Plunkett's 10% interest in Perez Housing Associates, LLC among the three new members that will be overseeing the Development's rehabilitation and asset management. Specifically, Petitioner states that the redistribution is as follows: 3.5% to Anthony Del Pozzo; 2.1% to Long Ha; 1.4% to David Loewy, and the remaining 3% will remain with Mr. Plunkett in consideration for prior services rendered. Petitioner asserts that Long Ha, David Loewy, and Anthony Del Pozzo have been previously disclosed to Florida Housing in prior applications for funding. In addition, First Housing Development Corporation of Florida, the Underwriter assigned to this Development, reported that these changes would not negatively impact the positive recommendation in the Housing Credit Program Credit Underwriting Report provided to Florida Housing on October 20, 2021.
- h) Since PTAH was also disclosed as a Principal for the Developer, the same proposed organizational structure changes apply to the Developer's organizational structure. Specifically: (a) Anthony Del Pozzo would replace Mr. Plunkett as the manager of PTAH; and (b) Mr. Plunkett's 10% interest in Perez Housing Associates, LLC would be redistributed as follows 3.5% to Anthony Del Pozzo; 2.1% to Long Ha; 1.4% to David Loewy, and the remaining 3% will remain with Mr. Plunkett.
- i) On November 5, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 216. To date, Florida Housing has received no comments concerning the Petition.
- j) 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.
- k) Granting the requested waiver would not impact other participants in funding programs administered by Florida Housing, nor would it detrimentally impact Florida Housing. Petitioner has demonstrated 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.

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3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner's request for a (1) waiver of Rules 67-21.003(1)(b) (2020) and the Non-Competitive Application Instructions to allow Petitioner to change its Principals as set forth in the Petition prior to the issuance of the Preliminary Determination and (2) approval per Rule 67-21.003(8)(b) (2020) to allow Petitioner to change the Principals of the Developer.

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B. In Re: Tallman Pines HR, Ltd. - FHFC Case No. 2021-080VW

Development Name: (“Development”):	Tallman Pines Phase II
Developer/Principal: (“Developer”):	HTG Tallman HR Developer, LLC Building Better Communities, Inc. Matt Rieger
Number of Units: 75	Location: Broward County
Type: New Construction, High Rise	Set Asides: 16% at 30% AMI 36% at 60% AMI 48% at 70% AMI 5 NHTF units @ 22% AMI
Demographics: Elderly, Non-ALF	4% HC \$960,000 SAIL \$2,770,000 ELI \$600,000 MMRB \$17,000,000 NHTF \$1,569,397

1. Background

- a) Petitioner was selected to receive SAIL funding along with 4% housing tax credits and MMRB under Request for Applications (RFA) 2020-205, to assist in the construction of a Development serving elderly persons in Broward County, Florida. On November 3, 2021, Florida Housing received a petition for waiver of Rule 67-48.004(3)(g) (the “Petition”) requesting to change the Development Type in its Application. A copy of the Petition is attached as [Exhibit B](#).

2. Present Situation

- a) Rule 67-48.004(3)(g), Fla. Admin. Code (2020), provides:

(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. . . .

- b) In its Application for funding under the RFA, Petitioner selected the Development Type of “High Rise.” Petitioner originally intended to construct an eight-story apartment building housing 75 units. Petitioner now alleges that the City of Deerfield Beach, as well as nearby residents, has expressed a desire for Petitioner to lower the height of the proposed building to six stores, a level more commensurate with nearby buildings. To accommodate this request, Petitioner proposes to decrease the height of the building and amend its application to change its development type to “Mid-Rise 5-6 Stories.” The total number of units will not change. The Application’s scoring, ranking, and funding would not have been affected had Petitioner selected “Mid-Rise 5-6 Stories” in its Application. If this waiver is granted, Petitioner will also meet the Total Development Cost Limitation for “Mid-Rise-ESS.”

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- c) On November 4, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 215. 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 67-48.004(3)(g), Fla. Admin. Code (2020), to permit Petitioner to change its Development Type from “High Rise” to “Mid-Rise 5-6 Stories.”

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C. In Re: Merritt Place Estates, LLC - FHFC Case No. 2021-087VW

Development Name: (“Development”):	Merritt Place Estates
Developer/Principal: (“Developer”):	Spira MP Development, LP / Robert Lee
Number of Units: 159	Location: Miami-Dade County
Type: Acquisition/Rehabilitation Single family homes	Set Asides: 57% at 50% AMI 43% at 60% AMI
Demographics: Family	Funding: 4% HC \$1,900,897

1. Background

- a) Petitioner was selected to receive 9% housing tax credits in December, 2002 (Application No. 2002-010CS) along with a SAIL loan in 2003, to assist in the construction of a Development consisting of single-family homes serving low income families in Miami-Dade County, Florida. On November 15, 2021, Florida Housing received a petition for waiver of a provision of the Non-Competitive Application Package incorporated by Rule 67-21.003(1)(b) (the “Petition”) and requesting permission to apply for 4% housing tax credits with a Development Type of Single-Family Homes in order to rehabilitate the existing Development. A copy of the Petition is attached as [Exhibit C](#).

2. Present Situation

- a) Rule 67-21.003(1)(b), Fla. Admin. Code adopts and incorporates by reference the Non-Competitive Application (NCA) Package (Rev. 03-2021). Section A.7.c. of the NCA package includes the following requirement:

The Applicant must select the Development Type for the proposed Development

- (a) Garden Apartments (a building comprised of 1, 2, or 3 stories, with or without an elevator)
- (b) Townhouses
- (c) Duplexes
- (d) Quadraplexes
- (e) Mid-Rise 4-stories (a building comprised of 4 stories and each residential building must have at least one elevator)
- (f) Mid-Rise 5-6-stories (a building comprised of 5 or 6 stories and each residential building must have at least one elevator)
- (g) High Rise (a building comprised of 7 or more stories and each residential building must have at least one elevator)

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- b) Petitioner alleges that the Development is now in need of rehabilitation. Petitioner applied for an allocation of 4% Housing Credits on November 5, 2021. However, Florida Housing staff was unable to process the application because the NCA no longer allows “single-family homes” to be selected as the Development Type when applying for funding. Petitioner alleges that it will suffer a substantial hardship if this waiver is not granted because it will be unable to recapitalize or rehabilitate the Development, a property currently in Florida Housing’s portfolio.
- c) On November 17, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 223. 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 67-21.003(1)(b), Fla. Admin. Code (2021) and the cited portions of the Non-Competitive Application Package to permit Petitioner to apply for 4% housing tax credits with a Development Type of Single-Family Homes.

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D. In Re: Puerta Del Sol VOA Affordable Housing, LP - FHFC Case No. 2021-082VW

Development Name: (“Development”):	Puerta Del Sol
Developer/Principal: (“Developer”):	Volunteers of America National Services / Kimberly Black King
Number of Units: 100	Location: Miami-Dade County
Type: Acquisition & Rehabilitation, High-Rise	Set Asides: 100% at 60% AMI
Demographics: Elderly, Non-ALF	Funding: 4% HC \$1,021,269

1. **Background**

- a) This Development was constructed in 1987 as HUD 202. On June 19, 2020, Petitioner applied for 4% Housing Credits to assist in the rehabilitation of this Development serving elderly persons in Miami-Dade County, Florida. On November 8, 2021, Florida Housing received a petition for waiver of Rule 67-21.003(8)(g) (the “Petition”) requesting to change the Development Type in its Application. A copy of the Petition is attached as [Exhibit D](#).

2. **Present Situation**

- a) Rule 67-21.003(8)(g), Fla. Admin. Code (2019), provides:

(8) Notwithstanding any other provision of these rules, there are certain items that must be included in the Application and cannot be revised, corrected or supplemented after the Application is deemed complete. Those items are as follows:

(g) Development Type. . . .

- b) In its Application for funding under the RFA, Petitioner selected the Development Type of “High Rise.” However, the Development being rehabilitated is only four stories tall, and Petitioner asserts that the Development Type identified in the Application was an inadvertent mistake. Petitioner therefore requests a waiver to allow it to change the Development Type in the Application from High-Rise to Mid-Rise 4 stories. Allowing this change would not impact Florida Housing’s review of the Application. Petitioner asserts that it will suffer a substantial hardship if the waiver is not granted because it will be unable to proceed with the rehabilitation of this Development using 4% Housing Credits.
- c) On November 10, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 219. To date, Florida Housing has received no comments concerning the Petition.

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- d) 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.

- 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 67-21.003(8)(g), Fla. Admin. Code (2019), to permit Petitioner to change its Development Type from “High Rise” to “Mid-Rise 4 Stories.”

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E. In Re: Durham Place, Ltd. - FHFC Case No. 2021-085VW (RFA 2019-113/App. No. 2020-480CSN)

Development Name: (“Development”):	Durham Place
Developer/Principal: (“Developer”):	Durham Place Developer, LLC/Jonathan L. Wolf Step Up Developer, LLC/Tod Lipka
Number of Units: 102	Location: Orange County
Type: Garden Apartments, New Construction	Set Asides: 15% at 33% AMI 85% at 60% AMI
Demographics: Homeless; Persons with Special Needs	Funding: 9% HC: \$2,375,000 ELI: \$359,500 SAIL: \$4,771,550 NHTF: \$872,000

1. Background

- a) Petitioner successfully applied for competitive housing credits, Extremely Low Income (“ELI”) funding, State Apartment Incentive Loan (“SAIL”) funding, and National Housing Trust Fund (“NHTF”) loans in RFA 2020-103 to assist in the construction of a 102-unit affordable housing development named Durham Place to be located in Orange County, Florida (the “Development”). On November 15, 2021, Florida Housing received a Petition for Waiver of Rule 67-48.002(96), F.A.C. (7/11/19) and the 2019 QAP (the “Petition”) to allow Petitioner to waive the timing requirements in the 2019 Qualified Allocation Plan (“QAP”) and exchange its 2020 housing credits now for an immediate allocation of 2021 housing credits. A copy of the Petition is attached as [Exhibit E](#).

2. Present Situation

- a) Rule 67-48.002(96) Fla. Admin. Code (2019), adopts and incorporates the 2019 QAP.
- b) Subsection II.K of the 2019 QAP states:

Notwithstanding any other provision of this QAP, where a Development has not been placed in service by the date required pursuant to Section 42 of the IRC, or it is apparent that a Development will not be placed in service by the date required pursuant to Section 42 of the IRC, 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 pursuant to Section 42 of the IRC, the Corporation may reserve allocation in an amount not to exceed the amount of Housing Credits returned, and may issue a Carryover Allocation Agreement allocating such Housing Credits to the Applicant for either the current year or the year after the year in which the Development was otherwise required to be placed in service pursuant to Section 42 of the IRC, 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

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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. A Development located in a HUD-designated DDA or QCT at the time of original allocation may retain its designation as such.

- c) Petitioner requests a waiver of the timing provision in the QAP for the return and exchange of housing credits to permit an exchange of credits now instead of waiting until the last quarter of 2022. After accepting an invitation to credit underwriting, Petitioner entered into a Carryover Allocation Agreement ("Carryover Agreement") with Florida Housing on December 23, 2020. Pursuant to the Carryover Agreement, Petitioner must demonstrate site control and meet the 10% Test on or before June 30, 2021. This deadline was later extended to December 23, 2021 at Petitioner's request. The Carryover Agreement also required Petitioner to close its tax credit partnership and commence construction by September 30, 2021. At Petitioner's request that deadline was extended to December 31, 2021. The federally mandated placed-in-service deadline is December 31, 2022.
- d) In support of its request for a waiver, Petitioner asserts that it is not possible to meet the above deadlines due to reasons outside of Petitioner's control. Specifically, Petitioner states that it is experiencing delays stemming from an increase in construction costs. According to Petitioner, it was forced to undergo value engineering and to renegotiate with contractors in order to execute a manageable construction contract. Petitioner asserts that the unprecedented escalation in construction costs over the past year results in a domino effect of delays in the pre-development process which has also delayed Petitioner from commencing construction.
- e) Petitioner states that it also experienced delays associated with a "not in my back yard" ("NIMBY") group that raised numerous issues including building height, wildlife, archaeological impact, environment, and wetlands. According to Petitioner, it completed all applicable studies and permit applications required by law to address each issue and the Development is in full compliance with the County Code and ordinances and was able to successfully obtain variance to add a pitched roof and decrease the parking ratio. Petitioner attempted to mitigate the delays related to the NIMBY group by holding a community meeting to distribute information about the Development. Petitioner states that the meeting unfortunately only caused the NIMBY group to raise additional issues and resulted in further delay. Because of the NIMBY groups involvement, Petitioner asserts that issues that would normally be addressed at the County's staff level now must be brought to the Board of County Commissioners for public hearings, which has resulted in further delay. In another attempt to accommodate requests from the NIMBY group, Petitioner states that it redesigned several items on the site plan, which required resubmittal and a new review of the entire package. Petitioner expects final approval of the revised site plan on November 30, 2021.

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- f) Petitioner further asserts that when it submitted its Application in March of 2020, COVID-19 had not yet impacted the supply chain nor the labor force. According to Petitioner, the Development could not have continued to be viable without the actions taken by Petitioner to lower costs. Petitioner states that those actions took time which prevented Petitioner from complying with the deadlines in the Carryover Agreement.
- g) Petitioner asserts that despite the issues detailed above, it has exercised due diligence in attempting to move the Development towards construction. Additionally, Petitioner states that it has invested over \$737,000 in the Development and has successfully obtained:
- (1) Fully completed soil tests
 - (2) Executed contract with the general contractor
 - (3) Architectural plan, engineering plan, and site plan have been submitted and final approval is expected on November 30, 2021.
- h) Petitioner states that it anticipates an imminent completion of the credit underwriting report and that it will close on the tax credit partnership and commence construction in November of 2021. Petitioner asserts that due to circumstances beyond its control, the development will not be able to be placed in-service by December 31, 2022. Petitioner requests to exchange its 2020 Housing Credits for an allocation of 2021 Housing Credits now rather than wait until the last quarter of 2022 and, thereby, extend the placed-in-service deadline to December 31, 2023.
- i) On November 16, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 222. To date, Florida Housing has received no comments concerning the Petition.
- j) 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.
- k) Granting the requested waiver would not impact other participants in funding programs administered by Florida Housing, nor would it detrimentally impact Florida Housing. Petitioner has demonstrated 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.

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3. Recommendation

- a) Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-48.002(96), Fla. Admin. Code (2019) and the timing provisions of Subsection II.K of the 2019 QAP to allow Petitioner to exchange its 2020 housing credits for an allocation of 2021 housing credits and thereby extend the associated deadlines.

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F. In Re: Rochester Park, Ltd. - FHFC Case No. 2021-086VW (RFA 2019-113/App. No. 2020-301C)

Development Name: (“Development”):	Rochester Park
Developer/Principal: (“Developer”):	Rochester Park Developer, LLC/Jonathan L. Wolf
Number of Units: 84	Location: Hernando County
Type: Garden Apartments, New Construction	Set Asides: 10% at 33% AMI 90% at 60% AMI
Demographics: Elderly, Non-ALF	Funding: 9% HC: \$1,650,000

1. Background

- a) Petitioner successfully applied for competitive housing credits in RFA 2019-113 to assist in the construction of an 84-unit affordable housing development named Rochester Park to be located in Hernando County, Florida (the “Development”). On November 15, 2021, Florida Housing received a Petition for Waiver of Rule 67-48.002(96), F.A.C. (7/11/19) and the 2019 QAP (the “Petition”) to allow Petitioner to waive the timing requirements in the 2019 Qualified Allocation Plan (“QAP”) and exchange its 2020 housing credits now for an immediate allocation of 2021 housing credits. A copy of the Petition is attached as [Exhibit F](#).

2. Present Situation

- a) Rule 67-48.002(96) Fla. Admin. Code (2019), adopts and incorporates the 2019 QAP.
- b) Subsection II.K of the 2019 QAP states:

Notwithstanding any other provision of this QAP, where a Development has not been placed in service by the date required pursuant to Section 42 of the IRC, or it is apparent that a Development will not be placed in service by the date required pursuant to Section 42 of the IRC, 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 pursuant to Section 42 of the IRC, the Corporation may reserve allocation in an amount not to exceed the amount of Housing Credits returned, and may issue a Carryover Allocation Agreement allocating such Housing Credits to the Applicant for either the current year or the year after the year in which the Development was otherwise required to be placed in service pursuant to Section 42 of the IRC, 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

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originally allocated, and that the Development is still desirable in terms of meeting affordable housing needs. A Development located in a HUD-designated DDA or QCT at the time of original allocation may retain its designation as such.

- c) Petitioner requests a waiver of the timing provision in the QAP for the return and exchange of housing credits to permit an exchange of credits now instead of waiting until the last quarter of 2022. After accepting an invitation to credit underwriting, Petitioner entered into a Carryover Allocation Agreement (“Carryover Agreement”) with Florida Housing on December 23, 2020. Pursuant to the Carryover Agreement, Petitioner must demonstrate site control and meet the 10% Test on or before June 30, 2021. This deadline was later extended to December 23, 2021 at Petitioner’s request. The Carryover Agreement also required Petitioner to close its tax credit partnership and commence construction by September 30, 2021. At Petitioner’s request that deadline was extended to December 31, 2021. The federally mandated placed-in-service deadline is December 31, 2022.
- d) In support of its request for a waiver, Petitioner asserts that it is not possible to meet the above deadlines due to reasons outside of Petitioner’s control. Specifically, Petitioner states that it is experiencing delays stemming from an increase in construction costs. According to Petitioner, it was forced to undergo value engineering and to renegotiate with contractors in order to execute a manageable construction contract. Petitioner asserts that the unprecedented escalation in construction costs over the past year results in a domino effect of delays in the pre-development process which has also delayed Petitioner from commencing construction.
- e) Petitioner further asserts that when it submitted its Application in November of 2019, COVID-19 had not yet impacted the supply chain nor the labor force. According to Petitioner, the Development could not have continued to be viable without the actions taken by Petitioner to lower costs. Petitioner states that those actions took time which prevented Petitioner from complying with the deadlines in the Carryover Agreement.
- f) Petitioner asserts that despite the issues detailed above, it has exercised due diligence in attempting to move the Development towards construction. Additionally, Petitioner states that it has invested over \$442,000 in the Development and has successfully obtained:
- (1) Fully completed and approved architectural and engineering, and site plans
 - (2) Fully completed soil tests
 - (3) Environment resource permit has been issued to construct a stormwater management system
 - (4) Approved permit to construct a domestic wastewater collection/transmission system
 - (5) Building permit issued

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- (6) Contract with the general contractor is expected to be executed within a week of filing the Petition
- g) Petitioner has applied for viability loan funding under RFA 2021-211 and expects Board approval on December 10, 2021 and closing shortly thereafter.
- h) Petitioner asserts that due to circumstances beyond its control, the development will not be able to be placed in-service by December 31, 2022 nor will it be able to meet its 10% Test by its December 23, 2021 deadline. Petitioner requests to exchange its 2020 Housing Credits for an allocation of 2021 Housing Credits now rather than wait until the last quarter of 2022 and, thereby, extend the placed-in-service deadline to December 31, 2023.
- i) On November 16, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 222. To date, Florida Housing has received no comments concerning the Petition.
- j) 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.
- k) Granting the requested waiver would not impact other participants in funding programs administered by Florida Housing, nor would it detrimentally impact Florida Housing. Petitioner has demonstrated 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 67-48.002(96), Fla. Admin. Code (2019) and the timing provisions of Subsection II.K of the 2019 QAP to allow Petitioner to exchange its 2020 housing credits for an allocation of 2021 housing credits and thereby extend the associated deadlines.

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G. In Re: 414 East Pine Street, LP - FHFC Case No. 2021-089VW

Development Name: (“Development”):	Baptist Terrace
Developer/Principal: (“Developer”):	Orlando Neighborhood Improvement Corporation / Alfred Arzuaga
Number of Units: 197	Location: Orange County
Type: Acquisition / Rehabilitation, High Rise	Set Asides: 27 units at 30% AMI 17 units at 40% AMI 97 units at 60% AMI 55 units at 80% AMI 1 unit at market rate
Demographics: Elderly, Non-ALF	Funding: 4% HC \$1,240,228

1. **Background**

- a) Petitioner was awarded 4% Housing Credits in conjunction with local bonds to assist in the acquisition and rehabilitation of a Development serving low income elderly persons in Orange County, Florida. On November 18, 2021, Florida Housing received a petition for waiver of Rule 67-21.003(8)(i) (the “Petition”) requesting to decrease the total set-aside percentage from 99.492% to 98.985%. A copy of the Petition is attached as [Exhibit G](#).

2. **Present Situation**

- a) Rule 67-21.003(8)(i), Fla. Admin. Code (2020) provides in relevant part:

(8) Notwithstanding any other provision of these rules, there are certain items that must be included in the Application and cannot be revised, corrected or supplemented after the Application is deemed complete. Those items are as follows:

(j) The Total Set-Aside Percentage as stated in the total set-aside breakdown chart for the program(s) applied for in the Set-Aside Commitment section of the Application. . . .

- b) In its application, Petitioner selected the Average Income Test and committed to set-aside 27 units at 30% AMI, 17 units at 40% AMI, 97 units at 60% AMI, 55 units at 80% AMI, and 1 unit at market rate, for a total set-aside percentage of 99.492%. Petitioner seeks a waiver that will allow it to change its set-aside commitments to 27 units at 30% AMI, 17 units at 40% AMI, 98 units at 60% AMI, 53 units at 80% AMI, and 2 units at market rate, thus reducing the Total Set-Aside Percentage to 98.985% (and reallocating one 80% AMI unit to a 60% AMI unit). With these changes Petitioner would still satisfy the Average Income Test.
- c) Petitioner is seeking this waiver because 1 unit does not comply with the tenant income requirements since its total household incomes exceed 80% of AMI. Petitioner states that this tenant was not officially deemed over income until after Petitioner had received its Preliminary Determination Certificate.

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Petitioner also states that it offered the tenant a relocation package but the tenant refused. Guidelines from the Department of Housing and Urban Development (HUD) have the effect of preventing Petitioner from terminating the tenancy of this HUD-assisted tenant. Unless the waiver is granted, Petitioner will be out of compliance with its Total Set-Aside Percentage yet will be prohibited from coming into compliance.

d) On November 19, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 225. To date, Florida Housing has received no comments concerning the Petition.

e) 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.

f) 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 strict application of the above Rule under these circumstances would violate 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 Rule 67-21.003(8)(i), Fla. Admin. Code (2020), to allow Petitioner to reduce its Total Set-Aside Percentage from 99.492% to 98.985% and change its set-aside commitments as noted above.

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H. In Re: Country Club Magnolia Family, LP - FHFC Case No. 2021-090VW (RFA 2019-116/App. No. 2020-390S)

Development Name: (“Development”):	Magnolia Family
Developer/Principal: (“Developer”):	New Affordable Housing Partners, LLC/ James S. Grauley Tallahassee Housing Economic Corporation/Brenda Williams
Number of Units: 130	Location: Leon County
Type: Garden Apartments, New Construction	Set Asides: 10% at 33% AMI 90% at 60% AMI
Demographics: Family	Funding: SAIL: \$5,611,577 ELI: \$600,000 4% HC: \$937,747

1. Background

- a) Petitioner successfully applied for State Apartment Incentive Loan (“SAIL”) funding, Extremely Low Income (“ELI”) funding, and non-competitive housing credits in RFA 2019-116 to assist in the construction of a 130-unit affordable housing development named Magnolia Family to be located in Leon County, Florida (the “Development”). On November 18, 2021, Florida Housing received a Petition for Waiver of Rule 67-48.0072(21)(b) (the “Petition”) to allow Petitioner to extend the firm loan commitment issuance deadline. A copy of the Petition is attached as [Exhibit H](#).

2. Present Situation

- a) Rule 67-48.0072(21)(b), Fla. Admin. Code, in relevant part provides:

(21) Information required by the Credit Underwriter shall be provided as follows:

...

(b) For SAIL, EHCL, and HOME, unless stated otherwise in a competitive solicitation, the firm loan commitment must be issued within twelve (12) months of the Applicant’s acceptance to enter credit underwriting. Unless an extension is approved by the Corporation in writing, failure to achieve issuance of a firm loan commitment by the specified deadline shall result in withdrawal of the preliminary commitment. Applicants may request one (1) extension of up to six (6) months to secure a firm loan commitment. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting the extension and shall detail the time frame to achieve a firm loan commitment. In determining whether to grant an extension, the Corporation shall consider the facts and circumstances of the Applicant’s request, inclusive of the responsiveness of the Development team and its ability to deliver the Development timely. The Corporation shall charge a non-refundable extension fee of one (1) percent of each loan amount if the request to extend the credit underwriting and firm loan commitment process beyond the initial twelve (12) month deadline is approved. If an

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approved extension is utilized, Applicants must pay the extension fee not later than seven (7) Calendar Days after the original twelve (12) month deadline. If, by the end of the extension period, the Applicant has not received a firm loan commitment, then the preliminary commitment shall be withdrawn.

Emphasis added.

- b) Petitioner requests a waiver of the above cited Rule to allow Petitioner to extend the firm loan commitment issuance deadline. Petitioner accepted an invitation to credit underwriting on July 22, 2020. Petitioner initially had a firm loan commitment issuance deadline of July 22, 2021, which was later extended by the Board at Petitioner's request to January 22, 2022. Petitioner states that while attempting to meet the January 22, 2022 deadline, it has encountered several issues outside of its control that have caused delay.
- c) Specifically, Petitioner states that over the past year Covid constraints have caused delays that have impacted the construction industry. Petitioner also asserts that increases to construction costs have drastically impacted the ability to accurately price raw materials construction and firmly hire a contractor for a fair and equitable price on a national scale. According to Petitioner, the increases in costs of construction has impacted and delayed Petitioner's ability to finalize its price estimates, and lock in a firm construction bid. Petitioner also states that Covid constraints have caused delays in almost every aspect of the Development which have then caused delay in Petitioner's ability to produce its due diligence necessary to receive its firm commitment. Petitioner states that due to those delays, it is unable to get its credit underwriting report finalized which is required prior to the firm loan commitment.
- d) Petitioner asserts that in spite of the delays, Petitioner has worked diligently to complete the necessary due diligence items needed to receive its firm loan commitment. According to Petitioner, it is in the middle of satisfying the requirements of its HUD Environmental Part 58 Review and National Housing Trust Fund environmental review. Petitioner has been working diligently with the City of Tallahassee and expects to close within the first quarter of 2022.
- e) On November 19, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 225. To date, Florida Housing has received no comments concerning the Petition.
- f) 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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- g) Granting the requested waiver would not impact other participants in funding programs administered by Florida Housing, nor would it detrimentally impact Florida Housing. Petitioner has demonstrated 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 67-48.0072(21)(b), Fla. Admin. Code to allow Petitioner to extend its firm loan commitment issuance deadline from January 22, 2022 to July 22, 2022.

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I. In Re: Miami Beach Housing Initiatives, Inc. - FHFC Case No. 2021-092VW (RFA 2020-102/App. No. 2020-483S)

Development Name: (“Development”):	The Heron
Developer/Principal: (“Developer”):	Housing Authority of the City of Miami Beach/Miguell Del Campillo Miami Beach Housing Initiatives, Inc./ /Miguell Del Campillo
Number of Units: 20	Location: Miami-Dade County
Type: Mid-Rise, 4 story; New Construction	Set Asides: 20% at 28% AMI 80% at 60% AMI
Demographics: Persons with Special Needs	Funding: SAIL: \$3,999,980 ELI: \$389,200

1. **Background**

- a) Petitioner successfully applied for State Apartment Incentive Loan (“SAIL”) funding and Extremely Low Income (“ELI”) funding in RFA 2020-102 to assist in the construction of a 20-unit affordable housing development named The Heron to be located in Miami-Dade County, Florida (the “Development”). On November 18, 2021, Florida Housing received a Petition for Waiver of Rule 67-48.0072(4)(c) and (21)(b), F.A.C. of Miami Beach Housing Initiatives, Inc. (the “Petition”) to allow Petitioner to extend the firm loan commitment issuance deadline. A copy of the Petition is attached as [Exhibit I](#).

2. **Present Situation**

- a) Rule 67-48.0072(4)(c), Fla. Admin. Code, in relevant part provides:
- (4) If the invitation to enter credit underwriting is accepted:
- ...
- (c) For SAIL, EHCL, and HOME, the credit underwriting process must be completed within the time frame outlined in subsection 67-48.0072(21), F.A.C., below and the loan must close within the time frame outlined in subsection 67-48.0072(26), F.A.C., below.
- b) Rule 67-48.0072(21)(b), Fla. Admin. Code, in relevant part provides:
- (21) Information required by the Credit Underwriter shall be provided as follows:
- ...
- (b) For SAIL, EHCL, and HOME, unless stated otherwise in a competitive solicitation, the firm loan commitment must be issued within twelve (12) months of the Applicant’s acceptance to enter credit underwriting. Unless an extension is approved by the Corporation in writing, failure to achieve issuance of a firm loan commitment by the specified deadline shall result in withdrawal of the preliminary commitment. Applicants may request one (1) extension of up to six (6) months to secure a firm loan commitment. All extension requests must

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be submitted in writing to the program administrator and contain the specific reasons for requesting the extension and shall detail the time frame to achieve a firm loan commitment. In determining whether to grant an extension, the Corporation shall consider the facts and circumstances of the Applicant's request, inclusive of the responsiveness of the Development team and its ability to deliver the Development timely. The Corporation shall charge a non-refundable extension fee of one (1) percent of each loan amount if the request to extend the credit underwriting and firm loan commitment process beyond the initial twelve (12) month deadline is approved. If an approved extension is utilized, Applicants must pay the extension fee not later than seven (7) Calendar Days after the original twelve (12) month deadline. If, by the end of the extension period, the Applicant has not received a firm loan commitment, then the preliminary commitment shall be withdrawn.

Emphasis added.

- c) Petitioner requests a waiver of the above cited Rules to allow Petitioner to extend the firm loan commitment issuance deadline. Petitioner accepted an invitation to credit underwriting on July 9, 2020. Petitioner initially had a firm loan commitment issuance deadline of July 9, 2021, which was later extended at Petitioner's request to January 9, 2022. Petitioner states that it has encountered several unforeseen issues that have caused delay. An approved credit underwriting report is required before issuance of a firm loan commitment.
- d) Specifically, Petitioner states that it has encountered delays in the development approval process by the City of Miami Beach Historic Preservation Board, which ultimately granted approval on September 13, 2021. Petitioner asserts that the additional time is necessary for Miami-Dade County to finalize the approval process for an award of \$500,000 in Surtax gap financing, which was scheduled to be approved on November 8, 2021 and is now expected to be approved in December 2021. Additionally, Petitioner states that the development team is currently finalizing the architectural and engineering plans for submittal to permitting and is working on an expediated review process.
- e) On November 22, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 226. To date, Florida Housing has received no comments concerning the Petition.
- f) Section 120. 542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.

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- g) Granting the requested waiver would not impact other participants in funding programs administered by Florida Housing, nor would it detrimentally impact Florida Housing. Petitioner has demonstrated 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 67-48.0072(4)(c) and (21)(b), Fla. Admin. Code to allow Petitioner to extend its firm loan commitment issuance deadline from January 9, 2022 to July 9, 2022.

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J. In Re: POAH Cutler Manor, LCC - FHFC Case No. 2021-088VW

Development Name: (“Development”):	Cutler Manor Apartments
Developer/Principal: (“Developer”):	PMG Affordable, LLC
Number of Units: 219	Location: Miami-Dade County
Type: Existing /	Set Asides:
Demographics: Family	Funding: SAIL \$2,661,094

1. Background

- a) The Development was originally constructed in 1971. It was acquired by Cutler Manor, LLC in 2002 and was awarded a SAIL loan to assist in rehabilitation. Petitioner acquired the property in 2008 and commenced further rehabilitation. The SAIL loan was restructured and matures in 2026. The property is subject to a Land Use Restriction Agreement (LURA).
- b) On November 16, 2021, Florida Housing received a Petition for Waiver of Rules 67-48.009(5)(d), 67-48.018(1)(c) and 67-48.023(1)(c) Fla. Admin. Code (2021) from Petitioner. A copy of the Petition is attached as [Exhibit J](#).

2. Present Situation

- a) Rule 67-48.009(5)(d), Fla. Admin. Code (2021), states in relevant part:
 - (5) Unless otherwise permitted in a competitive solicitation process, an Applicant is not eligible to apply for SAIL Program funding if any of the following pertain:
 - (d) The proposed Development site or any part thereof is subject to any Land Use Restriction Agreement or Extended Use Agreement, or both, in conjunction with any Corporation affordable housing financing intended to foster the development or maintenance of affordable housing, unless at least one (1) of the following exceptions applies:
 - 1. A LURA recorded in conjunction with the Predevelopment Loan Program or the Elderly Housing Community Loan Program,
 - or
 - 2. A LURA or EUA, or both, for an existing building or buildings, originally constructed at least 25 years prior to the deadline to apply for the applicable SAIL funding, where, in the current Application, the Applicant has selected and qualified for the Homeless demographic commitment with a Development category of Rehabilitation/Moderate Rehabilitation/Substantial Rehabilitation, Acquisition and Rehabilitation/Moderate Rehabilitation/Substantial Rehabilitation, Preservation, or Acquisition and Preservation.
- b) Rules 67-48.018(1)(c) and 67-48.023(1)(c) Fla. Admin. Code (2021) contain essentially the same restrictions for the HOME and Housing Tax Credits programs respectively. Petitioner concedes that neither of the exceptions noted above applies in this case.

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- c) Petitioner asserts that further rehabilitation of the Development is not practical because the original site design is obsolete and inefficient, leading to significant safety and security issues. Petitioner desires to redevelop the property by replacing the current buildings with new residential buildings. Because the development is currently subject to the LURA, Florida Housing's rules prohibit Petitioner from applying for SAIL, HOME, or Tax Credit funding. Petitioner asserts that it will be unable to accomplish the redevelopment without additional funding from Florida Housing.
- d) Petitioner is not asking to be released from the existing LURA, but rather to be allowed to compete for additional funding with the understanding that any such funding will require a new LURA that would restrict additional new affordable units. Petitioner also understands that the existing set-aside commitments will be included in part of the restrictions set forth in any competitive solicitation to which Petitioner applies.
- e) Petitioner asserts that if the requested waivers are not granted it will be unable to redevelop the property to provide new affordable housing units. Petitioner also asserts that such redevelopment is consistent with the Corporation's Portfolio Preservation Action Plan.
- f) On November 18, 2021, the Notice of Petition was published in the Florida Administrative Register in Volume 47, Number 224. To date, Florida Housing has received no comments concerning the Petition.
- g) Section 120.542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- h) Granting the requested 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. 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 Rules 67-48.009(5)(d), 67-48.018(1)(c) and 67-48.023(1)(c) Fla. Admin. Code (2021) to permit Petitioner (or any entity related to Petitioner through common principals) to apply for competitive funding from Florida Housing in future solicitations.

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K. In Re: Paces Gateway Manor, LLC - FHFC Case No. 2021-096VW

Development Name: (“Development”):	Gateway Manor
Developer/Principal: (“Developer”):	Paces Gateway Manor, LLC / Renee Sandell
Number of Units: 26	Location: Gulf County
Type: New Construction, Garden Apartments	Set Asides: 20% at 50% AMI 80% at 60% AMI
Demographics: Family	HOME \$4,700,000 Viability Loan \$593,037

1. Background

- a) Petitioner Paces Gateway Manor, LLC was selected to receive HOME funding under Request for Applications (RFA) 2019-109 to assist in the construction of a Development serving low-income families in Gulf County, Florida. On November 22, 2021, Florida Housing received a petition for waiver of Rule 67-48.0072(26) (the “Petition”) requesting a second extension of the loan closing deadline from July 19, 2021 to December 19, 2021. A copy of the Petition is attached as [Exhibit K](#).

2. Present Situation

- a) Rule 67-48.0072(26), Fla. Admin. Code (2018), provides in relevant part:

(26) For SAIL, EHCL, and HOME, unless stated otherwise in a competitive solicitation, 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. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting an extension and shall detail the time frame to close the loan. The Board shall consider the facts and circumstances of each Applicant’s request, inclusive of the Applicant’s ability to close within the extension term and any credit underwriting report, prior to determining whether to grant the requested extension. The Corporation shall charge an extension fee of one (1) percent of each Corporation loan amount if the Board approves the request to extend the loan closing deadline beyond the applicable 120 Calendar Day or 180 Calendar Day period outlined above. If an approved extension is utilized, for profit Applicants must pay the extension fee not later than seven (7) Calendar Days after the original loan closing deadline. Non-Profit Applicants may request to pay the extension fee at the time of closing. Any such request must be made in writing to the Corporation. In the event the Corporation loan(s)

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does not close by the end of the extension period, the firm loan commitment(s) shall be deemed void and the funds shall be debilitated.

- b) Florida Housing issued a firm loan commitment to Petitioner on December 10, 2020. Petitioner's deadline to close the loan was April 9, 2021. On April 30, 2021, Florida Housing's Board of Directors (the "Board") approved Petitioner's request to extend the closing deadline to July 8, 2021. On June 18, 2021, the Board granted an additional waiver of the closing deadline until January 8, 2022.
- c) On October 22 Petitioner was awarded a Viability HOME Loan in the amount of \$593,037. As a result of receiving this new funding, Petitioner alleges that it needs additional time to recalculate its construction costs and re-bid its construction contracts to appropriately apply the funds and to ensure compliance. Petitioner thus alleges that it will not be able to meet the current deadline to close the loan by January 8, 2022, but instead expects to close on both loans by July 8, 2022.
- d) On November 23, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 227. 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) 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 67-48.0072(26), Fla. Admin. Code (2018), so that the loan closing deadline may be extended from January 8, 2022 to July 8, 2022.

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L. In Re: Culmer Apartments, Ltd - FHFC Case No. 2021-094VW

Development Name: (“Development”):	Culmer Apartments
Developer/Principal: (“Developer”):	APC Culmer Development II, LLC / Howard Cohen, Kenneth Naylor
Number of Units: 239	Location: Miami-Dade County
Type: New Construction/High Rise	Set Asides: 37 units at 30% AMI 6 units at 40% AMI 5 units at 50% AMI 127 units at 60% AMI 64 units at 80% AMI 4 NHTF units at 22% AMI
Demographics: Family	Funding: SAIL: \$7,000,000 ELI: \$600,000 4% HC: \$2,145,840 MMRB: \$33,500,000 NHTF: \$1,236,800

1. Background

- a) Petitioner Culmer Apartments, Ltd was selected to receive State Apartment Incentive Loan (SAIL) and Extremely Low Income (ELI) funding in conjunction with 4% Housing Credits and MMRB under Request for Applications (RFA) 2019-116, to assist in the construction of a Development serving low-income families in Miami-Dade County, Florida. On November 19, 2021, Florida Housing received a Petition for Waiver of Rules 67-48.0072(4)(c) and (21)(b), Fla. Admin. Code (2019) (the “Petition”) requesting to extend the SAIL/ELI firm loan commitment issuance deadline. A copy of the Petition is attached as [Exhibit L](#).

2. Present Situation

- a) Rule 67-48.0072(4)(c), Fla. Admin. Code (2019), provides:
- (c) For SAIL, EHCL, and HOME, the credit underwriting process must be completed within the time frame outlined in subsection 67-48.0072(21), F.A.C., below and the loan must close within the time frame outlined in subsection 67-48.0072(26), F.A.C., below.
- b) Rule 67-48.0072(21), Fla. Admin. Code (2019), provides:
- (b) For SAIL, EHCL, and HOME, unless stated otherwise in a competitive solicitation, the firm loan commitment must be issued within twelve (12) months of the Applicant’s acceptance to enter credit underwriting. Unless an extension is approved by the Corporation in writing, failure to achieve issuance of a firm loan commitment by the specified deadline shall result in withdrawal of the preliminary commitment. Applicants may request one (1) extension of up to six (6) months to secure a firm loan commitment. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting the extension and shall detail the time frame to achieve a firm loan commitment. In determining whether to grant an extension, the Corporation shall consider the facts and

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circumstances of the Applicant's request, inclusive of the responsiveness of the Development team and its ability to deliver the Development timely. The Corporation shall charge a non-refundable extension fee of one (1) percent of each loan amount if the request to extend the credit underwriting and firm loan commitment process beyond the initial twelve (12) month deadline is approved. If an approved extension is utilized, Applicants must pay the extension fee not later than seven (7) Calendar Days after the original twelve (12) month deadline. If, by the end of the extension period, the Applicant has not received a firm loan commitment, then the preliminary commitment shall be withdrawn.

- c) Petitioner was invited to credit underwriting on July 14, 2020, and received a 6-month extension of firm loan commitment issuance deadline to January 14, 2022. Petitioner alleges that the COVID-19 pandemic and its associated precautionary measures have resulted in delays in local permitting processes, subordinate financing commitments, and HUD financing. Petitioner anticipates that by March of 2022 it will have received site plan approval from the local government and will have submitted its application to HUD for a program loan. As a result, Petitioner asserts that more time is needed to finalize the credit underwriting report and the firm loan commitment issued. Petitioner therefore requests a deadline extension until July 14, 2022.
- d) On November 23, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 227. 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) 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 Rules 67-48.0072(4)(c) and (21)(b), Fla. Admin. Code (2019), so that the firm loan commitment deadline may be extended from January 14, 2022 to July 14, 2022.

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M. In Re: Praxis Venture LP - FHFC Case No. 2021-091VW

Development Name: (“Development”):	Praxis of Deerfield Beach
Developer/Principal: (“Developer”):	MRK Partners Inc / Sydne Garchik
Number of Units: 224	Location: Broward County
Type: Acquisition & Rehabilitation, Garden	Set Asides: 100% at 60% AMI
Demographics: Elderly, Non-ALF	Funding: 4% HC \$1,405,269

1. Background

- a) On August 1, 2019, the Housing Finance Authority of Broward County made a loan to Petitioner in the amount of \$22,000,000 financed by the proceeds of multifamily housing revenue bonds to assist in the rehabilitation of an affordable housing development in Broward County known as Praxis of Deerfield Beach. Petitioner also applied for and was awarded 4% Housing Credits to assist in the rehabilitation of this Development. On November 18, 2021, Florida Housing received a petition for waiver of Rule 67-21.003(8)(g) (the “Petition”) requesting to change the Development Type in its Application. A copy of the Petition is attached as [Exhibit M](#).

2. Present Situation

- a) Rule 67-21.003(8)(g), Fla. Admin. Code (2018), provides:

(8) Notwithstanding any other provision of these rules, there are certain items that must be included in the Application and cannot be revised, corrected or supplemented after the Application is deemed complete. Those items are as follows:

(g) Development Type. . . .

- b) In its Application for funding under the RFA, Petitioner selected the Development Type of “Garden Apartments.” However, while four of seven buildings in the Development are under four stories high, 128 of the 224 total units in the Development are located in the three 4-story buildings of the Development, meaning that the Application should have indicated that the Development Type was “Mid-Rise 4-stories.” Petitioner therefore requests a waiver to allow it to change the Development Type in the Application from Garden Apartments to Mid-Rise 4 stories. Allowing this change would not impact Florida Housing’s review of the Application. Petitioner asserts that it will suffer a substantial hardship if the waiver is not granted because it will be unable to proceed with the rehabilitation of this Development using 4% Housing Credits.

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- c) On November 22, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 225. 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 67-21.003(8)(g), Fla. Admin. Code (2018), to permit Petitioner to change its Development Type from “Garden Apartments” to “Mid-Rise 4 Stories.”

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N. **In Re: Valor Preserve, LLLP - FHFC Case No. 2021-093VW (RFA 2020-106/App. No. 2020-453CS)**

Development Name: (“Development”):	Valor Preserve at Lake Seminole
Developer/Principal: (“Developer”):	Norstar Development USA, LP/Neil Brown Pinellas Property Management Company, Inc./Debra Johnson
Number of Units: 64	Location: Pinellas County
Type: Quadraplexes, New Construction	Set Asides: 15% at 33% AMI 85% at 60% AMI
Demographics: Persons with a Disabling Condition	Funding: 9% HC: \$1,700,000 ELI: \$270,400 SAIL: \$3,729,600

1. Background

- a) Petitioner successfully applied for competitive housing credits, Extremely Low Income (“ELI”) funding, and State Apartment Incentive Loan (“SAIL”) funding in RFA 2020-106 to assist in the construction of a 64-unit affordable housing development named Valor Preserve at Lake Seminole to be located in Pinellas County, Florida (the “Development”). On November 19, 2021, Florida Housing received a Petition for Waiver of Rule 67-48.002(96), F.A.C. (7/11/19) and the 2019 QAP and for Board Approval Pursuant to Rule 67-48.004(3)(b), F.A.C (7/11/19) (the “Petition”) to allow Petitioner to waive the timing requirements in the 2019 Qualified Allocation Plan (“QAP”) to exchange its 2020 housing credits now for an immediate allocation of 2021 housing credits as well as to allow Petitioner to change the Developer’s Principals. A copy of the Petition is attached as [Exhibit N](#).

2. Present Situation

- a) Rule 67-48.002(96) Fla. Admin. Code (2019), adopts and incorporates the 2019 QAP.
- b) Subsection II.K of the 2019 QAP states:

Notwithstanding any other provision of this QAP, where a Development has not been placed in service by the date required pursuant to Section 42 of the IRC, or it is apparent that a Development will not be placed in service by the date required pursuant to Section 42 of the IRC, 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 pursuant to Section 42 of the IRC, the Corporation may reserve allocation in an amount not to exceed the amount of Housing Credits returned, and may issue a Carryover Allocation Agreement allocating such Housing Credits to the Applicant for either the current year or the year after the year in which the Development was otherwise required to be placed in service pursuant to Section 42 of the IRC, 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

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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. A Development located in a HUD-designated DDA or QCT at the time of original allocation may retain its designation as such.

c) Rule 67-48.004(3) Fla. Admin. Code (2019), in relevant part, states:

(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:

...

(b) Principals of each Developer, including all co-Developers; notwithstanding the foregoing, the Principals of the Developer(s) 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. With regard to said approval, the Board shall consider the facts and circumstances of each Applicant's request, inclusive of validity and consistency of Application documentation.

d) Petitioner requests a waiver of the timing provision in the QAP for the return and exchange of housing credits to permit an exchange of credits now instead of waiting until the last quarter of 2022 as well as Board approval to change the Developer's Principals. After accepting an invitation to credit underwriting, Petitioner entered into a Carryover Allocation Agreement ("Carryover Agreement") with Florida Housing on December 18, 2020. Pursuant to the Carryover Agreement, Petitioner must demonstrate site control and meet the 10% Test on or before June 30, 2021. This deadline was later extended to December 18, 2021 at Petitioner's request. The Carryover Agreement also required Petitioner to close its tax credit partnership and commence construction by September 30, 2021. At Petitioner's request that deadline was extended to December 18, 2021. The federally mandated placed-in-service deadline is December 31, 2022. On June 21, 2021, a firm commitment was issued giving Petitioner a loan closing deadline of October 19, 2021.

e) Due to labor and supply chain issues associated with the COVID-19 pandemic, Petitioner states it experienced unforeseen price increases and was forced to seek additional funding sources as well as an extension of the loan closing deadline to January 17, 2022. To mitigate the cost increases and associated delay, Petitioner secured a SHIP loan from Pinellas County. On October 22, 2021, the Board approved this additional subordinate SHIP debt. Petitioner anticipates satisfying the loan closing deadline on or before January 17, 2021. However, Petitioner does not expect to satisfy the other deadlines in the Carryover Agreement.

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- f) Petitioner states that it experienced delays beyond its control in relation to negotiating and satisfying requirements of a Development Agreement with the City of Seminole. Petitioner asserts that the Development Agreement is necessary for deviations from the City's land development and variances related to parking, berming, and frontage. Petitioner states that the Development Agreement imposes several time-consuming exterior design element and site improvement requirements such as fencing, landscape buffers, and certain construction materials and finishes. According to Petitioner, only after a second reading, which is scheduled for December 7, 2021, can the Redevelopment Agreement and associated variances be approved. Petitioner states that it used its best efforts to move the Development forward and has expended over \$610,000 on the Development to date.
- g) Petitioner does not expect to satisfy the 10% Test, commence construction, and close the tax credit partnership prior to the December 18, 2021 deadline. Petitioner requests to exchange its 2020 Housing Credits for an allocation of 2021 Housing Credits now rather than wait until the last quarter of 2022 and, thereby, extend the placed-in-service deadline to December 31, 2023.
- h) Petitioner also requests Board approval to make two changes to the Developer's Principals due to the passing of the Executive Director of the Pinellas County Housing Authority ("PCHA"), Debra Johnson. Petitioner states that Regina Booker will serve as Interim Executive Director for PCHA. Additionally, Petitioner asserts that Gary Silver retired from his position as an officer/director of Nordev, Inc. (but remains in his position at Donatello Corporation). Petitioner states that no one is replacing Mr. Silver. Richard Higgins met the General Development Experience requirement of the RFA and will remain a Principal of the co-Developer.
- i) On November 22, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 226. To date, Florida Housing has received no comments concerning the Petition.
- j) 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.
- k) Granting the requested waiver would not impact other participants in funding programs administered by Florida Housing, nor would it detrimentally impact Florida Housing. Petitioner has demonstrated 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.

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3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-48.002(96), Fla. Admin. Code (2019) and the timing provisions of Subsection II.K of the 2019 QAP to allow Petitioner to exchange its 2020 housing credits for an allocation of 2021 housing credits and thereby extend the associated deadlines. Additionally, Staff recommends the Board approve Petitioner's request to change the Developer's Principals as outlined in the Petition.

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O. In Re: Citadelle Village, LLC - FHFC Case No. 2021-097VW (RFA 2017-108/App. No. 2018-033BS)

Development Name: (“Development”):	Citadelle Village
Developer/Principal: (“Developer”):	Citadelle Village Developer, LLC/Jeanette B. Chapman
Number of Units: 96	Location: Miami-Dade County
Type: High Rise	Set Asides: 10% at 28% AMI 90% at 60% AMI
Demographics: Family	Funding: SAIL: \$3,600,000 ELI: \$600,000 4% HC: \$754,301 MMRB: \$12,050,000

1. Background

- a) Petitioner successfully applied for State Apartment Incentive Loan (“SAIL”) funding, Extremely Low Income (“ELI”) funding, non-competitive housing credits, and Multifamily Mortgage Revenue Bonds (“MMRB”) in RFA 2017-108 to assist in the construction of a 96-unit affordable housing development named Citadelle Village to be located in Miami-Dade County, Florida (the “Development”). On November 22, 2021, Florida Housing received a Petition for Waiver of Rule 67-48.0072(21)(b), Florida Administrative Code (the “Petition”) to allow Petitioner to extend the firm loan commitment issuance deadline. A copy of the Petition is attached as [Exhibit O](#).

2. Present Situation

- a) Rule 67-48.0072(21)(b), Fla. Admin. Code (2017), in relevant part provides:

(21) Information required by the Credit Underwriter shall be provided as follows:

...

(b) For SAIL, EHCL, and HOME that is not in conjunction with competitive HC, unless stated otherwise in a competitive solicitation, the firm loan commitment must be issued within nine (9) months of the Applicant’s acceptance to enter credit underwriting. Unless an extension is approved by the Corporation in writing, failure to achieve credit underwriting report approval and issuance of a firm loan commitment by the specified deadline shall result in withdrawal of the preliminary commitment. Applicants may request one (1) extension of up to six (6) months to secure a firm loan commitment. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting the extension and shall detail the time frame to achieve a firm loan commitment. In determining whether to grant an extension, the Corporation shall consider the facts and circumstances of the Applicant’s request, inclusive of the responsiveness of the Development team and its ability to deliver the Development timely. The Corporation shall charge a non-refundable extension fee of one (1) percent of each loan amount if the request to extend the credit underwriting and firm loan commitment process

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beyond the initial nine (9) month deadline is approved. If, by the end of the extension period, the Applicant has not received a firm loan commitment, then the preliminary commitment shall be withdrawn.

Emphasis added.

- b) Petitioner requests a waiver of the above cited Rule to allow Petitioner to extend the firm loan commitment issuance deadline. Petitioner accepted an invitation to credit underwriting on May 4, 2018, which provided a firm loan commitment issuance deadline of February 4, 2019. At Petitioner's request the firm loan commitment issuance deadline was extended to August 4, 2019. In August of 2019, this Board granted a petition to extend Petitioner's firm loan commitment issuance deadline to January 31, 2020. In January of 2020, this Board granted Petitioner's petition to extend the firm loan commitment issuance deadline to July 31, 2020. The Board approved a third petition in July of 2020 to extend Petitioner's firm loan commitment issuance deadline to January 31, 2021. The Board approved a fourth petition in January of 2021, to further extend Petitioner's firm loan commitment issuance deadline to July 31, 2021. In July of 2021, the Board approved a fifth petition to extend Petitioner's firm loan commitment issuance deadline to December 31, 2021. Petitioner now requests an additional 180-day firm loan commitment extension.
- c) Petitioner states that several obstacles have prevented it from obtaining a firm loan commitment. Due to increased construction costs, Petitioner asserts that it had to significantly revise hard cost estimates which resulted in an increase of over \$4,000,000. In an effort to address the cost increases, Petitioner sought financing from other sources include Miami-Dade Surtax funding and a new set aside Miami-Dade General Obligation ("GOB") fund specifically for affordable housing in the Little Haiti area of Miami. In addition to the \$1,000,000 of funding from Miami-Dade as stated in the application, Miami-Dade has awarded an additional \$2,400,000 to the Development. Petitioner states that the GOB fund has been delayed due to the COVID-19 Pandemic. Petitioner expects to receive the final tranche of GOB funding once the allocation process reopens.
- d) On October 29, 2021, the Housing and Commercial Loan Committee for the City of Miami approved Petitioner's request for \$3,000,000 of GOB funds. Petitioner anticipates a final approval by the City within the next 30 days. Petitioner asserts that the Director of the Miami Dade Public Housing Authority is willing to commit 25 Project Based Vouchers to Petitioner if this waiver is granted. Petitioner asserts that with the additional funding and the vouchers, it can now move forward to a firm commitment.
- e) On November 23, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 227. To date, Florida Housing has received no comments concerning the Petition.

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- f) Section 120. 542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.

- g) Granting the requested waiver would not impact other participants in funding programs administered by Florida Housing, nor would it detrimentally impact Florida Housing. Petitioner has demonstrated 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 67-48.0072(21)(b), Fla. Admin. Code (2017) to allow Petitioner to extend its firm loan commitment issuance deadline from December 31, 2021 to June 30, 2022.

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P. In Re: Fairfield Running Brook, LP - FHFC Case No. 2021-098VW

Development Name: (“Development”):	Running Brook Apartments
Developer/Principal: (“Developer”):	Fairfield Affordable Housing Fund Tranche V LLC / Richard Boynton
Number of Units: 186	Location: Miami-Dade County
Type: Acquisition and Rehabilitation / Garden	Set Asides: 100% at 60% AMI
Demographics: Family	Funding: 4% HC \$2,778,746

1. Background

- a) Petitioner has a pending Application with the Corporation (2021-512C) for an award of 4% housing tax credits.
- b) On November 22, 2021, Florida Housing received a Petition for Waiver of Rules 67-21.0025(7)(c) and 67-21.003(1)(b) Fla. Admin. Code (2021) from Petitioner. A copy of the Petition is attached as [Exhibit P](#). Petitioner seeks relief from these Rules and incorporated Application requirements regarding disclosure of Principals and the date by which the Non-Competitive Application must be filed.

2. Present Situation

- a) Rule 67-21.0025, Fla. Admin. Code (2021), states in relevant part:
 - (7) Disclosure of the Principals of the Applicant must comply with the following:
 - (a) The Applicant must disclose all of the Principals of the Applicant (first principal disclosure level). For Applicants seeking Housing Credits, the Housing Credit Syndicator/Housing Credit investor need only be disclosed at the first principal disclosure level and no other disclosure is required;
 - (b) The Applicant must disclose all of the Principals of all of the entities identified in paragraph (a) above (second principals disclosure level);
 - (c) The Applicant must disclose all of the Principals of all of the entities identified in paragraph (b) above (third principal disclosure level). Unless the entity is a trust, all of the Principals must be natural persons;
 - (d) If any of the entities identified in paragraph (c) above are a trust, the Applicant must disclose all of the Principals of the trust (fourth principal disclosure level), all of whom must be natural persons.

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- b) Rule 67-21.003(1)(b), Fla. Admin. Code (2021), incorporates by reference the Non-Competitive Application Package (NCA). Section A.6.a. of the NCA provides, in relevant part:
- [T]he Principal Disclosure Form must identify ... the Principals of Applicant and Developer(s). For Housing Credits, the investor limited partner of an Applicant limited partnership or the investor member of an Applicant limited liability company must be identified in the Principal Disclosure Form. A Principals Disclosure Form should not include, for any organizational structure, any type of entity that is not specifically included in the Rule definition of Principals.
- c) The NCA further provides:
- Non-Competitive Housing Credits (4 percent HC) only, to be used for a Tax-Exempt Bond Financed Development where the bonds are issued by a County Housing Finance Authority (HFA) established pursuant to Section 159.604, F.S. The Non-Competitive Application Form can be submitted anywhere from the time the Applicant completes Credit Underwriting for the Bonds up until the last Corporation business day of December of the year the Development is placed in service... (the "Timing Requirement").
- d) Petitioner asserts that its current ownership structure does not comply with the requirements of the NCA and Rules above, in that it cannot provide natural persons at the third disclosure level (unless the Principal is a trust, in which case the natural person Principal can be disclosed at the fourth disclosure level). Petitioner is majority owned and controlled by the California State Teachers' Retirement System (CalSTRS) pension fund, which includes various corporate layers to accommodate ownership by a public pension fund. The participants in the CalSTRS pension fund change continually and currently number more than 940,000 teachers, making disclosure in compliance with the Rules and NCA impractical. These participants also have no control or direction over the investments of the fund, or changes thereto.
- e) Petitioner also asserts that it cannot comply with the Timing Requirement of the NCA, in that it cannot complete the credit underwriting for the county bound allocation, because it must first finalize its ownership structure – which it cannot do without the granting of this rule waiver. Accordingly, Petitioner desires to complete its Application now and without the required credit underwriting report from the county, to prevent any additional delay in development.
- f) On November 23, 2021, the Notice of Petition was published in the Florida Administrative Register in Volume 47, Number 227. To date, Florida Housing has received no comments concerning the Petition.
- g) Section 120.542(2), Florida Statutes provides in pertinent part:
- Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.

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Consent

- h) 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. 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 Rules 67-21.0025(7)(c) and 67-21.003(1)(b), Fla. Admin. Code, to permit application without disclosure of natural persons at the third disclosure level; and **GRANT** a waiver of the incorporated Timing Requirement of the NCA to permit Petitioner to apply for funding without first submitting a credit underwriting report from the county issuer.

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Q. In Re: The WM at the River, LP - FHFC Case No. 2021-095VW (App. No. 2021-522C)

Development Name: (“Development”):	The WM at the River
Developer/Principal: (“Developer”):	WM at the River, LP Holly Knight
Number of Units: 298	Location: Volusia County
Type: Rehabilitation / High Rise	Set Asides: 40% at 60% AMI
Demographics: Elderly	Funding: 4% HC \$20,504,000

1. Background

- a) Petitioner is applying for non-competitive housing credits to assist in the rehabilitation and RAD conversion of a 298-unit public housing development, comprised of two separate towers to be located in Volusia County, Florida (the “Development”). On November 22, 2021, Florida Housing received a Petition for Waiver of Rule 67-21.026(9) (the “Petition”) to allow Petitioner to . A copy of the Petition is attached as [Exhibit Q](#).

2. Present Situation

- a) Rule 67-21.026(9), Fla. Admin. Code, in relevant part provides:

(9) An appraisal report conforming to the Uniform Standards of Professional Appraisal Practice in effect at the time of the appraisal and reported in a comprehensive format, and a separate market study shall be ordered by the Credit Underwriter, at the Applicant’s expense, from an appraiser qualified for the geographic area and product type not later than completion of Credit Underwriting. The Credit Underwriter shall review the appraisal to properly evaluate the proposed Development’s financial feasibility. If the Tax-Exempt Bonds are issued by the Corporation or by a County Housing Finance Authority, appraisals which have been ordered and submitted by third party credit enhancers, first mortgagors or Housing Credit Syndicators and which meet the above requirements and are acceptable to the Credit Underwriter may be used instead of the appraisal referenced above. If the Tax-Exempt Bonds are issued by an entity other than the Corporation or a County Housing Finance Authority, the appraisal must be ordered by the Credit Underwriter. The market study must be completed by a disinterested party who is approved by the Credit Underwriter. The Credit Underwriter shall consider the market study, the Development’s financial impact on Developments in the area previously funded by the Corporation, and other documentation when making its recommendation of whether to approve or disapprove a Housing Credit Allocation. The Credit Underwriter shall also review the appraisal and other market documentation to determine if the market exists to support both the demographic and income restriction set-asides committed to within the Application. For the Credit Underwriter to make a favorable recommendation, the submarket of the proposed Development must have:

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- (a) An average physical occupancy rate of 92 percent or greater; and
 - (b) For Developments with new construction units, an average market rental rate, based on unit mix and annualized rent concessions, of 110 percent or greater of a 60 percent of Area Median Income rental rate.
- b) The subject property is currently subject to a Declaration of Trust with the HUD and is subsidized public housing. The associated Federal requirements mandate that the property must remain the property of Daytona Beach Housing Authority (DBHA) while subject to the Declaration and other legal requirements, which will remain following the rehabilitation. In this circumstance, DBHA is not issuing bonds as a county housing finance authority but the issuer of private activity bonds from the State of Florida. Accordingly, the Rule requires a separate appraisal ordered by the Corporation's Credit Underwriter. Petitioner requests a waiver of this Rule to permit the use of a third-party appraisal.
- c) As grounds for its request, Petitioner states that the RAD approval by HUD is based on a 2019 appraisal prepared by Novogradac & Co., and that HUD has set a closing deadline for this Development of December 31, 2021. Given the timeframe, Petitioner asserts that obtaining a new appraisal now would cause Petitioner to miss its closing deadline with HUD, and thus delay or terminate the rehabilitation of this Development.
- d) On November 23, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 227. 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) Granting the requested waiver would not impact other participants in funding programs administered by Florida Housing, nor would it detrimentally impact Florida Housing. While Petitioner has demonstrated that it would suffer a substantial hardship if the waiver is not granted due timing constraints related to HUD's closing deadline, Staff still needs to review the 2019 appraisal in conjunction with the assigned underwriter to ensure underwriting standards are met. 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 67-21.026(9), Fla. Admin. Code, to permit the Credit Underwriter assigned to its 4% housing credit application to evaluate an appraisal obtained by the DBHA and accept the appraisal if it complies with applicable underwriting standards.

MULTIFAMILY BONDS

Consent

I. MULTIFAMILY BONDS

A. Request Approval of the Credit Underwriting Report and Authorizing Resolutions for Tupelo Park Apartments (RFA 2019-109 / 2019-401BH)

Development Name: Tupelo Park Apartments	Location: Bay County
Applicant/Borrower: Tupelo Park, LP	Set-Aside(s): 20% @ 50% AMI (MMRN, HOME & 4% HC) 80% @ 60% AMI (MMRN, HOME & 4% HC)
Developer/Principal: The Paces Foundation, Inc. / Renee Sandell	Demographic/Number of Units: Family / 47
Requested Amounts: \$8,200,000 Multifamily Mortgage Revenue Notes (MMRN) \$4,300,000 Home Investment Partnership Loan (HOME) \$648,539 Housing Credits (4% HC)	Development Category/Type: New Construction / Garden Apartments

1. Background/Present Situation

- a) On February 21, 2019, Florida Housing issued a Request for Applications (RFA) 2019-109 HOME Financing to be Used for Rental Developments in Hurricane Michael Impacted Counties and in Rural Areas. Corporation-Issued Multifamily Mortgage Revenue Bonds (MMRB) Program Funding and Non-Competitive Housing Credits may be used in conjunction with the HOME funding in Bay County.
- b) On May 10, 2019, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On June 21, 2019, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant on June 28, 2019. The acceptance was acknowledged on July 2, 2019.
- d) On April 17, 2020, the Board approved the request to extend the firm loan commitment issuance deadline to December 28, 2020.
- e) On December 4, 2020, the Board approved a Rule Waiver to extend the firm loan commitment deadline from December 28, 2020 to June 28, 2021. On June 18, 2021, the Board approved a subsequent Rule Waiver for an additional six-month extension of the firm loan commitment to December 28, 2021.

MULTIFAMILY BONDS

Consent

- f) On November 17, 2021, staff received a final credit underwriting report with a positive recommendation for MMRN and HOME funding ([Exhibit A](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of the RFA.
- g) Staff reviewed the authorizing resolutions ([Exhibit B](#)) authorizing the sale and issuance of Multifamily Mortgage Revenue Notes to finance this affordable housing Development within the State of Florida. Staff request approval for the execution of the resolutions.

2. **Recommendation**

- a) Approve the final credit underwriting report and authorizing resolutions and direct staff to proceed with issuance of a firm commitment and 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

B. Request Approval of Credit Underwriting Report and Authorizing Resolutions for Arbours at Quincy (RFA 2019-116 / 2020-419BS)

Development Name: Arbours at Quincy	Location: Gadsden County
Applicant/Borrower: Arbours at Quincy, LLC	Set-Aside(s): 100% @ 60% AMI (MMRB & 4% HC) 90% @ 60% AMI (SAIL) 10% @ 33% AMI (SAIL & ELI)
Developer/Principal: Arbour Valley Development, LLC / Samuel Johnston	Demographic/Number of Units: Family / 80 Units
Requested Amounts: \$11,700,000 Multifamily Mortgage Revenue Bonds (MMRB) \$4,312,000 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$1,017,468 Housing Credits (4% HC)	Development Category/Type: New Construction / Garden Apartments

1. Background/Present Situation

- a) On November 6, 2019, Florida Housing issued a Request for Applications (RFA) 2019-116 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 March 6, 2020, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant on July 20, 2020. The acceptance was acknowledged on July 20, 2020.
- d) On June 18, 2021, the Board approved the request to extend the firm loan commitment issuance deadline to January 20, 2022.
- e) On November 24, 2021, staff received a final credit underwriting report with a positive recommendation for MMRB, SAIL, and ELI funding ([Exhibit C](#)). Staff has reviewed this report and finds that the development meets all requirements of the RFA.
- f) Staff reviewed the authorizing resolutions ([Exhibit D](#)) authorizing the sale and issuance of Multifamily Mortgage Revenue Bonds to finance this affordable housing Development within the State of Florida. Staff requests approval for the execution of the resolutions.

MULTIFAMILY BONDS

Consent

2. **Recommendation**

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

MULTIFAMILY BONDS

Consent

C. Request Approval of the Method of Bond/Note Sale Recommendation from Florida Housing’s Independent Registered Municipal Advisor and Assignment of a Recommended Professional

1. Background

- a) Pursuant to staff’s request for approval to issue bonds/notes to finance the construction, and acquisition/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 transactions and approval of the recommended methods of sale. Brief descriptions 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 methods of bond/note sale for the developments. Caine Mitter and Associates Incorporated has prepared an analysis and recommendation for the method of bond/note sale for the Developments. The recommendation letters are attached as Exhibit E and F.

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 methods of bond/note sale, as shown in the chart below, for the proposed Developments.

Table with 6 columns: Development Name, Location of Development, Number of Units, Method of Bond Sale, Recommended Professional, Exhibit. Rows include Tupelo Park Apartments and Arbours at Quincy.

MULTIFAMILY BONDS

Consent

D. Request Approval to Execute Acknowledgment Resolution

1. Background/Present Situation

- a) Pursuant to Rule 67-21, F.A.C., the Acknowledgement Resolution is the official action taken by the Corporation to reflect its intent to finance a Development provided that the requirements of the Corporation, the terms of the MMRB/MMRN Loan Commitment, and the terms of the Credit Underwriting Report are met. The resolution designates the period within which the Borrower can be reimbursed for allowable project costs incurred with MMRB/MMRN proceeds (with such period starting 60 days prior to the adoption of the resolution).

- b) Staff requests the execution of an Acknowledgement Resolution for the proposed Development referenced below intending to finance the acquisition, construction and/or rehabilitation of the Development. Brief description of the Development is detailed below. The resolution being presented to the Board for approval is attached as [Exhibit G](#).

2. Recommendation

- a) Approve the execution of an Acknowledgment Resolution for the proposed Development, as shown in the chart below.

Development Name	Name of Applicant	County	Number of Units	Applicable Application	Exhibit
Canal Side	Canal Grove Side Apartments, Ltd	Miami-Dade	261	Non-Competitive Application	Exhibit G

MULTIFAMILY BONDS

Consent

E. Request Approval of RFA Waiver for Applicant Entity Change for Parramore Oaks Phase Two (RFA 2019-102 / 2020-055BD)

Development Name: Parramore Oaks Phase Two	Location: Orange County
Applicant/Borrower: Parramore Oaks Phase Two, LLC	Set-Aside(s): 40% @ 60% AMI (MMRN) 25.275% @ 30% AMI (CDBG-DR & 4% HC) 16.484% @ 40% AMI (CDBG-DR & 4% HC) 18.681% @ 60% AMI (CDBG-DR & 4% HC) 39.560% @ 80% AMI (CDBG-DR & 4% HC)
Developer/Principal: InVictus Development, LLC/Paula McDonald Rhodes; ADC Communities II, LLC/Shawn Horwitz; and Kiss & Company, Inc./Jeffrey Kiss	Demographic/Number of Units: Workforce / 91 units
Requested Amounts: \$14,000,000 Multifamily Mortgage Revenue Bonds (MMRN) \$5,700,000 Community Development Block Grant – Disaster Recovery (CDBG-DR) \$1,231,185 Housing Credits (4% HC)	Development Category/Type: New Construction / Mid-Rise (4 stories)

1. Background/Present Situation

- a) On July 30, 2019, Florida Housing issued a Request for Applications (RFA) 2019-102 for Community Development Block Grant – Disaster Recovery to be Used in Conjunction with Tax-Exempt MMRB and Non-Competitive Housing Credits in Counties Deemed Hurricane Recovery Priorities.
- b) On December 13, 2019, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On April 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant on April 27, 2020. The acceptance was acknowledged on April 28, 2020.
- d) On March 12, 2021, the Board approved the request to extend the firm loan commitment issuance deadline from April 28, 2021 to October 28, 2021.
- e) On July 30, 2021, the Board approved the final credit underwriting report and directed staff to proceed with closing activities.
- f) On October 22, 2021, the Board approved the request to change the structure of the Applicant Entity to insert two special purpose entities prior to loan closing. IVD Parramore Two, LLC, a special purpose entity, was substituted in place of InVictus Development, LLC as the Managing Member and ADC Parramore Two Member, LLC, a special purpose entity, was substituted in place of ADC Communities II, LLC.

MULTIFAMILY BONDS

Consent

- g) On November 8, 2021, staff received a request to further change the structure of the Applicant Entity to allow for ADC Parramore Two Member, LLC to change from a non-manager member of the Applicant to a Class B Investor Member ([Exhibit H](#)). In addition, the Applicant request to change the percentage of ownership interest of IVD Parramore Two, LLC from 0.001% to 0.004% and ADC Parramore Two Member, LLC from 0.009% to 0.006%. The changes are needed due to the portfolio purchase of Alliant Capital, LLC and the associated changes to the underlying entities and principals of the original co-member of the applicant entity ADC Communities II, LLC. Per the RFA, the Applicant entity shall be the borrowing entity and cannot be changed in any way (materially or non-materially) until after loan closing. Therefore, the change of the Applicant entity requires an RFA waiver.

2. **Recommendation**

- a) Approve the RFA waiver to allow for changes to the Applicant Entity as described above and direct staff to proceed with closing activities, subject to further approvals and verifications by the Credit Underwriter, Note Counsel, Special Counsel, and appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

F. Request Approval of the Transfer of Ownership for Grande Court at North Port (2004 Series E / 2003-536C)

Development Name: Grande Court at North Port	Location: Sarasota County
Applicant/Borrower: FF North Port LLC	Set Aside(s): 40% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)
Developer/Principal: Southport Financial Services, Inc./J. David Page	Demographic/Number of units: Family / 128 units
Requested Amounts: \$6,100,000 Multifamily Mortgage Revenue Bond (MMRB) \$322,757 Non-Competitive Housing Credits (HC)	Development Category/Type: New Construction / Garden Apartments

1. **Background/Present Situation**

- a) Florida Housing originally financed the above referenced Development in 2004 with \$6,100,000 in tax exempt MMRB designated as 2004 Series E. In addition, \$322,757 in Housing Credits was allocated to this Development. The MMRB were subsequently redeemed on August 15, 2018.
- b) The Borrower has requested Florida Housing’s consent to the transfer of ownership to SREIT Grand Court Sarasota, L.L.C., an affiliate of Starwood Capital Group Holdings, L.P. 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 1](#)).

2. **Recommendation**

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

MULTIFAMILY BONDS

Consent

G. Request Approval of the Transfer of Ownership for San Marco Villas I (fka Westlake I & Venetian Isles) (2002 Series D-1 & D-2 / 2002-504C)

Development Name: San Marco Villas I (fka Westlake I & Venetian Isles)	Location: Palm Beach County
Applicant/Borrower: Trust Lake Park, LTD.	Set Aside(s): 50% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)
Developer/Principal: Southport Financial Services, Inc./J. David Page	Demographic/Number of units: Family / 288 units
Requested Amounts: \$18,740,000 Multifamily Mortgage Revenue Bond (MMRB) \$1,220,381 Non-Competitive Housing Credits (HC)	Development Category/Type: New Construction / Garden Apartments

1. **Background/Present Situation**

- a) Florida Housing originally financed the above referenced Development in 2002 with \$14,665,000 in tax exempt MMRB and \$4,075,000 in taxable MMRB designated as 2002 Series D-1 & D-2. In addition, \$1,220,381 in Housing Credits was allocated to this Development. The MMRB were subsequently redeemed on December 17, 2014.
- b) The Borrower has requested Florida Housing’s consent to the transfer of ownership to SREIT San Marco Villas, L.L.C., an affiliate of Starwood Capital Group Holdings, L.P. 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 J](#)).

2. **Recommendation**

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

MULTIFAMILY PROGRAMS

Consent

I. MULTIFAMILY PROGRAMS

A. Request Approval of Permanent First Mortgage Loan Increase for Palmetto Pointe (RFA 2017-108 / 2018-024SN)

Development Name: Palmetto Pointe	Location: Pinellas
Applicant/Borrower: SP Pinellas I, LLC	Set-Aside(s): 10% @ 40% AMI (SAIL, ELI & 4% HC) 90% @ 60% AMI (SAIL & 4% HC) 7.3% @ 22% AMI (NHTF)
Developer/Principal: Southport Development, Inc./J. David Page	Demographic/Number of Units: Family/82
Requested Amounts: \$5,400,000 State Apartment Incentive Loan (SAIL) \$463,900 Extremely Low Income (ELI) \$997,899 National Housing Trust Fund (NHTF) \$719,035 Housing Credits (4% HC)	Development Category/Type: New Construction/Mid Rise, 4-stories

1. Background/Present Situation

- a) On August 31, 2017, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2017-108 for SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits. National Housing Trust Funds (NHTF) were also awarded to the proposed Developments selected for funding.
- b) On December 8, 2017, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 4, 2018, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting to the Applicant on May 9, 2018, which states that the firm loan commitment must be issued within 9 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on May 11, 2018, giving them a firm loan commitment issuance deadline of February 11, 2019. On February 1, 2019, the Board approved an extension of the firm loan commitment issuance deadline from February 11, 2019 to August 11, 2019.
- d) On June 21, 2019, the Board approved the final credit underwriting report and directed staff to proceed with issuance of a firm commitment and closing activities. On June 26, 2019, staff issued a firm commitment letter to the Borrower. The loans closed on September 30, 2019.
- e) On October 31, 2019, the Board approved a request from the Housing Credit Syndicator to extend the SAIL and ELI loan terms from 18.5 years to 29 years.

MULTIFAMILY PROGRAMS

Consent

- f) The Borrower requested an increase of the permanent first mortgage loan (Tax-Exempt Loan) during the permanent period from \$3,600,000 to \$4,500,000. On November 29, 2021 staff received an update letter from the credit underwriter with a positive recommendation for approval of the proposed change ([Exhibit A](#)). Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. Recommendation

- a) Approve the request to increase permanent first mortgage loan.

MULTIFAMILY PROGRAMS

Consent

B. Request Approval of RFA Waiver of Resident Programs for Liberty Village (RFA 2014-107 / 2014-398CS/2015-279CS)

Development Name: Liberty Village	Location: Miami-Dade County
Applicant/Borrower: Osprey Apartments, LLC	Set Aside(s): 25% @ 33% 75% @ 60%
Developer/Principal: Carrfour Supportive Housing, Inc/Stephanie Berman	Demographic/Number of units: Homeless Veterans with a Disabling Condition/60 Units
Requested Amounts: \$1,100,000 State Apartment Incentive Loan (SAIL) \$225,000 Extremely Low Income (ELI) \$1,310,000 Housing Credits (9% HC)	Development Category/Type: New Construction / Mid-Rise (5-6 stories)

1. Background/Present Situation

- a) Osprey Apartments, LLC (“Applicant”) applied for and was awarded funding from Request for Applications (RFA) 2014-107 for the Financing of Permanent Supportive Housing with a Priority to Assist Veterans with a Disabling Condition that Lack Permanent and Stable Housing. The funds are being utilized to finance the new construction of a 60-unit development for Homeless Veterans with a Disabling Condition in Miami-Dade County. On June 19, 2014, staff issued an invitation to the Applicant to enter credit underwriting and subsequently executed a Carryover Allocation Agreement on December 29, 2014. On December 11, 2015, the Board approved an exchange of credits and subsequently staff executed a new Carryover Allocation Agreement on December 22, 2015. The credit underwriting report was approved by the Board on August 5, 2016 with a positive recommendation for an allocation of \$1,100,000 in SAIL financing, \$225,000 in ELI gap funding, and \$1,310,000 in 9% Housing Credits. The SAIL Loan closed on September 29, 2016 and the SAIL LURA was recorded on October 4, 2016.

- b) On November 16, 2021, staff received a request from the Applicant to waive the requirement to provide staff on-site 24 hours per day. The Applicant states that this service has rarely been utilized after hours and it has not been an effective use of staff time or funding. In its place, the Applicant proposes to modify this requirement as follows: 24 Hours Coverage in which the Applicant shall provide 24 hour per day coverage. This coverage will be available and accessible to the residents 24 hours per day, seven days per week. When staff are not present on site, the Development shall provide 24-hour emergency hotline services to receive calls from residents and help determine the approach to address a resident’s issue. The Development’s owner or designated manager shall develop and implement policies and procedures for staff regarding after hour resident calls, assessing and managing the call based on a resident’s request and/or need. At a minimum, residents shall be informed, at move-in and via written notice(s) clearly displayed in the Development’s common or public areas, the hours that staff will be on-site and where to call in case of an emergency when staff is not on-site. The Request Letter is provided as [Exhibit B](#).

MULTIFAMILY PROGRAMS

Consent

- c) Per the RFA, the Development will be required to provide Staff On-Site 24 Hours per Day as outlined in Exhibit C, Section 6(b.) of the RFA. The Applicant committed to providing staff on the Development's premises at all times who will be available and accessible to the residents 24 hours per day, seven days per week. The on-site staff shall be available at all times to receive calls from residents and help determine the approach to address a resident's issue. The Development's owner or designated manager shall develop and implement policies and procedures for staff receiving a resident call and how staff shall assess and handle the call based on a resident's request and/or need. At a minimum, residents shall be informed, at move-in and via a written notice(s) clearly displayed in the Development's common or public areas, that staff are on-site to receive resident calls at all times. If the Development consists of Scattered Sites, staff must, at a minimum, be on the Scattered Site with the most units 24 hours a day, 7 days a week, but staff must be available and provide the same resident program services to all the Development's residents. Therefore, the changes to the requirement for Staff On-Site 24 Hours per Day requires an RFA Waiver.

2. **Recommendation**

- a) Approve the RFA waiver request to modify the requirement for Staff On-Site 24 Hours per Day and allow staff to amend the existing SAIL LURA to require 24 Hour Coverage as reflected above.

MULTIFAMILY PROGRAMS

Consent

C. Request Approval of Credit Underwriting Report for Durham Place (RFA 2020-103 / 2020-480CSN)

Development Name: Durham Place	Location: Orange County
Applicant/Borrower: Durham Place, Ltd.	Set-Aside(s): 15% @ 33% AMI (SAIL, ELI & 9% HC) 85% @ 60% AMI (SAIL & 9% HC) 4% @ 22% AMI (NHTF)
Developer/Principal: Durham Place Developer, LLC/Jonathan L. Wolf, Step Up Developer, LLC/ Tod Lipka	Demographic/Number of Units: Homeless/100 units
Requested Amounts: \$4,771,550 State Apartment Incentive Loan (SAIL) \$359,500 Extremely Low Income (ELI) \$872,000 National Housing Trust Fund (NHTF) \$2,375,000 Housing Credits (9% HC)	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation

- a) On February 10, 2020, Florida Housing issued a Request for Applications (RFA) 2020-103 for Housing Credit and SAIL Financing for Homeless Housing Developments Located in Medium and Large Counties.
- b) On June 11, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 21, 2020, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 27, 2020, giving them a firm loan commitment issuance deadline of July 27, 2021. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On June 18, 2021, the Board approved extending the firm loan commitment issuance deadline from July 27, 2021 to January 27, 2022.
- e) On November 24, 2021, staff received final credit underwriting report with a positive recommendation for funding ([Exhibit C](#)). Staff has reviewed this report and finds that the development meets all requirements of the RFA.

2. Recommendation

- a) 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 Construction First Mortgage Loan Increase and Loan Closing Deadline Extension for Pembroke Tower II (RFA 2019-116 / 2020-382SN)

Development Name: Pembroke Tower II	Location: Broward County
Applicant/Borrower: SP Broward, LLC	Set-Aside(s): 10% @ 28% AMI (SAIL, ELI & 4% HC) 90% @ 60% AMI (SAIL & 4% HC) 4.55% @ 22% (NHTF)
Developer/Principal: Southport Development Inc. / J. David Page	Demographic/Number of Units: Elderly (Non-ALF)/88 units
Requested Amounts: \$2,000,000 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$1,041,200 National Housing Trust Fund (NHTF) \$1,300,938 Housing Credits (4% HC)	Development Category/Type: New Construction/Mid-Rise, 5-6 stories

1. Background/Present Situation

- a) On November 6, 2019, Florida Housing issued a Request for Applications (RFA) 2019-116 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 March 6, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting to the Applicant on July 20, 2020, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 22, 2020, giving them a firm loan commitment issuance deadline of July 22, 2021.
- d) On June 18, 2021, the Board approved the final credit underwriting report with a positive recommendation for funding and directed staff to proceed with the closing activities. On June 21, 2021, staff issued a firm commitment to the Applicant giving them a loan closing deadline of December 20, 2021. A request for an extension of the loan closing deadline may be considered by the Board for an extension term of up to 90 Calendar Days. An extension fee of one percent of each loan amount will be required if the Board approves the extension request.

MULTIFAMILY PROGRAMS

Consent

- e) On October 22, 2021, the Borrower requested a loan closing deadline extension from December 20, 2021 to March 21, 2022. ([Exhibit D](#)). An extension is necessary to complete the permit approval process. The delay is due to limited City staff availability and bandwidth due to the COVID-19 pandemic. In addition, market volatility and increases in hard costs have led to longer underwriting and closing coordination. The additional time will allow the development team to close on time.
- f) The Borrower requested an increase of the construction first mortgage loan (Tax-Exempt Loan) during the construction period from \$14,000,000 to \$16,300,000 due to increased construction costs. On November 29, 2021 staff received an update letter from the credit underwriter with a positive recommendation for approval of the proposed change ([Exhibit E](#)). Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. **Recommendation**

- a) Approve the request to increase the construction first mortgage loan and for a loan closing deadline extension from December 20, 2021 to March 21, 2022, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

MULTIFAMILY PROGRAMS

Consent

E. Request Approval of RFA Waiver of Loan Closing Deadline Extension for The Arbors f/k/a Arbors at Lynn Haven Bluffs (RFA 2019-111 / 2020-071BR)

Development Name: The Arbors f/k/a Arbors at Lynn Haven Bluffs	Location: Bay County
Applicant/Borrower: SP Bluffs, LLC	Set-Aside(s): 40% @ 60% AMI (MMRN) 10% @ 35% AMI (RRLP & ELI) 90% @ 60% AMI (RRLP) 100% @ 60% AMI (4% HC)
Developer/Principal: Southport Development, Inc. d/b/a Southport Development Services, Inc./J. David Page	Demographic/Number of Units: Family/138 units
Requested Amounts: \$20,000,000 Multifamily Mortgage Revenue Note (MMRN) \$9,660,000 Rental Recovery Loan Program (RRLP) \$943,300 Extremely Low Income (ELI) \$1,672,543 Housing Credits (4% HC)	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation

- a) On August 1, 2019, Florida Housing issued a Request for Applications (RFA) 2019-111 for Rental Recovery Loan Program (RRLP) Financing to be Used for Rental Developments in Hurricane Michael Impacted Counties.
- b) On December 13, 2019, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On March 6, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant on March 11, 2020. The acceptance was acknowledged on March 16, 2020, giving them a firm loan commitment issuance deadline of March 16, 2021.
- d) On March 12, 2021, the Board approved the final credit underwriting report with a positive recommendation for funding and directed staff to proceed with the closing activities. On March 15, 2021, staff issued a firm commitment to the Applicant giving them a loan closing deadline of September 13, 2021. A request for an extension of the loan closing deadline may be considered by the Board for an extension term of up to 90 Calendar Days. An extension fee of one percent of each loan amount will be required if the Board approves the extension request.

MULTIFAMILY PROGRAMS

Consent

- e) On September 10, 2021, the Board approved increasing the MMRN amount from \$17,000,000 to \$20,000,000, amended authorizing resolutions, and extension of the loan closing deadline from September 13, 2021 to December 13, 2021.
- f) On October 20, 2021, staff received a request from the Applicant for an additional loan closing deadline extension from December 13, 2021 to March 14, 2022. ([Exhibit F](#)). The development approval (among others) was deferred at the September 21, 2021 Florida State Board of Administration (SBA) Cabinet meeting to the October 26, 2021 SBA meeting which was subsequently cancelled. The next SBA meeting is scheduled for December 14, 2021 which falls past the current loan closing deadline. The extension will allow for the necessary approval at the December SBA meeting and closing shortly thereafter. Per the RFA, applicants may request one (1) extension of the loan closing deadline for a term of up to 90 Calendar Days, therefore this extension request requires an RFA Waiver.

2. **Recommendation**

- a) Approve the RFA Waiver request for a loan closing deadline extension from December 13, 2021 to March 14, 2022.

MULTIFAMILY PROGRAMS

Consent

F. Request Approval of Loan Closing Deadline Extension for The Park at Massalina fka The Park at Palo Alto (RFA 2019-111 / 2020-068BR)

Development Name: The Park at Massalina	Location: Bay County
Applicant/Borrower: The Park at Palo Alto, LLC	Set-Asides: 40% @ 60% AMI (MMRB) 10% @ 35% AMI (RRLP & ELI) 90% @ 60% AMI (RRLP) 100% @ 60% AMI (4% HC)
Developers/Principals: Royal American Properties, LLC/Joseph F. Chapman, IV, InVictus Development, LLC, PCHA Developer LLC	Demographic/Number of Units: Family/120 units
Requested Amounts: \$11,500,000 Multifamily Mortgage Revenue Bonds (MMRB) \$8,400,000 Rental Recovery Loan Program (RRLP) \$820,200 Extremely Low Income (ELI) \$858,616 Housing Credits (4% HC)	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation

- a) On August 1, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-111 for the Rental Recovery Loan Program (RRLP) Financing to be Used for Rental Developments in Hurricane Michael Impacted Counties.
- b) On December 13, 2019, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On March 6, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting to the Applicant on March 11, 2020. The acceptance was acknowledged on March 16, 2020, giving them a firm loan commitment issuance deadline of March 16, 2021.
- d) On March 12, 2021, the Board approved the request to extend the firm loan commitment issuance deadline from March 16, 2021 to September 16, 2021.
- e) On June 18, 2021, the Board approved the final credit underwriting report with a positive recommendation for funding and directed staff to proceed with the closing activities. On June 21, 2021, staff issued a firm commitment to the Applicant giving them a loan closing deadline of December 20, 2021. A request for an extension of the loan closing deadline may be considered by the Board for an extension term of up to 90 Calendar Days. An extension fee of one percent of each loan amount will be required if the Board approves the extension request.

MULTIFAMILY PROGRAMS

Consent

- f) On November 8, 2021, staff received a request from the Applicant for a loan closing deadline extension from December 20, 2021 to March 21, 2022. ([Exhibit G](#)). The HUD submission process has caused a delay, the additional time will enable due diligence to be completed so closing activities may take place. Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. Recommendation

- a) Approve the request for a loan closing deadline extension from December 20, 2021 to March 21, 2022, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

MULTIFAMILY PROGRAMS

Consent

G. Request Approval of RFA Waiver of Loan Closing Deadline Extension for Bridge Plaza Apartments (2019-111 / 2020-072BR)

Development Name: Bridge Plaza Apartments	Location: Bay County
Applicant/Borrower: SP Bay LLC	Set-Aside(s): 40% @ 60% AMI (MMRN) 10% @ 35% AMI (RRLP & ELI) 90% @ 60% AMI (RRLP) 100% @ 60% AMI (4% HC)
Developer/Principal: Southport Development, Inc. d/b/a Southport Development Services, Inc./ J. David Page	Demographic/Number of Units: Family/102 units
Requested Amounts: \$15,500,000 Multifamily Mortgage Revenue Note (MMRN) \$7,100,000 Rental Recovery Loan Program (RRLP) \$763,600 Extremely Low Income (ELI) \$1,241,997 Housing Credits (4% HC)	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation

- a) On August 1, 2019, Florida Housing issued a Request for Applications (RFA) 2019-111 for Rental Recovery Loan Program (RRLP) Financing to be Used for Rental Developments in Hurricane Michael Impacted Counties.
- b) On December 13, 2019, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On March 6, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant on March 11, 2020. The acceptance was acknowledged on March 16, 2020, giving them a firm loan commitment issuance deadline of March 16, 2021.
- d) On March 12, 2021, the Board approved the final credit underwriting report with a positive recommendation for funding and directed staff to proceed with the closing activities. On March 15, 2021, staff issued a firm commitment to the Applicant giving them a loan closing deadline of September 13, 2021. A request for an extension of the loan closing deadline may be considered by the Board for an extension term of up to 90 Calendar Days. An extension fee of one percent of each loan amount will be required if the Board approves the extension request.
- e) On September 10, 2021, the Board approved increasing the MMRN amount from of \$13,000,000 to \$15,500,000, amended authorizing resolutions, and extension of the loan closing deadline from September 13, 2021 to December 13, 2021.

MULTIFAMILY PROGRAMS

Consent

- f) On October 19, 2021, staff received a request from the Applicant for an additional loan closing deadline extension from December 13, 2021 to March 14, 2022 ([Exhibit H](#)). The development approval (among others) was deferred at the September 21, 2021 Florida State Board of Administration (SBA) Cabinet meeting to the October 26, 2021 SBA meeting which was subsequently cancelled. The next SBA meeting is scheduled for December 14, 2021 which falls past the current loan closing deadline. The extension will allow for the necessary approval at the December SBA meeting and close as soon as possible shortly thereafter. Per the RFA, applicants may request one (1) extension of the loan closing deadline for a term of up to 90 Calendar Days, therefore this extension request requires an RFA Waiver.

2. **Recommendation**

- a) Approve the RFA Waiver request for a loan closing deadline extension from December 13, 2021 to March 14, 2022.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

I. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Approval of PLP Credit Underwriting Report for Corporation to Provident Housing Solutions, Inc., a not-for-profit entity, for Clermont Vue (2021-007P-09)

DEVELOPMENT NAME (“Development”):	Clermont Vue
APPLICANT/DEVELOPER (“Developer”):	Provident Housing Solutions, Inc.
CO-DEVELOPER:	Turnstone Development Corp.
NUMBER OF UNITS:	72
LOCATION (“County”):	Lake County
TYPE:	Family
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$750,000
ADDITIONAL COMMENTS:	

1. Background

- a) On June 28, 2021, the Developer submitted a PLP application for Clermont Vue.
- b) On July 30, 2021, the Board approved the PLP loan to the Developer for \$750,000. Of this loan total, \$500,000 was requested for acquisition of the property. By program rule, this portion of the loan is required to be reviewed by an assigned credit underwriter prior to closing. The acquisition portion of the loan was assigned to Seltzer Management Group for review.

2. Present Situation

- a) On November 24, 2021, staff received a credit underwriting report ([Exhibit A](#)) with a positive recommendation from the credit underwriter supporting the \$750,000 PLP loan, of which \$500,000 is to be used for the acquisition of the subject property for the development.
- b) Staff has reviewed and agrees with the recommendation of the credit underwriter.

3. Recommendation

- a) Approve the acquisition portion of the loan in the amount of \$500,000 as recommended in the credit underwriting report to Provident Housing Solutions, Inc., for Clermont Vue and allow staff to commence with the loan closing process on the site acquisition funds.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Request Approval of PLP Loan Maturity Extension for Hannibal Square Community Land Trust, Inc., a not-for-profit entity, for 350 East Sixth (2018-005P-09)

DEVELOPMENT NAME (“Development”):	350 East Sixth
APPLICANT/DEVELOPER (“Developer”):	Hannibal Square Community Land Trust, Inc.
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	24 Homeownership
LOCATION (“County”):	Orange County
TYPE:	Family
MINIMUM SET ASIDE:	50% @ 80% AMI, 80% @ 120% AMI
PLP LOAN AMOUNT:	\$614,000
ADDITIONAL COMMENTS:	

1. Background

- a) On September 12, 2018, the Applicant submitted an application for a PLP loan for 350 East Sixth in Orange County.
- b) On November 2, 2018, the Board approved a PLP loan in the amount of \$614,000.
- c) On March 28, 2019, the Applicant closed on the PLP loan establishing a maturity date of March 28, 2022.

2. Present Situation

- a) On November 22, 2021, staff received letters ([Exhibit B](#)) from the assigned technical assistance provider and developer (dated August 13, 2021) requesting a one year extension to the maturity date of the loan.
- b) Staff has reviewed the request and determined that the extension is necessary to allow the developer to continue to pursue funding and construction of this development.

3. Recommendation

- a) Approve the one-year extension to the PLP Loan to Community Land Trust, Inc., for 350 East Sixth and allow staff to amend the loan documents.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

C. Request Approval of PLP Loan for East to West Development Corporation, a not-for-profit entity, for Oaks at Moore Creek II (2021-012P-09)

DEVELOPMENT NAME (“Development”):	Oaks at Moore Creek II
APPLICANT/DEVELOPER (“Developer”):	East to West Development Corporation
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	15 Homeownership
LOCATION (“County”):	Miami-Dade
TYPE:	Family
MINIMUM SET ASIDE:	50% @ 80% AMI, 80% @ 120% AMI
PLP LOAN AMOUNT:	\$500,000
ADDITIONAL COMMENTS: The Applicant intends to establish an LLC (OMCII, LLC) which will be wholly owned by East to West Development Corporation for this development.	

1. Background

- a) To access PLP funding and upon receipt of an organization’s basic information to Florida Housing, the organization is invited to participate in the program. Florida Housing staff then assigns a technical assistance provider from a pool of providers under contract with Florida Housing to assist the applicant to create a development plan and budget, which is brought to the Board as part of a request for approval of a PLP loan.
- b) On August 12, 2021, the Developer submitted a PLP application for Oaks at Moore Creek II.
- c) On August 17, 2021, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

2. Present Situation

- a) On November 22, 2021, staff received a development plan and a letter ([Exhibit C](#)) from our technical assistance provider (TAP) recommending approval of the PLP Loan in the amount of \$500,000.
- 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 \$500,000 to East to West Development Corporation for Oaks at Moore Creek II and allow staff to commence with the loan closing process.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

I. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Loan Closing Deadline Extension for Allegro at Hacienda Lakes fka Villa Verde (RFA 2019-116 / 2020-385BS)

Development Name: Allegro at Hacienda Lakes f/k/a Villa Verde	Location: Collier County
Applicant/Borrower: MHP Collier, Ltd.	Set-Aside(s): 100% @ 60% AMI (MMRB & 4% HC) 10% @ 30% AMI (SAIL & ELI) 90% @ 60% AMI (SAIL)
Developer/Principal: MHP Collier Developer, LLC/ Christopher Shear	Demographic/Number of Units: Elderly Non-ALF / 160
Requested Amounts: \$22,500,000 Multifamily Mortgage Revenue Bonds (MMRB) \$6,000,000 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$1,925,714 Housing Credits (4% HC)	Development Category/Type: New Construction / Mid-Rise (5-6 Stories)

1. Background/Present Situation

- a) On November 6, 2019, Florida Housing issued a Request for Applications (RFA) 2019-116 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 March 6, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. On July 20, 2020, staff issued an invitation to enter credit underwriting to the Applicant. The acceptance was acknowledged on July 22, 2020 giving them a firm loan commitment issuance deadline of July 22, 2021.
- d) On June 18, 2021, the Board approved the final credit underwriting report with a positive recommendation for funding and directed staff to proceed with the closing activities. On June 21, 2021, staff issued a firm commitment to the Applicant giving them a loan closing deadline of December 20, 2021. A request for an extension of the loan closing deadline may be considered by the Board for an extension term of up to 90 Calendar Days. An extension fee of one percent of each loan amount will be required if the Board approves the extension request.
- e) On October 22, 2021, the Board approved increasing the MMRB amount from \$21,500,000 to \$22,500,000.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

- f) On November 15, 2021, staff received a request from the Applicant for a loan closing deadline extension from December 20, 2021 to March 21, 2022 ([Exhibit A](#)). While the Applicant fully intends to close prior to the December 20, 2021 deadline, this request was submitted in an abundance of caution in case the loan does not close on time.

2. Recommendation

- a) Approve the request for a loan closing deadline extension from December 20, 2021 to March 21, 2022, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval of Construction First Mortgage Loan Increase for Superior Manor Apartments II (RFA 2019-116 / 2020-394S)

Development Name: Superior Manor Apartments II	Location: Miami-Dade County
Applicant/Borrower: Superior Manor Phase II, LLC	Set-Asides: 10% @ 28% AMI (SAIL, ELI & 4% HC) 90% @ 60 % AMI (SAIL & 4% HC)
Developers/Principals: SMA II Developers, LLC/ Oliver L. Gross	Demographic/Number of Units: Family/76 units
Requested Amounts: \$3,000,000 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$1,264,859 Housing Credits (4% HC)	Development Category/Type: New Construction/Mid-Rise 4-Stories

1. Background/Present Situation

- a) On November 6, 2019, Florida Housing issued a Request for Applications (RFA) 2019-116 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 March 6, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities. On July 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting to the Applicant on July 20, 2020, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 23, 2020, giving them a firm loan commitment issuance deadline of July 23, 2021. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment. On June 18, 2021, the Board approved a firm loan commitment deadline extension from July 23, 2021 to January 24, 2022.
- c) On October 22, 2021, the Board approved the final credit underwriting report with a positive recommendation for funding and directed staff to proceed with the closing activities. On October 25, 2021, staff issued a firm commitment to the Applicant giving them a loan closing deadline of April 25, 2022. A request for an extension of the loan closing deadline may be considered by the Board for an extension term of up to 90 Calendar Days. An extension fee of one percent of each loan amount will be required if the Board approves the extension request.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

- d) The Borrower requested an increase of the construction first mortgage loan (Tax-Exempt Loan) during the construction period from \$13,200,000 to \$13,500,000. The increase is needed to ensure compliance with the Tax-Exempt Bond 50% Test. On November 24, 2021 staff received an update letter from the credit underwriter with a positive recommendation for approval of the proposed change ([Exhibit B](#)). Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. **Recommendation**

- a) Approve the request to increase the construction first mortgage loan.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

C. Request Approval of RFA Waiver of Self-Sourced Financing Requirement for Nathan Ridge (RFA 2020-205 / 2021-258S)

Development Name: Nathan Ridge	Location: Clay County
Applicant/Borrower: Nathan Ridge, Ltd.	Set-Aside(s): 5.21% @ 40% AMI (SAIL & 4% HC) 84.39% @ 60% AMI (SAIL & 4% HC) 10.42% @ 70% AMI (SAIL & 4% HC)
Developer/Principal: TVC Development, Inc./James R. Hoover	Demographic/Number of Units: Family/192
Requested Amounts: \$5,675,000 State Apartment Incentive Loan (SAIL) \$929,084 Housing Credits (4% HC)	Development Category/Type: New Construction/Garden Apartments

1. **Background/Present Situation**

- a) On October 15, 2020, Florida Housing issued a Request for Applications (RFA) 2020-205 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 January 22, 2021, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On June 18, 2021, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting to the Applicant on June 24, 2021. The acceptance was acknowledged on June 24, 2021, giving them a firm loan commitment deadline of June 24, 2022. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On November 10, 2021, staff received a request from the Applicant for an RFA waiver of Section Four, A.3.a.(1)(b) to allow for draw-down basis funding for the Self-sourced financing in lieu of the requirement to be fully funded at closing ([Exhibit C](#)). Section Four, A.3.a.(1)(b) states “Self-sourced financing will be funded at closing of the SAIL loan via escrow account controlled by the SAIL loan servicer and will be dispersed pro rata along with SAIL funding.” Funding the Self-sourced funds at closing would increase loan interest and cause an unnecessary construction expense to the Development. Therefore, the change to allow for draw down funding requires an RFA Waiver.

2. **Recommendation**

- a) Approve the RFA waiver of Self-sourced financing requirement.

SPECIAL ASSETS

Consent

I. SPECIAL ASSETS

- A. Request Approval of the Extension of the PLP Loan for MFK/REVA Development Corporation, LLC., a Florida limited liability company, for Boulevard Art Lofts (PLP 2014-002P-09)**

Development Name: Boulevard Art Lofts (“Development”)	Location: Broward County
Developer/Principal: MFK/REVA Development Corporation (“Developer” and “Borrower”)	Set-Aside: PLP 20%@50% AMI; LURA: 15 Years
Number of Units: 45	Allocated Amount: PLP \$500,000.00
Demographics: Family	Servicer: NA

1. Background

- a) MFK/REVA Development Corporation, LLC., applied for Pre-Development Loan Program (PLP) funds in 2014 and was awarded a PLP loan in the amount of \$500,000 for predevelopment expenses for a 45-unit family development in Broward County. The PLP loan closed on February 18, 2015 and originally matured on February 18, 2018. The Board approved extensions to February 18, 2021.

2. Present Situation

- a) The Borrower requests approval to extend the PLP loan term, at its current balance of \$360,314.78, to February 28, 2024. The borrower needs the additional time to apply for new funding. The Borrower currently has a planned timeline running the length of three years, anticipating the closing of the Project in Jan/Feb 2024, the additional funds would be used to repay the PLP.

3. Recommendation

- a) Approve the extension of the PLP loan term to February 28, 2024, and direct staff to proceed with loan document modification activities, as needed.