

**FLORIDA HOUSING FINANCE CORPORATION**  
**Board Meeting**  
June 13, 2014  
Consent Items



**LEGAL**

*Consent*

**I. LEGAL**

**A. In Re: Fountains at Saxon Pointe Blvd., Ltd. – FHFC Case No. 2014-065VW**

<b>Development Name: (“Development”):</b>	<b>Saxon Cove Application No. 2011-231C</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Atlantic Housing Partners, LLLP</b>
<b>Number of Units: 84</b>	<b>Location: Volusia County</b>
<b>Type: Garden</b>	<b>Set Asides: HC: 10% at 35% AMI or lower 90% at 60% AMI or lower</b>
<b>Demographics: Family</b>	<b>HC: \$1,455,000</b>

**1. Background**

- a) During the 2011 Universal Cycle, Fountains at Saxon Pointe Blvd., Ltd. (“Petitioner”) applied for and was awarded Competitive Housing Credit (HC) funding to finance the construction of Saxon Cove (the “Development”) located in Volusia County, Florida.
- b) On April 21, 2014, Florida Housing received a Petition for Waiver from Florida Administrative Code Rule 67-48.010(8)<sup>1</sup> (“Petition”) from Petitioner. Rule 67-48.004(1)(a), F.A.C. (2011), incorporates the 2011 Universal Application and Instructions. A copy of the Petition is attached as [Exhibit A](#).

**2. Present Situation**

- a) Part III.B.2.a. of the 2011 Universal Cycle Instructions provides, in pertinent part:
  - B. Construction Features and Amenities
  - 2. Required Universal Design and Visitability Features (Threshold)
    - a. For all new construction units: All proposed Developments... must include the universal design and visitability features and amenities outlined in Part A.1. of the Manual in all new construction units.
- b) Part A.1, of the Manual:
  - Utility Features
  - Feature: Mid-point on electrical outlets...shall be located no less than 18 inches above finished floor level...

<sup>1</sup> The rule cited in the caption of the Petition is incorrect. Petitioner should have cited to Rule 67-48.004(1)(a), F.A.C., which incorporates by reference Part III.B.2.a. of the Universal Application Instructions.

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- c) Petitioner has requested a waiver of the above section of the Universal Cycle Instructions to allow the Development to have electrical outlets with a mid-point at 16 inches above the finished floor.
- d) The requested change would neither affect the scoring of Petitioner's application nor allow Petitioner to gain an unfair advantage over other applicants.
- e) On April, 23 2014, the Notice of Petition was published in the Florida Administrative Register, in Volume 40, Number 79. 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.

- g) Petitioner has demonstrated that strict application of the above Rule under these circumstances would cause substantial hardship to Petitioner and violate the principles of fairness. The installed electrical outlets met the UFAS standards and all building codes. Further, the units are now occupied and it would be at great cost to the Developer to move all outlets two inches. Petitioner proposes to replace all existing compact fluorescent bulbs in the most frequently used fixtures with LED bulbs, a total of 1,634 bulbs at a cost of \$47,451.00, which will result in savings to the residents' monthly utility bills. Petitioners have also demonstrated that granting this request furthers Florida Housing's statutory mandate to provide safe, sanitary and affordable housing to the citizens of Florida.

### 3. **Recommendation**

Staff recommends the Board grant Petitioner's request for a waiver of Part III.B.2.a. of the 2011 Universal Application Instructions, to allow the development to be in compliance by allowing the electrical outlets with a mid-point at 16 inches above the finished floor and permit the Petitioner to replace compact fluorescent bulbs in the bedroom light kits, bathroom lights and dining room lights, for a total of 1,634 bulbs with LED bulbs.

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#### B. In Re: Martin Lakeside Apartments, Ltd. - FHFC Case No. 2014-067VW

<b>Development Name: (“Development”):</b>	<b>Lakeside Apartments Application No. 2011-233C</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Atlantic Housing Partners, LLLP</b>
<b>Number of Units: 32</b>	<b>Location: Martin County</b>
<b>Type: Garden</b>	<b>Set Asides: HC: 20% at 33% AMI or lower 80% at 60% AMI or lower</b>
<b>Demographics: Family</b>	<b>HC: \$436,043</b>

#### 1. Background

- a) During the 2011 Universal Cycle, Martin Lakeside Apartments, Ltd. (“Petitioner”) applied for and was awarded Competitive Housing Credit (HC) funding to finance the acquisition and preservation of Lakeside Apartments (the “Development”) located in Martin County, Florida. Twenty-three of the units were to be set-aside for those tenants receiving United States Department of Agriculture, Rural Development (“USDA RD”) rental assistance.
- b) On May 5, 2014, Florida Housing received a Petition for Waiver from Florida Administrative Code Rule 67-48.004 (“Petition”) from Petitioner. Rule 67-48.004(1)(a), F.A.C. (2011), incorporates the 2011 Universal Application and Instructions. A copy of the Petition is attached as [Exhibit B](#).

#### 2. Present Situation

- a) Part III.A.3.a. of the 2011 Universal Cycle Instructions provides, in pertinent part:
  - A. General Development Information
  3. Development Category
    - a. During credit underwriting, regardless of the number of rental assistance units used for the RA Level classification, all funded Applications will be held to the number of rental assistance units stated in the applicable letter provided by the Applicant based on Part III.A.3.a. of the Application. This requirement will apply throughout the entire Compliance Period, subject to Congressional appropriation and continuation of the rental assistance program.
- b) Petitioner has requested relief from the USDA RD set-aside, as set forth in the above section of the Universal Cycle Instructions, which would require Petitioner to set-aside the twenty-three units for rental assistance tenants for the duration of the Compliance Period. USDA RD has discontinued the program for this Development.

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- c) The requested change would neither affect the scoring of Petitioner's application nor allow Petitioner to gain an unfair advantage over other applicants. Petitioner would still be required to set-aside twenty percent of the units for those individuals who are thirty-three percent or less of the area median income and set-aside eight percent of the units for those individuals who make sixty percent or less of the area median income.
- d) On May 7, 2014, the Notice of Petition was published in the Florida Administrative Register, in Volume 40, Number 89. To date, Florida Housing has received no comments concerning the Petition.
- e) Section 120.542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- f) Petitioner has demonstrated that strict application of the above Rule under these circumstances would cause substantial hardship to Petitioner and violate the principles of fairness. The original borrower was found to be in non-compliance with the USDA RD program prior to Petitioner purchasing the Development. USDA RD notified all tenants that rental assistance for the Development would be discontinued and that the tenants would be issued vouchers to use at any property. Petitioner will still be required to adhere to the set aside terms in its Application for the Development and those tenants receiving USDA RD rental assistance may stay if they choose to do so. Petitioners have also demonstrated that granting this request furthers Florida Housing's statutory mandate to provide safe, sanitary and affordable housing to the citizens of Florida.

### 3. Recommendation

Staff recommends the Board grant Petitioner's request for a waiver of Part III.A.3.a. of the 2011 Universal Application Instructions, to reduce the number of USDA RD rental assistance units from twenty-three to zero due to the discontinuation of the rental assistance program at the Development. Petitioner is still required to set-aside twenty percent of the units for those individuals who are thirty-three percent or less of the area median income and set-aside eighty percent of the units for those individuals who make sixty percent or less of the area median income.

## MULTIFAMILY BONDS

### *Consent*

## II. MULTIFAMILY BONDS

### A. Request Approval of the Final Credit Underwriting Report for Dade Oaks (2014-108B / 2014-295H)

<b>Development Name: Dade Oaks</b>	<b>Location: Pasco County</b>
<b>Developer/Principal (“Applicant”): Gorman &amp; Company, Inc.</b>	<b>Set-Asides: 20% @ 50% AMI (MMRB &amp; 4% Housing Credits) 80% @ 60% (MMRB &amp; 4% Housing Credits) 20% @ 50% (HOME) 80% @ 60% (HOME)</b>
<b>Funding Source: Multi-Family Mortgage Revenue Bonds (MMRB), HOME Investment Partnerships (HOME), and 4% Housing Tax Credits (Housing Credits)</b>	<b>Amount: \$7,500,000 MMRB \$3,300,000 HOME \$597,081 Housing Credits</b>
<b>Number of Units: 69</b>	<b>Type: Family</b>

#### 1. Background

- a) On November 22, 2013, Florida Housing issued RFA 2013-010 Financing of Affordable Multifamily Housing Developments with HOME Funding to be used in Conjunction with Florida Housing-Issued Multifamily Mortgage Revenue Bond Financing and Non-Competitive Housing Credits. The Review Committee met on January 22, 2014 to give their scores and submit a recommendation to the Board. Dade Oaks was among the Developments recommended for this funding. The Board approved the recommendation on January 31, 2014.
- b) The Applicant also submitted an Application (“Application”) on behalf of the proposed Development using the Non-Competitive Application package requesting Multi-Family Mortgage Revenue Bonds in the amount of \$7,500,000 and non-competitive Housing Credits in the amount of \$534,763 in order to construct the Development.

#### 2. Present Situation

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to notify it of any such changes.

## MULTIFAMILY BONDS

### *Consent*

- b) Development costs for the new construction are \$15,191,848, which is an increase of \$909,126 from Application primarily due to increases in construction cost and financial costs. The Applicant submitted an HC equity letter of interest from RBC Tax Credit Equity, LLC. However, since Application, Boston Capital Holdings, LP has replaced RBC Tax Credit Equity, LLC as the syndicator.
- c) A Final Credit Underwriting Report dated June 2, 2014, is attached as [Exhibit A](#).

### 3. **Recommendation**

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report recommending and allocating \$7,500,000 in tax exempt Multi-Family Mortgage Revenue Bonds and \$3,300,000 in HOME funding for the construction of the Development subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

**B. Request Approval of the Final Credit Underwriting Report for Captiva Cove II (2014-110B / 2014-298H)**

<b>Development Name: Captiva Cove II</b>	<b>Location: Broward County</b>
<b>Developer/Principal (“Applicant”): CSG Development Services II, LLC</b>	<b>Set-Asides: 85% @ 60% AMI (MMRB) 100% @ 60% (4% Housing Credits) 20% @ 50% (HOME) 80% @ 60% (HOME)</b>
<b>Funding Source: Multi-Family Mortgage Revenue Bonds (MMRB), HOME Investment Partnerships (HOME), and 4% Housing Tax Credits (Housing Credits)</b>	<b>Amount: \$8,500,000 MMRB \$2,800,000 HOME \$535,900 Housing Credits</b>
<b>Number of Units: 88</b>	<b>Type: Family</b>

**1. Background**

- a) On November 22, 2013, Florida Housing issued RFA 2013-010 Financing of Affordable Multifamily Housing Developments with HOME Funding to be used in Conjunction with Florida Housing-Issued Multifamily Mortgage Revenue Bond Financing and Non-Competitive Housing Credits. The Review Committee met on January 22, 2014 to give their scores and submit a recommendation to the Board. Captiva Cove II was among the Developments recommended for this funding. The Board approved the recommendation on January 31, 2014.
- b) The Applicant also submitted an Application (“Application”) on behalf of the proposed Development using the Non-Competitive Application package requesting Multi-Family Mortgage Revenue Bonds in the amount of \$7,700,000 and non-competitive Housing Credits in the amount of \$478,877 in order to construct the Development.

**2. Present Situation**

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to notify it of any such changes.
- b) The Applicant submitted a letter of intent from R4 Capital, LLC as the syndicator, who has been replaced by Stratford Capital Group. Applicant has increased the MMRB amount during the construction/stabilization period from \$7,700,000 to \$8,500,000 and has decreased the MMRB amount during the permanent period from \$5,700,000 to \$5,300,000. Development costs for the new construction are \$15,637,538, which is an increase of \$733,084 from Application primarily due to increase in construction costs and financial costs which are somewhat offset by decreases in general development costs.
- c) A Final Credit Underwriting Report dated June 3, 2014, is attached as [Exhibit B](#).



## MULTIFAMILY BONDS

### *Consent*

#### 3. **Recommendation**

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report recommending and allocating \$8,500,000 in tax exempt Multi-Family Mortgage Revenue Bonds and \$2,800,000 in HOME funding for the construction of the Development subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

#### C. Request Approval of the Final Credit Underwriting Report for Pelican Cove (2014-109B / 2014-299H)

<b>Development Name: Pelican Cove</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal (“Applicant”): CSG Development Services II, LLC and Tacolcy Economic Development Corporation</b>	<b>Set-Asides: 85% @ 60% AMI (MMRB) 100% @ 60% (4% Housing Credits) 20% @ 50% (HOME) 80% @ 60% (HOME)</b>
<b>Funding Source: Multi-Family Mortgage Revenue Bonds (MMRB), HOME Investment Partnerships (HOME), and 4% Housing Tax Credits (Housing Credits)</b>	<b>Amount: \$11,900,000 MMRB \$2,450,000 HOME \$910,332 Housing Credits</b>
<b>Number of Units: 112</b>	<b>Type: Family</b>

#### 1. Background

- a) On November 22, 2013, Florida Housing issued RFA 2013-010 Financing of Affordable Multifamily Housing Developments with HOME Funding to be used in Conjunction with Florida Housing-Issued Multifamily Mortgage Revenue Bond Financing and Non-Competitive Housing Credits. The Review Committee met on January 22, 2014 to give their scores and submit a recommendation to the Board. Pelican Cove was among the Developments recommended for this funding. The Board approved the recommendation on January 31, 2014.
- b) The Applicant also submitted an Application (“Application”) on behalf of the proposed Development using the Non-Competitive Application package requesting Multi-Family Mortgage Revenue Bonds in the amount of \$10,500,000 and non-competitive Housing Credits in the amount of \$721,472 in order to construct the Development.

#### 2. Present Situation

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to notify it of any such changes.
- b) The Applicant increased its request for Florida Housing issued MMRB from \$10,500,000 to \$11,900,000. The Applicant also received an additional \$2 million funding award from Miami-Dade County under the Documentary Stamp Surtax funding program. Development costs for the new construction are \$23,962,019, which is an increase of \$1,898,636 from Application primarily due to increases in construction cost, cost of issuance, and developer fee.
- c) A Final Credit Underwriting Report dated June 4, 2014, is attached as [Exhibit C](#).

## MULTIFAMILY BONDS

### *Consent*

#### 3. **Recommendation**

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report recommending and allocating \$11,900,000 in tax exempt Multi-Family Mortgage Revenue Bonds and \$2,450,000 in HOME funding for the construction of the Development subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

**D. Request Approval of the Final Credit Underwriting Report for Heritage Park Apartments (2014-111B / 2014-288H)**

<b>Development Name: Heritage Park Apartments</b>	<b>Location: Osceola County</b>
<b>Developer/Principal (“Applicant”): Atlantic Housing Partners, L.L.L.P.</b>	<b>Set-Asides: 40% @ 60% AMI (MMRB) 70% @ 60% (4% Housing Credits) 10% @ 50% (HOME) 40% @ 60% (HOME)</b>
<b>Funding Source: Multi-Family Mortgage Revenue Bonds (MMRB), HOME Investment Partnerships (HOME), and 4% Housing Tax Credits (Housing Credits)</b>	<b>Amount: \$19,500,000 MMRB \$5,000,000 HOME \$1,162,040 Housing Credits</b>
<b>Number of Units: 238</b>	<b>Type: Family</b>

**1. Background**

- a) On November 22, 2013, Florida Housing issued RFA 2013-010 Financing of Affordable Multifamily Housing Developments with HOME Funding to be used in Conjunction with Florida Housing-Issued Multifamily Mortgage Revenue Bond Financing and Non-Competitive Housing Credits. The Review Committee met on January 22, 2014 to give their scores and submit a recommendation to the Board. Heritage Park Apartments was among the Developments recommended for this funding. The Board approved the recommendation on January 31, 2014.
- b) The Applicant also submitted an Application (“Application”) on behalf of the proposed Development using the Non-Competitive Application package requesting Multi-Family Mortgage Revenue Bonds in the amount of \$19,500,000 and non-competitive Housing Credits in the amount of \$1,083,211 in order to construct the Development.

**2. Present Situation**

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to notify it of any such changes.
- b) Development costs for the new construction are \$40,021,630, which is an increase of \$609,645 from Application primarily due to adjustments in financial cost by the underwriter.
- c) A Final Credit Underwriting Report dated June 4, 2014, is attached as [Exhibit D](#).

## MULTIFAMILY BONDS

### *Consent*

#### 3. **Recommendation**

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report recommending and allocating \$19,500,000 in tax exempt Multi-Family Mortgage Revenue Bonds and \$5,000,000 in HOME funding for the construction of the Development subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

#### E. Request Approval of the Final Credit Underwriting Report for Garden Vista Apartments (2014-130B)

<b>Development Name: Garden Vista Apartments</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal (“Applicant”): Garden Vista Developer, LLC</b>	<b>Set-Asides: 40% @ 60% AMI (MMRB) 100% @ 60% AMI (4% Housing Credits)</b>
<b>Funding Source: Multi-Family Mortgage Revenue Bonds (MMRB) and 4% Housing Tax Credits (Housing Credits)</b>	<b>Amount: \$10,500,000 MMRB \$698,202 Housing Credits</b>
<b>Number of Units: 150</b>	<b>Type: Family</b>

#### 1. Background

Applicant submitted an Application (“Application”) on behalf of the proposed Development using the Non-Competitive Application package. Applicant applied for Multi-Family Mortgage Revenue Bonds in the amount of \$10,500,000 and non-competitive Housing Credits in the amount of \$645,000 in order to acquire and rehabilitate the Development.

#### 2. Present Situation

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to notify it of any such changes.
- b) Development costs for the acquisition/rehabilitation are \$20,630,445, which is an increase of \$419,629 from Application primarily due to the addition of a Hard Cost Contingency.
- c) A Final Credit Underwriting Report dated June 4, 2014, is attached as [Exhibit E](#).

#### 3. Recommendation

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report recommending and allocating \$10,500,000 in tax exempt Multi-Family Mortgage Revenue Bonds for the acquisition and rehabilitation of the Development subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

# MULTIFAMILY BONDS

## Consent

### F. Assignment of Bond Underwriter and Recommended Method of Sale

#### 1. Background

- a) Pursuant to staff's request for approval to issue bonds to finance the new construction, acquisition and rehabilitation of the proposed Developments referenced below, Final Credit Underwriting Reports are being presented to the Board for approval simultaneously with this request to assign the appropriate professionals to each transaction and approval of the recommended method of sales. A brief description of each of the Developments are detailed below along with the Staff's recommendations.
- b) Pursuant to Rule 67-21.0045, F.A.C., staff has requested a review of the proposed bond structures by the Senior Financial Advisor in order to make recommendations to the Board for the method of bond sales. TIBOR PARTNERS, Inc. has prepared an analysis and recommendation for each of the method of bond sales for the Developments. The recommendation letters are attached as Exhibit [F](#), [G](#), [H](#) and [I](#).

#### 2. Present Situation

- a) The Credit Underwriter, the Senior Financial Advisor and Florida Housing staff has reviewed the financial structures for each of the proposed Developments.

#### 3. Recommendation

That the Board approve the assignment of the recommended professionals and the Senior Financial Advisor's recommendations for the method of bond sales, as shown in the chart below, for the proposed Developments.

<b>Development Name</b>	<b>Location of Development</b>	<b>Number of Units</b>	<b>Method of Bond Sale</b>	<b>Recommended Professional</b>	<b>Exhibit</b>
Dade Oaks	Pasco County	69	Negotiated Private Placement	RBC Capital Markets, LLC	Exhibit F
Captiva Cove II	Broward County	88	Negotiated	RBC Capital Markets, LLC	Exhibit G
Pelican Cove	Miami-Dade County	112	Negotiated Private Placement	RBC Capital Markets, LLC	Exhibit H
Heritage Park Apartments	Osceola County	238	To be recommended at a later date	Raymond James & Associates, Inc.	N/A
Garden Vista Apartments	Miami-Dade County	150	Negotiated Private Placement	RBC Capital Markets, LLC	Exhibit I

## MULTIFAMILY BONDS

### *Consent*

**G. Request Approval to Modify Bond Payment Schedule for RHF Gulfstream Associates, Ltd., a Florida Limited Partnership, for Gulfstream Apartments (MR 1998H)**

<b>Development Name: Gulfstream Apartments (“Development”)</b>	<b>Location: Broward County</b>
<b>Developer/Principal: RHF Gulfstream Associates (“Borrower”)</b>	<b>Set-Aside: MMRB 50% @ 60%; HC 21% @ 50% AMI, 79% @ 60% AMI</b>
<b>Number of Units: 96</b>	<b>Allocated Amount: MMRB \$3,500,000</b>
<b>Demographics: Family</b>	<b>Servicer: Centerline Mortgage Capital</b>

**1. Background**

- a) During the 1998 funding cycle, Florida Housing Finance Corporation (“FHFC”) issued tax-exempt bonds in the original amount of \$3,500,000 to fund a first mortgage loan to RHF Gulfstream Associates, Ltd., a Florida Limited Partnership (“Borrower”) for the development of 96-unit apartment complex in Broward County, Florida. The Multifamily Revenue Bonds (“MMRB”) loan closed on July 1, 1998, and will mature on July 1, 2038.
- b) The Borrower defaulted on payment of the Bonds in July of 2012. With bondholder (“Freddie Mac”) approval the Borrower was granted debt forbearance on April 1, 2013 retroactive to the initial default and extending until July 1, 2014.

**2. Present Situation**

- a) The Borrower requests consent of the Board to defer no more than (\$89,000) of principal and (\$333,500) of interest until March 1, 2017 or at bond redemption, whichever date occurs first. This will allow the Borrower to enact the original payment schedule effective July 1, 2014.
- b) The bondholder has approved this modification and bond counsel will opine that the modification does not adversely affect the excludability of interest on the bonds.

**3. Recommendation**

Approve the modification of the bond payment schedule and direct staff to proceed with MMRB document modification activities to include the drafting of a supplemental indenture.



## MULTIFAMILY PROGRAMS

### *Consent*

### III. MULTIFAMILY PROGRAMS

#### A. Request Approval of Credit Underwriting Report for Sterling Oaks Group Home Renovation (2014-146G)

<b>Development Name:</b>	<b>Sterling Oaks Group Home Renovation</b>
<b>Applicant/Principal:</b>	<b>Central Florida Communities, Inc.</b>
<b>Location :</b>	<b>Seminole County</b>
<b>Type/Demographic:</b>	<b>Persons with Developmental Disabilities</b>
<b>Set-Aside:</b>	<b>2 residents @ 35% AMI; 4 residents @ 60% AMI</b>
<b>Allocated Amount:</b>	<b>\$71,000</b>

#### 1. Background/Present Situation

- a) On October 11, 2013, Florida Housing issued RFA 2013-005 Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities. The Review Committee met on November 22, 2013, to discuss the Applications and answer Review Committee members' questions, and on December 10, 2013, to give their scores and submit a recommendation to the Board.
- b) Sterling Oaks Group Home Renovation was among the Developments recommended for this grant funding. The Board approved the recommendation on December 13, 2013.
- c) An invitation to enter credit underwriting was issued January 10, 2014. The Corporation received a positive recommendation from the credit underwriter on May 20, 2014 ([Exhibit A](#)) recommending a grant amount of \$71,000 be allocated to Sterling Oaks Group Home Renovation for renovation of the existing Community Residential Home that houses six (6) residents with developmental disabilities.

#### 2. Recommendation

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

## MULTIFAMILY PROGRAMS

### *Consent*

#### B. Request Approval of Credit Underwriting Report for Highland Terrace Group Home (2014-148G)

<b>Development Name:</b>	<b>Highland Terrace Group Home</b>
<b>Applicant/Principal:</b>	<b>Central Florida Communities, Inc.</b>
<b>Location :</b>	<b>Brevard County</b>
<b>Type/Demographic:</b>	<b>Persons with Developmental Disabilities</b>
<b>Set-Aside:</b>	<b>2 residents @ 33% AMI; 4 residents @ 60% AMI</b>
<b>Allocated Amount:</b>	<b>\$72,000</b>

#### 1. Background/Present Situation

- a) On October 11, 2013, Florida Housing issued RFA 2013-005 Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities. The Review Committee met on November 22, 2013, to discuss the Applications and answer Review Committee members' questions, and on December 10, 2013, to give their scores and submit a recommendation to the Board.
- b) Highland Terrace Group Home was among the Developments recommended for this grant funding. The Board approved the recommendation on December 13, 2013.
- c) An invitation to enter credit underwriting was issued January 10, 2014. The Corporation received a positive recommendation from the credit underwriter on May 20, 2014 ([Exhibit B](#)) recommending a grant amount of \$72,000 be allocated to Highland Terrace Group Home for renovation of the existing Community Residential Home that houses six (6) residents with developmental disabilities.

#### 2. Recommendation

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

## MULTIFAMILY PROGRAMS

### *Consent*

#### C. Request Approval of Credit Underwriting Report for Marymac Group Home (2014-149G)

<b>Development Name:</b>	<b>Marymac Group Home</b>
<b>Applicant/Principal:</b>	<b>The Arc of North Florida, Inc.</b>
<b>Location :</b>	<b>Suwannee County</b>
<b>Type/Demographic:</b>	<b>Persons with Developmental Disabilities</b>
<b>Set-Aside:</b>	<b>2 residents @ 45% AMI; 4 residents @ 60% AMI</b>
<b>Allocated Amount:</b>	<b>\$62,822</b>

#### 1. Background/Present Situation

- a) On October 11, 2013, Florida Housing issued RFA 2013-005 Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities. The Review Committee met on November 22, 2013, to discuss the Applications and answer Review Committee members' questions, and on December 10, 2013, to give their scores and submit a recommendation to the Board.
- b) Marymac Group Home was among the Developments recommended for this grant funding. The Board approved the recommendation on December 13, 2013.
- c) An invitation to enter credit underwriting was issued January 10, 2014. The Corporation received a positive recommendation from the credit underwriter on May 23, 2014 ([Exhibit C](#)) recommending a grant amount of \$62,822 be allocated to Marymac Group Home for renovation of the existing Community Residential Home that houses six (6) residents with developmental disabilities.

#### 2. Recommendation

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

## MULTIFAMILY PROGRAMS

### *Consent*

#### D. Request Approval of Credit Underwriting Report for Glyn Street Group Home Renovation (2014-148G)

<b>Development Name:</b>	<b>Glyn Street Group Home Renovation</b>
<b>Applicant/Principal:</b>	<b>Central Florida Communities, Inc.</b>
<b>Location :</b>	<b>Orange County</b>
<b>Type/Demographic:</b>	<b>Persons with Developmental Disabilities</b>
<b>Set-Aside:</b>	<b>2 residents @ 35% AMI; 4 residents @ 60% AMI</b>
<b>Allocated Amount:</b>	<b>\$72,000</b>

#### 1. Background/Present Situation

- a) On October 11, 2013, Florida Housing issued RFA 2013-005 Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities. The Review Committee met on November 22, 2013, to discuss the Applications and answer Review Committee members' questions, and on December 10, 2013, to give their scores and submit a recommendation to the Board.
- b) Glyn Street Group Home Renovation was among the Developments recommended for this grant funding. The Board approved the recommendation on December 13, 2013.
- c) An invitation to enter credit underwriting was issued January 10, 2014. The Corporation received a positive recommendation from the credit underwriter on May 27, 2014 ([Exhibit D](#)) recommending a grant amount of \$72,000 be allocated to Glyn Street Group Home Renovation for renovation of the existing Community Residential Home that houses six (6) residents with developmental disabilities.

#### 2. Recommendation

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

## MULTIFAMILY PROGRAMS

### *Consent*

#### E. Request Approval of Credit Underwriting Report for Moultrie Lakes Condominium (2014-162G)

<b>Development Name:</b>	<b>Moultrie Lakes Condominium</b>
<b>Applicant/Principal:</b>	<b>Alpha-Omega Miracle Home, Inc.</b>
<b>Location :</b>	<b>St. Johns County</b>
<b>Demographic:</b>	<b>Homeless</b>
<b>Number of Units/Type:</b>	<b>4 Condominiums</b>
<b>Set-Aside:</b>	<b>50% @ 33% AMI &amp; 50% @ 60% AMI</b>
<b>Allocated Amount:</b>	<b>\$420,843</b>

#### 1. Background/Present Situation

- a) On October 11, 2013, Florida Housing Finance Corporation issued a request for applications (RFA) 2013-006 for financing to build permanent supportive housing for homeless persons and families. The funding must be used to purchase and renovate existing houses or to construct or purchase and renovate small specialty housing of 15 units or less.
- b) On December 13, 2013, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 19, 2013, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Alpha-Omega Miracle Home, Inc.
- d) On May 29, 2014, staff received a positive recommendation for a grant in the amount of \$420,843 ([Exhibit E](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2013-006.

#### 2. Recommendation

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

## MULTIFAMILY PROGRAMS

### *Consent*

#### F. Request Approval of Credit Underwriting Report for Peoria Project (2014-142G)

<b>Development Name:</b>	<b>Peoria Project</b>
<b>Applicant/Principal:</b>	<b>BASCA, Inc.</b>
<b>Location :</b>	<b>Clay County</b>
<b>Type/Demographic:</b>	<b>Persons with Developmental Disabilities</b>
<b>Set-Aside:</b>	<b>2 residents @ 33% AMI;2 residents @ 60% AMI</b>
<b>Allocated Amount:</b>	<b>\$128,767</b>

#### 1. Background/Present Situation

- a) On October 11, 2013, Florida Housing issued RFA 2013-005 Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities. The Review Committee met on November 22, 2013, to discuss the Applications and answer Review Committee members' questions, and on December 10, 2013, to give their scores and submit a recommendation to the Board.
- b) Peoria Project was among the Developments recommended for this grant funding. The Board approved the recommendation on December 13, 2013.
- c) An invitation to enter credit underwriting was issued January 10, 2014. The Corporation received a positive recommendation from the credit underwriter on May 27, 2014 ([Exhibit F](#)) recommending a grant amount of \$128,767 be allocated to Peoria Project for the construction a Community Residential Home that houses four (4) residents with developmental disabilities.

#### 2. Recommendation

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

MULTIFAMILY PROGRAMS

Consent

G. Request Approval of Credit Underwriting Report for Arc Gateway Peacock Home (2014-145G)

<b>Development Name:</b>	<b>Arc Gateway Peacock Home</b>
<b>Applicant/Principal:</b>	<b>The Arc Gateway, Inc.</b>
<b>Location :</b>	<b>Escambia County</b>
<b>Type/Demographic:</b>	<b>Persons with Developmental Disabilities</b>
<b>Set-Aside:</b>	<b>2 residents @ 40% AMI;2 residents @ 60% AMI</b>
<b>Allocated Amount:</b>	<b>\$312,076</b>

1. **Background/Present Situation**

- a) On October 11, 2013, Florida Housing issued RFA 2013-005 Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities. The Review Committee met on November 22, 2013, to discuss the Applications and answer Review Committee members’ questions, and on December 10, 2013, to give their scores and submit a recommendation to the Board.
- b) Arc Gateway Peacock Home was among the Developments recommended for this grant funding. The Board approved the recommendation on December 13, 2013.
- c) An invitation to enter credit underwriting was issued January 10, 2014. The Corporation received a positive recommendation from the credit underwriter on May 31, 2014 ([Exhibit G](#)) recommending a grant amount of \$312,076 be allocated to Peoria Project for the construction a Community Residential Home that houses six (6) residents with developmental disabilities.

2. **Recommendation**

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

## MULTIFAMILY PROGRAMS

### *Consent*

#### H. Request Approval of Credit Underwriting Report for Country Walk (2014-143G)

<b>Development Name:</b>	<b>Country Walk</b>
<b>Applicant/Principal:</b>	<b>Citrus County Association for Retarded Citizens, Inc.</b>
<b>Location :</b>	<b>Citrus County</b>
<b>Type/Demographic:</b>	<b>Persons with Developmental Disabilities</b>
<b>Set-Aside:</b>	<b>2 residents @ 45% AMI;4 residents @ 60% AMI</b>
<b>Allocated Amount:</b>	<b>\$324,500</b>

#### 1. Background/Present Situation

- a) On October 11, 2013, Florida Housing issued RFA 2013-005 Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities. The Review Committee met on November 22, 2013, to discuss the Applications and answer Review Committee members' questions, and on December 10, 2013, to give their scores and submit a recommendation to the Board.
- b) Country Walk was among the Developments recommended for this grant funding. The Board approved the recommendation on December 13, 2013.
- c) An invitation to enter credit underwriting was issued January 10, 2014. The Corporation received a positive recommendation from the credit underwriter on June 2, 2014 ([Exhibit H](#)) recommending a grant amount of \$324,500 be allocated to Country Walk for the construction a Community Residential Home that houses six (6) residents with developmental disabilities.

#### 2. Recommendation

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



## MULTIFAMILY PROGRAMS

### *Consent*

#### I. Request Approval of Credit Underwriting Report for Neff Lake Estate (2014-139G)

<b>Development Name:</b>	<b>Neff Lake Estate</b>
<b>Applicant/Principal:</b>	<b>The Arc Nature Coast, Inc.</b>
<b>Location :</b>	<b>Hernando County</b>
<b>Type/Demographic:</b>	<b>Persons with Developmental Disabilities</b>
<b>Set-Aside:</b>	<b>2 residents @ 40% AMI;4 residents @ 60% AMI</b>
<b>Allocated Amount:</b>	<b>\$325,000</b>

#### 1. Background/Present Situation

- a) On October 11, 2013, Florida Housing issued RFA 2013-005 Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities. The Review Committee met on November 22, 2013, to discuss the Applications and answer Review Committee members' questions, and on December 10, 2013, to give their scores and submit a recommendation to the Board.
- b) Neff Lake Estate was among the Developments recommended for this grant funding. The Board approved the recommendation on December 13, 2013.
- c) An invitation to enter credit underwriting was issued January 10, 2014. The Corporation received a positive recommendation from the credit underwriter on June 3, 2014 ([Exhibit I](#)) recommending a grant amount of \$325,000 be allocated to Neff Lake Estate for the construction a Community Residential Home that houses six (6) residents with developmental disabilities.

#### 2. Recommendation

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

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Consent*

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

##### A. Affordable Housing Catalyst Program

###### 1. Background

The Affordable Housing Catalyst Program provides essential training and technical assistance to local governments, non-profits and community based organizations on state and federal housing programs with an emphasis on the State Housing Initiatives Partnership (SHIP) program and the Hardest Hit Fund.

###### 2. Present Situation

- a) The term of the Affordable Housing Catalyst Program contract between Florida Housing and the current service provider, the Florida Housing Coalition, expires June 30, 2014. The contract (2013-03-01-001) allows for two one-year renewals subject to satisfactory performance at the sole discretion of Florida Housing.
- b) The technical assistance and training provided through the Catalyst program will be especially critical to the success of the SHIP program in Fiscal Year 2014-2015 to provide local governments access to professional guidance in managing the \$96 million appropriated to the SHIP program.
- c) Many local governments have lost experienced SHIP staff over the past several years, as funding did not allow for administrative costs at a level necessary to employ these staff. As a result, many local governments have new inexperienced staff or must bring on new staff when the funding is released. These staff members will require increased training and technical assistance to assure compliance with program statutory and rule requirements.
- d) The Coalition has carried out its responsibilities under the current contract, and is positioning itself to be able to provide additional services with the addition of two staff to the technical assistance team.

###### 3. Recommendation

Staff recommends that the Board authorize staff to enter into a contract renewal with the Florida Housing Coalition for the first one-year period to expire on June 30, 2015, for provision of Catalyst Program training and technical assistance services.

## SPECIAL ASSETS

### *Consent*

#### V. SPECIAL ASSETS

##### A. Request Approval to Refinance the First Mortgage for Sabal Chase Associates, Ltd., a Florida Limited Partnership, for Sabal Chase Apartments (MMRB 2000 Series M1 and M2/2000-532C/RFP 2010-16-07/SMI)

<b>Development Name: Sabal Chase Apartments (“Development”)</b>	<b>Location: St. Lucie County</b>
<b>Developer/Principal: Cornerstone (“Developer”)/Sabal Chase Associates, Ltd. (“Borrower”)</b>	<b>Set-Aside: MMRB 50% @ 60%; SAIL ELI 19% @ 33%; HC 100% @ 60%AMI LURA 30 years; SAIL ELI: 15 years; EUA 30 years</b>
<b>Number of Units: 340</b>	<b>Allocated Amount: MMRB \$16,710,000; SAIL ELI \$4,725,000; HC \$6,319,679; SMI \$876,252.12</b>
<b>Demographics: Family</b>	<b>Servicer: Seltzer Management Group</b>

#### 1. Background

- a) During the 2000 funding cycle, Florida Housing Finance Corporation (“Florida Housing”) issued bonds in the amount of \$16,710,000 to Sabal Chase Associates, Ltd., a Florida limited partnership (“Borrower”), for the development of a 340-unit property in St. Lucie County, Florida. The first mortgage loan is guaranteed with Florida Housing’s Guarantee Program (“Guarantee Program”). The Development also received an allocation of 4% low-income housing tax credits of \$6,319,679.
- b) On July 20, 2009, the Borrower received a Subordinate Mortgage Initiative (“SMI”) loan in the amount of \$876,252.12.
- c) On March 28, 2011, Florida Housing closed a State Apartment Incentive Loan Extremely Low Income (“SAIL ELI”) loan in the amount of \$4,725,000. These funds were used to pay down the current first mortgage MMRB loan.

#### 2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage with conventional financing. The refinancing will pay off the bonds and eliminate the mortgage guarantee from Florida Housing’s Guarantee Program. The SMI loan will also be paid off. The Borrower also request approval to transfer the ownership interest and to convert the SAIL ELI loan to a forgivable loan as initially allowed in the funding RFP.
- b) The refinancing will also require the SAIL ELI loan, the Bond Land Use Restriction Agreement (“LURA”), and the Low Income Housing Tax Credit Extended Use Agreement (“EUA”) be subordinated to the new first mortgage.
- c) Staff has received a credit underwriting report ([Exhibit A](#)) providing a positive recommendation for approval for the new financing, and subordination of the SAIL ELI loan, Bond LURA, and HC EUA to the new first mortgage.

## SPECIAL ASSETS

### *Consent*

#### 3. **Recommendation**

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

## SPECIAL ASSETS

### *Consent*

**B. Request Approval to Refinance the First Mortgage for Affordable/Glen Oaks, Ltd., a Florida Limited Partnership, for Glen Oaks Apartments (MR1997B/96HR-012/98-506C)**

<b>Development Name: Glen Oaks Apartments (“Development”)</b>	<b>Location: Leon County</b>
<b>Developer/Principal: Banyan (“Developer”)/Affordable/Glen Oaks, Ltd. (“Borrower”)</b>	<b>Set-Aside: MMRB 50% @ 60%; HOME 20% @ 50%, 80% @ 60%; HC 11.9% @ 50% 88.1% @ 60% AMI MMRB &amp; HOME LURAs 50 years; EUA 30 years</b>
<b>Number of Units: 256</b>	<b>Allocated Amount: MMRB \$9,000,000; HOME \$2,576,000; HC \$630,791.68</b>
<b>Demographics: Family</b>	<b>Servicer: Seltzer Management Group</b>

**1. Background**

- a) During the 1997 funding cycle, Florida Housing Finance Corporation (“Florida Housing”) awarded tax exempt bonds in the amount of \$9,000,000 to Affordable/Glen Oaks, Ltd., a Florida limited partnership (“Borrower”), for the development of a 256-unit property in Leon County, Florida. Florida Housing also awarded \$2,576,000 in Home Investment Partnership Program (“HOME”) funds. The HOME loan was closed on June 24, 1997, and will mature on June 1, 2030. The Development also received a 1998 allocation of low-income housing tax credits of \$630,791.68.
- b) In October 2007, the Board approved a refinance of the first mortgage that paid off Florida Housing’s bonds and paid down the HOME loan by \$234,556, and a transfer of the general partner interests.
- c) In April 2013, the Board approved the transfer and assignment of the general partner interest in Affordable/Glen Oaks, Ltd. from Bull Dolphin Glen Oaks, L.L.C. to Decro Gamma Glen Oaks, L.L.C.

**2. Present Situation**

- a) The Borrower requests consent from the Board to refinance the existing first mortgage. The Borrower intends to obtain a HUD insured 223(f) program first mortgage loan originated by Prudential Capital, the proceeds of which will be used to satisfy the existing first mortgage from Fannie Mae.
- b) The Borrower also requests that the term of the HOME loan be extended to be co-terminus with the new first mortgage and the HOME Land Use Restriction Agreement (“LURA”) by an equal amount of time, and that the HOME loan, the HOME LURA, and the Low Income Housing Tax Credit Extended Use Agreement (“EUA”) be subordinated to the new first mortgage.
- c) Staff has received a credit underwriting report ([Exhibit B](#)) providing a positive recommendation for approval for the new financing, extension of the HOME loan and HOME LURA, and subordination of the HOME loan, HOME LURA, and HC EUA to the new first mortgage.

## SPECIAL ASSETS

### *Consent*

#### 3. **Recommendation**

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

## SPECIAL ASSETS

### *Consent*

**C. Request Approval of SAIL Loan Modification for Running Brook Associates, Ltd., a Florida Limited Partnership, for Running Brook (2000-022S/2001-503C)**

<b>Development Name: Running Brook (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal: Pinnacle Housing Group (“Developer”); Running Brook Associates, Ltd. (“Borrower”)</b>	<b>Set-Aside: SAIL &amp; HC 100% @ 60% AMI; LURA &amp; EUA: 50 years</b>
<b>Number of Units: 186</b>	<b>Allocated Amount: SAIL - \$1,900,000; HC - \$660,573</b>
<b>Demographics: Family</b>	<b>Servicer: Seltzer Management Group</b>

**1. Background**

During the 1999/2000 State Apartment Incentive Loan (“SAIL”) Cycle XII, Florida Housing awarded a \$1,900,000 construction/permanent loan to Running Brook Associates, Ltd., a Florida limited partnership (“Borrower”), for the construction of a 186-unit development in Miami-Dade County. The SAIL loan closed on July 13, 2001, and will mature on July 1, 2041. The Development also received a 2001 allocation of low-income housing tax credits of \$660,573.

**2. Present Situation**

- a) The Borrower has requested that the SAIL loan interest rate be modified from a 9% interest rate to a 3% interest rate in accordance with Senate Bill 1996 passed by the legislature in 2012 and as stated in Rule 67-48 as follows:

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

## SPECIAL ASSETS

### *Consent*

- b) The Borrower has agreed to pay all accrued and outstanding 3% interest on the current SAIL note in order for the loan to be modified to the 3% interest rate.

### 3. **Recommendation**

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



## SPECIAL ASSETS

### *Consent*

#### D. Request Approval of SAIL Loan Modification for Howard Park, Ltd., a Florida Limited Partnership, for Howard Park (98-015S/97L-069)

<b>Development Name: Howard Park (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal: L.T. Clayton and Brothers Enterprises (“Developer”); Howard Park, Ltd. (“Borrower”)</b>	<b>Set-Aside: SAIL 60% @ 50% &amp; 40% @ 60% AMI; HC 31% @ 35% &amp; 69% @ 50% AMI; LURA &amp; EUA: 50 years</b>
<b>Number of Units: 16</b>	<b>Allocated Amount: SAIL - \$214,144; HC - \$105,520</b>
<b>Demographics: Family</b>	<b>Servicer: First Housing</b>

#### 1. Background

During the 1996/1997 State Apartment Incentive Loan (“SAIL”) Cycle X(a), Florida Housing awarded a \$214,144 construction/permanent loan to Howard Park, Ltd., a Florida limited partnership (“Borrower”), for the construction of a 16-unit development in Miami-Dade County. The SAIL loan closed on April 1, 1999, and matured on April 1, 2014. The Development also received a 1997 allocation of low-income housing tax credits of \$105,520.

#### 2. Present Situation

- a) The Borrower has requested that the SAIL loan interest rate be modified from a 9% interest rate to a 3% interest rate in accordance with Senate Bill 1996 passed by the legislature in 2012 and as stated in Rule 67-48 as follows:

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

## SPECIAL ASSETS

### *Consent*

- b) The Borrower has agreed to pay all accrued and outstanding 3% interest on the current SAIL note in order for the loan to be modified to the 3% interest rate. In addition, the remaining balance of the loan will be paid at the time of this modification.

### 3. **Recommendation**

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

## SPECIAL ASSETS

### *Consent*

**E. Request Approval of SAIL Loan Modification for Metro Place II, Ltd., a Florida Limited Partnership, for Metro Place II (1998-051S/1998-505C)**

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

**1. Background**

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

**2. Present Situation**

- a) The Borrower has requested that the SAIL loan interest rate be modified from a 9% interest rate to a 3% interest rate in accordance with Senate Bill 1996 passed by the legislature in 2012 and as stated in Rule 67-48 as follows:

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

## SPECIAL ASSETS

### *Consent*

- b) The Borrower has agreed to pay all accrued and outstanding 3% interest on the current SAIL note in order for the loan to be modified to the 3% interest rate.

### 3. **Recommendation**

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

## SPECIAL ASSETS

### *Consent*

**F. Request Approval of the Extension of the SAIL Loan for Affordable/Citrus Glen, Ltd., a Florida Limited Partnership, for Citrus Glen Apartments (93S-013/94L-006)**

<b>Development Name: Citrus Glen (“Development”)</b>	<b>Location: Orange County</b>
<b>Developer/Principal: Kenneth G. Dixon/Leland Enterprises, Inc. (“Developer”); Affordable/Citrus Glen, Ltd. (“Borrower”)</b>	<b>Set-Aside: SAIL &amp; HC 100% @ 60% AMI; LURA: 51 years, EUA: 50 years</b>
<b>Number of Units: 176</b>	<b>Allocated Amount: SAIL - \$1,670,000; HC: \$848,250</b>
<b>Demographics: Family</b>	<b>Servicer: First Housing Development Corporation</b>

**1. Background**

During the 1992-93 State Apartment Incentive Loan (“SAIL”) Cycle V, Florida Housing awarded a \$1,670,000 construction/permanent loan to Affordable/Citrus Glen, Ltd. (“Borrower”), a Florida limited partnership, for the development of a 176-unit development in Orange County. The SAIL loan closed on December 28, 1993, and originally matured on June 28, 2009. The Board previously approved a loan extension to June 28, 2010. The Development also received a 1994 allocation of low-income housing tax credits of \$848,250.

**2. Present Situation**

The Borrower requests an extension of the SAIL loan, at current terms to June 28, 2020. The Borrower has been unable to refinance the Development and needs the additional time to allow for refinancing conditions to improve. The extension will also provide time for staff to workout financing terms to keep the development affordable. The Borrower has agreed to pay the FHFC loan extension fee and to extend the SAIL Land Use Restriction Agreement (“LURA”) term for an additional amount of time equal to the loan extension.

**3. Recommendation**

Approve the loan extension of the SAIL loan, at its current terms, to June 28, 2020, extend the LURA for an equal amount of time, and direct staff to proceed with loan document modification activities.

## SPECIAL ASSETS

### *Consent*

**G. Request Approval of the Extension of the SAIL Loan for Regal Trace, Ltd., a Florida Limited Partnership, for Regal Trace Apartments (93S-009/93L-008/93L-114)**

<b>Development Name: Regal Trace (“Development”)</b>	<b>Location: Broward County</b>
<b>Developer/Principal: Milton Jones Development Company, Inc. (“Developer”); Regal Trace, Ltd. (“Borrower”)</b>	<b>Set-Aside: SAIL &amp; HC 100% @ 60% AMI; LURA: 52 years, EUA: 50 years</b>
<b>Number of Units: 408</b>	<b>Allocated Amount: SAIL - \$4,159,047; HC: \$2,857,740</b>
<b>Demographics: Family</b>	<b>Servicer: Seltzer Management Group</b>

**1. Background**

During the 1992-93 State Apartment Incentive Loan (“SAIL”) Cycle V, Florida Housing awarded a \$4,159,047 construction/permanent loan to Regal Trace, Ltd. (“Borrower”), a Florida limited partnership, for the development of a 408-unit development in Broward County. The SAIL loan closed on January 11, 1994, and originally matured on December 31, 2011. The Board previously approved loan extensions to June 30, 2014. The Development also received a 1993 allocation of low-income housing tax credits of \$2,857,740.

**2. Present Situation**

The Borrower has requested an additional six-month extension of the SAIL loan, at current terms. The Borrower needs the additional time to complete the refinancing. The Borrower expects to close on a loan using the HUD 223(f) program in 2014 and pay off the SAIL loan with proceeds from the refinancing. The Borrower has agreed to pay the FHFC loan extension fee and extension of the SAIL Land Use Restriction Agreement (“LURA”) term equal to the loan extension.

**3. Recommendation**

Approve the six-month extension of the SAIL loan, at its current terms, to December 31, 2014, extend the LURA for an equal amount of time, and direct staff to proceed with loan document modification activities.