

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
June 24, 2016
Consent Items



ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)

Consent

I. ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)

A. Request Approval of Credit Underwriting Report for Trinity Towers East (2015-227E)

Development Name: Trinity Towers East	Location: Brevard County
Applicant/Borrower: POAH Trinity Towers East, LLC	Set-Aside(s): 20% @ 50% AMI
Developer/Principal: Preservation of Affordable Housing LLC	Demographic/Number of Units: Elderly/156
Requested Amounts: EHCL \$750,000	Development Category/Type: Rehabilitation/High Rise

1. Background/Present Situation

- a) On January 23, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-102 for Elderly Housing Community Loan (EHCL) funding to be used to provide life-safety, building preservation, health, sanitation, or security-related repairs or improvements to Developments currently serving Elderly residents aged 62 or older.
- b) On May 8, 2015, the Board approved the final scores and recommendations for RFA 2015-102, and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 22, 2015, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to POAH Trinity Towers East, LLC with a closing deadline of May 23, 2016.
- d) On May 6, 2016, the Board approved a request from the Applicant to extend the loan closing deadline from May 23, 2016 to May 23, 2017.
- e) On June 10, 2016, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit A](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2015-102.

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 PROGRAM (EHCL)

Consent

B. Request Approval of Credit Underwriting Report for Trinity Towers South (2015-228E)

Development Name: Trinity Towers South	Location: Brevard County
Applicant/Borrower: Trinity Towers South Preservation Associates LLLP	Set-Aside(s): 20% @ 50% AMI
Developer/Principal: Preservation of Affordable Housing LLC	Demographic/Number of Units: Elderly/162
Requested Amounts: EHCL \$750,000	Development Category/Type: Rehabilitation/Mid Rise

1. Background/Present Situation

- a) On January 23, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-102 for Elderly Housing Community Loan (EHCL) funding to be used to provide life-safety, building preservation, health, sanitation, or security-related repairs or improvements to Developments currently serving Elderly residents aged 62 or older.
- b) On May 8, 2015, the Board approved the final scores and recommendations for RFA 2015-102, and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 22, 2015, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Trinity Towers South Preservation Associates LLLP with a closing deadline of May 23, 2016.
- d) On May 6, 2016, the Board approved a request from the Applicant to extend the loan closing deadline from May 23, 2016 to May 23, 2017.
- e) On June 10, 2016, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit B](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2015-102.

2. Recommendation

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

9% HOUSING CREDITS

Consent

II. 9% HOUSING CREDITS

A. Request Approval to Minimally Exceed Subcontractor Cost Limit for Pinnacle Heights (RFA 2014-116 / 2015-211C)

Development Name: Pinnacle Heights	Location: Miami-Dade County
Applicant/Borrower: Pinnacle Heights, LLC	Set Aside(s): 10% @ 33% AMI and 90% @ 60% AMI
Developer/Principal: Pinnacle Housing Group	Demographic/Number of units: Family / 104 units
Requested Amounts: \$2,560,900.00 Housing Credits	Development Category/Type: New Construction / High Rise

1. Background/Present Situation

- a) Pinnacle Heights (RFA 2014-116 / 2015-211C) is a Competitive Housing Credit, New Construction Development providing 104 set-aside units in Miami-Dade County, Florida. The Applicant was invited to enter credit underwriting on September 21, 2015. Subsequently, Florida Housing issued an allocation of \$2,560,900.00 in Housing Credits in December of 2015.
- b) The Developer has requested Board approval, required by Rule 67-48.0072(17)(f), F.A.C., to allow one subcontractor (CB Structures) to receive more than 31% of construction cost to deliver the building shell of a building of at least five (5) stories ([Exhibit A](#)). Pinnacle Heights is a high-rise Development, consisting of 13 stories. The building shell represents approximately of 37.43% of the total construction costs.
- c) First Housing Development Corporation (“First Housing”) has reviewed the Applicant’s request and several bids from other subcontractors, and has corresponded with the construction consultant, GLE Associates, Inc.
- d) As a result of the above, First Housing has provided a positive recommendation to this request, attached as [Exhibit B](#).

2. Recommendation

- a) Approve the request to allow the 31% subcontractor limit to be exceeded as referenced above.

9% HOUSING CREDITS

Consent

B. Request Approval to Minimally Exceed Subcontractor Cost Limit for Oakland Preserve (RFA 2013-003/2014-241C/2015-278C)

Development Name: Oakland Preserve	Location: Broward County
Applicant/Borrower: Oakland Preserve, LLC	Set Aside(s): 10% @ 30% AMI and 90% @ 60% AMI
Developer/Principal: Pinnacle Housing Group	Demographic/Number of units: Family / 80 units
Requested Amounts: \$1,435,000.00 Housing Credits	Development Category/Type: New Construction / Garden Apartments

1. Background/Present Situation

- a) Oakland Preserve (RFA 2013-003/2014-241C/2015-278C) is a Competitive Housing Credit, New Construction Development providing 80 set-aside units in Broward County, Florida. The Applicant was invited to enter credit underwriting on June 13, 2014. Subsequently, Florida Housing issued an allocation of \$1,435,000.00 in Housing Credits in December of 2014.
- b) The Developer has requested Board approval, required by Rule 67-48.0072(17)(f), F.A.C., to allow one subcontractor (CB Structures) to receive more than 20% of construction cost ([Exhibit C](#)). The garden style building shell represents approximately of 26.16% of the total construction costs.
- c) Seltzer Management Group (“Seltzer”) has reviewed the Applicant’s request and several bids from other subcontractors, and the Pre-Construction Plan and Cost Review.
- d) As a result of the above, Seltzer has provided a positive recommendation to this request, attached as [Exhibit D](#).

2. Recommendation

- a) Approve the request to allow the 20% subcontractor limit to be exceeded as referenced above.

9% HOUSING CREDITS

Consent

C. **Request Approval of Principal of Developer Change for Brandon Palms (RFA 2014-115 / 2015-155C)**

Development Name: Brandon Palms	Location: Hillsborough County
Applicant/Borrower: Blue Brandon Palms, LLC	Set Aside(s):10% @ 40% AMI and 90% @ 60% AMI
Developer/Principal: Blue Sky Communities	Demographic/Number of units: New Construction / 120 units
Requested Amounts: \$2,110,000 Housing Credits	Development Category/Type: New Construction / Mid-Rise

1. **Background/Present Situation**

- a) Brandon Palms (RFA 2014-115 / 2015-155C) is a Competitive Housing Credit, New Construction Development providing 120 set-aside units in Hillsborough County, Florida. The Applicant was invited to enter credit underwriting on August 10, 2015. Subsequently, Florida Housing issued an allocation of \$2,110,000.00 in Housing Credits in December of 2015.
- b) The Developer has requested Board approval, required by Rule 67-48.004(3)(b), F.A.C., to allow a change in the Principals of the Developer. The Principals of the Developer as submitted in the RFA is attached as [Exhibit E](#).
- c) The Developer proposes to admit Blue Sky Communities as a new Principal of the Developer. All other Principals as submitted in the RFA will remain unchanged ([Exhibit F](#)).

2. **Recommendation**

- a) Approve the request to allow for the admission of a new Principal of the Developer as referenced above.

9% HOUSING CREDITS

Consent

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

Development Name: Washington Square	Location: Miami-Dade County
Applicant/Borrower: Green Turnkey Plaza, Ltd.	Set Aside(s): 10% @ 28% AMI and 90% @ 60 AMI
Developer/Principal: Carlisle Development Group	Demographic/Number of units: Elderly / 89 units
Requested Amounts: \$2,288,607.00 Housing Credits	Development Category/Type: Redevelopment / High Rise

1. Background/Present Situation

- a) Washington Square (2011-208C/2012-004C) is a new construction Development providing 89 set-aside units in Miami-Dade County. The Applicant entered credit underwriting in June 2012, and received a Carryover Allocation Agreement in August 2012.
- b) On December 11, 2015, the Board approved the replacement of CDG Green Turnkey Plaza, LLC (“managing general partner”), and Matthew Greer with Banc of America CDC Special Holding Company, Inc. (formerly the “special limited partner”) until a replacement general partner could be found.
- c) On April 21, 2016, staff received a request to replace Banc of America CDC Special Holding Company, Inc. with APC Washington Square, LLC as general partner. ([Exhibit G](#)) APC Washington Square, LLC is an affiliate of Atlantic Pacific Communities, which has been involved in the operation of this project. Atlantic Pacific Community Management, LLC formally assumed the role of management agent in November 2015.

2. Recommendation

- a) Staff recommends the Board grant the Applicant’s request for replacement of the managing general partner.

9% HOUSING CREDITS

Consent

E. Request Approval to Waive Required Feature for The Graham at Gracepoint (2015-140CS)

Development Name: The Graham at Gracepoint	Location: Hillsborough County
Applicant/Borrower: The Graham at Gracepoint, LLC	Set Aside(s): 15% @ 40% AMI and 85% @ 60% AMI
Developer/Principal: DDA Development	Demographic/Number of units: Homeless / 90 units
Requested Amounts: \$1,460,000 Housing Credits and \$4,500,000 SAIL Loan	Development Category/Type: New Construction / Garden Apartments

1. Background/Present Situation

- a) On November 21, 2014, Florida Housing Finance Corporation issued Request for Applications (RFA) 2014-114 for Housing Credit Financing for Affordable Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties.
- b) On May 8, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities. On June 1, 2015, the Applicant was invited to enter credit underwriting.
- c) On November 25, 2015, staff received a final credit underwriting report with a positive recommendation for funding, and the Board approved this report at its December 11, 2015 meeting.
- d) On February 25th, staff received a request to waive the requirement from the RFA to provide a “bathtub with shower in at least one bathroom in at least 90% of the new construction non-Elderly units.” The request was made based on the expected mobility issues that some residents may have, making it difficult for them to enter the shower/tub combination. After discussion with staff, the applicant is requesting to waive the requirement for a total of 48 of the 90 units. The applicant will be held to the following requirement, resulting in 46.6%, or 42 units, that have a bathtub with shower:
 - (1) All 30 2BR/2BA units will have a bathtub with shower in at least one bathroom;
 - (2) 12 1BR/1BA units will have a bathtub with shower; 8 of these units must be for the homeless demographic, 4 must be for non-homeless;
 - (3) 48 1BR/1BA units will not be required to have a bathtub.

2. Recommendation

- a) Approve the request to waive the RFA requirement and allow the above proposed arrangement.

LEGAL

Consent

III. LEGAL

A. In Re: Southern Villas LLC - FHFC Case No. 2016-010VW

Development Name: (“Development”):	Southern Villas
Developer/Principal: (“Developer”):	Gorman & Company, Inc. Hana Eskra, Managing Director
Number of Units: 60	Location: St. Johns County
Type: Garden apartments	Set Asides: 100% at 60% AMI 30% at 33% AMI
Demographics: Elderly Preservation	9% HC: \$365,009

1. Background

- a) Petitioner Southern Villas LLC was selected to receive competitive housing credits (HC) to assist in the renovation of an existing Development serving low-income elderly tenants in Saint Augustine, Florida. On February 17, 2016, Florida Housing received a “Petition for Waiver of Rule 67-48.0072(13)(b) for Maintenance of Excess Reserve Funds.” Florida Housing issued a Request for Additional Information on March 11, and Petitioner filed an amended Petition on May 24 that included the requested information. A copy of the amended Petition is attached as [Exhibit A](#)

2. Present Situation

- a) Rule 67-48.0072, Fla. Admin. Code, requires an Applicant for competitive HC to include an estimate for replacement reserves.

(13) For Competitive HC, SAIL, and HOME, in addition to operating expenses, the Credit Underwriter must include an estimate for replacement reserves and operating expense reserves deemed appropriate by the Credit Underwriter when calculating the final net operating income available to service the debt. A minimum amount of \$300 per unit per annum must be used for all Developments.

(b) . . . An Applicant may choose to fund a portion of the replacement reserves at closing. The amount cannot exceed 50 percent of the required replacement reserves for two (2) years and must be placed in escrow at closing.

- b) Petitioner seeks a waiver that will allow it to fund a replacement reserve account in an amount greater than that allowed by rule. Petitioner is seeking this waiver because the acquisition of the Development was funded in part by assumption of existing loans made by the U.S. Department of Agriculture (USDA), Rural Housing Service to the then-current owner. A component of this included a replacement reserve account in the amount of \$486,515. The reserve account can only be used for planned expenditures authorized by USDA. USDA has agreed to allow Petitioner to expend approximately \$312,000 for certain site improvements, leaving a reserve account of approximately \$150,000. Under Florida Housing’s rules, the reserve amount would not be allowed to exceed \$24,540. Unless the waiver is granted, Petitioner will be out of compliance

LEGAL

Consent

either with USDA requirements or Florida Housing rules, and funding for the Development will be jeopardized.

- c) 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.

- d) 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(13)(b), Fla. Admin. Code, so that Petitioner will be able to fund its replacement reserve account in accordance with USDA requirements.

LEGAL

Consent

B. In Re: SP CC Apartments, LLC

SP HK Apartments, LLC

SP HV Apartments, LLC

SP SG Apartments, LLC

FHFC Case No. 2016-021VW

Development Name: (“Development”):	Columbus Court
Developer/Principal: (“Developer”):	Southport Development, Inc. David Page, President
Number of Units: 160	Location: Hillsborough County
Type: Garden Apartments	Set Asides: 90% at 60% AMI 10% at 40% AMI
Demographics: Family	SAIL: \$3,175,000.00 ELI: \$789,900.00 MMRB: \$12,200,000 4% HC: \$882,334

Development Name: (“Development”):	Hickory Knoll
Developer/Principal: (“Developer”):	Southport Development, Inc. David Page, President
Number of Units: 96	Location: Marion County
Type: Garden Apartments	Set Asides: 90% at 60% AMI 10% at 45% AMI
Demographics: Family	SAIL: \$3,150,000 ELI: \$304,800 MMRB: \$6,400,000 4% HC: \$450,000

Development Name: (“Development”):	Hampton Villa
Developer/Principal: (“Developer”):	Southport Development, Inc. David Page, President
Number of Units: 60	Location: Duval County
Type: Garden Apartments	Set Asides: 90% at 60% AMI 10% at 35% AMI
Demographics: Family	SAIL: \$2,000,000 ELI: \$340,800 MMRB: \$3,800,000 4% HC: \$250,000

Development Name: (“Development”):	Seminole Gardens
Developer/Principal: (“Developer”):	Southport Development, Inc. David Page, President
Number of Units: 108	Location: Seminole County
Type: Garden Apartments	Set Asides: 90% at 60% AMI 10% at 40% AMI
Demographics: Family	SAIL: \$2,800,000 ELI: \$536,500 MMRB: \$6,750,000 4% HC: \$500,000

LEGAL

Consent

1. Background

- a) This case involves four different petitioners, each under separate ownership but sharing a common developer (Southport Development, Inc.). Because each petitioner was requesting the same relief from the same rule provision, a single petition was submitted for all four.
- b) Petitioners were selected to receive SAIL Financing of Affordable Multifamily Housing Developments under RFA 2015-112, to be used in conjunction with Multifamily Mortgage Revenue Bonds¹ (MMRB) and non-competitive Housing Credits to assist in the acquisition and rehabilitation of existing Developments serving low-income families. On June 8, 2016, Florida Housing received a Petition for Waiver of Rule 67-21.013, F.A.C., to allow the purchase of non-credit enhanced bonds by an entity that does not meet the definition of a Qualified Institutional Buyer. A copy of the amended Petition is attached as [Exhibit B](#).

2. Present Situation

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

67-21.013 Non-Credit Enhanced Multifamily Mortgage Revenue Bonds

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

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

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

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

LEGAL

Consent

- b) Petitioners are funding their respective Developments using, among other things, a Freddie Mac Tax Exempt Multifamily Revenue Note (Bond) under its Tax Exempt Loan (TEL) Program. Federal law requires Freddie Mac to purchase the MMRBs through an intermediary, which in this case is Jones Lang LaSalle Multifamily, LLC (“JLL”). JLL, however, does not meet the definition of a Qualified Institutional Buyer in Rule 67-21.002(88), Fla. Admin. Code. Petitioners seek a waiver that will allow them to use the services of JLL in order to facilitate the note/bond portion of the financing for these Developments. The notes/bonds will ultimately be sold to Freddie Mac (which is a QIB) in accordance with an executed commitment letter between JLL and Freddie Mac. Unless the waiver is granted, Petitioners will be required to find alternate financing, and funding for the Developments will be jeopardized.
- c) On June 10, 2016, Notice of the Petition was published in the Florida Administrative Register in Volume 42, Number 113. 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. Petitioners have demonstrated that the waiver is needed because of circumstances beyond their control, and that they would suffer a substantial hardship if the waiver is not granted. Petitioners have 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** Petitioners’ request for a waiver of Rule 67-21.013, Fla. Admin. Code, so that JLL will be able to purchase the MMRBs as part of the TEL Program and will not be required to submit an investment letter.

LEGAL

Consent

C. In Re: Marcia Gardens, LLC - FHFC Case No. 2016-022VW

Development Name: (“Development”):	Marcia Gardens
Developer/Principal: (“Developer”):	RUDG-Vanguardian Alberto Milo, VP
Number of Units: 70	Location: Miami-Dade County
Type: Garden apartments	Set Asides: 44 High HOME units 11 Low HOME units
Demographics: Elderly	HOME: \$4,500,000 MMRB: \$15,500,000 4% HC: \$922,858

1. Background

- a) Petitioner was selected to receive HOME Financing of Affordable Multifamily Housing Developments under RFA 2015-110, to be used in conjunction with Multifamily Mortgage Revenue Bonds³ (MMRB) and non-competitive Housing Credits to assist in the construction of a Development serving low-income families. On June 8, 2016, Florida Housing received a Petition for Waiver of Rule 67-21.013 to allow the purchase of non-credit enhanced revenue bonds by an entity that does not meet the definition of a Qualified Institutional Buyer. A copy of the amended Petition is attached as [Exhibit C](#).

2. Present Situation

- a) Rule 67-21.013, Fla. Admin. Code, allows a non-credit enhanced revenue bond to be sold only to a Qualified Institutional Buyer (QIB), as defined in Rule 67-21.002(88), F.A.C.⁴ The rule also requires that the purchaser of such bonds provide an investment letter.

67-21.013 Non-Credit Enhanced Multifamily Mortgage Revenue Bonds

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

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

³ The particular form of indebtedness here is a note. However, the rule to be waived uses the term “bonds,” which is defined in Section 420.503(4), F.S., to include any note issued by the Corporation.

⁴ QIBs are sometimes referred to as sophisticated investors that are capable of understanding and managing the risks associated with a non-credit enhanced bond.

LEGAL

Consent

purchasing such Bonds for its own account and not for immediate resale to a purchaser other than a Qualified Institutional Buyer, and has made an independent investment decision as a sophisticated or institutional investor.

- b) Petitioner is funding its Development using, among other things, a Freddie Mac Tax Exempt Multifamily Revenue Note (Bond) under its Tax Exempt Loan (TEL) Program. Federal law requires Freddie Mac to purchase the bonds through an intermediary, which in this case is Pillar Multifamily, LLC (“Pillar”). Pillar, however, does not meet the definition of a Qualified Institutional Buyer in Rule 67-21.002(88), Fla. Admin. Code. Petitioner seeks a waiver that will allow it to use the services of Pillar in order to facilitate the note/bond portion of the financing for these Developments. The notes/bonds will ultimately be sold to Freddie Mac (which is a QIB) in accordance with an executed commitment letter between Pillar and Freddie Mac. Unless the waiver is granted, Petitioner will be required to find alternate financing, and funding for the Development will be jeopardized.
- c) On June 10, 2016, Notice of the Petition was published in the Florida Administrative Register in Volume 42, Number 113. To date, Florida Housing has received no comments concerning the Petition.
- d) Section 120.542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- e) Granting the requested waiver would not have any impact on other participants in funding programs administered by Florida Housing, nor would it have a detrimental impact on Florida Housing. Petitioner has demonstrated that the waiver is needed because of circumstances beyond its control, and that it would suffer a substantial hardship if the waiver is not granted. Petitioner has also demonstrated that the purpose of the underlying statute, which is to “encourage development of low-income housing in the state” (§420.5099, Fla. Stat.), would still be achieved if the waiver is granted.

3. **Recommendation**

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

MULTIFAMILY BONDS

Consent

IV. MULTIFAMILY BONDS

A. Request Approval of Credit Underwriting Report for Century Park (2015-104B / 2016-105H)

Development Name: Century Park	Location: Escambia County
Applicant/Borrower: Century Park Apartments, LP	Set Aside(s): 85% @ 60% AMI (MMRB) 100% @ 60% AMI (Housing Credits) 20% of HOME assisted units @ 50% AMI (HOME) 80% of HOME assisted units @ 80% AMI (HOME)
Developer/Principal: The Paces Foundation, Inc.	Demographic/Number of units: Family / 50 units
Requested Amounts: \$8,500,000 MMRB \$5,749,980 HOME \$404,384 Housing Credits	Development Category/Type: New Construction / Garden Apartments

1. Background/Present Situation

- a) On September 4, 2015, Florida Housing issued a Request for Applications (RFA) 2015-110 for the Financing of Affordable Multifamily Housing Developments with HOME Funding to be used in Conjunction with Florida Housing-Issued Multifamily Mortgage Revenue Bond Financing and Non-Competitive Housing Credits.
- b) As required in RFA 2015-110, the Applicant submitted a Non-Competitive Application package requesting MMRB in the amount of \$8,500,000 and Housing Credits in the amount of \$392,298.
- c) On December 11, 2015, the Board approved the final scores and recommendations for RFA 2015-110 and directed staff to proceed with all necessary credit underwriting activities.
- d) On January 13, 2016, staff issued an invitation to enter credit underwriting to the Applicant.
- e) Staff reviewed the credit underwriting report, giving a positive recommendation for a HOME loan in the amount of \$5,749,980 and \$8,500,000 in Tax Exempt MMRB ([Exhibit A](#)). Staff finds that the development meets all of the requirements of RFA 2015-110 and the Non-Competitive Application.

2. Recommendation

- a) Approve the recommendation of the Credit Underwriter outlined in the final credit underwriting report, recommending and allocating \$8,500,000 in tax exempt MMRB and \$5,749,980 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 Credit Underwriting Report for Mary Eaves (2015-103B / 2016-108H)

Development Name: Mary Eaves	Location: Duval County
Applicant/Borrower: Mary Eaves, Ltd.	Set Aside(s): 100% @ 60% AMI (MMRB & Housing Credits) 20% of HOME assisted units @ 50% AMI (HOME) 80% of HOME assisted units @ 60% AMI (HOME)
Developer/Principal: TVC Development, Inc.	Demographic/Number of units: Elderly / 80 units
Requested Amounts: \$6,400,000 MMRB \$5,300,000 HOME \$496,027 Housing Credits	Development Category/Type: New Construction / Mid-Rise, 4-stories

1. Background/Present Situation

- a) On September 4, 2015, Florida Housing issued a Request for Applications (RFA) 2015-110 for the Financing of Affordable Multifamily Housing Developments with HOME Funding to be used in Conjunction with Florida Housing-Issued Multifamily Mortgage Revenue Bond Financing and Non-Competitive Housing Credits.
- b) As required in RFA 2015-110, the Applicant submitted a Non-Competitive Application package requesting MMRB in the amount of \$6,400,000 and Housing Credits in the amount of \$445,495.
- c) On December 11, 2015, the Board approved the final scores and recommendations for RFA 2015-110 and directed staff to proceed with all necessary credit underwriting activities.
- d) On January 13, 2016, staff issued an invitation to enter credit underwriting to the Applicant.
- e) Staff reviewed the credit underwriting report, giving a positive recommendation for a HOME loan in the amount of \$5,300,000 and \$6,400,000 in Tax Exempt MMRB ([Exhibit B](#)). Staff finds that the development meets all of the requirements of RFA 2015-110 and the Non-Competitive Application.

2. Recommendation

- a) Approve the recommendation of the Credit Underwriter outlined in the final credit underwriting report, recommending and allocating \$6,400,000 in tax exempt MMRB and \$5,300,000 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

C. Request Approval of Credit Underwriting Report for Sunset Pointe (2015-105B / 2016-107H)

Development Name: Sunset Pointe	Location: Miami-Dade County
Applicant/Borrower: Sunset Pointe Associates, Ltd.	Set Aside(s): 40% @ 60% AMI (MMRB) 100% @ 60% AMI (Housing Credits) 20% of HOME assisted units @ 50% AMI (HOME) 80% of HOME assisted units @ 60% AMI (HOME)
Developer/Principal: Cornerstone Group Partners, LLC	Demographic/Number of units: Family/ 82 units
Requested Amounts: \$9,200,000 MMRB \$4,346,000 HOME \$670,172 Housing Credits	Development Category/Type: New Construction / Garden Apartments

1. Background/Present Situation

- a) On September 4, 2015, Florida Housing issued a Request for Applications (RFA) 2015-110 for the Financing of Affordable Multifamily Housing Developments with HOME Funding to be used in Conjunction with Florida Housing-Issued Multifamily Mortgage Revenue Bond Financing and Non-Competitive Housing Credits.
- b) As required in RFA 2015-110, the Applicant submitted a Non-Competitive Application package requesting MMRB in the amount of \$8,600,000 and Housing Credits in the amount of \$587,272. The Applicant has subsequently increased the MMRB request amount to \$9,200,000.
- c) On December 11, 2015, the Board approved the final scores and recommendations for RFA 2015-110 and directed staff to proceed with all necessary credit underwriting activities.
- d) On January 13, 2016, staff issued an invitation to enter credit underwriting to the Applicant.
- e) Staff reviewed the credit underwriting report, giving a positive recommendation for a HOME loan in the amount of \$4,346,000 and \$9,200,000 in Tax Exempt MMRB ([Exhibit C](#)). Staff finds that the development meets all of the requirements of RFA 2015-110 and the Non-Competitive Application.

2. Recommendation

- a) Approve the recommendation of the Credit Underwriter outlined in the final credit underwriting report, recommending and allocating \$9,200,000 in tax exempt MMRB and \$4,346,000 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 Credit Underwriting Report for Trinity Towers East (2016-168BS)

Development Name: Trinity Towers East	Location: Brevard County
Applicant/Borrower: Trinity Towers East Preservation Associates LLLP	Set Aside(s): 90% @ 60% AMI (MMRN & Housing Credits) 10% @ 35% AMI (SAIL and ELI) 80% @ 60% AMI (SAIL) 20% @ 50% AMI (EHCL)
Developer/Principal: Preservation of Affordable Housing LLC	Demographic/Number of units: Elderly / 156 units
Requested Amounts: \$10,500,000 MMRN \$4,018,404 SAIL \$889,600 ELI \$484,584 Housing Credits	Development Category/Type: Acquisition and Rehabilitation / High Rise

1. Background/Present Situation

- a) On October 9, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-112 for the SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On January 11, 2016, the Applicant entered credit underwriting at-risk.
- c) On March 18, 2016, the Board approved the Final Order(s) allowing staff to proceed with invitations to credit underwriting and preliminary awards.
- d) On May 11, 2016, staff approved the Applicant's requested to increase the MMRN request amount from \$8,500,000 to \$10,500,000.
- e) Staff reviewed the credit underwriting report, giving a positive recommendation for a SAIL loan in the amount of \$4,018,404, ELI Gap funding in the amount of \$889,600, and \$10,500,000 in Tax Exempt MMRN ([Exhibit D](#)). Staff finds that the development meets all of the requirements of RFA 2015-112.
- f) Staff is concurrently taking a request to approve a credit underwriting report for Trinity Towers East for an Elderly Housing Community Loan (EHCL) to POAH Trinity Towers East, LLC. POAH Trinity Towers East, LLC is selling the development to Trinity Towers East Preservation Associates LLLP. Staff request approval of the assignment, assumption, and subordination of the EHCL loan and LURA.

MULTIFAMILY BONDS

Consent

2. **Recommendation**

- a) Approve the recommendation of the Credit Underwriter outlined in the final credit underwriting report recommending and allocating \$10,500,000 in Tax Exempt MMRN, \$4,018,404 in SAIL funding, and \$889,600 in ELI Gap funding for the rehabilitation of the Development and the assignment, assumption, and subordination of the EHCL loan and LURA, subject to further approvals and verifications by the Credit Underwriter, Note Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

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

Development Name: Centerra	Location: Miami-Dade County
Applicant/Borrower: Centerra Associates, Ltd.	Set Aside(s): 40% @ 60% AMI (MMRB) 94% @ 60% AMI (Housing Credits) 10% of HOME assisted units @ 50% AMI (HOME) 41% of HOME assisted units @ 60% AMI (HOME)
Developer/Principal: Cornerstone Group Partners, LLC	Demographic/Number of units: Family / 104 units
Requested Amounts: \$14,500,000 MMRB \$5,304,000 HOME \$1,004,859 Housing Credits	Development Category/Type: New Construction / Townhouses

1. Background/Present Situation

- a) On September 4, 2015, Florida Housing issued a Request for Applications (RFA) 2015-110 for the Financing of Affordable Multifamily Housing Developments with HOME Funding to be used in Conjunction with Florida Housing-Issued Multifamily Mortgage Revenue Bond Financing and Non-Competitive Housing Credits.
- b) As required in RFA 2015-110, the Applicant submitted a Non-Competitive Application package requesting MMRB in the amount of \$14,000,000 and Housing Credits in the amount of \$916,369. The Applicant has subsequently increased the MMRB request amount to \$14,500,000.
- c) On December 11, 2015, the Board approved the final scores and recommendations for RFA 2015-110 and directed staff to proceed with all necessary credit underwriting activities.
- d) On January 13, 2016, staff issued an invitation to enter credit underwriting to the Applicant.
- e) Staff reviewed the credit underwriting report, giving a positive recommendation for a HOME loan in the amount of \$5,304,000 and \$14,500,000 in Tax Exempt MMRB ([Exhibit E](#)). Staff finds that the development meets all of the requirements of RFA 2015-110 and the Non-Competitive Application.

2. Recommendation

- a) Approve the recommendation of the Credit Underwriter outlined in the final credit underwriting report, recommending and allocating \$14,500,000 in tax exempt MMRB and \$5,304,000 in HOME funding for the construction of the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

F. Request Approval of the Method of Bond (Note) Sale Recommendation from Florida Housing's Independent Registered Municipal Advisor and Assignment of Loan Placement Agent

1. Background

- a) Pursuant to staff's request for approval to issue bonds and/or notes to finance the construction/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. A brief description of the Developments are detailed below, along with staff's recommendations.
- b) Pursuant to Rule 67-21.0045, F.A.C., staff has requested a review of the proposed financing structures by the Independent Registered Municipal Advisor (IRMA) in order to make recommendation to the Board for the method of bond and/or note issuance for the developments. Caine Mitter and Associates Incorporated has prepared an analysis and recommendation for the method of bond and/or note issuance for the Developments. The recommendation letters are attached as Exhibit F through J.

2. Present Situation

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

3. Recommendation

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

Development Name	Location of Development	Number of Units	Method of Bond Sale	Recommended Professional	Exhibit
Century Park	Escambia County	50	Private Placement	RBC Capital Markets, LLC	Exhibit F
Mary Eaves	Duval County	80	Private Placement	RBC Capital Markets, LLC	Exhibit G
Sunset Pointe	Miami-Dade County	82	Private Placement	RBC Capital Markets, LLC	Exhibit H
Trinity Towers East	Brevard County	156	Note Placement	RBC Capital Markets, LLC	Exhibit I
Centerra	Miami-Dade County	104	Private Placement	RBC Capital Markets, LLC	Exhibit J

MULTIFAMILY PROGRAMS

Consent

V. MULTIFAMILY PROGRAMS

A. Request Waiver of Construction Features and Amenities Requirement in RFA 2013-004 for The Villages at Noah's Landing (2014-138CGS)

Development Name: The Villages at Noah's Landing	Location: Polk County
Applicant/Borrower: The Villages at Noah's Landing, Ltd.	Set Aside(s): 25% @ 40% AMI and 75% @ 60% AMI
Developer/Principal: Royal American Development, Inc., and Noah's Ark of Central Florida, Inc.	Demographic/Number of units Persons with Developmental Disabilities/126
Requested Amounts: SAIL \$1,320,000, ELI \$1,000,000, Grant 1,500,000, 9% HC \$1,100,000	Development Category/Type: New Construction/ Duplex, Garden, Single Family (rental)

1. Background/Present Situation

- a) On October 11, 2013, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2013-004 for Financing to Build Larger Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On December 13, 2013, the Board approved the final scores and recommendations and directed 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 December 19, 2013.
- c) The Board approved a waiver to change the Development Type on December 12, 2014. The credit underwriting report and Applicant name change was Board approved on January 30, 2015. After a series of Board approved closing extensions between September 2014 and February 2015, the grant and loans closed on April 16, 2015.
- d) On May 18, 2016, staff received a letter from the Borrower ([Exhibit A](#)) requesting a waiver of the Construction Features and Amenities requirement of RFA 2013-004, which states that all proposed Developments that select the Development Category of new construction must include the required Green Building, Accessibility, Adaptability, Universal Design and Visitability Features. The Borrower requests a waiver of the following:
 - (1) "Primary entrance door shall have a threshold with no more than a ½-inch rise" to be replaced with "Primary entrance door shall have a threshold with no more than a ½-inch rise (required on the first floor only)". The second floor units are not on the accessibility path, and there are no elevators.
 - (2) "Toilets must be 17 inches to 19 inches in height as measured from the finished floor to the top of the toilet seat" to be replaced with "Toilets must be 17 inches to 19 5/8 inches in height as measured from the finished floor to the top of the toilet seat". The 19 5/8 inch toilet seats were upgrades which resulted in exceeding the limitation in the RFA.

MULTIFAMILY PROGRAMS

Consent

2. **Recommendation**

- a) Approve the requested waiver of Construction Features and Amenities requirement in RFA 2013-004 as stated above for this transaction, and allow staff to amend the Land Use Restriction Agreements and/or Extended Use Agreements for the Development as appropriate.

MULTIFAMILY PROGRAMS

Consent

B. Request Approval of Credit Underwriting Report for Detmer Place (2015-272G)

Development Name: Detmer Place	Location: Citrus County
Applicant/Borrower: Citrus County Association for Retarded Citizens, Inc.	Set-Asides: 33% @ 45% AMI & 67% @ 60% AMI
Developer/Principal: N/A	Demographic/Number of Residents: Persons with Developmental Disabilities/6 Residents
Requested Amount: \$392,000 Grant funding	Development Category/Type: New Construction/Single Family

1. Background/Present Situation

- a) On August 14, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-105 for Financing to Build Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On December 11, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 17, 2015, staff issued a Letter of Preliminary Award to Citrus County Association for Retarded Citizens, Inc., and on January 22, 2016, staff issued an invitation to enter credit underwriting.
- d) On June 3, 2016, staff received a credit underwriting report with a positive recommendation for a grant in the amount of \$392,000 ([Exhibit B](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2015-105.

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

C. **Request Approval of Grant Closing Extension for The Deleon Residential Facility (2015-017G)**

Development Name: The Deleon Residential Facility	Location: St. Lucie County
Applicant/Borrower: The Arc of St. Lucie County, Inc.	Set-Aside: 33% @ 40% AMI & 67% @ 60% AMI
Developer/Principal: N/A	Demographic/Number of Residents: Persons with Developmental Disabilities/6 Residents
Requested Amount: \$188,000 Grant Funding	Development Category/Type: New Construction/Single Family

1. **Background/Present Situation**

- a) On October 24, 2014, Florida Housing Finance Corporation issued a request for applications (RFA) 2014-112 for financing to build or rehabilitate smaller permanent supportive housing properties for persons with developmental disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities. On February 6, 2015, staff issued a letter of preliminary award, and on February 24, 2015, staff issued an invitation to enter credit underwriting.
- c) On December 11, 2015, the Board approved the final credit underwriting report and directed staff to proceed with issuance of a firm commitment and closing activities. Staff issued a firm commitment for funding on December 15, 2015.
- d) On March 18, 2016, the Board approved a grant closing extension to May 31, 2016, which would allow additional time to receive the permits necessary to obtain a septic system for a 6 bedroom home.
- e) Subsequently, the St. Lucie County Department of Planning provided a list of tasks to be completed and cleared in order to complete the Plan and Cost Review. As a result, on May 27, 2016, staff received a request from the Applicant to further extend the grant closing deadline.

2. **Recommendation**

- a) Approve the additional closing extension until October 28, 2016.

MULTIFAMILY PROGRAMS

Consent

D. Request Approval of Grant Closing Extension for Greenwood Court Group Home (2015-007G)

Development Name: Greenwood Court Group Home	Location: Hillsborough County
Applicant/Borrower: Life Concepts, Inc. dba Quest, Inc.	Set-Aside: 33% @ 40% AMI and 67% @ 60% AMI
Developer/Principal: N/A	Demographic/Number of Residents: Persons with Developmental Disabilities/6 Residents
Requested Amount: \$101,000 Grant Funding	Development Category/Type: New Construction/Single Family

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities. On February 6, 2015, staff issued a Notice of Preliminary Award to Life Concepts, Inc. dba Quest, Inc., and on February 27, 2015, staff issued an invitation to enter credit underwriting.
- c) On October 9, 2015, staff received a credit underwriting report with a positive recommendation for a grant in the amount of \$101,000. Staff reviewed this report and found that the development meets all of the requirements of RFA 2014-112. The report was approved by the Board on October 30, 2015, and the Applicant executed their firm commitment of November 3, 2015.
- d) On March 18, 2016, the Board approved a grant closing extension to June 30, 2016. The Applicant had challenges working with their general contractor, and has had to hire a new general contractor. The Applicant is requesting an additional extension of the closing deadline to complete an update to the credit underwriting report (to be approved by the Board), including a review of the new general contractor.

2. Recommendation

- a) Approve the additional closing extension until October 28, 2016.

MULTIFAMILY PROGRAMS

Consent

E. Request Approval of Grant Closing Extension for Overhill Group Home (2015-020G)

Development Name: Overhill Group Home	Location: Hillsborough County
Applicant/Borrower: Life Concepts, Inc. dba Quest, Inc.	Set-Aside: 33% @ 40% AMI and 67% @ 60% AMI
Developer/Principal: N/A	Demographic/Number of Residents: Persons with Developmental Disabilities/6 Residents
Requested Amount: \$101,000 Grant Funding	Development Category/Type: New Construction/Single Family

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities. On February 6, 2015, staff issued a Notice of Preliminary Award to Life Concepts, Inc. dba Quest, Inc., and on February 27, 2015, staff issued an invitation to enter credit underwriting.
- c) On October 9, 2015, staff received a credit underwriting report with a positive recommendation for a grant in the amount of \$101,000. Staff reviewed this report and found that the development meets all of the requirements of RFA 2014-112. The report was approved by the Board on October 30, 2015, and the Applicant executed their firm commitment of November 3, 2015.
- d) On March 18, 2016, the Board approved a grant closing extension to June 30, 2016. The Applicant had challenges working with their general contractor, and has had to hire a new general contractor. The Applicant is requesting an additional extension of the closing deadline to complete an update to the credit underwriting report (to be approved by the Board), including a review of the new general contractor.

2. Recommendation

- a) Approve the additional closing extension until October 28, 2016.

MULTIFAMILY PROGRAMS

Consent

F. Request Approval of Grant Closing Extension for Coulter Group Home (2015-021G)

Development Name: Coulter Group Home	Location: Hillsborough County
Applicant/Borrower: Life Concepts, Inc. dba Quest, Inc.	Set-Aside: 33% @ 40% AMI and 67% @ 60% AMI
Developer/Principal: N/A	Demographic/Number of Residents: Persons with Developmental Disabilities/6 Residents
Requested Amount: \$101,000 Grant Funding	Development Category/Type: New Construction/Single Family

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities. On February 6, 2015, staff issued a Notice of Preliminary Award to Life Concepts, Inc. dba Quest, Inc., and on February 27, 2015, staff issued an invitation to enter credit underwriting.
- c) On October 9, 2015, staff received a credit underwriting report with a positive recommendation for a grant in the amount of \$101,000. Staff reviewed this report and found that the development meets all of the requirements of RFA 2014-112. The report was approved by the Board on October 30, 2015, and the Applicant executed their firm commitment of November 3, 2015.
- d) On March 18, 2016, the Board approved a grant closing extension to June 30, 2016. The Applicant had challenges working with their general contractor, and has had to hire a new general contractor. The Applicant is requesting an additional extension of the closing deadline to complete an update to the credit underwriting report (to be approved by the Board), including a review of the new general contractor.

2. Recommendation

- a) Approve the additional closing extension until October 28, 2016.

MULTIFAMILY PROGRAMS

Consent

G. Request Approval of Credit Underwriting Report for Detmer Place (2015-272G)

Development Name: Detmer Place	Location: Citrus County
Applicant/Borrower: Citrus County Association for Retarded Citizens, Inc.	Set-Asides: 33% @ 45% AMI & 67% @ 60% AMI
Developer/Principal: N/A	Demographic/Number of Residents: Persons with Developmental Disabilities/6 Residents
Requested Amount: \$392,000 Grant funding	Development Category/Type: New Construction/Single Family

1. Background/Present Situation

- a) On August 14, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-105 for Financing to Build Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On December 11, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 17, 2015, staff issued a Letter of Preliminary Award to Citrus County Association for Retarded Citizens, Inc., and on January 22, 2016, staff issued an invitation to enter credit underwriting.
- d) On June 3, 2016, staff received a credit underwriting report with a positive recommendation for a grant in the amount of \$392,000 (Exhibit B). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2015-105.

2. Recommendation

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

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

VI. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Approval of PLP Loan for St. Johns Housing Partnership Housing, Inc., a not-for-profit entity, for SJHP Ownership (2016-005P-09)

DEVELOPMENT NAME (“Development”):	SJHP Ownership
APPLICANT/DEVELOPER (“Developer”):	St. Johns Housing Partnership, Inc.
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	16 homeownership units
LOCATION (“County”):	St. Johns County
TYPE:	Family
MINIMUM SET ASIDE:	50% @ 80% AMI, 50% @ 120% AMI
PLP LOAN AMOUNT:	\$522,293
ADDITIONAL COMMENTS: \$400,000 of the funds are requested for acquisition	

1. Background

- a) On April 18, 2016, the Developer submitted a PLP application for SJHP Ownership.
- b) On April 20, 2016, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

2. Present Situation

- a) On May 31, 2016, staff received a development plan and a letter ([Exhibit A](#)) from our technical assistance provider (TAP) recommending approval of the PLP Loan in the amount of \$522,293. Of this request amount, \$400,000 is requested for the acquisition of the site. By rule, the acquisition portion of the loan is subject to review by a credit underwriter.
- b) Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.

3. Recommendation

- a) Approve the PLP Loan in the amount of \$522,293 to St. Johns Housing Partnership, Inc., and allow staff to commence with the loan closing process on the non-site acquisition (\$122,293) funds and assign the acquisition portion of the loan to a credit underwriter.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Request Approval of PLP Loan for St. Johns Housing Partnership Housing, Inc., a not-for-profit entity, for Equinox Motel Property (2016-002P-09)

DEVELOPMENT NAME (“Development”):	Equinox Motel Property
APPLICANT/DEVELOPER (“Developer”):	St. Johns Housing Partnership, Inc.
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	14 rental units
LOCATION (“County”):	St. Johns County
TYPE:	Elderly and Veterans
MINIMUM SET ASIDE:	100% @ 50% AMI
PLP LOAN AMOUNT:	\$552,872
ADDITIONAL COMMENTS: \$500,000 of the funds are requested for acquisition	

1. Background

- a) On February 3, 2016, the Developer submitted a PLP application for Equinox Motel Property.
- b) On February 10, 2016, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

2. Present Situation

- a) On June 2, 2016, staff received a development plan and a letter ([Exhibit B](#)) from our technical assistance provider (TAP) recommending approval of the PLP Loan in the amount of \$552,872. Of this request amount, \$500,000 is requested for the acquisition of the site. By rule, the acquisition portion of the loan is subject to review by a credit underwriter.
- b) Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.

3. Recommendation

- a) Approve the PLP Loan in the amount of \$552,872 to St. Johns Housing Partnership, Inc., and allow staff to commence with the loan closing process on the non-site acquisition (\$52,872) funds and assign the acquisition portion of the loan to a credit underwriter.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

VII. PROFESSIONAL SERVICES SELECTION(PSS)

A. Renewal for the Cash Flow Verification Agent Contract

1. Background

- a) At the November 2013 meeting, the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with Causey Demgen & Moore P.C. for Cash Flow Verification Agent services.
- b) The initial three-year term of this contract began on December 2, 2013. Contingent upon the vendor satisfactorily performing its obligations under the contract as determined by Florida Housing, this contract may be renewed once for an additional three-year period.

2. Present Situation

- a) Florida Housing staff supports a renewal to extend the term of the contract for another three-year period.

3. Recommendation

- a) Staff believes that it is in the best interest of Florida Housing to continue to retain Causey Demgen & Moore P.C. pursuant to the existing contract and recommends the Board direct staff to proceed with the three-year renewal option.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

B. Contract Renewal for Investment Manager Services

1. Background

- a) At the December 2012 meeting, the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with the following firms for Investment Manager Services:
 - (1) Logan Circle Partners, L.P.
 - (2) PFM Asset Management LLC
- b) The initial three-year term for both contracts began January 2, 2013. Contingent upon these firms satisfactorily performing its obligations under the contract as determined by Florida Housing, these contracts may be renewed twice. Each renewal shall be for an additional one year period. There is one optional renewal term remaining.

2. Present Situation

- a) Florida Housing staff supports a renewal to extend the term of the contracts for the second and final one-year period.

3. Recommendation

- a) Staff believes that it is in the best interest of Florida Housing to continue to retain Logan Circle Partners, L.P. and PFM Asset Management LLC pursuant to existing contracts and recommends the Board direct staff to proceed with the second and final one-year renewal option.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

C. Renewal for the Independent Registered Municipal Advisor Contract

1. Background

- a) At the September 2014 meeting, the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with Caine Mitter & Associates Incorporated for Independent Registered Municipal Advisor services.
- b) The initial one year term of this contract began on October 3, 2014. Contingent upon the vendor satisfactorily performing its obligations under the contract as determined by Florida Housing, this contract may be renewed up to three times. Each renewal shall be for an additional one year period. Two one-year optional renewal terms remain.

2. Present Situation

- a) Florida Housing staff supports a renewal to extend the term of the contract for the second one-year period.

3. Recommendation

- a) Staff believes that it is in the best interest of Florida Housing to continue to retain Caine Mitter & Associates Incorporated pursuant to the existing contract and recommends the Board direct staff to proceed with the second one-year renewal option.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

VIII. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Loan Closing Extension for Casanas Village at Frenchtown Square (RFA 2015-103/2015-231CS)

Development Name: Casanas Village at Frenchtown Square (“Development”)	Location: Leon County
Applicant/Borrower: Frenchtown Square Partners, LLC	Set-Aside: 10% @ 33% AMI and 80% @60% AMI
Developer/Principal: Pinnacle Housing Group, LLC and Big Bend Community Development Corporation	Demographic/Number of Units: Family/88 Units
Requested Amounts: SAIL: \$2,000,000; HC 9%: \$1,510,000	Development Category/Type: New Construction/Mid-Rise (5 or 6 stories)

1. Background/Present Situation

- a) On March 26, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-103 for Housing Credit Financing to Provide Affordable Multifamily Rental Housing that is a Part of Local Revitalization Initiatives. State Apartment Incentive Loan (SAIL) Program Fund is included in the RFA along with the Housing Credits.
- b) On June 19, 2015, 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 2, 2015, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Frenchtown Square Partners, LLC.
- d) On May 20, 2016, staff received a request from the Applicant for an extension of the loan closing deadline of July 1, 2016 ([Exhibit A](#)), which will allow additional time to complete the credit underwriting process. Specifically, the Applicant is in the final stage of negotiating a construction contract, permitting, and underwriting. Per the RFA, the loan must close within 12 months of the date of the invitation to enter credit underwriting. Applicants may request one (1) extension of up to 12 months related to the loan closing. Staff has reviewed the request and finds that the development meets all of the requirements of the RFA.

2. Recommendation

- a) Approve the request to extend the loan closing deadline from July 1, 2016 to July 1, 2017, subject to payment of the required extension fee of one percent of each loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval of Loan Closing Extension for The Villages at West Lakes (RFA 2015-103/2015-232CS)

Development Name: The Villages at West Lakes (“Development”)	Location: Orange County
Applicant/Borrower: West Lakes Phase I, LP	Set-Aside: 10% @ 40% AMI and 70% @ 60% AMI
Developer/Principal: New Affordable Housing Partners, LLC and LIFT Orlando Community Development, LLC	Demographic/Number of Units: Family/200 Units
Requested Amounts: SAIL: \$2,000,000; HC 9%: \$2,110,000	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation

- a) On March 26, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-103 for Housing Credit Financing to Provide Affordable Multifamily Rental Housing that is a Part of Local Revitalization Initiatives. State Apartment Incentive Loan (SAIL) Program Funding is included in the RFA along with the Housing Credits.
- b) On June 19, 2015, 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 2, 2015, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to West Lakes Phase I, LP.
- d) On May 23, 2016, staff received a request from the Applicant for an extension of the loan closing deadline of July 1, 2016 ([Exhibit B](#)), which will allow additional time to complete the credit underwriting process. Specifically, the Applicant is in the final stages of receiving the building permit based on revised drawings to be submitted to the City of Orlando on June 6, 2016. The Applicant anticipates it will take approximately 9-10 weeks to obtain the building permit. Per the RFA, the loan must close within 12 months of the date of the invitation to enter credit underwriting. Applicants may request one (1) extension of up to 12 months related to the loan closing. Staff has reviewed the request and finds that the development meets all of the requirements of the RFA.

2. Recommendation

- a) Approve the request to extend the loan closing deadline from July 1, 2016 to July 1, 2017, subject to payment of the required extension fee of one percent of each loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

C. Request Approval of Loan Closing Extension for Ozanam Village (RFA 2015-101/2015-226S)

Development Name: Ozanam Village (“Development”)	Location: Pasco County
Applicant/Borrower: Society of St. Vincent de Paul Pinellas, Inc.	Set-Aside: 25% @ 40% AMI and 75% @60% AMI
Developer/Principal: Society of St. Vincent de Paul South Pinellas, Inc., and General Home Development Corporation of Pinellas, Inc.	Demographic/Number of Units: Adult persons with Special Needs/30 Units
Requested Amounts: SAIL: \$4,683,000 ELI Gap Loan: \$309,360	Development Category/Type: New Construction/Garden Style Apartments

1. Background/Present Situation

- a) On January 9, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-101 for SAIL Financing for Smaller Permanent Supportive Housing Developments for Persons with Special Needs.
- b) On March 20, 2015, 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 22, 2015, subsequent to Board approval of a Final Order pertaining to petitions received regarding the scoring of the RFA, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Society of St. Vincent de Paul South Pinellas, Inc.
- d) On March 18, 2016, the Board approved the final credit underwriting report and directed staff to proceed with a firm loan commitment and loan closing activities. Staff issued a firm loan commitment for funding on March 21, 2016. Per the RFA, the loan must close within 120 calendar days of the firm commitment, which is June 22, 2016. A request for an extension of the firm loan commitment may be considered by the Board for an extension term of up to 90 Calendar Days.
- e) On June 3, 2016, staff received a request from the Applicant for an extension of the loan closing deadline of June 22, 2016 ([Exhibit C](#)), which will allow additional time to obtain the necessary approval to close the loan. Specifically, The Applicant has one item that has not been approved by the closing attorneys and underwriter. Per the RFA, the loan must close within 12 months of the date of the invitation to enter credit underwriting. Applicants may request an extension of the firm loan commitment to be considered by the Board for an extension term of up to 90 calendar days. Staff has reviewed the request and finds that the development meets all of the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

2. **Recommendation**

- a) Approve the request to extend the loan closing deadline from June 22, 2016 to September 20, 2016, subject to payment of the required extension fee of one-half of one percent of each loan amount, pursuant to the requirements of the RFA.

SPECIAL ASSETS

Consent

IX. SPECIAL ASSETS

- A. **Request Approval to Refinance the First Mortgage, Transfer of Membership Interests in General Partner Entity and Release of Guarantors, for Creative Choice Homes XVI, Ltd., a Florida Limited Partnership, for Preserve at Oslo fka The Woods of Vero Beach (MR1999N1&2/GUAR/2001-505C/RFP 2010-16-28/SMI#25)**

Development Name: Preserve at Oslo fka The Woods of Vero Beach (“Development”)	Location: Indian River County
Developer/Principal: Creative Choice (“Developer”)/ Creative Choice Homes XVI, Ltd. (“Borrower”)	Set-Aside: MMRB 50% @ 60%; HC 100% @ 60%; ELI 5% @ 35% AMI ELI: 15 years; EUA: 30 years
Number of Units: 176	Allocated Amount: MMRB \$7,665,000; \$125,000; SMI \$381,155.50; ELI \$675,000; HC \$602,633
Demographics: Family	Servicer: First Housing Development Corporation

1. Background

- a) During the 1999 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a first mortgage of FHFC issued tax-exempt bonds in the original amount of \$7,665,000 and taxable bonds in the original amount of \$125,000 to Creative Choice Homes XVI, Ltd., a Florida limited partnership (“Borrower”), for the development of a 176-unit apartment complex in Indian River County, Florida. The Multifamily Revenue Bonds (“MMRB”) loan closed on September 21, 1999, and matures on October 1, 2039. The Development received a 2001 allocation of low-income housing tax credits (“HC”) of \$602,633.
- b) The Development also received a loan under the Subordinate Mortgage Initiative (“SMI”) in the original amount of \$381,155.50, but only \$367,038.53 was disbursed, which closed on January 13, 2011, and matures on February 1, 2021. Additional funds were provided to the Development through a State Apartment Incentive Loan Extremely Low Income (“SAIL ELI”) loan in the amount of \$675,000. The loan closed on October 26, 2011, and matures on October 26, 2026. The Development is credit enhanced by Florida Housing’s Guarantee Program (“Guarantee Program”).

2. Present Situation

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

SPECIAL ASSETS

Consent

- b) The Borrower further requests consent from the Board for the transfer of the membership interests in the general partner entity, Creative Choice Homes XVI, Inc., from Dilip Barot to Naimisha Barot. The Borrower also requests the release of Dilip Barot and all associated affiliates as current guarantors, and Naimisha Barot and associated affiliates will be replacement guarantors.
- c) Staff has received a credit underwriting report ([Exhibit A](#)) with a positive recommendation for approval of the new financing, subordination of the SAIL ELI loan documents, MMRB LURA, and the HC EUA to the new first mortgage, transfer of membership interests, and release of guarantors.

3. Recommendation

- a) Approve the refinancing of the first mortgage, subordination of the SAIL ELI loan documents, MMRB LURA, HC EUA, transfer of membership interests in the general partner entity, release of guarantors, and modifications to any other loan documents deemed necessary by FHFC counsel, subject to the conditions outlined in the credit underwriter's report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

B. Request Approval to Refinance the First Mortgage for Vestcor Fund XIX, Ltd., a Florida Limited Partnership, for Thomas Chase (MR2003L/2002-126BS/2003-505C)

Development Name: Thomas Chase (“Development”)	Location: Duval County
Developer/Principal: Vestcor Development Company (“Developer”)/ Vestcor Fund XIX, Ltd. (“Borrower”)	Set-Aside: MMRB 20% @ 50%; 65% @ 60%; SAIL & HC 20% @ 50%; 80% @ 60% AMI LURAs 50 years; EUA: 50 years
Number of Units: 268	Allocated Amount: MMRB \$12,200,000; SAIL \$2,000,000; HC \$599,833
Demographics: Family	Servicer: First Housing Development Corporation

1. Background

- a) During the 2003 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a first mortgage of FHFC issued tax-exempt bonds in the original amount of \$12,200,000 to Vestcor Fund XIX, Ltd., a Florida limited partnership (“Borrower”), for the development of a 268-unit apartment complex in Duval County, Florida. The Multifamily Revenue Bonds (“MMRB”) loan closed on July 2, 2003, and matures on September 1, 2036. FHFC also awarded a State Apartment Incentive Loan (“SAIL”) in the amount of \$2,000,000. The loan closed on July 2, 2003, and matures on September 1, 2036. The Development received a 2002 allocation of low-income housing tax credits (“HC”) of \$599,833.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage, the proceeds of which will be used to satisfy the existing first mortgage, by redeeming the underlying bonds. The Borrower also requests that the SAIL loan and SAIL Land Use Restriction Agreement (“LURA”) be subordinated to the first mortgage. The MMRB LURA and Housing Credit Extended Use Agreement (“HC EUA”) will also need to be subordinated to the new first mortgage.
- b) Staff has received a credit underwriting report ([Exhibit B](#)) with a positive recommendation for approval of the new financing, and subordination of the SAIL loan, MMRB and SAIL LURAs, and the HC EUA to the new first mortgage.

3. Recommendation

- a) Approve the refinancing of the first mortgage, and subordination of the SAIL loan, MMRB and SAIL LURAs, and HC EUA, and modifications to any other loan documents deemed necessary by FHFC counsel, subject to the conditions outlined in the credit underwriter’s report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities as needed.

SPECIAL ASSETS

Consent

C. **Request Approval to Refinance the First Mortgage and Renegotiate the SAIL Loan Terms for Homestead Housing Partnership II, Ltd., a Florida Limited Partnership, for San Sherri Villas (93HRR-001/96L-005)**

Development Name: San Sherri Villas (“Development”)	Location: Miami-Dade County
Developer/Principal: Richman Group (“Developer”)/ Homestead Housing Partnership II, Ltd. (“Borrower”)	Set-Aside: SAIL & HC 10% @ 40%, 15% @ 45%, 20% @ 50%, & 55% @ 60% AMI; LURA: 54 years; EUA: 50 years
Number of Units: 80	Allocated Amount: SAIL \$2,373,200; HC \$670,096
Demographics: Family	Servicer: First Housing Development Corporation

1. **Background**

- a) During the 1993 State Apartment Incentive Loan/Hurricane Andrew Recovery and Rebuilding Program (“SAIL”) Cycle, Florida Housing awarded a \$2,373,200 construction/permanent loan to Homestead Housing Partnership II, Ltd. (“Borrower”), a Florida limited partnership, for the development of an 80-unit development in Miami-Dade County. The SAIL loan closed on February 19, 1996, and originally matured on February 19, 2012. The Board previously approved extensions to February 19, 2016. The Development also received a 1996 allocation of low-income housing tax credits (“HC”) of \$670,096.

2. **Present Situation**

- a) The Borrower requests consent from the Board to refinance the existing first mortgage. The Borrower intends to obtain a first mortgage loan from Citi Community Capitol, the proceeds of which will be used to satisfy the existing first mortgage from Richmac Funding LLC, and pay all accrued 3% interest on the SAIL note.
- b) The Borrower also requests that the SAIL loan, Low Income Housing Tax Credit Extended Use Agreement (“EUA”), and the SAIL Land Use Restriction Agreement (“LURA”) be subordinated to the new first mortgage. The Borrower further requests that the SAIL loan be extended to be coterminous with the new first mortgage. The SAIL LURA will be extended by an amount of time equal to the loan extension.
- c) The Borrower has requested that the SAIL loan interest rate be renegotiated from a 9% interest rate to a 3% interest rate in accordance with section 420.5087, FS and as stated in Rule 67-48. The Borrower will pay all accrued and outstanding 3% interest on the current SAIL note as required in order for the loan to be renegotiated.
- d) Staff received a credit underwriting report ([Exhibit C](#)) from First Housing Development Corporation providing a positive recommendation for the new financing, subordination of the SAIL loan, SAIL LURA, and HC EUA to the new first mortgage, extension of the SAIL loan and LURA, and renegotiation of the SAIL loan terms.

SPECIAL ASSETS

Consent

3. **Recommendation**

- a) Approve the refinancing of the first mortgage, subordination of the SAIL loan, SAIL LURA, and HC EUA to the new first mortgage, extension of the SAIL loan and the SAIL LURA by an equal amount of time as the loan extension, renegotiation of the SAIL loan terms, and modifications to any other loan documents deemed necessary by FHFC counsel, subject to the conditions outlined in the credit underwriter's report, further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities as needed.

SPECIAL ASSETS

Consent

D. Request Approval to Refinance the First Mortgage, Renegotiation of the SAIL Loan and Transfer of Ownership Interest for Park Richey Apartments, Ltd., a Florida Limited Partnership, for Regency Palms aka Park Richey Apartments (1999-079S/1998-527C)

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

1. Background

- a) During the 1998/1999 State Apartment Incentive Loan (“SAIL”) Cycle XI, Florida Housing Finance Corporation (“Florida Housing”) awarded a SAIL loan in the amount of \$2,000,000 to Park Richey Apartments, Ltd. (“Borrower”), a Florida limited partnership, for the development of a 200-unit property in Pasco County, Florida. The loan closed on March 13, 2000, and will mature on August 1, 2031. The Development also received a 1998 allocation of low-income housing tax credits (“HC”) of \$521,946.
- b) In March 2015, the first mortgage lender Fannie Mae initiated foreclosure proceedings against the Borrower. Subsequently, Dominion Development and Acquisition, LLC (“Dominium”) acquired the loan and replaced Fannie Mae in the foreclosure proceedings. In lieu of foreclosure, Dominium reached a workout agreement with the Borrower to restructure the ownership and ultimately, the financing of the partnership, to restore the Development to a physically viable affordable housing project. Subsequently staff entered into negotiations with the Borrower and the Borrower’s request for SAIL loan modifications was approved at the September 18, 2015 meeting.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage and subordinate the SAIL loan documents, the HC Extended Low-Income Housing Agreement (“EUA”), and the SAIL Land Use Restriction Agreements (“LURA”) to the new first mortgage financing. The Borrower also requests extension of the SAIL loan term to be coterminous with the new first mortgage plus 90 days and that future SAIL payments be based upon 75% of available cash flow as required by the new first mortgage lender.
- b) The Borrower also requests approval to transfer the ownership interest from Park Richey Apartments, Ltd., to Port Richey Leased Housing Associates II, LLLP, a Florida limited liability limited partnership and an affiliate of Dominium (“Purchaser”).

SPECIAL ASSETS

Consent

- c) Staff received a credit underwriting report from Seltzer Management Group ([Exhibit D](#)) providing a positive recommendation for approval of the new first mortgage financing, renegotiation of the SAIL loan terms and transfer of ownership interest.

3. **Recommendation**

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

SPECIAL ASSETS

Consent

E. Request Approval of Supplemental Financing for Bonita Pointe Associates, Ltd., a Florida Limited Partnership, for Bonita Pointe Apartments (2003-049S/2003-523C)

Development Name: Bonita Pointe (“Development”)	Location: Miami-Dade County
Developer/Principal: Cornerstone Group Development, LLC (“Developer”); Bonita Pointe Associates, Ltd. (“Borrower”)	Set-Aside: SAIL 17% @ 50, 83% @ 60%; HC 100% @ 60% AMI LURA: 50 years; EUA: 50 years
Number of Units: 164	Allocated Amount: SAIL \$2,000,000; HC \$654,820
Demographics: Family	Servicer: First Housing

1. Background

- a) During the 2003 funding cycle, Florida Housing Finance Corporation awarded a State Apartment Incentive Loan (“SAIL”) in the amount of \$2,000,000 to Bonita Pointe Associates, Ltd., a Florida Limited Partnership (“Borrower”), for the development of a 164-unit apartment complex in Miami-Dade County, Florida. The loan closed on June 4, 2004, and matures on February 15, 2045. The Development also received a 2003 allocation of low-income housing tax credits (“HC”) of \$654,820.

2. Present Situation

- a) The Borrower requests approval to obtain supplemental financing to be used for the settlement of litigation, to acquire all the General Partner and Limited Partner interests from one of the former principals of the Borrower, and to repay an existing \$1,250,000 Miami-Dade County loan. The Borrower intends to obtain the supplemental proceeds from JLL, a Fannie Mae DUS lender, in the amount of \$3,700,000.
- b) The Borrower also requests that the SAIL loan documents, the HC Extended Low-Income Housing Agreement (“EUA”), and the SAIL Land Use Restriction Agreements (“LURA”) be subordinated to the new supplemental financing.
- c) The Borrower has agreed to make a principal reduction payment on the SAIL loan in the amount of \$1,000,000 and pay all outstanding deferred and accrued SAIL loan interest.
- d) Florida Housing received a positive recommendation from the credit underwriter ([Exhibit E](#)).

3. Recommendation

- a) Approve the request to obtain supplemental financing and subordination of the SAIL loan documents, the HC EUA, and the SAIL LURA to the new supplemental financing and modifications to any other loan documents deemed necessary by FHFC counsel, subject to the conditions outlined in the credit underwriter’s report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities as needed.

SPECIAL ASSETS

Consent

- F. **Request Approval of the Extension of the HOME Loan for Creative Choice Homes IX, Ltd., a Florida Limited Partnership, for Mystic Woods (92-004-02/95L-010)**

Development Name: Mystic Woods (“Development”)	Location: Palm Beach County
Developer/Principal: Creative Choice (“Developer”)/ Creative Choice Homes IX, Ltd. (“Borrower”)	Set-Aside: HOME 20% @ 50% & 80% @ 80% AMI (5 units); HC 3% @ 50% & 97% @ 60% AMI LURA: 21 years; EUA 30 years
Number of Units: 71	Allocated Amount: HOME \$300,000; HC \$391,348
Demographics: Family	Servicer: First Housing Development Corporation

1. **Background**

- a) During the 1992 Universal Application Cycle, Florida Housing Finance Corporation (“FHFC”) awarded a \$300,000 Home Investment Partnership Program Loan (“HOME”) to Creative Choice Homes IX, Ltd., a Florida limited partnership (“Borrower”), for the construction of a 71-unit development in Palm Beach County. The HOME loan closed on June 6, 1995, and originally matured on June 6, 2015. The Board previously approved a loan extension to June 6, 2016. The Development also received a 1995 annual allocation of low-income housing tax credits (“HC”) of \$391,348.

2. **Present Situation**

- a) The Borrower has requested a one-year extension of the HOME loan to allow time to sell or refinance the Development. The Borrower intends to refinance and pay off the HOME loan if unable to close on a sale of the Development. The Borrower has agreed to pay the loan extension fee, and to an extension of the affordability period under the Land Use Restriction Agreement (“LURA”) to be equal to the loan extension (adding one year to the current 21 years).

3. **Recommendation**

- a) Approve the extension of the HOME loan at its current terms, to June 6, 2017, extension of the LURA for an additional year, and direct staff to proceed with loan document modification activities as needed.

SPECIAL ASSETS

Consent

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

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

1. Background

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

2. Present Situation

- a) The Borrower has requested approval to extend the SAIL loan, at its current terms, to July 6, 2017. The Borrower needs the additional time to refinance the Development. The Borrower has agreed to pay the loan extension fee, and to an extension of the affordability period under the Land Use Restriction Agreement (“LURA”) to be equal to the loan extension (adding one year to the current 50 years).

3. Recommendation

- a) Approve the extension of the SAIL loan, at its current terms, to July 6, 2017, extension of the LURA for an additional one year, and direct staff to proceed with loan document modification activities as needed.

SPECIAL ASSETS

Consent

H. Request Approval of the Extension of the SAIL Loan for Lakewood Shores Partners, Ltd., a Florida Limited Partnership, for Lakewood Shores Apartments (1999-066S/2001-514C)

Development Name: Lakewood Shores Apartments (“Development”)	Location: Hillsborough County
Developer/Principal: CED (“Developer”)/ Lakewood Shores Partners, Ltd. (“Borrower”)	Set-Aside: SAIL 100% @60% AMI; LURA: 50 years; EUA 30 years
Number of Units: 184	Allocated Amount: SAIL \$1,900,000; HC \$500,041
Demographics: Family	Servicer: Seltzer Management Group

1. Background

- a) During the 1999 funding cycle, Florida Housing Finance Corporation awarded a \$1,900,000 State Apartment Incentive Loan (“SAIL”) to Lakewood Shores Partners Ltd., a Florida Limited Partnership (“Borrower”), for the construction of a 184-unit development in Hillsborough County, Florida. The SAIL loan closed on August 10, 2000 and matured on June 1, 2016. The Development also received a 2001 allocation of low-income housing tax credits (“HC”) of \$500,041. The affordability restrictions associated with the tax credits were terminated effective February 23, 2016 in accordance with the Qualified Contract termination provisions set forth in the Extended Low-Income Housing Agreement.

2. Present Situation

- a) The Borrower has requested approval to extend the SAIL loan, at its current terms, to June 1, 2017. The Borrower has been unable to refinance the Development because their first mortgage contains a lockout provision until July 1, 2016. The Borrower needs the additional time to allow for refinancing after the lockout period. The Borrower has agreed to pay the loan extension fee, and to an extension of the affordability period under the Land Use Restriction Agreement (“LURA”) to be equal to the loan extension (adding one year to the current 50 years).

3. Recommendation

- a) Approve the extension of the SAIL loan, at its current terms, to June 1, 2017, extension of the LURA for an additional one year, and direct staff to proceed with loan document modification activities as needed.