

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
September 16, 2016
Consent Items



9% HOUSING CREDITS

Consent

I. 9% HOUSING CREDITS

A. Request Approval of Principal of General Partner Change for Orange City Flats (RFA 2015-104/2015-261C)

Development Name: Orange City Flats	Location: Volusia County
Applicant/Borrower: Orange City Flats, L.P.	Set Aside(s): 20% @ 40% AMI and 80% @ 60% AMI
Developer/Principal: Two Nickels Development, LLC	Demographic/Number of units: Elderly / 96 units
Requested Amounts: \$657,124 Housing Credits	Development Category/Type: Acquisition/Preservation / Garden

1. Background/Present Situation

- a) Orange City Flats (RFA 2015-104/2015-261C) is a Competitive Housing Credit, Preservation Development providing 96 set-aside units in Volusia County, Florida. The Applicant was invited to enter credit underwriting on October 30, 2015. Subsequently, Florida Housing issued an allocation of \$657,124.00 in Housing Credits in December of 2015.
- b) The Applicant has requested Board approval, required by RFA 2015-104, to allow more than a 33.3 percent change in the Principals of the Applicant. The Principals of the Applicant as submitted in the RFA is attached as [Exhibit A](#).
- c) The Applicant proposes to remove American Apartment Management Company, Inc. (50% ownership) as Member of the General Partner of the Applicant and add Russell W. Fleming with 10% ownership. All other Principals as submitted in the RFA will remain unchanged ([Exhibit B](#)), however, the ownership percentages have been adjusted as follows: Shane P. Sarver (24%), Alexander Trent (24%) and Robert Kyle Trent (42%).

2. Recommendation

- a) Approve the request to allow for the change in Principals of the Applicant as referenced above.

LEGAL

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II. LEGAL

A. In Re: Pinnacle Heights, LLC

Development Name: (“Development”):	Pinnacle Heights
Developer/Principal: (“Developer”):	Pinnacle Housing Group David Deutch
Number of Units: 105	Location: Miami-Dade County
Type: New highrise	Set Asides: 10% at 33% AMI 90% at 60% AMI
Demographics: Low income family	9% HC: \$2,560,900

FHFC Case No. 2016-036VW

1. Background

- a) Petitioner was selected to receive 9% Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County under RFA 2014-116 to assist in the construction of a Development serving low-income elderly tenants in Miami, Florida. On August 30, 2016, Florida Housing received a Petition for Waiver of Rule 67-48.004(3)(j), F.A.C., to change the total set-aside percentage. A copy of the amended Petition is attached as [Exhibit A](#).

2. Present Situation

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

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

(j) For the SAIL and HC Programs, the Total Set-Aside Percentage as stated in the last row of the total set-aside breakdown chart for the program(s) applied for in the Set-Aside Commitment section of the Application.

LEGAL

Consent

- b) Petitioner is currently seeking approval from staff to increase in the total number of units from 105 to 109, pursuant to Rule 67-48.004(3)(i). Petitioner now seeks a waiver that will allow it to reduce the Total Set-Aside Percentage from 100% to 96.33%. This would have the effect of allowing these four additional units to be rented at market rate. Without this waiver, these four additional units would also have to be limited to low-income tenants.
- c) On September 1, 2016, Notice of the Petition was published in the Florida Administrative Register in Volume 42, Number 171. 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 it would suffer a substantial hardship if the waiver is not granted. Petitioner has also demonstrated that the purpose of the underlying statute, which is to “encourage development of low-income housing in the state” (§420.5099, Fla. Stat.), would still be achieved if the waiver is granted.

3. Recommendation

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rule 67-48.004(3)(j), Fla. Admin. Code, so that Petitioner will be able to reduce its Total Set-Aside Percentage from 100% to 96.33% and add four additional units at market rate. This waiver will not impact Petitioner’s obligation to meet its current set-aside requirements.

LEGAL

Consent

B. In Re: Caribbean Village, LTD - FHFC Case No. 2016-035VW

Development Name: (“Development”):	Caribbean Village
Developer/Principal: (“Developer”):	Pinnacle Housing Group David Deutch
Number of Units: 82	Location: Miami-Dade County
Type: New mid-rise	Set Asides: 5% at 33% AMI 95% at 60% AMI
Demographics: Elderly non-ALF	SAIL: \$5,000,000 ELI Gap: \$ 362,400

1. Background

- a) Petitioner was selected to receive SAIL Financing of Affordable Multifamily Housing Developments under RFA 2014-111 to assist in the construction of a Development serving low-income elderly tenants in Miami, Florida. On August 30, 2016, Florida Housing received a Petition for Waiver of Rule 67-48.0072(4)(c), F.A.C., to extend the SAIL loan closing date. A copy of the amended Petition is attached as [Exhibit B](#).

2. Present Situation

- a) Rule 67-48.0072(4)(c), Fla. Admin. Code, provides:
 - (c) For SAIL, EHCL, and HOME Applicants, 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. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting an extension and shall detail the time frame to close the loan. . . . In the event the loan does not close by the end of the 12 month extension period, the preliminary commitment or firm commitment, as applicable, will be deemed void and the funds will be de-obligated.
- b) Petitioner was invited to credit underwriting on December 19, 2014, and received a 12-month extension to close the loan until December 21, 2016. Petitioner has been unable to close the SAIL loan and does not anticipate being able to close it by December 21. Petitioner therefore seeks an extension of the SAIL loan closing date until December 21, 2017.
- c) On August 31, 2016, Notice of the Petition was published in the Florida Administrative Register in Volume 42, Number 170. To date, Florida Housing has received no comments concerning the Petition.

LEGAL

Consent

- d) Section 120.542(2), Florida Statutes provides in pertinent part:

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

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

3. Recommendation

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rule 67-48.0072(4)(c), Fla. Admin. Code, so that the SAIL loan closing deadline may be extended from December 21, 2016 until December 21, 2017.

MULTIFAMILY BONDS

Consent

III. MULTIFAMILY BONDS

A. Request Approval of Credit Underwriting Report for Hickory Knoll (2016-185BS)

Development Name: Hickory Knoll	Location: Marion
Applicant/Borrower: SP HK Apartments LLC	Set Aside(s): 100% @ 60% AMI (MMRN & Housing Credits) 10% @ 45% AMI (SAIL and ELI) 90% @ 60% AMI (SAIL)
Developer/Principal: Southport Development, Inc. doing business in Florida as Southport Development Services, Inc.	Demographic/Number of units: Family / 96
Requested Amounts: \$7,000,000 Multifamily Mortgage Revenue Note (MMRN) \$3,150,000 State Apartment Incentive Loan (SAIL) \$304,800 ELI Gap Funding (ELI) \$482,642 Housing Credits	Development Category/Type: Acquisition and Rehabilitation / Garden Apartments

1. Background/Present Situation

- a) On October 9, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-112 for the SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On March 18, 2016, the Board approved the Final Order(s) allowing staff to proceed with invitations to credit underwriting and preliminary awards.
- c) On March 21, 2016, staff issued an invitation to enter credit underwriting to the Applicant.
- d) Staff reviewed the credit underwriting report, giving a positive recommendation for a SAIL loan in the amount of \$3,150,000, ELI Gap funding in the amount of \$304,800, and \$7,000,000 in Tax Exempt MMRN ([Exhibit A](#)). Staff finds that the development meets all of the requirements of RFA 2015-112.

2. Recommendation

- a) Approve the recommendation of the Credit Underwriter outlined in the final credit underwriting report recommending and allocating \$7,000,000 in Tax Exempt MMRN, \$3,150,000 in SAIL funding, and \$304,800 in ELI Gap funding for the acquisition and rehabilitation of the Development, subject to further approvals and verifications by the Credit Underwriter, Note Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

B. Request Approval of Credit Underwriting Report for Park at Wellington II (2016-182BS)

Development Name: Park at Wellington II	Location: Pasco County
Applicant/Borrower: HTG Wellington II, LLC	Set Aside(s): 40% @ 60% AMI (MMRN) 100% @ 60% (Housing Credits) 10% @ 40% AMI (SAIL and ELI) 90% @ 60% AMI (SAIL)
Developer/Principal: HTG Wellington II Developer, LLC	Demographic/Number of units: Family / 110 units
Requested Amounts: \$10,600,000 Multifamily Mortgage Revenue Note (MMRN) \$4,899,714 State Apartment Incentive Loan (SAIL) \$549,600 ELI Gap Funding (ELI) \$686,245 Housing Credits	Development Category/Type: New Construction / Mid-Rise, 4-stories

1. Background/Present Situation

- a) On October 9, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-112 for the SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On March 18, 2016, the Board approved the Final Order(s) allowing staff to proceed with invitations to credit underwriting and preliminary awards.
- c) On March 21, 2016, staff issued an invitation to enter credit underwriting to the Applicant.
- d) Staff reviewed the credit underwriting report, giving a positive recommendation for a SAIL loan in the amount of \$4,899,714, ELI Gap funding in the amount of \$549,600, and \$10,600,000 in Tax Exempt MMRN ([Exhibit B](#)). Staff finds that the development meets all of the requirements of RFA 2015-112.

2. Recommendation

- a) Approve the recommendation of the Credit Underwriter outlined in the final credit underwriting report recommending and allocating \$10,600,000 in Tax Exempt MMRN, \$4,899,714 in SAIL funding, and \$549,600 in ELI Gap funding for the acquisition and construction of the Development, subject to further approvals and verifications by the Credit Underwriter, Note Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

C. Request Approval of Developer Change and Credit Underwriting Report for Tuscany Cove I (2014-119B/2014-325S)

Development Name: Tuscany Cove I	Location: Miami-Dade
Applicant/Borrower: Tacolcy Tuscany Cove I, LLC	Set Aside(s): 100% @ 60% AMI (MMRN & Housing Credits) 10% @ 33% AMI (SAIL & ELI) 90% @ 60% AMI (SAIL)
Developer/Principal: Tacolcy Economic Development Corporation, Inc. and Stone Soup Development, Inc.	Demographic/Number of units: Elderly / 160
Requested Amounts: \$17,950,000 Multifamily Mortgage Revenue Note (MMRN) \$2,524,999 State Apartment Incentive Loan (SAIL) \$1,200,000 ELI Gap Funding (ELI) \$1,370,128 Housing Credits	Development Category/Type: New Construction / Mid-Rise with Elevator, 5 or 6 Stories

1. Background/Present Situation

- a) On January 10, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-103 for the Financing of Affordable Multifamily Housing Developments with SAIL Funding to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) As required in RFA 2014-103, the Applicant submitted a Non-Competitive Application package requesting MMRN in the amount of \$12,545,000 and Non-Competitive Housing Credits in the amount of \$861,696. The Applicant subsequently increased the MMRN request amount to \$19,000,000. In conjunction with the MMRN increase, the credit underwriter increased the Housing Credits recommendation.
- c) On August 8, 2014, the Board approved the Final Order(s) allowing staff to proceed with invitations to credit underwriting and preliminary awards.
- d) On August 14, 2014, staff issued an invitation to enter credit underwriting to the Applicant.
- e) On August 5, 2015, the Board granted a waiver of Rule 67-48.0072(4)(c) to extend the SAIL loan closing deadline from August 14, 2016 to December 31, 2016.
- f) The Applicant applied with Tacolcy Economic Development Corporation, Inc. with 70% ownership and Stone Soup Development, Inc. with 30% ownership as the Developer. Staff received a request to remove Stone Soup Development, Inc. as a Developer leaving Tacolcy Economic Development Corporation, Inc. with 100% ownership.

MULTIFAMILY BONDS

Consent

- g) Staff reviewed the credit underwriting report giving a positive recommendation for a SAIL loan in the amount of \$2,524,999, ELI Gap funding in the amount of \$1,200,000, and \$17,950,000 in Tax Exempt MMRN ([Exhibit C](#)). Staff finds that the development meets all of the requirements of RFA 2014-103 and the Non-Competitive Application.

2. **Recommendation**

- a) Approve the change in the Developer and the recommendation of the Credit Underwriter outlined in the final credit underwriting report recommending and allocating \$17,950,000 in Tax Exempt MMRN, \$2,524,999 in SAIL funding, and \$1,200,000 in ELI Gap funding for the construction of the Development, subject to further approvals and verifications by the Credit Underwriter, Note Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

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

2. Present Situation

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

3. Recommendation

- a) Approve the assignment of the recommended professionals and the Independent Registered Municipal Advisor's recommendations for the 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
Hickory Knoll	Marion County	96	Note Placement	RBC Capital Markets, LLC	Exhibit D
Park at Wellington II	Pasco County	110	Note Placement	RBC Capital Markets, LLC	Exhibit E
Tuscany Cove I	Miami-Dade County	160	Note Placement	RBC Capital Markets, LLC	Exhibit F

MULTIFAMILY BONDS

Consent

E. Request Approval for Assignment, Assumption, and Subordination of the LURA and ELIHA for Gulfstream (1998 Series H / 2000-505C)

Development Name: Gulfsteam	Location: Broward County
Applicant/Borrower: Nonprofit Housing Preservation II, LLC	Set Aside(s): 50% @ 60% AMI (MMRB) 20.8% @ 50% AMI (Housing Credits) 79.2% @ 60% AMI (Housing Credits)
Developer/Principal: N/A	Demographic/Number of units: Family / 96 units
Requested Amounts: \$3,500,000 MMRB \$292,212 Housing Credits	Development Category/Type: Acquisition and rehabilitation / Garden Apartments

1. Background/Present Situation

- a) Florida Housing financed the acquisition and rehabilitation of the above referenced Development in 1998 with \$3,500,000 in tax exempt MMRB designated as 1998 Series H. In addition, \$292,212 in Housing Credits was allocated to this Development.
- b) On December 12, 2014, the Board approved the general partner ownership interest of Reliance Gulfstream Associates, Ltd. to be transferred from RHF Gulfstream, Inc. to Nonprofit Housing Preservation II, LLC, whose sole member is The Partnership, Inc. Subsequently, Nonprofit Housing Preservation II, LLC purchased the limited partner and special limited partner ownership interest. This merger resulted in Nonprofit Housing Preservation II, LLC becoming the new Borrower and 100% owner of Gulfstream. The Board approved this merger on May 6, 2016.
- c) The Borrower has requested Florida Housing's consent to the assignment, assumption, and subordination of the Land Use Restriction Agreement "LURA" and Extended Low-Income Housing Agreement "ELIHA."

2. Recommendation

- a) Approve the assignment, assumption, and subordination of the LURA and ELIHA, with further approval by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

F. Request Approval for Subordination of the LURA and ELIHA for Valencia Trace Apartments (2002 Series F / 2002-509C)

Development Name: Valencia Trace Apartments	Location: Orange County
Applicant/Borrower: Valencia Trace of Orlando, Ltd	Set Aside(s): 80% @ 60% AMI (MMRB) 100% @ 60% AMI (Housing Credits)
Developer/Principal: Davis Heritage Ltd.	Demographic/Number of units: Family / 229 units
Requested Amounts: \$10,985,000 MMRB \$523,218 Housing Credits	Development Category/Type: New Construction / Family

1. Background/Present Situation

- a) Florida Housing financed the construction of the above referenced Development in 2002 with \$6,040,000 in tax exempt MMRB designated as 2002 Series F-1 and \$4,945,000 in taxable MMRB designated as 2002 Series F-2 and F-3. In addition, \$523,218 in Housing Credits was allocated to this Development.
- b) The Borrower is refinancing the development with a loan from Greystone Funding Corporation to be insured by the U.S. Department of Housing and Urban Development and requests Florida Housing's consent to subordinate the Land Use Restriction Agreement "LURA" and Extended Low-Income Housing Agreement "ELIHA."

2. Recommendation

- a) Approve the subordination of the LURA and ELIHA, with further approval by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

MULTIFAMILY PROGRAMS

Consent

IV. MULTIFAMILY PROGRAMS

A. Request Approval of Credit Underwriting Report for Jet Court Community Residential Home (2015-275G)

Development Name: Jet Court Community Residential Home	Location: Okaloosa County
Applicant/Borrower: The Arc of the Emerald Coast (fka Horizons of Okaloosa County)	Set-Asides: 33% @ 33% 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 The Arc of the Emerald Coast, and on March 11, 2016, staff issued an invitation to enter credit underwriting.
- d) On August 31, 2016, staff received a credit underwriting report with a positive recommendation for a grant in the amount of \$392,000 ([Exhibit A](#)). 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

B. Request Approval of Credit Underwriting Report for Neff Lake Estate IV (2015-270G)

Development Name: Neff Lake Estate IV	Location: Hernando County
Applicant/Borrower: The Arc Nature Coast, Inc.	Set Aside(s): 33% @ 40% AMI and 67% @ 60% AMI
Developer/Principal: N/A	Demographic/Number of Residents: Persons with Developmental Disabilities / 6 Residents
Requested Amounts: \$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 March 16, 2016, staff issued an invitation to enter credit underwriting to The Arc Jacksonville, Inc.
- d) On August 24, 2016, staff received a positive recommendation for a grant amount of \$392,000 to be allocated to the Development. ([Exhibit B](#))

2. Recommendation

- a) Staff recommends that the Board 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 Arc Gateway Hilltop House (2015-273G)**

Development Name: Arc Gateway Hilltop House	Location: Escambia County
Applicant/Borrower: The Arc Gateway, Inc.	Set Aside(s):33% @ 35% AMI and 67% @ 60% AMI
Developer/Principal: N/A	Demographic/Number of Residents: Persons with Developmental Disabilities / 6 Residents
Requested Amounts: \$378,374 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 March 9, 2016, staff issued an invitation to enter credit underwriting to The Arc Jacksonville, Inc.
- d) On August 24, 2016, staff received a positive recommendation for a grant amount of \$378,374 to be allocated to the Development. ([Exhibit C](#))

2. **Recommendation**

- a) Staff recommends that the Board 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 Little Ranch Estate (2015-268G)

Development Name: Little Ranch Estate	Location: Pasco County
Applicant/Borrower: The Arc Nature Coast, Inc.	Set Aside(s): 33% @ 40% AMI and 67% @ 60% AMI
Developer/Principal: N/A	Demographic/Number of Residents: Persons with Developmental Disabilities / 6 Residents
Requested Amounts: \$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 March 16, 2016, staff issued an invitation to enter credit underwriting to The Arc Jacksonville, Inc.
- d) On August 24, 2016, staff received a positive recommendation for a grant amount of \$392,000 to be allocated to the Development. ([Exhibit D](#))

2. Recommendation

- a) Staff recommends that the Board 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

V. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Approval of Credit Underwriting Report for Habitat for Humanity of Lee and Hendry Counties, Inc., a not-for-profit entity, for Harlem Heights I (2015-005P-09)

DEVELOPMENT NAME (“Development”):	Harlem Heights I
APPLICANT/DEVELOPER (“Developer”):	Habitat for Humanity of Lee and Hendry Counties, Inc.
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	82 Homeownership units
LOCATION (“County”):	Lee County
TYPE:	Family
MINIMUM SET ASIDE:	50% @ 80% AMI, 50% @ 120% AMI
PLP LOAN AMOUNT:	\$750,000
ADDITIONAL COMMENTS: Of the \$750,000 loan, \$500,000 is for acquisition.	

1. Background

- a) On March 18, 2016, the Board approved a PLP loan in the amount of \$750,000 to Habitat for Humanity of Lee and Hendry Counties, Inc. for Harlem Heights I. Of this \$750,000 loan amount, \$500,000 was requested in order to purchase the subject property. Under PLP rule, this requires an analysis by a credit underwriter.

2. Present Situation

- a) On August, 2016, staff received a credit underwriting report ([Exhibit A](#)) from Seltzer Management Group recommending approval of the acquisition portion of the PLP Loan in the amount of \$500,000.
- b) Staff has reviewed the credit underwriting report and agrees with the recommendation of the credit underwriter.
- c) In addition, the developer has created a limited liability corporation named Habitat Harlem Heights, LLC, for the ownership of this development. The loan will close in this entity’s name.

3. Recommendation

- a) Approve the name change of the Applicant entity from Habitat for Humanity of Lee and Hendry Counties, Inc. to Habitat Harlem Heights, LLC.
- b) Approve the acquisition portion of the PLP Loan in the amount of \$500,000 to Habitat Harlem Heights, LLC, for Harlem Heights I and allow staff to commence with the loan closing process.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

VI. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Loan Closing Extension for Karis Village (2015-168CS)

Development Name: Karis Village	Location: Miami-Dade County
Applicant/Borrower: Karis Village, LLC	Set-Aside(s): 15% @ 33% AMI & 85% @ 60% AMI
Developer/Principal: Carrfour Supportive Housing, Inc. and GMKV Dev, LLC	Demographic/Number of Units: Homeless/88
Requested Amounts: SAIL \$4,300,000, Annual HC \$2,180,000	Development Category/Type: New Construction/High Rise

1. Background/Present Situation

- a) On November 21, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-116 for Housing Credit and SAIL Financing for Affordable Housing Developments Located in Miami-Dade County.
- b) On September 18, 2015, the Board approved the Final Order(s) allowing staff to proceed with all necessary credit underwriting activities.
- c) On September 21, 2015, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Karis Village, LLC with a closing deadline of September 21, 2016.
- d) On August 24, 2016, staff received a request from the Applicant for an extension of the loan closing deadline to September 21, 2017, which would allow additional time to proceed to loan closing ([Exhibit A](#)). 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 this 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 September 21, 2016 to September 21, 2017, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval of Loan Closing Extension for Sulzbacher Center for Women and Children (RFA 2014-115/2015-149CS)

Development Name: Sulzbacher Center for Women and Children	Location: Duval County
Applicant/Borrower: Sulzbacher Center for Women and Children, Ltd.	Set-Aside(s): 15% @ 33% AMI & 85% @ 60% AMI
Developer/Principal: TVC Development, Inc. and Sulzbacher Village Developer, LLC	Demographic/Number of Units: Homeless/70
Requested Amounts: SAIL \$3,500,000, Annual HC \$ 922,492	Development Category/Type: Garden Apartments

1. Background/Present Situation

- a) On November 21, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) RFA 2014-115 for Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties. State Apartment Incentive Loan (SAIL) Program Funding is included in this RFA along with the Housing Credits.
- b) On May 8, 2015, the Board approved the final scores and recommendations for RFA 2014-115, and directed staff to proceed with all necessary credit underwriting activities.
- c) On November 2, 2015, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Sulzbacher Center for Women and Children, Ltd.
- d) On August 9, 2016, staff received a request from the Applicant for an extension of the loan closing deadline to November 2, 2017, predominately due to a change in equity provider and converting from a design/build firm to a separate architect, engineer, and contractor. The development now has a complete team in place, and is making progress to obtain the civil and architectural plans necessary to move forward. The extension will also allow additional time to complete the credit underwriting approval process and proceed to loan closing ([Exhibit B](#)). 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 this 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 November 2, 2016 to November 2, 2017, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

C. Request Approval of Loan Closing Extension for Delmar Terrace (RFA 2014-115/2015-158CS)

Development Name: Delmar Terrace	Location: Pinellas County
Applicant/Borrower: Delmar Terrace South, LLC	Set-Aside(s): 15% @ 40% AMI & 85% @ 60% AMI
Developer/Principal: Delmar Terrace Developers, LLC; and Boley Centers, Inc.	Demographic/Number of Units: Homeless/65
Requested Amounts: SAIL \$3,250,000, Annual HC \$ 1,660,000	Development Category/Type: High Rise

1. Background/Present Situation

- a) On November 21, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) RFA 2014-115 for Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties. State Apartment Incentive Loan (SAIL) Program Funding is included in this RFA along with the Housing Credits.
- b) On May 8, 2015, the Board approved the final scores and recommendations for RFA 2014-115, and directed staff to proceed with all necessary credit underwriting activities.
- c) On November 2, 2015, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Delmar Terrace South, LLC.
- d) On August 23, 2016, staff received a request from the Applicant for an extension of the loan closing deadline to November 2, 2017, due to acquisition of additional land and redesign of the proposed building, which altered the land use planning, building permitting, and real estate closing schedules. The extension will allow for additional time to accommodate these schedules, complete the credit underwriting approval process, and proceed to loan closing ([Exhibit C](#)). 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 this 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 November 2, 2016 to November 2, 2017, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

D. Request Approval of Credit Underwriting Report for Casanas Village at Frenchtown Square (2015-231CS)

Development Name: Casanas Village at Frenchtown Square	Location: Leon County
Applicant/Borrower: Frenchtown Square Partners, LLC	Set-Aside(s): 10% @ 33% AMI & 80% @ 60% AMI
Developer/Principal: Pinnacle Housing Group, LLC; Big Bend Community Development Corporation	Demographic/Number of Units: Family/88
Requested Amounts: SAIL \$2,000,000, Annual HC \$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 funding is included in the RFA along with the Housing Credits.
- b) On June 19, 2015, the Board approved the Final Order(s) allowing 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 June 24, 2016, Florida Housing’s Board approved an extension of the SAIL loan closing deadline to be extended from July 1, 2016 to July 1, 2017.
- e) On September 6, 2016, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit D](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2015-103.

2. Recommendation

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

SPECIAL ASSETS

Consent

VII. SPECIAL ASSETS

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

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

1. Background

- a) During the 2002 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a first mortgage of FHFC issued tax-exempt bonds in the original amount of \$9,690,000 and taxable bonds in the original amount of \$3,090,000 to Creative Choice Homes XX, Ltd., a Florida limited partnership (“Borrower”), for the development of a 264-unit apartment complex in Saint Lucie County, Florida. The Multifamily Mortgage Revenue Bonds (“MMRB”) loan closed on July 31, 2002, and matures on July 15, 2042. The Development received a 2002 allocation of low-income housing tax credits (“HC”) of \$674,643.
- b) The Development also received a loan under the Subordinate Mortgage Initiative (“SMI”) in the original amount of \$605,345.52, but only \$454,009.14 was disbursed, which closed on July 14, 2010, and matures on August 15, 2020. Additional funds were provided to the Development through a State Apartment Incentive Loan Extremely Low Income (“SAIL ELI”) loan in the amount of \$1,050,000. The loan closed on March 28, 2011, and matures on March 28, 2026. The Development is HUD risk sharing with Florida Housing’s Guarantee Program (“Guarantee Program”).
- c) In October 2014, the Board approved the refinancing of the existing first mortgage, the redemption of the underlying bonds, the termination of the mortgage guaranty issued by the Guarantee Program and its associated financial risk to FHFC and the release of 12 acres of land as collateral.
- d) On September 18, 2015, the Board approved the transfer of the membership interests in the general partner entity, Creative Choice Homes XX, Inc., from Dilip Barot to Naimisha Barot. Neither of these transactions have closed.

SPECIAL ASSETS

Consent

2. **Present Situation**

- a) The Borrower requests consent from the Board to separate the property into two parcels, Phase I and Phase II. The Borrower also requests that Phase II, consisting of approximately 41 acres of land, be released as part of FHFC's collateral. The Borrower intends to use the proceeds of the sale to fund the financing gap of the refinance transaction and pay off FHFC's bonds and SMI loan.
- b) The Borrower further requests consent from the Board for the transfer of the previously approved 21% membership interests in the general partner entity, Creative Choice Homes XX, Inc., from Nilesh Parikh to Haresh B. Pandya, a non-affiliated person. This was requested by the first mortgage lender.
- c) Staff received a credit underwriting report from First Housing Development Corporation ([Exhibit A](#)) providing a positive recommendation for the proposed separation and release of land, and the transfer of membership interests.

3. **Recommendation**

- a) Approve the separation and release of vacant land, and the transfer of membership interests in the general partner entity, subject to the conditions outlined in the credit underwriter's report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities, as needed.

SPECIAL ASSETS

Consent

B. Request Approval of the Modification of the HOME Loan for Spinal Cord Living-Assistance Development, Inc., for Park Place (95HR-004)

Development Name: Park Place (“Development”)	Location: Miami-Dade County
Developer/Principal: Spinal Cord Living-Assistance Development, Inc. (“Developer”)/ (“Borrower”)	Set-Aside: Home; 20% @ 50% & 80% @ 60% AMI LURA: 50 years;
Number of Units: 34	Allocated Amount: HOME \$1,372,677
Demographics: Family	Servicer: Seltzer Management Group

1. Background

- a) During the 1995 HOME Cycle, Florida Housing awarded a \$1,372,677 construction/permanent loan to Spinal Cord Living-Assistance Development, Inc., a Florida not-for-profit corporation (“Borrower”), for the construction of a 34-unit development in Miami-Dade County. The HOME loan closed on April 11, 1996, and matured on April 11, 2016.

2. Present Situation

- a) The Borrower requests consent from the Board to modify the existing HOME loan. The Borrower requests that the HOME loan be extended and modified to a hard pay structure requiring monthly payments of principal with a 0% interest rate and a 20-year term and a 40-year amortization schedule. The Borrower has agreed to an extension of the HOME Land Use Restriction Agreement (“LURA”) term equal to the loan extension.
- b) Staff received a credit underwriting report from Seltzer Management Group ([Exhibit B](#)) providing a positive recommendation for the proposed loan modification and extension.

3. Recommendation

- a) Approve the extension and modification of the HOME loan and extension of the LURA, subject to the conditions outlined in the credit underwriter’s report and subject to further approvals and verifications by counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities as needed.

SPECIAL ASSETS

Consent

C. Request Approval of Transfer of General Partner Interests in Wahneta Palms, Ltd., a Florida Limited Partnership, for Wahneta Palms Apartments (2009-147C/2010-028CX)

Development Name: Wahneta Palms (“Development”)	Location: Polk County
Developer/Principal: Carlisle Development Group (“Developer”) / Wahneta Palms, Ltd. (“Borrower”)	Set-Aside: TCEP & HC 10% @40%, 90% @60% AMI TCEP & EUA: 50 years
Number of Units: 64	Allocated Amount: TCEP \$3,165,176; HC \$998,500
Demographics: Family	Servicer: First Housing Development Corporation

1. Background

- a) During the 2010 funding cycle, Florida Housing Finance Corporation (“Florida Housing”) awarded a Tax Credit Exchange Program (“TCEP”) loan in the amount of \$3,165,176 to Wahneta Palms, Ltd. (“Borrower”), a Florida limited partnership, for the development of a 64-unit property in Polk County, Florida. The TCEP loan closed on October 21, 2010, and matures on September 16, 2026. The Development also received a 2009 annual allocation of low-income housing tax credits (“HC”) of \$998,500.

2. Present Situation

- a) The Borrower requests approval to transfer the general partner interests in Wahneta Palms, Ltd. from Value Partners-Wahneta, LLC, the sole general partner holding .01% ownership, to Blue Wahneta M, LLC. Upon closing, Blue Wahneta M, LLC will be the sole general partner of Wahneta Palms, Ltd.
- b) Staff received a credit underwriting report from First Housing Development Corporation ([Exhibit C](#)) providing a positive recommendation for the transfer of the general partnership interests.

3. Recommendation

- a) Approve the transfer of the general partnership interests subject to the conditions outlined in the credit underwriter’s report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities, as needed.

SPECIAL ASSETS

Consent

D. Request Approval to Swap Three Single-Family Residential Units in Glozal Village (Rosemary) (1998-077C)

Development Name: Glozal Village (fka Rosemary) (“Development”)	Location: Palm Beach County
Developer/Principal: Gatehouse Group (“Developer”) / Glozal Village LLC (“Borrower”)	Set-Aside: HC 15% @ 35%, 85% @ 60% AMI EUA: 50 years
Number of Units: 53 (scattered sites)	Allocated Amount: HC \$403,065
Demographics: Family	Servicer: AmeriNat

1. Background

- a) During the 1998 funding cycle, Florida Housing Finance Corporation (“Florida Housing”) allocated low-income housing tax credits (“HC”) in the amount of \$403,065 to Rosemary Housing Limited Partnership (“Original Borrower”), a Florida limited partnership, for the development of a 53-unit scattered site property in Palm Beach County, Florida. In November 2015 the development transferred ownership interests to Glozal Village LLC (“Borrower”).

2. Present Situation

- a) The City of West Palm Beach requests approval to swap three current Glozal Village single-family units for three City of West Palm Beach’s newly-constructed units funded via the HUD Neighborhood Stabilization Program (NSP). The proposed locations are within 1.5 miles of the current Rosemary locations. The proposed units offer similar amenities, with some features exceeding those found in the current units including greater living square footage. The existing use restrictions will also be transferred in entirety; no modifications or waivers will be sought. All three units are currently vacant. Should any units become occupied, the tenants will be relocated at no cost.

3. Recommendation

- a) Approve the swap request subject to further approvals and verifications by FHFC counsel and appropriate Florida Housing staff, and direct staff to proceed with document modification activities, as needed.

SPECIAL ASSETS

Consent

- E. **Request Approval of the Extension of the PLP Loan for Cypress Senior Village, LLC., a Florida limited liability company, for Cypress Senior Village (PLP 05-075)**

Development Name: Cypress Senior Village (“Development”)	Location: DeSoto County
Developer/Principal: Cypress Senior Village, LLC. (“Developer” and “Borrower”)	Set-Aside: PLP 60% @ 60% AMI; LURA: 15 Years
Number of Units: 50	Allocated Amount: PLP \$325,117.63
Demographics: Family	Servicer: NA

1. **Background**

- a) Cypress Senior Village, LLC., applied for Pre-Development Loan Program (PLP) funds in 2005 and was awarded a PLP loan in the amount of \$350,000 for predevelopment expenses for a 50-unit elderly development in DeSoto County. The PLP loan closed on September 12, 2006 and originally matured on September 12, 2009. The Board previously approved two extensions to December 31, 2010. The Borrower drew \$325,117.63 of PLP funds but was unable to complete the Development due to lack of additional funding sources.

2. **Present Situation**

- a) The Borrower has requested approval to extend the PLP loan term, at its current balance of \$325,117.63, to December 31, 2018, which will allow the necessary time to develop property as an affordable development and repay the PLP loan.

3. **Recommendation**

- a) Approve the extension of the PLP loan term, at its current balance of \$325,117.63, to December 31, 2018, and direct staff to proceed with loan document modification activities as needed.

SPECIAL ASSETS

Consent

- F. **Request Approval of the Extension of the PLP Loan for Goldenrule Housing & Community Development Corporation, Inc., a Florida not-for-profit corporation, for Coleman Estates Homeownership (PLP 05-106)**

Development Name: Coleman Estates Homeownership (“Development”)	Location: Seminole County
Developer/Principal: Goldenrule Housing & Community Development Corporation, Inc. (“Developer” and “Borrower”)	Set-Aside: PLP 100% @ 80% AMI; LURA: Term is contingent upon sale of the homeownership units.
Number of Units: 6	Allocated Amount: PLP \$36,447.12
Demographics: Family	Servicer: NA

1. **Background**

- a) Goldenrule Housing & Community Development Corporation, Inc. applied for Pre-Development Loan Program (PLP) funds in 2006 and was awarded a PLP loan in the amount of \$93,700 for predevelopment expenses of a 6-unit homeownership development in Seminole County. The PLP loan closed on September 30, 2008 and matured on September 30, 2011. The Borrower drew \$36,447.12 of PLP funds but was unable to complete the Development due to lack of additional funding sources.

2. **Present Situation**

- a) The Borrower has requested approval to extend the PLP loan term, at its current balance of \$36,447.12, to September 30, 2018, which will allow them the necessary time to develop Coleman Estates and repay the PLP loan.

3. **Recommendation**

- a) Approve the extension of the PLP loan term, at its current balance of \$36,447.12, to September 30, 2018, and direct staff to proceed with loan document modification activities as needed.