

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
June 18, 2021
Consent Items



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

Consent

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

A. Request Approval of RFA Waiver Request to change the ownership structure for Cardinal Corner (2020-005D)

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| Development Name: Cardinal Corner (“Development”) | Location: DeSoto County |
| Developer: Heartland Development Group, LLC. (“Developer”) | Set-Aside: 90% @ 80% AMI 10% @ 40% AMI |
| Type: New Construction/Duplexes | CDBG-DR: \$4,994,200 |
| Total Number of Units: 48 | Demographics: Disaster Relief/Workforce |

1. Background/Present Situation

- a) The Applicant applied for funding under Request for Applications (“RFA”) 2019-103, seeking an allocation of CDBG-DR Financing to be Used for Small Rental Developments in Hurricane Irma Impacted Areas Deemed Hurricane Recovery Priorities.
- b) On December 13, 2019, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 26, 2019, the Corporation issued a preliminary commitment letter. In accordance with the RFA, the Developer had a December 26, 2020 deadline to complete the credit underwriting report.
- d) At the October 16, 2020 Board meeting the Board approved the credit underwriting report dated September 23, 2020 for a CDBG-DR loan in the amount of \$4,994,200. The loan is tentatively scheduled to close in September 2021.
- e) At the April 30, 2021 Board meeting the Board approved 1) Borrower’s requested increase in their construction and permanent first mortgage from \$2,896,728 to \$3,600,000 and 2) the reduction in the CDBG-DR units from 48 to 41, with the remaining 7 units as market rate units.
- f) On May 4, 2021, staff received an RFA Waiver Request ([Exhibit A](#)) asking to change the ownership structure of the Development due to “being located in an Opportunity Zone” which may provide additional funding and benefits.

2. Recommendation

- a) Approve the RFA Waiver Request allowing changes to the ownership structure of the Development.

HOUSING CREDITS

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I. HOUSING CREDITS

A. Request Approval of Co-Developer Name Change for Amaryllis Park Place II (RFA 2019-113/2020-313C)

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| Development Name: Amaryllis Park Place II | Location: Sarasota County |
| Applicant/Borrower: Amaryllis Park Place II, LLC | Set Aside(s): 14 Units @ 30% AMI; 49 Units @ 60% AMI; and 21 Units @ 80% |
| Developer/Principal: Amaryllis II Fortis Development, LLC / Darren Smith & SHA Affordable Development, LLC / William Russell | Demographic/Number of units: Family / 84 |
| Requested Amounts: \$1,679,523 Housing Credits | Development Category/Type: New Construction / Garden |

1. Background/Present Situation

- a) Amaryllis Park Place II (2020-313C) is a Competitive Housing Credit, New Construction Development providing 84 set-aside units in Sarasota County, Florida. The Applicant was invited to enter credit underwriting on July 24, 2020 and subsequently, a Carryover Allocation Agreement was executed by Florida Housing on November 12, 2020.
- b) On April 15, 2021, staff received a letter requesting Board approval to allow a co-Developer name change. The request letter and current and proposed Developer ownership structures are provided as [Exhibit A](#). Under the proposed change, co-Developer, Amaryllis II Fortis Development, LLC would be replaced with APP II Fortis Development, LLC. The principals of the entity would remain the same with Darren Smith, Michael Henzy and Joseph Chambers continuing to act as Managing Members. The tax credit investor requested the Applicant make this change so that the co-Developer entity is separate and different from the 0.5% Non-Investor Member of the Applicant entity. Timothy Henzy served as the experienced Developer Principal in the Application and will remain a Principal of APP II Fortis Development, LLC.
- c) 67-48.004(3)(a) F.A.C. states the following: 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:
 - (1) (a) Name of Applicant or Developer entity(s); notwithstanding the foregoing, the name of the Applicant or Developer entity(s) may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting.
- d) Staff has reviewed this request and finds the Development meets all the requirements of RFA 2019-113 and 67-48 F.A.C.

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2. **Recommendation**

- a) Approve the request to allow for the change in co-Developer name as referenced above.

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B. Request Approval of Applicant Entity Structure Change for Shoreline Villas (RFA 2019-113/2020-250C)

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| Development Name: Shoreline Villas | Location: Okaloosa County |
| Applicant/Borrower: HTG Shoreline, Ltd. | Set-Asides: 10% @ 33% AMI and 90% @ 60% AMI |
| Developer/Principal: HTG Shoreline Developer, LLC / Matthew Rieger | Demographic/Number of Units: Elderly, Non-ALF/72 |
| Requested Amounts: \$1,158,152.00 Housing Credits | Development Category/Type: New Construction/Garden |

1. Background/Present Situation

- a) HTG Shoreline, Ltd. (“Applicant”) applied for and was awarded funding from Request for Applications (RFA) 2019-113 for Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties. The funds are being utilized to finance the construction of a 72-unit Elderly, Non-ALF, development in Okaloosa County. On June 24, 2020, Housing Credit staff issued an invitation to the Applicant to enter credit underwriting, and subsequently executed a Carryover Allocation Agreement on November 23, 2020.
- b) On January 22, 2021, the Board approved a change to the Applicant’s organizational structure, whereby a new nonprofit General Partner, Transformative Community Foundation, Inc. (“Transformative”) was inserted with a 0.0051% ownership interest in the Applicant. This change allowed the Applicant to take advantage of the Florida Statutory real estate tax exemption for property used by nonprofit homes for the aged.
- c) On May 17, 2021, Florida Housing received a letter from the Applicant requesting to make an additional material change to the Applicant entity structure. The Applicant proposes to replace Transformative, the 0.0051% General Partner with a new General Partner, AM Affordable Housing, Inc. (“AM”) with a 0.0051% ownership interest in the Applicant. The Principals of AM are Alonzo Mourning (Executive Director), Alonzo Harden Mourning, III (Officer/Director), and Allen Furst (Officer/Director). The original General Partner, Transformative will be removed entirely. The Developer organizational structure will remain the same. The letter and the current and proposed Applicant and Developer Organizational Charts are provided as [Exhibit B](#). The Applicant requests this change due to Transformative’s redirection of their corporation’s initiatives to other public and social benefits. It should be noted that the Applicant purports that the structure as proposed will not qualify the Applicant as a Non-Profit Applicant for purposes of 67-48, F.A.C. and therefore, they will be considered a “for-profit” Applicant.
- d) Per the RFA, the Applicant entity shall be the recipient of the Housing Credits and cannot be changed in any way (materially or non-materially) until after the Carryover Allocation Agreement is in effect. Once the Carryover Allocation Agreement has been executed by all parties, (a) replacement of the Applicant or a material change in the ownership structure of the named Applicant will require Board approval prior to the change and (b) any non-material change in the ownership structure of the named Applicant will require Corporation approval prior to the change.

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

2. **Recommendation**

- a) Approve the request to change the Applicant entity structure as described above.

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C. Request Approval of Applicant Organizational Structure Change for Greenlawn Manor (RFA 2019-113/2020-311C)

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| Development Name: Greenlawn Manor (fka Westside Phase I) | Location: Volusia County |
| Applicant/Borrower: Westside Phase I, LLLP | Set-Asides: 10% @ 40% AMI and 90% @ 60% AMI |
| Developer/Principal: New Smyrna Beach Redevelopment Partners, LLC / Darren Smith; NSBHDC Developer, LLC / Teresa Pope | Demographic/Number of Units: Elderly, Non-ALF/80 |
| Requested Amounts: \$1,638,559 Housing Credits | Development Category/Type: New Construction/Garden |

1. Background/Present Situation

- a) Westside Phase I, LLLP (“Applicant”) applied for and was awarded funding from Request for Applications (RFA) 2019-113 for Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties. The funds are being utilized to finance the construction of an 80-unit Elderly, Non-ALF development in Volusia County. On July 24, 2020, Housing Credit staff issued an invitation to the Applicant to enter credit underwriting, and subsequently executed a Carryover Allocation Agreement on November 13, 2020.
- b) On May 17, 2021, Florida Housing received a letter from the Applicant requesting to make a material change to the Applicant entity structure. The Applicant proposes to replace the current General Partner, Westside Phase I GP, LLC (“Current GP”) with a new General Partner, Westside Phase I GP, Inc. (“New GP”), both of which represent a 0.005% ownership interest in the Applicant. The Sole Member of the Current GP is New Smyrna Beach Housing Development Corporation (“New Smyrna”), an instrumentality of The Housing Authority of the City of New Smyrna Beach, Florida (“The Housing Authority”). The Principals of New Smyrna are Teresa Pope (Executive Director), Rosemary Walker (Officer/Director), Regis Anne Sloan (Officer/Director), William Maul (Officer/Director), Josephine Macon Fennell (Officer/Director), and Grover Miller Jr. (Officer/Director).
- c) The New GP will now act as an instrumentality of The Housing Authority and New Smyrna will be removed from the ownership structure altogether. The Principals of the New GP are Teresa Pope (Executive Director/Officer/Director), Rosemary Walker (Officer/Director), Regis Anne Sloan (Officer/Director), William Maul (Officer/Director), Judy Reiker (Officer/Director), and Grover Miller, Jr. (Officer/Director). The letter and the current and proposed Applicant and Developer Organizational Charts are provided as [Exhibit C](#). The Applicant requests this change in order to avail itself of the ad valorem tax exemption used by nonprofit homes for the aged, which requires a Florida non-profit to serve as the sole GP.
- d) The Applicant qualified as a Non-Profit Applicant through the Current GP and in order to substantiate its Non-Profit status, submitted (1) an IRS determination letter, (2) a description/explanation of how the Non-Profit entity is substantially and materially participating in the management and operation of the Development, (3) the names and addresses of the members of the governing board of the Non-Profit entity; and (4) the articles of incorporation

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demonstrating that one of the purposes of the Non-Profit entity is to foster low-income housing. Since this entity if being removed from the organizational structure, the Applicant must maintain its Non-Profit status by providing all of the above information for the New GP. All of the above items have been received by Florida Housing except for the IRS determination letter, which the New GP has not received yet. Therefore, approval of this request is contingent upon receipt of the IRS determination letter for the New GP.

- e) It should also be noted that the letter's request to replace Josephine Macon Fennell with Judy Reiker as a Director/Officer of the non-profit corporations also affects the organizational structure of co-Developer NSBHDC Developer, LLC. Ms. Fennell acted as an Officer/Director of New Smyrna, the non-profit Sole Member of NSBHDC Developer, LLC. This request was approved at staff level.
- f) Per the RFA, the Applicant entity shall be the recipient of the Housing Credits and cannot be changed in any way (materially or non-materially) until after the Carryover Allocation Agreement is in effect. Once the Carryover Allocation Agreement has been executed by all parties, (a) replacement of the Applicant or a material change in the ownership structure of the named Applicant will require Board approval prior to the change and (b) any non-material change in the ownership structure of the named Applicant will require Corporation approval prior to the change.
- g) Staff has reviewed this request and finds that the development meets all other requirements of the RFA.

2. **Recommendation**

- a) Approve the request to change the Applicant entity structure as described above, contingent upon receipt of the IRS determination letter for the New GP.

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I. LEGAL

A. In Re: Cathedral Townhouse, Ltd – FHFC Case No. 2021-026VW

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| Development Name: (“Development”): | Cathedral Townhouse |
| Developer/Principal: (“Developer”): | Cathedral Townhouse Redevelopment Associates, LLC Blue Sky Communities III, LLC Shawn Wilson |
| Number of Units: 177 | Location: Duval County |
| Type: High-rise, acquisition and preservation | Set Asides: 20% @ 33% AMI 76% @ 60% AMI 4% @ market rate |
| Demographics: Elderly non-ALF | Funding: 9% Credits \$1,660,000 |

1. Background

- a) Cathedral Townhouse, Ltd (“Petitioner”) successfully applied for an award of competitive Housing Credits under Request for Applications 2017-114 (the “RFA”) to assist in the acquisition and preservation of 177 high-rise units for elderly persons in Duval County.
- b) On May 5, 2021, Florida Housing received a “Petition for Waiver of Rule 67-48-004(3)(j) (2019) for a Change in the Total Set-Aside Percentage” (the “Petition”). On May 17 Florida Housing received an Amended Petition. A copy of the Amended Petition is attached as [Exhibit A](#).

2. Present Situation

- a) Rule 67-48.004(3), Fla. Admin. Code, prohibits an Applicant from changing certain items identified in the Application. It 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.
 - b) Petitioner’s Application identified a total set-aside of 96% including 20% at or below 33% AMI (36 units), 76% at or below 60% AMI (134 units) and 4% at market rate (7 units). Petitioner seeks a waiver that will allow it to reduce the Total Set-Aside Percentage from 96% to 92%. This would have the effect of allowing an additional 7 units (for a total of 14 units) out of 177 units to be rented to tenants with income exceeding 60% AMI. The total number of units set-aside for tenants with income at or below 33% would not change.

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- c) Petitioner is seeking this waiver because a total of 14 units, rather than the 7 units identified in its Application, do not comply with the tenant income requirements since their total household incomes exceed 60% of AMI. Petitioner states that this was discovered only after a recent income certification. Petitioner also states that it cannot make these residents leave and does not wish to force these families from their homes. Guidelines from the Department of Housing and Urban Development (HUD) have the effect of preventing Petitioner from terminating the tenancies of these HUD-assisted tenants. Unless the waiver is granted, Petitioner will be out of compliance with its Total Set-Aside Percentage yet will be prohibited from coming into compliance.
- d) On May 7, 2021, the Notice of Petition was published in the Florida Administrative Register in Volume 47, Number 89. To date, Florida Housing has received no comments concerning the Petition.
- e) Section 120.542(2), Florida Statutes provides in pertinent part:

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

3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rule 67-48.004(3)(j), Fla. Admin. Code, reducing the Total Set-Aside Percentage from 96% to 92%, so that Petitioner will be able to continue renting 14 units to tenants with incomes over 60% AMI.

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B. In Re: LRC Desert-Silver, LLC - FHFC Case No. 2021-028VW

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| Development Name: (“Development”): | Desert Winds and Silver Creek Apartments |
| Developer/Principal: (“Developer”): | Involve Community Management, LLC f/k/a LEDIC Realty Management, LLC / W. Daniel Hughes, Jr. |
| Number of Units: 304 | Location: Duval County |
| Type: Garden Apartments; Acquisition and Rehabilitation | Set Asides: 99.01% at 60% AMI |
| Demographics: Family | Funding: 4% HC: \$1,262,411 |

1. Background

- a) Petitioner applied for non-competitive housing credits to assist in financing the acquisition and rehabilitation of Desert Winds and Silver Creek, an affordable, family housing development in Duval County, Florida. On May 20, 2021, Florida Housing received a Petition for Waiver of Rule 67-21.002(9), (85), F.A.C. (2018) and Board Approval Pursuant to Rule 67-21.003(1)(b), (8)(b), and the Non-Competitive Application Instructions (2018) (the “Petition”). A copy of the Petition is attached as [Exhibit B](#).

2. Present Situation

- a) Rule 67-21.002(9) Fla. Admin. Code (2018), states:

“Applicant” means any person or legal entity of the type and with the management and ownership structure [sic] described herein that is seeking a loan or funding from the Corporation by submitting an Application or responding to a competitive solicitation pursuant to rule chapter 67-60, F.A.C., for one or more of the Corporation’s programs. For purposes of rule 67-21.031, F.A.C., Applicant also includes any assigns or successors in interest of the Applicant. Unless otherwise stated in a competitive solicitation, as used herein, a ‘legal entity’ means a legally formed corporation, limited partnership or limited liability company with a management and ownership structure that consists exclusively of all natural persons by the third principal disclosure level. For Applicants seeking Housing Credits, the Housing Credit Syndicator/Housing Credit investor need only be disclosed at the first principal disclosure level and no other disclosure is required. The terms ‘first principal disclosure level’ and ‘third principal disclosure level’ have the meanings attributed to them in the definition of “Principal.”

- b) Rule 67-21.002(85)(a)(3) Fla. Admin. Code (2018), in relevant part, defines Principal with respect to an Applicant that is...

A limited liability company, at the first principal disclosure level, any manager or member of the Applicant limited liability company, and, unless otherwise excluded at subsection 67-21.002(9), F.A.C., with respect to any manager or member of the Applicant limited liability company, at the second principal disclosure level, that is:

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a. A corporation, any officer, director, executive director, or shareholder of the corporation,

...

c. A limited liability company, any manager or member of the limited liability company, or

...

g. A limited liability company, by the third principal disclosure level, any manager or member of the limited liability company, each of whom must be a natural person, or

...

c) Rule 67-21.003(1)(b) Fla. Admin. Code (2018), in relevant part, requires applicants for non-competitive housing credits that will not be in conjunction with other Florida Housing funding to utilize the Non-Competitive Application (“NCA”) Package in effect at the time the application is submitted and adopts and incorporates the NCA Package.

d) Rule 67-21.003(8)(b) Fla. Admin. Code (2018), in relevant part, states:

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

...

(b) Principals of each Developer, including all co-Developers; notwithstanding the foregoing, the Principals of the Developer(s) may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter Credit Underwriting. With regard to said approval, the Board shall consider the facts and circumstances of each Applicant’s request, inclusive of validity and consistency of Application documentation;

e) The NCA Package includes the following requirement:

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

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Corporation approval, as applicable, prior to the approval of the Final Housing Credit Allocation and issuance of the IRS Forms 8609 shall result in a disqualification from receiving funding and shall be deemed a material misrepresentation. Changes to the limited partner of an investor limited partnership or an investor member of a limited liability company owning the syndicating interest therein will not result in disqualification.

NCA Package at Part A.5.b.(1)(emphasis supplied).

- f) Specifically, Petitioner requests 1) Board approval pursuant to Rule 67-21.003(1)(b), Fla. Admin. Code (2018) and the Non-Competitive Application Instructions to materially change the Petitioner's principals; 2) Board approval pursuant to Rule 67-21.0003(8)(b), Fla. Admin. Code (2018) to change the Developer's principals; and 3) a waiver of the definition of "Applicant" as defined in Rule 67-21.002(9), Fla. Admin. Code (2018) and "Principal" as defined in Rule 67-21.002(85)(a)(3), Fla. Admin. Code (2018) (referred to herein as the "Rule") to the extent such definitions require that only natural persons be disclosed by or at the third principal disclosure level.
- g) Petitioner asserts that the requested Board approval and waiver were necessitated by the substitution of placeholder limited partners that occurred after closing, principal name changes, and the discovery that Petitioner did not properly complete the principal disclosure form despite efforts to make a full disclosure via an organizational chart attached to Petitioner's application. Petitioner states that, over the course of almost four months, Petitioner attempted to make the organizational structure changes necessary to come into compliance with the Rule. However, neither HUD nor the lender allowed changes to Petitioner's structure subsequent to FHA endorsement. Petitioner states that it has no other viable options except to request waiver of the Rule.
- h) Petitioner states that it submitted an NCA Package on August 2, 2018 and was confused by the principal disclosure form. In an effort to ensure that all necessary disclosures were made, Petitioner provided a Principals of Applicant and Developer Memo and a chart of Petitioner's organizational structure with the application package.
- i) Petitioner asserts that it made a good faith effort to comply with the Rule but was unable to do so. Below is a summary of Petitioner's timeline of its efforts to comply with the Rule:
- (1) Petitioner was invited to credit underwriting on September 5, 2018.
 - (2) Petitioner's HUD 223F Loan officially closed on December 28, 2018 and the FHA endorsement occurred on that same date. The Housing Assistance Payments Contract was assigned to the new ownership as of the closing date as well.
 - (3) On February 12, 2019, Florida Housing provided a Preliminary Determination Certificate.
 - (4) Petitioner requested Florida Housing's approval of the Developer's name change on September 9, 2020.

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- (5) In the course of discussing the requested name change, Florida Housing identified discrepancies in Petitioner's and Developer's principal disclosures and notified Petitioner of the Rule violation on September 22, 2020.
 - (6) Petitioner participated in numerous communications with its local counsel to understand the Rule, the violation, and potential options to cure.
 - (7) Envolve worked with Developer's counsel to identify potential organizational structures. After identifying the best option (i.e., the "Compliance Structure"), Developer's counsel began drafting the documents necessary to create the new Compliance Structure.
 - (8) Envolve then contacted its HUD Counsel to discuss the procedure for obtaining approval of the Compliance Structure from HUD and the effect of the change as it related to the Housing Assistance Payments Contract.
 - (9) Envolve had several discussions with the lender, to confirm an organizational structure change was possible, the procedure for changing the structure, and what effect the Compliance Structure would have as it related to Petitioner's HUD 223(f) Loan. Envolve also provided the lender with the Compliance Structure's organizational chart. Unfortunately, the lender responded by letter dated February 18, 2021, attached as Exhibit E, that the Compliance Structure was not possible because: (a) changes in ownership structure are not allowed by HUD or the Lender after FHA endorsement (which endorsement occurred on December 28, 2018); and (b) any change to the key principal structure was a violation of the current loan covenants.
- j) In light of the foregoing, Petitioner requests this waiver and discloses the principals as stated in its Petition and the exhibits attached thereto. Petitioner states that if the Petition is denied, Petitioner will not be able to obtain the financial support necessary to complete the Development. Additionally, Petitioner asserts that all natural persons in control and financially benefitting from the Development were disclosed to Florida Housing by the Petitioner's initial principal disclosures and that granting the requested waiver will prevent a substantial and unfair hardship from being imposed on Petitioner while still achieving the underlying purpose of the Rule. Florida Housing staff contacted Seltzer Management Group, Inc, the underwriter on this transaction, who confirmed that the changes to the organizational structure would have no impact on their original recommendation in the non-competitive 4% Housing Credits update letter, dated February 5, 2019.
- k) On May 21, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 99. To date, Florida Housing has received no comments concerning the Petition.
- l) 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

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of fairness.

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

3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rules 67-21.002(9), (85), F.A.C. (2018) and Board Approval Pursuant to Rules 67-21.003(1)(b), (8)(b), and the Non-Competitive Application Instructions (2018) to materially change the Petitioner’s and Developer’s principals as stated in the Petition and to waive the definition of “Applicant” and “Principal” to the extent that those definitions require that only natural persons be disclosed by or at the third principal disclosure level to allow the disclosure of principals beyond the third disclosure level as stated in the Petition.

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C. In Re: The Village of Casa Familia, Ltd. - FHFC Case No. 2021-035VW (RFA 2019-107/App. No. 2019-422CG)

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| Development Name: (“Development”): | The Village of Casa Familia |
| Developer/Principal: (“Developer”): | Casa Familia Developer, LLC/Howard D. Cohen |
| Number of Units: 59 | Location: Miami-Dade County |
| Type: Garden Apartments; New Construction | Set Asides: 15% at 28% AMI 71% at 60% AMI 14% at Market |
| Demographics: Persons with Developmental Disabilities | Funding: 9% HC: \$1,500,000 Grant: \$4,000,000 |

1. Background

- a) Petitioner successfully applied for competitive housing credits and grant funding to assist in the construction of The Village of Casa Familia, a 59-unit development located in Miami-Dade County, Florida to serve low-income individuals with developmental disabilities (the “Development”). On June 1, 2021, Florida Housing received a Petition for Variance from Florida Administrative Code Rule 67-48.002(96) and the 2018 QAP (the “Petition”). A copy of the Petition is attached as [Exhibit C](#).

2. Present Situation

- a) Rule 67-48.002(96) Fla. Admin. Code (2018), in relevant part, adopts and incorporates the 2018 Qualified Allocation Plan (“QAP”).
- b) Subsection II.K. of the QAP Rule states:

Notwithstanding any other provision of this QAP, where a Development has not been placed in service by the date required pursuant to Section 42 of the IRC, or it is apparent that a Development will not be placed in service by the date required pursuant to Section 42 of the IRC, and such failure is due to circumstances beyond the Applicant’s control, and the Applicant has returned its Housing Credit Allocation in the last calendar quarter of the year in which it was otherwise required to be placed in service pursuant to Section 42 of the IRC, the Corporation may reserve allocation in an amount not to exceed the amount of Housing Credits returned, and may issue a Carryover Allocation Agreement allocating such Housing Credits to the Applicant for either the current year or the year after the year in which the Development was otherwise required to be placed in service pursuant to Section 42 of the IRC, provided the following conditions have been met: (i) the sponsor must have provided written notice to the Corporation, describing the circumstances, all remedial measures attempted by the Applicant to mitigate the delay, and any other pertinent information, prior to returning the allocation; and (ii) the Executive Director must find and determine that the delay was caused by circumstances beyond the Applicant’s control, that the sponsor exercised due diligence in seeking to resolve the circumstances causing delay, that the Development in all respects, except time placed in service, still meets the conditions upon which the Housing Credits were originally allocated, and that the Development is still desirable in terms

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

- c) Petitioner requests a waiver of the limitation on the timing of the tax credit exchange, to allow a credit exchange to be approved by the Executive Director or the Board at this time rather than wait until the last calendar quarter of 2022. Petitioner was invited into credit underwriting on May 20, 2019. Petitioner entered into a 2019 Carryover Allocation Agreement on December 26, 2019. Pursuant to federal requirements, the Development is required to be Placed In Service no later than the close of the second calendar year following the calendar year in which the allocation is made. Also, pursuant to federal and Florida Housing requirements, Petitioner's deadline to meet the 10% Test was June 30, 2020. At Petitioner's request, Florida housing granted an extension of the 10% Test to December 26, 2020 per the provisions of the Carryover. Additionally, Petitioner was granted an additional extension of the 10% Test deadline to June 26, 2021 and the Placed-In-Service deadline to December 31, 2022 under Rev. Proc. 2014-49. In order to meet the 10% Test, Petitioner will need to have closed on financing, which will not be completed by the current deadline.
- d) According to Petitioner, over the last year, the Development has suffered unforeseen hardships that make it clear that the Development will not meet the 10% Test by June 26, 2021, which are summarized below:
- (1) A complaint was made to HUD suggesting that the Development may not comply with the Supreme Court's decision in *Olmstead v. L.C.*, 527 U.S. 581 (1999), which prohibits segregating individuals with development disabilities from integrated housing options. According to Petitioner, the other funding sources remain supportive of the Development, they will not issue a commitment for the funding until confirmation is received from HUD that the Development complies with the law. Petitioner cannot finalize credit underwriting, close on the financing, or start construction until it receives those funding commitments. Petitioner is in the process of obtaining HUD's approval for the Development by requesting approval to implement a limited selection preference for households that meet federal requirements. Petitioner estimates that it may take up to 12 months to receive the confirmation.
 - (2) Petitioner states that the resolution of the above issue could result in complete restructuring of the deal with Miami-Dade and Florida Housing. Because of the potential need to restructure the Development, Petitioner states that it cannot purchase and store materials or make a capitalized ground lease payment to meet the 10% Test.
 - (3) Additionally, Petitioner asserts that the COVID-19 pandemic and the associated precautionary measures had a significant impact, which also caused significant delays.

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- e) Petitioner asserts that despite the delays, Petitioner has been working diligently to complete the pre-development activities and has completed the construction drawings and obtained an expedited permitting process, of which the permits are expected by the Fall of 2021. Additionally, Petitioner states that as soon as the issue with HUD is addressed and it receives the additional funding commitments, it will close on financing and commence construction. Although the timing of the resolution is uncertain, Petitioner states that it is hopeful to close by May of 2022 with construction completed by June of 2023.
- f) Petitioner requests a credit exchange and is confident that it will be able to meet the 10% Test and Placed-In-Service deadline, as extended due to the credit exchange to a Placed-In-Service deadline of December 31, 2023.
- g) On June 3, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 107. To date, Florida Housing has received no comments concerning the Petition.
- h) 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.
- i) Granting the requested waiver would not impact other participants in funding programs administered by Florida Housing, nor would it detrimentally impact Florida Housing. Petitioner has demonstrated that it would suffer a substantial hardship if the waiver is not granted. Petitioner has also demonstrated that the purpose of the underlying statute, which is to “encourage development of low-income housing in the state” (§420.5099, Fla. Stat.), would still be achieved if the waiver is granted.

3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rule 67-48.002(96), F.A.C. (2018) and the timing provisions in Section II.K of the 2018 QAP to allow Petitioner to exchange its 2019 housing credits for an allocation of 2021 housing credits and thereby extend the associated deadlines.

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D. In Re: CORE MHP COLLIER, Ltd. - FHFC Case No. 2021-036VW (RFA 2019-116/App. No. 2020-385BSN)

| | |
|--|---|
| Development Name: (“Development”): | Allegro at Hacienda Lakes (formerly known as Villa Verde) |
| Developer/Principal: (“Developer”): | MHP Collier Developer, LLC/Christopher L. Shear CORE Collier Developer, LLC/ Steve PonTell |
| Number of Units: 160 | Location: Collier County |
| Type: Mid-Rise, 4-Stories; New Construction | Set Asides: 10% at 30% AMI 90% at 60% AMI |
| Demographics: Elderly, Non-ALF | Funding: SAIL: \$6,000,000 4% HC: \$11,026,270 ELI: \$600,000 MMRB: \$18,250,000 |

1. Background

- a) Petitioner successfully applied for competitive State Apartment Incentive Loan (“SAIL”) funding, non-competitive housing credits, Extremely Low Income (“ELI”) loan funding, and Florida Housing issued Multifamily Mortgage Revenue Bonds (“MMRB”) under RFA 2019-116 to finance the construction of a multifamily complex to be known as Allegro at Hacienda Lakes (formerly known as Villa Verde) located in Collier County, Florida (the “Development”). On June 2, 2021, Florida Housing received a Petition for Waiver of Rules 67-48.004(3)(g) and 67-21.003(8)(g) (the “Petition”) to allow Petitioner to change its Development Type. A copy of the Petition is attached as [Exhibit D](#).

2. Present Situation

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

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

...

(g) Development Type;

- b) Rule 67-21.003(8)(g) Fla. Admin. Code (2019), in relevant part, states:

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

...

(g) Development Type;

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- c) Petitioner requests a waiver of the prohibition on changing the Development Type selected in its Application, Mid-Rise, 4-stories, to Mid-Rise, 5-6 stories, due to unforeseen circumstances. Petitioner asserts that it originally intended to construct a single 4-story residential building for the Development, as part of the first phase of a multiphase development (the “Project”). Petitioner states that after submission of its Application, a second phase of restricted elderly housing was subsequently planned on contiguous land within the same legally defined parcel as the Development.
- d) According to Petitioner, after performing a detailed engineering of the Development, under the County’s land development code, the required setbacks between the phases of the Project were larger than they were required to be as a standalone development. Additionally, Petitioner asserts that although zoning only requires that there be 1 parking space per unit, during the detailed engineering and design phase, Petitioner’s property management team concluded that a ratio of one and three-tenths (1.3) parking spaces per unit is necessary and desirable for safe and efficient operation of the Development. Petitioner asserts that the enlarged set-backs and additional parking requirements were unknown at the time the Application was submitted. Petitioner asserts that this proposed modification to the Development Type of Mid-Rise, 5-6 Stories will result in construction efficiencies for the Development and a lower hard cost per square foot basis, which assists in alleviating the hardships of the rising construction costs. Petitioner states that the change in Development Type is already permissible under the applicable zoning regulations.
- e) On June 3, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 107. To date, Florida Housing has received no comments concerning the Petition.
- f) Section 120. 542(2), Florida Statutes provides in pertinent part:

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

3. Recommendation

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rules 67-48.004(3)(g) and 67-21.003(8)(g) to allow Petitioner to change its Development Type from “Mid-Rise, 4-stories” to “Mid-Rise, 5-6 stories.”

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- E. In Re: Paces Gateway Manor, LLC - FHFC Case No. 2021-037VW (RFA 2019-109/App. No. 2019-400H)

| | |
|---|--|
| Development Name: (“Development”): | Gateway Manor |
| Developer/Principal: (“Developer”): | The Paces Foundation, Inc./Mark M. Du Mas |
| Number of Units: 26 | Location: Gulf County |
| Type: Garden Apartments/New Construction | Set Asides: 20% at 50% AMI 80% at 60% AMI |
| Demographics: Family | Funding: HOME: \$4,700,000 |

1. **Background**

- a) Petitioner successfully applied for HOME Financing under RFA 2019-109 to finance the construction of a multifamily complex to be known as Gateway Manor located in Gulf County, Florida (the “Development”). On June 2, 2021, Florida Housing received a Petition for Waiver of Rule 67-48.0072(26) and RFA 2019-109 Exhibit C, Part 3(d), Incorporating the Loan Closing Timeframe to allow Petitioner to extend its loan closing deadline. A copy of the Petition is attached as [Exhibit E](#). On June 8, 2021, Petitioner filed an Amended Petitioner (the “Petition”). A copy of which is attached as [Exhibit F](#).

2. **Present Situation**

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

(26) For SAIL, EHCL, and HOME, unless stated otherwise in a competitive solicitation, these Corporation loans and other mortgage loans related to the Development must close within 120 Calendar Days of the date of the firm loan commitment(s), unless the Development is a Tax-Exempt Bond-Financed Development which then the closing must occur within 180 Calendar Days of the firm loan commitment(s). Unless an extension is approved by the Board, failure to close the loan(s) by the specified deadline outlined above shall result in the firm loan commitment(s) being deemed void and the funds shall be de-obligated. Applicants may request one (1) extension of the loan closing deadline outlined above for a term of up to 90 Calendar Days. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting an extension and shall detail the time frame to close the loan. The Board shall consider the facts and circumstances of each Applicant’s request, inclusive of the Applicant’s ability to close within the extension term and any credit underwriting report, prior to determining whether to grant the requested extension. The Corporation shall charge an extension fee of one (1) percent of each Corporation loan amount if the Board approves the request to extend the loan closing deadline beyond the applicable 120 Calendar Day or 180 Calendar Day period outlined above. If an approved extension is utilized, Applicants must pay the extension fee not later than seven (7) Calendar Days after the original loan closing deadline. In the event the Corporation loan(s) does not close by the end of the extension period, the firm loan commitment(s) shall be deemed void and the funds shall be de-obligated.

(emphasis added)

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- b) RFA 2019-109 Exhibit C, Part 3(d), in relevant part, provides:

3. Fees

d. Credit Underwriting and Loan Closing Extension Fees In the event the firm commitment is not issued, or the loan does not close within the prescribed timeframes, extension fees will be assessed. The firm commitment must be issued with the timeframes outlined in subsection 67-48.0072(21). Loans must close within the timeframes outlined in subsection 67-48.0072(26), F.A.C. The Corporation shall charge an extension fee of 1 percent of each Corporation loan amount if the Board approves the request to extend the loan closing(s).

(emphasis added)

- c) Florida Housing issued a firm loan commitment for the loan to Petitioner on December 10, 2020. Petitioner's deadline to close the loan was April 9, 2021. On April 9, 2021, Petitioner requested an extension of ninety (90) days pursuant to Rule 67-48.0072(26), F.A.C. (2018). On April 30, 2021, Florida Housing's Board of Directors (the "Board") approved the request thereby extending the closing deadline to July 8, 2021.
- d) Petitioner states that due to an unexpected increase in contactor's costs, Petitioner will not be able to close by July 8, 2021. Specifically, Petitioner asserts that the construction costs increased from approximately \$4.2 million to approximately \$4.7 million due to increases in the cost of materials and labor shortages. In an effort to address the rising costs, Petitioner states that it is working to increase the construction loan amount and the corresponding mortgage to help fill the financing gap. Petitioner states that this will require additional time to coordinate the final construction loan amount and additional time for the credit underwriter to review and approve such changes. Therefore, Petitioner requests that the closing deadline be extended from July 8, 2021 to January 8, 2022 and that no additional extension fees be imposed.
- e) On June 3, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 107. To date, Florida Housing has received no comments concerning the Petition.
- f) Section 120. 542(2), Florida Statutes provides in pertinent part:
- Variations and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- g) Granting the requested waiver would not impact other participants in funding programs administered by Florida Housing, nor would it detrimentally impact Florida Housing. Petitioner has demonstrated that it would suffer a substantial hardship if the waiver is not granted. Petitioner has also demonstrated that the purpose of the underlying statute, which is to "encourage development of low-income housing in the state" (§420.5099, Fla. Stat.), would still be achieved if the waiver is granted.

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3. Recommendation

- a) Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-48.0072(26) and RFA 2019-109 Exhibit C, Part 3(d), to allow the loan closing deadline to be extended from July 8, 2021 to January 8, 2022.

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F. In Re: Tupelo Park, LP - FHFC Case No. 2021-038VW

| | |
|--|--|
| Development Name: (“Development”): | Tupelo Park Apartments |
| Developer/Principal: (“Developer”): | The Paces Foundation, Inc. Renee Sandell |
| Number of Units: 47 | Location: Bay County |
| Type: New Construction, Garden Apartments | Set Asides: 20% at 50% AMI 80% at 60% AMI |
| Demographics: Family | HOME \$4,300,000 MMRB \$8,200,000 |

1. Background

- a) Petitioner Tupelo Park, LP was selected to receive HOME funding in conjunction with Multifamily Mortgage Revenue Bonds under Request for Applications (RFA) 2019-109, HOME Financing to be used for Rental Developments in Hurricane Michael Impacted Counties and in Rural Areas, to assist in the construction of a Development serving low-income families in Bay County, Florida. On June 2, 2021, Florida Housing received a petition for waiver of Rule 67-48.0072(21)(b) (the “Petition”) requesting a third extension of the firm loan commitment issuance deadline from June 28, 2021 to December 28, 2021. A copy of the Petition is attached as [Exhibit G](#).

2. Present Situation

- a) Rule 67-48.0072(21), Fla. Admin. Code (2018), provides in relevant part:
- (b) For SAIL, EHCL, and HOME, unless stated otherwise in a competitive solicitation, the firm loan commitment must be issued within twelve (12) months of the Applicant’s acceptance to enter credit underwriting. Unless an extension is approved by the Corporation in writing, failure to achieve credit underwriting report approval and issuance of a firm loan commitment by the specified deadline shall result in withdrawal of the preliminary commitment. Applicants may request one (1) extension of up to six (6) months to secure a firm loan commitment. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting the extension and shall detail the time frame to achieve a firm loan commitment.
- b) Petitioner’s deadline to finalize credit underwriting and receive a final loan commitment was June 28, 2020. On April 17, 2020, the Board granted Petitioner’s request and extended the deadline to December 28, 2020. On December 4, 2020, the Board granted Petitioner’s second request and extended the deadline to June 28, 2021. Petitioner alleges that its contractor has increased the construction cost estimate by almost \$3 million over the past eight months, and that Petitioner has therefore entered into negotiations with another contractor who will be submitting a cost estimate in June of 2021. If Petitioner decides to hire the alternative contractor, the credit underwriter will need additional time to review the executed construction contract. In such a case Petitioner will be unable to have an executed construction contract in time for the credit underwriting report to be completed before the June 18, 2021 Board meeting, and therefore will be unable to meet the firm loan commitment deadline of June 28, 2021.

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- c) On June 3, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 107. To date, Florida Housing has received no comments concerning the Petition.
- d) Section 120.542(2), Florida Statutes provides in pertinent part:

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

3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rule 67-48.0072(21)(b), Fla. Admin. Code (2017), so that the firm loan commitment deadline may be extended from June 28, 2021 to December 28, 2021.

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G. In Re: SP Forest, LLC - FHFC Case No. 2021-034VW

| | |
|---|---|
| Development Name: (“Development”): | Jackson Forest |
| Developer/Principal: (“Developer”): | Southport Development Services, Inc. J. David Page |
| Number of Units: 105 | Location: Leon County |
| Type: New Construction, Mid-Rise (4 stories) | Set Asides: 10% at 33% AMI 90% at 60% AMI 3.81% at 22% AMI |
| Demographics: Family | SAIL \$5,850,000 MMRB \$152,500,000 NHTF \$872,000 ELI \$600,000 4% HC \$873,278 |

1. Background

- a) Petitioner SP Forest, LLC was selected to receive SAIL funding in conjunction with Multifamily Mortgage Revenue Bonds and 4% Housing Tax Credits under Request for Applications (RFA) 2018-116, SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits, to assist in the construction of a Development serving low-income families in Leon County, Florida. On June 1, 2021, Florida Housing received a petition for waiver of Rule 67-48.0072(26) (the “Petition”) requesting a second extension of the loan closing deadline from July 19, 2021 to December 19, 2021. A copy of the Petition is attached as [Exhibit H](#).

2. Present Situation

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

(26) For SAIL, EHCL, and HOME, unless stated otherwise in a competitive solicitation, these Corporation loans and other mortgage loans related to the Development must close within 120 Calendar Days of the date of the firm loan commitment(s), unless the Development is a Tax-Exempt Bond-Financed Development which then the closing must occur within 180 Calendar Days of the firm loan commitment(s). Unless an extension is approved by the Board, failure to close the loan(s) by the specified deadline outlined above shall result in the firm loan commitment(s) being deemed void and the funds shall be de-obligated. Applicants may request one (1) extension of the loan closing deadline outlined above for a term of up to 90 Calendar Days. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting an extension and shall detail the time frame to close the loan. The Board shall consider the facts and circumstances of each Applicant’s request, inclusive of the Applicant’s ability to close within the extension term and any credit underwriting report, prior to determining whether to grant the requested extension. The Corporation shall charge an extension fee of one (1) percent of each Corporation loan amount if the Board approves the request to extend the loan closing deadline beyond the applicable 120 Calendar Day or 180 Calendar Day period outlined above. If an approved extension is utilized, for profit Applicants must

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pay the extension fee not later than seven (7) Calendar Days after the original loan closing deadline. Non-Profit Applicants may request to pay the extension fee at the time of closing. Any such request must be made in writing to the Corporation. In the event the Corporation loan(s) does not close by the end of the extension period, the firm loan commitment(s) shall be deemed void and the funds shall be de-obligated.

- b) Florida Housing issued a firm loan commitment to Petitioner on October 19, 2020. Petitioner's initial deadline to close the loan was April 19, 2021. On March 12, 2021, the Board granted Petitioner's request and extended the closing deadline to July 19, 2021. Subsequently, due to the recent extraordinary fluctuation and volatility in pricing for construction materials, Petitioner requested that Florida Housing increase the amount of Multifamily Mortgage Revenue Bonds currently allocated to that Petitioner is still able to meet the 50% test should costs continue to increase. This request is being considered by the Board at its meeting on June 18, 2021. If approved, the increased MMRB allocation will then need to be approved by the State Board of Administration, which will not meet again until August 10, 2021. Petitioner thus alleges that it will not be able to meet the current deadline to close the loan by July 19, 2021.
- c) On June 2, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 106. To date, Florida Housing has received no comments concerning the Petition.
- d) Section 120.542(2), Florida Statutes provides in pertinent part:

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

3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-48.0072(26), Fla. Admin. Code (2018), so that the loan closing deadline may be extended from July 19, 2021 to December 19, 2021.

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H. In Re: The Park at Palo Alto, LLC - FHFC Case No. 2021-032VW (2020-068BR)

| | |
|--|---|
| Development Name: (“Development”): | The Park at Palo Alto |
| Developer/Principal: (“Developer”): | Royal American Development, LLC Invictus Development, LLC PCHA Developer, LLC |
| Number of Units: 120 | Location: Bay County |
| Type: Garden Apartments | Set Asides: 10% @ 35% AMI 90% @ 60% AMI |
| Demographics: Family | RRLP: \$8,400,000 RRLP ELI: \$820,200 MMRB: \$12,500,000 4% Housing Credits: \$1,177,022 |

1. Background

- a) The Park at Palo Alto, LLC (“Petitioner”) was selected to receive RRLP funding under RFA 2019-111 (Rental Recovery Loan Program (“RRLP”) Financing To Be Used For Rental Developments In Hurricane Michael Impacted Counties) to assist in the construction of The Park at Palo Alto (“Development”).
- b) On May 26, 2021, Florida Housing received a “Petition for Waiver of Rules 67-21.014(2)(r)(6); 67-21.026(13)(e)” (“Petition”), a copy of which is attached as [Exhibit I](#).

2. Present Situation

- a) Rules 67-21.014(2)(r)(6); 67-21.026(13)(e), F.A.C. as adopted by Subsection III of the 2019 QAP, identically provide:

Ensure that no construction or inspection work that is normally performed by subcontractors is performed by the General Contractor...

- b) Petitioner requests a partial waiver of the above Rules to permit its third party General Contractor to conduct some self-performance work. On October 10, 2019, Bay County was severely impacted by Hurricane Michael, leading to the issuance of RFA 2019-111. The Royal American Companies (“RAC”), the General Contractor for this Development, have developed affordable housing in Bay County since 1969. This includes work as a General Contractor for all RAC developments and for third parties. Petitioner requests this partial waiver of the above Rules to permit self-performance of a portion of the site work by the RAC General Contractor based on the following:

- a) Due to the massive amount of rebuilding Bay County is experiencing, all subcontractors are booked for extended periods of time. RAC's ability to self-perform site work will ensure the Development is built as timely as possible;

- b) 80% of the Development's site work is either materials or third-party work. Actual RAC labor dollars are approximately \$352,308.00 and no GC profit, overhead or general requirements percentages will be applied to this amount.

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c) RAC was able to get only one competitive bid from another site work subcontractor, which is 10% more than if RAC self-performs a portion of the site work;

d) RAC's self-performance will reduce Site Work cost by \$153,480.00. In fact, by allowing RAC's self-performance of the Development's Site Work, RAC will make less profit.

c) On May 27, 2021, Notice of the Petition was published in the *Florida Administrative Register* in Volume 47, Number 103. To date, Florida Housing has received no comments concerning the Petition.

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 partial waiver of Rules 67-21.014(2)(r)(6); 67-21.026(13)(e), F.A.C., to permit Developer's General Contractor to self-perform the site work for the Development.

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I. In Re: SP Village LLC - FHFC Case No. 2021-33VW (App. No. 2018-019BS/2016-567C)

| | |
|---|--|
| Development Name: (“Development”): | Choctaw Village |
| Developer/Principal: (“Developer”): | Southport Development Services, Inc. / J. David Page |
| Number of Units: 48 | Location: Okaloosa County |
| Type: Acquisition/Rehabilitation/Garden Apartments | Set Asides: SAIL:10% at 33% AMI and 90% at 60% AMI; HC and MMRN: 100% at 60% AMI |
| Demographics: Family | Funding: SAIL - \$2,500,000 ELI - \$396,300 MMRN - \$5,000,000 Annual 4% HC - \$293,039 |

1. Background

- a) Petitioner applied for non-competitive housing credits to assist in the acquisition and rehabilitation of Choctaw Village, a family affordable housing development in Okaloosa County, Florida (the “Development”). On May 27, 2021, Florida Housing received a Petition for Waiver of the Rules 67-21.003(8)(j) and 67-48.004(3)(j) for a Change In The Total Set-Aside Percentage to allow Petitioner to change its Set-Aside commitment from 100% to 95% of the units as described more fully below. A copy of the Petition is attached as [Exhibit J](#).

2. Present Situation

- a) Rule 67-21.003(8)(j), Fla. Admin. Code (2017), in relevant part, states:

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

...

(j) 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; notwithstanding the foregoing, the Total Set-Aside Percentage may be increased after the Applicant has been invited to enter Credit Underwriting, subject to written request of an Applicant to Corporation staff and approval of the Corporation. With regard to said approval, the Corporation shall consider the facts and circumstances, inclusive of each Applicant’s request, in evaluating whether the changes made are prejudicial to the Development or to the market to be served by the Development;

- b) Likewise, Rule 67-48.004(3)(j) provides in relevant part, as follows:

(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:

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...

(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.

- c) Petitioner requests waiver of the above cited rule to allow Petitioner to reduce its Total Set-Aside Percentage from 100% of the units (48 units) to 95% of the units (46 units). In its application, Petitioner committed to set aside 10% of the units (5 units) at 33% AMI or less and the remaining 90% of the 48 units (43 units) at 60% AMI or less. However, two families presently reside in the development with incomes greater than 60% AMI which precludes satisfaction of the 100% set-aside requirement. According to Petitioner, these families initially qualified to reside in the development and still currently meet the income requirements imposed by HUD pursuant to the restrictions set forth in the project-based HAP Contract. HUD guidelines have the effect of preventing Petitioner from terminating the tenancies of these HUD-assisted tenants, and specifically from non-renewing the leases of tenants who exceed the income requirements imposed by LIHTC deed restrictions. The Petitioner could not change its minimum set aside election to Average Income to maintain the set aside commitment in the application to accommodate the over-income residents as the Development is a rehabilitation and the residents were living in the units prior to closing and initial tenant income certification. As such, unless the waiver is granted, Petitioner will be out of compliance with the Total Set-Aside Percentage, yet it will be prohibited from coming into compliance. While not specifically stated within the Petition, Petitioner will be required to maintain its SAIL ELI requirements with 10% of the units (5 units) at 33% AMI or less and the remaining 85% of the units (41 units) set aside at 60% AMI. The MMRN and Housing Credit set-asides will reflect 95% of the units (46 units) at 60% AMI or less.
- d) On May 27, 2021, Notice of the Petition and Amended Petition was published in the Florida Administrative Register in Volume 47, Number 104. To date, Florida Housing has received no comments concerning the Petition.
- e) Section 120. 542(2), Florida Statutes provides in pertinent part:
- Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- f) Granting the requested waiver would not impact other participants in funding programs administered by Florida Housing, nor would it detrimentally impact Florida Housing. 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.

LEGAL

Consent

3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rules 67-21.003(8)(j) and 67-48.004(3)(j) Fla. Admin. Code (2017), to allow Petitioner to reduce its Total Set-Aside Percentage from 100% (48 units) to 95% (46 units). More specifically, the SAIL/ELI set-asides will reflect 10% (5 units) at 33% AMI or less and 85% (41 units) at 60% AMI or less and the Housing Credit and MMRN set-asides will reflect 95% (46 units) at 60% AMI or less.

MULTIFAMILY BONDS

Consent

I. MULTIFAMILY BONDS

A. Request Approval of Credit Underwriting Report and Authorizing Resolutions for Saratoga Crossings III (RFA 2019-102 / 2020-026BD)

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

1. Background/Present Situation

- a) On July 30, 2019, Florida Housing issued a Request for Applications (RFA) 2019-102 for Community Development Block Grant – Disaster Recovery (CDBG-DR) to be Used in Conjunction with Tax-Exempt MMRB and Non-Competitive Housing Credits in Counties Deemed Hurricane Recovery Priorities.
- b) On December 13, 2019, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On April 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant on April 27, 2020. The acceptance was acknowledged on April 29, 2020.
- d) On March 12, 2021, the Board approved the request to extend the firm loan commitment issuance deadline from April 29, 2021 to October 29, 2021. There is a contemporaneous Legal Consent Item on the Agenda to approve an extension of the loan closing deadline.
- e) On June 7, 2021, staff received a final credit underwriting report with a positive recommendation for MMRN and CDBG-DR funding ([Exhibit A](#)). Staff has reviewed this report and finds that the development meets all requirements of the RFA.

MULTIFAMILY BONDS

Consent

- f) Staff reviewed the authorizing resolutions ([Exhibit B](#)) authorizing the sale and issuance of a Multifamily Mortgage Revenue Notes to finance this affordable housing Development within the State of Florida. Staff requests approval for the execution of the resolutions.

2. **Recommendation**

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

MULTIFAMILY BONDS

Consent

B. Request Approval of Credit Underwriting Report and Authorizing Resolutions for The Harmony on Santa Barbara f/k/a Bembridge (RFA 2019-102 / 2020-046BD)

| | |
|---|--|
| Development Name: The Harmony on Santa Barbara f/k/a Bembridge | Location: Collier County |
| Applicant/Borrower: MHP Bembridge, LLC | Set-Aside(s): 40% @ 60% AMI (MMRB) 15.854% @ 30% AMI (CDBG-DR, ELI & 4% HC) 60.976% @ 60% AMI (CDBG-DR & 4% HC) 23.170% @ 80% AMI (CDBG-DR & 4% HC) |
| Developer/Principal: MHP Bembridge Developer, LLC / Christopher Shear | Demographic/Number of Units: Workforce / 82 units |
| Requested Amounts: \$11,500,000 Multifamily Mortgage Revenue Bonds (MMRB) \$7,800,000 Community Development Block Grant – Disaster Recovery (CDBG-DR) \$833,995 Housing Credits (4% HC) | Development Category/Type: New Construction / Garden Apartments |

1. Background/Present Situation

- a) On July 30, 2019, Florida Housing issued a Request for Applications (RFA) 2019-102 for Community Development Block Grant – Disaster Recovery (CDBG-DR) to be Used in Conjunction with Tax-Exempt MMRB and Non-Competitive Housing Credits in Counties Deemed Hurricane Recovery Priorities.
- b) On December 13, 2019, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On April 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant on April 27, 2020. The acceptance was acknowledged on April 29, 2020.
- d) On March 12, 2021, the Board approved the request to extend the firm loan commitment issuance deadline from April 29, 2021 to October 29, 2021.
- e) On June 9, 2021, staff received a final credit underwriting report with a positive recommendation for MMRB and CDBG-DR funding ([Exhibit C](#)). Staff has reviewed this report and finds that the development meets all requirements of the RFA.
- f) Staff reviewed the authorizing resolutions ([Exhibit D](#)) authorizing the sale and issuance of a Multifamily Mortgage Revenue Bonds to finance this affordable housing Development within the State of Florida. Staff requests approval for the execution of the resolutions.

MULTIFAMILY BONDS

Consent

2. **Recommendation**

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

MULTIFAMILY BONDS

Consent

C. Request Approval of Credit Underwriting Report, Authorizing Resolutions, and RFA Waiver for General Contractor to Self-Perform Site Work for The Park at Palo Alto (RFA 2019-111 / 2020-068BR)

| | |
|---|---|
| Development Name: The Park at Palo Alto | Location: Bay County |
| Applicant/Borrower: The Park at Palo Alto, LLC | Set-Aside(s): 100% @ 60% AMI (MMRN & 4% HC) 10% @ 35% AMI (RRLP & ELI) 90% @ 60% AMI (RRLP) |
| Developers/Principal: Royal American Properties, LLC /Joseph F. Chapman, IV, InVictus Development, LLC / Paula McDonald Rhodes, and PCHA Developer, LLC / Teresa Henry | Demographic/Number of Units: Family / 120 units |
| Requested Amounts: \$12,500,000 Multifamily Mortgage Revenue Notes (MMRN) \$8,400,000 Rental Recovery Loan Program (RRLP) \$820,200 Extremely Low Income (ELI) \$1,177,022 Housing Credits (4% HC) | Development Category/Type: New Construction / Garden Apartments |

1. Background/Present Situation

- a) On August 1, 2019, Florida Housing issued a Request for Applications (RFA) 2019-111 for Rental Recovery Loan Program (RRLP) Financing to be Used for Rental Developments in Hurricane Michael Impacted Counties.
- b) On December 13, 2019, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On March 6, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant on March 11, 2020. The acceptance was acknowledged on March 16, 2020.
- d) On March 12, 2021, the Board approved the request to extend the firm loan commitment issuance deadline from March 16, 2021 to September 16, 2021.
- e) On June 9, 2021, staff received a final credit underwriting report with a positive recommendation for MMRN, RRLP, and ELI funding ([Exhibit E](#)). Staff has reviewed this report and finds that the development meets all requirements of the RFA.
- f) Staff reviewed the authorizing resolutions ([Exhibit F](#)) authorizing the sale and issuance of Multifamily Mortgage Revenue Notes to finance this affordable housing Development within the State of Florida. Staff requests approval for the execution of the resolutions.

MULTIFAMILY BONDS

Consent

- g) On May 26, 2021, the Borrower submitted a rule waiver for Rules 67-21.014(2)(r)(6) and 67-21.026(13)(e), that is being presented simultaneously herein, to allow the General Contractor to self-perform the site work for the Development. The RFA at Exhibit G Section B(17)(f) requires that no construction or inspection work that is normally performed by subcontractors is performed by the General Contractor. Accordingly, the Borrower also requests an RFA waiver of Exhibit G Section B(17)(f) to allow the General Contractor to self-perform the site work as proposed in the rule waiver.

2. **Recommendation**

- a) Approve the final credit underwriting report, authorizing resolutions, and RFA waiver to self-perform site work and direct staff to proceed with closing activities, subject to further approvals and verifications by the Credit Underwriter, Note Counsel, Special Counsel, and appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

D. Request Approval of the Credit Underwriting Report, Authorizing Resolutions, and RFA Waiver for Return of NHTF Funding, Applicant Name Change, Applicant and Developer Entity Change, and Removal of Co-Developer for Allegro at Hacienda Lakes f/k/a Villa Verde (RFA 2019-116 / 2020-385BSN)

| | |
|--|--|
| Development Name: Allegro at Hacienda Lakes f/k/a Villa Verde | Location: Collier County |
| Applicant/Borrower: CORE MHP Collier, Ltd. | Set-Aside(s): 100% @ 60% AMI (MMRB & 4% HC) 10% @ 30% AMI (SAIL & ELI) 90% @ 60% AMI (SAIL) |
| Developer/Principal: MHP Collier Developer, LLC/ Christopher Shear, CORE Collier Developer, LLC / Steve PonTell | Demographic/Number of Units: Elderly Non-ALF / 160 |
| Requested Amounts: \$21,500,000 Multifamily Mortgage Revenue Bonds (MMRB) \$6,000,000 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$1,788,628 Housing Credits (4% HC) \$654,000 National Housing Trust Fund (“NHTF”) | Development Category/Type: New Construction / Mid-Rise (5-6 Stories) |

1. Background/Present Situation

- a) On November 6, 2019, Florida Housing issued a Request for Applications (RFA) 2019-116 for SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits. The RFA also included National Housing Trust Fund (“NHTF”) monies available to applicants that indicated they were interested in NHTF funds.
- b) On March 6, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant on July 20, 2020. The acceptance was acknowledged on July 22, 2020.
- d) On June 9, 2021, staff received a final credit underwriting report with a positive recommendation for MMRB, SAIL, and ELI funding ([Exhibit G](#)). Staff has reviewed this report and finds that the development meets all requirements of the RFA.
- e) Staff reviewed the authorizing resolutions ([Exhibit H](#)) authorizing the sale and issuance of Multifamily Mortgage Revenue Bonds to finance this affordable housing Development within the State of Florida. Staff requests approval for the execution of the resolutions.

MULTIFAMILY BONDS

Consent

- f) The Applicant requests an RFA Waiver to return the NHTF monies due to the inability of the Development to use the funds. The Development was preliminarily awarded NHTF funds in the amount of \$654,000. As part of the credit underwriting process an environmental analysis of the site was conducted, which determined that wetland mitigation would be required. The NHTF funding does not allow for wetland impacts on any portion of the development site, and as such, NHTF monies cannot be used. The Borrower proposed returning the award of NHTF funds, which required three units at 22% AMI, in exchange for providing three additional ELI units at 30% AMI without any additional ELI funding for the three added ELI units.
- g) Additionally, on May 5, 2021, staff received a request from the Applicant to change the Applicant Name, Applicant Entity Structure, Developer Entity Structure, and remove the Co-Developer ([Exhibit J](#)). The Applicant is requesting that the Applicant Name be changed from CORE MHP Collier, Ltd. to MHP Collier, Ltd. Per the RFA, the name of the Applicant entity or Developer entity may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. Staff has reviewed this request and finds that it meets all the requirements of the RFA.
- h) The Applicant is also requesting to change the structure of the Applicant entity. The Applicant requests approval to remove its General Partner, CORE Collier GP, whose sole member is National Community Renaissance of California, Inc. and replace with Collier County Community Land Trust, Inc., a Florida 501(c)(3) corporation. The Development's financial viability requires exemption from ad valorem taxes, which requires a qualified non-profit entity own the property or be the sole general partner of a limited partnership.
- i) Pursuant to the RFA, the Applicant Entity shall be the borrowing entity and cannot be changed in any way (materially or non-materially) until after loan closing. Therefore, the change to the Applicant entity requires an RFA Waiver.
- j) Finally, the Applicant is requesting to remove its Co-Developer and to change the structure of the remaining Developer entity. The Applicant requests that CORE Collier Developer, LLC be removed as the Co-Developer leaving MHP Collier Developer, LLC as the sole Developer. The Managing Member of the Developer with 80% ownership, McDowell Housing Partners, LLC, will be replaced by MHP Developers, LLC with a decreased ownership interest of 79%. The Applicant is also requesting that Sariol Development, LLC be added as a member of the Developer with an ownership interest of 1%. The Applicant provided a Prior General Development Experience Chart for Mario A. Sariol as Principal of Sariol Development, LLC. Florida Housing staff finds that Mario A. Sariol meets the experience requirements that were met by the original Principal.
- k) Per the RFA, the Principals of each Developer identified in the Application, including all co-Developers, may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. Any allowable replacement of an experienced Principal of a Developer entity must meet the experience requirements that were met by the original Principal. Staff has reviewed these requests and finds that they meet the requirements of the RFA.

2. Recommendation

MULTIFAMILY BONDS

Consent

- a) Approve the final credit underwriting report, authorizing resolutions, RFA waivers for return of NHTF Funds on the conditions presented, and changes to the Applicant Entity Structure, Applicant name change and Developer Entity Structure changes, and removal of the Co-Developer and direct staff to proceed with closing activities, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

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

1. Background

- a) Pursuant to staff’s request for approval to issue bonds/notes to finance the construction, and acquisition/rehabilitation of the proposed Developments referenced below, the final credit underwriting reports are being presented to the Board for approval simultaneously with this request to assign the appropriate professionals for the transactions and approval of the recommended methods of sale. Brief descriptions of the Developments are detailed below, along with staff’s recommendations.
b) Pursuant to Rule 67-21.0045, F.A.C., staff has requested a review of the proposed financing structures by the Independent Registered Municipal Advisor (IRMA) in order to make a recommendation to the Board for the methods of bond/note sale for the developments. Caine Mitter and Associates Incorporated has prepared an analysis and recommendation for the method of bond/note sale for the Developments. The recommendation letters are attached as Exhibit J through M.

2. Present Situation

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

3. Recommendation

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

Table with 6 columns: Development Name, Location of Development, Number of Units, Method of Bond Sale, Recommended Professional, Exhibit. Rows include Saratoga Crossings III, The Harmony on Santa Barbara f/k/a Bembridge, The Park at Palo Alto, and Allegro at Hacienda Lakes f/k/a Villa Verde.

MULTIFAMILY BONDS

Consent

F. Request Approval of the Credit Underwriting Update Letter to Increase the MMRN amount and Amended Authorizing Resolutions for Jackson Forest (MMRN 2021 Series J / RFA 2018-116 / 2019-173BSN /2018-543C)

| | |
|---|---|
| Development Name: Jackson Forest | Location: Leon County |
| Applicant/Borrower: SP Forest LLC | Set-Aside(s): 3.81% @ 22% AMI (NHTF) 10% @ 33% AMI (SAIL/ELI) 90% @ 60% AMI (SAIL) 100% @ 60% AMI (MMRN & 4% HC) |
| Developer/Principal: Southport Development, Inc. d/b/a Southport Development Services, Inc. / J. David Page | Demographic/Number of Units: Family / 105 units |
| Requested Amounts: \$15,500,000 Multifamily Mortgage Revenue Notes (MMRN) \$5,850,000 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$872,000 National Housing Trust Fund (NHTF) \$1,068,803 Housing Credits (4% HC) | Development Category/Type: New Construction / Mid Rise (4 Stories) |

1. Background/Present Situation

- a) On October 19, 2018, Florida Housing issued a Request for Applications (RFA) 2018-116 for SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On May 13, 2019, staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant. The acceptance was acknowledged on May 15, 2019. On April 17, 2020, the Board approved to extend the firm loan commitment issuance deadline from May 15, 2019 to November 16, 2020 for SAIL, ELI, and NHTF.
- c) On October 16, 2020, the Board approved the credit underwriting report and directed staff to proceed with closing activities.
- d) On May 10, 2021, staff received correspondence from Borrower requesting to increase the MMRN amount from the previously approved amount of \$12,000,000 to \$15,500,000 due to increased construction costs. On June 9, 2021, staff received a credit underwriting update letter with a positive recommendation for approval of the proposed change ([Exhibit N](#)).
- e) Staff reviewed the amended authorizing resolutions ([Exhibit O](#)) authorizing the sale and issuance of Multifamily Mortgage Revenue Notes to finance this affordable housing Development within the State of Florida. Staff requests approval for the execution of the resolutions.

MULTIFAMILY BONDS

Consent

2. **Recommendation**

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

MULTIFAMILY BONDS

Consent

G. Request Approval of the Transfer of Ownership for Grande Court at Boggy Creek Apartments (2002 Series G/2002-521C)

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|--|--|
| Development Name: Grande Court at Boggy Creek Apartments | Location: Osceola County |
| Applicant/Borrower: Autumn Lakes Associates, L.P. & Weaver Drive Associates, L.P. | Set-Asides: 40% @ 60% AMI (MMRB) 100% @ 60% AMI (4% HC) |
| Developers/Principals: RST Development LLC / Todd A. Copeland | Demographic/Number of Units: Family / 394 |
| Requested Amounts: \$13,535,000 Multifamily Mortgage Revenue Bonds (MMRB) \$823,714 Housing Credits (4% HC) | Development Category/Type: New Construction / Garden Apartments |

1. **Background**

- a) Florida Housing financed the above referenced Development in 2002 with \$13,535,000 in tax exempt MMRB designated as 2002 Series G. In addition, \$823,714 in 4% Housing Credits was allocated to this Development. The MMRB were subsequently redeemed on May 1, 2013.

2. **Present Situation**

- a) The Borrower has requested Florida Housing’s consent to the transfer of the Development to SREIT Grand Court Boggy, L.L.C., an affiliate of Starwood Capital Group Holdings, L.P., and transfer and subordination of the MMRB Land Use Restriction Agreement (MMRB LURA) and the Extended Low-Income Housing Agreement (ELIHA). Seltzer Management Group has reviewed this request and provided a positive recommendation for the transfer, the assignment and assumption, and subordination of the MMRB LURA and ELIHA to the new first mortgage provided by CBRE Multifamily Capital, Inc. ([Exhibit P](#)).

3. **Recommendation**

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

MULTIFAMILY PROGRAMS

Consent

I. MULTIFAMILY PROGRAMS

A. Request Approval of Credit Underwriting Report and Co-Developer Principal Change for Innovare (2020-478CSN)

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|---|---|
| Development Name: Innovare | Location: Pinellas County |
| Applicant/Borrower: Innovare, LP | Set-Aside(s): 7.84% @ 22% AMI (NHTF) 15% @ 33% AMI (SAIL, ELI, & 9% HC) 85% @ 60% AMI (SAIL & 9% HC) |
| Developer/Principal: Volunteers of America of Florida, Inc. / Janet Stringfellow, Gorman & Company, LLC / Brian Swanton | Demographic/Number of Units: Homeless/Special Needs / 51 units |
| Requested Amounts: \$3,500,000 State Apartment Incentive Loan (SAIL) \$205,600 Elderly Low Income (ELI) \$872,000 National Housing Trust Fund (NHTF) \$1,165,367 Housing Credits (9% HC) | Development Category/Type: New Construction / Mid-Rise (5-6 stories) |

1. Background/Present Situation

- a) On February 10, 2020, Florida Housing issued a Request for Applications (RFA) 2020-103 for Housing Credit and SAIL Financing for Homeless Housing Developments Located in Medium and Large Counties.
- b) On June 11, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 21, 2020, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 24, 2020, giving them a firm loan commitment issuance deadline of July 24, 2021.
- d) On October 16, 2020, the Board approved a Rule Waiver changing the development type from Garden Apartments to Mid-Rise 5-6 stories.
- e) On December 4, 2020, the Board approved the replacement of Co-Developer, Lincoln Park, LLC with co-Developer Gorman & Company, LLC, and an RFA waiver regarding development experience requirements.
- f) On May 18, 2021, staff received a request from the Applicant requesting a further change to the organizational structure of Co-Developer, Gorman & Company, LLC. The letter and current and proposed organizational charts are provided ([Exhibit A](#)). Jennifer D’Amato is the current Trustee and Beneficiary of the Gary J. Gorman Legacy Trust (member of co-Developer, Gorman & Company, LLC). The Applicant requests to replace Jennifer D’Amato with Dennis Davidsaver as the Trustee and Beneficiary of the Gary J. Gorman Legacy Trust. As a requirement of the RFA, at least one natural person

MULTIFAMILY PROGRAMS

Consent

Principal of at least one of the Developer entities must meet specific General Development Experience requirements. Based on the December 4, 2020 Board approval of the co-Developer change, Brian Swanton met this requirement. He will remain a Principal of Gorman & Company, LLC.

- g) Per the RFA, the Principals of each Developer identified in the Application, including all co-Developers, may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. In addition, any allowable replacement of an experienced Principal of a Developer entity must meet the experience requirements that were met by the original Principal. Staff has reviewed this request and finds that it meets all requirements of the RFA.
- h) On June 8, 2021, 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 requirements of the RFA.

2. **Recommendation**

- a) Approve the Co-Developer Principal change and 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 Independence Landing (2020-450CG)

| | |
|---|---|
| Development Name: Independence Landing | Location: Leon County |
| Applicant/Borrower: Independence Landing, LLC | Set-Asides: 15% @ 33% AMI (Grant & 9% HC) 85% @ 60% AMI (Grant 9% HC) |
| Developers/Principals: Southport Community Development, Inc./J. David Page, Independence Developer, LLC/Gil Ziffer | Demographic/Number of Units: Persons with Development Disabilities/ 60 units |
| Requested Amounts: \$4,000,000 Grant \$1,620,000 Housing Credits (9% HC) | Development Category/Type: New Construction/Garden Apartments |

1. Background/Present Situation

- a) On February 25, 2020, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2020-106 Financing for the Development of Housing for Persons with A Disabling Condition or Developmental Disabilities.
- b) On June 11, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 9, 2020, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 13, 2020, giving them a firm loan commitment issuance deadline of July 13, 2021.
- d) On June 8, 2021, staff received final credit underwriting report with a positive recommendation for funding ([Exhibit C](#)). Staff has reviewed this report and finds that the development meets all requirements of the RFA.

2. Recommendation

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

MULTIFAMILY PROGRAMS

Consent

C. Request Approval of Credit Underwriting Report for Plateau Village (2020-479CS)

| | |
|---|---|
| Development Name: Plateau Village | Location: Polk County |
| Applicant/Borrower: Oakfield Groves Apartments, LP | Set-Asides: 15% @ 40% AMI (SAIL, ELI & 9% HC) 85% @ 60% AMI (SAIL & 9% HC) |
| Developers/Principals: Turnstone Development Corporation/William Schneider, PHS Developer, LLC/Steve Smith | Demographic/Number of Units: Family/Homeless/ 72 units |
| Requested Amounts: \$3,820,000 State Apartment Incentive Loan (SAIL) \$194,700 Extremely Low Income (ELI) \$1,700,000 Housing Credit (9% HC) | Development Category/Type: New Construction/Garden Apartments |

1. **Background/Present Situation**

- a) On February 10, 2020, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2020-103 Housing Credit and SAIL Financing for Homeless Housing Developments Located in Medium and Large Counties.
- b) On June 11, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 21, 2020, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 23, 2020, giving them a firm loan commitment issuance deadline of July 23, 2021.
- d) On June 9, 2021, 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 requirements of the RFA.

2. **Recommendations**

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

MULTIFAMILY PROGRAMS

Consent

D. Request Approval of Credit Underwriting Report for Valor Preserve at Lake Seminole (2020-453CS)

| | |
|--|---|
| Development Name: Valor Preserve at Lake Seminole | Location: Pinellas County |
| Applicant/Borrower: Valor Preserve, LLLP | Set-Asides: 15% @ 33% AMI (SAIL, ELI & 9% HC) 85% @ 60% AMI (SAIL & 9% HC) |
| Developers/Principals: Norstar Development USA, LP/ Neil Brown, Pinellas Property Management Company, Inc./ Debra Johnson | Demographic/Number of Units: Persons with a Disabling Condition/ 64 units |
| Requested Amounts: \$3,729,600 State Apartment Incentive Loan (SAIL) \$270,400 Extremely Low Income (ELI) \$1,700,000 Housing Credits (9% HC) | Development Category/Type: New Construction/Quadrplexes |

1. Background/Present Situation

- a) On February 25, 2020, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2020-106 Financing for the Development of Housing for Persons with A Disabling Condition or Developmental Disabilities.
- b) On June 11, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 9, 2020, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 15, 2020, giving them a firm loan commitment issuance deadline of July 15, 2021.
- d) On October 16, 2020, the Board approved a Rule waiver request to change the Development Type from Garden Apartments to Quadrplexes.
- e) On June 10, 2021, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit E](#)). Staff has reviewed this report and finds that the development meets all requirements of the RFA.

2. Recommendation

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

MULTIFAMILY PROGRAMS

Consent

E. Request Approval of Additional Subordinate Debt for Delmar 745 (2015-158CS/2017-253CS/2017-285V)

| | |
|--|--|
| Development Name: Delmar 745 f/k/a Delmar Terrace | Location: Pinellas County |
| Applicant/Borrower: Delmar Terrace South, LLC | Set Aside(s): 15% @ 40% AMI (SAIL & ELI) 85% @ 60% AMI (SAIL & 9% HC) |
| Developer/Principal: Delmar Terrace Developers, LLC / Eugenia Anderson | Demographic/Number of Units: Homeless/65 |
| Requested Amounts: \$3,250,000 State Apartment Incentive Loan (SAIL) \$540,093 Viability Loan \$1,660,000 Housing Credits (9% HC) | Development Category/Type: New Construction/High Rise |

1. Background/Present Situation

- a) On November 11, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-115 for Housing Credit Financing for Affordable Housing 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 for the RFA, and directed staff to proceed with all necessary credit underwriting activities. On November 2, 2015, staff issued an at-risk opportunity to enter credit underwriting to the Applicant with a loan closing deadline of November 2, 2016. On September 16, 2016, the Board approved a request to extend the loan closing deadline from November 2, 2016 to November 2, 2017.
- c) On July 20, 2017, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2017-109 for Development Viability Loan Funding. On September 22, 2017, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities. Staff issued a notice of preliminary award to the Applicant on October 3, 2017.
- d) On October 27, 2017, the Board approved a waiver to allow an additional loan closing extension from November 2, 2017 to January 31, 2018. On January 26, 2018, the Board approved the final credit underwriting report and a Rule Waiver for an additional extension of the closing from January 31, 2018 to April 28, 2018, directing staff to proceed with issuance of a firm commitment and closing activities.
- e) The firm loan commitment was issued on January 30, 2018. All funding sources closed on April 27, 2018.
- f) On September 4, 2020, the Board approved the borrower’s request to add \$500,000 in subordinate financing from the Pinellas County Planning Department.

MULTIFAMILY PROGRAMS

Consent

- g) On April 27, 2021, staff received correspondence as submitted by the borrower regarding a resolution dated April 15, 2021 from the City of St. Petersburg for a Housing Capital Improvements Fund (“HCIF”) loan in the amount of \$334,000 for the benefit of the Development ([Exhibit F](#)). On June 10, 2021, staff received an updated credit underwriting letter with a positive recommendation for approval of the proposed change ([Exhibit G](#)). Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. Recommendation

- a) Approve the addition of \$334,000 in subordinate debt.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

I. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Approval of PLP Loan for Corporation to Develop Communities of Tampa (CDC of Tampa), a not-for-profit entity, for Gardens at Diana Pointe II (2021-005P-09)

| | |
|---|---------------------------------------|
| DEVELOPMENT NAME (“Development”): | Gardens at Diana Pointe II |
| APPLICANT/DEVELOPER (“Developer”): | CDC of Tampa |
| CO-DEVELOPER: | N/A |
| NUMBER OF UNITS: | 24 |
| LOCATION (“County”): | Hillsborough County |
| TYPE: | Family |
| MINIMUM SET ASIDE: | 50% @80% AMI and 50% @120% AMI |
| PLP LOAN AMOUNT: | \$438,300 |
| ADDITIONAL COMMENTS: | |

1. Background

- a) To access PLP funding and upon receipt of an organization’s basic information to Florida Housing, the organization is invited to participate in the program. Florida Housing staff then assigns a technical assistance provider from a pool of providers under contract with Florida Housing to assist the applicant to create a development plan and budget, which is brought to the Board as part of a request for approval of a PLP loan.
- b) On March 29, 2021, the Developer submitted a PLP application for Gardens at Diana Pointe II.
- c) On April 1, 2021, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

2. Present Situation

- a) On June 1, 2021, 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 \$438,300.
- 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 \$438,300 to CDC of Tampa, for Gardens at Diana Pointe II and allow staff to commence with the loan closing process the closing process.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Request Approval of PLP Loan for Riviera Beach CDC., a not-for-profit entity, for Villa of Solana (2021-006P-09)

| | |
|---|---------------------------------------|
| DEVELOPMENT NAME (“Development”): | Villa of Solana |
| APPLICANT/DEVELOPER (“Developer”): | Riviera Beach CDC |
| CO-DEVELOPER: | N/A |
| NUMBER OF UNITS: | 28 |
| LOCATION (“County”): | Palm Beach County |
| TYPE: | Family |
| MINIMUM SET ASIDE: | 50% @80% AMI and 50% @120% AMI |
| PLP LOAN AMOUNT: | \$250,000 |
| ADDITIONAL COMMENTS: | |

1. Background

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

2. Present Situation

- a) On June 3, 2021, 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 \$250,000.
- b) Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.

3. Recommendation

- a) Approve the PLP Loan in the amount of \$250,000 to Riviera Beach CDC, for Villa of Solana and allow staff to commence with the loan closing process the closing process.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

C. Request Approval of PLP Loan for Volusia Initiative or Church and Community, Inc., a not-for-profit entity, for Aquarius Landing (2021-002P-09)

| | |
|---|---|
| DEVELOPMENT NAME (“Development”): | Aquarius Landing |
| APPLICANT/DEVELOPER (“Developer”): | Volusia Initiative or Church and Community, Inc. |
| CO-DEVELOPER: | N/A |
| NUMBER OF UNITS: | 65 |
| LOCATION (“County”): | Volusia County |
| TYPE: | Elderly |
| MINIMUM SET ASIDE: | 20% at 50% AMI |
| PLP LOAN AMOUNT: | \$500,000 |
| ADDITIONAL COMMENTS: | |

1. Background

- a) To access PLP funding and upon receipt of an organization’s basic information to Florida Housing, the organization is invited to participate in the program. Florida Housing staff then assigns a technical assistance provider from a pool of providers under contract with Florida Housing to assist the applicant to create a development plan and budget, which is brought to the Board as part of a request for approval of a PLP loan.
- b) On February 8, 2021, the Developer submitted a PLP application for Aquarius Landing.
- c) On February 8, 2021, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

2. Present Situation

- a) On June 3, 2021, staff received a development plan and a letter ([Exhibit C](#)) from our technical assistance provider (TAP) recommending approval of the PLP Loan in the amount of \$500,000.
- b) Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.

3. Recommendation

- a) Approve the PLP Loan in the amount of \$500,000 to Volusia Initiative or Church and Community, Inc., for Aquarius Landing and allow staff to commence with the loan closing process the closing process.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

I. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Credit Underwriting Report for Paseo del Rio (2020-413SN)

| | |
|---|--|
| Development Name: Paseo del Rio | Location: Miami-Dade County |
| Applicant/Borrower: Paseo del Rio, LLC | Set-Asides: 38.47% @ 30% AMI (SAIL, ELI, & 4% HC) 5.50% @ 60% AMI (SAIL & 4% HC) 55.50% @ 80% AMI (SAIL & 4% HC) 2.20% @ 22% AMI (NHTF) |
| Developers/Principals: Paseo del Rio Developer, LLC/Alberto Milo Jr. | Demographic/Number of Units: Family/182 units |
| Requested Amounts: \$5,400,000 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$1,236,800 National Housing Trust Fund (NHTF) \$2,707,310 Housing Credits (4% HC) | Development Category/Type: New Construction/ High-Rise |

1. Background/Present Situation

- a) On November 6, 2019, Florida Housing issued a Request for Applications (RFA) 2019-116 for SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On March 6, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting to the Applicant on July 20, 2020, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 20, 2020, giving them a firm loan commitment issuance deadline of July 20, 2021. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On June 10, 2021, staff received final credit underwriting report with a positive recommendation for funding ([Exhibit A](#)). Staff has reviewed this report and finds that the development meets all requirements of the RFA.

2. Recommendation

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

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval of Firm Loan Commitment Issuance Deadline Extension for Royal Park Apartments (2020-411BS)

| | |
|---|---|
| Development Name: Royal Park Apartments | Alachua County |
| Applicant/Borrower: BDG Royal Park Apartments, LP | Set-Asides: 4.55% @ 30% AMI (SAIL, ELI & 4% HC) 5.11% @ 40 % AMI (SAIL, ELI & 4% HC) 66.48% @ 60% AMI (SAIL & 4% HC) 23.86% @ 70% AMI (SAIL & 4% HC) 40% @ 60% AMI (MMRB) |
| Developers/Principals: BDG Royal Park Apartments Developer, LLC/Scott Zimmerman | Demographic/Number of Units: Family/176 units |
| Requested Amounts: \$19,000,000 Multifamily Mortgage Revenue Bonds (MMRB) \$5,242,500 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$1,271,191 Housing Credits (4% HC) | Development Category/Type: New Construction/Garden Apartments |

1. Background/Present Situation

- a) On November 6, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-116 SAIL Financing of Affordable Multifamily Housing Developments to be used in conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits.
- b) On March 6, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting to the Applicant on July 20, 2020, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 20, 2020, giving them a firm loan commitment issuance deadline of July 20, 2021. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On May 10, 2021, the Borrower requested a firm loan commitment deadline extension from July 20, 2021 to January 20, 2022 ([Exhibit B](#)). Issues were caused by the pandemic for completion of design plans, third party reports and securing a construction contract and financing commitments. The updated IRS Average Income Regulation caused concerns from proposed LIHTC investors, causing delays in equity commitments. Staff has reviewed this request and finds that it meets all requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

2. Recommendation

- a) Approve the request for a Firm Loan Commitment Issuance Deadline extension from July 20, 2021 to January 20, 2022, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

C. Request Approval of Firm Loan Commitment Issuance Deadline Extension for Arbours at Quincy (2020-419BS)

| | |
|---|--|
| Development Name: Arbours at Quincy | Location: Gadsden County |
| Applicant/Borrower: Arbours at Quincy, LLC | Set-Asides: 10% @ 33% (SAIL, ELI & 4% HC) 90% @ 60% (SAIL & 4% HC) 100% @ 60% (MMRB) |
| Developers/Principals: Arbour Valley Development, LLC/ Sam Johnston | Demographic/Number of Units: Family/80 units |
| Requested Amounts: \$8,500,000 Multifamily Mortgage Revenue Bond (MMRB) \$4,312,000 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$615,103 Housing Credits (4% HC) | Development Category/Type: New Construction/Garden Apartments |

1. Background/Present Situation

- a) On November 6, 2019, Florida Housing issued a Request for Applications (RFA) 2019-116 for SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On March 6, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting to the Applicant on July 20, 2020, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 20, 2020, giving them a firm loan commitment issuance deadline of July 20, 2021. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On May 5, 2021, the Borrower requested a firm loan commitment deadline extension from July 20, 2021 to January 20, 2022 ([Exhibit C](#)). The request is needed to allow more time to complete the required Plan and Cost Review process. Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. Recommendation

- a) Approve the request for a Firm Loan Commitment Issuance Deadline extension from July 20, 2021 to January 20, 2022, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

D. Request Approval of Firm Loan Commitment Issuance Deadline Extension for The Heron (2020-483S)

| | |
|--|--|
| Development Name: The Heron | Location: Miami-Dade County |
| Applicant/Borrower: Miami Beach Housing Initiatives, Inc. | Set-Asides: 20% @ 28% AMI (SAIL & ELI) 80% @ 60% AMI (SAIL) |
| Developers/Principals: Housing Authority of the City of Miami Beach, Miami Beach Housing Initiatives, Inc./Miguell Del Campillo | Demographic/Number of Units: Persons with Special Needs/20 units |
| Requested Amounts: \$ 3,999,980 State Apartment Incentive Loan (SAIL) \$ 389,200 Extremely Low Income (ELI) | Development Category/Type: New Construction/Mid-Rise, 4-Story |

1. **Background/Present Situation**

- a) On March 4, 2020, Florida Housing issued a Request for Applications (RFA) 2020-102 for SAIL Financing of Smaller Developments for Persons with Special Needs.
- b) On June 11, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 8, 2020, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 9, 2020, giving them a firm loan commitment issuance deadline of July 9, 2021. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On May 20, 2021, the Borrower requested a firm loan commitment deadline extension from July 9, 2021 to January 9, 2022 ([Exhibit D](#)). The limitations related to the pandemic have made it difficult to proceed with procurement requirements as well as with other development activities for this project. Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. **Recommendation**

- a) Approve the request for a Firm Loan Commitment Issuance Deadline extension from July 9, 2021 to January 9, 2022, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

E. Request Approval of Firm Loan Commitment Issuance Deadline Extension for Superior Manor Apartments II (2020-394S)

| | |
|--|--|
| Development Name: Superior Manor Apartments II | Location: Miami-Dade County |
| Applicant/Borrower: Superior Manor Phase II, LLC | Set-Asides: 10% @ 28% AMI (SAIL, ELI & 4% HC) 90% @ 60 % AMI (SAIL & 4% HC) |
| Developers/Principals: SMA II Developers, LLC/ Oliver L. Gross | Demographic/Number of Units: Family/76 units |
| Requested Amounts: \$3,000,000 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$718,085 Housing Credits (4% HC) | Development Category/Type: New Construction/Mid-Rise 4-Stories |

1. **Background/Present Situation**

- a) On November 6, 2019, Florida Housing issued a Request for Applications (RFA) 2019-116 for SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On March 6, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting to the Applicant on July 20, 2020, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 23, 2020, giving them a firm loan commitment issuance deadline of July 23, 2021. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On May 11, 2021, the Borrower requested a firm loan commitment deadline extension from July 23, 2021 to January 24, 2022 ([Exhibit E](#)). The limitations related to the pandemic have made it difficult to proceed with third party reports and building inspections as well as with other development activities for this project. Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. **Recommendation**

- a) Approve the request for a Firm Loan Commitment Issuance Deadline extension from July 23, 2021 to January 24, 2022, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

F. Request Approval of Firm Loan Commitment Issuance Deadline Extension for Durham Place (2020-480CSN)

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

1. Background/Present Situation

- a) On February 10, 2020, Florida Housing issued a Request for Applications (RFA) 2020-103 for Housing Credit and SAIL Financing for Homeless Housing Developments Located in Medium and Large Counties.
- b) On June 11, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 21, 2020, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 27, 2020, giving them a firm loan commitment issuance deadline of July 27, 2021. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On June 9, 2021, the Borrower requested an extension to the firm loan commitment deadline from July 27, 2021 to January 27, 2022 ([Exhibit F](#)). The request is due to the unprecedented escalation in construction costs this past year. An extension will allow more time for construction material prices to subside as production and supply return to better pricing levels later this year post COVID-19. Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. Recommendation

- a) Approve the request for a Firm Loan Commitment Issuance Deadline extension from July 27, 2021 to January 27, 2022, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

G. Request Approval of Firm Loan Commitment Issuance Deadline Extension for Culmer Apartments (2020-435BSN)

| | |
|---|--|
| Development Name: Culmer Apartments | Miami-Dade County |
| Applicant/Borrower: Culmer Apartments, Ltd. | Set-Asides: 15.48% @ 30% AMI (SAIL, ELI & 4% HC) 2.51% @ 40% AMI (SAIL & ELI & 4% HC) 2.09% @ 50% AMI (SAIL & & 4% HC) 53.14% @ 60% AMI (SAIL & & 4% HC) 26.78% @ 80% AMI (SAIL & & 4% HC) 40% @ 60% AMI (MMRB) 1.67% @ 22% AMI (NHTF) |
| Developers/Principals: APC Culmer Development, LLC/Kenneth Naylor | Demographic/Number of Units: Family/239 units |
| Requested Amounts: \$33,500,000 Multifamily Mortgage Revenue Bond (MMRB) \$7,000,000 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$1,236,800 National Housing Trust Funds (NHTF) \$1,271,191 Housing Credits (4% HC) | Development Category/Type: New Construction/High-Rise |

1. Background/Present Situation

- a) On November 6, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-116 SAIL Financing of Affordable Multifamily Housing Developments to be used in conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits.
- b) On March 6, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued an at-risk invitation to enter credit underwriting to the Applicant on July 14, 2020, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 14, 2020, giving them a firm loan commitment issuance deadline of July 14, 2021. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On May 7, 2021, the Borrower requested a firm loan commitment deadline extension from July 14, 2021 to January 14, 2022 ([Exhibit G](#)). The limitations related to the pandemic caused significant delays on processes with government agencies and third-party consultants as well as providing additional difficulties with underwriting due to scoring delays with Miami-Dade County. Staff has reviewed this request and finds that it meets all requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

2. Recommendation

- a) Approve the request for a Firm Loan Commitment Issuance Deadline extension from July 14, 2021 to January 14, 2022, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

H. Request Approval of Loan Closing Extension for Seven on Seventh (2019-371CS)

| | |
|--|---|
| Development Name: Seven on Seventh | Location: Broward County |
| Applicant/Borrower: Seven on Seventh, Ltd. | Set-Asides: 15% @ 28% AMI (SAIL, ELI & 9% HC) 85% @ 60% AMI (SAIL & 9% HC) |
| Developers/Principals: Seven on Seventh Dev, LLC/Francis M. Esposito, GM Seven on Seventh Dev, LLC/ Oscar Sol | Demographic/Number of Units: Homeless/Person with Special Needs/ 72 units |
| Requested Amounts: \$5,040,000 State Apartment Incentive Loan (SAIL) \$370,800 Extremely Low Income (ELI) \$2,110,000 Housing Credits (9% HC) | Development Category/Type: New Construction/High Rise |

1. Background/Present Situation

- a) On January 9, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-106 for Housing Credit and SAIL Financing for Homeless Housing Developments Located in Medium and Large Counties.
- b) On March 22, 2019, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting to the Applicant on April 1, 2019, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on April 2, 2019, giving them a firm loan commitment issuance deadline of April 2, 2020. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- c) On March 6, 2020, the Board approved the request to extend the firm loan commitment issuance deadline from April 2, 2020 to October 2, 2020.
- d) On September 4, 2020, the Board approved the Rule Waiver to extend the firm loan commitment deadline from October 2, 2020 to April 2, 2021.
- e) On March 12, 2021, the Board approved the final credit underwriting report with a positive recommendation for funding and directed staff to proceed with the closing activities. On March 15, 2021, staff issued a firm commitment to the Applicant giving them a loan closing deadline of July 13, 2021. A request for an extension of the loan closing deadline may be considered by the Board for an extension term of up to 90 Calendar Days. An extension fee of one percent of each loan amount will be required if the Board approves the extension request.
- f) On May 25, 2021, staff received a request from the borrower for a loan closing deadline extension from July 13, 2021 to October 11, 2021 ([Exhibit H](#)). The extension is requested for additional time to obtain building permits and design-related delays due to the relocation of utilities. While the Borrower fully expects to close on these loans prior to the July 13, 2021 deadline, this request was submitted in an abundance of caution in case the loans do not close in time. Staff has reviewed this request and finds that they meet all requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

2. Recommendation

- a) Approve the request for a loan closing deadline extension from July 13, 2021 to October 11, 2021, subject to payment of the required non-refundable extension fee of one percent of each loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

I. Request Approval of Firm Loan Commitment Issuance Deadline Extension for Magnolia Family (2020-390S)

| | |
|--|---|
| Development Name: Magnolia Family | Location: Leon County |
| Applicant/Borrower: Country Club Magnolia Family, LP | Set-Aside(s): 10% @ 33% AMI (SAIL, ELI & 4% HC) 90% @ 60% AMI (SAIL & 4% HC) |
| Developer/Principal: New Affordable Housing Partners, LLC/James S. Grauley, Tallahassee Housing Economic Corporation/ Brenda Williams | Demographic/Number of Units: Family/130 units |
| Requested Amounts: \$5,611,577 State Apartment Incentive Loan (SAIL) \$600,000 Elderly Low Income (ELI) \$937,747 Housing Credits (4% HC) | Development Category/Type: New Construction/Garden Apartments |

1. Background/Present Situation

- a) On November 6, 2019, Florida Housing issued a Request for Applications (RFA) 2019-116 for SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On March 6, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting to the Applicant on July 20, 2020, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 22, 2020, giving them a firm loan commitment issuance deadline of July 22, 2021. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On May 3, 2021, the Borrower requested an extension to the firm loan commitment deadline from July 22, 2021 to January 22, 2022 ([Exhibit I](#)). COVID-19 constraints slowed progress early on which included completion of HUD’s Environmental Part 58 and SHPO’S 8-month review. Progress is being made, however a six month extension is needed to allow time to complete due diligence essential to completing the underwriting process. Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. Recommendation

- a) Approve the request for a Firm Loan Commitment Issuance Deadline extension from July 22, 2021 to January 22, 2022, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

J. Request Approval of Firm Loan Commitment Issuance Deadline Extension for Christian Manor (2020-405S)

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|--|---|
| Development Name: Christian Manor | Location: Palm Beach County |
| Applicant/Borrower: Christian Manor Restoration, LP | Set-Aside(s): 10% @ 28% AMI (SAIL, ELI & 4% HC) 90% @ 60% AMI (SAIL & 4% HC) |
| Developer/Principal: Integrity Development Partners, LLC/ Rhett Holmes, SCG Development Partners, LLC/ Steve P. Wilson | Demographic/Number of Units: Elderly (Non-ALF)/200 units |
| Requested Amounts: \$5,000,000 State Apartment Incentive Loan (SAIL) \$600,000 Elderly Low Income (ELI) \$887,200 Housing Credits (4% HC) | Development Category/Type: Acquisition & Rehabilitation / Garden Apartments |

1. Background/Present Situation

- a) On November 6, 2019, Florida Housing issued a Request for Applications (RFA) 2019-116 for SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On March 6, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting to the Applicant on July 20, 2020, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 24, 2020, giving them a firm loan commitment issuance deadline of July 24, 2021. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On April 30, 2021, the Board approved an RFA waiver for an Applicant Name Change from Christian Manor Restoration, LLC to Christian Manor Restoration, LP., and Applicant Entity Structure change.
- e) On April 26, 2021, the Borrower requested an extension to the firm loan commitment deadline from July 24, 2021 to January 24, 2022 ([Exhibit J](#)). An extension is needed to secure a HUD 221(d)4 loan for the development. Bond issuance/construction is on target to begin in the 4th quarter of 2021. Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. Recommendation

- a) Approve the request for a Firm Loan Commitment Issuance Deadline extension from July 24, 2021 to January 24, 2022, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

K. Request Approval of Credit Underwriting Report and Co-Developer Principal Entity Ownership Structure Change for Orange Blossom Village (2020-404S)

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|---|---|
| Development Name: Orange Blossom Village | Location: Indian River County |
| Applicant/Borrower: Orange Blossom Village, LLLP | Set-Aside(s): 10% @ 35% AMI (SAIL, ELI & 4% HC) 90% @ 60% AMI (SAIL & 4% HC) |
| Developer/Principal: Mansermar Development, LLC / Celia C. Watson, ReBuild America of Florida, Inc. / Mark J. Kemp, and SHAG Orange Blossom, LLC / Timothy Henzy | Demographic/Number of Units: Elderly (Non-ALF)/80 units |
| Requested Amounts: \$4,500,000 State Apartment Incentive Loan (SAIL) \$463,200 Elderly Low Income (ELI) \$557,532 Housing Credits (4% HC) | Development Category/Type: Acquisition & Rehabilitation/Garden Apartments |

1. Background/Present Situation

- a) On November 6, 2019, Florida Housing issued a Request for Applications (RFA) 2019-116 for SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On March 6, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting to the Applicant on July 20, 2020, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 24, 2020, giving them a firm loan commitment issuance deadline of July 24, 2021.
- d) On April 13, 2021, staff received a request from the Applicant for a co-Developer Name Change and Entity ownership structure change for Mansermar Development, LLC. Celia C. Watson was the Manager and Sole Member of Psalms 127, LLC ([Exhibit K](#)). On April 30, 2021, the Board approved the co-Developer Name Change from Psalms 127 Development, LLC to Mansermar Development, LLC. Due to this co-Developer name change, there was also change in the entity ownership structure. Ted H. Watson has purchased a 5% interest as a Member whereas the other 95% remains with Celia C. Watson as the Managing Member. Per the RFA, the Principals of each Developer identified in the Application, including all Co-Developers, may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. Staff has reviewed this request and finds that it meets all requirements of the RFA.
- e) On June 9, 2021, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit L](#)). Staff has reviewed this report and finds that the development meets all requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

2. Recommendation

- a) Approve the Co-Developer Principal Entity Ownership Structure Change as described above and final credit underwriting report and direct staff to proceed with issuance of a firm commitment and closing activities.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

L. Request Approval of Credit Underwriting Report for Pembroke Tower II (2020-382SN)

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

1. Background/Present Situation

- a) On November 6, 2019, Florida Housing issued a Request for Applications (RFA) 2019-116 for SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On March 6, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting to the Applicant on July 20, 2020, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 22, 2020, giving them a firm loan commitment issuance deadline of July 22, 2021.
- d) On May 21, 2021, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit M](#)). Staff has reviewed this report and finds that the development meets all requirements of the RFA.

2. Recommendation

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

SPECIAL ASSETS

Consent

I. SPECIAL ASSETS

A. Request Approval to Refinance First Mortgage and Renegotiate the HOME Loans for Partnership in Housing, Inc., a Florida Corporation for Pueblo Bonito Phase II (2001HR-027) and Pueblo Bonita Phase III (2004-016H)

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|---|--|
| Development Name: Pueblo Bonito Phase II and Pueblo Bonita Phase III (“Development”) | Location: Lee County |
| Developer/Principal: Partnership in Housing, Inc. (“Owner”) | Set-Aside: Phase II, Phase III 20%@50% 80%@60% AMI. |
| Number of Units: 50 (Phase II 20, Phase III 30) | Allocated Amount: Phase II \$1,243,000.00, Phase III \$2,450,000.00 |
| Demographics: Family | Servicer: Seltzer Management Group, Inc. |

1. Background

- a) During the 2001 funding cycle, Florida Housing Finance Corporation awarded a \$1,243,000 Home Investment Partnership Program Loan (“HOME”), for the construction of a 20-unit development in Lee County (Phase II); and, during the 2004 funding cycle, Florida Housing Finance Corporation awarded a \$2,450,000 Home Investment Partnership Program Loan (“HOME”), to Partnership in Housing, Inc., a Florida not-for-profit Corporation (“Borrower”), for the construction of a 30-unit development (Phase III). The HOME loan for Phase II closed on May 10, 2002 and matures on April 30, 2023. The HOME loan for Phase III closed on August 31, 2006 and matures August 31, 2026.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgages, subordinate the HOME loan documents and the HOME Land Use Restriction Agreements (“LURAs”) to a new first mortgage, and renegotiate the HOME loans to be coterminous with the new first mortgage. The affordability periods will also be extended for the same time period.
- b) Staff received a credit underwriting report ([Exhibit A](#)) from Seltzer with a positive recommendation for approval of the refinancing of the first mortgages, subordination of the HOME loan documents and the HOME LURAs, and renegotiation of the HOME loans.

3. Recommendation

- a) Approve the refinancing of the first mortgages, subordination of the HOME loan documents and the HOME LURAs to the new first mortgage, and renegotiation of the HOME loans, subject to the conditions provided in the credit underwriter’s report, further approvals and verifications by the credit underwriter, counsel, and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities, as needed.