

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
March 10, 2023
Consent Items



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

Consent

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

A. Request Approval of CDBG-DR Credit Underwriting Update Letter to the final Credit Underwriting Report for Cardinal Corner (RFA 2019-103 / 2020-005D)

Development Name: Cardinal Corner	Location: DeSoto County
Applicant/Borrower: Cardinal Corner, LLC.	Set-Asides: 88% @ 80% AMI 12% @ 40% AMI 7% @ 60% AMI
Developer/Principal: Heartland Development Group, LLC/Martin Wohl	Demographic/Number of Units: Workforce/42
Requested Amounts: \$4,994,000 (CDBG-DR); \$400,000 (CDBG-DR Viability Loan); \$725,000 (HOME Viability Loan)	Development Category/Type: New Construction/Duplex

1. Background:

- a) On July 30, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-103 for Community Development Block Grant – Disaster Recovery Financing to be used for Small Rental Developments in Areas Deemed Hurricane Recovery Priorities. Twelve (12) applications were received by the August 29, 2019, submission deadline.
- 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 for the four (4) eligible Applicants.
- c) On December 26, 2019, the Corporation issued a preliminary commitment letter and invitation to credit underwriting to the Applicant. The Acceptance was acknowledged on December 26, 2019. In accordance with the RFA, the Developer had a December 26, 2020, deadline to complete the credit underwriting report.
- d) On October 16, 2020, the Board approved the credit underwriting report dated September 23, 2020, for a CDBG-DR loan in the amount of \$4,994,200.
- e) On April 30, 2021, the Board approved the first credit underwriting update letter for 1) Borrower's requested increase in their construction and permanent first mortgage from \$2,896,728 to \$3,600,000 and 2) the reduction of the CDBG-DR units from 48 to 41, with the remaining 7 units as market rate units.
- f) On June 18, 2021, the Board approved an RFA Waiver request asking to change the ownership structure of the Development due to "being located in an Opportunity Zone" in order to apply for additional funding and benefits.

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- g) On October 22, 2021, the Board approved the second credit underwriting update letter for a positive recommendation for approval of the proposed changes.
- h) On February 24, 2022, the Borrower closed on all funding and commenced with construction activities.

2. Present Situation:

- a) On March 1, 2023, staff received a third credit underwriting update letter with a positive recommendation for the approval of increased construction funding for a CDBG-DR Viability Loan in the amount of \$400,000 and HOME Viability Loan in the amount of \$725,000. The Development is approximately 64% complete (**Exhibit A**). Staff has reviewed the credit underwriting update letter and finds that the Development meets the requirements of the RFA.

3. Recommendation:

- a) Approve the final credit underwriting update letter and direct staff to proceed with the issuance of a revised firm commitment letter, loan closing activities, and assure receipt for payment of all costs and fees to FHFC, legal counsel, and the Servicer. Additionally, the credit underwriting update letter is subject to further approval and verification by the Credit Underwriter, Special Counsel, and appropriate Florida Housing Staff.

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B. Request Approval of Loan Closing Deadline Extension and RFA Waiver of Extension Fee for Monroe County Scattered Sites (RFA 2019-101 / 2020-004D)

Development Name: Monroe County Scattered Sites	Location: Monroe County
Applicant/Borrower: Monroe County Housing Authority	Set Aside(s): 90% @ 80% AMI (Workforce) 10% @ 25% AMI (ELI) 50% of ELI Units or 5% of Total Units (LINK)
Developer/Principal: Monroe County Housing Authority/Randy Sterling	Demographic/Number of Units: Workforce/20 units
Requested Amounts: Community Development Block Grant – Disaster Relief (CDBG-DR) \$5,084,048 (Development Funding); \$2,015,000 (Site Acquisition Funding)	Development Category/Type: New Construction/Single Family Homes

1. Background:

- a) On July 2, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-101 for Community Development Block Grant – Disaster Recovery in Monroe County. Four (4) applications were received by the August 6, 2019, submission deadline.
- b) On September 20, 2019, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities for the four (4) eligible Applicants.
- c) On October 1, 2019, staff issued a preliminary commitment letter. The Acceptance was acknowledged on October 7, 2019. In accordance with the RFA, the Applicant/Borrower/Developer had an October 7, 2020, deadline to complete the credit underwriting report.
- d) On September 4, 2020, the Board approved an extension of the October 7, 2020, firm loan commitment deadline for six months until April 7, 2021.
- e) On March 12, 2021, the Board approved the developer’s request to waive the RFA requirement and grant an additional six-month extension on the firm loan commitment deadline until October 7, 2021, due to conditions created by the COVID-19 pandemic, as well as approved the waiver of the extension fee.
- f) On July 30, 2021, the Board approved a waiver of the RFA requirement to grant an additional six-month extension on the firm loan commitment deadline from October 7, 2021, until April 7, 2022, as well as waived the extension fee.

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- g) On January 21, 2022, the Board approved to waive the RFA requirement and granted an additional three-month extension on the firm loan commitment deadline from April 7, 2022, until July 7, 2022, as well as waived the extension fee.
- h) On June 17, 2022, the Board approved the request to waive the RFA requirement and grant an additional four-month extension on the firm loan commitment deadline from July 7, 2022, until November 7, 2022, as well as waive the extension fee.
- i) On October 28, 2022, the Board approved the final credit underwriting report with a positive recommendation for CDBG-DR funding in the amount of \$7,099,048. On November 1, 2022, staff issued the firm loan commitment letter, and the Acceptance of Commitment was acknowledged on November 3, 2022, with a loan closing deadline of March 1, 2023.

2. Present Situation:

- a) On February 6, 2023, staff received a request to extend the loan closing deadline from due to required reviews and approvals of 1) the local environmental review and 2) permit issuance by the State and Monroe County (**Exhibit B**). The loan closing deadline extension allows for the required reviews and approvals. Additionally, The Developer remains committed to the construction and completion of the Development by the 2024 deadline.

3. Recommendation:

- a) Approve the loan closing extension request from March 1, 2023, until July 3, 2023, and continue with loan closing activities, subject to further approvals and verifications by the Credit Underwriter, Special Counsel, and appropriate Florida Housing Staff. Additionally, due to the funding source and nature of the CDBG-DR funds, waive the extension fee.

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

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C. Request Approval of Loan Closing Deadline Extension and RFA Waiver of Extension Fee for Northside Transit Village III (RFA 2019-102 / 2020-024BD)

Development Name: Northside Transit Village III	Location: Miami-Dade County
Applicant/Borrower: Northside Property III, Ltd.	Set Asides: MMRB: 40% @ 60% AMI CDBG-DR & 4% HC: 16% @ 30% AMI 36% @ 60% AMI 48% @ 70% AMI
Developer/Principal: Northside Property III Development, LLC/Howard Cohen	Demographic/Number of Units: Workforce/200 units
Requested Amounts: Multifamily Mortgage Revenue Bond (MMRB): \$30,800,000 CDBG-DR \$9,550,000 4% Annual Housing Credits (HC): \$2,943,047	Development Category/Type: New Construction/High-Rise

1. Background:

- a) On July 30, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-102 for Community Development Block Grant – Disaster Recovery to be used in conjunction with Tax-Exempt MMRB and Non-Competitive Housing Credits in Counties Deemed Hurricane Recovery Priorities.
- b) On December 13, 2019, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities
- c) On April 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant on April 27, 2020. The Acceptance was acknowledged on May 4, 2020.
- d) On March 12, 2021, the Board approved the request to extend the firm loan commitment issuance deadline from May 4, 2021, to November 4, 2021.
- e) On September 10, 2021, the Board approved the RFA Waiver to grant a second request to extend the firm loan commitment issuance deadline from November 4, 2021, to May 4, 2022.
- f) On January 21, 2022, the Board approved the final credit underwriting report and authorizing resolutions and directed staff to proceed with loan closing activities.

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- g) On June 17, 2022, the Board approved the Applicant’s requested first loan closing extension from July 25, 2022, to November 1, 2022, and waiver of the extension fee.
- h) On August 5, 2022, the Board approved the Borrower’s request to increase the MMRB amount from \$16,510,000 to \$17,370,000, a CDBG-DR Viability Loan in the amount of \$2,250,000, and the execution of the amended authorizing resolutions.
- i) On October 28, 2022, the Board approved an RFA Waiver for a second loan closing extension from November 2, 2022, through February 2, 2023, and to waive the CDBG-DR extension fee. The request was submitted due to ‘HUD’s underwriting timeline for a firm commitment of the FHA 221(d)(4) loan continues to delay the projected closing date of mid-November 2022.’ The Developer remains committed to the construction and completion of the Development by the 2024 deadline.
- j) On January 27, 2023, the Board approved an RFA Waiver for a third loan closing extension from February 2, 2023, through April 3, 2023, and to waive the CDBG-DR extension fee. The request was submitted due to HUD’s requirement of a direct land lease with Miami-Dade Department of Transportation and Public Works which requires approval. The loan closing extension request will provide some time to obtain the approval for the HUD requirement. The Developer remains committed to the construction and completion of the Development by the 2024 deadline.

2. **Present Situation:**

- a) On February 20, 2023, Borrower requested an RFA Waiver for a fourth loan closing extension from April 3, 2023, through July 3, 2023, and to waive the CDBG-DR extension fee. The request was submitted due to 1) not yet receiving approval of HUD’s requirement of a direct land lease with the Miami-Dade Department of Transportation and Public Works and 2) HUD is reviewing the primary lender's amendment submission and has not yet provided a loan closing date. The loan closing extension request will provide some time to obtain the approval of the HUD requirement and closing date (**Exhibit C**). The Developer remains committed to the construction and completion of the Development by the 2024 deadline.

3. **Recommendation:**

- a) Approve the RFA Waiver request to grant a fourth loan closing extension from April 3, 2023, through July 3, 2023, and continue with loan closing activities, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and appropriate Florida Housing Staff. Additionally, due to the funding source and nature of the CDBG-DR funds, waive the extension fee.

HOME RENTAL

Consent

I. HOME RENTAL

A. Request Approval of Firm Commitment Deadline Extension for Cross Creek Gardens at Quincy (RFA 2021-206 / 2022-247H)

Development Name: Cross Creek Gardens at Quincy	Location: Gadsden County
Applicant/Borrower: Cross Creek Gardens at Quincy, LLC.	Set-Asides: 20% @ 50% AMI 80% @ 60% AMI
Developer/Principal: ACRUVA Community Developers, LLC./Daniel F. Acosta; Neighborhood Renaissance, Inc./Teri Murray	Demographic/Number of Units: Family/34
Requested Amount: \$6,000,000	Development Category/Type: New Construction/Garden Apartments

1. Background:

- a) On December 15, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2021-206 for HOME Financing for the Construction of Small, Rural Developments. Nine (9) applications were received by the January 25, 2022 submission deadline.
- b) On March 4, 2022, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities for the four (4) eligible Applicants.
- c) On March 29, 2022, staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant. The Acceptance was acknowledged on March 31, 2022. In accordance with Rule 67-48, the Developers have a March 31, 2023 deadline to complete the credit underwriting report and be issued a firm loan commitment.

2. Present Situation:

- a) On February 13, 2023, the Applicant submitted a six-month request to extend the firm loan commitment issuance deadline due to an identified funding gap for the Development and to secure additional funding (**Exhibit A**). Pursuant to Rule 67-48.0072(21)(b), Applicants may request one extension of said deadline of up to six months which includes a non-refundable extension fee of one percent (1%) of the loan amount. If an approved extension is utilized, Applicants must pay the extension fee not later than seven (7) Calendar Days after the original twelve (12) month deadline.

3. Recommendation:

- a) Approve the firm commitment deadline from March 29, 2023, until October 2, 2023, subject to further approvals and verifications by the Credit Underwriter, Special Counsel and the appropriate Florida Housing Staff.

HOME RENTAL

Consent

B. Request Approval of Firm Commitment Deadline Extension for Pollywog Creek Mews (RFA 2021-206 / 2022-242H)

Development Name: Pollywog Creek Mews	Location: Hendry County
Applicant/Borrower: Pollywog Creek Mews, LLC.	Set-Asides: 20% @ 50% AMI 80% @ 60% AMI
Developer/Principal: Rural Neighborhoods, Inc/Kirk Steven; Odyssey Development Group, LLC/Jason Goldfarb	Demographic/Number of Units: Family/28
Requested Amount: \$5,690,000	Development Category/Type: New Construction/Garden Apartments

1. Background:

- a) On December 15, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2021-206 for HOME Financing for the Construction of Small, Rural Developments. Nine (9) applications were received by the January 25, 2022 deadline.
- b) On March 4, 2022, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities for the four (4) eligible Applicants.
- c) On March 29, 2022, staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant. The Acceptance was acknowledged on April 4, 2022. In accordance with Rule 67-48, the Developers have an April 4, 2023 deadline to complete the credit underwriting report and be issued a firm loan commitment.

2. Present Situation:

- a) On February 15, 2023, the Applicant submitted a six-month request to extend the firm loan commitment issuance deadline due to the small community's reliance on outside third parties for plan reviews, which are not conducted in a timely manner and has created delays and impacted obtaining construction bids necessary for credit underwriting. Additionally, increase interest and construction costs are contributing to the current delays (**Exhibit B**). Pursuant to Rule 67-48.0072(21)(b), Applicants may request one extension of said deadline of up to six months which includes a non-refundable extension fee of one percent (1%) of the loan amount. If an approved extension is utilized, Applicants must pay the extension fee not later than seven (7) Calendar Days after the original twelve (12) month deadline.

3. Recommendation:

- a) Approve the firm commitment deadline from April 4, 2023, until October 4, 2023, subject to further approvals and verifications by the Credit Underwriter, Special Counsel and the appropriate Florida Housing Staff.

HOME RENTAL

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C. Request Approval of Firm Commitment Deadline Extension for Sandcastle Manor (RFA 2021-206 / 2022-244H)

Development Name: Sandcastle Manor	Location: Baker County
Applicant/Borrower: Sandcastles Foundation, Inc., a Florida "Not for Profit" Corporation	Set-Asides: 20% @ 50% AMI 80% @ 60% AMI
Developer/Principal: Sandcastles Foundation, Inc/Christopher J. Crowder; FBC Holdings, LLC/Michael McPhillips	Demographic/Number of Units: Family/22
Requested Amount: \$5,544,000	Development Category/Type: New Construction/Single Family Homes

1. Background:

- a) On December 15, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2021-206 for HOME Financing for the Construction of Small, Rural Developments. Nine (9) applications were received by the January 25, 2022 deadline.
- b) On March 4, 2022, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities for the four (4) eligible Applicants.
- c) On March 29, 2022, staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant. The Acceptance was acknowledged on April 5, 2022. In accordance with Rule 67-48, the Developers have an April 5, 2023 deadline to complete the credit underwriting report and be issued a firm loan commitment.

2. Present Situation:

- a) On February 6, 2023, the Applicant submitted a six-month request to extend the firm loan commitment issuance deadline due to the City of MacClenny's requests for multiple site plan revisions to satisfy land development code requirements. Additionally, a second firm was hired to obtain soil boring samples since the initial company was not able to complete said work (**Exhibit C**). Pursuant to Rule 67-48.0072(21)(b), Applicants may request one extension of said deadline of up to six months which includes a non-refundable extension fee of one percent (1%) of the loan amount. If an approved extension is utilized, Applicants must pay the extension fee not later than seven (7) Calendar Days after the original twelve (12) month deadline.

3. Recommendation:

- a) Approve the firm commitment deadline from April 5, 2023 until October 5, 2023, subject to further approvals and verifications by the Credit Underwriter, Special Counsel and the appropriate Florida Housing Staff.

HOME RENTAL

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D. Request Approval of Firm Commitment Deadline Extension for Tranquility at Hope School Phase II (RFA 2021-206 / 2022-241H)

Development Name: Tranquility at Hope School Phase II	Location: Jackson County
Applicant/Borrower: East Lake Florida 3, LLC.	Set-Asides: 20% @ 50% AMI 80% @ 60% AMI
Developer/Principal: Timshel Hill Tide Developers, LLC/Todd M. Wind; ELCD Development, LLC/Eric H. Lipp	Demographic/Number of Units: Family/32
Requested Amount: \$5,500,000	Development Category/Type: New Construction/Garden Apartments

1. Background:

- a) On December 15, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2021-206 for HOME Financing for the Construction of Small, Rural Developments. Nine (9) applications were received by the January 25, 2022 deadline.
- b) On March 4, 2022, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities for the four (4) eligible Applicants.
- c) On March 29, 2022, staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant. The Acceptance was acknowledged on March 30, 2022. In accordance with Rule 67-48, the Developers have a March 30, 2023 deadline to complete the credit underwriting report and be issued a firm loan commitment.

2. Present Situation:

- a) On February 6, 2023, the Applicant submitted a six-month request to extend the firm loan commitment issuance deadline due to increased construction costs, interest rates, and permanent insurance rates, and having to seek additional funding (**Exhibit D**). Pursuant to Rule 67-48.0072(21)(b), Applicants may request one extension of said deadline of up to six months which includes a non-refundable extension fee of one percent (1%) of the loan amount. If an approved extension is utilized, Applicants must pay the extension fee not later than seven (7) Calendar Days after the original twelve (12) month deadline.

3. Recommendation:

- a) Approve the firm commitment deadline from March 30, 2023, until October 2, 2023, subject to further approvals and verifications by the Credit Underwriter, Special Counsel and the appropriate Florida Housing Staff.

HOUSING CREDITS

Consent

I. HOUSING CREDITS

A. Request Approval of RFA Waiver of Required Accessibility Feature for Centennial Towers (RFA 2018-113/2019-126C)

Development Name: Centennial Towers	Location: Duval County
Applicant/Borrower: Centennial Towers, Ltd.	Set Aside(s): 20.19% @ 33% AMI and 77.40% @ 60% AMI
Developer/Principal: TVC Development, Inc./ John Rood & Jax Urban Initiatives Development, LLC/ Dwayne Alexander	Demographic/Number of units: Elderly, Non-ALF/208
Requested Amounts: \$1,868,000 9% Housing Credits	Development Category/Type: Acquisition/Preservation / High Rise

1. Background/Present Situation:

- a) Centennial Towers, Ltd (“Applicant”) applied for and was awarded funding from Request for Applications (RFA) 2018-113 for Housing Credit Financing for the Preservation of Existing Affordable Multifamily Housing Developments. The funds are being utilized to finance the acquisition and preservation of a 208-unit Elderly, non-ALF development in Duval County. On February 28, 2019, staff issued an invitation to the Applicant to enter credit underwriting and subsequently executed a Carryover Allocation Agreement on July 8, 2019. A credit underwriting report was finalized on May 13, 2021 with a positive recommendation for an allocation of \$1,868,000 in 9% Housing Credits.
- b) On February 15, 2023, staff received a [request](#) from the Applicant to waive the requirement in UFAS units only, for a large bottom drawer that opens beyond full extension in one of the kitchen's base cabinets. In its place, the Applicant will provide, in UFAS units only, a rolling utility cart. The cart will be deep and wide enough to store pots and pans and will have a weight load rating of a minimum of 100 pounds. The Applicant noted the reason for the waiver is due to existing structural and mechanical components as well as space limitations in the kitchen.
- c) Per the RFA, all units are expected to meet the required accessibility features as outlined in Section Four A.8.c(3) of the RFA, which reflects the following requirement for a large drawer in kitchen base cabinets:

In one of the kitchen's base cabinets, there shall be a large bottom drawer that opens beyond full extension, also referred to as an “over travel feature.” Drawers with the over-travel feature allow drawers to extend completely past the cabinet front so that all the contents can be accessed. The drawer shall be deep and wide enough to store pots and pans and the drawer slides shall have a weight load rating of a minimum of 100 pounds. The drawers shall be mounted on a pair of metal side rails that are ball-bearing.

HOUSING CREDITS

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- d) Florida Housing staff became aware of the deficiency during review of the Final Site Inspection in which it was noted that the large bottom drawer was provided in all units except UFAS units because there was no room in the kitchens to accommodate a large bottom drawer and there were no floor base cabinets. If this request were presented to Florida Housing staff prior to construction commencement, staff would not recommend a waiver of this requirement. However, because the Development is complete and including the base cabinets at this point in time (after construction completion) would require re-designing the kitchen space, staff feels the most prudent course of action is to provide residents with the next best option that would meet the intent of the RFA requirement.

2. **Recommendation:**

- a) Approve the RFA waiver request for the Applicant to provide, in UFAS units only, a rolling utility cart instead of a large bottom drawer in one of the kitchen's base cabinets. The cart will be deep and wide enough to store pots and pans and will have a weight load rating of a minimum of 100 pounds.

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I. LEGAL

A. In Re: Sandcastles Foundation, Inc.

FHFC Case No. 2023-021VW (RFA 2020-206/App. No. 2021-284H)

Development Name: (“Development”):	Sandcastle Pines
Developer/Principal: (“Developer”):	Sandcastles Foundation, Inc./Jessica Crist Panhandle Affordable II, LLC/Michael McPhillips, Flynn Martin
Number of Units: 21	Location: Bradford County
Type: Single Family Homes/New Construction	Set Asides: 20% at 50% AMI 80% at 60% AMI
Demographics: Family	Funding: HOME \$6,508,137

1. Background:

- a) Petitioner successfully applied for HOME funding in RFA 2020-206 to assist in the construction of Sandcastle Pines in Bradford County, Florida (the “Development”). On February 17, 2023, Florida Housing received a Petition for Waiver of Rule 67-48.0072(26) Florida Administrative Code (the “Petition”) to allow Petitioner to extend the loan closing deadline. A copy of the Petition is attached as [Exhibit A](#).

2. Present Situation:

- a) Rule 67-48.0072(26), Fla. Admin. Code, provides:

(26) For SAIL 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). These deadlines may be automatically extended to the next scheduled meeting of the Board of Directors that is after the 120 or 180 Calendar Days deadline, as applicable. 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, which may be automatically extended to the next scheduled meeting of the Board of Directors that is after the 90 Calendar Day extension deadline. 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

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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.

- b) Petitioner requests a waiver of the above-cited Rule to allow Petitioner to extend the loan closing deadline. After the January 22, 2021, Board meeting which approved Petitioner's application for funding, Petitioner accepted an invitation to credit underwriting, which provided a deadline of March 29, 2022 for the completion of the credit underwriting report and firm loan commitment issuance.
- c) On March 4, 2022, the Board approved the credit underwriting report with a positive recommendation for HOME funding in the amount of \$5,826,000 and a Viability Loan of \$186,042.33, which were scheduled to close by July 8, 2022.
- d) On July 21, 2022, Petitioner requested a 90-day extension of the loan closing deadline to October 6, 2022, and notified Florida Housing that Petitioner needed to seek additional funding due to significant increases in construction costs. On August 5, 2022, the Board approved the 90-day extension of the loan closing deadline.
- e) On September 23, 2022, Florida housing issued Petitioner a revised firm loan commitment for HOME funding of \$5,826,000 and increased the Viability Loan to \$1,000,000, both of which were scheduled to close by October 7, 2022.
- f) Petitioner states that during this same time period, it worked with officials from the City of Starke to acquire all necessary approvals, at which time it was determined that a zoning map amendment was required. The zoning map amendment was approved on September 19, 2022, by the Starke City Commission. On October 4, 2022, during the second reading of the zoning map amendment, the City of Starke denied the request because of citizen concerns. Petitioner has worked with City staff to address the concerns.
- g) On October 12, 2022, Petitioner filed a waiver with Florida Housing to address the citizen concerns by reducing the number of units from 25 to 21, reducing the loan amount, and allowing for an extension of the closing date. On October 28, 2022, the Board granted the requests including extending the loan closing deadline from October 7, 2022, to February 6, 2023.
- h) Petitioner submitted the updated Site Plan to the City of Starke on November 16, 2022. The City's technical review was completed on February 2, 2023. According to Petitioner, the City has stated that the matter will be placed on the agenda for the February 21, 2023 meeting of the Starke City Council.
- i) Since the filing of the Petition, Petitioner has advised Florida Housing that the City has requested information, which Petitioner provided. Petitioner explained that it is requesting to be placed on the City's March 7, 2023 agenda. At this

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point, Petitioner believes that it can still meet the extended loan closing deadline if this waiver is granted.

- j) On February 20, 2023, Notice of the Petition was published in the Florida Administrative Register in Volume 49, Number 35. To date, Florida Housing has received no comments concerning the Petition.
- k) 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.
- l) 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 were 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 to allow Petitioner to extend its firm loan commitment issuance deadline from February 6, 2023, to May 8, 2023.

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B. In Re: Pablo Hamlet, LLLP
FHFC Case No. 2023-022VW

Development Name: (“Development”):	Pablo Hamlet
Developer/Principal: (“Developer”):	SHAG Development, LLC / Darren Smith Bove Investment PH, LLC / Gabriel Bove
Number of Units: 154 Units (104 Rehab; 50 New Construction)	Location: Duval County
Type: Acquisition/Preservation & New Construction; Garden Apartments	Set-Asides: 39 Units @ 30% AMI 57 Units @ 60% AMI 58 Units @ 80% AMI
Demographics: Elderly, Non-ALF	Funding: 9% HC: \$1,436,000

1. Background:

- a) Petitioner successfully applied for funding to assist in the acquisition, preservation, and construction of the Pablo Hamlet, a 154-unit (104 rehabilitation and 50 newly constructed units) development located in Duval County, Florida (the “Development”). On February 21, 2023, Florida Housing received a Petition for Waiver From Rule 67-48.004(3)(j), F.A.C. (the “Petition”) to allow Petitioner to reduce its total set aside commitment from 154 units (100%) to 153 units (99%). A copy of the Petition is attached as [Exhibit B](#).

2. Present Situation

- a) Rule 67-48.004(3), Fla. Admin. Code (2019), in relevant part, provides “... 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 requests a waiver of the above rule to permit a reduction in the total set-aside from 100% to 99%, a reduction of a single unit.
- c) As grounds for its request, Petitioner states that a previously income-qualified tenant has received a Social Security cost adjustment and now exceeds the 80% AMI limit. Petitioner requests this waiver to allow the tenant to continue to occupy the unit.
- d) Petitioner agrees to continue to satisfy the ELI set aside by setting aside 39 units at 30% AMI and states that Petitioner will maintain an overall income average at or below 60% AMI. The new set-aside commitment will be: (i) 39 Units at 30%

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AMI; (ii) 57 Units at 60% AMI; and (iii) 57 Units at 80% AMI. The number of units at the 80% AMI income bracket would be reduced by one.

- e) On February 21, 2023, the Notice of Petition was published in the Florida Administrative Register in Volume 49, Number 36. 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 the application of a rule would create a substantial hardship or would violate principles of fairness.
- g) 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 (2019) to allow Petitioner to reduce its total set aside commitment from 154 units (100%) to 153 units (99%),

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C. In Re: The Moorings Affordable LLC.

FHFC Case No. 2023-023VW/(RFA 2022-NONC/App. No. 2022-509C)

Development Name: (“Development”):	The Moorings
Developer Principal: (“Developer”):	EREG Housing Preservation, LLC / Kevin Beard BD Pensacola Developer, LLC / Samantha Watson
Number of Units: 200	Location: Escambia County
Type: Garden Apartments/Acquisition and Rehabilitation	Set Asides: 30 Units at 20% AMI 60 Units at 30% AMI 10 Units at 40% AMI 26 Units at 50% AMI 45 Units at 60% AMI 16 Units at 70% AMI 13 Units at 80% AMI
Demographics: Family	Funding: 4% HC: \$1,616,495

1. Background:

- a) Petitioner has applied for 4% Non-Competitive Housing Credits (“Housing Credits”) to be used for a Tax-Exempt Bond-Financed Development where the bonds are issued by a County Housing Finance Authority. The funding will be used for the acquisition and rehabilitation of a 200-unit multifamily housing rental development commonly known as The Moorings (the “Development”), located in Escambia County. On February 21, 2023, Florida Housing received a “Petition for Waiver of Rule 67-21.0025(7)(c) and 67-21.003(1)(b) (the “Petition”) from The Moorings Affordable LLC (the “Petitioner”). A copy of the Petition is attached as [Exhibit C](#).

2. Present Situation:

- a) Petitioner requests a waiver of Rule 67-21.0025(7)(c), Florida Administrative Code (2022), which in relevant portion states:

(7) Disclosure of the Principals of the Applicant must comply with the following:

(a) The Applicant must disclose all of the Principals of the Applicant (first principal disclosure level). For Applicants seeking Housing Credits, the Housing Credit Syndicator/Housing Credit investor need only be disclosed at the first principal disclosure level and no other disclosure is required;

(b) The Applicant must disclose all of the Principals of all the entities identified in paragraph (a) above (second principal disclosure level);

(c) *The Applicant must disclose all of the Principals of all of the entities identified in paragraph (b) above (third principal disclosure level). Unless the entity is a trust, all of the Principals must be natural persons;* and

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(d) If any of the entities identified in paragraph (c) above are a trust, the Applicant must disclose all of the Principals of the trust (fourth principal disclosure level), all of whom must be natural persons. (emphasis added)

- b) Petitioner also requests a waiver Rule 67-21.003(1)(b), Florida Administrative Code (2022), which incorporates by reference the Non-Competitive Application Package (Rev. 04/2022) (the “NCA”), and in relevant portion states:

(1) Unless otherwise set forth in a competitive solicitation pursuant to rule Chapter 67-60, F.A.C., Applicants shall apply for Non-Competitive HC or a combination of MMRB and Non-Competitive HC as set forth below. For purposes of this subsection only, the term NC Award shall refer to Non-Competitive HC or a combination of MMRB and Non-Competitive HC, and funding from the Predevelopment Loan Program (PLP) will not be considered to be other Corporation funding.

(b) If the NC Award will not be made available through the competitive solicitation funding process outlined in rule Chapter 67-60, F.A.C., the Applicant shall utilize the Non-Competitive Application Package in effect at the time the Applicant submits the Application. The Non-Competitive Application Package or NCA (Rev. 04-2022) is adopted and incorporated herein by reference and consists of the forms and instructions available, without charge, on the Corporation’s website under the Multifamily Programs link labeled Non-Competitive Programs or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-14387>, which shall be completed and submitted to the Corporation in accordance with this rule chapter. (emphasis added)

- c) A waiver of Section A.6.a. of the NCA is sought, which in relevant portion states:

Principals Disclosure for the Applicant and for each Developer:

a. The Principals of the Applicant and Developer(s) Disclosure Form in effect at the time of Application submission (“Principal Disclosure Form”), must be submitted, in Excel format, as part of the Application package.

The Principal Disclosure Form must identify, pursuant to subsections 67-21.002(86) and 67-21.0025(7) and (8), F.A.C., the Principals of the Applicant and Developer(s). For Housing Credits, the investor limited partner of an Applicant limited partnership or the investor member of an Applicant limited liability company must be identified on the Principal Disclosure Form. A Principals Disclosure Form should not include, for any organizational structure, any type of entity that is not specifically included in the Rule definition of Principals. Pursuant to subsection 67-

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21.002(86), any Principal that is not a natural person must be a legally formed entity as of the Application Deadline. (emphasis added)

- d) Petitioner also seeks waiver of the second funding option paragraph on page 1 of the NCA Instructions, which in relevant portion, states

Non-Competitive Housing Credits (4 Percent HC) only, to be used for a Tax-Exempt Bond Financed Development where the bonds are issued by a County Housing Finance Authority (HFA) established pursuant to Section 159.604, F.S. *The Non-Competitive Application Form can be submitted anywhere from the time the Applicant completes Credit Underwriting for the Bonds up until the last Corporation business day of December of the year the Development is placed in service;...* (emphasis added)

- e) Petitioner requests a waiver of the above Rules and NCA terms to allow 1) third disclosure level principals that are not natural persons; and 2) consideration of Petitioner's application before Petitioner's county bond transaction has completed credit underwriting.

- f) Petitioner avers it cannot meet the requirement to have a natural person principal by the third principal disclosure level because the structure of its managing member consists of multiple corporate layers to accommodate the structuring of the ownership interests of its members, which in large part would require going to the fifth principal disclosure level before a natural person is ultimately disclosed.

- g) In support of its waiver request, Petitioner explains that its managing member is a joint venture owned by two unrelated third parties, specifically Belveron Partners and Evergreen Real Estate Group (through their respective affiliate entities) (the "MM Parties"), that have utilized this ownership structure in a number of transactions to provide affordable housing throughout the country. As the MM Parties are unrelated, each deal they conduct together as managing member needs to be legally distinct from the other deals they have already done and operated by a unique joint venture managing member. To remove the property specific intermediary entities from the structure, solely for disclosure purposes, would open the other deals the MM Parties have entered into and the MM Parties themselves to liability associated with this Development.

- h) Further, Petitioner states that there are key entities involved in the upper tiers of these entities, including Bel Dev Pool LLC, Belveron Partners' employee-profit sharing entity, that are crucial to the willingness of the parties to engage in this transaction. Petitioner asserts that the intent of this structure is not to obfuscate the ultimate ownership of the managing member and all natural persons involved in said ownership are ultimately disclosed, it is simply that such disclosure requires additional principal disclosure levels for Petitioner to maintain a viable and consistent deal structure. Therefore, Petitioner is requesting waiver of the requirement that all natural persons are disclosed by the third principal disclosure level.

- i) Petitioner also requests that Florida Housing consider Petitioner's application before Petitioner's county bond transaction has completed credit underwriting. To complete its county bond credit underwriting process, Petitioner states that it must finalize its ownership structure, but it cannot finalize its ownership structure without this waiver. Thus, Petitioner requests a waiver of the requirement to

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submit a final Credit Underwriting Report with its application to prevent further delay to the closing and rehabilitation of the Development.

- j) On February 23, 2023, Notice of the Petition was published in the Florida Administrative Register in Volume 49, Number 37. To date, Florida Housing has received no comments concerning the Petition.
- k) 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.
- l) 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 waiver of Rule 67-21.003(1)(b), Florida Administrative Code (2022), and Rule 67-21.0025(7), Florida Administrative Code (2022), and the above-cited Sections of the Non-Competitive Application Package to allow: (1) Petitioner to submit a 4% Housing Credit Application prior to the completion of the credit underwriting for the county bonds; and (2) Petitioner to disclose natural person Principals at the fifth principal disclosure level rather than at the third principal disclosure level.

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D. In Re: Sunrise Affordable LLC

FHFC Case No. 2023-024VW/(RFA 2022-NONC/App. No. 2022-508C)

Development Name: (“Development”):	Sunrise Apartments
Developer Principal: (“Developer”):	EREG Housing Preservation, LLC / Kevin Beard BD Pensacola Developer, LLC / Samantha Watson
Number of Units: 160	Location: Escambia County
Type: Garden Apartments/Acquisition and Rehabilitation	Set Asides: 83 Units at 50% AMI 68 Units at 60% AMI 4 Units at 70% AMI 5 Units at 80% AMI
Demographics: Family	Funding: 4% HC: \$1,280,970

1. Background:

- a) Petitioner has applied for 4% Non-Competitive Housing Credits (“Housing Credits”) to be used for a Tax-Exempt Bond-Financed Development where the bonds are issued by a County Housing Finance Authority. The funding will be used for the acquisition and rehabilitation of a 160-unit multifamily housing rental development commonly known as Sunrise Apartments (the “Development”), located in Escambia County. On February 21, 2023, Florida Housing received a “Petition for Waiver of Rule 67-21.0025(7)(c) and 67-21.003(1)(b)” (the “Petition”) from Sunrise Affordable LLC (the “Petitioner”). A copy of the Petition is attached as [Exhibit D](#).

2. Present Situation:

- a) Petitioner requests a waiver of Rule 67-21.0025(7)(c), Florida Administrative Code (2022), which in relevant portion states:

(7) Disclosure of the Principals of the Applicant must comply with the following:

(a) The Applicant must disclose all of the Principals of the Applicant (first principal disclosure level). For Applicants seeking Housing Credits, the Housing Credit Syndicator/Housing Credit investor need only be disclosed at the first principal disclosure level and no other disclosure is required;

(b) The Applicant must disclose all of the Principals of all the entities identified in paragraph (a) above (second principal disclosure level);

(c) *The Applicant must disclose all of the Principals of all of the entities identified in paragraph (b) above (third principal disclosure level). Unless the entity is a trust, all of the Principals must be natural persons;* and

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(d) If any of the entities identified in paragraph (c) above are a trust, the Applicant must disclose all of the Principals of the trust (fourth principal disclosure level), all of whom must be natural persons. (emphasis added)

- b) Petitioner also requests a waiver of Rule 67-21.003(1)(b), Florida Administrative Code (2022), which incorporates by reference the Non-Competitive Application Package (Rev. 04/2022) (the “NCA”), and in relevant portion states:

(1) Unless otherwise set forth in a competitive solicitation pursuant to rule Chapter 67-60, F.A.C., Applicants shall apply for Non-Competitive HC or a combination of MMRB and Non-Competitive HC as set forth below. For purposes of this subsection only, the term NC Award shall refer to Non-Competitive HC or a combination of MMRB and Non-Competitive HC, and funding from the Predevelopment Loan Program (PLP) will not be considered to be other Corporation funding.

(b) If the NC Award will not be made available through the competitive solicitation funding process outlined in rule Chapter 67-60, F.A.C., the Applicant shall utilize the Non-Competitive Application Package in effect at the time the Applicant submits the Application. The Non-Competitive Application Package or NCA (Rev. 04-2022) is adopted and incorporated herein by reference and consists of the forms and instructions available, without charge, on the Corporation’s website under the Multifamily Programs link labeled Non-Competitive Programs or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-14387>, which shall be completed and submitted to the Corporation in accordance with this rule chapter. (emphasis added)

- c) A waiver of Section A.6.a. of the NCA is sought, which in relevant portion states:

Principals Disclosure for the Applicant and for each Developer:

a. The Principals of the Applicant and Developer(s) Disclosure Form in effect at the time of Application submission (“Principal Disclosure Form”), must be submitted, in Excel format, as part of the Application package.

The Principal Disclosure Form must identify, pursuant to subsections 67-21.002(86) and 67-21.0025(7) and (8), F.A.C., the Principals of the Applicant and Developer(s). For Housing Credits, the investor limited partner of an Applicant limited partnership or the investor member of an Applicant limited liability company must be identified on the Principal Disclosure Form. A Principals Disclosure Form should not include, for any organizational structure, any type of entity that is not specifically included in the Rule definition of Principals. Pursuant to subsection 67-

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21.002(86), any Principal that is not a natural person must be a legally formed entity as of the Application Deadline. (emphasis added)

- d) Petitioner also seeks waiver of the second funding option paragraph on page 1 of the NCA Instructions, which in relevant portion, states

Non-Competitive Housing Credits (4 Percent HC) only, to be used for a Tax-Exempt Bond Financed Development where the bonds are issued by a County Housing Finance Authority (HFA) established pursuant to Section 159.604, F.S. *The Non-Competitive Application Form can be submitted anywhere from the time the Applicant completes Credit Underwriting for the Bonds up until the last Corporation business day of December of the year the Development is placed in service;...* (emphasis added)

- e) Petitioner requests a waiver of the above Rules and NCA terms to allow 1) third disclosure level principals that are not natural persons; and 2) consideration of Petitioner's application before Petitioner's county bond transaction has completed credit underwriting.

- f) Petitioner avers it cannot meet the requirement to have a natural person principal by the third principal disclosure level because the structure of its managing member consists of multiple corporate layers to accommodate the structuring of the ownership interests of its members, which in large part would require going to the fifth principal disclosure level before a natural person is ultimately disclosed.

- g) In support of its waiver request, Petitioner explains that its managing member is a joint venture owned by two unrelated third parties, specifically Belveron Partners and Evergreen Real Estate Group (through their respective affiliate entities) (the "MM Parties"), that have utilized this ownership structure in a number of transactions to provide affordable housing throughout the country. As the MM Parties are unrelated, each deal they conduct together as managing member needs to be legally distinct from the other deals they have already done and operated by a unique joint venture managing member. To remove the property specific intermediary entities from the structure, solely for disclosure purposes, would open the other deals the MM Parties have entered into and the MM Parties themselves to liability associated with this Development.

- h) Further, Petitioner states that there are key entities involved in the upper tiers of these entities, including Bel Dev Pool LLC, Belveron Partners' employee-profit sharing entity, that are crucial to the willingness of the parties to engage in this transaction. Petitioner asserts that the intent of this structure is not to obfuscate the ultimate ownership of the managing member and all natural persons involved in said ownership are ultimately disclosed, it is simply that such disclosure requires additional principal disclosure levels for Petitioner to maintain a viable and consistent deal structure. Therefore, Petitioner is requesting waiver of the requirement that all natural persons are disclosed by the third principal disclosure level.

- i) Petitioner also requests that Florida Housing consider Petitioner's application before Petitioner's county bond transaction has completed credit underwriting. To complete its county bond credit underwriting process, Petitioner states that it must finalize its ownership structure, but it cannot finalize its ownership structure without this waiver. Thus, Petitioner requests a waiver of the requirement to

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submit a final Credit Underwriting Report with its application to prevent further delay to the closing and rehabilitation commencement of the Development.

- j) On February 21, 2023, Notice of the Petition was published in the Florida Administrative Register in Volume 49, Number 37. To date, Florida Housing has received no comments concerning the Petition.
- k) 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.
- l) 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 waiver of Rule 67-21.003(1)(b), Florida Administrative Code (2022), and Rule 67-21.0025(7), Florida Administrative Code (2022), and the above-cited Sections of the Non-Competitive Application Package to allow: (1) Petitioner to submit a 4% Housing Credit Application prior to the completion of the credit underwriting for the county bonds; and (2) Petitioner to disclose natural person Principals at the fifth principal disclosure level rather than at the third principal disclosure level.

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- E. In Re: Culmer Apartments, LTD.**
FHFC Case No. 2023-025VW

Development Name: (“Development”):	Culmer Apartments
Developer/Principal: (“Developer”):	APC Culmer Development, LLC/Kenneth Naylor
Number of Units: 239 units	Location: Miami-Dade County
Type: New Construction; High-Rise	NHTF Set-Asides: 2% @ 22% AMI SAIL Set-Asides: 15% @ 30% AMI 3% @ 40% AMI 2% @ 50% AMI 53% @ 60% AMI 27% @ 80% AMI
Demographics: Family	Funding: SAIL: \$7,000,000 SAIL CHIRP: \$4,300,000 ELI: \$600,000 MMRB: \$58,970,000 NHFT: \$1,236,800

1. Background:

- a) Petitioner successfully applied for funding to assist in the construction of the Culmer Apartments, a 239-unit development located in Miami-Dade County, Florida (the “Development”). On February 21, 2023, Florida Housing received a Petition for Waiver of Florida Administrative Code Rules 67-48.0072(4)(c) and (26) (the “Petition”) to extend Petitioner’s SAIL, ELI, and NHTF loan closing deadline. A copy of the Petition is attached as [Exhibit E](#).

2. Present Situation

- a) Rule 67-48.0072(4), Fla. Admin. Code (2019), in relevant part, provides

4) If the invitation to enter credit underwriting is accepted:

...

(c) For SAIL, EHCL, and HOME, the credit underwriting process must be completed within the time frame outlined in subsection 67-48.0072(21), F.A.C., below and the loan must close within the time frame outlined in subsection 67-48.0072(26), F.A.C., below.

- b) Rule 67-48.0072(26), Fla. Admin. Code (2019), in relevant part, provides

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

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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.

- c) Petitioner requests a waiver of the above rules to extend its loan closing deadline. Under the above rules, Petitioner was initially granted two extensions which extended the firm loan commitment deadline to July 14, 2022. On June 20, 2022, Petitioner was issued a firm loan commitment for the SAIL, ELI, and NHTF loans giving a loan closing deadline of December 22, 2022.
- d) On September 22, 2022, Petitioner was issued an updated firm loan commitment that included a proposed increase to MMRB and SAIL funding increases through the CHIRP program. On January 27, 2023, Petitioner was granted a loan closing deadline extension to March 22, 2023. Petitioner now requests an additional six-month extension to September 22, 2023.
- e) As grounds for this current request, Petitioner asserts it has experienced significant delays in the HUD 221(d)(4) financing review process, the HUD Environmental Review, the State Historic Preservation architectural review, and the Rental Assistance Demonstration program. Petitioner reports that it is working diligently with aforementioned entities to close its financing, however, Petitioner states that, under the present circumstances, it seems unlikely that Petitioner's HUD loan will ultimately close by that date. Out of an abundance of caution, Petitioner requests the current extension.
- f) On February 23, 2023, the Notice of Petition was published in the Florida Administrative Register in Volume 49, Number 37. To date, Florida Housing has received no comments concerning the Petition.
- g) Section 120.542(2), Florida Statutes provides in pertinent part:

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

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development of low-income housing in the state” (§420.5099, Fla. Stat.), would still be achieved if the waiver is granted.

3. **Recommendation:**

- a) Staff recommends the Board GRANT Petitioner’s request for a waiver of Rule 67-48.0072(4)(c) and 67-48.0072(26), Fla. Admin. Code (2019), to extend Petitioner’s loan closing deadline from March 22, 2023, to September 22, 2023.

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F. In Re: Quail Roost Transit Village I, Ltd.
FHFC Case No. 2023-026VW

Development Name: (“Development”):	Quail Roost Transit Village I
Developer/Principal: (“Developer”):	Quail Roost I Development, LLC/ Howard D. Cohen
Number of Units: 200 units	Location: Miami-Dade County
Type: New Construction; High-Rise	Set-Asides: 16% @ 30% AMI 20% @ 50% AMI 9% @ 60% AMI 42% @ 70% AMI 13% @ 80% AMI
Demographics: Workforce	Funding: SAIL: \$6,500,000 NHTF CHIRP: \$3,700,000

1. Background:

- a) Petitioner successfully applied for funding to assist in the construction of Quail Roost Transit Village I, a 200-unit development located in Miami-Dade County, Florida (the “Development”). On February 21, 2023, Florida Housing received a Petition for Waiver of Florida Administrative Code Rules 67-48.0072(4)(c) and (26) (the “Petition”) to extend Petitioner’s loan closing deadline. A copy of the Petition is attached as [Exhibit F](#).

2. Present Situation

- a) Rule 67-48.0072(4)(c), Fla. Admin. Code (2019), in relevant part, provides

4) If the invitation to enter credit underwriting is accepted:

...

(c) For SAIL, EHCL, and HOME, the credit underwriting process must be completed within the time frame outlined in subsection 67-48.0072(21), F.A.C., below and the loan must close within the time frame outlined in subsection 67-48.0072(26), F.A.C., below.

- b) Rule 67-48.0072(26), Fla. Admin. Code (2019), in relevant part, provides

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

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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.

- c) Petitioner requests a waiver of the above rules to extend its loan closing deadline. Under the above rules, Petitioner was initially granted two extensions which extended the firm loan commitment to October 14, 2022. On June 20, 2022, Petitioner was issued a firm loan commitment for the SAIL loan giving a closing deadline of December 22, 2022.
- d) On September 22, 2022, Petitioner was issued an updated firm loan commitment that included proposed NHTF funding through the CHIRP program. On January 27, 2023, Petitioner was granted a SAIL closing deadline extension to March 22, 2023. Petitioner now requests an additional six-month extension to September 22, 2023.
- e) As grounds for this current request, Petitioner asserts it has experienced significant delays in the HUD 220 financing review process and the Rental Assistance Demonstration program. Petitioner reports that it is working diligently with HUD to close before March 22, 2023, however, Petitioner is unsure if Petitioner's HUD financing will ultimately close by that date. Out of an abundance of caution, Petitioner requests the current extension.
- f) On February 23, 2023, the Notice of Petition was published in the Florida Administrative Register in Volume 49, Number 37. To date, Florida Housing has received no comments concerning the Petition.
- g) Section 120.542(2), Florida Statutes provides in pertinent part:

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

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development of low-income housing in the state” (§420.5099, Fla. Stat.), would still be achieved if the waiver is granted.

3. **Recommendation:**

- a) Staff recommends the Board GRANT Petitioner’s request for a waiver of Rule 67-48.0072(4)(c) and 67-48.0072(26), Fla. Admin. Code (2019), to extend Petitioner’s firm loan commitment deadline to September 22, 2023.

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- G. In Re: Dockside at Sugarloaf Key, LLC**
FHFC Case No. 2023-027VW

Development Name: (“Development”):	Dockside at Sugarloaf Key
Developer/Principal: (“Developer”):	Rural Neighborhoods, Inc./Steve Kirk; Real Estate Ventures, LLC; Advanced Housing Corp.
Number of Units: 28	Location: Monroe County
Type: New Construction/Garden	Set-Asides: 10.71% @ 30% AMI 82.14% @ 60% AMI 3.57% @ 80% AMI 3.57% @ 120% AMI
Demographics: Family	Funding: 9% HC: \$925,344 SAIL: \$1,366,400

1. Background:

- a) Petitioner successfully applied funding under RFA 2018-115 SAIL Financing for the Construction of Workforce Housing for Hurricane Recovery in Monroe County to assist in the construction of Dockside at Sugarloaf Key in Monroe County, Florida (the “Development”). On February 21, 2023, Florida Housing received a Petition for Waiver of Rules 67-48.004(3)(e) and 67-48-0072(21)(b) (July 7, 2018) (the “Petition”) to permit Petitioner to move its proposed Development Site, and to extend the SAIL Firm Loan Commitment deadline. A copy of the Petition is attached as [Exhibit G](#).

2. Present Situation

- a) Rule 67-48.004(3) Fla. Admin. Code (2018), in relevant part, provides:

[N]otwithstanding any other provision of these Rules, the following as identified in the Application must be maintained and cannot be changed by the Applicant after the applicable submission, unless provided otherwise below:

... (3) Site for the Development...

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

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

...

(b) For SAIL, EHCL, and HOME, unless stated otherwise in a competitive solicitation, the firm loan commitment must be issued within twelve (12) months of the Applicant's acceptance to enter credit underwriting. Unless an extension is approved by the Corporation in writing, failure to achieve credit underwriting report approval and issuance of a firm loan commitment by the specified deadline shall result in withdrawal of the preliminary commitment. Applicants may request one (1) extension of up to six (6) months to secure a firm loan commitment. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting the extension and shall detail the time frame to achieve a firm loan commitment. In

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determining whether to grant an extension, the Corporation shall consider the facts and circumstances of the Applicant's request, inclusive of the responsiveness of the Development team and its ability to deliver the Development timely. The Corporation shall charge a non-refundable extension fee of one (1) percent of each loan amount if the request to extend the credit underwriting and form loan commitment process beyond the initial twelve (12) month deadline is approved. If, by the end of the extension period, the Applicant has not received a firm loan commitment, then the preliminary commitment shall be withdrawn.

- c) Petitioner requests a waiver of the above rules to move its Development Site, and to extend the Firm Loan Commitment Deadline to July 31, 2023.
- d) Petition has previous received multiple extensions to the Firm Loan Commitment deadline. The original deadline was January 2, 2020. On December 13, 2019, the Board extended this deadline to July 1, 2020. The Board subsequently granted further extensions to January 31, 2021, January 31, 2022, and lastly to January 31, 2023.
- e) Since its initial Application, Petitioner has faced substantial opposition to the Development by local entities and landowners causing Developer to incur costs and delays to retain planners, traffic engineers, biologists, legal counsel, and other professionals. These groups have previously appeared at Board meetings and spoken in opposition to the Development. In addition to public meetings with local government culminating in approval of the Development, local groups appealed the decisions to the Division of Administrative Hearings (DOAH). The Division issued its Final Order on July 22, 2021, ruling in favor of the Petitioner and local government. On August 18, 2021, the opposed local entities appealed this Final Order in the Circuit Court of Monroe County.
- f) On January 4, 2023, the local entities and Petitioner entered into a settlement agreement which will permit Petitioner to proceed with the Development. That agreement provides for the relocation of the Development Site to an overlapping site to the east (which results in the relocation of the Development Location Point). The new site is also located in a safer non-high velocity flood zone area. Due to the relocation of the site and the continued litigation, Petitioner also asks for another extension to the Firm Loan Commitment deadline to accomplish additional permitting and credit underwriting.
- g) On, February 23, 2023, the Notice of Petition was published in the Florida Administrative Register in Volume 49, Number 37. 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 the application of a rule would create a substantial hardship or would violate principles of fairness.
- i) 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

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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 the above Rules to permit relocation of the Development Site as set forth in the Petition and to extend the Firm Loan Commitment Deadline to July 31, 2023.

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H. In Re: The Landings at Sugarloaf Key, LLC
FHFC Case No. 2023-028VW

Development Name: (“Development”):	The Landings at Sugarloaf Key
Developer/Principal: (“Developer”):	Rural Neighborhoods, Inc./Steve Kirk; JCG Real Estate Ventures, LLC; Advanced Housing Corp.
Number of Units: 60	Location: Monroe County
Type: New Construction/Garden	Set-Asides: 5% @ 25% AMI 40% @ 60% AMI 55% @ 120% AMI
Demographics: Family	Funding: 9% HC: \$925,344 SAIL: \$3,534,000

1. Background:

- a) Petitioner successfully applied funding under RFA 2018-115 SAIL Financing for the Construction of Workforce Housing for Hurricane Recovery in Monroe County to assist in the construction of The Landings at Sugarloaf Key in Monroe County, Florida (the “Development”). On February 21, 2023, Florida Housing received a Petition for Waiver of Rules 67-48.004(3)(e) and (i), and 67-48-0072(21)(b) (July 7, 2018) (the “Petition”) to permit Petitioner to move its proposed Development Site, reduce the number of units in the Development, and to extend the SAIL Firm Loan Commitment deadline, respectively. A copy of the Petition is attached as [Exhibit H](#).

2. Present Situation

- a) Rule 67-48.004(3) Fla. Admin. Code (2018), in relevant part, provides:

[N]otwithstanding any other provision of these Rules, the following as identified in the Application must be maintained and cannot be changed by the Applicant after the applicable submission, unless provided otherwise below:

... (e) Site for the Development...

... (i) Total number of units.

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

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

...

(b) For SAIL, EHCL, and HOME, unless stated otherwise in a competitive solicitation, the firm loan commitment must be issued within twelve (12) months of the Applicant's acceptance to enter credit underwriting. Unless an extension is approved by the Corporation in writing, failure to achieve 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

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

- c) Petitioner requests a waiver of the above rules to move its Development Site, reduce the number of units, and to extend the Firm Loan Commitment Deadline to July 31, 2023.
- d) Petition has previous received multiple extensions to the Firm Loan Commitment deadline. The original deadline was January 2, 2020. On December 13, 2019, the Board extended this deadline to July 1, 2020. The Board subsequently granted further extensions to January 31, 2021, January 31, 2022, and lastly to January 31, 2023.
- e) Since its initial Application, Petitioner has faced substantial opposition to the Development by local entities and landowners causing Developer to incur costs and delays to retain planners, traffic engineers, biologists, legal counsel, and other professionals. These groups have previously appeared at Board meetings and spoken in opposition to the Development. In addition to public meetings with local government culminating in approval of the Development, local groups appealed the decisions to the Division of Administrative Hearings (DOAH). The Division issued its Final Order on July 22, 2021, ruling in favor of the Petitioner and local government. On August 18, 2021, the opposed local entities appealed this Final Order in the Circuit Court of Monroe County.
- f) On January 4, 2023, the local entities and Petitioner entered into a settlement agreement which will permit Petitioner to proceed with the Development. That agreement provides for the relocation of the Development Site to an overlapping site to the east (which results in the relocation of the Development Location Point) a reduction of the Development site from 181,500 sq. ft. to 84,700 sq. ft., and a reduction of the Total number of units from 60 to 28. The new site is also located in a safer non-high velocity flood zone area. Due to the relocation of the site and the continued litigation, Petitioner also asks for another extension to the Firm Loan Commitment deadline to accomplish additional permitting and credit underwriting.
- g) On, February 23, 2023, the Notice of Petition was published in the Florida Administrative Register in Volume 49, Number 37. To date, Florida Housing has received no comments concerning the Petition.
- h) 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 the application of a rule would create a substantial hardship or would violate principles of fairness.

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- i) Granting the requested waiver would not have any impact on other participants in funding programs administered by Florida Housing, nor would it have a detrimental impact on Florida Housing or the Development. Petitioner has demonstrated that strict application of the above Rules under these circumstances would constitute a substantial hardship. Petitioner has also demonstrated that the purpose of the underlying statute, which is to “encourage development of low-income housing in the state” (§420.5099, Fla. Stat.), would still be achieved if the waiver is granted.

3. **Recommendation:**

- a) Staff recommends the Board GRANT Petitioner’s request for a waiver of Rules to permit relocation of the Development Site as set forth in the Petition, to permit the reduction of the Total number of units from 60 to 28, and to extend the Firm Loan Commitment Deadline to July 31, 2023.

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I. In Re: Homestead Portfolio LP

FHFC Case No. 2023-029VW/(RFA 2022-NONC/App. No. 2022-521C)

Development Name: (“Development”):	Gardens of Homestead
Developer Principal: (“Developer”):	MRK Partners, Inc / Sydney Garchik
Number of Units: 233	Location: Miami-Dade County
Type: Garden Apartments/Acquisition and Rehabilitation	Set Asides: 171 Units at 50% AMI 62 Units at 80% AMI
Demographics: Family	Funding: 4% HC: \$2,964,946

1. Background:

- a) Petitioner has applied for 4% Non-Competitive Housing Credits (“Housing Credits”) to be used for a Tax-Exempt Bond-Financed Development where the bonds are issued by a County Housing Finance Authority. The funding will be used for the acquisition and rehabilitation of a 233-unit multifamily housing rental development commonly known as Gardens of Homestead (the “Development”), located in Miami-Dade County. On February 22, 2023, Florida Housing received a “Petition for Waiver of Rule 67-21.003(1)(b) and 67-21.003(8)(l)” (the “Petition”) from Homestead Portfolio LP (the “Petitioner”). A copy of the Petition is attached as [Exhibit I](#).

2. Present Situation:

- a) Petitioner requests a waiver of Rule 67-21.003(8)(l), Florida Administrative Code (2022), which in relevant portion 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:...

(l) *The Applicant must execute the Applicant certification and acknowledgement form included in the NCA.* (emphasis added)

- b) Petitioner also requests a waiver Rule 67-21.003(1)(b), Florida Administrative Code (2022), which incorporates by reference the Non-Competitive Application Package (Rev. 04/2022) (the “NCA”), and in relevant portion states:

(1) Unless otherwise set forth in a competitive solicitation pursuant to rule Chapter 67-60, F.A.C., Applicants shall apply for Non-Competitive HC or a combination of MMRB and Non-Competitive HC as set forth below. For purposes of this subsection only, the term NC Award shall refer to Non-Competitive HC or a combination of MMRB

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and Non-Competitive HC, and funding from the Predevelopment Loan Program (PLP) will not be considered to be other Corporation funding.

(b) If the NC Award will not be made available through the competitive solicitation funding process outlined in rule Chapter 67-60, F.A.C., the Applicant shall utilize the Non-Competitive Application Package in effect at the time the Applicant submits the Application. The Non-Competitive Application Package or NCA (Rev. 04-2022) is adopted and incorporated herein by reference and consists of the forms and instructions available, without charge, on the Corporation's website under the Multifamily Programs link labeled Non-Competitive Programs or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-14387>, which shall be completed and submitted to the Corporation in accordance with this rule chapter. (emphasis added)

- c) A waiver of Section A.16. of the NCA is sought, which in relevant portion states:

Applicant Certification:

The Applicant Certification and Acknowledgement Form included in the Application form must be executed by the Authorized Principal Representative to indicate the Applicant's certification and acknowledgement of the provisions and requirements of this Application.

- d) Petitioner also seeks waiver of Section 16.p. of the Applicant Certification and Acknowledgement Form of the NCA, which in relevant portion, states:

The Applicant certifies and acknowledges that...

The Applicant, the Developer and all Principals are in good standing among all other state agencies and have not been prohibited from applying for funding. (emphasis added)

- e) Petitioner also seeks waiver of the second funding option paragraph on page 1 of the NCA Instructions, which in relevant portion, states

Non-Competitive Housing Credits (4 Percent HC) only, to be used for a Tax-Exempt Bond Financed Development where the bonds are issued by a County Housing Finance Authority (HFA) established pursuant to Section 159.604, F.S. *The Non-Competitive Application Form can be submitted anywhere from the time the Applicant completes Credit Underwriting for the Bonds up until the last Corporation business day*

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of December of the year the Development is placed in service;...
(emphasis added)

- f) Petitioner also seeks waiver of Section A.6.b(1) of the NCA, which in relevant portion states:

6. Principals Disclosure for the Applicant and for each Developer:

b. The name of the Applicant entity stated in the Application may be changed only by written request of an Applicant to Corporation staff and approval of the Corporation after the Applicant has been invited to enter Credit Underwriting.

For purposes of (1) and (2) below, a material change shall mean 33.3 percent or more of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant, and a non-material change shall mean less than 33.3 percent of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant.

(1) For Applicants requesting Non-Competitive Housing Credits only:

The Applicant entity shall be the recipient of the Housing Credits and *the ownership structure of the Applicant entity as set forth in the Principal Disclosure Form and cannot be changed in any way (materially or non-materially) until after the Preliminary Determination is issued. Once the Preliminary Determination has been issued, (a) any material change in the ownership structure of the named Applicant will require Board approval prior to the change, and (b) any non-material change in the ownership structure of the named Applicant will require Corporation approval prior to the change.* The ownership structure of the Applicant entity may be changed without Corporation or Board approval after a Final Housing Credit Allocation Agreement has been approved and the IRS Forms 8609 have been issued; however, the Corporation must still be notified in writing of the change. The Applicant must comply with Principal disclosure requirements outlined in Rule Chapter 67-21, F.A.C. for the duration of the Compliance Period. *Changes to the ownership structure of the Applicant entity prior to the issuance of the Preliminary Determination or without Board approval or Corporation approval, as applicable, prior to the approval of the Final Housing Credit Allocation and issuance of the IRS Forms 8609 shall result in a disqualification from receiving funding and shall be deemed a material misrepresentation.* Changes prior to the issuance of the Preliminary Determination to the officers or directors of a Public Housing Authority, officers or directors of a Non-Profit entity, or the limited partner of an investor limited partnership or an investor member of a limited liability company owning the syndicating interest therein will not result in disqualification, however, the Corporation must be notified of the change. Changes to the officers or directors of a Non-Profit entity shall require Corporation approval. Any allowable replacement to the natural person Principals of a Public Housing Authority or officers and/or directors of a non-profit entity will apply to all preliminarily awarded Applications and Applications pending final

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Board action that include the Public Housing Authority or non-profit entity.

- g) Petitioner is seeking a waiver from Section A.16 of the NCA and more specifically Section 16(p) of the Applicant Certification and Acknowledgement Form, which requires the Petitioner to certify that all of the Principals, Applicant and Developer are in good standing with all other state agencies and are not prohibited from applying for funding. However, Petitioner cannot make this certification as of Application submission as certain Principals and the Developer (the “Affected Parties”) are currently prohibited from applying for funding in the State of Virginia for reasons that would not be the basis for a funding prohibition in the State of Florida (but that the Affected Parties are nevertheless working to remedy with Virginia Housing to return to good standing). The Affected Parties have previously disclosed this situation to Florida Housing in conjunction with a separate application filed with the Corporation and for which the Board has previously granted the waiver requested hereunder.
- h) Petitioner avers that the basis for prohibition was additional design guidelines in connection with the rehabilitation of a project in Virginia (the “VA Project”) which, while not necessary for issuance of IRS Forms 8609, were nonetheless required by Virginia Housing. Petitioner states that while it is true that some of the additional design guidelines were not reflected in the VA Project upon issuance of the IRS Forms 8609, it was the Affected Parties understanding from its prior discussions with Virginia Housing that such matters would not be the basis for a prohibition on funding applications. In addition, Petitioner states that unlike the process in the State of Florida, application prohibitions do not need to go through prior board discussion or approval and, as such, as there is no delineated opportunity to correct or dispute perceived deficiencies in the State of Virginia prior to the issuance of a prohibition, the Affected Parties were placed out of good standing before steps could be taken to address Virginia Housing’s concerns.
- i) Petitioner explains that it was a first-time offense by the Affected Parties and does not think the issues in the VA Project rose to the level to warrant an immediate prohibition but, the Affected Parties continue to work to remediate the design deficiencies indicated by Virginia Housing to their satisfaction which should be completed in the near future, as the property is almost done with its inspections and several of the buildings have already been approved by Virginia Housing. Specifically, 6 of the 18 buildings that make up the Virginia project have already been approved by Virginia Housing, and the Affected Parties expect to have another 4 approved this month (with Virginia Housing approving roughly 4 buildings per month). The Affected Parties have requested that Virginia Housing increase the number of inspections per month but, currently the Affected Parties are operating on the assumption that Virginia Housing will at most perform 4 inspections per month. As such, the Petitioner’s expectation is that the Affected Parties will have complete sign off from Virginia Housing by sometime in the Summer of this year.
- j) Petitioner avers that because of the foregoing, for Petitioner to submit a NCA for 4 Percent HC for the Development and comply with Section A.16. thereof, it must be able to submit the Applicant Certification and Acknowledgement with Section 16(p) struck through. The basis for the Affected Parties’ current prohibition in the State of Virginia would not have resulted in a similar prohibition in the State of Florida and, regardless the Affected Parties are working to resolve the current lack of good standing in the State of Virginia as quickly as possible. Further, the

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Affected Parties have participated in a number of prior deals in the State of Florida, currently consisting of over 1,500 units throughout the State of Florida, (including, as previously mentioned a prior deal for which the requested waiver has been previously granted), over 1,000 of which have been recently renovated and are in the process of or have already received their IRS Forms 8609 , for which the Affected Parties remain in good standing in connection therewith.

- k) Petitioner also requests that Florida Housing consider Petitioner’s application before Petitioner’s county bond transaction has completed credit underwriting. Petitioner states that it will need to submit the Application before completing Credit Underwriting in order to address this issue in advance with the Corporation and ensure that the affected parties are permissible in the ownership structure. Thus, Petitioner requests a waiver of the requirement to submit a final Credit Underwriting Report with its application to prevent further delay to the Development.
- l) Finally, Petitioner requests a waiver of Section A.6.b(1) of the NCA, which prohibits making changes to the ownership structure of the Applicant entity as set forth in the Principal Disclosure Form prior to the issuance of the Preliminary Determination. Petitioner states that as part of Petitioner's incoming lender's requirements, Petitioner will need to include a special purpose entity (the “SPE”) in the ownership structure of the Petitioner’s general partner (the “SPE Structure”). However, due to Petitioner's current financing, Petitioner cannot implement this structure change until the closing of the incoming financing occurs. Despite this change, but for the inclusion of a special purpose entity as the new general partner, that is 100% owned by the current general partner, the SPE Structure will be identical to the current ownership structure and inclusion of the SPE will not impact Petitioner's ability to disclose all natural person principals by the 3rd entity level, as it currently discloses all natural person principals by the 2nd entity level, and no new natural persons will be added into the ownership structure in connection with the SPE Structure. Petitioner requests consent to change its ownership structure now so it can satisfy the principal disclosure requirements of the NCA and move forward with the submission of its Application in accordance with the other waivers discussed by this Petition.
- m) On February 23, 2023, Notice of the Petition was published in the Florida Administrative Register in Volume 49, Number 37. To date, Florida Housing has received no comments concerning the Petition.
- n) 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.
- o) 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-

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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 waiver of Rule 67-21.003(1)(b), Florida Administrative Code (2022), and Rule 67-21.003(8)(1), Florida Administrative Code (2022), and the above-cited Sections of the Non-Competitive Application Package to allow:
 - 1) Consideration of Petitioner’s application before Petitioner’s county bond transaction has completed credit underwriting;
 - 2) Petitioner to supplement its Applicant Certification and Acknowledgement by “striking through” Paragraph 16.p. of the certification, which states that all Principals are in good standing among other state agencies and have not been prohibited from applying for funding. As part of this recommendation, staff recommends that the Board require the Application to provide satisfactory documentation from the State of Virginia that the Applicant, Developer and all Principals are in good standing and are not prohibited from applying for funding, prior to issuance of Form 8609; and
 - 3) Petitioner permission to make a future change in the ownership structure prior to issuance of the Preliminary Determination. As part of this recommendation, staff recommends that the Board require the Applicant to make a formal request when the change in ownership structure actually occurs, allowing staff to approve this change, with a recommendation from the credit underwriter, if necessary.

MULTIFAMILY BONDS

Consent

I. MULTIFAMILY BONDS

A. Request Approval of the Credit Underwriting Report and Authorizing Resolutions for Whispering Oaks (RFA 2021-205 / 2022-144BS)

Development Name: Whispering Oaks	Location: Orange County
Applicant/Borrower: SP East LLC	Set-Aside(s): 40% @ 60% AMI (MMRN) 15.104% @ 30% AMI (SAIL, ELI, & 4% HC) 9.896% @ 50% AMI (SAIL & 4% HC) 40.625% @ 60% AMI (SAIL & 4% HC) 13.542% @ 70% AMI (SAIL & 4% HC) 20.833% @ 80% AMI (SAIL & 4% HC)
Developer/Principal: Southport Development, Inc. d/b/a Southport Development Services, Inc / J. David Page	Demographic/Number of Units: Family /192
Requested Amounts: \$27,000,000 Multifamily Mortgage Revenue Notes (MMRN) \$3,960,000 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$2,415,628 Housing Credits (4% HC)	Development Category/Type: New Construction / Garden Apartments

1. Background/Present Situation

- a) On August 17, 2021, Florida Housing issued a Request for Applications (RFA) 2021-205 SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt MMRB Financing and Non-Competitive Housing Credits.
- b) Staff issued a preliminary commitment and invitation to enter credit underwriting on March 1, 2022. The acceptance was acknowledged on March 7, 2022.
- c) On March 1, 2023, staff received a final credit underwriting report with a positive recommendation for MMRN, SAIL, and ELI funding ([Exhibit A](#)). Staff has reviewed this report and finds that the Development meets all requirements of the RFA.
- d) Staff reviewed the authorizing resolutions ([Exhibit B](#)) authorizing the sale and issuance of Multifamily Mortgage Revenue Notes to finance this affordable housing Development within the State of Florida. Staff request approval for the execution of the resolutions.

MULTIFAMILY BONDS

Consent

2. **Recommendation**

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

MULTIFAMILY BONDS

Consent

B. Request Approval of the Credit Underwriting Report and Authorizing Resolutions for Princeton Crossings (RFA 2020-205 / 2021-244BS)

Development Name: Princeton Crossings	Location: Miami-Dade
Applicant/Borrower: Princeton Crossings LLC	Set-Aside(s): 40% @ 60% AMI (MMRN) 16% @ 30% AMI (SAIL, ELI & 4% HC) 36% @ 60% AMI (SAIL & 4% HC) 48% @ 70% AMI (SAIL & 4% HC)
Developer/Principal: RS Development Corp. / Lewis Swezy	Demographic/Number of Units: Family / 150
Requested Amounts: \$25,000,000 Multifamily Mortgage Revenue Notes (MMRN) \$4,020,000 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$2,236,026 Housing Credits (4% HC)	Development Category/Type: New Construction / Highrise

1. Background/Present Situation

- a) On October 15, 2020, Florida Housing issued a Request for Applications (RFA) 2020-205 SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt MMRB Financing and Non-Competitive Housing Credits.
- b) On January 22, 2021, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On June 18, 2021, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant on June 23, 2021. The acceptance was acknowledged on June 25, 2021.
- d) On June 17, 2022, the Board approved extending the firm loan commitment issuance deadline from June 25, 2022 to December 26, 2022. On December 9, 2022, the Board approved a Rule Waiver extending the firm loan issuance deadline from December 26, 2022 to June 30, 2023.
- e) On March 1, 2023, staff received a final credit underwriting report with a positive recommendation for MMRN, SAIL, and ELI funding ([Exhibit C](#)). Staff has reviewed this report and finds that the Development meets all requirements of the RFA.
- f) Staff reviewed the authorizing resolutions ([Exhibit D](#)) authorizing the sale and issuance of Multifamily Mortgage Revenue Notes to finance this affordable housing Development within the State of Florida. Staff request approval for the execution of the resolutions.

MULTIFAMILY BONDS

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2. **Recommendation**

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

MULTIFAMILY BONDS

Consent

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

1. Background

- a) Pursuant to staff’s request for approval to issue bonds/notes to finance the construction, and acquisition/rehabilitation of the proposed Developments referenced below, the final credit underwriting reports are being presented to the Board for approval simultaneously with this request to assign the appropriate professional for the transaction and approval of the recommended method of sale. Brief descriptions of the Developments are detailed below, along with staff’s recommendation.
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 method of bond/note sale for the developments. Caine Mitter and Associates Incorporated has prepared an analysis and recommendation for the method of bond/note sale for the Developments. The recommendation letters are attached as Exhibit E through F.

2. Present Situation

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

3. Recommendation

- a) Approve the assignment of the recommended professional and the Independent Registered Municipal Advisor’s recommendation for the method 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 Whispering Oaks and Princeton Crossings.

MULTIFAMILY BONDS

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D. Request Approval of Transfer of Ownership and Assumption of Loan Documents for Five Dalcors Companies' Developments to Phoenix Realty Group LLC

1. Background

- a) Dalcors Companies (Dalcors), and various related entities, received funding from Florida Housing Finance Corporation for the development and/or rehabilitation of five affordable housing properties from 1991 to 2014. Funding sources from FHFC included Multifamily Mortgage Revenue Bonds (MMRB), State Apartment Incentive Loan (SAIL), and 4% and 9% Housing Credits (HC). The information for each development is shown herein on Schedule A ([Exhibit G](#)).
- b) Subsequently, the MMRBs have been redeemed and the SAIL loans have paid off.

2. Present Situation

- a) On January 28, 2023, staff received a request from Dalcors requesting FHFC's approval for the transfer of ownership of 5 developments to affiliates of Phoenix Realty Group LLC (Phoenix). Seltzer Management Group, Inc., has reviewed this request and provided a positive recommendation for the transfer and the assignment and assumption, and subordination of the MMRB and SAIL Land Use Restriction Agreements (LURAs) and Extended Low-Income Housing Agreements (ELIHAs) to the new first mortgages from Capitol One, N.A. ([Exhibit H](#)).

3. Recommendation

- a) Approve the transfer of ownership and the assignment, assumption, and the subordination of the LURAs and ELIHAs, subject to the conditions outlined in the credit underwriting report with further approvals and verifications by the Credit Underwriter, Bond counsel, Special Counsel and appropriate FHFC staff; and direct staff to proceed with loan document modification activities as needed.

MULTIFAMILY PROGRAMS

Consent

I. MULTIFAMILY PROGRAMS

A. Request Approval of Applicant and Developer Entity Structure Changes and to add a Co-Developer for Vincentian Village (RFA 2022-103/2022-255CSN)

Development Name: Vincentian Village	Location: Pinellas County
Applicant/Borrower: Ability SVdP, LLC	Set-Asides: 15% @ 33% AMI and 85% @ 60% AMI
Developer/Principal: Ability Housing, Inc./Shannon L. Nazworth	Demographic/Number of Units: Homeless/73
Requested Amounts: 9% Housing Credits - \$2,375,000 SAIL - \$4,895,500 NHTF - \$1,340,000 ELI- \$214,500	Development Category/Type: New Construction/Mid-Rise (5 to 6-stories)

1. Background/Present Situation:

- a) SVdP, LLC (“Applicant”) applied for and was awarded funding from Request for Applications (RFA) 2022-103 for Housing Credit and SAIL Financing for Homeless Housing Developments Located in Medium and Large Counties. The funds are being utilized to finance the construction of a 73-unit Homeless Development in Pinellas County. On May 23, 2022, staff issued an invitation to the Applicant to enter credit underwriting, and subsequently executed a Carryover Allocation Agreement on September 7, 2022.
- b) On February 7, 2023, Florida Housing received a letter from the Applicant requesting to add Society of St. Vincent de Paul South Pinellas, Inc. (SSVDSP) as a co-Developer and to change the organizational structure of Ability Housing, Inc., in both the Applicant and Developer structures and SSVDSP in the Applicant structure. The Applicant changes can be approved at staff level but are being combined with this Board item as they were requested within one letter with the request to add the co-Developer.
- c) SSVDSP is a joint venture partner with Ability Housing, Inc. on this Development. They will receive 10% of the Developer Fee as part of the executed operating agreement between both parties. The letter and the current and proposed Applicant and Developer Principal Disclosure Forms are provided as [Exhibit A](#). The addition of the co-Developer will be further vetted and outlined in the credit underwriting report.
- d) In regard to the addition of a co-Developer, the Applicant proposes to add Society of St. Vincent de Paul South Pinellas, Inc. (SSVDSP). SSVDSP is currently a 49.95% Investor Member of the Applicant and a 10.00% Managing Member of Ability SVdP MM, LLC, the 0.1% Non-Investor Member/Manager of the Applicant. The Executive Director of SSVDSP is Michael J. Raposa. The Officers/Directors are Kathryn E. St. Germain, Thomas R. Taylor, Richard D. Bouchard, Joseph J. Sabatino, Nathan A. Pehna, Isabel Darcy, Edwina R. Maxwell, William G. Reidy, Christopher S. Youmans, Susan A. King-Dwyer, Kevin McKeefery, Mark W. Cooper II and Gary S. Bishop.
- e) In regard to the change of principals for Ability Housing, Inc., a non-profit

MULTIFAMILY PROGRAMS

Consent

entity, Officer/Director Richard Pierpont retired and is being replaced by Mary Kay O'Rourke and Mellisa D. Slover-Athey. As to SSVDSP in the Applicant structure, Officers/Directors James M. Yeske, Sr. and Shelia Lopez retired and are being replaced with Mark W. Cooper II.

- f) Per the RFA, The Applicant entity shall be the recipient of the Housing Credits, and the borrowing entity for the SAIL loan(s) and cannot be changed in anyway (materially or non-materially) until after the closing of the loan(s). After loan closing, (i) any material change will require review and approval of the Credit Underwriter, as well as approval of the Board prior to the change, and (ii) any non-material change will require review and approval of the Corporation, as well as approval of the Board prior to the change. Changes to the Applicant entity (material or non- material) prior to the loan closing or without Board approval after the loan closing may result in disqualification from receiving funding and may be deemed a material misrepresentation. Changes to the officers or directors of a Public Housing Authority, officers or directors of a non-profit entity, or the investor-limited partner of an Applicant limited partnership or the investor-member of an Applicant limited liability company owning the syndicating interest therein will not result in disqualification, however, the change must be approved by the Corporation.
- g) The RFA goes on to state that 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.
- h) Shannon L. Nazworth met the General Development experience in the initial Application and will remain a Principal of the Developer Ability Housing, Inc.
- i) Staff has reviewed this request and finds that the Development meets all applicable requirements of the RFA.

2. **Recommendation:**

- a) Approve (1) the request to add a co-Developer and (2) the organizational structure changes of the Applicant and Developer as described above.

MULTIFAMILY PROGRAMS

Consent

B. Request Approval of Applicant and Developer Entity Structure Changes for Valor Preserve at Lake Seminole (RFA 2020-106/2020-453CSA/2021-340CSA)

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) 15.625% @ 30% AMI (HOME-ARP)
Developer/Principal: Norstar Development USA, LP / Richard Higgins Pinellas Property Management Company, Inc. / Regina Booker Newstar Development, LLC / Brian Evjen	Demographic/Number of Units: Disabling Condition / 64
Requested Amounts: 9% Housing Credits - \$1,700,000 SAIL - \$3,729,600 HOME-ARP (CHIRP) - \$2,750,000 ELI- \$270,400	Development Category/Type: New Construction/Garden

1. Background/Present Situation:

- a) Valor Preserve, LLLP (“Applicant”) applied for and was awarded funding from Request for Applications (RFA) 2020-106 for Financing for the Development of Housing for Persons with A Disabling Condition or Developmental Disabilities. The funds are being utilized to finance the construction of a 64-unit Disabling Condition Development in Pinellas County. On July 9, 2020, staff issued an invitation to the Applicant to enter credit underwriting, and subsequently executed a Carryover Allocation Agreement on December 18, 2020. On December 10, 2021, the Board approved the Applicant's rule waiver request to exchange their 2020 credit allocation immediately instead of in the fourth quarter 2022. In turn a 2021 Carryover Allocation Agreement was executed on December 21, 2021.
- b) On June 18, 2021, the Board approved the final credit underwriting report with a positive recommendation for funding and directed staff to proceed with the closing activities. On June 21, 2021, staff issued a firm commitment to the Applicant giving them a loan closing deadline of October 19, 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.
- c) On September 10, 2021, the Board approved extending the firm loan commitment issuance deadline from October 19, 2021, to January 17, 2022. Subsequently, on January 22, 2021, the Board approved a Rule waiver request for a loan closing extension from January 17, 2022 to July 17, 2022; and on June 17, 2022, the Board approved a Rule waiver request to further extend the loan closing deadline to January 17, 2023
- d) On May 9, 2022, Florida Housing issued the 2022 Construction Housing Inflation Response Program (CHIRP) Invitation to Participate (ITP). Staff received a CHIRP ITP Application from the Applicant on June 20, 2022.

MULTIFAMILY PROGRAMS

Consent

- e) On September 16, 2022, the Board approved the final credit underwriting update letter with a positive recommendation for funding for the additional subordinate debt of HOME-ARP loan of \$2,750,000 in CHIRP funds and directed staff to proceed with the closing activities. On September 23, 2022, staff issued a firm commitment to the Applicant giving them a closing deadline of January 20, 2023.
- f) After approval of the credit underwriting update letter, Florida Housing received a [request](#) letter from the Applicant requesting to replace the Executive Director and all Officers/Directors of Pinellas Property Management Company, Inc, ("PPMC") an affiliated entity of the Pinellas County Housing Authority. The Applicant changes can be approved at staff level but are being combined with this Board item as they were requested together with the changes to the Developer principals.
- g) PPMC is the 0.01% General Partner of the Applicant and also serves as co-Developer. The current Interim Executive Director Regina Booker retired and will be replaced by Neil Thompson. In addition, all four Officers/Directors, Angela Rouson, Alan Swartz, Michael Guju, and Joseph Triolo will be replaced by Chloe Firebaugh, Veronica Hickey, Wayne Mineo, and Alen Tomczak. Neil Thompson will now also serve as the Authorized Principal Representative.
- h) Per the RFA, the Applicant entity shall be the recipient of the Housing Credits, and the borrowing entity for the SAIL loan(s) and cannot be changed in any way (materially or non-materially) until after the closing of the loan(s). After loan closing, (a) any material change will require review and approval of the Credit Underwriter, as well as approval of the Board prior to the change, and (b) any non-material change will require review and approval of the Corporation, as well as approval of the Board prior to the change. Changes to the Applicant entity (material or non-material) prior to the loan closing or without Board approval after the loan closing may result in disqualification from receiving funding and may be deemed a material misrepresentation. Changes to the officers or directors of a Public Housing Authority, officers or directors of a non-profit entity, or the investor-limited partner of an Applicant limited partnership or the investor-member of an Applicant limited liability company owning the syndicating interest therein will not result in disqualification, however, the change must be approved by the Corporation.
- i) The RFA goes on to state that 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.
- j) Richard L Higgins met the General Development experience in the initial Application and will remain a Principal of the co-Developer Norstar Development USA, LP.
- k) Staff has reviewed this request and finds that the Development meets all applicable requirements of the RFA.

MULTIFAMILY PROGRAMS

Consent

2. **Recommendation:**

- a) Approve the organizational structure changes of the Applicant and Developer as described above.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

I. PREDEVELOPMENT LOAN PROGRAM (PLP)

Request Approval of PLP Loan Maturity Extension for Neighborhood Renaissance, Inc., a non-profit entity, for Coleman Park Renaissance (2019-013P-09)

DEVELOPMENT NAME (“Development”):	Coleman Park Renaissance
APPLICANT/DEVELOPER (“Developer”):	Neighborhood Renaissance, Inc.
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	30 rental units
LOCATION (“County”):	Palm Beach County
TYPE:	Family
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$750,000
ADDITIONAL COMMENTS:	

1. Background:

- a) On October 31, 2019, the Board approved a loan to the Developer in the amount of \$750,000.
- b) On May 1, 2020, the Applicant closed on the PLP loan. The original maturity date was May 1, 2023. To date, \$750,000 has been drawn on the loan.

2. Present Situation:

- a) On February 15, 2023, Florida Housing received a letter and revised development plan from the assigned technical assistance provider (TAP) and a letter from the developer ([Exhibit A](#)) requesting a one-year extension to the maturity date for this PLP Loan. The new maturity date will be May 1, 2024.
- b) AS detailed in the letters from the TAP and Developer, the development is in credit underwriting for RFA 2020-205.
- c) Staff has reviewed the recommendation and the revised development plan and feel the one-year maturity extension is warranted.

3. Recommendation:

- a) Approve the one-year loan maturity extension to Neighborhood Renaissance, Inc. for Coleman Park Renaissance and allow staff to commence with amending the loan closing documents.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Request Approval PLP Loan for Sandcastles Foundation, Inc. a not-for-profit entity, for Sandcastle Manor (2022-009P-09)

DEVELOPMENT NAME (“Development”):	Sandcastle Manor
APPLICANT/DEVELOPER (“Developer”):	Sandcastles Foundation, Inc.
CO-DEVELOPER:	FBC Holding LLC
NUMBER OF UNITS:	54 rental units
LOCATION (“County”):	Baker County
TYPE:	Family
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$494,100
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 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 December 9, 2022, the Developer submitted a PLP application for Sandcastle Manor.
- c) On December 12, 2022, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

2. Present Situation

- a) On February 16, 2023, 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 \$494,100.
- 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 \$494,100 to Sandcastles Foundation, Inc. for Sandcastle Manor and allow staff to commence with the loan closing process.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

C. Request Approval of PLP Loan Maturity Extension for Community of Hope, Inc., a not-for-profit entity, for Hope Hammock (2019-003P-09)

DEVELOPMENT NAME (“Development”):	Hope Hammock
APPLICANT/DEVELOPER (“Developer”):	Community of Hope, Inc.
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	9 Rental units
LOCATION (“County”):	Brevard County
TYPE:	Family
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$163,000
ADDITIONAL COMMENTS:	

1. Background

- a) On May 10, 2019, the Board approved a loan to the Developer in the amount of \$163,000.
- b) On May 26, 2020, the Applicant closed on the PLP loan. The original maturity date was May 26, 2023. To date, \$80,560.34 has been drawn on the loan.

2. Present Situation

- a) On February 15, 2023, Florida Housing received a letter from the assigned technical assistance provider (TAP) and a letter from the developer ([Exhibit C](#)) requesting a second one-year extension to the maturity date for this PLP Loan. The new maturity date will be May 26, 2024.
- b) Staff has reviewed the recommendation and the revised development plan and feel the one-year maturity extension is warranted.

3. Recommendation

- a) Approve the one-year loan maturity extension to Community of Hope, Inc. for Hope Hammock and allow staff to commence with amending the loan closing documents.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

D. Request Approval of PLP Loan Maturity Extension for Abundant Life Ministries-Hope House, Inc., a not-for-profit entity, for Phoenix Crossings (2019-005P-09)

DEVELOPMENT NAME (“Development”):	Phoenix Crossings
APPLICANT/DEVELOPER (“Developer”):	Abundant Life Ministries-Hope House, Inc.
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	30 Rental units
LOCATION (“County”):	Flagler County
TYPE:	Youth Aging Out of Foster Care
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$464,500
ADDITIONAL COMMENTS:	

1. Background

- a) On October 31, 2019, the Board approved a loan to the Developer in the amount of \$464,500.
- b) On June 5, 2020, the Applicant closed on the PLP loan. The original maturity date is June 5, 2023. To date, \$99,412.28 has been drawn on the loan.

2. Present Situation

- a) On February 15, 2023, Florida Housing received a letter from the assigned technical assistance provider (TAP) and a letter from the developer ([Exhibit D](#)) requesting a one-year extension to the maturity date for this PLP Loan. The new maturity date will be June 5, 2024.
- b) Staff has reviewed the recommendation and the revised development plan and feel the one-year maturity extension is warranted.

3. Recommendation

- a) Approve the one-year loan maturity extension to Abundant Life Ministries-Hope House, Inc. for Phoenix Crossings and allow staff to commence with amending the loan closing documents.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

I. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval for Firm Loan Commitment Issuance Deadline Extension for Vista Breeze (RFA 2021-205 / 2022-159SN / 2021-523C)

Development Name: Vista Breeze	Location: Miami-Dade County
Applicant/Borrower: Vista Breeze, Ltd.	Set-Asides: 16.81% @ 30% AMI (SAIL, ELI & 4% HC) 57.98% @ 60% AMI (SAIL & 4% HC) 25.21% @ 80% AMI (SAIL & 4% HC) 4.2% @ 22% AMI (NHTF)
Developer/Principal: APC Vista Breeze Development, LLC/Howard D. Cohen, HACMB Development, LLC/Miguell J. Del Campillo	Demographic/Number of Units: Elderly/119 units
Requested Amounts: \$3,000,000 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$1,301,500 National Housing Trust Fund (NHTF) \$1,073,658 Housing Credits (4% HC)	Development Category/Type: New Construction/Mid-Rise (4 stories)

1. Background/Present Situation

- a) On August 17, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2021-205 for SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On December 10, 2021, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On March 1, 2022, 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 March 8, 2022, giving them a firm loan commitment issuance deadline of March 8, 2023. Per the RFA, Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On December 19, 2022, staff received a request from the Applicant to extend the firm loan issuance commitment deadline from March 8, 2023, to September 8, 2023 ([Exhibit A](#)). Due to the rise in construction hard costs, materials and labor, and interest rates, the development team applied for gap financing in the form of a Surtax loan. To date, Miami-Dade County has not yet released notification of the awards. 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 March 8, 2023, to September 8, 2023. The extension fee of one percent of the loan amounts was received on February 13, 2023.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval for Firm Loan Commitment Issuance Deadline Extension for Casa di Francesco (RFA 2021-205 / 2022-165SN / 2021-532C)

Development Name: Casa di Francesco	Location: Hillsborough County
Applicant/Borrower: Blue St. Francis, Ltd.	Set-Asides: 10% @ 33% AMI (SAIL, ELI & 4% HC) 90% @ 60% AMI (SAIL & 4% HC) 3.57% @ 22% AMI (NHTF)
Developer/Principal: Blue CDF Developer, LLC/Shawn Wilson, CCDO SP Developer, Inc./Edison Bernavas	Demographic/Number of Units: Elderly/140 units
Requested Amounts: \$3,500,000 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$1,090,000 National Housing Trust Fund (NHTF) \$1,443,578 Housing Credits (4% HC)	Development Category/Type: New Construction/Mid-Rise (4 stories)

1. Background/Present Situation

- a) On August 17, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2021-205 for SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On December 10, 2021, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On March 1, 2022, 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 March 3, 2022, giving them a firm loan commitment issuance deadline of March 3, 2023. Per the RFA, Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On December 20, 2022, staff received a request from the Applicant to extend the firm loan issuance commitment deadline from March 3, 2023, to September 3, 2023 (**Exhibit B**). Due to substantial price increases, additional time is necessary to finalize the General Contractor’s contract. 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 March 3, 2023, to September 3, 2023. The extension fee of one percent of the loan amounts was received on March 1, 2023.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

C. Request Approval for Firm Loan Commitment Issuance Deadline Extension for Naranja Grand II (RFA 2021-205 / 2022-201BSN / 2021-528C)

Development Name: Naranja Grand II	Location: Miami-Dade County
Applicant/Borrower: Naranja Grand II, LLC	Set-Asides: 40% @ 60% (MMRB) 5% @ 30% AMI (SAIL, ELI & 4% HC) 5% @ 40% AMI (SAIL & 4% HC) 10% @ 50% AMI (SAIL & 4% HC) 45% @ 60% AMI (SAIL & 4% HC) 35% @ 70% AMI (SAIL & 4% HC) 2.5% @ 22% AMI (NHTF)
Developer/Principal: Naranja Grand II Developer, LLC/Matthew A. Rieger	Demographic/Number of Units: Family/200 units
Requested Amounts: \$36,000,000 Multifamily Mortgage Revenue Bonds (MMRB) \$5,000,000 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$1,546,000 National Housing Trust Fund (NHTF) \$2,300,000 Housing Credits (4% HC)	Development Category/Type: New Construction/High-Rise

1. Background/Present Situation

- a) On August 17, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2021-205 for SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On December 10, 2021, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On March 1, 2022, 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 March 3, 2022, giving them a firm loan commitment issuance deadline of March 3, 2023. Per the RFA, Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On February 21, 2023, staff received a request from the Applicant to extend the firm loan issuance commitment deadline from March 3, 2023, to September 3, 2023 ([Exhibit C](#)). Acquiring final site plan approval and a building permit ready letter has required a more extensive review which has necessitated significant changes to the site plan and development scheme, resulting in an extended timeline. 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 March 3, 2023, to September 3, 2023, 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 for Firm Loan Commitment Issuance Deadline Extension for College Arms Apartments (RFA 2021-205 / 2022-195BS / 2021-522C)

Development Name: College Arms Apartments	Location: Putnam County
Applicant/Borrower: College Preservation, LP	Set-Asides: 100% @ 60% AMI (MMRB) 10% @ 40% AMI (SAIL, ELI & 4% HC) 90% @ 60% AMI (SAIL & 4% HC)
Developer/Principal: Royal American Properties, LLC/Jeannette B. Chapman	Demographic/Number of Units: Family/108 units
Requested Amounts: \$10,000,000 Multifamily Mortgage Revenue Bonds (MMRB) \$4,999,860 State Apartment Incentive Loan (SAIL) \$522,100 Extremely Low Income (ELI) \$834,462 Housing Credits (4% HC)	Development Category/Type: Acquisition and Preservation/Garden Apartments

1. Background/Present Situation

- a) On August 17, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2021-205 for SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On December 10, 2021, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On March 1, 2022, 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 March 7, 2022, giving them a firm loan commitment issuance deadline of March 7, 2023. Per the RFA, Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On February 13, 2023, staff received a request from the Applicant to extend the firm loan issuance commitment deadline from March 7, 2023, to September 7, 2023 ([Exhibit D](#)). The COVID-19 pandemic's impact upon HUD has forced HUD to work remotely which has drastically delayed HUD processing time for the extension and assignments of the current HAP contract. 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 March 7, 2023, to September 7, 2023, 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 Loan Closing Deadline Extension for Alto Tower (RFA 2021-103 / 2021-294CSN / 2022 CHIRP ITP)

Development Name: Alto Tower	Location: Miami- Dade County
Applicant/Borrower: Blue CASL Dade, LLC	Set-Asides: 15% @ 25% AMI (SAIL, ELI & 9% HC) 85% @ 60% AMI (SAIL & 9% HC) 4.76% @ 22% AMI (NHTF)
Developers/Principals: Blue Sky Developer, LLC/Shawn Wilson, CASL Developer, LLC/Julien S. Eller	Demographic/Number of Units: Homeless/84 units
Requested Amounts: \$4,600,000 State Apartment Incentive Loan (SAIL) \$459,600 Extremely Low Income (ELI) \$1,119,104 Construction Housing Inflation Response Program (CHIRP) Additional Loan Funding \$1,236,800 National Housing Trust Fund (NHTF) \$1,522,000 Construction Housing Inflation Response Program (CHIRP) National Housing Trust Fund (NHTF) \$2,375,000 Housing Credits (9% HC)	Development Category/Type: New Construction/Mid-Rise

1. Background/Present Situation

- a) On February 2, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2021-103 for Housing Credit and SAIL financing for Homeless Housing Developments Located in Medium and Large Counties.
- b) On April 30, 2021, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 1, 2021, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 7, 2021, giving them a firm loan commitment issuance deadline of July 7, 2022. Applicants may request one (1) extension of up to six (6) months to secure a firm loan commitment. As of June 9, 2022.
- d) On May 9, 2022, Florida Housing issued the 2022 Construction Housing Inflation Response Program (CHIRP) Invitation to Participate (ITP). Staff received a CHIRP ITP Application from the Applicant on July 5, 2022 requesting NHTF funds and additional SAIL funds.
- e) On June 17, 2022, the Board approved a request from the Borrower for a firm loan commitment issuance deadline extension from July 7, 2022, to January 9, 2023.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

- f) On October 28, 2022, the Board approved a RFA waiver of Applicant Entity change request and final credit underwriting report and directed staff to proceed with issuance of a firm commitment and closing activities. On November 1, 2022, staff issued a firm commitment to the Applicant giving them a loan closing deadline of March 1, 2023. 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.
- g) On February 1, 2023, staff received a request from the Borrower for an extension of the loan closing deadline from March 1, 2023 to May 30, 2023 ([Exhibit E](#)). The development team is working diligently with the City of Miami on the permitting process which may extend past the current loan closing deadline. Staff has reviewed this request and finds that it meets all requirements of the RFA and the CHIRP ITP. However, the extension does not apply to the CHIRP closing deadline and that closing deadline will remain as of March 10, 2023, unless as otherwise approved by the Board.

2. **Recommendation**

- a) Approve the request for a loan closing deadline extension from March 1, 2023 to May 30, 2023. The extension fee of one percent of the loan amounts was received on February 14, 2023.

SPECIAL ASSETS

Consent

I. SPECIAL ASSETS

A. Request Approval to Refinance the First Mortgage and Renegotiation of SAIL for Golf View Gardens, Ltd., a Florida Limited Partnership, for Golf View Gardens Apartments (2002-056S / 2002-537C)

Development Name: Golf View Gardens Apartment (“Development”)	Location: Broward County
Developer/Principal: Carlisle Development Group/Golf View Gardens, Ltd. (“Borrower”)	Set-Aside: SAIL 6.25% @ 35%, 93.75% @ 60% AMI; HC 100% @ 60% AMI LURA: 50 years & EUA 50 years
Number of Units: 160	Allocated Amount: SAIL \$2,000,000; HC \$442,834
Demographics: Elderly	Servicer: Seltzer Management Group

1. Background

- a) During the 2002 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a State Apartment Incentive Loan (“SAIL”) in the original amount of \$2,000,000 to Golf View Gardens, Ltd., a Florida Limited Partnership (“Borrower”), for the development of a 160-unit apartment complex in Broward County, Florida. The SAIL loan closed on December 31, 2003 and will mature on November 1, 2043. The Development also received a 2002 allocation of low-income housing tax credits of \$442,834. At the June 5, 2009 Board meeting a transfer of General Partnership interest was approved and finalized July 12, 2012.

2. Present Situation

- a) On November 3, 2022, SA staff received a request from the Borrower to request consent from the Board to refinance the existing first mortgage and renegotiation of the SAIL loan which would include a required paydown of \$1,000,000 and all outstanding accrued SAIL interest. The SAIL loan would continue to be subordinate to the new first mortgage. The SAIL LURA and HC ELIHA will remain subordinated to the new first mortgage.
- b) Staff has received a credit underwriting report ([Exhibit A](#)) from Seltzer Management providing a positive recommendation for approval for the new financing, subordination of the SAIL loan, SAIL LURA and HC ELIHA to the new first mortgage.

3. Recommendation

- a) Approve the refinancing of the first mortgage, renegotiation and subordination of the SAIL loan, and subordination of the SAIL LURA and HC ELIHA, subject to the conditions outlined in the credit underwriter’s report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities, as needed.

SPECIAL ASSETS

Consent

B. Request Approval for the Partial Release of Land for Boynton Bay Preservation LLC, for Boynton Bay Apartments (1990-042S / 2007A-203B / 2007-513C)

Development Name: Boynton Bay Apartments	Location: Palm Beach County
Developer/Principal: Boynton Bay Preservation LLC (Owner)	Set-Aside(s): 85% @ 60% MMRB 40% @ 50% SAIL 100% @ 60 HC 9% & HC 4% LURA: 35 years; EUA: 30 years
Number of Units: 240	Allocated Amount: MMRB \$17,690,000
Demographics: Elderly	SAIL \$2,655,000; HC 9% \$1,131,660 HC 4% \$1,231,568

1. Background

- a) In 1990, Florida Housing Finance Corporation (“FHFC”) awarded a State Apartment Incentive Loan (“SAIL”) funding in the amount of \$2,655,000 and an allocation of 9% HC of \$1,131,660. Subsequently, the Development was rehabilitated in 2007 with \$17,690,000 in tax exempt Multi-Family Mortgage Revenue Bonds (“MMRB”) designated as 2007 Series I and an allocation of \$1,231,568 in Non-Competitive Housing Credits. The SAIL loan was paid off on November 14, 2007. Bonds were redeemed on July 15, 2022 as part of a 2022 ownership transfer.

2. Present Situation

- a) The owner requests approval to release 2.4 acres of land within the Subject Development for the purpose of developing an affordable housing in the future. The site is currently encumbered by existing MMRB and SAIL LURAs and ELIHAs. There are no amenities nor residential improvements within the parcel required by the Corporation’s restrictive covenants.
- b) Staff received a credit underwriting report from Seltzer Management Group with a positive recommendation ([Exhibit B](#)) for the partial release of land and the modification of the legal description in the existing MMRB and SAIL LURAs and ELIHAs.

3. Recommendation

- a) Approve the partial release of land and the modification of the legal description in the MMRB and SAIL LURAs and ELIHAs, 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.

SPECIAL ASSETS

Consent

C. Request Approval of the Extension of the Demonstration Loan for Miami Beach CDC Meridian Place, LLC, a Florida limited liability company, for Meridian Place (DEMO 2001/08-006HL)

Development Name: Meridian Place fka Sunsouth Place (“Development”)	Location: Miami-Dade
Developer/Principal: MBCDC Meridian Place, LLC (“Developer” and “Borrower”)	Set-Aside: Demonstration 100% @ 50% AMI. LURA: 15 Years
Number of Units: 34	Allocated Amount: Demonstration \$1,000,000.00
Demographics: Homeless	Servicer: FHFC

1. Background

- a) On September 21, 2001, the Board approved a Demonstration Loan (2001/08-006HL) to Carrfour Corporation in the amount of \$1,000,000 for Sunsouth Place for the rehabilitation of a 71-unit single room occupancy building under Request for Proposals (RFP) for the Development and Rehabilitation of Housing for the Extremely Low Income and/or Homeless. At the December 15, 2006 Board Meeting the Board approved a transfer of ownership from the Carrfour Corporation to the Miami Beach Community Development Corporation, a name change to Meridian Place Apartments, and a reduction in the set aside units from 55 to 34. At the January 26, 2007, Board Meeting the Board approved the developer’s request to take ownership of Meridian Place Apartments in the name of MDCDC Meridian Place, LLC. The Board approved a one-year extension, at the April 14, 2020.

2. Present Situation

- a) The Borrower has requested approval to extend the Demonstration Loan maturity date to April 4, 2026. The Borrower intends to transfer ownership of Meridian Place and other MBCDC developments to Miami Dade County Public Housing and Community Development at a later date. The extension is needed to allow time for the transfer and refinancing by Miami Dade Public Housing. The borrower has agreed to a five-year extension of the affordability period under the Land Use Restriction Agreements (“LURA”).
- b) Staff received a credit underwriting report ([Exhibit C](#)) from First Housing Development Corporation providing a positive recommendation for approval for the extension.

3. Recommendation

- a) Approve the extension of the Demonstration loan maturity date to April 4, 2026, extension of the LURA for an additional five years, subject to further approval and verification by counsel and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities, as needed.

SPECIAL ASSETS

Consent

D. Request Approval of the Extension of the SAIL Loan for Marbella Pointe Development Group, L.L.L.P., a Florida Limited Liability Limited Partnership, for Marbella Pointe (2006-089S/ 2007-518C)

Development Name: Marbella Pointe (“Development”)	Location: Orange County
Developer/Principal: Atlantic Housing Partners, LLLP (“Developer”); Marbella Pointe Development Group, L.L.L.P. (“Borrower”)	Set-Aside: SAIL 70%@60%; HC 100%@60% AMI LURA: 15 years; EUA: 50 years
Number of Units: 120	Allocated Amount: SAIL \$4,000,000; HC \$812,235
Demographics: Family	Servicer: AmeriNat

1. Background

- a) During the 2006 funding cycle, Florida Housing Finance Corporation (“Florida Housing”) awarded a State Apartment Incentive Loan (“SAIL”) in the amount of \$4,000,000 to Marbella Pointe Development Group, L.L.L.P. (“Borrower”), a Florida limited liability limited partnership, for the development of a 120-unit property in Orange County, Florida. The loan closed on August 25, 2008 and will mature on August 25, 2023. The Development also received a 2007 allocation of low-income housing tax credits of \$812,235.

2. Present Situation

- a) The Borrower has requested approval to extend the SAIL loan, for one (1) year, to August 25, 2024, to refinance the Development. The Borrower intends to pay off the SAIL loan before the new maturity date.

3. Recommendation

- a) Approve the extension of the SAIL loan at its current terms to August 25, 2024, and the extension of the Land Use Restriction Agreement for an additional year, and direct staff to proceed with loan document modification activities, as needed.



1400 Kennedy Drive – Key West, FL 33040 • Phone 305-296-5621 • TTY/Florida Relay Service (FRS): 800-955-8771

Board of Commissioners

Aaron Castillo
Carey Goodman
Patrick Labrada
Ailton Lopez
Richard Toppino

Executive Director

Randy Sterling

February 6, 2023

Ms. Nicole Gibson
Florida Housing Finance Corporation
227 S. Bronough Street, Suite 500
Tallahassee, Florida 32301

RE: Monroe County Scattered Site
RFA 2019-001/2020-004D

Dear Ms. Gibson:

The Monroe County Housing Authority respectfully requests a four-month extension for the construction close for approve referenced project. We have had delays due to needed environmental review approvals as well as permitting delays with the site and with the modular units. However, we have now received the site permit for one of the two building sites and should have shop drawings for the modular units submitted to the State by the beginning of March.

A four-month extension will give us time to complete the permitting process with the State for the modular units and receive the final site/building permits from Monroe County. Because this project consists of only 20 modular units, construction should be completed well before the CDBG-DR expenditure date.

In addition, we are requesting that the extension fees be waived for the Monroe County Scattered Sites project. It will be owned and operated by the Monroe County Housing Authority which is a quasi-governmental agency.

Thank you for your consideration of our request. If you have any questions, please contact me at (305) 296-5621.

Sincerely,

A handwritten signature in blue ink, appearing to be "RS", written over a white background.

Randy Sterling
Executive Director





February 20, 2023

Tim Kennedy
Florida Housing Finance Corporation
227 North Bronough Street, #5000
Tallahassee, FL 32301

RE: Northside Transit Village III (2020-024BD), RFA 2019-102
Loan Closing Deadline Extension Request

Dear Mr. Kennedy:

In connection with the above-referenced affordable housing development, we respectfully request a 90-day extension to the loan closing deadline from April 3, 2023 to July 3, 2023.

In order to close on HUD financing for Northside Transit Village III, we need to bifurcate our existing ground lease, terminate our existing sublease, and then enter into a direct lease with Miami-Dade Department of Transportation and Public Works ("DTPW"). To date we have had multiple meetings with DTPW to address their comments to the ground lease but have yet to receive final approval from them on the form of lease. While we expect this approval in the next 4-6 weeks, this has taken longer than anticipated and we want to ensure that we do not place Northside Transit Village III's FHFC funding at risk, should the closing date push past the current deadline. Furthermore, HUD is still working on reviewing the amendment submitted by Wells Fargo, our lender for this transaction, and has yet to provide a closing date for the transaction. Despite the loan closing delay, we do not believe an extension will hinder the development from being constructed before the 2024 deadline.

Should you and or staff have any questions or concerns, please do not hesitate to contact us.

Sincerely,

A handwritten signature in blue ink that reads "Liz Wong".

Liz Wong
Senior Vice President

cc: Amanda Franklin, Florida Housing Finance Corporation
David Woodward, Florida Housing Finance Corporation
Nicole Gibson, Florida Housing Finance Corporation
Tammy Bearden, Florida Housing Finance Corporation
Rachael Grice, Florida Housing Finance Corporation
Frank Sforza, Seltzer Management Group
Junious D. Brown, III, Nabors Giblin & Nickerson
Greg Griffith, Atlantic Pacific Communities
Fernando Arimon, Atlantic Pacific Communities
Eduardo Valle, Atlantic Pacific Communities



JACKSONVILLE HOUSING AUTHORITY

President & CEO's Office

Centennial Towers, Ltd.
Jacksonville Housing Authority
1300 Broad Street, N.
Jacksonville, FL 32202

February 15, 2023

Florida Housing Finance Corporation
Attn: Ms. Melissa Levy, Multifamily Tax Credits Director
227 N. Bronough Street, Suite 5000
Tallahassee, FL 32301

RE: Centennial Towers 2019-126C

Dear Ms. Levy:

Centennial Towers was funded under FHFC RFA 2018-113, which included the following accessibility requirement.

"In one of the kitchen's base cabinets, there shall be a large bottom drawer that opens beyond full extension, also referred to as an "over travel feature." Drawers with the over-travel feature allow drawers to extend completely past the cabinet front so that all the contents can be accessed. The drawer shall be deep and wide enough to store pots and pans and the drawer slides shall have a weight load rating of a minimum of 100 pounds. The drawers shall be mounted on a pair of metal side rails that are ball-bearing."

Centennial Towers, Ltd. is requesting a RFA waiver of the above accessibility requirement for the UFAS units, only. In lieu of the cabinet drawer, we are proposing to provide a rolling cart that can be stored under the kitchen counter. The waiver is required due to the size of the units substantially rehabilitated. Existing structural and mechanical components limited the amount of space in the kitchens. As such, the kitchen layout was unable to accommodate the RFA requirement for a usable base cabinet while also meeting the UFAS standards for accessible kitchens.

Please let me know should you require additional information.

Sincerely,

Dwayne Alexander
President & CEO

Jacksonville Housing Authority, as manager of
Centennial Towers GP, LLC, as general partner
of Centennial Towers, Ltd.





Neighborhood Renaissance

Diverse Communities – Strong Economies

February 13, 2023

Mr. David Woodward
Federal Loan Program Administrator
Florida Housing Finance Corp.
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301

Re: Request for Extension of six months to secure firm loan commitment
Cross Creek Gardens at Quincy (RFA 2021-206 / 2022- 247H)

Dear Mr. Woodward,

Neighborhood Renaissance Inc. requests an extension of six (6) months to secure a firm loan commitment for funds awarded through the HOME Rental Program for the above referenced project. Our current deadline is March 29, 2023.

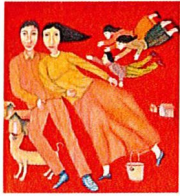
Construction costs for our preliminary design for the project as estimated by our General Contractor identified a funding gap for the project. As our project is not eligible for CHIRP funding, we intend to restructure the project to add 4% LIHTC with tax-exempt bonds to close the gap.

We are confident in our ability to move this project forward with the benefit of this additional time.

We understand the Corporation shall charge a non-refundable extension fee of one (1) percent of the loan amount if our request to extend the credit underwriting period is approved. Furthermore, if the approved extension is utilized, we will pay the extension fee not later than seven (7) Calendar Days after the original twelve (12) month deadline.

Sincerely yours,

Terri Murray
Executive Director



RURAL NEIGHBORHOODS

Building Livable Places for Working Families

Post Office Box 343529, 19308 SW 380th Street, Florida City, FL 33034

Telephone 305-242-2142 Facsimile 305-242-2143



February 15th, 2023

Mr. David Woodward
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, FL 32301

Re: Pollywog Creek Mews 2022-242H Firm Commitment Extension

Dear David et al:

Rural Neighborhoods, Incorporated (RN) and Pollywog Creek Mews, (PCM), the Co-Developer and Applicant of the Pollywog Creek Mews rental community, respectively, request a six (6) month extension of the scheduled April 4th, 2023 deadline for the aforementioned project. It is our intent to exercise all speed and due diligence to complete credit underwriting and obtain the firm loan commitment in the extended period.

First, substantial tasks are completed for the project including site control, environmental assessment and clearances, geotechnical reports, and architectural plans. Several tasks remain which impede completion of credit underwriting approval: chief among these is the obtaining municipal direction for project tie-ins of the water distribution and sewer collection systems that have been diligently pursued by our civil engineer (H.L. Bennett Associates), but which have gone unanswered due to the small community's reliance on outside third parties for plan review. This has had a significant impact on the project's critical path precluding the Applicant from obtaining construction bids necessary to credit underwriting. RN and CA are concerned as well with increased construction costs in the small Labelle market and the scarcity of experienced general contractors interested in rural work. It anticipates a need for additional capital more than funds committed to the project by FHFC and the conventional lender.

RN requests FHFC consider a waiver of any extension fee associated with this extension. Increased interest expense and construction inflation have worsened and jeopardize this and similar projects. Such fees would harm the intent of the HOME program. I am available to discuss this concern at your convenience. In past periods, FHFC has offered viability loans to projects such as these. No such program is known to us at present; nonetheless, the requested fee waiver would not further exacerbate a growing gap.

I submit this request in advance of the scheduled deadline. If you have answer additional questions, please do not hesitate to contact me by Email or at 305-242-2142.

Sincerely,

A handwritten signature in dark ink, appearing to read "Steven Kirk", written over the printed name.

Steven Kirk
President

Rural Neighborhoods and Pollywog Creek Mews, LLC

SANDCASTLES FOUNDATION, INC.

700 N Wickham Rd, Unit 205
Melbourne, FL 32935

February 6th, 2023

David R. Wescott
Director of Homeowner Programs
Florida Housing Finance Corporation
227 North Bronough Street, Ste 5000
Tallahassee, Florida 32301

RE: RFA 2021-206/ 2022-244H Sandcastle Manor

Dear Mr. Westcott:

This letter is about RFA 2021-206 and Application Number 2022-244H, Sandcastle Manor, which accepted an invitation from Florida Housing Finance Corporation to enter into Credit Underwriting on March 29, 2022. As stated in the invitation, the development must obtain Board-approval of the credit underwriting report and execution of the HOME written agreement within twelve (12) months of applicant's acceptance to enter into credit underwriting, in this case by April 5, 2023. Rule 67-48.0072(21)(b), F.A.C¹ provides that applicants may request one extension of up to six (6) months to secure the firm loan commitment.

We respectfully request an extension of 6 months to secure a firm loan commitment and complete credit underwriting. The approval process has been hampered by multiple site plan revisions required by the City of Macclenny to satisfy land development code requirements. Additionally, we had to recently hire a second firm to obtain soil boring samples due to an unfortunate set of circumstances leading to the first firm not being able to complete the work.

We are confident that with this short extension we will be able to meet our obligations.

Please let us know if you require any additional information.

Respectfully,

Jessica Criss
Sandcastles Foundation, Inc.

cc. Mr. Ben Seltzer

¹ Adopted May 18, 2021.

March 1, 2023

Ms. Nicole Gibson
Federal Loan Programs Director
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301-13291

Re: Cardinal Corner – CDBG-DR RFA 2019-103 (2020-005D)
CUR Update Letter (“CUL”) - Changes to the Credit Underwriting Report, dated September 23, 2020 (“CUR”), CUL dated April 16, 2021, CUL dated October 11, 2021 and Closing Letter & Final Sources & Uses/Construction Draw Schedule (“CL DS”) dated February 24, 2022 to include Additional Subordinate CDBG-DR Viability Loan & HOME Viability Loan

Dear Ms. Gibson:

As requested by Florida Housing Finance Corporation (“Florida Housing” or “FHFC”), First Housing Development Corporation of Florida (“FHDC” or “First Housing”) is providing this CUL as an update to the final CUR, the CUL dated April 16, 2021, the CUL dated October 11, 2021, and CL DS dated February 24, 2022. This letter was prepared on behalf of Cardinal Corner, LLC (“Borrower”) and it is intended to ensure compliance with Request for Application 2019-103 (“RFA”), as applicable. Due to unexpected cost overruns, the Borrower is requesting to increase the Community Development Block Grant – Disaster Recovery Program (“CDBG-DR”) funding by \$400,000 via a CDBG-DR Viability Loan added to the existing CDBG-DR Loan of \$4,994,200 for a total CDBG-DR of \$5,394,200 and include a HOME Viability Loan in the amount of \$725,000.

Cardinal Corner (“Development”) is a 42-unit multifamily duplex development consisting of twenty-one (21) single story, duplex buildings, and one clubhouse building, with forty-two (42) three-bedroom/two-bathroom units currently under construction located at 16 South 12th Avenue, DeSoto County, Arcadia FL 34266. According to the site inspection report dated January 13, 2023, the Development is approximately 64% complete.

FHDC

The Development has a Workforce commitment. The Development will set aside 50% of the ELI set-aside units (3 units) as Link units for Persons with Special Needs. The Applicant has committed to the following set-asides:

Program	% of Units	# of Units	% AMI	Term (Years)
CDBG-DR /Assisted Units/ ELI	12%	5	40%	50
CDBG-DR /Assisted Units	88%	37	80%	50
HOME Assisted Units	100%	3	60%	50

Upon review and comparison of the CUL dated October 11, 2021, the following items should be noted:

1. Total allowable Developer Fee will increase from \$1,178,499 to \$1,362,665 for a difference of \$184,166 due to the higher revised costs of the Development. Based on the most recent draw schedule, since \$450,225 in Developer Fee has already been advanced, a maximum of \$912,440 in Developer Fee could be deferred, with only \$564,443, or 41.4%, necessary to balance the revised sources & uses.
2. The existing first mortgage loan and its terms will not change.

FHDC

PERMANENT FINANCING INFORMATION				
	1st Source	2nd Source	3rd Source	4th Source
Lien Position	First	Second	Second	Third
Lender/Grantor	Churchill Mortgage Investment LLC	FHFC - CDBG-DR	FHFC - CDBG-DR Viability	FHFC - HOME Viability
Amount	\$3,500,000	\$4,994,200	\$400,000	\$725,000
Underwritten Interest Rate	3.70%	0.00%	0.00%	0.00%
All In Interest Rate	3.70%	0.00%	0.00%	0.00%
Loan Term	40	20	20	20
Amortization	40	0	0	0
Market Rate/Market Financing LTV	35%	85%	89%	97%
Restricted Market Financing LTV	80%	193%	203%	219%
Loan to Cost - Cumulative	33%	80%	84%	91%
Debt Service Coverage	1.25	1.16	1.14	1.14
Operating Deficit & Debt Service Reserves	\$209,625			
# of Months covered by the Reserves	5.5			

Deferred Developer Fee	\$564,443
As-Is Land Value	\$420,000
Market Rent/Market Financing Stabilized Value	\$9,950,000
Rent Restricted Market Financing Stabilized Value	\$4,390,000
Projected Net Operating Income (NOI) - Year 1	\$231,625
Projected Net Operating Income (NOI) - 15 Year	\$261,260
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%

FHDC

Sources Overview

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
USDA RD 538	Churchill Mortgage Investment LLC	\$3,500,000	\$3,500,000	\$83,333
FHFC - CDBG-DR	FHFC - CDBG-DR	\$4,994,200	\$4,994,200	\$118,910
FHFC - CDBG-DR Viability	FHFC - CDBG-DR Viability	\$400,000	\$400,000	\$9,524
FHFC - HOME Viability	FHFC - HOME Viability	\$725,000	\$725,000	\$17,262
Affiliate / Principal	Cardinal Corner, LLC	\$379,507	\$379,507	\$9,036
Deferred Developer Fee	Heartland Development Group, LLC	\$564,443	\$564,443	\$13,439
TOTAL		\$10,563,150	\$10,563,150	\$251,504

First Mortgage – USDA RD 538:

First Housing reviewed the mortgage from the Borrower to Churchill Mortgage Investment LLC (“CMI”), a wholly-owned affiliate of Churchill Stateside Group, LLC (“Lender”), securing a \$3,500,000 construction/permanent loan for the Development. The term of the loan is 40 years and it allows for a construction period of between 18 to 24 months. Principal and interest payments will be due during the permanent period based on an amortization schedule of 40 years. At loan closing, the interest rate was fixed for the term of the loan at 3.70%. An ongoing USDA RD 538 guarantee fee of 0.50% of the unpaid principal balance is also required at the end of each year and is included in the cash flow and DSC calculations.

FHFC – CDBG-DR Loan and CDBG-DR Viability Loan:

On February 24, 2022, the Borrower closed on the original CDBG-DR Loan in the amount of \$4,994,200. It has a term of 20 years and is non-amortizing with an interest rate of 0%, plus permanent loan servicing and compliance monitoring fees. The Loan will not require payments for as long as the Development remains in Compliance, and it will be forgiven after 20 years.

The Borrower has requested \$400,000 in CDBG-DR Viability funds to help cover the financing gap due to cost overruns during construction. The CDBG-DR Viability Loan terms will be made under the same terms as the original CDBG-DR Loan, and the Borrower will be required to defer at least 25% of its Developer Fee.

The combined CDBG-DR Loan and CDBG-DR Viability Loan have an annual compliance monitoring base fee of \$178 per month, plus an additional fee per set-aside unit of \$10.91 per year, subject to a minimum of \$278 per month, and subject to an annual increase based on the South Region Consumer Price Index (not to exceed 3% of the prior year’s fee). Additionally, an annual permanent loan servicing fee is due, based on 25 basis points of the outstanding loan amount, with

FHDC

a minimum monthly fee of \$229 and a maximum monthly fee of \$909, including an hourly fee of \$186 for extraordinary services.

FHFC – HOME Viability Loan:

The Borrower has requested \$725,000 in HOME Viability funds to help cover the financing gap due to cost overruns during construction. The HOME Viability Loan will be made under the same terms as the CDBG-DR Loan and it will be forgiven after 20 years.

Since the sum of the CDBG-DR Viability funds plus the HOME Viability funds is capped by FHFC at \$1,125,000, the maximum HOME Viability funds available to the Borrower is \$725,000. This amount would be permitted under the 2022 U.S. Department of Housing and Urban Development (“HUD”) HOME subsidy limit. First Housing calculated the maximum at 90% of the per unit HUD subsidy limit, which results in: \$259,284 x 3 units = \$777,852.

The HOME Viability Loan fees include an annual multiple-program compliance monitoring fee of \$1,023, plus an annual permanent loan servicing fee of 25 bps of the outstanding loan amount, subject to a minimum of \$236 per month and a maximum of \$936 per month.

Affiliate/Principal:

The Borrower was required by the first mortgage lender to fund \$379,507 in cash equity to partially cover Hard Cost Contingency, Start-Up/Lease-Up Reserve and Operating & Maintenance Reserve (“O&M Reserve”) budget items. The Start-Up/Lease-Up Reserve will be released upon achievement of 90% occupancy for 90 consecutive days. The O&M Reserve will be released upon stabilized operations and approval by Lender.

Deferred Developer Fee:

In order to balance the sources and uses of funds during the permanent period, the Developer is required to defer \$564,443, or 41.4%, of the total \$1,362,665 Developer Fee. This meets the RFA CDBG-DR requirement that the Developer must defer at least 25% of its Developer Fee.

FHDC

Uses of Funds

Please note that the costs listed in the “Applicant Costs” column are based on the CL DS, dated February 23, 2022, and that the costs in the “Revised Applicant Costs” column represent the current costs submitted to First Housing by the Borrower.

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
New Rental Units	\$5,024,656	\$6,111,025	\$5,711,463	\$135,987
Recreational Amenities	\$20,000	\$0	\$0	\$0
Site Work	\$416,553	\$0	\$416,553	\$9,918
Constr. Contr. Costs subject to GC Fee	\$5,461,209	\$6,111,025	\$6,128,016	\$145,905
General Conditions	\$307,002	\$345,990	\$367,680	\$8,754
Overhead	\$108,834	\$121,830	\$122,560	\$2,918
Profit	\$326,502	\$365,490	\$367,680	\$8,754
General Liability Insurance	\$24,488	\$27,737	\$27,737	\$660
Payment and Performance Bonds	\$62,281	\$69,271	\$70,329	\$1,674
Total Construction Contract/Costs	\$6,290,316	\$7,041,343	\$7,084,002	\$168,667
Hard Cost Contingency	\$310,177	\$352,090	\$354,200	\$8,433
FF&E paid outside Constr. Contr.	\$0	\$65,000	\$65,000	\$1,548
Total Construction Costs:	\$6,600,493	\$7,458,433	\$7,503,202	\$178,648

Notes to Construction Costs:

- The Borrower originally submitted an executed AIA Standard Form of Agreement Between Owner and Contractor dated July 24, 2020, between Cardinal Corner, LLC (“Owner”) and Marmer Construction, Inc. (“the GC”), where the basis of payment is the cost of the work plus a fee with a guaranteed maximum price in the amount of \$5,570,874 (the “GC Contract”). Holdbacks for retainage are 10% until 50% construction completion, reduced to 5% thereafter. The GC Contract calls for construction to be substantially complete not later than 365 calendar days from the date of commencement. The contract provides for compliance with the Federal Labor Standards and Wage Determination requirements pursuant to the Davis-Bacon Act, as well as the Section 3 Clause requirements of the Housing and Urban Development Act of 1968.

First Housing reviewed a Contract Addendum, dated March 26, 2021, between the Owner and the GC. According to the Contract Addendum, the contract sum increased to \$6,316,690.

First Housing also reviewed Contract Addendum #2, dated August 6, 2021, between the Owner and the GC. According to Contract Addendum #2, the contract sum decreased to \$6,290,316, however this amount is higher on a per unit basis due to the Owner’s

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elimination of 6 units from the plans (now only 42 units instead of 48 units as reported in the CUL dated October 11, 2021).

Since the addition of Contract Addendum #2 to the GC Contract, more cost overruns have been identified and presented in the form of change orders (see table below). Change Order #1 in the amount of \$26,834 has already been signed and processed with a previous draw. Change Order Nos. 2 & 3 have been preliminarily estimated at \$753,187, but neither one has been signed yet. After accounting for the maximum allowable 14% in GC Fees for the change orders, First Housing has estimated the GC Contract amount will be revised from \$6,290,316 to \$7,084,002, representing an increase of \$793,686 or 12.6%.

Change Order #3 (Unexecuted)	
Price Increases	Amount
Masonry	\$65,980
Wood Trusses	\$103,392
Roofing	\$17,085
Exterior Doors	\$7,950
Stucco	\$9,688
Drywall	\$92,412
Flooring	\$39,076
Plumbing	\$38,370
HVAC	\$17,303
Electrical	\$98,308
Earthwork	\$46,294
Paving	\$22,508
Sidewalk	\$10,098
Landscaping, Irrig. & Sod	\$89,800
Subtotal	\$658,263
14% GC Fee	\$92,156
P&P Bond Increase	\$1,058
Total Change Order #3	\$751,477
Change Order #2 (Unexecuted)	
Exterior Lighting	\$855
Exterior Lighting	\$855
Total Change Order #2	\$1,710
Change Order #1 (Processed)	
Back Flow & Meter Boxes	\$21,850
Sod Retention Pond Slopes	\$3,035
Clubhouse Exterior Lighting	\$1,949
Total Change Order #1	\$26,834

- The GC Fees are within the maximum 14% of hard costs allowed by the RFA, excluding the Payment and Performance Bonds and General Liability Insurance line items.
- Hard Cost Contingency is equal to 5.0% of the Total Construction Contract/Costs line item. Due to the increase in hard costs, First Housing has likewise increased the amount of the

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Hard Cost Contingency to \$354,200 which would calculate to 5.0%. Based on the most current draw schedule, \$125,806 in Hard Cost Contingency has already been advanced, resulting in \$228,394 (64.5%) left in the budget. First Housing believes this amount should be sufficient to reach construction completion since the Development was 64% complete as of January 13, 2023, and the new budget is expected to incorporate all remaining significant change orders.

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Accounting Fees	\$9,000	\$13,000	\$13,000	\$310
Appraisal	\$9,500	\$13,485	\$13,485	\$321
Architect's Fee - Landscape	\$4,750	\$12,719	\$12,719	\$303
Architect's Fee - Site/Building Design	\$22,720	\$22,720	\$22,720	\$541
Architect's Fee - Supervision	\$5,000	\$10,000	\$10,000	\$238
Building Permits	\$35,000	\$64,799	\$64,799	\$1,543
Builder's Risk Insurance	\$19,382	\$24,382	\$24,382	\$581
Engineering Fees	\$95,000	\$107,094	\$107,094	\$2,550
Environmental Report	\$14,312	\$21,812	\$21,812	\$519
FHFC Application Fee	\$3,000	\$3,000	\$3,000	\$71
FHFC Credit Underwriting Fee	\$20,763	\$29,224	\$29,224	\$696
Lender Inspection Fees / Const Admin	\$12,500	\$12,500	\$12,500	\$298
Green Building Cert. (LEED, FGBC, NAHB)	\$10,560	\$10,560	\$10,560	\$251
Insurance	\$20,000	\$45,000	\$45,000	\$1,071
Legal Fees - Organizational Costs	\$50,000	\$87,500	\$87,500	\$2,083
Market Study	\$5,400	\$10,400	\$10,400	\$248
Marketing and Advertising	\$2,500	\$2,500	\$2,500	\$60
Plan and Cost Review Analysis	\$3,350	\$5,000	\$5,000	\$119
Property Taxes	\$10,000	\$40,000	\$40,000	\$952
Survey	\$15,400	\$20,400	\$20,400	\$486
Title Insurance and Recording Fees	\$40,000	\$43,045	\$43,045	\$1,025
Traffic Study	\$5,500	\$5,500	\$5,500	\$131
Utility Connection Fees	\$61,600	\$65,057	\$65,057	\$1,549
Soft Cost Contingency	\$19,178	\$33,515	\$34,764	\$828
Other: FHFC - Legal	\$0	\$25,000	\$25,000	\$595
Other: UA Study	\$0	\$600	\$600	\$14
Total General Development Costs:	\$494,415	\$728,812	\$730,061	\$17,382

Notes to General Development Costs:

1. General Development Costs are based on the Borrower's updated estimates, which appear reasonable.
2. First Housing adjusted Soft Cost Contingency to equal 5% of General Development Costs, less Soft Cost Contingency, as allowed by the RFA for new construction developments.

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3. FHFC Credit Underwriting Fee includes \$14,307 for the original full underwriting in 2020, plus \$1,000 for the April 16, 2021 CUL, plus \$5,456 for the October 11, 2021 CUL, plus \$8,461 for the current CUL.

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Construction Loan Interest	\$153,695	\$153,695	\$153,695	\$3,659
Permanent Loan Application Fee	\$3,500	\$3,500	\$3,500	\$83
Permanent Loan Origination Fee	\$52,500	\$52,500	\$52,500	\$1,250
USDA Commitment Fee	\$31,500	\$0	\$0	\$0
Other: CDBG-DR Closing Costs	\$12,500	\$0	\$25,000	\$595
Other: USDA Guaranty Fee	\$17,202	\$48,702	\$48,702	\$1,160
Total Financial Costs:	\$270,897	\$258,397	\$283,397	\$6,748
Dev. Costs before Acq., Dev. Fee & Reserves	\$7,365,805	\$8,445,642	\$8,516,660	\$202,778

Notes to Financial Costs:

1. Construction Loan Interest appears reasonable based on First Housing calculations.
2. The FHFC CDBG-DR Viability Loan and HOME Viability Loan Closing Costs are \$12,500 for each loan for FHFC legal fees.

NON-LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Total Non-Land Acquisition Costs:	\$0	\$0	\$0	\$0

Notes to Non-Land Acquisition Costs:

1. Since this is new construction, there are no non-land acquisition costs.

DEVELOPER FEE ON NON-ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Developer Fee - Unapportioned	\$1,178,499	\$1,351,374	\$1,362,665	\$32,444
Total Other Development Costs:	\$1,178,499	\$1,351,374	\$1,362,665	\$32,444

Notes to Developer Fee on Non-Acquisition Costs:

1. Developer Fee – Unapportioned does not exceed 16% of the Dev. Costs before Acq., Dev. Fee & Reserves line item above, as per the RFA.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Land	\$400,000	\$400,000	\$400,000	\$9,524
Total Acquisition Costs:	\$400,000	\$400,000	\$400,000	\$9,524

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Notes to Land Acquisition Costs:

- The Borrower closed on the land September 3, 2021, for \$400,000, and the sale price was supported by the appraiser's \$407,000 conclusion of as-is land value. The new appraisal prepared by Integra Realty Resources and dated January 10, 2023 concluded to an as-is land value of \$420,000.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Replacement Reserves (Lender)	\$4,200	\$4,200	\$4,200	\$100
Reserves - Start-Up/Lease-up Expenses	\$179,823	\$209,625	\$209,625	\$4,991
Other: O&M Reserve (USDA)	\$70,000	\$70,000	\$70,000	\$1,667
Total Reserve Accounts:	\$254,023	\$283,825	\$283,825	\$6,758

Notes to Reserve Accounts:

- The amounts in the reserve accounts above are required by the first mortgage lender and appear reasonable to First Housing.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
TOTAL DEVELOPMENT COSTS:	\$9,198,327	\$10,480,841	\$10,563,150	\$251,504

Notes to Total Development Costs:

- Total Development Costs ("TDC") increased by \$1,364,823 or 14.8%, from \$9,198,327 to \$10,563,150 since the CL DS dated February 24, 2022. The bulk of the change is due to an increase in the amount of the GC Contract due to general inflation.

Based on the TDC per unit limitations in effect as of the April 1, 2022 Telephonic FHDC Board meeting, Florida Housing has set the TDC for RFA 2019-103, exclusive of land costs and Operating Deficit Reserves ("ODR"), to \$403,725 per unit for new construction, Enhanced Structural Systems Construction ("ESSC") developments, and for garden-style apartment properties located in DeSoto County which utilize CDBG-DR funds. The Development's TDC less land and ODR is equal to \$9,879,325 or \$235,222 per unit, which meets the TDC requirement.

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Operating Pro Forma – Cardinal Corner

FINANCIAL COSTS:		Year 1	Year 1 Per Unit
OPERATING PRO FORMA			
INCOME:	Gross Potential Rental Income	\$488,676	\$11,635
	Ancillary Income	\$19,850	\$473
	Gross Potential Income	\$508,526	\$12,108
	Less:		
	Physical Vac. Loss Percentage: 4.00%	\$20,341	\$484
	Collection Loss Percentage: 1.00%	\$5,085	\$121
Total Effective Gross Income		\$483,100	\$11,502
EXPENSES:	Fixed:		
	Real Estate Taxes	\$31,075	\$740
	Insurance	\$34,650	\$825
	Variable:		
	Management Fee Percentage: 4.50%	\$21,739	\$518
	General and Administrative	\$42,000	\$1,000
	Payroll Expenses	\$54,600	\$1,300
	Utilities	\$14,910	\$355
	Marketing and Advertising	\$2,100	\$50
	Maintenance and Repairs/Pest Control	\$21,000	\$500
	Grounds Maintenance and Landscaping	\$16,800	\$400
Reserve for Replacements	\$12,600	\$300	
Total Expenses		\$251,474	\$5,987
Net Operating Income		\$231,625	\$5,515
Debt Service Payments			
First Mortgage - USDA RD 538		\$167,780	\$3,995
Second Mortgage - CDBG-DR + Viability		\$0	\$0
Third Mortgage - HOME Viability		\$0	\$0
First Mortgage Fees - USDA RD 538 + 50-bp Guar.		\$17,500	\$417
Second Mortgage Fees - CDBG-DR+Viability		\$14,244	\$339
Third Mortgage Fees - HOME Viability		\$3,855	\$92
Total Debt Service Payments		\$203,379	\$4,842
Cash Flow after Debt Service		\$28,246	\$673

Debt Service Coverage Ratios	
DSC - First Mortgage plus Fees	1.25x
DSC - Second Mortgage plus Fees	1.16x
DSC - Third Mortgage plus Fees	1.14x
DSC - All Mortgages and Fees	1.14x
Financial Ratios	
Operating Expense Ratio	52.1%
Break-even Economic Occupancy Ratio (all debt)	89.7%

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Notes to Operating Pro Forma and Ratios:

1. Gross Potential Rental Income in the pro forma above is based on the appraiser’s and First Housing’s concluded rents in the table below. The units restricted to 40% and 80% AMI are underwritten to the 2022 maximum allowable CDBG-DR rents, which the appraiser concluded are achievable for the subject Development. The three HOME units will be rented at 2022 High Home Rents. Utility Allowances are deducted from all gross rents in the table and are based on a Utility Allowance Study prepared by KN Consultants, LLC and dated December 26, 2022.

DeSoto County, FL

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
3	2.0	34	1,150	80%			\$1,262	\$198	\$ 1,064		\$ 1,064	\$ 1,064	\$ 1,064	\$ 434,112
3	2.0	5	1,150	40%			\$631	\$198	\$ 433		\$ 433	\$ 433	\$ 433	\$ 25,980
3	2.0	3	1,150	60%		\$ 992		\$198	\$ 794		\$ 794	\$ 794	\$ 794	\$ 28,584
		42	48,300											\$ 488,676

**Note that rents listed under “Gross HC Rent” above are actually 2022 CDBG-DR rents.*

2. Ancillary Income is comprised of revenue from vending income, late charges, pet deposits, forfeited security deposits, storage rentals, etc. The appraiser’s data sources indicate a typical ancillary income range of about 2% to 6% of the gross rental income. First Housing agrees with the appraiser’s estimate of \$19,850, which equates to 4% of Gross Potential Rental Income.
3. The Appraiser concluded to a vacancy and collection rate of 4% based on the market and comparables. First Housing used 5% for vacancy and collection loss.
4. Based upon operating data from comparable properties, third-party reports (appraisal and market study) and First Housing’s independent due diligence, First Housing represents that, in its professional opinion, estimates for Rental Income, Vacancy, Ancillary Income, and Operating Expenses fall within a band of reasonableness.
5. The Developer has submitted a management agreement between the Borrower and NDC Asset Management, LLC. This Agreement reflects a management fee equal to 4.5% of total gross monthly collections. Although the appraiser concluded to a management fee of 5.0%, First Housing utilized the 4.5% amount in the management agreement.
6. The landlord will pay for trash removal, plus utilities for common areas and vacant units. The tenant will be responsible for all other utility expenses.

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7. Replacement Reserves of \$300 per unit are required by the RFA. Additionally, the Replacement Reserves line item includes a 3% inflation factor beginning at permanent loan conversion.
8. In conjunction with the Borrower's request for additional funding, First Housing ordered and received a new appraisal from Integra Realty Resources dated January 10, 2023. The appraisal included the three HOME Assisted Units and updated all income and expense estimates. Based on the new appraisal, First Housing's underwritten NOI increased from \$227,266 in the CUL dated October 11, 2021, to \$231,625.
9. Refer to Exhibit 1 for a 15-Year Pro Forma, which reflects rental income increasing at an annual rate of 2%, and expenses increasing at an annual rate of 3%.

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Third-Party Reports

First Housing reviewed a new appraisal dated January 10, 2023 and prepared by Integra Realty Resources. Based on the report, the hypothetical market value upon stabilization as a market rate property is \$9,950,000, and the hypothetical market value upon stabilization as a restricted property is \$4,390,000. The concluded as-is land value is \$420,000.

The original and new appraisals were both completed by Michael Ahwash, MAI, a Certified General Real Estate Appraiser with Florida License Number RZ2326 and expiration date of November 30, 2024.

Other Information

FHFC Asset Management Noncompliance Report, dated December 28, 2022 and Past Due Report, dated January 19, 2023, reflect no noncompliance or past due items for the Development Team.

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Recommendation

First Housing recommends a CDBG-DR Viability Loan in the amount of \$400,000 and a HOME Viability Loan in the amount of \$725,000 and the subordination of the CDBG-DR Viability Loan and HOME Viability Loan documents to the CMI loan. The addition of the CDBG-DR Viability and HOME Viability funds do not adversely impact the transaction as previously underwritten. Closing of the transaction is subject to the following conditions:


Conditions

1. Payment of all costs and fees to FHFC, its legal counsel and the Servicer, as applicable.
2. Payment of any outstanding arrearages to FHFC, its Legal Counsel, Servicer or any Agent or Assignee of FHFC for past due issues applicable to the Development Team (Borrower or Developer or Principal, Affiliate, or Financial Beneficiary, if applicable).
3. Satisfactory resolution of any outstanding FHFC noncompliance and/or past due items.
4. Review and approval of the amended documents by CMI.
5. Review and approval of all loan documents consistent with the terms outlined above by FHFC, its Legal Counsel and Servicer.
6. All other due diligence required by FHFC, its legal counsel, and the Servicer.

Prepared by:

Reviewed by:

Brian Borer
Underwriter



Edward Busansky
Senior Vice President

FHDC

15-Year Proforma

FINANCIAL COSTS:		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
OPERATING PRO FORMA																
INCOME:	Gross Potential Rental Income	\$488,676	\$498,450	\$508,419	\$518,587	\$528,959	\$539,538	\$550,329	\$561,335	\$572,562	\$584,013	\$595,693	\$607,607	\$619,759	\$632,155	\$644,798
	Ancillary Income	\$19,850	\$20,247	\$20,652	\$21,065	\$21,486	\$21,916	\$22,354	\$22,801	\$23,257	\$23,723	\$24,197	\$24,681	\$25,175	\$25,678	\$26,192
	Gross Potential Income	\$508,526	\$518,697	\$529,070	\$539,652	\$550,445	\$561,454	\$572,683	\$584,137	\$595,819	\$607,736	\$619,890	\$632,288	\$644,934	\$657,833	\$670,989
	Less:															
	Physical Vac. Loss 4.00%	\$20,341	\$20,748	\$21,163	\$21,586	\$22,018	\$22,458	\$22,907	\$23,365	\$23,833	\$24,309	\$24,796	\$25,292	\$25,797	\$26,313	\$26,840
	Collection Loss 1.00%	\$5,085	\$5,187	\$5,291	\$5,397	\$5,504	\$5,615	\$5,727	\$5,841	\$5,958	\$6,077	\$6,199	\$6,323	\$6,449	\$6,578	\$6,710
Total Effective Gross Income	\$483,100	\$492,762	\$502,617	\$512,669	\$522,923	\$533,381	\$544,049	\$554,930	\$566,028	\$577,349	\$588,896	\$600,674	\$612,687	\$624,941	\$637,440	
EXPENSES:	Fixed:															
	Real Estate Taxes	\$31,075	\$32,007	\$32,967	\$33,956	\$34,975	\$36,024	\$37,105	\$38,218	\$39,365	\$40,546	\$41,762	\$43,015	\$44,306	\$45,635	\$47,004
	Insurance	\$34,650	\$35,690	\$36,760	\$37,863	\$38,999	\$40,169	\$41,374	\$42,615	\$43,894	\$45,210	\$46,567	\$47,964	\$49,403	\$50,885	\$52,411
	Variable:															
	Management Fee 4.50%	\$21,739	\$22,174	\$22,618	\$23,070	\$23,532	\$24,002	\$24,482	\$24,972	\$25,471	\$25,981	\$26,500	\$27,030	\$27,571	\$28,122	\$28,685
	General and Administrative	\$42,000	\$43,260	\$44,558	\$45,895	\$47,271	\$48,690	\$50,150	\$51,655	\$53,204	\$54,800	\$56,444	\$58,138	\$59,882	\$61,678	\$63,529
	Payroll Expenses	\$54,600	\$56,238	\$57,925	\$59,663	\$61,453	\$63,296	\$65,195	\$67,151	\$69,166	\$71,241	\$73,378	\$75,579	\$77,847	\$80,182	\$82,587
	Utilities	\$14,910	\$15,357	\$15,818	\$16,293	\$16,781	\$17,285	\$17,803	\$18,337	\$18,888	\$19,454	\$20,038	\$20,639	\$21,258	\$21,896	\$22,553
	Marketing and Advertising	\$2,100	\$2,163	\$2,228	\$2,295	\$2,364	\$2,434	\$2,508	\$2,583	\$2,660	\$2,740	\$2,822	\$2,907	\$2,994	\$3,084	\$3,176
	Maintenance and Repairs/Pest Control	\$21,000	\$21,630	\$22,279	\$22,947	\$23,636	\$24,345	\$25,075	\$25,827	\$26,602	\$27,400	\$28,222	\$29,069	\$29,941	\$30,839	\$31,764
	Grounds Maintenance and Landscaping	\$16,800	\$17,304	\$17,823	\$18,358	\$18,909	\$19,476	\$20,060	\$20,662	\$21,282	\$21,920	\$22,578	\$23,255	\$23,953	\$24,671	\$25,412
	Reserve for Replacements	\$12,600	\$12,978	\$13,367	\$13,768	\$14,181	\$14,607	\$15,045	\$15,496	\$15,961	\$16,440	\$16,933	\$17,441	\$17,965	\$18,504	\$19,059
	Total Expenses	\$251,474	\$258,801	\$266,344	\$274,108	\$282,100	\$290,328	\$298,798	\$307,517	\$316,493	\$325,733	\$335,245	\$345,037	\$355,118	\$365,496	\$376,180
Net Operating Income	\$231,625	\$233,960	\$236,273	\$238,562	\$240,822	\$243,053	\$245,251	\$247,413	\$249,536	\$251,616	\$253,651	\$255,636	\$257,569	\$259,445	\$261,260	
Debt Service Payments																
First Mortgage - USDA RD 538	\$167,780	\$167,780	\$167,780	\$167,780	\$167,780	\$167,780	\$167,780	\$167,780	\$167,780	\$167,780	\$167,780	\$167,780	\$167,780	\$167,780	\$167,780	\$167,780
Second Mortgage - CDBG-DR + Viability	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Third Mortgage - HOME Viability	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
First Mortgage Fees - USDA RD 538 + 50-bp	\$17,500	\$17,305	\$17,103	\$16,894	\$16,676	\$16,451	\$16,216	\$15,973	\$15,721	\$15,460	\$15,188	\$14,906	\$14,614	\$14,311	\$13,996	
Second Mortgage Fees - CDBG-DR+Viability	\$14,244	\$14,344	\$14,447	\$14,553	\$14,663	\$14,775	\$14,891	\$15,011	\$15,134	\$15,261	\$15,391	\$15,526	\$15,664	\$15,807	\$15,954	
Third Mortgage Fees - HOME Viability	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	
Total Debt Service Payments	\$203,379	\$203,285	\$203,186	\$203,082	\$202,974	\$202,861	\$202,743	\$202,619	\$202,490	\$202,355	\$202,215	\$202,067	\$201,914	\$201,753	\$201,585	
Cash Flow after Debt Service	\$28,246	\$30,676	\$33,088	\$35,479	\$37,848	\$40,192	\$42,508	\$44,793	\$47,045	\$49,261	\$51,436	\$53,569	\$55,655	\$57,692	\$59,675	
Debt Service Coverage Ratios																
DSC - First Mortgage plus Fees	1.25	1.26	1.28	1.29	1.31	1.32	1.33	1.35	1.36	1.37	1.39	1.40	1.41	1.42	1.44	
DSC - Second Mortgage plus Fees	1.16	1.17	1.19	1.20	1.21	1.22	1.23	1.24	1.26	1.27	1.28	1.29	1.30	1.31	1.32	
DSC - Third Mortgage plus Fees	1.14	1.15	1.16	1.17	1.19	1.20	1.21	1.22	1.23	1.24	1.25	1.27	1.28	1.29	1.30	
DSC - All Mortgages and Fees	1.14	1.15	1.16	1.17	1.19	1.20	1.21	1.22	1.23	1.24	1.25	1.27	1.28	1.29	1.30	
Financial Ratios																
Operating Expense Ratio	52.05%	52.52%	52.99%	53.47%	53.95%	54.43%	54.92%	55.42%	55.91%	56.42%	56.93%	57.44%	57.96%	58.48%	59.01%	
Break-even Economic Occupancy Ratio (all d	89.67%	89.31%	88.97%	88.65%	88.35%	88.07%	87.80%	87.56%	87.33%	87.12%	86.93%	86.75%	86.60%	86.45%	86.33%	

February 6, 2023

Ms. Nicole Gibson
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301

Re: Extension Request for Tranquility at Hope School Phase II (2022-241H)

Dear Ms. Gibson,

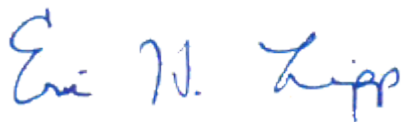
Tranquility at Hope School Phase II (“Tranquility”) was awarded \$5,500,000, under RFA 2021-206 (HOME Financing For The Construction Of Small Rural Developments), for the construction of 32 3-bedroom family units. As my partners Todd Wind and Brian Waterfield with Timshel Development Group (“Timshel”) had previously discussed with you, the construction costs for Tranquility have unbelievably increased 10% since our application was submitted. This estimate comes directly from our general contractor who built Tranquility at Hope School Phase I and is currently building Tranquility at Ferry Pass and Tranquility at Milton for Timshel. In addition to increased construction costs, interest rates and permanent insurance costs have risen significantly. These factors have created a gap in financing that makes the development unviable, and have forced us to consider returning our award to Florida Housing.

As Todd and Brian had discussed with you, we had considered requesting a rule waiver to reduce Tranquility’s units and we were also planning to speak with you and your colleagues about the possibility of applying for National Housing Trust Funding to fill our gap in financing. However, after learning more about Florida Senate Bill 102 and the money that could potentially be earmarked for an additional Construction Housing Inflation Response Program (“CHIRP”), we would like to respectfully request that developments awarded in RFA 2021-206 be considered for CHIRP financing, assuming Senate Bill 102 is passed later this year. Timshel has already emailed Marisa Button regarding this request, and we hope to have a conversation with her soon.

Per FHFC’s rule, we must have a final commitment within 12 months from invitation into underwriting, which would be March 29, 2023. Considering the status of our development and the possibility for gap financing, Tranquility respectfully requests an extension to this deadline. We estimate we would need an additional nine (9) to twelve (12) months after receipt of an invitation to enter credit underwriting for CHIRP financing to close on the land and financing for the development. Since the Rule only allows a 6 month extension, we understand that this request will require further board approval (at a later date).

This request is something that we do not take lightly, but is something that we are forced to make in these unprecedented times. We appreciate your consideration and thank you for your time.

Sincerely,



Eric Lipp

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

Sandcastles Foundation, Inc.,

Petitioner,

v.

Florida Housing
Finance Corporation

Respondent.

_____ /

FHFC Case # 2023-021VW
RFA 2020-206

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FLORIDA HOUSING
FINANCE CORPORATION

PETITION FOR WAIVER OF RULE
67-48.0072(26) FLORIDA ADMINISTRATIVE CODE

Pursuant to section 120.542, Florida Statutes, and rule 28-104.002, Florida Administrative Code, Petitioner, Sandcastles Foundation, Inc., ("Sandcastle" or "Petitioner"), a Florida not for profit corporation, submits this Petition to Respondent, Florida Housing Finance Corporation ("Florida Housing") for a waiver of rule 67.48.0072(26), Florida Administrative Code (Effective June 23, 2020). Sandcastle applied (App. No.2021-284H) for HOME financing in response to *Request for Application 2020-206, HOME Financing for the Construction of Small, Rural Developments* (the "RFA"). The petitioner seeks a waiver of rule 67-48.0072(26) to allow for an extension of the Loan Closing Date for 90 days.

In support Petitioner states as follows:

PETITIONER

1. The name, address, telephone number and email address of the Petitioner is,

Sandcastle Foundation, Inc., Attn: Jessica Criss, 1801 Sarno Road, Suite 1, Melbourne, Florida 32935, Jess@sandcastlesfoundation.org, (386)-214-5562. For the purposes of this proceeding, the contact information for Petitioner shall be that of the undersigned counsel.

2. The name, address, telephone number, and email address for Petitioner's attorney is Maureen McCarthy Daughton, Maureen McCarthy Daughton, LLC, 1400 Village Square Blvd., Ste 3-231, Tallahassee, Florida 32312; 850-345-8251; mdaughton@mmd-lawfirm.com.

BACKGROUND

3. On November 19, 2020, Petitioner applied in response to the RFA and requested \$5,826,000.00 in HOME funding (the "Application") to finance the construction of a proposed twenty-five (25) unit single family home affordable housing development to be known as Sandcastle Pines located in Bradford County, Florida.

4. On January 22, 2021, the Florida Housing Finance Corporation Board (the "Board") approved Petitioner's application for funding, and Petitioner was subsequently invited to enter credit underwriting.¹ On March 18, 2021, staff issued the preliminary commitment letter. Pursuant to Rule 67-48, the credit underwriting report had to be completed and firm loan commitment issued by March 29, 2022.

5. On March 4, 2022, the Board approved the final credit underwriting report with a positive recommendation for a HOME loan in the amount of \$5,826,000 and a Viability Loan of \$186,042.33. The Loans were scheduled to close on July 8, 2022.

¹ After a formal protest by one of the Applicants, the Board on March 12, 2021, approved funding of all seven (7) Applicants.

6. Prior to the loan closing date, the Petitioner advised Florida Housing that it would need to seek additional funding due to significant increases in construction costs. On July 21, 2022, Petitioner formally notified Florida Housing of its intent to seek additional funding and requested a 90-day extension of the loan closing deadline to October 6, 2022.

7. On August 5, 2022, the Board approved the 90-day extension of the loan closing deadline.

8. On September 23, 2022, Florida Housing issued a revised firm commitment for a HOME Loan in the amount of \$5,826,000.00 and increased Viability Loan in the amount of \$1,000,000.00 for a total amount of \$6,826,000.00. The Loan closing was to occur by October 7, 2022.

9. During this same period, the Petitioner was working diligently with officials from the City of Starke including the Planning and Zoning Board to acquire all the necessary approvals. During this process it was determined that a Zoning Map amendment was required. The Planning and Zoning Board Staff deemed the Zoning Map Amendment consistent with the City's Comprehensive Plan and in compliance with the Land Development Code and recommended approval by the Starke City Commission.

10. On September 19, 2022, the Starke City Commission approved the Zoning Map Amendment filed by the Petitioner to change the relevant zoning designation of the 6.37-acre parcel from *Single Family, Medium Density* to *Multi-Family Residential*.

11. The Zoning Map Amendment was scheduled for Second Reading, as is required, before the City Commission on Tuesday, October 4, 2022. Quite unexpectedly, the Starke City Commission denied the Zoning Map Amendment by a vote of 5-0 because of concerns raised

for the *first time* by a few citizens regarding stormwater issues, traffic, and a concern that single family rental units would cause a diminution of property values in the general neighborhood.

12. The Petitioner made the rezoning request at the suggestion of City staff to accommodate the number of proposed units and adequate stormwater treatment required by the Suwanee River Water Management District. Since the October 4th denial, Petitioner has been meeting with its own engineers to determine how it can build the proposed units under the existing zoning.

13. On October 12, 2022, the Petitioner filed a Petitioner for Waiver with Florida Housing considering the aforementioned to reduce the number of total number of units, reduce the Loan amount and allow for an extension of the closing date.

14. A modified site plan and a reduction in the number of units was necessary to meet the lot size required by the current zoning category². The extension was necessary to allow the Petitioner to meet the applicable technical requirements for approval by the City. This time, however, the City approval is merely an administrative approval and not a quasi-judicial hearing.

15. An Order granting the Waiver was entered by the Board on October 28, 2022. The Board granted the extension of the Loan Closing Date from October 7, 2022, to February 6, 2023.

16. The Applicant submitted the updated Site Plan to the City of Starke on November 16, 2022. The City then forwarded the updated site plan to the Regional Planning

² The reduction in units also required a corresponding loan reduction amount. The combined total of \$6,826,000.00 will be reduced to a combined total loan amount of \$6,508,137.00.

Council for a “process” review which was concluded favorably in early January 2023. The Petitioner was notified by the City on or about January 11, 2023.

17. The City then sent the site plan to an outside engineering firm for a technical review. The technical review was completed on February 2, 2023.

18. The City has advised the Petitioner that this matter will be placed on the agenda of the February 21st meeting of the Starke City Council for approval.

RULE FOR WHICH WAIVER IS SOUGHT

19. Petitioner requests a waiver of, or variance from, 67-48.0072(26) F.A.C. This rule provide in relevant part, as follows:

(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.

(Eff. June 23, 2020)

20. Application of Rule 67-48.0072(26), FAC., will prohibit the extension of the loan closing. This will result in difficulties moving forward and will threaten the financial viability of the Development and the delivery of needed units in Bradford County.

STATUTES IMPLEMENTED BY RULE

21. The Rules are implementing, among other sections of the Florida Housing Finance Corporation Act (the "Act") the statute that designates the Corporation to administer the HOME program in accordance with the HOME Investment Partnership Program. See §420.5089, Florida Statutes.

JUSTIFICATION FOR REQUESTED WAIVER

22. Section 120.542(1), Florida Statutes, provides that, "Strict application of uniformly applicable rule requirements can lead to unreasonable, unfair, and unintended results in particular instances. The Legislature finds that it is appropriate in such cases to adopt a procedure for agencies to provide relief to persons subject to regulation." A waiver shall be granted when the person who is subject to the rule demonstrates that the application of the rule would: (1) create a substantial hardship or would violate principles of fairness, and (2) the purpose of the underlying statute has been or will be achieved by other means by the person.

23. Strict adherence to rule 67-48.0072(26), F.A.C., will create a substantial hardship for the Petitioner at this late stage in the process. The Petitioner expended significant funds and lost valuable time seeking rezoning. The Petitioner continues to work closely with the officials from the City of Starke to secure the approval of a site plan modification under the current zoning requirements. The most recent delay was not caused by Petitioner review and the City anticipates the Site Plan to be on the February 21st agenda of the Starke City Commission for

approval. Bradford County is in dire need of affordable housing, and the extension requested and reduction in units will ensure that the needed units will be successfully constructed and operated in a manner consistent with the requirements and purpose of the RFA.

24. The requested waiver will not adversely affect any party, including any other party that applied to receive an allocation of HOME funds in RFA 2020-206, or Florida Housing,

25. The Petitioner believes that a waiver will serve the purpose of Section 420.5089, f.s., and the Act that are implemented by Chapter 67-48 F.A.C., because one of the goals is for the proceeds of Corporation funding to be utilized to facilitate the availability of decent and safe housing in the State of Florida to low-income persons and households. The Act was passed to create inducements and opportunities for private and public investments in rental housing to increase the supply of affordable housing for low-income households. By granting this Petition, the Corporation would recognize the goal of increasing the supply of affordable housing units via the construction of new developments throughout Florida and will provide needed affordable housing units to Bradford County.

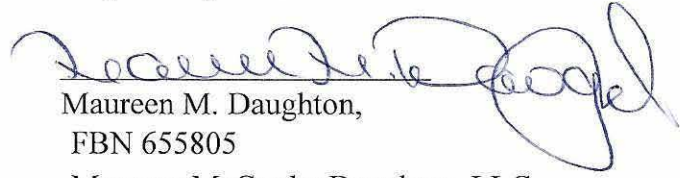
TYPE OF WAIVER

26. The waiver being sought is permanent in nature.

ACTION REQUESTED

27. For the above stated reasons, Sandcastles Foundation respectfully requests that the Florida Housing Board of Directors grant the requested waiver of rule 67-48.0072(26), Florida Administrative Code.

Respectfully submitted.



Maureen M. Daughton,
FBN 655805

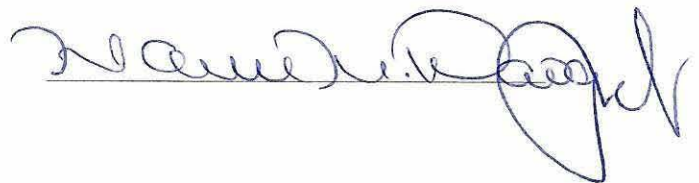
Maureen McCarthy Daughton, LLC
1400 Village Square Blvd., Ste 3-
231 Tallahassee, Florida 32312.
mdaughton@mmd-lawfirm.com
Counsel for Petitioner.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the foregoing Petition was filed this 17th day of February 2023, by electronic mail to:

Florida Housing Finance Corporation,
Attn: Corporation Clerk
227 North Bronough Street, Ste 5000
Tallahassee, Florida 32301
Corporationclerk@floridahousing.org

Joint Administrative Procedures Committee
680 Peppers Building
111 W. Madison Street
Tallahassee, Florida 32399
Joint.admin.procedures@leg.state.fl.us



BEFORE THE FLORIDA HOUSING FINANCE CORPORATION

PABLO HAMLET, LLLP

Petitioner,

FHFC CASE NO. 2023-022VW

vs.

APPLICATION NO. 2020-155C

FLORIDA HOUSING FINANCE CORP.,

Respondent.

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**PETITION FOR WAIVER FROM RULE
67-48.004(3)(j), F.A.C.**

FLORIDA HOUSING
FINANCE CORPORATION

PABLO HAMLET, LLLP (“Petitioner”), by and through its undersigned counsel, hereby petitions the Florida Housing Finance Corporation (the “Corporation”) for waiver from Rule 67-48.004(3)(j) Florida Administrative Code (2019). This Petition is filed pursuant to Section 120.542, Florida Statutes and Chapter 28-104, Florida Administrative Code.

THE PETITIONER

1. The address, telephone and facsimile number of the Petitioner is:

Pablo Hamlet, LLLP
1100 N.W. 4th Avenue
Delray Beach, FL 33444
Phone: (561) 859-8520
E-mail: dsmith@smithbenzy.com

2. The address, telephone and facsimile number of Petitioner’s counsel is:

Gary J. Cohen, Esq.
Shutts & Bowen LLP
200 S. Biscayne Boulevard
Suite 4100
Miami, FL 33131
Phone: (305) 347-7308
Fax: (305) 347-7808
Email: GCohen@shutts.com

3. Petitioner successfully applied for an allocation of low income housing federal tax credits (“HC”) in the Request for Applications 2019-115 (“RFA”). Petitioner’s application number in the RFA was 2020-155C (the “Application”). Petitioner applied for an HC allocation of \$1,436,000 to finance a portion of the cost of acquiring and rehabilitating a multi-family rental apartment complex located in Jacksonville Beach, Florida known as Pablo Hamlet together with the new construction of 50 additional units (the “Development”). The Development is a 154 unit elderly apartment complex.

4. Petitioner was awarded an allocation of \$1,436,000 of HC, and closed on its HC financing in late February 2021.

5. In connection with its RFA application, Petitioner selected the Average Income Test and committed to setting aside one hundred (100%) percent, or 154, of the dwelling units in the Development to be occupied and rented as follows: 39 units at 30% AMI; 57 units at 60% AMI; and 58 units at 80% AMI, all as evidenced in the Total Set-Aside Breakdown Chart contained in the Application. Due to circumstances described below, Petitioner now seeks to change the Total Set-Aside Breakdown Chart from 100% to 99% (153 out of 154 units). In particular, Petitioner seeks to remove one unit from the 80% AMI income band and reallocate such unit as a market rate unit. Such reallocation will cause the total set-aside percentage to decrease from 100% to 99%, and will still enable the Petitioner to maintain an overall income average below 60% AMI and therefor satisfy the Average Income Test.

THE RULES FROM WHICH WAIVER IS SOUGHT

6. Petitioner requests a waiver from a portion of Rule 67-48.004(3)(j), Florida Administrative Code (2019).

7. The Development is an existing elderly development which Petitioner has committed rehabilitated and added 50 new construction units utilizing HC funding. Completion of the Development occurred in September 2022.

8. Rule 67-48.004(3) provides that "... notwithstanding any other provision of these rules, the following as identified 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..."

In its Application, Petitioner provided for a Total Set-Aside Percentage of one hundred (100%) percent, or 154 units.

9. Petitioner requests a waiver from Rule 67-48.004(3)(j), to permit a reduction in the total Set-Aside from 100% to 99%. Petitioner agrees to continue to satisfy the ELI Set-Aside by setting aside 39 units at the 30% ELI level.

10. Upon completion of the rehabilitation and new construction of the Development in September 2022 and during rent up of the Development, a tenant was income-qualified and executed a lease. However, after such income qualification (but before the tenant moved in to its unit), a new Social Security Cost of Living Adjustment was published resulting in an increase of such tenant's income, such that 80% AMI limit was exceeded by approximately \$912 per year. The Development's tax credit investor noted this mistake at the end of 2022 and brought it to Applicant's attention. Applicant would prefer to allow such tenant to remain a tenant of the Development. As such, Petitioner requests a waiver from or variance to the Rule, to enable Petitioner to revise the Total Set-Aside Breakdown Chart in order to redesignate one 80% AMI unit as a market rate unit in order to

resolve the situation regarding tenant. Such redesignation will result in Petitioner maintaining an overall income average at or below 60% AMI and to continue to particularly satisfy the Average Income Test.

11. The waiver request is permanent in nature.

STATUTES IMPLEMENTED BY THE RULE

12. Rule 67-48.004(3)(j) implements, among other sections of the Florida Housing Finance Corporation Act, the statute that created the HC Program. See Section 420.5099, Florida Statutes.

13. Petitioner requests a waiver of Rule 67-48.004(3)(j) (which prohibits a change in the total set-aside commitment) to permit the reduction of the total set-aside commitment for the Development from 100% of 99% (153 to 154 units).

14. Had Petitioner initially indicated (in its RFA application) that 153 of the 154 units of the Development were to be set aside for qualifying tenants, Applicant would have still been funded under the RFA. No scoring reduction would have resulted in its RFA application, and Petitioner has sufficient basis in the Development to generate the requested amount of HC, regardless of whether the “applicable fraction” for purpose of computing the amount of HC was one hundred (100%) percent or 99%. In computing the “leveraging” rankings under the RFA, Applicant would have still been in the “A Group”. No competitive advantage would be gained by Applicant by virtue of decreasing the total set-aside commitment from 100% to 99%. Due to the scarcity of nearby affordable housing, required relocation of such tenant would impose severe hardship upon such tenant. No public policy objective is served or furthered by requiring Applicant to evict and relocate the tenant at the Development.

15. The Corporation has the authority pursuant to Section 120.542(1), Florida Statutes, to provide relief from its rules if strict application of the rule will lead to unreasonable, unfair and unintended consequences in particular instances. In addition, the financial viability and well-being of the Development will be furthered by permitting Petitioner to allow the tenant who is currently over-income to remain as a resident of the Development. Loss of such resident will result in loss of income to the Development until such time as a qualifying replacement tenant can be located. In addition, Petitioner would not have to incur relocation expense in connection with relocating such tenant. As noted above, Petitioner gained no competitive advantage in the RFA by representing that one hundred (100%) percent of its tenants would be income eligible, as compared to 99% requested hereunder. Petitioner agrees to continue to set-aside twenty-five (25%) percent of the 154 units (39 units) at or below the 30% ELI level.

WAIVER WILL SERVE THE UNDERLYING PURPOSE OF THE STATUTE

16. Petitioner believes that a waiver of these rules will serve the purposes of Section 420.5099 and the Act which is implemented by the rules, because one of their goals is to facilitate the availability of decent, safe and sanitary housing in the State of Florida to low-income persons and households by ensuring:

The maximum use of available tax credits in order to encourage development of low-income housing in the State, taking into consideration the timeliness of the application, the location of the proposed housing project, the relative need in the area for low-income housing and the availability of such housing, the economic feasibility of the project, and the ability of the Applicant to proceed to completion of the project in the calendar year for which credit is sought. Section 420.5099(2), Fla. Stat.

The Florida Housing Finance Corporation Act (Section 420.501, et seq.) was passed in order to encourage private and public investment in persons of low income. The creation of the Housing Credit

program stimulates private sector initiatives to increase the supply of affordable housing. By granting this request, the Corporation would recognize the goal of increasing the supply of affordable housing through private investment in persons of low-income.

TYPE OF WAIVER

17. The waiver being sought is permanent in nature.

ACTION REQUESTED – TOTAL SET ASIDE PERCENTAGE

18. Petitioner requests the following:
- (a) Grant the Petition and all relief requested herein; and
 - (b) That the Corporation grant this waiver allowing for 153 (or 99%) of the 154 units in the Development be set-aside for qualifying low-income tenants.

19. A copy of the Petition has been provided to the Joint Administrative Procedures Committee, Room 680, Pepper Building, 111 W. Madison Street, Tallahassee, FL 32399-1400.


Respectfully submitted this 21st day of February, 2023.



GARY J. COHEN
Florida Bar No. 0353302
Counsel for Petitioner
SHUTTS & BOWEN LLP
200 South Biscayne Boulevard
Suite 4100
Miami, Florida 33131
Telephone: (305) 347-7308
Facsimile: (305) 347-7808
Email: gcohen@shutts.com

CERTIFICATE OF SERVICE

The Petition is being served by overnight delivery for filing with the Corporation Clerk for the Florida Housing Finance Corporation, 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301, with copies served by overnight delivery on the Joint Administrative Procedures Committee, Room 680, 600 Pepper Building, 111 W. Madison Street, Tallahassee, Florida 32399-1400, this 21st day of February, 2023.



Gary J. Cohen, Esq.

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

FHFC CASE NO. 2023-023VW
APPLICATION NO. 2022-509C

THE MOORINGS AFFORDABLE LLC,

Petitioner

vs.

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

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FLORIDA HOUSING
FINANCE CORPORATION

PETITION FOR WAIVER OF RULE 67-21.0025(7)(c) AND 67-21.003(1)(b)

THE MOORINGS AFFORDABLE LLC, a Florida limited liability company (“**Petitioner**”), by and through its undersigned counsel, hereby petitions Respondent, the FLORIDA HOUSING FINANCE CORPORATION (the “**Corporation**”) for a waiver of the Corporation’s rule which requires a natural person principal by the third principal disclosure level. Moreover, Petitioner hereby petitions the Corporation for waiver of the requirement for Non-Competitive Housing Credits (the “**4 Percent HC**”) only, to be used for a Tax-Exempt Bond-Financed Development where the bonds are issued by a County Housing Authority established pursuant to Section 159.604, Florida Statutes (2022), that the Non-Competitive Application Form (the “**Application**”) be submitted anywhere from the time the Applicant completes Credit Underwriting for the Bonds up until the last Corporation business day of December of the year the Development is placed in service (the “**Timing Requirement**”), per the Non-Competitive Application Package (REV. 04-2022) (the “**NCA**”) adopted and incorporated by reference into Rule 67-21.003(1)(b), Florida Administrative Code (2022) (the

“**Structure Requirement**”). This Petition is filed pursuant to Section 120.542 of the Florida Statutes (2022) and Chapter 28-104 of the Florida Administrative Code (2022). In support of its Petition, the Petitioner states:

A. PETITIONER AND DEVELOPMENT

1. The address, telephone number, facsimile number and email address of the Petitioner are:

The Moorings Affordable LLC
566 W. Lake St, Suite 400, Chicago, IL 60661
c/o Kevin Beard
(o) 312-382-3231
(f) 312-382-3220
kbeard@evergreenreg.com

2. For purposes of this Petition, the address, telephone number, facsimile number and email address of Petitioner’s counsel is:

Hollie A. Croft, Esq.
Nelson Mullins Riley & Scarborough
390 N. Orange Avenue, Suite 1400
Orlando, Florida 32801
Telephone: (407) 669-4200
Facsimile: (407) 425-8377
Email: hollie.croft@nelsonmullins.com

3. Petitioner previously submitted an application to the Housing Finance Authority of Escambia County, Florida for an issuance of multifamily housing revenue bonds (the “**Bonds**”) to be used for the rehabilitation of that certain 200-unit multifamily housing development commonly known as The Moorings, located at 8491 Old Spanish Trail, Pensacola, Florida 32514 (the “**Development**”). Petitioner has also submitted an Application to the Corporation for an allocation of 4 Percent HC to fund a portion of the acquisition or rehabilitation of the Development.

B. WAIVER IS PERMANENT

4. The waiver being sought is permanent in nature.

C. THE RULE FROM WHICH WAIVER IS REQUESTED

5. Petitioner requests a waiver from Rule 67-21.0025(7)(c), F.A.C. (2022) which requires the Petitioner to disclose a natural person principal by the third principal disclosure level when submitting the Principal Disclosure Form (defined below) in connection with the Non-Competitive Application Package and 67-21.003(1)(b), F.A.C. (2022) which adopts and incorporates the Non-Competitive Application Package (Rev. 04-2022) (collectively, the “**Rule**”). The specific provisions of the Rule from which Petitioner is seeking a waiver are as follows:

6. Rule 67-21.0025(7)(c), F.A.C (2022), which provides in relevant part:

“(7) Disclosure of the Principals of the Applicant must comply with the following:

- (a) The Applicant must disclose all of the Principals of the Applicant (first principal disclosure level). For Applicants seeking Housing Credits, the Housing Credit Syndicator/Housing Credit investor need only be disclosed at the first principal disclosure level and no other disclosure is required;
- (b) The Applicant must disclose all of the Principals of all the entities identified in paragraph (a) above (second principal disclosure level);
- (c) **The Applicant must disclose all of the Principals of all of the entities identified in paragraph (b) above (third principal disclosure level). Unless the entity is a trust, all of the Principals must be natural persons;**
and
- (d) If any of the entities identified in paragraph (c) above are a trust, the Applicant must disclose all of the Principals of the trust (fourth principal disclosure level), all of whom must be natural persons.”

(emphasis added).

7. Rule 67-21.003(1)(b), F.A.C. (2022), which provides in relevant part:

“(b) If the NC Award will not be made available through the competitive solicitation funding process outlined in rule Chapter 67-60, F.A.C., the Applicant shall utilize the Non-Competitive Application Package in effect at the time the Applicant submits the Application. The Non-Competitive Application Package or NCA (Rev. 04-2022) is adopted and incorporated herein by reference and consists of the forms and instructions available, without charge, on the Corporation’s website under the Multifamily Programs link labeled Non-Competitive Programs or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-14387>, which shall be completed and submitted to the Corporation in accordance with this rule chapter.”

(emphasis added).

8. Section A.6.a. of the NCA, which provides, in relevant part:

“6. Principals Disclosure for the Applicant and for each Developer:

- a. The Principals of the Applicant and Developer(s) Disclosure Form in effect at the time of Application submission (“Principal Disclosure Form”), must be submitted, in Excel format, as part of the Application package.

The Principal Disclosure Form must identify, pursuant to subsections 67-21.002(86) and 67-21.0025(7) and (8), F.A.C., the Principals of the Applicant and Developer(s). For Housing Credits, the investor limited partner of an Applicant limited partnership or the investor member of an Applicant limited liability company must be identified on the Principal Disclosure Form. **A Principals Disclosure Form should not include, for any organizational structure, any type of entity that is not specifically included in the Rule definition of Principals. Pursuant to subsection 67-21.002(86), any Principal that is not a natural person must be a legally formed entity as of the Application Deadline.**

In order to assist the Applicant in completing the Principal Disclosure Form, the Corporation offers an Advance Review Process. The Advance Review Process for Disclosure of Applicant and Developer Principals is available on the Non-Competitive Application webpage and also includes samples which may assist the Applicant in completing the required Principals Disclosure Form.”

(emphasis added).

9. The NCA, which provides, in pertinent part:

“Non-Competitive Housing Credits (4 Percent HC) only, to be used for a Tax-Exempt Bond Financed Development where the bonds are issued by a County Housing Finance Authority (HFA) established pursuant to Section 159.604, F.S. **The Non-Competitive Application Form can be submitted anywhere from the time the Applicant completes Credit Underwriting for the Bonds up until the last Corporation business day of December of the year the Development is placed in service;**”

(emphasis added).

D. STATUTES IMPLEMENTED BY THE RULE

10. The Rule is implementing, among other sections of the Florida Housing Finance Corporation Act, the statute that created the Housing Tax Credit Program and the Multifamily Mortgage Revenue Bonds Program. *See* §§ 420.509, 420.5099, *Fla. Stat.* (2022) (the “**Statute**”).

11. The Corporation has the authority pursuant to Section 120.542(1), Florida Statutes, and Chapter 28-104, F.A.C., to grant waivers to its rule requirements when strict application of such rules would lead to unreasonable, unfair and unintended results in particular instances. Waivers shall be granted when the person subject to the rule demonstrates that the application of the rule would (1) create a substantial hardship or violate principals of fairness, and (2) the purpose of the underlying statute has been or will be achieved by other means by the person. § 120.542(2), *Fla. Stat.*

E. JUSTIFICATION FOR GRANTING THE WAIVER OF THE RULE

12. Petitioner is seeking a waiver from Section A.6.a. of the Non-Competitive Application Package, which requires the applicant to include with its application for non-competitive tax credits the Principals of the Applicant and Developer(s) Disclosure Form in excel format (hereinafter, the “**Principal Disclosure Form**”), as an exhibit to the NCA. The application further requires that the applicant identify the principals pursuant to subsection 67-21.002(86), F.A.C., which provides the definition of who constitutes a “Principal” for disclosure purposes. Moreover, subsection 67-21.0025(7) of the Corporation’s rules provides specific requirements an applicant must comply with for the disclosure of “Principals”.

13. As such, for Petitioner to submit a NCA for 4 Percent HC for the Development and comply with Section A.6.a. thereof, it must be able to submit the Principal Disclosure Form in accordance with not only Rule 67-21.002(86), but also Rule 67-21.0025(7)(c). Petitioner’s current ownership structure does not comply with the requirements of Rule 67-21.0025(7)(c). Therefore, Petitioner is also seeking a waiver of 67-21.0025(7)(c), which requires that by the third principal disclosure level of the Principal Disclosure Form, the Principals disclosed must all be natural persons except if the Principal is a trust, in which case the natural person Principal can be disclosed by the fourth principal disclosure level.

14. Petitioner cannot meet the requirement to have a natural person principal by the third principal disclosure level because the structure of its managing member consists of multiple corporate layers to accommodate the structuring of the ownership interests of its members, which in large part would require going to the fourth or fifth principal disclosure level before a natural person is ultimately disclosed. The Petitioner’s managing member is a joint venture owned by two unrelated third parties, specifically Belveron Partners and Evergreen Real Estate Group (through their respective affiliate entities) (the “MM Parties”), that have utilized this ownership

structure in a number of transactions to provide affordable housing throughout the country. As the MM Parties are unrelated, each deal they conduct together as managing member needs to be legally distinct from the other deals they have already done and operated by a unique joint venture managing member. To remove the property specific intermediary entities from the structure, solely for disclosure purposes, would open the other deals the MM Parties have entered into and the MM Parties themselves to liability associated with this Development, which would not be an equitable outcome for the purpose of the Rule. As such, the need to disclose all natural persons by the third principal disclosure level creates a substantial hardship for Petitioner's managing member joint venture enterprise as it is intended to enter into multiple transactions for the development of affordable housing but, it cannot be used to create a viable ownership structure if it is required to adhere to Rule. Further, there are key entities involved in the upper tiers of these entities, including Bel Dev Pool LLC, Belveron Partners' employee-profit sharing entity, that are crucial to the willingness of the parties to engage in this transaction. The intent of this structure is not to obfuscate the ultimate ownership of the managing member and all natural persons involved in said ownership are ultimately disclosed, it is simply that such disclosure requires additional principal disclosure level for Petitioner to maintain a viable and consistent deal structure. Therefore, Petitioner is requesting waiver of the requirement that all natural persons are disclosure by the third principal disclosure level.

15. Further Petitioner requests a waiver of the Timing Requirement, which requires that Petitioner complete the credit underwriting for the county bond transaction (the "**Credit Underwriting**") before submission of the Application. In order to complete the Credit Underwriting process and receive a report (the "**Credit Underwriting Report**"), Petitioner must have finalized its ownership structure which it will not be able to do so until this Petition is

granted. However, Petitioner cannot submit this Petition without first submitting an Application and cannot submit an Application until completing the Credit Underwriting and cannot complete Credit Underwriting and finalize its Credit Underwriting Report without first granting of this Petition. Consequently, Petitioner will need to submit the Application before completing Credit Underwriting in order to address this issue in advance with the Corporation. Therefore, Petitioner is requesting a waiver of the requirement to submit a final Credit Underwriting Report with its Application in order to prevent any further delay to the closing and rehabilitation commencement of the Development.

16. A waiver of the Rule will permit Petitioner to apply for non-competitive tax credits to finance a portion of the rehabilitation of the Development. Without this additional source of investor equity, the Petitioner will not have enough funds to preserve and rehabilitate these much needed 200 affordable units in Pensacola, Florida. Petitioner has already committed to acquiring the Development pursuant to a purchase and sale agreement entered into on February 18, 2022 with the intent to undergo acquisition and rehabilitation of the Development. While the Development is currently encumbered by certain rent restrictions, the Petitioner intends to pursue re-syndication with respect to the Development, which re-syndication will result in rent restrictions at the Development being extended.

17. In this instance, Petitioner meets the standards for a waiver of the Rule. The Corporation has the authority pursuant to Section 120.542(1), Florida Statutes, to provide relief from its rules if strict application of those rules will lead to unreasonable, unfair or unintended results in particular instances. Unless the Rule is waived to allow the Petitioner to apply for non-competitive housing credits with its current ownership structure, certain unreasonable, unfair and unintended results will occur, resulting in a substantial hardship to the Petitioner and the

Development. Specifically, the purpose of the Rule was for the Corporation to know who is participating in its programs. However, strict application of the Rule would lead to the unintended result that an entity that is otherwise willing to fully disclose the natural persons involved in its ownership structure, is not able to participate in the Corporation's programs as well as result in a substantial hardship to the Petitioner. In this specific instance, the Corporation's failure to grant the waiver requested will result in a substantial hardship to Petitioner, as Petitioner will not be able to apply for and obtain 4 Percent HC and, as such, will not be able to complete the much-needed rehabilitation of the Development. The Corporation will not be harmed by granting this Petition as the intent of the Rule will not be violated. The Rule was implemented to permit the Corporation to ascertain the parties involved in its programs. Petitioner is able to provide to the Corporation natural person principals, but not by the fourth (or fifth) principal disclosure levels.

18. The requested waiver of the Rule serves the purpose of the Statute that is implemented by the Rule. The Florida Housing Finance Corporation Act (Section 420.501, *et seq.*) was passed in order to encourage private and public investment in facilities for persons of low-income. The purpose of the creation of the Housing Tax Credit Program and Multifamily Mortgage Revenue Bonds Program is to stimulate creative private sector initiatives to increase the supply of affordable housing. By granting this waiver of the Corporation's rule which requires a natural person principal by the third principal disclosure level and that a final Credit Underwriting Report be included in the Application, Petitioner will be able to apply for non-competitive housing credits with its current structure, as requested in this Petition, and the Corporation would recognize the goal of increasing the supply of affordable housing through private investment in persons of low income.

F. ACTION REQUESTED

19. For the reasons set forth herein, Petitioner respectfully requests the Corporation (i) grant the requested waiver of the Corporation's rule which requires a natural person principal by the third principal disclosure level; (ii) grant the requested waiver of the Timing Requirement and Corporation's requirement that a final Credit Underwriting Report be included in the Application; (iii) grant the Petition and all of the relief requested herein; and (iv) grant such further relief as it may deem appropriate.

Respectfully submitted on the 21st day of February, 2023.

Respectfully submitted,



Andrew Bennett, Esq.
Fla. Bar No. 0125189
Hollie A. Croft, Esq.
Fla. Bar No. 886181
NELSON MULLINS RILEY & SCARBOROUGH
390 N. Orange Avenue, Suite 1400
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Facsimile: (407) 425-8377
Email: drew.bennett@nelsonmullins.com
hollie.croft@nelsonmullins.com
COUNSEL FOR PETITIONER

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the foregoing Petition was filed by electronic delivery to:

Florida Housing Finance Corporation,
Attn: Corporation Clerk
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301
CorporationClerk@floridahousing.org

Joint Administrative Procedures Committee
680 Pepper Building
111 W. Madison Street
Tallahassee, Florida 32399
Joint.admin.procedures@leg.state.fl.us

This 21st day of February, 2023.

A handwritten signature in black ink, appearing to read 'Andrew Bennett', with a long horizontal stroke extending to the right.

Andrew Bennett, Esq.
Fla. Bar No. 0125189

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

FHFC CASE NO. 2023-024VW
APPLICATION NO. 2022-508C

SUNRISE AFFORDABLE LLC,

Petitioner

vs.

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

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FLORIDA HOUSING
FINANCE CORPORATION

PETITION FOR WAIVER OF RULE 67-21.0025(7)(c) AND 67-21.003(1)(b)

SUNRISE AFFORDABLE LLC, a Florida limited liability company (“**Petitioner**”), by and through its undersigned counsel, hereby petitions Respondent, the FLORIDA HOUSING FINANCE CORPORATION (the “**Corporation**”) for a waiver of the Corporation’s rule which requires a natural person principal by the third principal disclosure level. Moreover, Petitioner hereby petitions the Corporation for waiver of the requirement for Non-Competitive Housing Credits (the “**4 Percent HC**”) only, to be used for a Tax-Exempt Bond-Financed Development where the bonds are issued by a County Housing Authority established pursuant to Section 159.604, Florida Statutes (2022), that the Non-Competitive Application Form (the “**Application**”) be submitted anywhere from the time the Applicant completes Credit Underwriting for the Bonds up until the last Corporation business day of December of the year the Development is placed in service (the “**Timing Requirement**”), per the Non-Competitive Application Package (REV. 04-2022) (the “**NCA**”) adopted and incorporated by reference into Rule 67-21.003(1)(b), Florida Administrative Code (2022) (the “**Structure Requirement**”). This

Petition is filed pursuant to Section 120.542 of the Florida Statutes (2022) and Chapter 28-104 of the Florida Administrative Code (2022). In support of its Petition, the Petitioner states:

A. PETITIONER AND DEVELOPMENT

1. The address, telephone number, facsimile number and email address of the Petitioner are:

Sunrise Affordable LLC
566 W. Lake St, Suite 400, Chicago, IL 60661
c/o Kevin Beard
(o) 312-382-3231
(f) 312-382-3220
kbeard@evergreenreg.com

2. For purposes of this Petition, the address, telephone number, facsimile number and email address of Petitioner's counsel is:

Hollie A. Croft, Esq.
Nelson Mullins Riley & Scarborough
390 N. Orange Avenue, Suite 1400
Orlando, Florida 32801
Telephone: (407) 669-4200
Facsimile: (407) 425-8377
Email: hollie.croft@nelsonmullins.com

3. Petitioner previously submitted an application to the Housing Finance Authority of Escambia County, Florida for an issuance of multifamily housing revenue bonds (the "**Bonds**") to be used for the rehabilitation of that certain 160-unit multifamily housing development commonly known as the Sunrise Apartments, located at 4350 W. Fairfield Drive, Pensacola, Florida 32505 (the "**Development**"). Petitioner has also submitted an Application to the Corporation for an allocation of 4 Percent HC to fund a portion of the acquisition or rehabilitation of the Development.

B. WAIVER IS PERMANENT

4. The waiver being sought is permanent in nature.

C. THE RULE FROM WHICH WAIVER IS REQUESTED

5. Petitioner requests a waiver from Rule 67-21.0025(7)(c), F.A.C. (2022) which requires the Petitioner to disclose a natural person principal by the third principal disclosure level when submitting the Principal Disclosure Form (defined below) in connection with the Non-Competitive Application Package and 67-21.003(1)(b), F.A.C. (2022) which adopts and incorporates the Non-Competitive Application Package (Rev. 04-2022) (collectively, the “**Rule**”). The specific provisions of the Rule from which Petitioner is seeking a waiver are as follows:

6. Rule 67-21.0025(7)(c), F.A.C (2022), which provides in relevant part:

“(7) Disclosure of the Principals of the Applicant must comply with the following:

- (a) The Applicant must disclose all of the Principals of the Applicant (first principal disclosure level). For Applicants seeking Housing Credits, the Housing Credit Syndicator/Housing Credit investor need only be disclosed at the first principal disclosure level and no other disclosure is required;
- (b) The Applicant must disclose all of the Principals of all the entities identified in paragraph (a) above (second principal disclosure level);
- (c) **The Applicant must disclose all of the Principals of all of the entities identified in paragraph (b) above (third principal disclosure level). Unless the entity is a trust, all of the Principals must be natural persons;**
and
- (d) If any of the entities identified in paragraph (c) above are a trust, the Applicant must disclose all of the Principals of the trust (fourth principal disclosure level), all of whom must be natural persons.”

(emphasis added).

7. Rule 67-21.003(1)(b), F.A.C. (2022), which provides in relevant part:

“(b) If the NC Award will not be made available through the competitive solicitation funding process outlined in rule Chapter 67-60, F.A.C., the Applicant shall utilize the Non-Competitive Application Package in effect at the time the Applicant submits the Application. The Non-Competitive Application Package or NCA (Rev. 04-2022) is adopted and incorporated herein by reference and consists of the forms and instructions available, without charge, on the Corporation’s website under the Multifamily Programs link labeled Non-Competitive Programs or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-14387>, which shall be completed and submitted to the Corporation in accordance with this rule chapter.”

(emphasis added).

8. Section A.6.a. of the NCA, which provides, in relevant part:

“6. Principals Disclosure for the Applicant and for each Developer:

- a. The Principals of the Applicant and Developer(s) Disclosure Form in effect at the time of Application submission (“Principal Disclosure Form”), must be submitted, in Excel format, as part of the Application package.

The Principal Disclosure Form must identify, pursuant to subsections 67-21.002(86) and 67-21.0025(7) and (8), F.A.C., the Principals of the Applicant and Developer(s). For Housing Credits, the investor limited partner of an Applicant limited partnership or the investor member of an Applicant limited liability company must be identified on the Principal Disclosure Form. **A Principals Disclosure Form should not include, for any organizational structure, any type of entity that is not specifically included in the Rule definition of Principals. Pursuant to subsection 67-21.002(86), any Principal that is not a natural person must be a legally formed entity as of the Application Deadline.**

In order to assist the Applicant in completing the Principal Disclosure Form, the Corporation offers an Advance Review Process. The Advance Review Process for Disclosure of Applicant and Developer Principals is available on the Non-Competitive Application webpage and also includes samples which may assist the Applicant in completing the required Principals Disclosure Form.”

(emphasis added).

9. The NCA, which provides, in pertinent part:

“Non-Competitive Housing Credits (4 Percent HC) only, to be used for a Tax-Exempt Bond Financed Development where the bonds are issued by a County Housing Finance Authority (HFA) established pursuant to Section 159.604, F.S. **The Non-Competitive Application Form can be submitted anywhere from the time the Applicant completes Credit Underwriting for the Bonds up until the last Corporation business day of December of the year the Development is placed in service;**”

(emphasis added).

D. STATUTES IMPLEMENTED BY THE RULE

10. The Rule is implementing, among other sections of the Florida Housing Finance Corporation Act, the statute that created the Housing Tax Credit Program and the Multifamily Mortgage Revenue Bonds Program. *See* §§ 420.509, 420.5099, *Fla. Stat.* (2022) (the “**Statute**”).

11. The Corporation has the authority pursuant to Section 120.542(1), Florida Statutes, and Chapter 28-104, F.A.C., to grant waivers to its rule requirements when strict application of such rules would lead to unreasonable, unfair and unintended results in particular instances. Waivers shall be granted when the person subject to the rule demonstrates that the application of the rule would (1) create a substantial hardship or violate principals of fairness, and (2) the purpose of the underlying statute has been or will be achieved by other means by the person. § 120.542(2), *Fla. Stat.*

E. JUSTIFICATION FOR GRANTING THE WAIVER OF THE RULE

12. Petitioner is seeking a waiver from Section A.6.a. of the Non-Competitive Application Package, which requires the applicant to include with its application for non-competitive tax credits the Principals of the Applicant and Developer(s) Disclosure Form in excel format (hereinafter, the “**Principal Disclosure Form**”), as an exhibit to the NCA. The application further requires that the applicant identify the principals pursuant to subsection 67-21.002(86), F.A.C., which provides the definition of who constitutes a “Principal” for disclosure purposes. Moreover, subsection 67-21.0025(7) of the Corporation’s rules provides specific requirements an applicant must comply with for the disclosure of “Principals”.

13. As such, for Petitioner to submit a NCA for 4 Percent HC for the Development and comply with Section A.6.a. thereof, it must be able to submit the Principal Disclosure Form in accordance with not only Rule 67-21.002(86), but also Rule 67-21.0025(7)(c). Petitioner’s current ownership structure does not comply with the requirements of Rule 67-21.0025(7)(c). Therefore, Petitioner is also seeking a waiver of 67-21.0025(7)(c), which requires that by the third principal disclosure level of the Principal Disclosure Form, the Principals disclosed must all be natural persons except if the Principal is a trust, in which case the natural person Principal can be disclosed by the fourth principal disclosure level.

14. Petitioner cannot meet the requirement to have a natural person principal by the third principal disclosure level because the structure of its managing member consists of multiple corporate layers to accommodate the structuring of the ownership interests of its members, which in large part would require going to the fourth or fifth principal disclosure level before a natural person is ultimately disclosed. The Petitioner’s managing member is a joint venture owned by two unrelated third parties, specifically Belveron Partners and Evergreen Real Estate Group (through their respective affiliate entities) (the “MM Parties”), that have utilized this ownership

structure in a number of transactions to provide affordable housing throughout the country. As the MM Parties are unrelated, each deal they conduct together as managing member needs to be legally distinct from the other deals they have already done and operated by a unique joint venture managing member. To remove the property specific intermediary entities from the structure, solely for disclosure purposes, would open the other deals the MM Parties have entered into and the MM Parties themselves to liability associated with this Development, which would not be an equitable outcome for the purpose of the Rule. As such, the need to disclose all natural persons by the third principal disclosure level creates a substantial hardship for Petitioner's managing member joint venture enterprise as it is intended to enter into multiple transactions for the development of affordable housing but, it cannot be used to create a viable ownership structure if it is required to adhere to Rule. Further, there are key entities involved in the upper tiers of these entities, including Bel Dev Pool LLC, Belveron Partners' employee-profit sharing entity, that are crucial to the willingness of the parties to engage in this transaction. The intent of this structure is not to obfuscate the ultimate ownership of the managing member and all natural persons involved in said ownership are ultimately disclosed, it is simply that such disclosure requires additional principal disclosure level for Petitioner to maintain a viable and consistent deal structure. Therefore, Petitioner is requesting waiver of the requirement that all natural persons are disclosure by the third principal disclosure level.

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granted. However, Petitioner cannot submit this Petition without first submitting an Application and cannot submit an Application until completing the Credit Underwriting and cannot complete Credit Underwriting and finalize its Credit Underwriting Report without first granting of this Petition. Consequently, Petitioner will need to submit the Application before completing Credit Underwriting in order to address this issue in advance with the Corporation. Therefore, Petitioner is requesting a waiver of the requirement to submit a final Credit Underwriting Report with its Application in order to prevent any further delay to the closing and rehabilitation commencement of the Development.

16. A waiver of the Rule will permit Petitioner to apply for non-competitive tax credits to finance a portion of the rehabilitation of the Development. Without this additional source of investor equity, the Petitioner will not have enough funds to preserve and rehabilitate these much needed 160 affordable units in Pensacola, Florida. Petitioner has already committed to acquiring the Development pursuant to a purchase and sale agreement entered into on February 18, 2022 with the intent to undergo acquisition and rehabilitation of the Development. While the Development is currently encumbered by certain rent restrictions, the Petitioner intends to pursue re-syndication with respect to the Development, which re-syndication will result in rent restrictions at the Development being extended.

17. In this instance, Petitioner meets the standards for a waiver of the Rule. The Corporation has the authority pursuant to Section 120.542(1), Florida Statutes, to provide relief from its rules if strict application of those rules will lead to unreasonable, unfair or unintended results in particular instances. Unless the Rule is waived to allow the Petitioner to apply for non-competitive housing credits with its current ownership structure, certain unreasonable, unfair and unintended results will occur, resulting in a substantial hardship to the Petitioner and the

Development. Specifically, the purpose of the Rule was for the Corporation to know who is participating in its programs. However, strict application of the Rule would lead to the unintended result that an entity that is otherwise willing to fully disclose the natural persons involved in its ownership structure, is not able to participate in the Corporation's programs as well as result in a substantial hardship to the Petitioner. In this specific instance, the Corporation's failure to grant the waiver requested will result in a substantial hardship to Petitioner, as Petitioner will not be able to apply for and obtain 4 Percent HC and, as such, will not be able to complete the much-needed rehabilitation of the Development. The Corporation will not be harmed by granting this Petition as the intent of the Rule will not be violated. The Rule was implemented to permit the Corporation to ascertain the parties involved in its programs. Petitioner is able to provide to the Corporation natural person principals, but not by the fourth (or fifth) principal disclosure levels.

18. The requested waiver of the Rule serves the purpose of the Statute that is implemented by the Rule. The Florida Housing Finance Corporation Act (Section 420.501, *et seq.*) was passed in order to encourage private and public investment in facilities for persons of low-income. The purpose of the creation of the Housing Tax Credit Program and Multifamily Mortgage Revenue Bonds Program is to stimulate creative private sector initiatives to increase the supply of affordable housing. By granting this waiver of the Corporation's rule which requires a natural person principal by the third principal disclosure level and that a final Credit Underwriting Report be included in the Application, Petitioner will be able to apply for non-competitive housing credits with its current structure, as requested in this Petition, and the Corporation would recognize the goal of increasing the supply of affordable housing through private investment in persons of low income.

F. ACTION REQUESTED

19. For the reasons set forth herein, Petitioner respectfully requests the Corporation (i) grant the requested waiver of the Corporation's rule which requires a natural person principal by the third principal disclosure level; (ii) grant the requested waiver of the Timing Requirement and Corporation's requirement that a final Credit Underwriting Report be included in the Application; (iii) grant the Petition and all of the relief requested herein; and (iv) grant such further relief as it may deem appropriate.

Respectfully submitted on the 21st day of February, 2023.

Respectfully submitted,



Andrew Bennett, Esq.
Fla. Bar No. 0125189
Hollie A. Croft, Esq.
Fla. Bar No. 886181
NELSON MULLINS RILEY & SCARBOROUGH
390 N. Orange Avenue, Suite 1400
Orlando, Florida 32801
Telephone: (407) 839-4200
Facsimile: (407) 425-8377
Email: drew.bennett@nelsonmullins.com
hollie.croft@nelsonmullins.com
COUNSEL FOR PETITIONER

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the foregoing Petition was filed by electronic delivery to:

Florida Housing Finance Corporation,
Attn: Corporation Clerk
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301
CorporationClerk@floridahousing.org

Joint Administrative Procedures Committee
680 Pepper Building
111 W. Madison Street
Tallahassee, Florida 32399
Joint.admin.procedures@leg.state.fl.us

This 21st day of February, 2023.



Andrew Bennett, Esq.
Fla. Bar No. 0125189

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STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

FLORIDA HOUSING
FINANCE CORPORATION

IN RE: CULMER APARTMENTS, LTD.

FHFC CASE NO. 2023-025VW
Application No. 2020-435BSN
RFA No. 2019-116

**PETITION FOR WAIVER OF FLORIDA ADMINISTRATIVE CODE
RULES 67-48.0072(4)(c) and (26)**

Petitioner, Culmer Apartments, Ltd. (Petitioner), pursuant to section 120.542, Florida Statutes, and chapter 28-104, Florida Administrative Code, petitions Florida Housing Finance Corporation (“Florida Housing”) for a waiver of rules 67-48.0072(4)(c) and (26), Florida Administrative Code (effective 7/11/2019) (the “Rule”) in effect at the time Petitioner submitted its application in response to Florida Housing’s Request for Applications No. 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”). Petitioner seeks to extend the time allowed under the Rule for closing of its SAIL program loans. In support of this Petition, Petitioner states:

A. Petitioner and the Development

1. The name, address, telephone, and email address for Petitioner is:

Culmer Apartments, Ltd.
161 NW 6th Street, Suite 1020
Miami, Florida 33136
Telephone: 305-357-4725
Email: knaylor@apcompanies.com

2. The name, address, telephone and email address of Petitioner’s counsel is:

Christopher B. Lunny
Radey Law Firm
301 South Bronough Street, Suite 200
Tallahassee, Florida 32301
Telephone: 850-425-6654
Email: clunny@radeylaw.com

3. The RFA was issued on November 6, 2019.

4. Petitioner timely submitted Application No. 2020-435BSN in response to the RFA for the development named Culmer Apartments located in Miami-Dade County, Florida (the “Development”). The Development will consist of the new construction of 239 units in three high-rise residential buildings that will serve low-income families.¹

5. The application was assigned number 2020-435BSN. The Florida Housing Board of Directors (the “Board”) approved the final scores and recommendations on March 6, 2020.

6. Petitioner was invited into credit underwriting on July 14, 2020. The invitation letter informed Petitioner that the firm loan commitment letter must be issued within 12 months of

¹ The following information regarding the Development is provided to facilitate staff’s preparation of background material for the Florida Housing Board of Directors:

- Development Name: Culmer Apartments
- Developer: APC Culmer Development, LLC,
- County of Development: Miami-Dade
- Number of Units: 239
- Type: High-Rise Apartments
- Set Asides: 37 residential units at or below 30% of area median income (AMI); 6 residential units at or below 40% of AMI; 5 residential units at or below 50% of AMI; 127 residential units at or below 60% of AMI; and 64 residential units at or below 80% of AMI; 4 residential units at or below 22% AMI (NHTF units)
- Demographics: Family
- Funding Amounts: \$7,000,000 in SAIL; \$4,300,000 SAIL CHIRP; \$600,000 in ELI Loan; \$58,970,000 in Corporation-Issued MMRB; and \$2,145,840 in Housing Credits; \$1,236,800 in NHTF Loan

the Applicant's acceptance to enter into credit underwriting. Petitioner's firm loan commitment was due on July 14, 2021.

7. Pursuant to the Rule, applicants such as Petitioner were permitted to request one extension of up to six months to secure a firm loan commitment. Petitioner requested that extension, which was granted by the Florida Housing Board of Directors on June 18, 2021, and which extended the firm loan commitment issuance deadline until January 14, 2022.

8. On November 19, 2021, Petitioner then requested a waiver from rule 67-48.0072(4)(c) & 21(b), Florida Administrative Code in order to further extend the deadline for the issuance of the firm loan commitment January 14, 2022 until July 14, 2022.

9. On December 10, 2021, the Board granted the petition and Petitioner's deadline for issuance of the firm loan commitment became July 14, 2022.

10. On June 20, 2022, the Florida Housing Finance Corporation staff issued a firm loan commitment to Petitioner for the SAIL, ELI and NHTF loans.

11. On September 8, 2022, the Florida Housing Finance Corporation staff issued an updated firm loan commitment to Petitioner to include proposed increases of the MMRB amount and the SAIL funding amounts through the 2022 Construction Housing Inflation Response Program ("CHIRP"). By operation of rules 67-48.0072(4)(c) and (26), Florida Administrative Code (2019), Petitioner's SAIL, ELI and NHTF loan closing deadline was December 22, 2022.

12. Pursuant to the Rule, applicants such as Petitioner were permitted to request one extension of up to 90 days to close the SAIL program loans. On October 28, 2022, Petitioner requested that extension, which was granted by Board on January 27, 2023, and which extended SAIL, ELI and NHTF program loans closing deadline until March 22, 2023.

13. Petitioner requires additional time to close its SAIL program loans. Petitioner has been pursuing HUD Section 221(d)(4) financing for this development and submitted a Firm Commitment Application to HUD in May 2022. In normal circumstances, Petitioner's lender advised that from submitting the firm application to HUD, financial closing should be anticipated to occur approximately six (6) months later. Based on this information, and given that HUD typically requires 60 days to close after issuing a Firm Commitment, Petitioner initially anticipated a Firm Commitment in September 2022 and financial closing to be able to occur by November 2022.

14. During this time, the feedback Petitioner received from its lender, Wells Fargo, was that HUD has had record deal volume over the past 12+ months resulting in lengthy queues of deals waiting for weeks, if not months, for an available underwriter to be assigned a FHA application for review. Culmer Apartment's application was unfortunately caught up in this backlog and did not have an underwriter assigned for 41 days, at which point HUD communicated an expected Firm Commitment issuance in October 2022. In addition, even when queues nationally seemed to clear up within the last six months, the Southeast Regional office, which is the office handling Petitioner's transaction, continued to have lengthy queues due to a backlog of applications remaining in the underwriting process for longer than normal periods of time.

15. Additionally, during the HUD Environmental Review Online System (HEROS) review, the Petitioner incurred delays due to the request from the State Historic Preservation Office (SHPO) to submit a historic architecture review. The architectural review is typically requested when existing buildings are more than 50 years old, but Petitioner was asked to provide the report despite the existing buildings being 45-years old and below this threshold. Petitioner pointed out the age of the buildings to SHPO, but given the historical attributes of the neighborhood, SHPO

insisted the report be completed. Petitioner received SHPO clearance on October 20, 2023, but HUD did not clear HEROS until the end of November. In total, the request caused a 60-day delay. Petitioner finally received its HUD Firm Commitment on January 10, 2023, almost four months beyond the original projected timeline.

16. In addition, Culmer Apartments is a partial public housing conversion utilizing the Rental Assistance Demonstration (“RAD”) program. Petitioner has still not received its Rental Assistance Demonstration Conversion Commitment (“RCC”) from HUD, which is typically issued within a couple of days from the issuance of the HUD firm commitment. Since the issuance of the firm commitment, the Petitioner has experienced delays in being placed on the RCC Committee agenda. Petitioner was told they needed to have their updated Commitment to Enter into a Housing Assistance Payments Contract (CHAP) amendment from HUD in hand prior to being placed on the RAD Committee agenda. The CHAP Amendment was received on January 12, 2023, and Petitioner was then expected to be placed on the following Committee agenda on January 19, 2023; however, no Committee meeting occurred that week. On February 7, 2023, Petitioner was informed that due to the offsite relocation of current tenants having a duration greater than 12 months, that an additional FHEO review and approval is required before Petitioner can be placed on a RAD Committee agenda. This FHEO review was kicked off on February 7, 2023, despite the Petitioner receiving FHEO approval of the relocation plan in April 2021. Though this lengthy process allows HUD up to 60 calendar days to review the case and issue a finding, which could cause additional delays, HUD has communicated that they will expedite their review and they are cognizant of the time-sensitive nature of the request. Petitioner has been advised that HUD often requires sixty (60) days from issuance of the RCC to close. As Petitioner has not received the RCC from HUD yet, Petitioner will need the extension as HUD is expected to issue

the RCC in the next few weeks and then require additional time to close. Based upon the consistent delays that Petitioner has experienced in working with HUD on this project, Petitioner maintains that an additional six (6) months to close will be required.

17. For all these reasons, Petitioner requests an additional six (6) month waiver of the SAIL, ELI and NHTF deadline through and including September 22, 2023, in order to allow more time to close its SAIL program loans.

B. Type of Waiver

18. The waiver being sought is permanent in nature.

C. Rule For Which a Waiver Is Requested

19. Petitioner requests a waiver from the Rule, which provides:

(4) If the invitation to enter credit underwriting is accepted:

....

(c) For SAIL, EHCL, and HOME, the credit underwriting process must be completed within the time frame outlined in subsection 67-48.0072(21), F.A.C., below and the loan must close within the time frame outlined in subsection 67-48.0072(26), F.A.C., below.

....

(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.

Rule 67-48.0072(4)(c) & (26), Fla. Admin. Code (2019).

D. Statutes Implemented by the Rule

20. The Rule implements, among other sections of the Florida Housing Finance Corporation Act; section 420.5087 (State Apartment Incentive Loan Program); and section 420.5099 (allocation of the low-income housing tax credit).

E. Justification for Granting Waiver of the Rule

21. Under Section 120.542(1), Florida Statutes, Florida Housing has the authority to grant waivers to or variances from its requirements when strict application of the requirements would lead to unreasonable, unfair, and unintended consequences in particular instances. Specifically, section 120.542(2) states:

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. For purposes of this section, “substantial hardship” means a demonstrated economic, technological, legal, or other type of hardship to the person requesting the variance or waiver. For purposes of this section, “principles of fairness” are violated when the literal application of a rule affects a particular person in a manner significantly different from the way it affects other similarly situated persons who are subject to the rule.

22. Over the last year, the Development has suffered unforeseen hardships with delays, particularly in its efforts to finalize HUD financing. These events make it clear that the Development will not meet the March 22, 2023 deadline to close its SAIL program loans.

23. Despite these delays, Petitioner has been working diligently to close its SAIL program loans and expedite the HUD closing process, to the extent possible.

24. With these delays, it is evident that Petitioner will not meet the March 22, 2023 deadline to close its SAIL program loans. Because Petitioner previously received an extension pursuant to the Rule, a waiver is necessary to obtain the requested additional extension.

25. Under section 120.542(1), Florida Statutes, and chapter 28-104, Florida Administrative Code, Florida Housing has the authority to grant waivers to its rule requirements when strict application of the rules would lead to unreasonable, unfair and unintended consequences, in particular instances. Waivers shall be granted when the person who is subject to the rule demonstrates that the application of the rule would: (1) create a substantial hardship or, violate principles of fairness, and (2) the purpose of the underlying statute has been or will be achieved by other means by the person. § 120.542(2), Fla. Stat. (2023).

26. In this instance, Petitioner meets the standards for a waiver of the Rule. The requested waiver will not adversely impact the Development or Florida Housing and will ensure that 239 much-needed affordable housing units will be made available for a vulnerable segment of the population in Miami-Dade County, Florida.

27. This Development will assist Florida Housing with fulfilling its statutory mandate to provide safe, sanitary, and affordable housing to the citizens of Florida. *See* § 420.502(2), Fla. Stat. Florida Housing is required by section 420.507(48), Florida Statutes, to reserve up to 5% of its annual allocation of low-income housing tax credits to allocate by competitive solicitation for high-priority affordable housing developments, such as housing for low-income families, in communities throughout the state.

28. The requested waiver further serves the purpose of the statute because one of the primary goals of the statute is to facilitate the availability of decent, safe, and sanitary housing in the State of Florida for low-income households. *Id.* By granting this waiver, Florida Housing

would recognize the goal of increasing the supply of affordable housing in persons of low-income, and recognizing the economic realities and principles of fundamental fairness in developing affordable rental housing. *See* § 420.5099(2), Fla. Stat.

29. The strict application of the Rule requirements will create a substantial hardship for Petitioner because if the Petition is not granted, the SAIL allocation will automatically be withdrawn from the transaction and the Development will not be constructed as proposed. The denial of the Petition would result in an economic hardship to Petitioner because Petitioner has incurred significant costs to date in an effort to ensure that the development is completed.

F. Action Requested

WHEREFORE, Petitioner respectfully requests that Florida Housing:

- i. Grant the requested waiver from rule 67-48.0072(4)(c) & (26), Florida Administrative Code and extend the deadline for closing its SAIL program loans from March 22, 2023 until September 22, 2023;
- ii. Grant this Petition and all of the relief requested herein; and
- iii. Grant such further relief as may be deemed appropriate.

Respectfully submitted this 21st day of February, 2023.

/s/ Christopher B. Lunny
Christopher B. Lunny, FBN 0008982
Radey Law Firm
301 South Bronough, Suite 200
Tallahassee, Florida 32301
Telephone: (850) 425-6654
E-mail: clunny@radeylaw.com
Secondary: kellis@radeylaw.com

COUNSEL FOR CULMER APARTMENTS, LTD.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the foregoing Petition was filed by electronic delivery to:

Florida Housing Finance Corporation,
Attn: Corporation Clerk
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301
CorporationClerk@floridahousing.org,

Joint Administrative Procedures Committee
680 Pepper Building
111 W. Madison Street
Tallahassee, Florida 32399
japc@leg.state.fl.us

This 21st day of February, 2023.

/s/ Christopher B. Lunny
CHRISTOPHER B. LUNNY

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

RECEIVED

FEB 21 2023 4:25 PM

IN RE: QUAIL ROOST TRANSIT
VILLAGE I, LTD.

FLORIDA HOUSING
FINANCE CORPORATION

FHFC CASE NO. 2023-026VW
Application No. **2020-461SN**
RFA No. **2020-208**

_____/

PETITION FOR WAIVER OF FLORIDA ADMINISTRATIVE CODE
RULES 67-48.0072(4)(c) and (26)

Petitioner, Quail Roost Transit Village I, Ltd., (Petitioner), pursuant to section 120.542, Florida Statutes, and chapter 28-104, Florida Administrative Code, petitions Florida Housing Finance Corporation (“Florida Housing”) for a waiver of rules 67-48.0072(4)(c) and (26), Florida Administrative Code (effective 7/11/2019) (the “Rule”) in effect at the time Petitioner submitted its application in response to Florida Housing’s Request for Applications No. 2020-208, for SAIL and Housing Credit Financing for the Construction of Workforce Housing (the “RFA”). Petitioner seeks to extend the time allowed under the Rule for closing of its SAIL program loans. In support of this Petition, Petitioner states:

A. Petitioner and the Development

1. The name, address, telephone, and email address for Petitioner is:

Quail Roost Transit Village I, Ltd
161 NW 6th Street, Suite 1020
Miami, Florida 33136
Telephone: 305-357-4725
Email: knaylor@apcompanies.com

2. The name, address, telephone and email address of Petitioner’s counsel is:

Christopher B. Lunny
Radey Law Firm
301 South Bronough Street, Suite 200
Tallahassee, Florida 32301
Telephone: 850-425-6654
Email: clunny@radeylaw.com

3. The RFA was issued on February 24, 2020.

4. Petitioner timely submitted Application No. 2020-461S in response to the RFA for the development named Quail Roost Transit Village I located in Miami-Dade County, Florida (the “Development”). The Development will consist of the new construction of a 200 unit, high-rise residential apartment complex that will serve low-income families.¹

5. The application was assigned number 2020-461S. The Florida Housing Board of Directors (the “Board”) approved the final scores and recommendations on June 11, 2020.

6. Petitioner was invited into credit underwriting on October 21, 2020. The invitation letter informed Petitioner that the firm loan commitment letter must be issued within 12 months of

¹ The following information regarding the Development is provided to facilitate staff’s preparation of background material for the Florida Housing Board of Directors:

- Development Name: Quail Roost Transit Village I
- Developer, including at least one natural person: Quail Roost I Development, LLC/Howard D. Cohen
- County of Development: Miami-Dade
- Number of Units: 200
- Type: High-Rise Apartments
- Set Asides: 32 residential units at or below 30% of area median income (AMI); 40 residential units at or below 50% of AMI; 18 residential units at or below 60% of AMI; 84 residential units at or below 70% of AMI; and 26 residential units at or below 80% of AMI
- Demographics: Workforce
- Funding Amounts: \$6,500,000 in Workforce SAIL
- Funding Amounts: \$3,700,000 in NHTF CHIRP

the Applicant's acceptance to enter into credit underwriting. Petitioner's firm loan commitment was due on October 23, 2021.

7. Pursuant to the Rule, applicants such as Petitioner were permitted to request one extension of up to six months to secure a firm loan commitment. Petitioner requested that extension, which was granted by Board on October 22, 2021, and which extended the firm loan commitment issuance deadline until April 25, 2022.

8. On February 16, 2022, Petitioner then requested a waiver from rule 67-48.0072(4)(c) & 21(b), Florida Administrative Code in order to further extend the deadline for the issuance of the firm loan commitment from April 25, 2022 until October 25, 2022.

9. On March 4, 2022, the Board granted the petition and Petitioner's deadline for issuance of the firm loan commitment became October 25, 2022.

10. On June 20, 2022, the Florida Housing Finance Corporation staff issued a firm loan commitment to Petitioner for the SAIL loan. On September 22, 2022, the Florida Housing Finance Corporation staff issued an updated firm loan commitment to Petitioner which included a request for funding under the 2022 Construction Housing Inflation Response Program ("CHIRP"). By operation of rules 67-48.0072(4)(c) and (26), Florida Administrative Code (2019), Petitioner's loan closing deadline was December 22, 2022.

11. Pursuant to the Rule, applicants such as Petitioner were permitted to request one extension of up to 90 days to close the SAIL program loans. On November 1, 2022, Petitioner requested that extension, which was granted by Board on January 27, 2023, and which extended SAIL program loans closing deadline until March 22, 2023.

12. Petitioner requires additional time to close its SAIL program loans. Petitioner has been pursuing HUD Section 220 financing for this development. In normal circumstances,

Petitioner's lender advised that from submitting the firm application to HUD, financial closing should be anticipated to occur approximately six (6) months later. Based on this information, Petitioner initially anticipated financial closing to be able to occur by July 2022.

13. However, before submitting the full application, HUD advised and requested that Petitioner submit a pre-application, which is an added step to the process and resulted in approximately six (6) more months added to the overall timeline. Upon learning of this added step, Petitioner worked to quickly compile the pre-application, which was then submitted to HUD on December 20, 2021. The pre-application then sat in a queue for 58 days before being assigned an underwriter to review the application. Despite constant following up by Petitioner and Petitioner's lender and answering all questions in a timely manner, it took until June 3, 2022 for HUD to complete their review of the pre-application and invite Petitioner to submit a full application.

14. Petitioner worked quickly to finalize the full application, which was then submitted on June 21, 2022. The full application then sat in the queue again for another 37 days before being assigned a new underwriter, despite multiple requests by Petitioner for the application to be reassigned to the same underwriter who reviewed the pre-application with the goal of a more efficient review process. Throughout the underwriting process, Petitioner and Petitioner's lender provided timely responses to any questions that arose. Petitioner finally received its HUD firm commitment on January 9, 2023, 385 days after the initial pre-application was submitted.

15. During this time, the feedback Petitioner received from its lender, Wells Fargo, was that HUD has had record deal volume over the past 12+ months resulting in lengthy queues of deals waiting for weeks, if not months, for an available underwriter to be assigned a FHA application for review. Quail Roost Transit Village I's application was unfortunately caught up in this backlog. In addition, even when queues nationally seemed to clear up within the last six

months, the HUD Southeast Regional office, which is the office handling Petitioner's transaction, continued to have lengthy queues due to a backlog of applications remaining in the underwriting process for longer than normal periods of time.

16. In addition to the delays pertaining to the HUD Section 220 financing, Quail Roost Transit Village I is part of a partial public housing conversion utilizing the Rental Assistance Demonstration ("RAD") program. Based on feedback from the Petitioner's HUD consultant, the Rental Assistance Demonstration Conversion Commitment ("RCC") (which is needed to close) is often issued within a couple of days from the HUD firm commitment. However, on Quail Roost Transit Village I there was not the typical coordination between the two different departments of HUD handling this transaction. Despite Petitioner's consistent follow up and quick responses to questions, the RCC was not issued by HUD until February 1, 2023, which is 23 days after the firm commitment was issued.

17. While the entire closing team is targeting and working diligently towards a March 7, 2023 financial closing date, Petitioner has been advised that HUD often requires sixty (60) days from issuance of the RCC to close, which would be April 2, 2023. While Petitioner is working hard to shorten this timeframe and press for closure by March 7, 2023, Petitioner will need the extension in the likely event that HUD requires additional time to close. Based upon the consistent delays that Petitioner has experienced in working with HUD on this project, Petitioner maintains that an additional six (6) months to close may be required.

18. For all these reasons, Petitioner requests a six (6) month waiver of the SAIL loan closing deadline through and including September 22, 2023, in order to allow more time to close its SAIL program loans.

B. Type of Waiver

19. The waiver being sought is permanent in nature.

C. Rule For Which a Waiver Is Requested

20. Petitioner requests a waiver from the Rule, which provides:

(4) If the invitation to enter credit underwriting is accepted:

....

(c) For SAIL, EHCL, and HOME, the credit underwriting process must be completed within the time frame outlined in subsection 67-48.0072(21), F.A.C., below and the loan must close within the time frame outlined in subsection 67-48.0072(26), F.A.C., below.

....

(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.

Rule 67-48.0072(4)(c) & (26), Fla. Admin. Code (2019).

D. Statutes Implemented by the Rule

21. The Rule implements, among other sections of the Florida Housing Finance Corporation Act; section 420.5087 (State Apartment Incentive Loan Program); and section 420.5099 (allocation of the low-income housing tax credit).

E. Justification for Granting Waiver of the Rule

22. Under Section 120.542(1), Florida Statutes, Florida Housing has the authority to grant waivers to or variances from its requirements when strict application of the requirements would lead to unreasonable, unfair, and unintended consequences in particular instances. Specifically, Florida Statute section 120.542(2) states:

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. For purposes of this section, “substantial hardship” means a demonstrated economic, technological, legal, or other type of hardship to the person requesting the variance or waiver. For purposes of this section, “principles of fairness” are violated when the literal application of a rule affects a particular person in a manner significantly different from the way it affects other similarly situated persons who are subject to the rule.

23. Over the last year, the Development has suffered unforeseen hardships with delays, particularly in its efforts to finalize HUD financing. These events make it clear that the Development will not meet the March 22, 2023 deadline to close its SAIL program loans.

24. Despite these delays, Petitioner has been working diligently to close its SAIL program loans and expedite the HUD closing process, to the extent possible.

25. With these delays, it is evident that Petitioner will not meet the March 22, 2023 deadline to close its SAIL program loans. Because Petitioner previously received an extension pursuant to the Rule, a waiver is necessary to obtain the requested additional extension.

26. Under section 120.542(1), Florida Statutes, and chapter 28-104, Florida Administrative Code, Florida Housing has the authority to grant waivers to its rule requirements when strict application of the rules would lead to unreasonable, unfair and unintended consequences, in particular instances. Waivers shall be granted when the person who is subject to the rule demonstrates that the application of the rule would: (1) create a substantial hardship or, violate principles of fairness, and (2) the purpose of the underlying statute has been or will be achieved by other means by the person. § 120.542(2), Fla. Stat. (2023).

27. In this instance, Petitioner meets the standards for a waiver of the Rule. The requested waiver will not adversely impact the Development or Florida Housing and will ensure that 200 much-needed affordable housing units will be made available for a vulnerable segment of the population in Miami-Dade County, Florida.

28. This Development will assist Florida Housing with fulfilling its statutory mandate to provide safe, sanitary, and affordable housing to the citizens of Florida. *See* § 420.502(2), Fla. Stat. Florida Housing is required by section 420.507(48), Florida Statutes, to reserve up to 5% of its annual allocation of low-income housing tax credits to allocate by competitive solicitation for high-priority affordable housing developments, such as housing for low-income families, in communities throughout the state.

29. The requested waiver further serves the purpose of the statute because one of the primary goals of the statute is to facilitate the availability of decent, safe, and sanitary housing in the State of Florida for low-income households. *Id.* By granting this waiver, Florida Housing would recognize the goal of increasing the supply of affordable housing in persons of low-income, and recognizing the economic realities and principles of fundamental fairness in developing affordable rental housing. *See* § 420.5099(2), Fla. Stat.

30. The strict application of the Rule requirements will create a substantial hardship for Petitioner because if the Petition is not granted, the SAIL allocation will automatically be withdrawn from the transaction and the Development will not be constructed as proposed. The denial of the Petition would result in an economic hardship to Petitioner because Petitioner has incurred significant costs to date in an effort to ensure that the development is completed.

F. Action Requested

WHEREFORE, Petitioner respectfully requests that Florida Housing:

- i. Grant the requested waiver from rule 67-48.0072(4)(c) & (26), Florida Administrative Code and extend the deadline for closing its SAIL program loans from March 22, 2023 until September 22, 2023;
- ii. Grant this Petition and all of the relief requested herein; and
- iii. Grant such further relief as may be deemed appropriate.

Respectfully submitted this 21st day of February, 2023.

/s/ Christopher B. Lunny
Christopher B. Lunny, FBN 0008982
Radey Law Firm
301 South Bronough, Suite 200
Tallahassee, Florida 32301
Telephone: (850) 425-6654
E-mail: clunny@radeylaw.com
Secondary: kellis@radeylaw.com

COUNSEL FOR PETITIONER,
QUAIL ROOST TRANSIT VILLAGE I, LTD.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the foregoing Petition was filed by electronic delivery to:

Florida Housing Finance Corporation,

Attn: Corporation Clerk
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301
CorporationClerk@floridahousing.org,

Joint Administrative Procedures Committee
680 Pepper Building
111 W. Madison Street
Tallahassee, Florida 32399
japc@leg.state.fl.us

This 21st day of February, 2023.

/s/ Christopher B. Lunny
CHRISTOPHER B. LUNNY

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FEB 21 2023 4:45 PM

FLORIDA HOUSING
FINANCE CORPORATION

STATE OF FLORIDA

FLORIDA HOUSING FINANCE CORPORATION

DOCKSIDE AT SUGARLOAF KEY, LLC

Petitioner,

FHFC Case No.: 2023-027VW

v.

APPLICATION NO. 2019-008CS/2021-
291CS/2022-__CS

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

_____ /

**PETITION FOR WAIVER OF
RULES 67-48.004(3)(E) AND 67-48.0072(21)(B)**

Petitioner, Dockside at Sugarloaf Key, LLC, a Florida limited liability company (the “Petitioner”) submits its petition to Respondent, Florida Housing Finance Corporation (the “Corporation”), for a waiver of Rules 67-48.004(3)(e) and 67-48.0072(21)(b), F.A.C. in effect at the time Petitioner submitted its application in response to the Corporation’s Request for Applications 2018-115 (the “RFA”), to allow Petitioner to (i) change the Development Site and Development Location Point for the Development, and (ii) extend the Firm Loan Commitment deadline for the State Apartment Incentive Loan (“SAIL”) funding allocated to Petitioner pursuant to the RFA. In support of this petition (the “Petition”), Petitioner states as follows:

A. Petitioner and the Development.

1. The name, address, telephone, and facsimile numbers for Petitioner and its qualified representative are:

Dockside at Sugarloaf Key, LLC
c/o Rural Neighborhoods, Inc.
19308 SW 380th Street
Florida City, FL 33034
(305) 242-2142
SteveKirk@ruralneighborhoods.org

The name, address, telephone, and facsimile numbers of Petitioner's attorneys are:

Gary J. Cohen, Esq.
Shutts & Bowen LLP
200 S. Biscayne Blvd., Ste. 4100
Miami, FL 33131
Telephone: (305) 347-7308
Facsimile: (305) 347-7808
Email: gcohen@shutts.com

2. Pursuant to the RFA, Petitioner timely submitted its application for low-income housing tax credits ("Credits") and SAIL funding. See Application Number 2019-008CS ("Application"). Petitioner was preliminarily awarded \$1,366,400.00 in SAIL funding under the RFA (the "SAIL Award"). The SAIL Award Firm Loan Commitment issuance deadline was originally January 2, 2020, which was twelve (12) months from the invitation to enter credit underwriting, which date was extended at a December 2019 meeting of the Board of Directors of the Corporation ("Board") to July 1, 2020, and extended again at a July 2020 Board meeting until January 31, 2021, extended at a January 2021 Board meeting until January 31, 2022, and extended at a January 2022 Board meeting until January 31, 2023. It is the Corporation's policy that, since the extended deadline did not expire until after the Corporation's January 27, 2023 Board meeting, this petition for further extension of such deadline is timely filed for consideration at the March 10, 2023 Board meeting.

3. The SAIL Award is a critical part of the financing for the new construction of affordable family/workforce housing to be known as Dockside at Sugarloaf Key, serving income qualifying persons (the "Development"). The development is located in Monroe County.

4. For the reasons explained more fully below, the SAIL Award Firm Loan Commitment will not be issued by the January 31, 2023 deadline. Also as more fully explained below, as a result of litigation with neighboring landowners in Monroe County which has recently been concluded and settled, Petitioner proposes to move its existing Development Site for the

Development to the east in order to be located in a safer non-high velocity flood zone area (which revised site includes a substantial portion of the property under site control at the time of the original application). As a result of the relocation of the original Development Site, the Development Location Point indicated in the Application will no longer be located within the boundaries of the revised Development Site, but a newly designated Development Location Point will be located within the boundaries of the revised Development Site (see Exhibit A for location of original and revised Development Site and Development Location Point).

B. Rules from Which the Waiver is Sought.

5. The relevant portions of the Rules in effect at the time the SAIL funds were awarded for which this waiver is sought, provide as follows:

(a) Rule 67-48.004(3) provides that "... notwithstanding any other provision of these Rules, the following as identified in the Application must be maintained and cannot be changed by the Applicant after the applicable submission, unless provided otherwise below:

... (e) Site for the Development ...

As noted above, a sketch of the original Development Site and original Development Location Point contained in the Application is attached as **Exhibit A**, as is a sketch of the revised Development Site and new Development Location Point.

(b) Rule 67-48.0072 provides that "(21) Information required by the Credit Underwriter shall be provided as follows:

(b) For SAIL, EHCL, and HOME, unless stated otherwise in a competitive solicitation, the firm loan commitment must be issued within twelve (12) months of the Applicant's acceptance to enter credit underwriting. Unless an extension is approved by the Corporation in writing, failure to achieve credit underwriting report approval and issuance of a firm loan commitment by the specified deadline shall result in withdrawal of the preliminary commitment. Applicants may request one (1) extension of up to six (6) months to secure a firm loan commitment. All extension requests must be

submitted in writing to the program administrator and contain the specific reasons for requesting the extension and shall detail the time frame to achieve a firm loan commitment. In determining whether to grant an extension, the Corporation shall consider the facts and circumstances of the Applicant's request, inclusive of the responsiveness of the Development team and its ability to deliver the Development timely. The Corporation shall charge a non-refundable extension fee of one (1) percent of each loan amount if the request to extend the credit underwriting and firm loan commitment process beyond the initial twelve (12) month deadline is approved. If, by the end of the extension period, the Applicant has not received a firm loan commitment, then the preliminary commitment shall be withdrawn." Rule 67-48.0072(21)(b), F.A.C. (2019).

C. Statute Implemented.

6. The Rules for which a waiver is requested are implementing, among other sections of the Florida Housing Finance Corporation Act (the "Act"), the statute that created the SAIL program and provides for the allocation of Housing Credits. See §§ 420.5087 and §§ 420.5099(2), Florida Statutes (2021).

7. Pursuant to Chapter 120.542(1), Florida Statutes, "strict application of uniformly applicable rule requirements can lead to unreasonable, unfair, and unintended results in particular instances. The Legislature finds that it is appropriate in such cases to adopt a procedure for agencies to provide relief to persons subject to regulation." Therefore, under Section 120.542(1), Florida Statutes and Chapter 28-104, F.A.C., the Corporation has the authority to grant waivers to its requirements when strict application of these requirements would lead to unreasonable, unfair, and unintended consequences in particular instances. Specifically, Section 120.542(2) states:

"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. For purposes of this section, "substantial hardship" means a demonstrated economic, technological, legal, or other type of hardship to the person requesting the variance or waiver. For purposes of this section,

“principles of fairness” are violated when the literal application of a rule affects a particular person in a manner significantly different from the way it affects other similarly situated persons who are subject to the rule.” Section 120.542(2), Florida Statutes.

8. In this instance, Petitioner meets the standards for a waiver.

D. Justification for Petitioner’s Requested Waiver

9. Petitioner was previously granted multiple extensions to secure a firm loan commitment of the SAIL Award, extending such deadline to January 31, 2023. A further extension of the deadline to secure a firm loan commitment may not be granted without a waiver of the Rule.

10. Petitioner is requesting an extension of the deadline to secure a loan commitment from January 31, 2023 to July 31, 2023, to have additional time to complete permitting and credit underwriting for the Development. In addition, Petitioner is requesting to relocate the Development Site contained in the Application to the east, including the location of the Development Location Point since the original Development Location Point in the Application will no longer be located within the boundaries of the revised Development Site. The reasons for this request are as set forth below.

11. Petitioner has faced substantial opposition from organized entities and neighboring landowners in Monroe County to its major conditional use application causing the Developer and Applicant to retain planners, traffic engineers, biologists, legal counsel, and other professionals to establish an extensive record and address expressed concerns. These groups have previously appeared before board and staff on several occasion expressing various reasons for their opposition to affordable housing.

12. Petitioner held two large voluntary public meetings of an estimated 100 and 80 attendees on Sugarloaf Key in which it presented conceptual drawings and polled neighborhood reactions to design alternatives. In addition, the Petitioner participated on October 1, 2020 in

mandatory community meeting and public participation required by the Monroe County Planning and Environmental Resources Department in accordance with the Monroe County Land Development Code.

13. Petitioner participated in a public Development Review Committee meeting on November 16th, 2020 in which Monroe County presented its staff report recommending approval of requested conditional uses and heard public comment.

14. Petitioner participated in an extensive public meeting of the Monroe County Planning Commission on December 16th, 2020 in which the conditional uses were approved 5-0 after public participation. In addition to supportive presentations, entities in opposition presented consultant experts in their effort to construct an alternate record.

15. Entities opposed to this approved action filed an appeal of the Planning Commission approval to the Florida Division of Administration Hearings (“DOAH”) on February 5, 2021. Oral arguments were heard at DOAH on July 13, 2021, and on July 22, 2021 the DOAH Administrative Law Judge affirmed in all respects the issuance of the major conditional use permit for the development. A copy of the DOAH decision is attached as **Exhibit B**.

16. On August 18, 2021, the entities who appealed the Planning Commission’s approval to DOAH filed a Petition for Writ of Certiorari in Circuit Court for Monroe County, Florida, seeking to overturn the above-described DOAH order (which order had upheld the decision of the Monroe County Planning Commission to approve a conditional use permit for the development). Petitioner filed its response on September 29, 2021, at which time the parties engaged in drawn out settlement negotiations. The parties reached (on January 4, 2023) final agreement on resolution of the litigation, which will permit Petitioner to proceed with the

Development. A copy of the final settlement agreement between the parties is attached as **Exhibit C**.

17. As a result of the final settlement agreement between the parties, Petitioner has agreed to relocate the Development Site as more clearly indicated in the sketch attached as **Exhibit A**. Such relocation would result in the Development being located in a safer non-high velocity flood zone area.

18. Petitioner has agreed to the provisions of the final settlement agreement and is submitting this Petition in order to preserve the viability of the Development (and the sister development known as The Landings at Sugarloaf Key, which is the subject of a separate petition for waiver being submitted simultaneously herewith).

19. The requested waiver will not adversely affect Petitioner, the Development, any other party that applied to receive SAIL funding in the RFA or the Corporation. A denial of the Petition, however, would (a) result in substantial economic hardship to Petitioner, as it has incurred substantial costs to date toward ensuring that the Development proceeds to completion; (b) deprive Monroe County of the provision of much needed affordable workforce housing; and (c) violate principles of fairness. §120.542(2), F.S.

20. As discussed above, the delays have been caused by circumstances outside Petitioner's control. As a result, the delay makes it impossible to meet the January 31, 2023 deadline for issuance of a firm loan commitment, or to undertake the Development as contemplated in the Application.

21. The requested waiver will ensure the availability of SAIL and Housing Credit equity funding which will otherwise be lost as a consequence of the development delays described herein.

E. Conclusion

22. The facts set forth in Sections 11 through 18 of this Petition demonstrate the hardship and other circumstances which justify Petitioner's request for a Rule waiver; that is, the delay in permitting and securing of necessary development approvals for the new construction of the Development caused by neighborhood opposition and the loss of a substantial sum of money should the transaction not go forward.

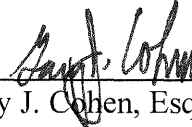
23. As demonstrated above, the requested waiver serves the purposes of Sections 420.5087 and 420.5089, Florida Statutes, and the Act, as a whole, because one of their primary goals is to facilitate the availability of decent, safe, and sanitary housing in the State of Florida to low income persons and households. Further, by granting the requested waiver, the Corporation would recognize principles of fundamental fairness in the development of affordable rental housing.

24. The waiver being sought is permanent in nature. Should the Corporation require additional information, a representative of Petitioner is available to answer questions and to provide all information necessary for consideration of this Petition.

WHEREFORE, Petitioner respectfully requests that the Corporation:

- A. Grant this Petition and all the relief requested therein;
- B. Grant a waiver of the Rule to extend the deadline to secure a firm loan commitment from January 31, 2023 to July 31, 2023, and not require that an additional extension fee be imposed;
- C. Grant a waiver of the Rule to permit the relocation of the Development Site (and the Development Location Point thereon) as requested herein; and
- D. Award such further relief as may be deemed appropriate.

Respectfully submitted,



Gary J. Cohen, Esq.
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Counsel for Dockside at Sugarloaf Key, LLC
200 S. Biscayne Blvd., Ste. 4100
Miami, FL 33131
Telephone: (305) 347-7308
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E-Mail: gcohen@shutts.com

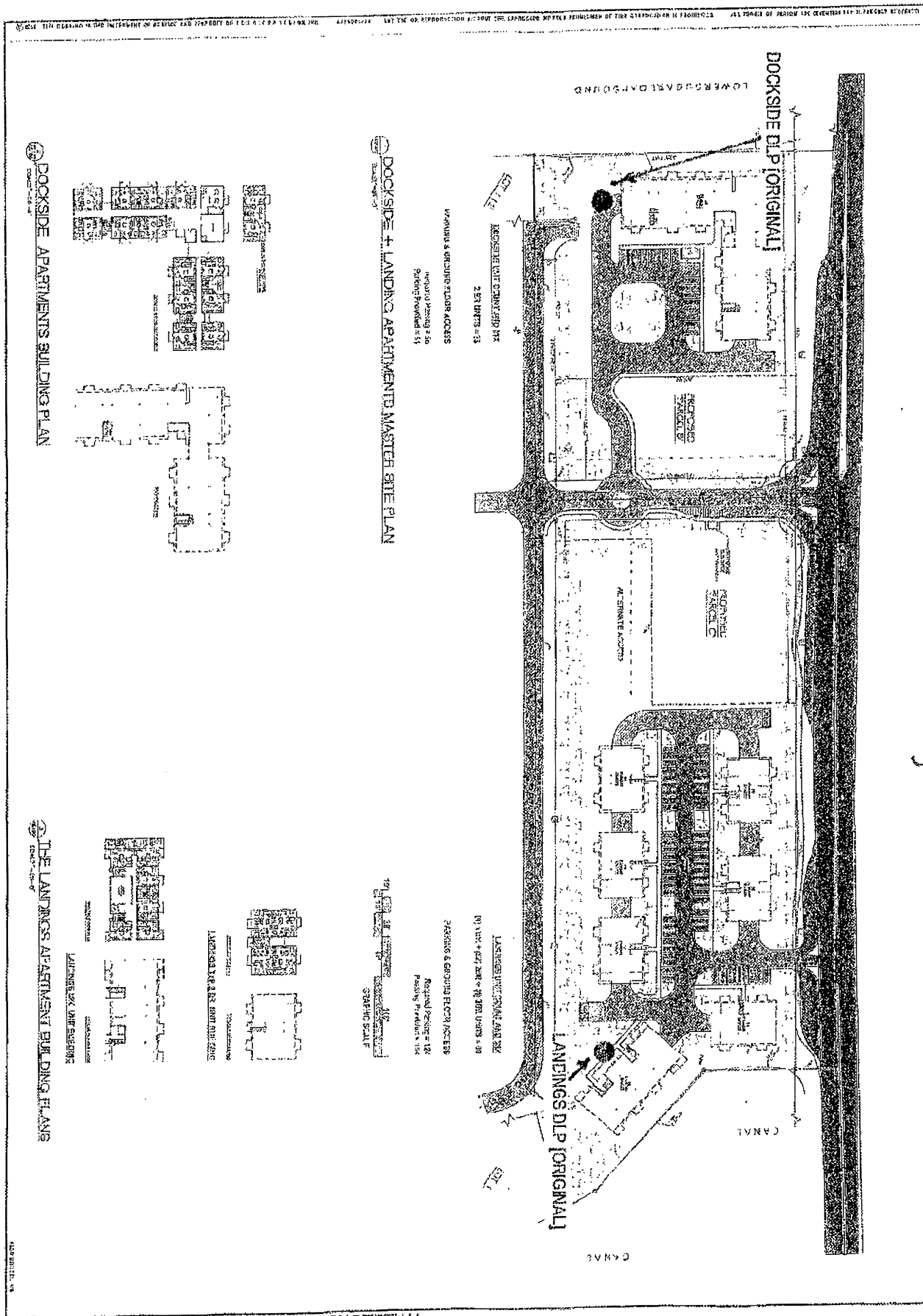
CERTIFICATE OF SERVICE

The original Petition is being served by overnight delivery, with a copy served by electronic transmission for filing with the Corporation Clerk for the Florida Housing Finance Corporation, 227 North Bronough Street, Tallahassee, Florida 32301, with copies served by overnight delivery on the Joint Administrative Procedures Committee, 680 Pepper Building, 111 W. Madison Street, Tallahassee, Florida 32399-1400, this 21st day of February, 2023.

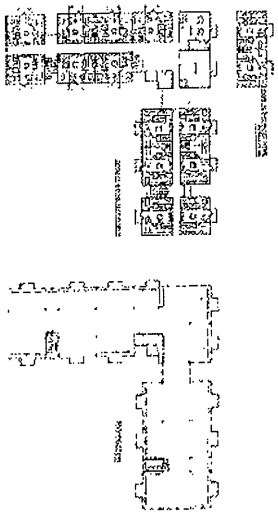


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Miami, FL 33131
Telephone: (305) 347-7308
Fax: (305) 347-7808
E-Mail: gcohen@shutts.com

Exhibit A - Original Site 102P

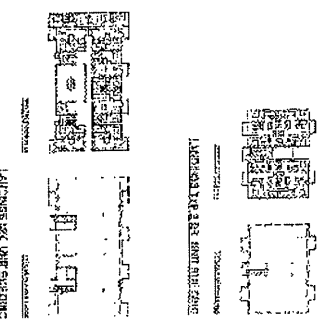


DOCKSIDE APARTMENTS BUILDING PLAN



DOCKSIDE + LANDINGS APARTMENTS MASTER SITE PLAN

THE LANDINGS APARTMENT BUILDING PLANS



CONCEPTUAL
SUGARLOAF
DOCKSIDE AND LANDINGS
APARTMENTS
KANSAS CITY, MISSOURI

DATE	06/06/00	DATE	06/06/00
BY	JS	DATE	06/06/00
CHKD	JS	DATE	06/06/00
APPROVED		DATE	06/06/00

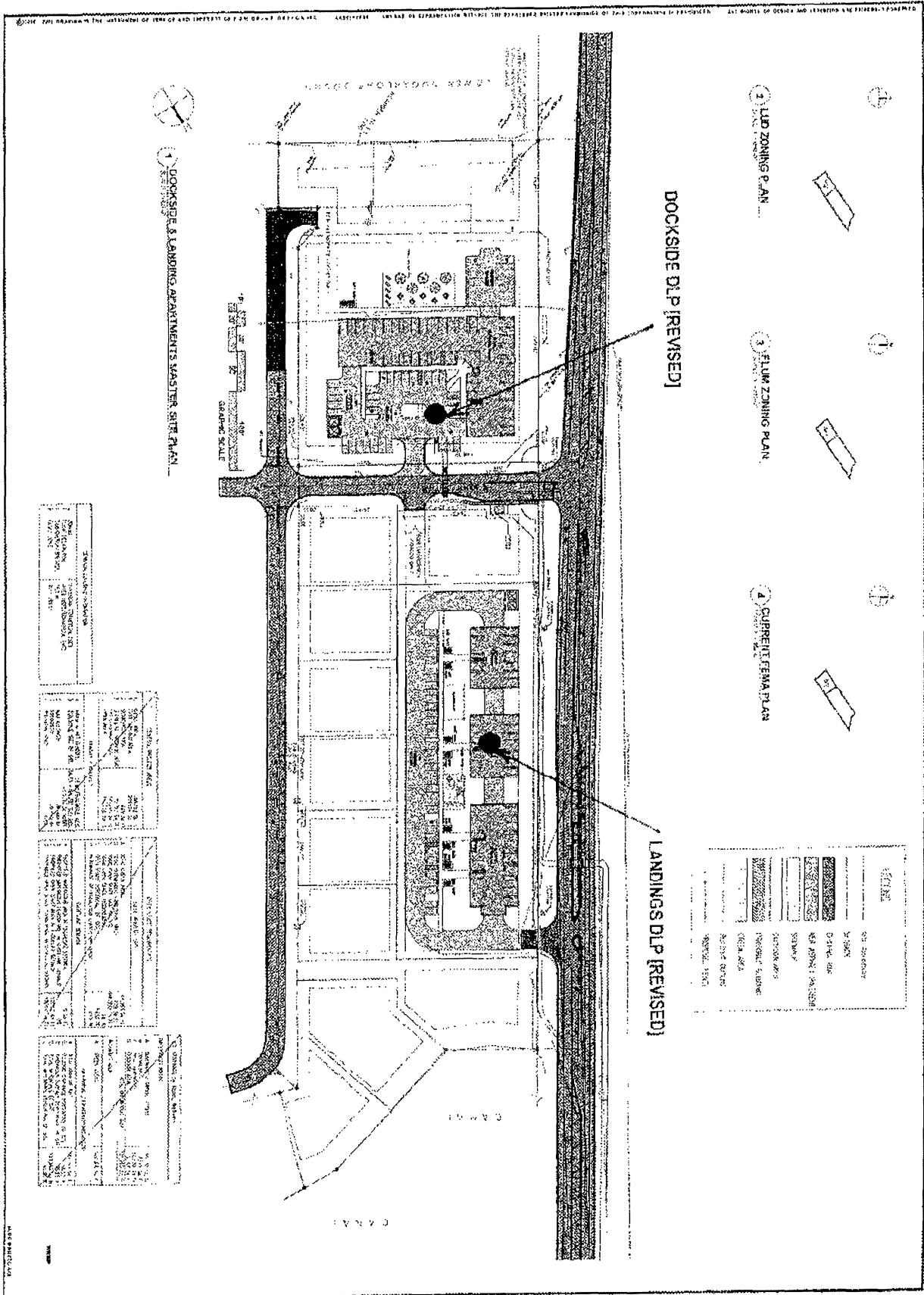
ARCHITECTURE - INTERIORS
DESIGN BUILD SERVICES
1141 SOUTH POINTE CR. EAST, SUITE 200
JACKSONVILLE, FL 32216 (904) 221-0011

POH
GROUP

SCALE
AS SHOWN

MASTER SITE PLAN

Exhibit A - Revised Site 10/2/8



DOCKSIDE & LANDINGS APARTMENTS MASTER SITE PLAN

<p>1. LID ZONING PLAN</p>	<p>2. CURRENT FEMA PLAN</p>	<p>3. FLUM ZONING PLAN</p>
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<p>CONCRETE</p>	<p>BRICK</p>	<p>ASPHALT</p>	<p>LANDSCAPING</p>
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<p>DOCKSIDE DLP (REVISED)</p>	<p>LANDINGS DLP (REVISED)</p>
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<p>APARTMENT UNIT TYPES</p>	<p>APARTMENT UNIT TYPES</p>
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<p>ASIOC</p>	<p>CONCEPTUAL SUGARLOAF DOCKSIDE AND LANDINGS APARTMENTS SUGARLOAF LACS, FLORIDA</p>	<p>DATE: 08/20/08</p>	<p>DATE: 08/20/08</p>	<p>ARCHITECTURE - INTERIORS DESIGN - BUILD SERVICES 4115 SOUTHPOINT DR. EAST, SUITE 204 JACKSONVILLE, FL 32218 (904) 224-0061</p>
		<p>DESIGNER: [Signature]</p>	<p>DATE: 08/20/08</p>	

Exhibit B

STATE OF FLORIDA
DIVISION OF ADMINISTRATIVE HEARINGS

LOWER DENSITY FOR LOWER SUGARLOAF,
LLC, SUGARLOAF SHORES PROPERTY
OWNERS ASSOCIATION, INC., SOUTH
POINT HOMEOWNERS, LLC; STUART
SCHAFFER; JACK MARCHANT; JOHN
COLEY AND WILLIAM L. WALDROP
FAMILY TRUST 12/13/11,

Appellants,

vs.

Case No. 21-0494

MONROE COUNTY PLANNING
COMMISSION AND LOWER KEYS
COMMUNITY CENTER CORPORATION,

Appellees.

FINAL ORDER

Pursuant to section 102-185(f), Monroe County Code (MCC),¹ Appellants, Lower Density For Lower Sugarloaf, LLC; Sugarloaf Shores Property Owners Association, Inc.; South Point Homeowners, LLC; Stuart Schaffer; Jack Marchant; John Coley; and the William L. Waldrop Family Trust 12/13/11 (Appellants), seek review of Monroe County Planning Commission (Commission) Resolution No. P35-20 (Resolution).

The Resolution approved a development application requesting issuance of a major conditional use permit by Lower Keys Community Center Corporation (LKCCC) for the proposed development of 88 multifamily deed-restricted affordable employee housing dwelling units at the intersection of Overseas Highway/U.S. Highway 1 and South Point Drive on Sugarloaf Key, near approximate mile marker 16.7, oceanside (Application).

¹ Part II of the Monroe County Code is often referred to as the Land Development Code (LDC). For purposes of this Final Order, relevant provisions will be referred to as being part of the MCC.

On December 16, 2020, the Commission held a duly noticed public meeting (Public Meeting) to hear and consider the Application. Based on its consideration of the record developed at the Public Meeting, the Commission passed and adopted the Resolution, and approved the Application, on December 16, 2020. The Resolution was rendered on January 8, 2021. The “Appeal to Hearing Officer (State of Florida Division of Administrative Hearings - DOAH)” (Appeal) was filed by Appellants with the Monroe County Planning and Environmental Resources Department (MCPERD) on February 5, 2021. The Appeal was referred to the Division of Administrative Hearings (DOAH) on February 11, 2021. The ten-volume Record of the underlying proceeding, consisting of pages 1 through 1287, was thereafter electronically filed on the docket and transmitted on a CD-R to DOAH on February 12, 2021.

On February 16, 2021, a scheduling order was entered that established the briefing schedule for the appeal pursuant to section 102-217, MCC. Appellants filed an Unopposed Motion for an Extension of Time to File the Initial Brief, which was granted. The date for filing the initial brief was set for May 13, 2021.

On March 15, 2021, LKCCC, the owner of the property and applicant for the major conditional use permit, moved to intervene in this proceeding. The motion was granted, and LKCCC was accepted with full party rights as an Appellee.

On April 6, 2021, Appellants filed a Motion to Stay, requesting that this proceeding be stayed to allow a related Commission resolution, Resolution P36-20, which approved an affordable housing project of “greater than 20 units” for the same project and property, to be resolved contemporaneous with this case.

On April 20, 2021, a telephonic hearing was held on the Motion to Stay at which all parties were represented. Due to the unavailability of the then-presiding Administrative Law Judge (ALJ), Suzanne Van Wyk, the motion was heard by the undersigned. At the commencement of the motion hearing, the undersigned advised the parties of a possible conflict created with the intervention of LKCCC, whose counsel is a member of the law firm that served as ALJ Van Wyk’s ethics counsel in

her election campaign for judicial office in 2018. Appellants thereafter filed a Motion to Recuse ALJ Van Wyk, and this case was transferred to the undersigned.

After consideration of the motion, responses, and argument, the Motion to Stay was denied.

On May 10, 2021, Appellants filed a motion to extend the deadline to file the Initial Brief by seven days, until May 20, 2021. The Motion was granted.

On May 14, 2021, Appellants, without filing a motion for leave to do so, filed a Supplement to Record. Appellants did not file a memorandum of the authority under which the supplement was filed. On May 20, 2021, LKCCC filed a Motion to Strike Appellants' "Supplement to Record." On June 8, 2021, the Motion to Strike was granted, and the Supplement to Record has been given no consideration in the development of this Final Order.

The Initial Brief was timely filed on May 20, 2021. Appellees' Answer Briefs were timely filed on June 22, 2021. On June 24, 2021, Appellant filed a Motion for a 5-Day Extension of Time to File the Reply Brief, and on that same day the undersigned entered an Order to Show Cause directing Appellees to explain the basis for any objection to the Motion. Upon review of the response to the Order to Show Cause, the Motion for a 5-Day Extension of Time was granted, and the Reply Brief submission date was extended to July 6, 2021. Appellants' 22-page Reply Brief was thereafter timely filed on that date, accompanied by a Motion to Exceed Page Limit.

On July 12, 2021, Stuart Schaffer, a party to this proceeding, filed a Motion to Appear Pro Se and Participate in the Oral Argument. Also, on July 12, 2021, Appellants filed a Notice of Supplemental Authority of the Final Order in *Florida Keys Media, LLC v. Monroe County Planning Commission*, Case No. 16-0277 (Fla. DOAH June 1, 2016).

Oral argument was heard by Zoom teleconference on July 13, 2021, at which Appellants' Motion to Exceed Page Limit and Mr. Schaffer's Motion to Appear Pro Se and Participate in the Oral Argument were granted. Appellees were also granted

leave to file a two-page response to the *Florida Keys Media* Final Order, which was filed on July 19, 2021.

ISSUES

Appellants raise five issues on appeal: (1) that the Commission erred in approving the Application despite there being no competent substantial evidence of LKCCC's financial capacity to develop the property; (2) that the Commission erred in approving the Application despite there being no competent substantial evidence that the project will meet the "local needs" requirement of the MCC; (3) that the Commission's Public Meeting denied Appellants due process, and was fundamentally unfair; (4) that the Commission erred in approving the Application despite the failure of the project to comply with the "phasing and aggregation" requirements of the MCC for reserved outparcels; and (5) that the Commission erred in approving the Application despite the failure of the project to comply with, and the project's inconsistency with, the Lower Keys Livable CommuniKeys Plan ("CommuniKeys Plan").

BACKGROUND

LKCCC proposes the development of 88 multifamily deed-restricted affordable employee housing dwelling units at the intersection of Overseas Highway/U.S. Highway 1 and South Point Drive on Sugarloaf Key, near approximate mile marker 16.7, oceanside (the Project). The general description of the Project is as follows:

Dockside consists of 28 units [in one building with three connected sections] on a parcel of 1.95 acres on the west side of S. Point Drive, with the Landings [60 units in seven structures] on a parcel of 3.34 acres on the east of South Point Drive, adjacent to a parcel which is not part of this project. Also on the western side of the Dockside parcel, there is another parcel, also not a part of the project.

The Project is proposed with a new entrance to U.S. Highway 1 ("U.S. 1") at the Landings side that will serve as the primary and only entrance to the Landings.

The new entrance is designed with right turn in and right turn out lanes, and a separate left turn lane for south-bound traffic.

The existing South Point Drive entrance from U.S. 1 is designed to add a right turn in deceleration lane, a right turn out acceleration lane, and a left turn queuing lane. A new roundabout is proposed for South Point Drive, designed to slow traffic along South Point Drive and direct traffic into Dockside.

A new bus stop is proposed for South Point Drive to serve public transit and school busses.

Evidence in the Record of the Commission Public Meeting

The Application was filed on August 14, 2020, by Donald Leland Craig, AICP, and Erica Sterling of Spottswood, Spottswood, Spottswood & Sterling, PLLC, seeking issuance of a major conditional use permit pursuant to section 110-70, MCC.

A major conditional use permit is necessary pursuant to section 130-93(c)(9), MCC, which requires dwelling units involving more than 18 units, designated as employee housing, be approved by the Commission as a major conditional use permit.

On October 1, 2020, a public community meeting was held in accordance with section 110-70(c), MCC.

On or about December 7, 2020, the staff of MCDPERD filed a supplemental Staff Report in the Commission's record of this proceeding, containing a review of pertinent Monroe County Comprehensive Plan and MCC provisions, and recommending approval of the Application, subject to recommended conditions of approval.

The Public Meeting was properly noticed and set for December 16, 2020. On that date, the Commission conducted a quasi-judicial hearing on the Application.

At the Public Meeting, the Commission was represented by John J. Wolfe, Esquire. Brad Stein, the Planning Development Review Manager, who was accepted as an expert in planning, presented the supplemental Staff Report to the

Commission. Testifying at the Public Meeting were the following representatives and professional consultants of LKCCC: Donald Craig, AICP; Steven Kirk, President of the managing member of LKCCC; Karl Peterson, P.E., LKCCC's traffic engineer; and Harry Delashmutt, LKCCC's environmental and biological resources expert. Offering testimony on behalf of Monroe County was Emily Schemper, Senior Director of Planning and Environmental Resources, who was accepted as an expert in planning; Michael Roberts, Assistant Director of Environmental Resources, who was accepted as an expert in biology and environmental resources; and Mr. Stein.

Testimony was taken from 24 members of the public, mostly nearby residents, with five in favor, and 19 in opposition to the Application.

Andrew Tobin, Esquire, appeared on behalf of Appellants, and provided oral legal argument. Also appearing on behalf of Appellants was Stuart Schaffer, President of the Sugarloaf Shores Property Owners Association; Jack Marchant, representing South Point Homeowners, LLC; John Coley, a party; Bill Waldrop, a party representative; and expert witnesses Juan Calderon, P.E., a professional traffic operational engineer; Max Forgee, a planner; Phil Frank, an environmental consultant; and James Carras, a financial consultant. Several of Appellants' speakers submitted written reports that were in the record before the Commission.

The Resolution identified the following evidence as having been presented at the Public Meeting, which was incorporated and transmitted as part of the record:

1. Major conditional use permit development application received by the [MCPERD] on August 14th, 2020;
2. Site plan ("Site Plan") prepared by PQH Group Design Inc., signed-and-sealed by Aldo Minozzi, AIA, dated/on October 19th, 2020;
3. Building elevations ("Building Elevations") prepared by PQH Group Design Inc., signed-and-sealed by Aldo Minozzi R.A., dated/on October 19th, 2020;
4. Building floor plans ("Building Floor Plans") prepared by PQH Group Design Inc., signed-and-sealed by Aldo Minozzi R.A., dated/on July 31, 2020;

5. Drainage plan ("Drainage Plan") prepared by GRAEF (GRAEF USA), signed-and-sealed by Nelson H. Ortiz, P.E., dated/on October 21, 2020;
6. Photometric plan ("Photometric Plan") prepared by PQH Group Design Inc., signed-and-sealed by Thomas C. Nielsen, P.E., dated/on October 19th, 2020;
7. Landscape plan ("Landscape Plan") signed-and-sealed by Brown & Crebbin Design Studio Inc., by/via Richard Brown, FRLA, dated/on October 22nd, 2020;
8. Existing conditions report ("Existing Conditions Report" or "ECR") prepared by Biosurveys, Inc., signed by Harry DeLashmutt, March 16th, 2020;
9. Boundary survey ("Boundary Survey") by Florida Keys Land Surveying, LLC, signed-and sealed by Eric A. Isaacs, P.S.M., dated/on a revised date of July 29th, 2020;
10. Traffic study ("Traffic Study") by KBP Consulting, Inc., signed-and-sealed by Karl B. Peterson, P.E., dated December 2019, and furthermore updated dated July 2020 and December 2020;
11. Sworn testimony of representatives of the property owner and the property owner's professional consultants, including but not limited to Donald Craig, AICP, Harry Delashmutt, Karl Peterson, P.E., Steven Kirk, and Nelson Ortiz, P.E.;
12. Sworn testimony of MCPERD professional staff, including but not limited to the sworn testimony of the Department's Senior Director Emily Schemper, the sworn testimony of the Assistant Director of the Department's Environmental Resources Office Michael Roberts, and sworn testimony of the Department's Development Review Manager Bradley Stein;
13. Written protest request forms from members of the public, more particularly contained in the Department's file maintained for the instant development application/request for hearing and consideration of the

subject major conditional use permit application received from the property owner;

14. Written public comment from members of the public, more particularly contained in the Department's file maintained for the instant development application/request for hearing and consideration of the subject major conditional use permit development application received from the property owner;

15. Sworn testimony of various members of the public speaking in support of and speaking in opposition to the property owner's development application;

16. A two-page (2-page) letter from counsel for certain members of the public, submitted by Andrew Tobin, Esq., dated December 11th, 2020, and oral legal argument of Mr. Tobin;

17. Additional miscellaneous documents contained in the Department's file maintained for the instant development application/request for hearing and consideration of the subject major conditional use permit development application received from the property owner;

18. Advice and counsel of John J. Wolfe, Esq., counsel to the [] Commission.

At the conclusion of the Public Meeting, the Commission voted unanimously to approve the Application. That decision is memorialized in the Resolution, rendered on January 8, 2021. The Resolution made the following "initial" findings of fact:

1. The subject property is located in the Suburban Commercial ("SC") Land Use ("Zoning") District; and
2. The subject property is located the Mixed Use/Commercial ("MC") Future Land Use Map ("FLUM") category; and
3. The subject property is located within an area designed Tier III ("Infill Area"); and

4. Pursuant to [MCC] Section 130-93(c)(9), the proposed development shall require a major conditional use permit; and

5. [MCC] Section 110-67 furnishes the standards which are applicable to all conditional uses. When considering applications for a conditional use permit, this tribunal shall consider the extent to which:

(a) The conditional use is consistent with the purposes, goals, objectives and policies of the Comprehensive Plan and this [MCC];

(b) The conditional use is consistent with the community character of the immediate vicinity of the parcel proposed for development;

(c) The design of the proposed development minimizes adverse effects, including visual impacts, of the proposed use on adjacent properties;

(d) The proposed use will have an adverse effect on the value of surrounding properties;

(e) The adequacy of public facilities and services;

(f) The applicant for conditional use approval has the financial and technical capacity to complete the development as proposed and has made adequate legal provision to guarantee the provision and development of any improvements associated with the proposed development;

(g) The development will adversely affect a known archaeological, historical or cultural resource;

(h) Public access to public beaches and other waterfront areas is preserved as a part of the proposed development; and

(i) The proposed use complies with all additional standards imposed on it by the particular provision of the [MCC] authorizing such use and by all other applicable requirements; and

6. Development shall be consistent with the [MCC]; and
7. Development shall be consistent with the Monroe County Comprehensive Plan; and
8. Development shall be consistent with the Principles for Guiding Development in the Florida Keys Area of Critical State Concern.

The Resolution then made the following “further initial” findings of fact and conclusions of law:

1. The property owner’s development application is consistent with the provisions and intent of the Monroe County Year 2030 Comprehensive Plan, specifically:
 - A. The development is consistent with the purpose of the Mixed Use/Commercial (“MC”) future land use map category, as set forth in Policy 101.5.6; and
 - B. The development is consistent with the future land use densities and intensities, as set forth in Comprehensive Plan Policy 101.5.25.
2. The property owner’s development application is consistent with the provisions and intent of the [MCC], specifically:
 - A. With execution of attached conditions, the development is consistent with the purpose of the Suburban Commercial (“SC”) Land Use (“Zoning”) District, as set forth in [MCC] Section 130-46; and
 - B. With execution of attached conditions, the land uses of the development are permitted within the Suburban Commercial (“SC”) Land Use (“Zoning”) District, as set forth in [MCC] Section 130-93; and
 - C. With execution of attached conditions, the development meets all of the standards for a conditional use permit as set forth in [MCC] Section 110-67; and

3. The property owner's development application is consistent with the Principles for Guiding Development in the Florida Keys Area of Critical State Concern.

The Resolution concluded by expressing the Commission's concurrence with the advice and counsel of its legal counsel; the documentary and testimonial contentions of LKCCC in support of the Application; and the recommendations, findings, and conclusions of the MCPERD's professional staff, and resolved that:

Following considered review of the full record before it, based upon competent substantial evidence in the record, more particularly referenced above in the foregoing prefatory and operative recitals, prefatory and operative findings of fact, and prefatory and operative conclusions of law, all detailing said evidence, and detailing the [] Commission's concurrence with particular oral assertions of law and contentions or determinations of fact and law in the record, the [] Commission hereby approves the property owner's development application requesting approval of issuance of a major conditional use permit.

The Application approval was made subject to the following conditions:

1. The proposed development is currently in compliance with Monroe County Comprehensive Plan Policies 301.1.1, 301.2.1, 301.2.2, 301.2.3 and 301.2.4, as well as [MCC] Sections 114-2(a)(1)(a.), (b.) and (c.). There is currently adequate roadway capacity available at this time, but this shall not guarantee the adequacy or availability of public facilities at subsequent stages of development review. The applicant/property owner hereby acknowledges and agrees that any traffic level of service conditions in the development order are preliminary, and only represent a conditional concurrency determination. A final concurrency review shall [be] completed during building permit review to ensure adequate roadway capacity is confirmed and the adopted level of service is maintained. In areas of the County that are served by marginal or inadequate facilities, developments may be approved, provided that the development in combination with all other permitted development will not decrease travel speed by more than five percent (5%) below Level-of-Service ("LOS") C, and mitigation is provided. Mitigation may be in the form of specific improvements or

proportioned shared contribution towards improvements and strategies identified by the County, and/or by the Florida Department of Transportation ("FDOT") to address any level of service degradation beyond LOS C and/or deficiencies. The applicant shall submit evidence of an agreement between the applicant and the FDOT for inclusion in any contract or agreement for improvements to U.S. Highway 1. For roadway improvements required, the applicant/property owner may utilize:

- a. The necessary facilities and services will be in place at the time a development permit is issued; or
 - b. The necessary facilities and services are in place at the time a certificate of occupancy, or its functional equivalent is issued. Prior to commencement of construction, the applicant shall enter into a binding and legally enforceable commitment to the County to assure construction or improvement of the facility; or
 - c. A binding executed contract in place at the time a permit is issued which provides for the commencement of the actual construction of the required facilities or provision of services; or
 - d. An enforceable development agreement guaranteeing that the necessary facilities and services will be in place with the issuance of a permit. An enforceable development agreement may include, but is not limited to, development agreements pursuant to Section 163.3220, Florida Statutes, or an agreement or development order issued pursuant to Chapter 380, Florida Statutes; or
 - e. A proportionate share contribution or construction that is sufficient to accomplish one or more mobility improvement(s) that will benefit a regionally significant transportation facility. A proposed proportionate fair-share mitigation shall be reviewed pursuant to Section 126-2, [MCC].
2. Prior to issuance of the building permit, a Notice of Intent from the FDOT for the proposed ingress and egress

directly from U.S. Highway 1 for the Landings portion of the property owner's project must be provided.

3. Prior to issuance of a Certificate of Occupancy for any dwelling units within the Landings portion of the property owner's project, an issued FDOT permit for the proposed ingress and egress directly from U.S. Highway 1 for the Landings portion of the project must be provided.

4. If the FDOT does not approve the proposed new access point on U.S. Highway 1 for the Landings portion of the project, the property owner's project will be required to come before the [] Commission as an Amendment to the subject major conditional use permit.

5. Prior to issuance of building permit(s), the applicant/property owner must obtain 88 Rate of Growth Ordinance ("ROGO") allocations, either through a reservation approved by the Monroe County Board of County Commissioners, or through the permit allocation system quarterly application process.

6. Prior to the issuance of a building permit(s) the fencing must comply with [MCC] Section 114-13.

7. Prior to the issuance of a building permit(s) for any signage, all proposed signs must comply with [MCC] Chapter 142.

8. Prior to the issuance of a building permit(s) all standards and requirements of the American with Disabilities Act ("ADA") must be met.

9. The scope of work has not been reviewed for compliance with Florida Building Code prior to the issuance of building permit(s), new development and structures shall be found in compliance by, including but not limited to, the Monroe County Building Department, the Monroe County Floodplain Administrator, and the local Office of the Fire Marshal.

On February 5, 2021, Appellants timely appealed the Commission's decision. On February 11, 2021, the appeal was referred to DOAH for briefing and oral argument.

LEGAL DISCUSSION

Jurisdiction

Pursuant to a contract between DOAH and Monroe County, DOAH has jurisdiction to review by appeal the action of the Commission pursuant to section 102-213, MCC.

Standard of Review

In rendering a final order, the undersigned is subject to the following standard of review:

Within 45 days of oral argument, the hearing officer shall render an order that may affirm, reverse or modify the order of the planning commission. The hearing officer's order may reject or modify any conclusion of law or interpretation of the county land development regulations or comprehensive plan in the planning commission's order, whether stated in the order or necessarily implicit in the planning commission's determination, but he may not reject or modify any findings of fact unless he first determines from a review of the complete record, and states with particularity in his order, that the findings of fact were not based upon competent substantial evidence or that the proceeding before the planning commission on which the findings were based did not comply with the essential requirements of the law.

§ 102-218(b), MCC.

The standard of review under section 102-218(b), MCC, has been applied to determine whether the Commission "applied the correct law." *Haines City Cmty. Dev. v. Heggs*, 658 So. 2d 523, 530 (Fla. 1995); *see also Miami-Dade Cty. v. Omnipoint Holdings, Inc.*, 863 So. 2d 195, 199 (Fla. 2003); *Wolk v. Bd. of Cty.*

Comm'rs, 117 So. 3d 1219, 1223-24 (Fla. 5th DCA 2013). The correct law may derive from the MCC. *Wolk*, 117 So. 3d at 1224.

When used as an appellate standard of review, competent substantial evidence has been construed to be “legally sufficient evidence” or evidence that is “sufficiently relevant and material that a reasonable mind would accept it as adequate to support the conclusion reached.” *DeGroot v. Sheffield*, 95 So. 2d 912, 916 (Fla. 1957); *see also Town of Manalapan v. Gyongyosi*, 828 So. 2d 1029, 1032 (Fla. 4th DCA 2002)(“The ‘competent substantial evidence’ standard of review ... ‘is tantamount to legally sufficient evidence.’”). So long as there is competent substantial evidence supporting the findings made by the Commission in reaching its decision, those findings will be sustained. *See, e.g., Fla. Power & Light Co. v. City of Dania*, 761 So. 2d 1089, 1093 (Fla. 2000); *Collier Med. Ctr., Inc. v. Dep’t of HRS*, 462 So. 2d 83, 85 (Fla. 1st DCA 1985). Whether the record also contains competent substantial evidence to support a different result is irrelevant. *Clay Cty. v. Kendale Land Dev., Inc.*, 969 So. 2d 1177, 1181 (Fla. 1st DCA 2007); *Fla. Power & Light Co.*, 761 So. 2d at 1093; *Educ. Dev. Ctr., Inc. v. City of W. Palm Bch. Zoning Bd. of App.*, 541 So. 2d 106, 108 (Fla. 1989). The scope of review regarding the competent substantial evidence standard requires only that the undersigned:

review the record to assess the evidentiary support for the agency’s decision. Evidence contrary to the agency’s decision is outside the scope of the inquiry at this point, for the reviewing court above all cannot reweigh the “pros and cons” of conflicting evidence. While contrary evidence may be relevant to the wisdom of the decision, it is irrelevant to the lawfulness of the decision. As long as the record contains competent substantial evidence to support the agency’s decision, the decision is presumed lawful and the court’s job is ended.

Dussecau v. Metro. Dade Cty. Bd. of Cty. Comm'rs, 794 So. 2d 1270, 1276 (Fla. 2001).

In determining whether the Commission’s decision is supported by competent substantial evidence, the hearing officer cannot “second-guess” the wisdom of the decision, reweigh conflicting testimony, or substitute his or her judgment for that of

the Commission as to the credibility of witnesses. *Haines City Cmty. Dev. v. Heggs*, 658 So. 2d at 530. Furthermore, the issue is not whether the Commission's decision is the best decision, the right decision, or even a wise decision. "These are technical and policy-based determinations properly within the purview of the [Commission]." *Town of Manalapan v. Gyongyosi*, 828 So. 2d at 1032. In sum, the undersigned's function here is to determine whether the Commission had before it *any* competent substantial evidence supporting the findings in the Resolution, not whether there is competent substantial evidence to support a contrary position. *Fla. Power & Light Co.*, 761 So. 2d at 1093; *Educ. Dev. Ctr., Inc.*, 541 So. 2d at 108.

Issues on Appeal

I. Whether the Commission had competent substantial evidence of LKCCC's financial capacity to develop the property.

Section 110-67(f), MCC, provides that:

When considering applications for a conditional use permit, the Planning Director and the Planning Commission shall consider the extent to which:

* * *

(f) The applicant for conditional use approval has the financial and technical capacity to complete the development as proposed and has made adequate legal provision to guarantee the provision and development of any improvements associated with the proposed development[.]

At paragraph 5(f) of the Resolution's initial findings of fact, the Commission determined that:

The applicant for conditional use approval has the financial and technical capacity to complete the development as proposed and has made adequate legal provision to guarantee the provision and development of any improvements associated with the proposed development[.]

Appellants argue that “the County’s Staff Report concludes that ‘Staff has no evidence to support or disprove the applicant’s financial and technical capacity.’” However, the issue is not whether Monroe County staff had competent substantial evidence to support its recommendation, but rather whether the Commission had competent substantial evidence to support its decision.

Here, the Commission’s finding that LKCCC has the financial capacity to complete a development as proposed was supported by evidence of property ownership, and by evidence that the project had been approved for funding by the Florida Housing Finance Corporation (FHFC), which performs a financial analysis as a condition of its funding application review. The FHFC acknowledged, in its July 17, 2020, Order Granting Waiver of Rule 67-48.0072(21)(b), that LKCCC “was selected to receive State Apartment Incentive Loan (SAIL) funding and 9% Housing Tax Credits under Request for Applications (RFA) 2018-115, to assist in the construction of a workforce housing Development in Monroe County, Florida.” That evidence is sufficient to establish that the Project is financially supported.

James Carras was retained by Appellant, Lower Density for Sugarloaf, LLC, to “conduct the financial feasibility analysis of the Dock Side and Landings projects.” Mr. Carras has extensive experience in consulting and teaching community economic development, including affordable housing finance. He has been certified as an economic development finance professional by the National Development Council. He has taught at Harvard University for the last seven years in the area of Urban Development and Financing Affordable Housing, and previously taught similar courses at Tufts University, University of South Florida, and MIT. His clients have included public agencies, nonprofit development organizations, and private developers, and his work for those clients has included preparing financing applications, including low-income housing tax credits and other financing incentives and options. Mr. Carras was asked to model whether the development proposed by LKCCC, as well as potential alternative developments, were financially feasible. At the Public Meeting, Mr. Carras testified that:

the project as proposed in terms of the 88 units, despite the higher construction costs in 2020 and lower value of the credits the project is still financially feasible, but also the project is financially feasible at a lower total number of units.

Appellants argue that Mr. Carras was “cut off,” and that he may have said something different if given more time. However, his statement was clear, direct, and, by his own testimony, supported by his modeling. Thus, it constitutes competent substantial evidence upon which the Commission was entitled to rely of LKCCC’s financial capacity to complete the development as proposed. The Commission’s decision did not depart from the essential requirements of the law.

II. Whether the Commission had competent substantial evidence that the Project will meet the “local needs” requirement of the MCC.

At paragraph 1 of the Resolution’s initial findings of fact, the Commission determined that “[t]he subject property is located in the Suburban Commercial (“SC”) Land Use (“Zoning”) District[.]”

Section 130-46, MCC, provides that “[t]he purpose of the [Suburban Commercial] district is to establish areas for commercial uses designed and intended primarily to serve the needs of the immediate planning area in which they are located. This district should be established at locations convenient and accessible to residential areas to reduce trips on U.S. 1.”

Section 130-93, MCC, provides, in pertinent part, that:

(c) The following uses are permitted as major conditional uses in the Suburban Commercial district subject to the standards and procedures set forth in Chapter 110, Article III:

* * *

(3) Institutional residential uses involving 20 or more dwelling units or rooms; provided that:

a. Access to U.S. 1 is by way of:

1. An existing curb cut;
2. A signalized intersection; or
3. A curb cut that is separated from any other curb cut on the same side of U.S. 1 by at least 400 feet[.]

* * *

(9) Attached and detached dwellings involving more than 18 units, designated as employee housing as provided for in section 139-1.

At paragraph 2 of the Resolution, the Commission further determined that:

The property owner's development application is consistent with the provisions and intent of the [MCC], specifically:

A. With execution of attached conditions, the development is consistent with the purpose of the Suburban Commercial ("SC") Land Use ("Zoning") District, as set forth in [MCC] Section 130-46; and

B. With execution of attached conditions, the land uses of the development are permitted within the Suburban Commercial ("SC") Land Use ("Zoning") District, as set forth in [MCC] Section 130-93; ...

The proposed development site is in an established SC District. Thus, issues of whether the SC District was "established at locations convenient and accessible to residential areas to reduce trips on U.S. 1" were resolved with the adoption of section 130-46, MCC, and are not at issue here.

Brad Stein, Monroe County's Planning Development Review Manager, testified that "the proposed conditional use is consistent with the purposes, goals, objectives, and policies of the comprehensive plan and this land development code, including the density for affordable housing." The staff report referenced by Mr. Stein provides that "[t]he proposed employee housing dwelling units are an allowed use with the SC district, and serve the affordable housing needs of Monroe County, including the Lower Keys area."

The staff report and expert opinion of Mr. Stein constitute competent substantial evidence of the development's service of the needs of the immediate planning area. *See Weyerhaeuser NR v. City of Gainesville*, Case No. 20-0581, FO at 12 (Fla. DOAH May 5, 2021)(staff analysis and expert opinions of record are competent substantial evidence supporting a local government's decision); *PGSP Neighbors United, Inc. v. City of St. Petersburg*, Case No. 20-4083, FO at 19 (Fla. DOAH Mar. 3, 2021; Fla. DEO Apr. 1, 2021)("The City Council properly relied upon the Staff Report in adopting the Ordinance, which further qualifies as competent, substantial evidence.").

Furthermore, as argued by LKCCC, the Monroe County Comprehensive Plan and the CommuniKeys Plan support that the proposed development meets the needs of the immediate planning area. Objective 101.19 of the Monroe County Comprehensive Plan requires a "balancing of local community needs with all Monroe County communities." The CommuniKeys Plan includes a direct planning area that extends from mile marker 14.2 to mile marker 29, and establishes that "the Lower Keys LCP planning area serves primarily as a bedroom community supporting more mature and intensely developed employment centers and commercial areas in Stock Island, Key West, and the Upper Keys." The staff report notes that the SC district and the proposed Project serves the affordable housing needs of the Lower Keys planning area as a whole.

There was competent substantial evidence to support the determination that the immediate planning area to be served by the SC district extended beyond the discrete confines of Sugarloaf Key. The SC district was created "to establish areas for commercial uses designed and intended primarily to serve the needs of the immediate planning area in which they are located." In performing its duty of balancing local community needs, the Commission was obliged to apply and harmonize the relevant standards applicable to its decision. In that regard:

Rules of statutory construction...apply to municipal ordinances and city charters. ... Appellant argues that this case implicates the rules of construction that specific provisions control over general ones and that one

provision should not be read in such a way that it renders another provision meaningless. Both rules are well-established. *See Murray v. Mariner Health*, 994 So. 2d 1051, 1061 (Fla. 2008). Another rule of construction relevant to this issue is that all provisions on related subjects be read in pari materia and harmonized so that each is given effect. *Cone v. State, Dep't of Health*, 886 So. 2d 1007, 1010 (Fla. 1st DCA 2004).

Katherine's Bay, LLC v. Fagan, 52 So. 3d 19, 28 (Fla. 1st DCA 2010).

Based on the above, the Commission's approval of affordable workforce housing for persons employed outside of the bounds of Sugarloaf Key was based on its analysis that the immediate planning area to be served by the SC district included more mature and intensely developed employment centers and commercial areas. Its decision was based on competent substantial evidence provided by the documentary submissions, the staff reports, and testimony of its staff and experts. The Commission's decision did not depart from the essential requirements of the law.

III. Whether the Commission's Public Meeting denied Appellants due process and was fundamentally unfair.

Appellants object that, at the December 16, 2020, Public Meeting, they were limited to six minutes for their legal representative, three minutes a piece for members of the public, including residents and other representatives, "and a little longer for experts." Meanwhile, "[t]he Planning Commission allows the 'parties' - the Staff and the Applicant - as much time as they need to present competent substantial evidence in support of or in opposition to an application and allows time for rebuttal; the 'parties' are allowed to call and question witnesses and have the ability to qualify witnesses as experts to bolster their credibility."

Under the MCC, the review criteria are limited and do not include consideration of whether procedural due process was afforded by the Commission. *See* § 102-218(b), MCC; *see also Osborn v. Monroe Cty. Planning Comm'n*, Case No. 03-4720, FO at 33-34 (Fla. DOAH Nov. 1, 2004) ("the review criteria are limited and do not

include consideration of whether procedural due process was afforded by the Commission”); *Handte v. Monroe Cty. Planning Comm’n*, Case No. 19-5649, FO at 6 (Fla. DOAH Aug. 12, 2020) (“Unlike the three-tier judicial review of final administrative actions by a circuit court, procedural or due process violations may not be considered. ... Therefore, Appellants’ argument that procedural due process violations occurred during the appeal hearing in front of the Commission, is not within the scope of this appeal.”).

As set forth herein, the Commission allowed the public to participate in the proceeding consistent with its established procedures. It further allowed the Appellants individually, and their counsel and experts, to appear and to submit documentary evidence. Thus, the Commission did not depart from the essential requirements of the law in taking its action.² Nonetheless, the specific argument raised by Appellants that they were denied due process is not within the scope of this appeal.

IV. Whether the Project complies with the “phasing and aggregation” requirements of the MCC for Reserved Outparcels.

Appellants argue that the failure of LKCCC to include two reserved outparcels as “proposed phases of development,” and to include them in the Project traffic study, violated the “phasing” and “aggregation” provisions of the MCC. LKCCC argues, on the other hand, that the outparcels are not part of the Project, and were not submitted to the Commission for review or approval.

² Appellants’ argument appears to have been considered and rejected by the Fifth District Court of Appeal, which has established that, in quasi-judicial hearings, the parties to the proceeding “must be able to present evidence, cross-examine witnesses, and be informed of all the facts upon which the (government agency) acts.” *Carillon Cmty. Residential v. Seminole Cty.*, 45 So. 3d 7, 11 (Fla. 5th DCA 2010). However, the court was clear that adjoining landowners are not parties, and do not have due process rights to cross-examine witnesses. Rather, the court established that the right of participation of adjoining landowners “does not, in any way, recognize a right on behalf of all neighboring property owners to cross-examine any and all individuals who may speak for or against the zoning application. To recognize such a right on behalf of all ‘interested persons’ would create a cumbersome, unwieldy procedural nightmare for local government bodies.” *Id.*

Section 110-70, MCC, provides, in pertinent part, that:

(a) Applications for major conditional uses. An application for a major conditional use permit shall be submitted to the Planning Director in a form provided by the Planning and Environmental Resources Department. The application shall include:

* * *

(7) A community impact statement, including:

a. General description of proposed development:

1. Provide a general written description of the proposed development; including any proposed phases of development, the site size, the number and type of existing and proposed dwelling units, the amount and type of existing and proposed nonresidential floor area, and parking demand and capacities; ...

* * *

e. Impact assessment on public facilities—transportation:

1. Provide a projection of the expected vehicle trip generation; describe in terms of external trip generation and average daily and peak hour traffic;

2. Provide a traffic study, if applicable, as specified in Section 114-200[.]

Section 130-165, MCC, entitled Aggregation of Development, provides that:

Any development that has or is a part of a common plan or theme of development or use, including, but not limited to, an overall plan of development, common or shared amenities, utilities or facilities, shall be aggregated for the purpose of determining permitted or authorized development and compliance with each and every standard of this Land Development Code (includes clearing limits) and for the purpose of determining the appropriate form of development review.

The Application provides that “the project [i.e., the 88-unit development] will be built in one phase,” and further provides that the outparcels are not part of the Project. Other than speculation and argument that failure to consider the outparcels as part of a phased or aggregated development would lead to an absurd result, there was no competent substantial evidence offered to establish such. There was no allegation of any overall plan of development or shared amenities, utilities, or facilities between the Project and the outparcels, save the likelihood that the outparcels would have to share an access point(s) onto U.S. 1.

Mr. Peterson, who has considerable experience in traffic engineering and transportation planning in Monroe County, provided testimony, and a traffic impact study that was included in the Application, and discussed at length at the Commission meeting, which concluded that there is sufficient capacity on U.S. 1 to accommodate the traffic associated with the Project, and that the study intersections within the Project study area will operate at an acceptable level of service. Mr. Peterson further testified that the data and assumptions upon which the traffic impact study was based, including its trip distribution calculations, were consistent with Department of Transportation practices, and with the published Monroe County Traffic Report Guidelines. Furthermore, he testified that the trip generation calculations for the Project were developed consistently with a trip generation manual published by the Land Use Institute of Transportation Engineers that is widely considered to be the standard for estimating traffic associated with various land use, and applied the most “robust” and trusted data set. As to the “reserved” parcels, Mr. Peterson testified that nothing was planned for those vacant parcels, and that, in his opinion, it is not unusual for vacant land to not be considered in a traffic impact study and analysis. He further noted that when those parcels are proposed for development, they will be evaluated and be subject to Commission review in accordance with the conditions and guidelines required at that time, a conclusion that was substantiated in the staff report recommended action. Mr. Peterson provided competent substantial evidence to the Commission of the Project’s compliance with sections 110-70 and 130-165, MCC.

Furthermore, the staff report discussed both the scope of the proposed Project and the traffic element at length. Staff made no determination that the outparcels, though depicted on the site plan, should be considered as part of a phased project, or aggregated for the purpose of determining permitted or authorized development and compliance with the MCC, including traffic elements.

The Commission's decision was based on competent substantial evidence provided by the documentary submissions, expert testimony, the staff report, and testimony of its staff. The Commission's decision did not depart from the essential requirements of the law.

V. Whether the Project complies with, and is consistent with, the CommuniKeys Plan.

In their final point on appeal, Appellants argue that the Project is not consistent with the CommuniKeys Plan. Their argument relates primarily to density, though their briefs touch on traffic impacts and community character as well.

As stated by Mr. Stein, the CommuniKeys Plan is "a balancing of policies and priorities for the overall planning area to remain a low density primarily residential community, as well as provide affordable housing in the community." As set forth herein, the CommuniKeys Plan includes a planning area that extends from mile marker 14.2 to mile marker 29. In addition, the CommuniKeys Plan recognizes that the planning area is tied to and is designed to support the employment centers and commercial areas in Stock Island, Key West, and the Upper Keys. Monroe County Comprehensive Plan Policy 1.2.1 directs Monroe County to recognize the FLUM categories and the land use districts as the primary regulatory tool for evaluating development proposals. As applied here, the Mixed Use/Commercial FLUM and SC zoning together allow the development of employee housing with more than 18 units as a major conditional use, without the necessity of text or map amendments, and without the need for a variance.

Mr. Stein also noted the Project's compliance with CommuniKeys Plan objective 4.2, by which "Monroe County shall encourage affordable and work force housing in areas identified for appropriate for higher intensity commercial mixed use and residential development," and policy item 4.2.2., by which "Monroe County will conduct an analysis to identify sites for affordable and workforce housing in areas identified in the FLUM as residential hydro [sic] and mixed use commercial land use."

The CommuniKeys Plan identifies properties that are appropriate for medium to high-density residential development or commercial development under Monroe County's Comprehensive Plan, and the Project site is specifically mapped as an area that is appropriate for medium to high density residential development.

As stated by Ms. Schemper, and detailed in the staff report, the Project density is in compliance with the general density standards in the CommuniKeys Plan. The general density standards apply to the entire CommuniKeys Plan community, which stretch over a number of islands across a number of miles. The Project area is specifically identified as a medium to high density potential development area, and is not considered a restricted low-density development area. Ms. Schemper further testified that the CommuniKeys Plan indicates that the Commission should use the current FLUM when evaluating development proposals. Although the CommuniKeys Plan includes policies and priorities for the overall planning area to maintain a low density primarily residential character, that overall community includes specific areas with varying density requirements, including those for affordable housing, and including the adjacent Sugarloaf Key neighborhood, which is in a residential-medium category.

With regard to traffic and community character, both the record of the Public Meeting, including the comprehensive traffic study, and the staff report were replete with evidence of compliance with the traffic and community character elements of the CommuniKeys Plan. Traffic has been previously discussed. As to community character, there was ample evidence of restrictions and accommodations made by LKCCC regarding building height, parking, buffers and expanded

setbacks, architectural design, lighting, fencing and limitations on waterway access, and other elements designed to accommodate the character of the existing community. In response to inquiry, Ms. Schemper confirmed that LKCCC “is not asking for any waivers or variances from our rules and regulations and is in compliance with the code and all of its requirements,” and that “they have actually exceeded them in certain cases as well,” including those related to parking and landscaping. Compliance with the traffic and community character elements of the CommuniKeys Plan was supported with competent substantial evidence.

Appellants argue that, despite what adjoining landowners will see, the Project will violate the “compatibility” provisions of section 163.3164(9), Florida Statutes, which is “a condition in which land uses or conditions can coexist in relative proximity to each other in a stable fashion over time such that no use or condition is unduly negatively impacted directly or indirectly by another use or condition.” Appellants focus that argument on adverse traffic impacts from the proposed development. The evidence, in the form of the traffic study, staff report, testimony of Mr. Peterson and staff, and discussion by the Commissioners, all constitute competent substantial evidence that the Project will not “unduly negatively impact” the existing residential uses of Sugarloaf Key.

Finally, Appellants argue that the Commission approval failed to take into account whether the Project will serve the “local community,” suggesting that the residents of the proposed workforce housing should be limited to serving the needs of the Lower Sugarloaf Community Center from mile marker 16 to mile marker 17. As has been discussed and described herein, the record of the Commission’s Public Meeting and the staff report include extensive discussion of the extent and purpose of the CommuniKeys Plan planning area. That evidence provides support for the Commission’s determination that the Project meets the criteria established by the CommuniKeys Plan, including the local needs elements.³ The Commission’s decision did not depart from the essential requirements of the law.

³ Appellants’ reliance on *Florida Keys Media, LLC v. Monroe County Planning Commission*, Case No. 16-0274 (DOAH June 1, 2016), as support for a definition of the “local community,” is misplaced.

Conclusion

It is not the role of the undersigned to determine whether the action taken by the Commission is the best means to accomplish Monroe County's objectives. As set forth herein, the Commission applied the correct law, acted in accordance with competent substantial evidence, and did not depart from the essential requirements of the law when it adopted the Resolution.

DECISION

Based on the foregoing, Resolution No. P35-20, which approved the issuance of a major conditional use permit to LKCCC for the proposed development of 88 multifamily deed-restricted affordable employee housing dwelling units at the intersection of Overseas Highway/U.S. Highway 1 and South Point Drive on Sugarloaf Key, near approximate mile marker 16.7, oceanside, is affirmed in all respects.

DONE AND ORDERED this 22nd day of July, 2021, in Tallahassee, Leon County, Florida.



E. GARY EARLY
Administrative Law Judge
1230 Apalachee Parkway
Tallahassee, Florida 32399-3060
(850) 488-9675
www.doah.state.fl.us

Filed with the Clerk of the
Division of Administrative Hearings
this 22nd day of July, 2021.

In that case, the ALJ determined that a 190-foot-tall communications tower was aesthetically incompatible with the surrounding residential area. After having described the project (tall tower, noisy backup generator), and the specific documented evidence of the effect of the tower on property values (evidence that is lacking here), the ALJ concluded that "the proposed tower would be incompatible with the surrounding residential area." He further determined that the "immediate vicinity" applied not to whether the tower would *serve* the local community, as Appellants assert here, but whether the tower was compatible with the *character* of the local community. The evidence in this case was sufficient to constitute competent substantial evidence that the Project, as designed, will be compatible with the local residential community, aesthetically and otherwise.

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NOTICE OF RIGHTS TO JUDICIAL REVIEW

Pursuant to article VI, section 102-218(c), MCC, this Final Order is "the final administrative action of the county." It is subject to judicial review by common law petition for writ of certiorari to the circuit court in the appropriate judicial circuit.

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Exhibit C

Exhibit 1: Agreement

SETTLEMENT AGREEMENT AND GENERAL RELEASE OF ALL CLAIMS

This Settlement Agreement and General Release of All Claims (the "Agreement"), is entered into by Respondent, Lower Keys Community Center Corporation ("Lower Keys Community Center"), Rural Neighborhoods, Inc., Dockside at Sugarloaf Key, LLC ("Dockside, LLC"), and The Landings at Sugarloaf Key, LLC ("The Landings, LLC"),¹ and Petitioners, Lower Density for Lower Sugarloaf, LLC, Sugarloaf Shores Property Owners Association, Inc. ("SSPOA"), South Point Homeowners, LLC, Stuart Schaffer, individually, Jack Marchant, individually, John Coley, individually, and William L. Waldrop Family Trust, who all shall be collectively referred to herein as the "Parties," or individually as a "Party." This Agreement shall be effective upon execution by all Parties (the "Effective Date").

WHEREAS, Petitioners filed appeals of Monroe County Resolutions P35-20 and P36-20 (collectively, the "Litigation") relating to the Planning Commission's unanimous approval of Lower Keys Community Center's Major Conditional Use Permit (the "Permit") for a proposed development of eighty-eight (88) multifamily, deed-restricted affordable housing dwelling units (the "Development"). The Development was to be constructed on portions of two parcels of land in Monroe County, Florida currently bearing parcel identification numbers 00166976-011400 and 00166976-011300 (the "Parcels"). The appeal of Resolution P35-20 was heard at the Department of Administrative Hearings ("DOAH") in Case No. 21-0494, and subsequently appealed to the Monroe County Circuit Court in *Lower Density for Lower Sugarloaf, LLC v. Monroe County*, Case No. 21-CA-000574-K. The appeal of Resolution P36-20 is pending before the Monroe County Board of County Commissioners (the "BOCC"); and

WHEREAS, Rural Neighborhoods, Inc., Dockside, LLC and The Landings, LLC are not parties to the Litigation, but their interests in the Development and the Parcels are impacted by the Litigation; and

WHEREAS, the Parties want to resolve the Litigation, as well as all claims and disputes that were raised, or could be raised, by the Parties that are related to or arise out of the Litigation;

NOW THEREFORE, in consideration of the foregoing promises, the representations contained herein, and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged by the Parties, the Parties hereto agree as follows:

1. **Modification of Permits.** Lower Keys Community Center, Rural Neighborhoods, Inc., Dockside, LLC, and The Landings, LLC, (collectively, the "Developer Parties") shall cause Lower Keys Community Center to re-submit development plans for two (2) affordable rental-housing communities known as Dockside at Sugarloaf Key ("Dockside Multi-Family") and The Landings at Sugarloaf Key ("The Landings Multi-Family") (collectively the "Multi-Family Developments") on portions of the Parcels which comply in all respects with the "Project Modifications" identified in Section 2 of this Agreement (the "Permit

¹ Only Lower Keys Community Center is a respondent in the referenced proceedings, however it is the intent of the Parties to bind all additional listed non-parties to this Agreement where noted.

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Modifications”).

2. **Project Modifications.** The Project Modifications shall consist of the following:

- a. The Dockside Multi-Family (portion of Parcel ID: 00166976-011400) and The Landings Multi-Family (portion of Parcel ID: 00166976-011300) portions of the Parcels shall consist only of Affordable Housing in a Multifamily Residential Development as those terms are defined by Section 101-1 of the Monroe County Land Development Code (“LDC”), parking, and accessory uses. Attached to this Agreement is a preliminary site plan for the Multi-Family Developments. *See Exhibit A.* The Multi-Family Developments as constructed shall generally conform to such site plan.
- b. Dockside Multi-Family shall be comprised of twenty-eight (28) residential units in a single residential building per prior Planning Commission approval in the Permit.
- c. The Landings Multi-Family shall be comprised of twenty-eight (28) residential units in three (3) buildings, with one (1) containing twelve (12) residential units and two (2) containing eight (8) residential units each.
- d. The total number of residential dwelling units at each of Dockside Multi-Family and The Landings Multi-Family shall not exceed eighteen (18) units per buildable acre. Structures at the Dockside Multi-Family and Landings Multi-Family shall be limited to residential, parking, and accessory uses.
- e. All of The Landings Multi-Family buildings shall be located along the northern portion of The Landings Multi-Family Parcel adjacent to U.S. Highway 1, subject to any applicable state or federal rules and any setback or buffer provisions in the LDC or the Monroe County Code of Ordinances (the “Code”), and no such building shall be located on the adjacent canal.
- f. The new U.S. Highway 1 entrance to The Landings Multi-Family parcel will have no less than one right turn-in and one right turn-out lane.
- g. No community boat ramp or dock will be built on the Dockside Multi-Family and The Landings Multi-Family portions of the Parcels.
- h. The Landings Multi-Family and any other development on its Parcel shall be accessible via a second entrance on South Point Drive. If, after commercially reasonable efforts, a second entrance on South Point Drive is not feasible, the second entrance to The Landings Multi-Family parcel will be located on Cypress Road.
- i. Tenants of Dockside Multi-Family and The Landings Multi-Family will be prohibited from parking recreational vehicles (RV), trailers, boats, or vehicles longer than 266 inches on the Parcels.

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- j. An opaque barrier shall be constructed, comprised of a metal or concrete material, which height will be six (6) feet, but subject to limitations imposed by the LDC, landscaped with twelve (12)-foot trees and/or palms spaced approximately twenty-five (25) feet on center and including a minimum of ten (10)-gallon plants, approximately four (4) feet on center, and approximately three (3) feet in height. The barrier and landscaping described in the preceding sentence will extend from the southwest end of radius at the intersection of South Point Drive and Cypress Road to the southwest edge of the property line excluding entrances or exits, if any.
 - k. An illuminated landscaped South Point entrance wall shall be constructed at the intersection of South Point Drive and U.S. Highway 1 comparable to the existing entrance walls located on the west side of South Point Drive. The wall will not include references to Dockside Multi-Family, The Landings Multi-Family or any other development on the Parcels unless installing separate signage at a different location identifying the Dockside Multi-Family and The Landings Multi-Family developments are impermissible under the LDC.
 - l. The Royal Palms on both sides of South Point Drive (except in such locations as entrances are constructed and further subject to site state or federal restrictions) shall be maintained, relocated, or replaced. Royal Palm trees will be approximately sixteen (16) feet in overall height and the plantings will be spaced approximately twenty (20) feet on center, subject to modification based on any conflicting design aspects for entrance or exits or emergency ingress/egress access points. However, the east side of South Point Drive is not subject to this mandatory Royal Palm provision.
 - m. The Developer Parties will make a good faith effort to landscape the property borders of the Multi-Family Developments along South Point Drive and Cypress Road commensurate with professional landscaping and in accordance with the Code and the LDC.
 - n. The Developer Parties will utilize commercially reasonable efforts to cause Dockside Multi-Family and The Landings Multi-Family to minimize light pollution.
 - o. Dockside Multi-Family and The Landings Multi-Family will require a minimum twelve(12)-month lease term.
3. **Applicability of Project Modifications.** The Project Modifications are intended to bind the Parties with respect to the development of the Dockside Multi-Family and Landings Multi-Family projects only. All Parties acknowledge that the Dockside Multi-Family and Landings Multi-Family projects will only be constructed on portions of the Parcels and, except as otherwise specifically provided in this Agreement, any subsequent development of the Parcels in areas not related to either the Dockside Multi-Family or Landings Multi-Family projects is not covered by this Agreement.

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4. **Recording Obligation.** Within seven (7) days following the Effective Date of this Agreement, the Developer Parties shall cause either Lower Keys Community Center, The Landings, LLC, Dockside, LLC, or their related entities to properly record and file in the Monroe County Official Records an executed version of this Agreement. Upon the close of housing financing for the Multi-Family Development (as amended by Section 2), the Developer Parties shall cause the owner(s) of the Multi-Family Development portions of the Parcels to properly record and file in the Monroe County Official Records the deed restrictions covering the Parcels which restrict the Multi-Family Developments in accordance with the requirements of Section 2(d), 2(g), 2(i), 2(n), and 2(o) of this Agreement. The recording and filing of the deed restrictions may be modified following Planning Commission approval of a modified application to cover only the Multi-Family Development portions of the Parcels. Revocations of such recordings and filings will be held in escrow by a third-party escrow agent for subsequent filing as provided in Section 20 of this Agreement. Forms of such recording and revocation documents and revocation documents are attached as **Exhibit B (Deed Restrictions)** and **Exhibit C (Modification/Revocation Document)** to this Agreement.
5. **Effect of Sale or Assignment.** In the event of a sale or assignment of the Parcels or any portions of the Parcels used or to be used for Dockside Multi-Family or Landings Multi-Family, the Developer Parties shall have either (i) secured the assignee's written agreement to succeed to all rights and assume all obligations of the Developer Parties (including the assignor) under this Agreement with respect to the assigned portions of the Parcels in the form set forth in **Exhibit D** to this Agreement and furnished an executed version of such agreement to the Petitioners or (ii) if the sale or assignment occurs before the commencement of construction of Dockside Multi-Family or Landings Multi-Family, and clause 5(i) has not been satisfied, the Developer Parties will cause an Abandonment prior to closing on the sale or assignment.
6. **Effect of Noncompliance.** In the event (i) Lower Keys Community Center does not record and file the documents as required by the first and second sentences of Section 4 of this Agreement, or (ii) the development application is not or the development on the Parcels is not, or will not, under the terms of a Planning Commission resolution, be, constructed in strict compliance with Sections 2(a), 2(b), 2(c), 2(d), 2(e), 2(f), and 2(g) of this Agreement, or (iii) the development application is not or the development on the parcels is not, or will not, under the terms of a Planning Commission resolution, be, in substantial compliance with Sections 2(h), 2(j), 2(k), 2(l), and 2(m) of this Agreement, the Developer Parties shall promptly cause an Abandonment.
7. **Limitation of Challenges.** Petitioners agree not to challenge, and SSPOA agrees to affirmatively support via testimony and in writing as necessary, at all levels and in any forum including, but not limited to the Florida Housing Finance Corporation (the "FHFC"), BOCC, Development Review Committee, and Planning Commission, the application by Lower Keys Community Center for a modified or amended Permit and necessary extensions, permits, or ancillary proceedings and for Landings and Dockside in relation to any project financing or re-financing before FHFC and Monroe County, Florida. Petitioners will cause Ben Haas to send a letter or email to Steven Kirk containing

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assurances that he will also not make such a challenge. Petitioners agree to send a joint letter to the Monroe County Planning Director in support of such application, provided that Jack Marchant, Stuart Schaffer, John Coley, or William L. Waldrop Family Trust shall not be required to sign the letter if he or it does not at that time own real property in Sugarloaf Shores. The obligations set forth in this paragraph are subject to the condition that the Developer Parties have complied with the requirements of Sections 1, 4, and 5 of this Agreement and that the terms of the development on the Parcels as set forth in the then-current version of the proposal are in strict compliance with Sections 2(a), 2(b), 2(c), 2(d), 2(e), 2(f), and 2(g) of this Agreement and are in substantial compliance with Sections 2(h), 2(i), 2(j), 2(k), 2(l), 2(m), 2(n), and 2(o) of this Agreement. The Parties further agree:

- a. The Parties' obligations under Section 7 will continue during the existence of this Agreement and are a required material term of this Agreement.
 - b. In the event any Party seeks to enforce this Agreement, whether for breach, specific performance, or otherwise, representatives of Petitioners and the Developer Parties will be required to attend at least one (1) mediation as a pre-suit requirement unless such requirement is waived in writing by all of the Parties. The mediation must be set within sixty (60) days of a Party providing an applicable pre-suit notice to the other Parties.
8. **Execution of Agreement.** This Agreement shall be executed by all of the Parties.
9. **Dismissal of Litigation.** Within seven (7) days following the Effective Date of this Agreement, Petitioners will dismiss the Litigation with prejudice.
10. **Mutual Release.** In exchange for the obligations, requirements and duties expressly set forth in this Agreement, each Party expressly releases all other Parties and the attorneys of record, both individually and in any fiduciary or representative capacity, directors, officers, shareholders, agents, employees, successors, assigns, subsidiaries, or affiliated corporations or business entities, predecessor or successor corporations or business entities, separately and collectively, from any and of all matter of action and actions, cause and causes of action, claims, counterclaims and demands whatsoever, in law or in equity, by whatever name, kind or nature that include or are related to the Litigation or the Permits. This Mutual Release expressly excludes any claims relating to or arising out of the performance of this Agreement or the transactions contemplated hereby.
11. **Attorneys' Fees and Costs.** The attorneys' fees and costs incurred to date in prosecuting and defending the Litigation will be borne by the respective parties. In any legal action arising out of or relating to this Agreement or its enforcement, including but not limited to any action related to its interpretation or enforcement, the prevailing party shall only be entitled to its reasonable attorneys' fees and costs, including attorneys' fees and costs incurred in connection with any proceedings, in the event there is an applicable statute providing for recovery of attorneys' fees and costs or the challenge to the Agreement is deemed frivolous or without merit.

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12. **Counterparts.** This Agreement may be signed and executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one Agreement. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or email shall be effective as delivery of an originally executed counterpart of this Agreement. This Agreement shall not be effective unless and until all Parties have executed it. The date of delivery of the final signature on the Agreement shall constitute the Effective Date.
13. **No Adverse Construction.** The Parties acknowledge that this Agreement has been prepared by each of them with the opportunity to consult legal counsel. In the event any part of this Agreement is found to be ambiguous, such ambiguity shall not be construed against any Party.
14. **Non-Admission of Liability.** Nothing in this Agreement shall constitute or be construed as an admission of liability on behalf of any of the Parties, their agents, affiliates, assigns, subsidiaries, and/or successors. This Agreement shall not be used as evidence in any proceeding other than one to enforce this Agreement, or one seeking damages or relief arising from a breach of this Agreement.
15. **Partial Invalidity and Severability of Provisions.** The Parties agree that if any provision of this Agreement is determined to be unenforceable *in part* by any entity with authority to make such a determination, then the provision shall be enforced to the maximum extent permitted. The Parties further agree that if any provision is determined to be unenforceable *in whole* by any entity with authority to make such a determination, then all of the other terms, conditions and provisions of this Agreement shall remain in full force and effect to the same extent as if that part declared void or invalid had never been incorporated in the Agreement and in such form, the remainder of the Agreement shall continue to be binding upon the Parties.
16. **Entire Agreement.** This Agreement constitutes the entire Agreement and understanding between the Parties in respect of the subject matter hereof, and supersedes and supplants all prior agreements, representations, and/or discussions with respect to the subject matter hereof.
17. **Amendments, Modifications.** This Agreement may be amended at any time upon the approval of all Parties; however, any such amendment must be in writing and signed by all Parties in order for such amendment to be of any force and effect.
18. **Governing Law.** The laws of the State of Florida apply to this Agreement. The Parties agree that any action, suit or proceeding, including but not limited to any proceeding for injunctive and declaratory relief, arising out of this Agreement shall be initiated only in the state or federal courts having jurisdiction in Monroe County in the State of Florida, and each Party waives any objection (including objections regarding lack of personal jurisdiction and objection to the convenience of the forum) that such Party may now or hereafter have to such venue or jurisdiction in any action, suit or proceeding, brought in any state or federal court having jurisdiction in Monroe County, Florida.

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19. **Survival.** All representations and warranties contained herein, if any, shall survive the execution and delivery of this Agreement. Furthermore, in the event the FHFC tax credits assigned to the Development lapse, this Agreement and all terms shall survive such lapse. In the event the Developer Parties determine that sufficient funding will not be available to develop the Dockside Multi-Family or Landings Multi-Family projects consistent with this Agreement, the Developer Parties shall promptly notify the Petitioners of such determination.
20. **Revocations of Recording Documents.** Upon the commencement of construction of Dockside Multi-Family or Landings Multi-Family, Lower Keys Community Center shall be entitled to file the revocation of the recording of the executed version of this Agreement referred to in Section 4 for the relevant portions of the Parcels. The revocation shall operate to release the Developer Parties from any obligations identified in Sections 2(a), 2(b), 2(c), 2(e), 2(f), 2(l), and 2(m) of this Agreement for the relevant portion of the Parcels. In the event of an Abandonment, Lower Keys Community Center shall be entitled to file the revocations of recording of the executed version of this Agreement and the revocations of deed restrictions referred to in Section 4 of this Agreement.
21. **Abandonment Option.** The Developer Parties have the option to cause an Abandonment at any time before the commencement of construction of any of the Multi-Family Developments.
22. **Abandonment.** For purposes of this Agreement, an "Abandonment" is defined as Lower Keys Community Center taking all actions required to revoke, withdraw, or otherwise terminate the applications for the Permit and the Permit Modifications and any development approvals with respect thereto and with respect to the development of more than twenty (20) affordable housing units on the Parcels. Following an Abandonment in accordance with this Agreement, Lower Keys Community Center shall be entitled to file a new development application for the Parcels.
23. **Covenant.** Neither Rural Neighborhoods, Inc., nor Steven Kirk, nor any entity with respect to which either of them is a controlling principal, will be a direct or indirect owner of an entity that develops or manages any housing on any portion of the Parcels other than the Dockside Multi-Family or Landings Multi-Family portions.
24. **Notice.** All notices and other communications provided for herein shall be in writing and shall be delivered by hand, overnight courier, or email as follows:

For the Developer Parties

Steven Kirk
o/b/o Rural Neighborhoods, Inc.
19308 SW 380th Street, PO Box 343529
Florida City, FL 33034
stevekirk@ruralneighborhoods.org

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For Petitioners

Ralf Brookes, Esq.
P.O. Box 100238
Cape Coral Florida 33910
ralfbrookes@gmail.com

Stuart Schaffer
32 Venetian Way
Sugarloaf Key, Florida 33042
sfschaffer@gmail.com

IN WITNESS WHEREOF, intending to be legally bound, Lower Keys Community Center Corporation, Rural Neighborhoods, Inc. Dockside at Sugarloaf, LLC, The Landings at Sugarloaf, LLC, Lower Density for Lower Sugarloaf, LLC, Sugarloaf Shores Property Owners Association, Inc., South Point Homeowners, LLC, Stuart Schaffer, Jack Marchant, John Coley, and William L. Waldrop Family Trust execute the instant Agreement:

(Signatures Appear On the Following Page).

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DocuSigned by:
(X) Steve Kirk
FED821738AC64E8

1/3/2023

Date: _____

By: Steven Kirk

o/b/o Rural Neighborhoods Inc.,
Dockside at Sugarloaf Key, LLC, &
The Landings at Sugarloaf Key, LLC

Title: Principle

DocuSigned by:
(X) Stuart Schaffer
B948C6A7928411...

1/3/2023

Date: _____

By: Stuart Schaffer

o/b/o Lower Density for Lower Sugarloaf,
LLC

Title: Director of SSPOA, as member of Lower
Density for Lower Sugarloaf, LLC

DocuSigned by:
(X) Stuart Schaffer
8648C5A79284411...

1/3/2023

Date: _____

By: Stuart Schaffer

o/b/o Sugarloaf Shores Property Owners
Association, Inc.

Title: Director

DocuSigned by:
(X) Jack Marchant
8D8017E883F743E...

1/3/2023

Date: _____

By: Jack Marchant

o/b/o South Point Homeowners, LLC

Title: Manager

DocuSigned by:
(X) William Waldrop
CE8634C07F8B474...

1/3/2023

Date: _____

By: William Waldrop

o/b/o William L. Waldrop Family Trust

Title: Trustee

DocuSigned by:
(X) Stuart Schaffer
B948C6A7928411...

1/3/2023

Date: _____

By: Stuart Schaffer, individually

DocuSigned by:
(X) Jack Marchant
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1/3/2023

Date: _____

By: Jack Marchant, individually

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DocuSigned by:

(X) _____ Date: 1/3/2023

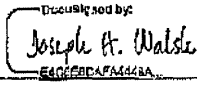
By: John Coley, individually

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(X)  Digitally signed by Joseph H. Walsh
E40CEB0AFA442A

Date: 1/4/2023

By: Joseph H. Walsh

o/b/o Lower Keys Community Center
Corporation, LLC

Title: President

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FLORIDA HOUSING
FINANCE CORPORATION

STATE OF FLORIDA

FLORIDA HOUSING FINANCE CORPORATION

THE LANDINGS AT SUGARLOAF KEY, LLC

Petitioner,

FHFC Case No.: 2023-028VW

v.

APPLICATION NO. 2019-010CS/2021-
292CS/2022-239CS

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

_____ /

**PETITION FOR WAIVER OF
RULES 67-48.004(3)(E), 67-48.004(3)(I), AND 67-48.0072(21)(B)**

Petitioner, The Landings at Sugarloaf Key, LLC, a Florida limited liability company (the “Petitioner”) submits its petition to Respondent, Florida Housing Finance Corporation (the “Corporation”), for a waiver of Rules 67-48.004(3)(e), 67-48.004(3)(i), and 67-48.0072(21)(b), F.A.C. in effect at the time Petitioner submitted its application in response to the Corporation’s Request for Applications 2018-115 (the “RFA”), to allow Petitioner to (i) change the Development Site and Development Location Point for the Development, (ii) decrease the total number of units in the Development, and (iii) extend the Firm Loan Commitment deadline for the State Apartment Incentive Loan (“SAIL”) funding allocated to Petitioner pursuant to the RFA. In support of this petition (the “Petition”), Petitioner states as follows:

A. Petitioner and the Development.

1. The name, address, telephone, and facsimile numbers for Petitioner and its qualified representative are:

The Landings at Sugarloaf Key, LLC
c/o Rural Neighborhoods, Inc.
19308 SW 380th Street
Florida City, FL 33034
(305) 242-2142

SteveKirk@ruralneighborhoods.org

The name, address, telephone, and facsimile numbers of Petitioner's attorneys are:

Gary J. Cohen, Esq.
Shutts & Bowen LLP
200 S. Biscayne Blvd., Ste. 4100
Miami, FL 33131
Telephone: (305) 347-7308
Facsimile: (305) 347-7808
Email: gcohen@shutts.com

2. Pursuant to the RFA, Petitioner timely submitted its application for low-income housing tax credits ("Credits") and SAIL funding. See Application Number 2019-010CS ("Application"). Petitioner was preliminarily awarded \$3,534,000.00 in SAIL funding under the RFA (the "SAIL Award"). The SAIL Award Firm Loan Commitment issuance deadline was originally January 2, 2020, which was twelve (12) months from the invitation to enter credit underwriting, which date was extended at a December 2019 meeting of the Board of Directors of the Corporation ("Board") to July 1, 2020, and extended again at a July 2020 Board meeting until January 31, 2021, extended at a January 2021 Board meeting until January 31, 2022, and extended at a January 2022 Board meeting until January 31, 2023. It is the Corporation's policy that, since the extended deadline did not expire until after the Corporation's January 27, 2023 Board meeting, this petition for further extension of such deadline is timely filed for consideration at the March 10, 2023 Board meeting.

3. The SAIL Award is a critical part of the financing for the new construction of affordable family/workforce housing to be known as The Landings at Sugarloaf Key, serving income qualifying persons (the "Development"). The development is located in Monroe County.

4. For the reasons explained more fully below, the SAIL Award Firm Loan Commitment will not be issued by the January 31, 2023 deadline. Also as more fully explained below, as a result of litigation with neighboring landowners in Monroe County which has recently

been concluded and settled, Petitioner proposes to move its existing Development Site for the Development to the north and west (which revised site includes a substantial portion of the property under site control at the time of the original application), and also to decrease the overall size of the Development Site (from 181,500 square feet to approximately 84,700 square feet, due to the reduction in size of the Development from 60 units to 28 units). As a result of the relocation and reduction of the original Development Site, the Development Location Point indicated in the Application will no longer be located within the boundaries of the revised Development Site, but a newly designated Development Location Point will be located within the boundaries of the revised Development Site (see Exhibit A for location of original and revised Development Site and Development Location Point).

B. Rules from Which the Waiver is Sought.

5. The relevant portions of the Rules in effect at the time the SAIL funds were awarded for which this waiver is sought, provide as follows:

(a) Rule 67-48.004(3) provides that "... notwithstanding any other provision of these Rules, the following as identified in the Application must be maintained and cannot be changed by the Applicant after the applicable submission, unless provided otherwise below:

... (e) Site for the Development ..., and

... (i) Total number of units.

As noted above, a sketch of the original Development Site and original Development Location Point contained in the Application is attached as **Exhibit A**, as is a sketch of the revised Development Site and new Development Location Point.

(b) Rule 67-48.0072 provides that "(21) Information required by the Credit Underwriter shall be provided as follows:

(b) For SAIL, EHCL, and HOME, unless stated otherwise in a competitive solicitation, the firm loan commitment must be issued within twelve (12) months of the Applicant's acceptance to enter credit underwriting. Unless an extension is approved by the Corporation in writing, failure to achieve credit underwriting report approval and issuance of a firm loan commitment by the specified deadline shall result in withdrawal of the preliminary commitment. Applicants may request one (1) extension of up to six (6) months to secure a firm loan commitment. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting the extension and shall detail the time frame to achieve a firm loan commitment. In determining whether to grant an extension, the Corporation shall consider the facts and circumstances of the Applicant's request, inclusive of the responsiveness of the Development team and its ability to deliver the Development timely. The Corporation shall charge a non-refundable extension fee of one (1) percent of each loan amount if the request to extend the credit underwriting and firm loan commitment process beyond the initial twelve (12) month deadline is approved. If, by the end of the extension period, the Applicant has not received a firm loan commitment, then the preliminary commitment shall be withdrawn." Rule 67-48.0072(21)(b), F.A.C. (2019).

C. Statute Implemented.

6. The Rules for which a waiver is requested are implementing, among other sections of the Florida Housing Finance Corporation Act (the "Act"), the statute that created the SAIL program and provides for the allocation of Housing Credits. See §§ 420.5087 and §§ 420.5099(2), Florida Statutes (2021).

7. Pursuant to Chapter 120.542(1), Florida Statutes, "strict application of uniformly applicable rule requirements can lead to unreasonable, unfair, and unintended results in particular instances. The Legislature finds that it is appropriate in such cases to adopt a procedure for agencies to provide relief to persons subject to regulation." Therefore, under Section 120.542(1), Florida Statutes and Chapter 28-104, F.A.C., the Corporation has the authority to grant waivers to its requirements when strict application of these requirements would lead to unreasonable, unfair, and unintended consequences in particular instances. Specifically, Section 120.542(2) states:

“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. For purposes of this section, “substantial hardship” means a demonstrated economic, technological, legal, or other type of hardship to the person requesting the variance or waiver. For purposes of this section, “principles of fairness” are violated when the literal application of a rule affects a particular person in a manner significantly different from the way it affects other similarly situated persons who are subject to the rule.” Section 120.542(2), Florida Statutes.

8. In this instance, Petitioner meets the standards for a waiver.

D. Justification for Petitioner’s Requested Waiver

9. Petitioner was previously granted multiple extensions to secure a firm loan commitment of the SAIL Award, extending such deadline to January 31, 2023. A further extension of the deadline to secure a firm loan commitment may not be granted without a waiver of the Rule.

10. Petitioner is requesting an extension of the deadline to secure a loan commitment from January 31, 2023 to July 31, 2023, to have additional time to complete permitting and credit underwriting for the Development. In addition, Petitioner is requesting to reduce the size and location of the Development Site contained in the Application, including the location of the Development Location Point since the original Development Location Point in the Application will no longer be located within the boundaries of the revised Development Site. Finally, Petitioner is requesting a decrease in the total number of units for the Development from 60 to 28, resulting in a decrease in the Development’s total development cost for purposes of (among other things) meeting the requisite 10% test. The reasons for this request are as set forth below.

11. Petitioner has faced substantial opposition from organized entities and neighboring landowners in Monroe County to its major conditional use application causing the Developer and Applicant to retain planners, traffic engineers, biologists, legal counsel, and other professionals to

establish an extensive record and address expressed concerns. These groups have previously appeared before board and staff on several occasion expressing various reasons for their opposition to affordable housing.

12. Petitioner held two large voluntary public meetings of an estimated 100 and 80 attendees on Sugarloaf Key in which it presented conceptual drawings and polled neighborhood reactions to design alternatives. In addition, the Petitioner participated on October 1, 2020 in mandatory community meeting and public participation required by the Monroe County Planning and Environmental Resources Department in accordance with the Monroe County Land Development Code.

13. Petitioner participated in a public Development Review Committee meeting on November 16th, 2020 in which Monroe County presented its staff report recommending approval of requested conditional uses and heard public comment.

14. Petitioner participated in an extensive public meeting of the Monroe County Planning Commission on December 16th, 2020 in which the conditional uses were approved 5-0 after public participation. In addition to supportive presentations, entities in opposition presented consultant experts in their effort to construct an alternate record.

15. Entities opposed to this approved action filed an appeal of the Planning Commission approval to the Florida Division of Administration Hearings (“DOAH”) on February 5, 2021. Oral arguments were heard at DOAH on July 13, 2021, and on July 22, 2021 the DOAH Administrative Law Judge affirmed in all respects the issuance of the major conditional use permit for the development. A copy of the DOAH decision is attached as **Exhibit B**.

16. On August 18, 2021, the entities who appealed the Planning Commission’s approval to DOAH filed a Petition for Writ of Certiorari in Circuit Court for Monroe County,

Florida, seeking to overturn the above-described DOAH order (which order had upheld the decision of the Monroe County Planning Commission to approve a conditional use permit for the development). Petitioner filed its response on September 29, 2021, at which time the parties engaged in drawn out settlement negotiations. The parties reached (on January 4, 2023) final agreement on resolution of the litigation, which will permit Petitioner to proceed with the Development. A copy of the final settlement agreement between the parties is attached as **Exhibit C**.

17. As a result of the final settlement agreement between the parties, Petitioner has agreed to decrease the number of units in the Development and to relocate the Development Site as more clearly indicated in the sketch attached as **Exhibit A**.

18. Petitioner has agreed to the provisions of the final settlement agreement and is submitting this Petition in order to preserve the viability of the Development (and the sister development known as Dockside at Sugarloaf Key, which is the subject of a separate petition for waiver being submitted simultaneously herewith).

19. The requested waiver will not adversely affect Petitioner, the Development, any other party that applied to receive SAIL funding in the RFA or the Corporation. A denial of the Petition, however, would (a) result in substantial economic hardship to Petitioner, as it has incurred substantial costs to date toward ensuring that the Development proceeds to completion; (b) deprive Monroe County of the provision of much needed affordable workforce housing; and (c) violate principles of fairness. §120.542(2), F.S.

20. As discussed above, the delays have been caused by circumstances outside Petitioner's control. As a result, the delay makes it impossible to meet the January 31, 2023

deadline for issuance of a firm loan commitment, or to undertake the Development as contemplated in the Application.

21. The requested waiver will ensure the availability of SAIL and Housing Credit equity funding which will otherwise be lost as a consequence of the development delays described herein.

E. Conclusion

22. The facts set forth in Sections 11 through 18 of this Petition demonstrate the hardship and other circumstances which justify Petitioner's request for a Rule waiver; that is, the delay in permitting and securing of necessary development approvals for the new construction of the Development caused by neighborhood opposition and the loss of a substantial sum of money should the transaction not go forward.

23. As demonstrated above, the requested waiver serves the purposes of Sections 420.5087 and 420.5089, Florida Statutes, and the Act, as a whole, because one of their primary goals is to facilitate the availability of decent, safe, and sanitary housing in the State of Florida to low income persons and households. Further, by granting the requested waiver, the Corporation would recognize principles of fundamental fairness in the development of affordable rental housing.

24. The waiver being sought is permanent in nature. Should the Corporation require additional information, a representative of Petitioner is available to answer questions and to provide all information necessary for consideration of this Petition.

WHEREFORE, Petitioner respectfully requests that the Corporation:

A. Grant this Petition and all the relief requested therein;

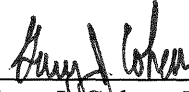
B. Grant a waiver of the Rule to extend the deadline to secure a firm loan commitment from January 31, 2023 to July 31, 2023, and not require that an additional extension fee be imposed;

C. Grant a waiver of the Rule to permit the relocation and re-sizing of the Development Site (and the Development Location Point thereon) as requested herein;

D. Grant a waiver of the Rule to allow the Development to be decreased from 60 units to 28 units; and

E. Award such further relief as may be deemed appropriate.

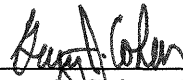
Respectfully submitted,



Gary J. Cohen, Esq.
Shutts & Bowen LLP
Counsel for The Landings at Sugarloaf
Key, LLC
200 S. Biscayne Blvd., Ste. 4100
Miami, FL 33131
Telephone: (305) 347-7308
Fax: (305) 347-7808
E-Mail: gcohen@shutts.com

CERTIFICATE OF SERVICE

The original Petition is being served by overnight delivery, with a copy served by electronic transmission for filing with the Corporation Clerk for the Florida Housing Finance Corporation, 227 North Bronough Street, Tallahassee, Florida 32301, with copies served by overnight delivery on the Joint Administrative Procedures Committee, 680 Pepper Building, 111 W. Madison Street, Tallahassee, Florida 32399-1400, this 21st day of February, 2023.



Gary J. Cohen, Esq.
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Telephone: (305) 347-7308
Fax: (305) 347-7808
E-Mail: gcohen@shutts.com

Exhibit A - Original site IDLP

POH
GROUP

ARCHITECTURE - INTERIORS
DESIGN - BUILD SERVICES
4141 SOUTHPOINT DR., EAST, SUITE 200
JACKSONVILLE, FL 32216 (904) 224-0001

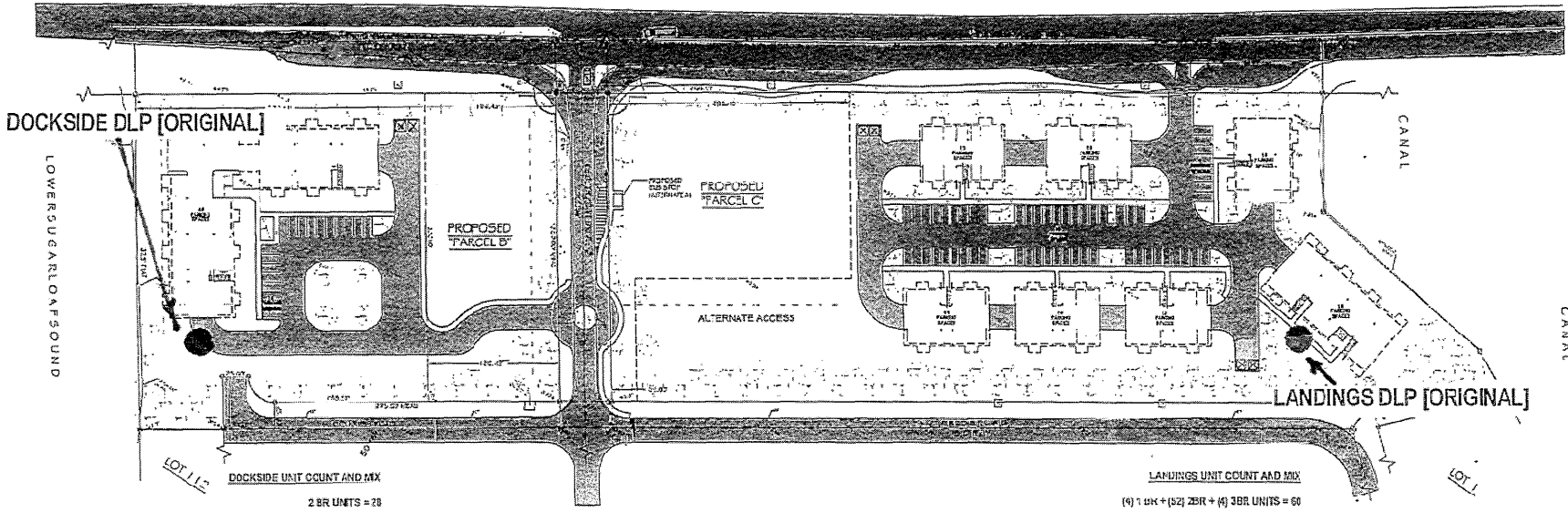
JOB NO.	000001	DATE	10/26/11
DATE	09/01/00	XX	
DRAWN		XX	
CHECK			
RECEIVED			

CONCEPTUAL
SUGARLOAF
DOCKSIDE AND LANDINGS
APARTMENTS
ENGINEERING, FLORIDA

MASTER
STEP PLAN
BUILDING PLANS

DRAWING
AS100

ALL RIGHTS OF DESIGN AND INVENTION ARE HEREBY RESERVED.
 AND THE REPRODUCTION WITHOUT THE EXPRESS WRITTEN PERMISSION OF THE CORPORATION IS PROHIBITED.
 ALL RIGHTS OF DESIGN AND INVENTION ARE HEREBY RESERVED.
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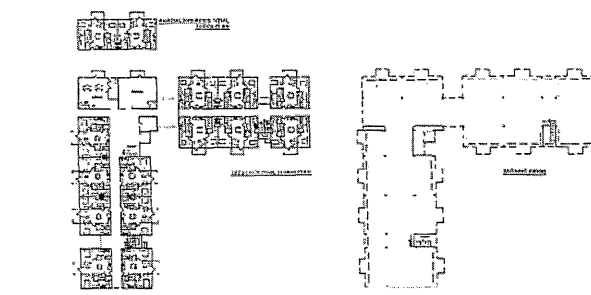
DOCKSIDE UNIT COUNT AND MIX
2 BR UNITS = 28

PARKING & GROUND FLOOR ACCESS
Required Parking = 56
Parking Provided = 64

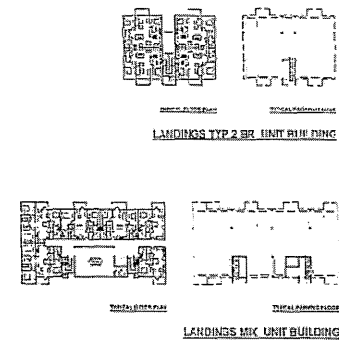
LANDINGS UNIT COUNT AND MIX
(9) 1 BR + (52) 2BR + (4) 3BR UNITS = 60

PARKING & GROUND FLOOR ACCESS
Required Parking = 124
Parking Provided = 154

1 DOCKSIDE + LANDING APARTMENTS MASTER SITE PLAN
SCALE = 5/8" = 1'-0"

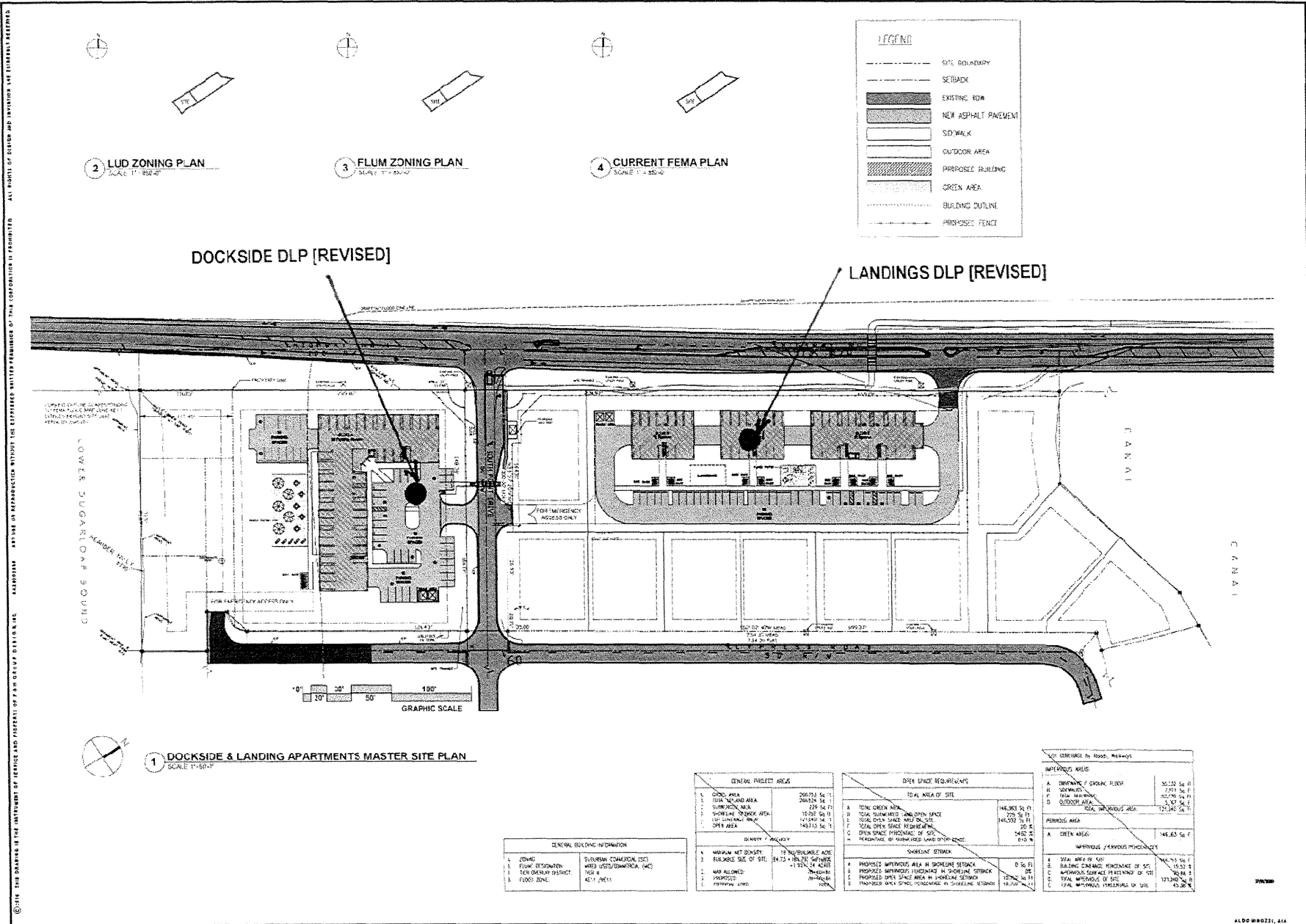


2 DOCKSIDE APARTMENTS BUILDING PLAN
SCALE = 5/8" = 1'-0"



3 THE LANDINGS APARTMENT BUILDING PLANS
SCALE = 5/8" = 1'-0"

Exhibit A - Revised Site / DLP



ARCHITECTURE • INTERIORS
DESIGN • BUILD SERVICES
4181 SOUTHPOINT DR. EAST, SUITE 200
JACKSONVILLE, FL 32216 | 904.324.0001

JOB NO.	18181818181818181818
DATE	04/20/2024
DRAWN BY	DK
CHECKED BY	DK
DATE	04/20/2024

CONCEPTUAL
SUGARLOAF
DOCKSIDE AND LANDINGS
APARTMENTS
BANK OF AMERICA

MASTER SITE PLAN

ASIOC

Exhibit B

STATE OF FLORIDA
DIVISION OF ADMINISTRATIVE HEARINGS

LOWER DENSITY FOR LOWER SUGARLOAF,
LLC, SUGARLOAF SHORES PROPERTY
OWNERS ASSOCIATION, INC., SOUTH
POINT HOMEOWNERS, LLC; STUART
SCHAFFER; JACK MARCHANT; JOHN
COLEY AND WILLIAM L. WALDROP
FAMILY TRUST 12/13/11,

Appellants,

vs.

Case No. 21-0494

MONROE COUNTY PLANNING
COMMISSION AND LOWER KEYS
COMMUNITY CENTER CORPORATION,

Appellees.

_____ /

FINAL ORDER

Pursuant to section 102-185(f), Monroe County Code (MCC),¹ Appellants, Lower Density For Lower Sugarloaf, LLC; Sugarloaf Shores Property Owners Association, Inc.; South Point Homeowners, LLC; Stuart Schaffer; Jack Marchant; John Coley; and the William L. Waldrop Family Trust 12/13/11 (Appellants), seek review of Monroe County Planning Commission (Commission) Resolution No. P35-20 (Resolution).

The Resolution approved a development application requesting issuance of a major conditional use permit by Lower Keys Community Center Corporation (LKCCC) for the proposed development of 88 multifamily deed-restricted affordable employee housing dwelling units at the intersection of Overseas Highway/U.S. Highway 1 and South Point Drive on Sugarloaf Key, near approximate mile marker 16.7, oceanside (Application).

¹ Part II of the Monroe County Code is often referred to as the Land Development Code (LDC). For purposes of this Final Order, relevant provisions will be referred to as being part of the MCC.

On December 16, 2020, the Commission held a duly noticed public meeting (Public Meeting) to hear and consider the Application. Based on its consideration of the record developed at the Public Meeting, the Commission passed and adopted the Resolution, and approved the Application, on December 16, 2020. The Resolution was rendered on January 8, 2021. The “Appeal to Hearing Officer (State of Florida Division of Administrative Hearings - DOAH)” (Appeal) was filed by Appellants with the Monroe County Planning and Environmental Resources Department (MCPERD) on February 5, 2021. The Appeal was referred to the Division of Administrative Hearings (DOAH) on February 11, 2021. The ten-volume Record of the underlying proceeding, consisting of pages 1 through 1287, was thereafter electronically filed on the docket and transmitted on a CD-R to DOAH on February 12, 2021.

On February 16, 2021, a scheduling order was entered that established the briefing schedule for the appeal pursuant to section 102-217, MCC. Appellants filed an Unopposed Motion for an Extension of Time to File the Initial Brief, which was granted. The date for filing the initial brief was set for May 13, 2021.

On March 15, 2021, LKCCC, the owner of the property and applicant for the major conditional use permit, moved to intervene in this proceeding. The motion was granted, and LKCCC was accepted with full party rights as an Appellee.

On April 6, 2021, Appellants filed a Motion to Stay, requesting that this proceeding be stayed to allow a related Commission resolution, Resolution P36-20, which approved an affordable housing project of “greater than 20 units” for the same project and property, to be resolved contemporaneous with this case.

On April 20, 2021, a telephonic hearing was held on the Motion to Stay at which all parties were represented. Due to the unavailability of the then-presiding Administrative Law Judge (ALJ), Suzanne Van Wyk, the motion was heard by the undersigned. At the commencement of the motion hearing, the undersigned advised the parties of a possible conflict created with the intervention of LKCCC, whose counsel is a member of the law firm that served as ALJ Van Wyk’s ethics counsel in

her election campaign for judicial office in 2018. Appellants thereafter filed a Motion to Recuse ALJ Van Wyk, and this case was transferred to the undersigned.

After consideration of the motion, responses, and argument, the Motion to Stay was denied.

On May 10, 2021, Appellants filed a motion to extend the deadline to file the Initial Brief by seven days, until May 20, 2021. The Motion was granted.

On May 14, 2021, Appellants, without filing a motion for leave to do so, filed a Supplement to Record. Appellants did not file a memorandum of the authority under which the supplement was filed. On May 20, 2021, LKCCC filed a Motion to Strike Appellants' "Supplement to Record." On June 8, 2021, the Motion to Strike was granted, and the Supplement to Record has been given no consideration in the development of this Final Order.

The Initial Brief was timely filed on May 20, 2021. Appellees' Answer Briefs were timely filed on June 22, 2021. On June 24, 2021, Appellant filed a Motion for a 5-Day Extension of Time to File the Reply Brief, and on that same day the undersigned entered an Order to Show Cause directing Appellees to explain the basis for any objection to the Motion. Upon review of the response to the Order to Show Cause, the Motion for a 5-Day Extension of Time was granted, and the Reply Brief submission date was extended to July 6, 2021. Appellants' 22-page Reply Brief was thereafter timely filed on that date, accompanied by a Motion to Exceed Page Limit.

On July 12, 2021, Stuart Schaffer, a party to this proceeding, filed a Motion to Appear Pro Se and Participate in the Oral Argument. Also, on July 12, 2021, Appellants filed a Notice of Supplemental Authority of the Final Order in *Florida Keys Media, LLC v. Monroe County Planning Commission*, Case No. 16-0277 (Fla. DOAH June 1, 2016).

Oral argument was heard by Zoom teleconference on July 13, 2021, at which Appellants' Motion to Exceed Page Limit and Mr. Schaffer's Motion to Appear Pro Se and Participate in the Oral Argument were granted. Appellees were also granted

leave to file a two-page response to the *Florida Keys Media* Final Order, which was filed on July 19, 2021.

ISSUES

Appellants raise five issues on appeal: (1) that the Commission erred in approving the Application despite there being no competent substantial evidence of LKCCC's financial capacity to develop the property; (2) that the Commission erred in approving the Application despite there being no competent substantial evidence that the project will meet the "local needs" requirement of the MCC; (3) that the Commission's Public Meeting denied Appellants due process, and was fundamentally unfair; (4) that the Commission erred in approving the Application despite the failure of the project to comply with the "phasing and aggregation" requirements of the MCC for reserved outparcels; and (5) that the Commission erred in approving the Application despite the failure of the project to comply with, and the project's inconsistency with, the Lower Keys Livable CommuniKeys Plan ("CommuniKeys Plan").

BACKGROUND

LKCCC proposes the development of 88 multifamily deed-restricted affordable employee housing dwelling units at the intersection of Overseas Highway/U.S. Highway 1 and South Point Drive on Sugarloaf Key, near approximate mile marker 16.7, oceanside (the Project). The general description of the Project is as follows:

Dockside consists of 28 units [in one building with three connected sections] on a parcel of 1.95 acres on the west side of S. Point Drive, with the Landings [60 units in seven structures] on a parcel of 3.34 acres on the east of South Point Drive, adjacent to a parcel which is not part of this project. Also on the western side of the Dockside parcel, there is another parcel, also not a part of the project.

The Project is proposed with a new entrance to U.S. Highway 1 ("U.S. 1") at the Landings side that will serve as the primary and only entrance to the Landings.

The new entrance is designed with right turn in and right turn out lanes, and a separate left turn lane for south-bound traffic.

The existing South Point Drive entrance from U.S. 1 is designed to add a right turn in deceleration lane, a right turn out acceleration lane, and a left turn queuing lane. A new roundabout is proposed for South Point Drive, designed to slow traffic along South Point Drive and direct traffic into Dockside.

A new bus stop is proposed for South Point Drive to serve public transit and school busses.

Evidence in the Record of the Commission Public Meeting

The Application was filed on August 14, 2020, by Donald Leland Craig, AICP, and Erica Sterling of Spottswood, Spottswood, Spottswood & Sterling, PLLC, seeking issuance of a major conditional use permit pursuant to section 110-70, MCC.

A major conditional use permit is necessary pursuant to section 130-93(c)(9), MCC, which requires dwelling units involving more than 18 units, designated as employee housing, be approved by the Commission as a major conditional use permit.

On October 1, 2020, a public community meeting was held in accordance with section 110-70(c), MCC.

On or about December 7, 2020, the staff of MCPERD filed a supplemental Staff Report in the Commission's record of this proceeding, containing a review of pertinent Monroe County Comprehensive Plan and MCC provisions, and recommending approval of the Application, subject to recommended conditions of approval.

The Public Meeting was properly noticed and set for December 16, 2020. On that date, the Commission conducted a quasi-judicial hearing on the Application.

At the Public Meeting, the Commission was represented by John J. Wolfe, Esquire. Brad Stein, the Planning Development Review Manager, who was accepted as an expert in planning, presented the supplemental Staff Report to the

Commission. Testifying at the Public Meeting were the following representatives and professional consultants of LKCCC: Donald Craig, AICP; Steven Kirk, President of the managing member of LKCCC; Karl Peterson, P.E., LKCCC's traffic engineer; and Harry Delashmutt, LKCCC's environmental and biological resources expert. Offering testimony on behalf of Monroe County was Emily Schemper, Senior Director of Planning and Environmental Resources, who was accepted as an expert in planning; Michael Roberts, Assistant Director of Environmental Resources, who was accepted as an expert in biology and environmental resources; and Mr. Stein.

Testimony was taken from 24 members of the public, mostly nearby residents, with five in favor, and 19 in opposition to the Application.

Andrew Tobin, Esquire, appeared on behalf of Appellants, and provided oral legal argument. Also appearing on behalf of Appellants was Stuart Schaffer, President of the Sugarloaf Shores Property Owners Association; Jack Marchant, representing South Point Homeowners, LLC; John Coley, a party; Bill Waldrop, a party representative; and expert witnesses Juan Calderon, P.E., a professional traffic operational engineer; Max Forgee, a planner; Phil Frank, an environmental consultant; and James Carras, a financial consultant. Several of Appellants' speakers submitted written reports that were in the record before the Commission.

The Resolution identified the following evidence as having been presented at the Public Meeting, which was incorporated and transmitted as part of the record:

1. Major conditional use permit development application received by the [MCPERD] on August 14th, 2020;
2. Site plan ("Site Plan") prepared by PQH Group Design Inc., signed-and-sealed by Aldo Minozzi, AIA, dated/on October 19th, 2020;
3. Building elevations ("Building Elevations") prepared by PQH Group Design Inc., signed-and-sealed by Aldo Minozzi R.A., dated/on October 19th, 2020;
4. Building floor plans ("Building Floor Plans") prepared by PQH Group Design Inc., signed-and-sealed by Aldo Minozzi R.A., dated/on July 31, 2020;

5. Drainage plan (“Drainage Plan”) prepared by GRAEF (GRAEF USA), signed-and-sealed by Nelson H. Ortiz, P.E., dated/on October 21, 2020;
6. Photometric plan (“Photometric Plan”) prepared by PQH Group Design Inc., signed-and-sealed by Thomas C. Nielsen, P.E., dated/on October 19th, 2020;
7. Landscape plan (“Landscape Plan”) signed-and-sealed by Brown & Crebbin Design Studio Inc., by/via Richard Brown, FRLA, dated/on October 22nd, 2020;
8. Existing conditions report (“Existing Conditions Report” or “ECR”) prepared by Biosurveys, Inc., signed by Harry DeLashmutt, March 16th, 2020;
9. Boundary survey (“Boundary Survey”) by Florida Keys Land Surveying, LLC, signed-and sealed by Eric A. Isaacs, P.S.M., dated/on a revised date of July 29th, 2020;
10. Traffic study (“Traffic Study”) by KBP Consulting, Inc., signed-and-sealed by Karl B. Peterson, P.E., dated December 2019, and furthermore updated dated July 2020 and December 2020;
11. Sworn testimony of representatives of the property owner and the property owner’s professional consultants, including but not limited to Donald Craig, AICP, Harry Delashmutt, Karl Peterson, P.E., Steven Kirk, and Nelson Ortiz, P.E.;
12. Sworn testimony of MCPERD professional staff, including but not limited to the sworn testimony of the Department’s Senior Director Emily Schemper, the sworn testimony of the Assistant Director of the Department’s Environmental Resources Office Michael Roberts, and sworn testimony of the Department’s Development Review Manager Bradley Stein;
13. Written protest request forms from members of the public, more particularly contained in the Department’s file maintained for the instant development application/request for hearing and consideration of the

subject major conditional use permit application received from the property owner;

14. Written public comment from members of the public, more particularly contained in the Department's file maintained for the instant development application/request for hearing and consideration of the subject major conditional use permit development application received from the property owner;

15. Sworn testimony of various members of the public speaking in support of and speaking in opposition to the property owner's development application;

16. A two-page (2-page) letter from counsel for certain members of the public, submitted by Andrew Tobin, Esq., dated December 11th, 2020, and oral legal argument of Mr. Tobin;

17. Additional miscellaneous documents contained in the Department's file maintained for the instant development application/request for hearing and consideration of the subject major conditional use permit development application received from the property owner;

18. Advice and counsel of John J. Wolfe, Esq., counsel to the [] Commission.

At the conclusion of the Public Meeting, the Commission voted unanimously to approve the Application. That decision is memorialized in the Resolution, rendered on January 8, 2021. The Resolution made the following "initial" findings of fact:

1. The subject property is located in the Suburban Commercial ("SC") Land Use ("Zoning") District; and
2. The subject property is located the Mixed Use/Commercial ("MC") Future Land Use Map ("FLUM") category; and
3. The subject property is located within an area designed Tier III ("Infill Area"); and

4. Pursuant to [MCC] Section 130-93(c)(9), the proposed development shall require a major conditional use permit; and

5. [MCC] Section 110-67 furnishes the standards which are applicable to all conditional uses. When considering applications for a conditional use permit, this tribunal shall consider the extent to which:

(a) The conditional use is consistent with the purposes, goals, objectives and policies of the Comprehensive Plan and this [MCC];

(b) The conditional use is consistent with the community character of the immediate vicinity of the parcel proposed for development;

(c) The design of the proposed development minimizes adverse effects, including visual impacts, of the proposed use on adjacent properties;

(d) The proposed use will have an adverse effect on the value of surrounding properties;

(e) The adequacy of public facilities and services;

(f) The applicant for conditional use approval has the financial and technical capacity to complete the development as proposed and has made adequate legal provision to guarantee the provision and development of any improvements associated with the proposed development;

(g) The development will adversely affect a known archaeological, historical or cultural resource;

(h) Public access to public beaches and other waterfront areas is preserved as a part of the proposed development; and

(i) The proposed use complies with all additional standards imposed on it by the particular provision of the [MCC] authorizing such use and by all other applicable requirements; and

6. Development shall be consistent with the [MCC]; and
7. Development shall be consistent with the Monroe County Comprehensive Plan; and
8. Development shall be consistent with the Principles for Guiding Development in the Florida Keys Area of Critical State Concern.

The Resolution then made the following “further initial” findings of fact and conclusions of law:

1. The property owner’s development application is consistent with the provisions and intent of the Monroe County Year 2030 Comprehensive Plan, specifically:
 - A. The development is consistent with the purpose of the Mixed Use/Commercial (“MC”) future land use map category, as set forth in Policy 101.5.6; and
 - B. The development is consistent with the future land use densities and intensities, as set forth in Comprehensive Plan Policy 101.5.25.
2. The property owner’s development application is consistent with the provisions and intent of the [MCC], specifically:
 - A. With execution of attached conditions, the development is consistent with the purpose of the Suburban Commercial (“SC”) Land Use (“Zoning”) District, as set forth in [MCC] Section 130-46; and
 - B. With execution of attached conditions, the land uses of the development are permitted within the Suburban Commercial (“SC”) Land Use (“Zoning”) District, as set forth in [MCC] Section 130-93; and
 - C. With execution of attached conditions, the development meets all of the standards for a conditional use permit as set forth in [MCC] Section 110-67; and

3. The property owner's development application is consistent with the Principles for Guiding Development in the Florida Keys Area of Critical State Concern.

The Resolution concluded by expressing the Commission's concurrence with the advice and counsel of its legal counsel; the documentary and testimonial contentions of LKCCC in support of the Application; and the recommendations, findings, and conclusions of the MCPERD's professional staff, and resolved that:

Following considered review of the full record before it, based upon competent substantial evidence in the record, more particularly referenced above in the foregoing prefatory and operative recitals, prefatory and operative findings of fact, and prefatory and operative conclusions of law, all detailing said evidence, and detailing the [] Commission's concurrence with particular oral assertions of law and contentions or determinations of fact and law in the record, the [] Commission hereby approves the property owner's development application requesting approval of issuance of a major conditional use permit.

The Application approval was made subject to the following conditions:

1. The proposed development is currently in compliance with Monroe County Comprehensive Plan Policies 301.1.1, 301.2.1, 301.2.2, 301.2.3 and 301.2.4, as well as [MCC] Sections 114-2(a)(l)(a.), (b.) and (c.). There is currently adequate roadway capacity available at this time, but this shall not guarantee the adequacy or availability of public facilities at subsequent stages of development review. The applicant/property owner hereby acknowledges and agrees that any traffic level of service conditions in the development order are preliminary, and only represent a conditional concurrency determination. A final concurrency review shall [be] completed during building permit review to ensure adequate roadway capacity is confirmed and the adopted level of service is maintained. In areas of the County that are served by marginal or inadequate facilities, developments may be approved, provided that the development in combination with all other permitted development will not decrease travel speed by more than five percent (5%) below Level-of-Service ("LOS") C, and mitigation is provided. Mitigation may be in the form of specific improvements or

proportioned shared contribution towards improvements and strategies identified by the County, and/or by the Florida Department of Transportation (“FDOT”) to address any level of service degradation beyond LOS C and/or deficiencies. The applicant shall submit evidence of an agreement between the applicant and the FDOT for inclusion in any contract or agreement for improvements to U.S. Highway 1. For roadway improvements required, the applicant/property owner may utilize:

a. The necessary facilities and services will be in place at the time a development permit is issued; or

b. The necessary facilities and services are in place at the time a certificate of occupancy, or its functional equivalent is issued. Prior to commencement of construction, the applicant shall enter into a binding and legally enforceable commitment to the County to assure construction or improvement of the facility; or

c. A binding executed contract in place at the time a permit is issued which provides for the commencement of the actual construction of the required facilities or provision of services; or

d. An enforceable development agreement guaranteeing that the necessary facilities and services will be in place with the issuance of a permit. An enforceable development agreement may include, but is not limited to, development agreements pursuant to Section 163.3220, Florida Statutes, or an agreement or development order issued pursuant to Chapter 380, Florida Statutes; or

e. A proportionate share contribution or construction that is sufficient to accomplish one or more mobility improvement(s) that will benefit a regionally significant transportation facility. A proposed proportionate fair-share mitigation shall be reviewed pursuant to Section 126-2, [MCC].

2. Prior to issuance of the building permit, a Notice of Intent from the FDOT for the proposed ingress and egress

directly from U.S. Highway 1 for the Landings portion of the property owner's project must be provided.

3. Prior to issuance of a Certificate of Occupancy for any dwelling units within the Landings portion of the property owner's project, an issued FDOT permit for the proposed ingress and egress directly from U.S. Highway 1 for the Landings portion of the project must be provided.

4. If the FDOT does not approve the proposed new access point on U.S. Highway 1 for the Landings portion of the project, the property owner's project will be required to come before the [] Commission as an Amendment to the subject major conditional use permit.

5. Prior to issuance of building permit(s), the applicant/property owner must obtain 88 Rate of Growth Ordinance ("ROGO") allocations, either through a reservation approved by the Monroe County Board of County Commissioners, or through the permit allocation system quarterly application process.

6. Prior to the issuance of a building permit(s) the fencing must comply with [MCC] Section 114-13.

7. Prior to the issuance of a building permit(s) for any signage, all proposed signs must comply with [MCC] Chapter 142.

8. Prior to the issuance of a building permit(s) all standards and requirements of the American with Disabilities Act ("ADA") must be met.

9. The scope of work has not been reviewed for compliance with Florida Building Code prior to the issuance of building permit(s), new development and structures shall be found in compliance by, including but not limited to, the Monroe County Building Department, the Monroe County Floodplain Administrator, and the local Office of the Fire Marshal.

On February 5, 2021, Appellants timely appealed the Commission's decision. On February 11, 2021, the appeal was referred to DOAH for briefing and oral argument.

LEGAL DISCUSSION

Jurisdiction

Pursuant to a contract between DOAH and Monroe County, DOAH has jurisdiction to review by appeal the action of the Commission pursuant to section 102-213, MCC.

Standard of Review

In rendering a final order, the undersigned is subject to the following standard of review:

Within 45 days of oral argument, the hearing officer shall render an order that may affirm, reverse or modify the order of the planning commission. The hearing officer's order may reject or modify any conclusion of law or interpretation of the county land development regulations or comprehensive plan in the planning commission's order, whether stated in the order or necessarily implicit in the planning commission's determination, but he may not reject or modify any findings of fact unless he first determines from a review of the complete record, and states with particularity in his order, that the findings of fact were not based upon competent substantial evidence or that the proceeding before the planning commission on which the findings were based did not comply with the essential requirements of the law.

§ 102-218(b), MCC.

The standard of review under section 102-218(b), MCC, has been applied to determine whether the Commission "applied the correct law." *Haines City Cmty. Dev. v. Heggs*, 658 So. 2d 523, 530 (Fla. 1995); *see also Miami-Dade Cty. v. Omnipoint Holdings, Inc.*, 863 So. 2d 195, 199 (Fla. 2003); *Wolk v. Bd. of Cty.*

Comm'rs, 117 So. 3d 1219, 1223-24 (Fla. 5th DCA 2013). The correct law may derive from the MCC. *Wolk*, 117 So. 3d at 1224.

When used as an appellate standard of review, competent substantial evidence has been construed to be “legally sufficient evidence” or evidence that is “sufficiently relevant and material that a reasonable mind would accept it as adequate to support the conclusion reached.” *DeGroot v. Sheffield*, 95 So. 2d 912, 916 (Fla. 1957); *see also Town of Manalapan v. Gyongyosi*, 828 So. 2d 1029, 1032 (Fla. 4th DCA 2002)(“The ‘competent substantial evidence’ standard of review ... ‘is tantamount to legally sufficient evidence.’”). So long as there is competent substantial evidence supporting the findings made by the Commission in reaching its decision, those findings will be sustained. *See, e.g., Fla. Power & Light Co. v. City of Dania*, 761 So. 2d 1089, 1093 (Fla. 2000); *Collier Med. Ctr., Inc. v. Dep’t of HRS*, 462 So. 2d 83, 85 (Fla. 1st DCA 1985). Whether the record also contains competent substantial evidence to support a different result is irrelevant. *Clay Cty. v. Kendale Land Dev., Inc.*, 969 So. 2d 1177, 1181 (Fla. 1st DCA 2007); *Fla. Power & Light Co.*, 761 So. 2d at 1093; *Educ. Dev. Ctr., Inc. v. City of W. Palm Bch. Zoning Bd. of App.*, 541 So. 2d 106, 108 (Fla. 1989). The scope of review regarding the competent substantial evidence standard requires only that the undersigned:

review the record to assess the evidentiary support for the agency’s decision. Evidence contrary to the agency’s decision is outside the scope of the inquiry at this point, for the reviewing court above all cannot reweigh the “pros and cons” of conflicting evidence. While contrary evidence may be relevant to the wisdom of the decision, it is irrelevant to the lawfulness of the decision. As long as the record contains competent substantial evidence to support the agency’s decision, the decision is presumed lawful and the court’s job is ended.

Dusseau v. Metro. Dade Cty. Bd. of Cty. Comm’rs, 794 So. 2d 1270, 1276 (Fla. 2001).

In determining whether the Commission’s decision is supported by competent substantial evidence, the hearing officer cannot “second-guess” the wisdom of the decision, reweigh conflicting testimony, or substitute his or her judgment for that of

the Commission as to the credibility of witnesses. *Haines City Cmty. Dev. v. Heggs*, 658 So. 2d at 530. Furthermore, the issue is not whether the Commission's decision is the best decision, the right decision, or even a wise decision. "These are technical and policy-based determinations properly within the purview of the [Commission]." *Town of Manalapan v. Gyongyosi*, 828 So. 2d at 1032. In sum, the undersigned's function here is to determine whether the Commission had before it *any* competent substantial evidence supporting the findings in the Resolution, not whether there is competent substantial evidence to support a contrary position. *Fla. Power & Light Co.*, 761 So. 2d at 1093; *Educ. Dev. Ctr., Inc.*, 541 So. 2d at 108.

Issues on Appeal

I. Whether the Commission had competent substantial evidence of LKCCC's financial capacity to develop the property.

Section 110-67(f), MCC, provides that:

When considering applications for a conditional use permit, the Planning Director and the Planning Commission shall consider the extent to which:

* * *

(f) The applicant for conditional use approval has the financial and technical capacity to complete the development as proposed and has made adequate legal provision to guarantee the provision and development of any improvements associated with the proposed development[.]

At paragraph 5(f) of the Resolution's initial findings of fact, the Commission determined that:

The applicant for conditional use approval has the financial and technical capacity to complete the development as proposed and has made adequate legal provision to guarantee the provision and development of any improvements associated with the proposed development[.]

Appellants argue that “the County’s Staff Report concludes that ‘Staff has no evidence to support or disprove the applicant’s financial and technical capacity.’” However, the issue is not whether Monroe County staff had competent substantial evidence to support its recommendation, but rather whether the Commission had competent substantial evidence to support its decision.

Here, the Commission’s finding that LKCCC has the financial capacity to complete a development as proposed was supported by evidence of property ownership, and by evidence that the project had been approved for funding by the Florida Housing Finance Corporation (FHFC), which performs a financial analysis as a condition of its funding application review. The FHFC acknowledged, in its July 17, 2020, Order Granting Waiver of Rule 67-48.0072(21)(b), that LKCCC “was selected to receive State Apartment Incentive Loan (SAIL) funding and 9% Housing Tax Credits under Request for Applications (RFA) 2018-115, to assist in the construction of a workforce housing Development in Monroe County, Florida.” That evidence is sufficient to establish that the Project is financially supported.

James Carras was retained by Appellant, Lower Density for Sugarloaf, LLC, to “conduct the financial feasibility analysis of the Dock Side and Landings projects.” Mr. Carras has extensive experience in consulting and teaching community economic development, including affordable housing finance. He has been certified as an economic development finance professional by the National Development Council. He has taught at Harvard University for the last seven years in the area of Urban Development and Financing Affordable Housing, and previously taught similar courses at Tufts University, University of South Florida, and MIT. His clients have included public agencies, nonprofit development organizations, and private developers, and his work for those clients has included preparing financing applications, including low-income housing tax credits and other financing incentives and options. Mr. Carras was asked to model whether the development proposed by LKCCC, as well as potential alternative developments, were financially feasible. At the Public Meeting, Mr. Carras testified that:

the project as proposed in terms of the 88 units, despite the higher construction costs in 2020 and lower value of the credits the project is still financially feasible, but also the project is financially feasible at a lower total number of units.

Appellants argue that Mr. Carras was “cut off,” and that he may have said something different if given more time. However, his statement was clear, direct, and, by his own testimony, supported by his modeling. Thus, it constitutes competent substantial evidence upon which the Commission was entitled to rely of LKCCC’s financial capacity to complete the development as proposed. The Commission’s decision did not depart from the essential requirements of the law.

II. Whether the Commission had competent substantial evidence that the Project will meet the “local needs” requirement of the MCC.

At paragraph 1 of the Resolution’s initial findings of fact, the Commission determined that “[t]he subject property is located in the Suburban Commercial (“SC”) Land Use (“Zoning”) District[.]”

Section 130-46, MCC, provides that “[t]he purpose of the [Suburban Commercial] district is to establish areas for commercial uses designed and intended primarily to serve the needs of the immediate planning area in which they are located. This district should be established at locations convenient and accessible to residential areas to reduce trips on U.S. 1.”

Section 130-93, MCC, provides, in pertinent part, that:

(c) The following uses are permitted as major conditional uses in the Suburban Commercial district subject to the standards and procedures set forth in Chapter 110, Article III:

* * *

(3) Institutional residential uses involving 20 or more dwelling units or rooms; provided that:

a. Access to U.S. 1 is by way of:

1. An existing curb cut;
2. A signalized intersection; or
3. A curb cut that is separated from any other curb cut on the same side of U.S. 1 by at least 400 feet[.]

* * *

(9) Attached and detached dwellings involving more than 18 units, designated as employee housing as provided for in section 139-1.

At paragraph 2 of the Resolution, the Commission further determined that:

The property owner's development application is consistent with the provisions and intent of the [MCC], specifically:

A. With execution of attached conditions, the development is consistent with the purpose of the Suburban Commercial ("SC") Land Use ("Zoning") District, as set forth in [MCC] Section 130-46; and

B. With execution of attached conditions, the land uses of the development are permitted within the Suburban Commercial ("SC") Land Use ("Zoning") District, as set forth in [MCC] Section 130-93; ...

The proposed development site is in an established SC District. Thus, issues of whether the SC District was "established at locations convenient and accessible to residential areas to reduce trips on U.S. 1" were resolved with the adoption of section 130-46, MCC, and are not at issue here.

Brad Stein, Monroe County's Planning Development Review Manager, testified that "the proposed conditional use is consistent with the purposes, goals, objectives, and policies of the comprehensive plan and this land development code, including the density for affordable housing." The staff report referenced by Mr. Stein provides that "[t]he proposed employee housing dwelling units are an allowed use with the SC district, and serve the affordable housing needs of Monroe County, including the Lower Keys area."

The staff report and expert opinion of Mr. Stein constitute competent substantial evidence of the development's service of the needs of the immediate planning area. *See Weyerhaeuser NR v. City of Gainesville*, Case No. 20-0581, FO at 12 (Fla. DOAH May 5, 2021)(staff analysis and expert opinions of record are competent substantial evidence supporting a local government's decision); *PGSP Neighbors United, Inc. v. City of St. Petersburg*, Case No. 20-4083, FO at 19 (Fla. DOAH Mar. 3, 2021; Fla. DEO Apr. 1, 2021)("The City Council properly relied upon the Staff Report in adopting the Ordinance, which further qualifies as competent, substantial evidence.").

Furthermore, as argued by LKCCC, the Monroe County Comprehensive Plan and the CommuniKeys Plan support that the proposed development meets the needs of the immediate planning area. Objective 101.19 of the Monroe County Comprehensive Plan requires a "balancing of local community needs with all Monroe County communities." The CommuniKeys Plan includes a direct planning area that extends from mile marker 14.2 to mile marker 29, and establishes that "the Lower Keys LCP planning area serves primarily as a bedroom community supporting more mature and intensely developed employment centers and commercial areas in Stock Island, Key West, and the Upper Keys." The staff report notes that the SC district and the proposed Project serves the affordable housing needs of the Lower Keys planning area as a whole.

There was competent substantial evidence to support the determination that the immediate planning area to be served by the SC district extended beyond the discrete confines of Sugarloaf Key. The SC district was created "to establish areas for commercial uses designed and intended primarily to serve the needs of the immediate planning area in which they are located." In performing its duty of balancing local community needs, the Commission was obliged to apply and harmonize the relevant standards applicable to its decision. In that regard:

Rules of statutory construction...apply to municipal ordinances and city charters. ... Appellant argues that this case implicates the rules of construction that specific provisions control over general ones and that one

provision should not be read in such a way that it renders another provision meaningless. Both rules are well-established. *See Murray v. Mariner Health*, 994 So. 2d 1051, 1061 (Fla. 2008). Another rule of construction relevant to this issue is that all provisions on related subjects be read in pari materia and harmonized so that each is given effect. *Cone v. State, Dep't of Health*, 886 So. 2d 1007, 1010 (Fla. 1st DCA 2004).

Katherine's Bay, LLC v. Fagan, 52 So. 3d 19, 28 (Fla. 1st DCA 2010).

Based on the above, the Commission's approval of affordable workforce housing for persons employed outside of the bounds of Sugarloaf Key was based on its analysis that the immediate planning area to be served by the SC district included more mature and intensely developed employment centers and commercial areas. Its decision was based on competent substantial evidence provided by the documentary submissions, the staff reports, and testimony of its staff and experts. The Commission's decision did not depart from the essential requirements of the law.

III. Whether the Commission's Public Meeting denied Appellants due process and was fundamentally unfair.

Appellants object that, at the December 16, 2020, Public Meeting, they were limited to six minutes for their legal representative, three minutes apiece for members of the public, including residents and other representatives, "and a little longer for experts." Meanwhile, "[t]he Planning Commission allows the 'parties' - the Staff and the Applicant - as much time as they need to present competent substantial evidence in support of or in opposition to an application and allows time for rebuttal; the 'parties' are allowed to call and question witnesses and have the ability to qualify witnesses as experts to bolster their credibility."

Under the MCC, the review criteria are limited and do not include consideration of whether procedural due process was afforded by the Commission. *See* § 102-218(b), MCC; *see also Osborn v. Monroe Cty. Planning Comm'n*, Case No. 03-4720, FO at 33-34 (Fla. DOAH Nov. 1, 2004) ("the review criteria are limited and do not

include consideration of whether procedural due process was afforded by the Commission”); *Handte v. Monroe Cty. Planning Comm’n*, Case No. 19-5649, FO at 6 (Fla. DOAH Aug. 12, 2020) (“Unlike the three-tier judicial review of final administrative actions by a circuit court, procedural or due process violations may not be considered. ... Therefore, Appellants’ argument that procedural due process violations occurred during the appeal hearing in front of the Commission, is not within the scope of this appeal.”).

As set forth herein, the Commission allowed the public to participate in the proceeding consistent with its established procedures. It further allowed the Appellants individually, and their counsel and experts, to appear and to submit documentary evidence. Thus, the Commission did not depart from the essential requirements of the law in taking its action.² Nonetheless, the specific argument raised by Appellants that they were denied due process is not within the scope of this appeal.

IV. Whether the Project complies with the “phasing and aggregation” requirements of the MCC for Reserved Outparcels.

Appellants argue that the failure of LKCCC to include two reserved outparcels as “proposed phases of development,” and to include them in the Project traffic study, violated the “phasing” and “aggregation” provisions of the MCC. LKCCC argues, on the other hand, that the outparcels are not part of the Project, and were not submitted to the Commission for review or approval.

² Appellants’ argument appears to have been considered and rejected by the Fifth District Court of Appeal, which has established that, in quasi-judicial hearings, the parties to the proceeding “must be able to present evidence, cross-examine witnesses, and be informed of all the facts upon which the (government agency) acts.” *Carillon Cmty. Residential v. Seminole Cty.*, 45 So. 3d 7, 11 (Fla. 5th DCA 2010). However, the court was clear that adjoining landowners are not parties, and do not have due process rights to cross-examine witnesses. Rather, the court established that the right of participation of adjoining landowners “does not, in any way, recognize a right on behalf of all neighboring property owners to cross-examine any and all individuals who may speak for or against the zoning application. To recognize such a right on behalf of all ‘interested persons’ would create a cumbersome, unwieldy procedural nightmare for local government bodies.” *Id.*

Section 110-70, MCC, provides, in pertinent part, that:

(a) Applications for major conditional uses. An application for a major conditional use permit shall be submitted to the Planning Director in a form provided by the Planning and Environmental Resources Department. The application shall include:

* * *

(7) A community impact statement, including:

a. General description of proposed development:

1. Provide a general written description of the proposed development; including any proposed phases of development, the site size, the number and type of existing and proposed dwelling units, the amount and type of existing and proposed nonresidential floor area, and parking demand and capacities; ...

* * *

e. Impact assessment on public facilities—transportation:

1. Provide a projection of the expected vehicle trip generation; describe in terms of external trip generation and average daily and peak hour traffic;

2. Provide a traffic study, if applicable, as specified in Section 114-200[.]

Section 130-165, MCC, entitled Aggregation of Development, provides that:

Any development that has or is a part of a common plan or theme of development or use, including, but not limited to, an overall plan of development, common or shared amenities, utilities or facilities, shall be aggregated for the purpose of determining permitted or authorized development and compliance with each and every standard of this Land Development Code (includes clearing limits) and for the purpose of determining the appropriate form of development review.

The Application provides that “the project [i.e., the 88-unit development] will be built in one phase,” and further provides that the outparcels are not part of the Project. Other than speculation and argument that failure to consider the outparcels as part of a phased or aggregated development would lead to an absurd result, there was no competent substantial evidence offered to establish such. There was no allegation of any overall plan of development or shared amenities, utilities, or facilities between the Project and the outparcels, save the likelihood that the outparcels would have to share an access point(s) onto U.S. 1.

Mr. Peterson, who has considerable experience in traffic engineering and transportation planning in Monroe County, provided testimony, and a traffic impact study that was included in the Application, and discussed at length at the Commission meeting, which concluded that there is sufficient capacity on U.S. 1 to accommodate the traffic associated with the Project, and that the study intersections within the Project study area will operate at an acceptable level of service. Mr. Peterson further testified that the data and assumptions upon which the traffic impact study was based, including its trip distribution calculations, were consistent with Department of Transportation practices, and with the published Monroe County Traffic Report Guidelines. Furthermore, he testified that the trip generation calculations for the Project were developed consistently with a trip generation manual published by the Land Use Institute of Transportation Engineers that is widely considered to be the standard for estimating traffic associated with various land use, and applied the most “robust” and trusted data set. As to the “reserved” parcels, Mr. Peterson testified that nothing was planned for those vacant parcels, and that, in his opinion, it is not unusual for vacant land to not be considered in a traffic impact study and analysis. He further noted that when those parcels are proposed for development, they will be evaluated and be subject to Commission review in accordance with the conditions and guidelines required at that time, a conclusion that was substantiated in the staff report recommended action. Mr. Peterson provided competent substantial evidence to the Commission of the Project’s compliance with sections 110-70 and 130-165, MCC.

Furthermore, the staff report discussed both the scope of the proposed Project and the traffic element at length. Staff made no determination that the outparcels, though depicted on the site plan, should be considered as part of a phased project, or aggregated for the purpose of determining permitted or authorized development and compliance with the MCC, including traffic elements.

The Commission's decision was based on competent substantial evidence provided by the documentary submissions, expert testimony, the staff report, and testimony of its staff. The Commission's decision did not depart from the essential requirements of the law.

V. Whether the Project complies with, and is consistent with, the CommuniKeys Plan.

In their final point on appeal, Appellants argue that the Project is not consistent with the CommuniKeys Plan. Their argument relates primarily to density, though their briefs touch on traffic impacts and community character as well.

As stated by Mr. Stein, the CommuniKeys Plan is “a balancing of policies and priorities for the overall planning area to remain a low density primarily residential community, as well as provide affordable housing in the community.” As set forth herein, the CommuniKeys Plan includes a planning area that extends from mile marker 14.2 to mile marker 29. In addition, the CommuniKeys Plan recognizes that the planning area is tied to and is designed to support the employment centers and commercial areas in Stock Island, Key West, and the Upper Keys. Monroe County Comprehensive Plan Policy 1.2.1 directs Monroe County to recognize the FLUM categories and the land use districts as the primary regulatory tool for evaluating development proposals. As applied here, the Mixed Use/Commercial FLUM and SC zoning together allow the development of employee housing with more than 18 units as a major conditional use, without the necessity of text or map amendments, and without the need for a variance.

Mr. Stein also noted the Project's compliance with CommuniKeys Plan objective 4.2, by which "Monroe County shall encourage affordable and work force housing in areas identified for appropriate for higher intensity commercial mixed use and residential development," and policy item 4.2.2., by which "Monroe County will conduct an analysis to identify sites for affordable and workforce housing in areas identified in the FLUM as residential hyde [sic] and mixed use commercial land use."

The CommuniKeys Plan identifies properties that are appropriate for medium to high-density residential development or commercial development under Monroe County's Comprehensive Plan, and the Project site is specifically mapped as an area that is appropriate for medium to high density residential development.

As stated by Ms. Schemper, and detailed in the staff report, the Project density is in compliance with the general density standards in the CommuniKeys Plan. The general density standards apply to the entire CommuniKeys Plan community, which stretch over a number of islands across a number of miles. The Project area is specifically identified as a medium to high density potential development area, and is not considered a restricted low-density development area. Ms. Schemper further testified that the CommuniKeys Plan indicates that the Commission should use the current FLUM when evaluating development proposals. Although the CommuniKeys Plan includes policies and priorities for the overall planning area to maintain a low density primarily residential character, that overall community includes specific areas with varying density requirements, including those for affordable housing, and including the adjacent Sugarloaf Key neighborhood, which is in a residential-medium category.

With regard to traffic and community character, both the record of the Public Meeting, including the comprehensive traffic study, and the staff report were replete with evidence of compliance with the traffic and community character elements of the CommuniKeys Plan. Traffic has been previously discussed. As to community character, there was ample evidence of restrictions and accommodations made by LKCCC regarding building height, parking, buffers and expanded

setbacks, architectural design, lighting, fencing and limitations on waterway access, and other elements designed to accommodate the character of the existing community. In response to inquiry, Ms. Schemper confirmed that LKCCC “is not asking for any waivers or variances from our rules and regulations and is in compliance with the code and all of its requirements,” and that “they have actually exceeded them in certain cases as well,” including those related to parking and landscaping. Compliance with the traffic and community character elements of the CommuniKeys Plan was supported with competent substantial evidence.

Appellants argue that, despite what adjoining landowners will see, the Project will violate the “compatibility” provisions of section 163.3164(9), Florida Statutes, which is “a condition in which land uses or conditions can coexist in relative proximity to each other in a stable fashion over time such that no use or condition is unduly negatively impacted directly or indirectly by another use or condition.” Appellants focus that argument on adverse traffic impacts from the proposed development. The evidence, in the form of the traffic study, staff report, testimony of Mr. Peterson and staff, and discussion by the Commissioners, all constitute competent substantial evidence that the Project will not “unduly negatively impact” the existing residential uses of Sugarloaf Key.

Finally, Appellants argue that the Commission approval failed to take into account whether the Project will serve the “local community,” suggesting that the residents of the proposed workforce housing should be limited to serving the needs of the Lower Sugarloaf Community Center from mile marker 16 to mile marker 17. As has been discussed and described herein, the record of the Commission’s Public Meeting and the staff report include extensive discussion of the extent and purpose of the CommuniKeys Plan planning area. That evidence provides support for the Commission’s determination that the Project meets the criteria established by the CommuniKeys Plan, including the local needs elements.³ The Commission’s decision did not depart from the essential requirements of the law.

³ Appellants’ reliance on *Florida Keys Media, LLC v. Monroe County Planning Commission*, Case No. 16-0277 (DOAH June 1, 2016), as support for a definition of the “local community,” is misplaced.

Conclusion

It is not the role of the undersigned to determine whether the action taken by the Commission is the best means to accomplish Monroe County's objectives. As set forth herein, the Commission applied the correct law, acted in accordance with competent substantial evidence, and did not depart from the essential requirements of the law when it adopted the Resolution.

DECISION

Based on the foregoing, Resolution No. P35-20, which approved the issuance of a major conditional use permit to LKCCC for the proposed development of 88 multifamily deed-restricted affordable employee housing dwelling units at the intersection of Overseas Highway/U.S. Highway 1 and South Point Drive on Sugarloaf Key, near approximate mile marker 16.7, oceanside, is affirmed in all respects.

DONE AND ORDERED this 22nd day of July, 2021, in Tallahassee, Leon County, Florida.



E. GARY EARLY
Administrative Law Judge
1230 Apalachee Parkway
Tallahassee, Florida 32399-3060
(850) 488-9675
www.doah.state.fl.us

Filed with the Clerk of the
Division of Administrative Hearings
this 22nd day of July, 2021.

In that case, the ALJ determined that a 190-foot-tall communications tower was aesthetically incompatible with the surrounding residential area. After having described the project (tall tower, noisy backup generator), and the specific documented evidence of the effect of the tower on property values (evidence that is lacking here), the ALJ concluded that "the proposed tower would be incompatible with the surrounding residential area." He further determined that the "immediate vicinity" applied not to whether the tower would *serve* the local community, as Appellants assert here, but whether the tower was compatible with the *character* of the local community. The evidence in this case was sufficient to constitute competent substantial evidence that the Project, as designed, will be compatible with the local residential community, aesthetically and otherwise.

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NOTICE OF RIGHTS TO JUDICIAL REVIEW

Pursuant to article VI, section 102-218(c), MCC, this Final Order is "the final administrative action of the county." It is subject to judicial review by common law petition for writ of certiorari to the circuit court in the appropriate judicial circuit.

Exhibit C

Exhibit 1: Agreement

SETTLEMENT AGREEMENT AND GENERAL RELEASE OF ALL CLAIMS

This Settlement Agreement and General Release of All Claims (the "Agreement"), is entered into by Respondent, Lower Keys Community Center Corporation ("Lower Keys Community Center"), Rural Neighborhoods, Inc., Dockside at Sugarloaf Key, LLC ("Dockside, LLC"), and The Landings at Sugarloaf Key, LLC ("The Landings, LLC"),¹ and Petitioners, Lower Density for Lower Sugarloaf, LLC, Sugarloaf Shores Property Owners Association, Inc. ("SSPOA"), South Point Homeowners, LLC, Stuart Schaffer, individually, Jack Marchant, individually, John Coley, individually, and William L. Waldrop Family Trust, who all shall be collectively referred to herein as the "Parties," or individually as a "Party." This Agreement shall be effective upon execution by all Parties (the "Effective Date").

WHEREAS, Petitioners filed appeals of Monroe County Resolutions P35-20 and P36-20 (collectively, the "Litigation") relating to the Planning Commission's unanimous approval of Lower Keys Community Center's Major Conditional Use Permit (the "Permit") for a proposed development of eighty-eight (88) multifamily, deed-restricted affordable housing dwelling units (the "Development"). The Development was to be constructed on portions of two parcels of land in Monroe County, Florida currently bearing parcel identification numbers 00166976-011400 and 00166976-011300 (the "Parcels"). The appeal of Resolution P35-20 was heard at the Department of Administrative Hearings ("DOAH") in Case No. 21-0494, and subsequently appealed to the Monroe County Circuit Court in *Lower Density for Lower Sugarloaf, LLC v. Monroe County*, Case No. 21-CA-000574-K. The appeal of Resolution P36-20 is pending before the Monroe County Board of County Commissioners (the "BOCC"); and

WHEREAS, Rural Neighborhoods, Inc., Dockside, LLC and The Landings, LLC are not parties to the Litigation, but their interests in the Development and the Parcels are impacted by the Litigation; and

WHEREAS, the Parties want to resolve the Litigation, as well as all claims and disputes that were raised, or could be raised, by the Parties that are related to or arise out of the Litigation;

NOW THEREFORE, in consideration of the foregoing promises, the representations contained herein, and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged by the Parties, the Parties hereto agree as follows:

1. **Modification of Permits.** Lower Keys Community Center, Rural Neighborhoods, Inc., Dockside, LLC, and The Landings, LLC, (collectively, the "Developer Parties") shall cause Lower Keys Community Center to re-submit development plans for two (2) affordable rental-housing communities known as Dockside at Sugarloaf Key ("Dockside Multi-Family") and The Landings at Sugarloaf Key ("The Landings Multi-Family") (collectively the "Multi-Family Developments") on portions of the Parcels which comply in all respects with the "Project Modifications" identified in Section 2 of this Agreement (the "Permit

¹ Only Lower Keys Community Center is a respondent in the referenced proceedings, however it is the intent of the Parties to bind all additional listed non-parties to this Agreement where noted.

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Modifications”).

2. **Project Modifications.** The Project Modifications shall consist of the following:

- a. The Dockside Multi-Family (portion of Parcel ID: 00166976-011400) and The Landings Multi-Family (portion of Parcel ID: 00166976-011300) portions of the Parcels shall consist only of Affordable Housing in a Multifamily Residential Development as those terms are defined by Section 101-1 of the Monroe County Land Development Code (“LDC”), parking, and accessory uses. Attached to this Agreement is a preliminary site plan for the Multi-Family Developments. *See Exhibit A.* The Multi-Family Developments as constructed shall generally conform to such site plan.
- b. Dockside Multi-Family shall be comprised of twenty-eight (28) residential units in a single residential building per prior Planning Commission approval in the Permit.
- c. The Landings Multi-Family shall be comprised of twenty-eight (28) residential units in three (3) buildings, with one (1) containing twelve (12) residential units and two (2) containing eight (8) residential units each.
- d. The total number of residential dwelling units at each of Dockside Multi-Family and The Landings Multi-Family shall not exceed eighteen (18) units per buildable acre. Structures at the Dockside Multi-Family and Landings Multi-Family shall be limited to residential, parking, and accessory uses.
- e. All of The Landings Multi-Family buildings shall be located along the northern portion of The Landings Multi-Family Parcel adjacent to U.S. Highway 1, subject to any applicable state or federal rules and any setback or buffer provisions in the LDC or the Monroe County Code of Ordinances (the “Code”), and no such building shall be located on the adjacent canal.
- f. The new U.S. Highway 1 entrance to The Landings Multi-Family parcel will have no less than one right turn-in and one right turn-out lane.
- g. No community boat ramp or dock will be built on the Dockside Multi-Family and The Landings Multi-Family portions of the Parcels.
- h. The Landings Multi-Family and any other development on its Parcel shall be accessible via a second entrance on South Point Drive. If, after commercially reasonable efforts, a second entrance on South Point Drive is not feasible, the second entrance to The Landings Multi-Family parcel will be located on Cypress Road.
- i. Tenants of Dockside Multi-Family and The Landings Multi-Family will be prohibited from parking recreational vehicles (RV), trailers, boats, or vehicles longer than 266 inches on the Parcels.

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- j. An opaque barrier shall be constructed, comprised of a metal or concrete material, which height will be six (6) feet, but subject to limitations imposed by the LDC, landscaped with twelve (12)-foot trees and/or palms spaced approximately twenty-five (25) feet on center and including a minimum of ten (10)-gallon plants, approximately four (4) feet on center, and approximately three (3) feet in height. The barrier and landscaping described in the preceding sentence will extend from the southwest end of radius at the intersection of South Point Drive and Cypress Road to the southwest edge of the property line excluding entrances or exits, if any.
 - k. An illuminated landscaped South Point entrance wall shall be constructed at the intersection of South Point Drive and U.S. Highway 1 comparable to the existing entrance walls located on the west side of South Point Drive. The wall will not include references to Dockside Multi-Family, The Landings Multi-Family or any other development on the Parcels unless installing separate signage at a different location identifying the Dockside Multi-Family and The Landings Multi-Family developments are impermissible under the LDC.
 - l. The Royal Palms on both sides of South Point Drive (except in such locations as entrances are constructed and further subject to site state or federal restrictions) shall be maintained, relocated, or replaced. Royal Palm trees will be approximately sixteen (16) feet in overall height and the plantings will be spaced approximately twenty (20) feet on center, subject to modification based on any conflicting design aspects for entrance or exits or emergency ingress/egress access points. However, the east side of South Point Drive is not subject to this mandatory Royal Palm provision.
 - m. The Developer Parties will make a good faith effort to landscape the property borders of the Multi-Family Developments along South Point Drive and Cypress Road commensurate with professional landscaping and in accordance with the Code and the LDC.
 - n. The Developer Parties will utilize commercially reasonable efforts to cause Dockside Multi-Family and The Landings Multi-Family to minimize light pollution.
 - o. Dockside Multi-Family and The Landings Multi-Family will require a minimum twelve(12)-month lease term.
3. **Applicability of Project Modifications.** The Project Modifications are intended to bind the Parties with respect to the development of the Dockside Multi-Family and Landings Multi-Family projects only. All Parties acknowledge that the Dockside Multi-Family and Landings Multi-Family projects will only be constructed on portions of the Parcels and, except as otherwise specifically provided in this Agreement, any subsequent development of the Parcels in areas not related to either the Dockside Multi-Family or Landings Multi-Family projects is not covered by this Agreement.

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4. **Recording Obligation.** Within seven (7) days following the Effective Date of this Agreement, the Developer Parties shall cause either Lower Keys Community Center, The Landings, LLC, Dockside, LLC, or their related entities to properly record and file in the Monroe County Official Records an executed version of this Agreement. Upon the close of housing financing for the Multi-Family Development (as amended by Section 2), the Developer Parties shall cause the owner(s) of the Multi-Family Development portions of the Parcels to properly record and file in the Monroe County Official Records the deed restrictions covering the Parcels which restrict the Multi-Family Developments in accordance with the requirements of Section 2(d), 2(g), 2(i), 2(n), and 2(o) of this Agreement. The recording and filing of the deed restrictions may be modified following Planning Commission approval of a modified application to cover only the Multi-Family Development portions of the Parcels. Revocations of such recordings and filings will be held in escrow by a third-party escrow agent for subsequent filing as provided in Section 20 of this Agreement. Forms of such recording and revocation documents and revocation documents are attached as **Exhibit B (Deed Restrictions)** and **Exhibit C (Modification/Revocation Document)** to this Agreement.
5. **Effect of Sale or Assignment.** In the event of a sale or assignment of the Parcels or any portions of the Parcels used or to be used for Dockside Multi-Family or Landings Multi-Family, the Developer Parties shall have either (i) secured the assignee's written agreement to succeed to all rights and assume all obligations of the Developer Parties (including the assignor) under this Agreement with respect to the assigned portions of the Parcels in the form set forth in **Exhibit D** to this Agreement and furnished an executed version of such agreement to the Petitioners or (ii) if the sale or assignment occurs before the commencement of construction of Dockside Multi-Family or Landings Multi-Family, and clause 5(i) has not been satisfied, the Developer Parties will cause an Abandonment prior to closing on the sale or assignment.
6. **Effect of Noncompliance.** In the event (i) Lower Keys Community Center does not record and file the documents as required by the first and second sentences of Section 4 of this Agreement, or (ii) the development application is not or the development on the Parcels is not, or will not, under the terms of a Planning Commission resolution, be, constructed in strict compliance with Sections 2(a), 2(b), 2(c), 2(d), 2(e), 2(f), and 2(g) of this Agreement, or (iii) the development application is not or the development on the parcels is not, or will not, under the terms of a Planning Commission resolution, be, in substantial compliance with Sections 2(h), 2(j), 2(k), 2(l), and 2(m) of this Agreement, the Developer Parties shall promptly cause an Abandonment.
7. **Limitation of Challenges.** Petitioners agree not to challenge, and SSPOA agrees to affirmatively support via testimony and in writing as necessary, at all levels and in any forum including, but not limited to the Florida Housing Finance Corporation (the "FHFC"), BOCC, Development Review Committee, and Planning Commission, the application by Lower Keys Community Center for a modified or amended Permit and necessary extensions, permits, or ancillary proceedings and for Landings and Dockside in relation to any project financing or re-financing before FHFC and Monroe County, Florida. Petitioners will cause Ben Haas to send a letter or email to Steven Kirk containing

assurances that he will also not make such a challenge. Petitioners agree to send a joint letter to the Monroe County Planning Director in support of such application, provided that Jack Marchant, Stuart Schaffer, John Coley, or William L. Waldrop Family Trust shall not be required to sign the letter if he or it does not at that time own real property in Sugarloaf Shores. The obligations set forth in this paragraph are subject to the condition that the Developer Parties have complied with the requirements of Sections 1, 4, and 5 of this Agreement and that the terms of the development on the Parcels as set forth in the then-current version of the proposal are in strict compliance with Sections 2(a), 2(b), 2(c), 2(d), 2(e), 2(f), and 2(g) of this Agreement and are in substantial compliance with Sections 2(h), 2(i), 2(j), 2(k), 2(l), 2(m), 2(n), and 2(o) of this Agreement. The Parties further agree:

- a. The Parties' obligations under Section 7 will continue during the existence of this Agreement and are a required material term of this Agreement.
- b. In the event any Party seeks to enforce this Agreement, whether for breach, specific performance, or otherwise, representatives of Petitioners and the Developer Parties will be required to attend at least one (1) mediation as a pre-suit requirement unless such requirement is waived in writing by all of the Parties. The mediation must be set within sixty (60) days of a Party providing an applicable pre-suit notice to the other Parties.

8. **Execution of Agreement.** This Agreement shall be executed by all of the Parties.
9. **Dismissal of Litigation.** Within seven (7) days following the Effective Date of this Agreement, Petitioners will dismiss the Litigation with prejudice.
10. **Mutual Release.** In exchange for the obligations, requirements and duties expressly set forth in this Agreement, each Party expressly releases all other Parties and the attorneys of record, both individually and in any fiduciary or representative capacity, directors, officers, shareholders, agents, employees, successors, assigns, subsidiaries, or affiliated corporations or business entities, predecessor or successor corporations or business entities, separately and collectively, from any and of all matter of action and actions, cause and causes of action, claims, counterclaims and demands whatsoever, in law or in equity, by whatever name, kind or nature that include or are related to the Litigation or the Permits. This Mutual Release expressly excludes any claims relating to or arising out of the performance of this Agreement or the transactions contemplated hereby.
11. **Attorneys' Fees and Costs.** The attorneys' fees and costs incurred to date in prosecuting and defending the Litigation will be borne by the respective parties. In any legal action arising out of or relating to this Agreement or its enforcement, including but not limited to any action related to its interpretation or enforcement, the prevailing party shall only be entitled to its reasonable attorneys' fees and costs, including attorneys' fees and costs incurred in connection with any proceedings, in the event there is an applicable statute providing for recovery of attorneys' fees and costs or the challenge to the Agreement is deemed frivolous or without merit.

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12. **Counterparts.** This Agreement may be signed and executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one Agreement. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or email shall be effective as delivery of an originally executed counterpart of this Agreement. This Agreement shall not be effective unless and until all Parties have executed it. The date of delivery of the final signature on the Agreement shall constitute the Effective Date.
13. **No Adverse Construction.** The Parties acknowledge that this Agreement has been prepared by each of them with the opportunity to consult legal counsel. In the event any part of this Agreement is found to be ambiguous, such ambiguity shall not be construed against any Party.
14. **Non-Admission of Liability.** Nothing in this Agreement shall constitute or be construed as an admission of liability on behalf of any of the Parties, their agents, affiliates, assigns, subsidiaries, and/or successors. This Agreement shall not be used as evidence in any proceeding other than one to enforce this Agreement, or one seeking damages or relief arising from a breach of this Agreement.
15. **Partial Invalidity and Severability of Provisions.** The Parties agree that if any provision of this Agreement is determined to be unenforceable *in part* by any entity with authority to make such a determination, then the provision shall be enforced to the maximum extent permitted. The Parties further agree that if any provision is determined to be unenforceable *in whole* by any entity with authority to make such a determination, then all of the other terms, conditions and provisions of this Agreement shall remain in full force and effect to the same extent as if that part declared void or invalid had never been incorporated in the Agreement and in such form, the remainder of the Agreement shall continue to be binding upon the Parties.
16. **Entire Agreement.** This Agreement constitutes the entire Agreement and understanding between the Parties in respect of the subject matter hereof, and supersedes and supplants all prior agreements, representations, and/or discussions with respect to the subject matter hereof.
17. **Amendments, Modifications.** This Agreement may be amended at any time upon the approval of all Parties; however, any such amendment must be in writing and signed by all Parties in order for such amendment to be of any force and effect.
18. **Governing Law.** The laws of the State of Florida apply to this Agreement. The Parties agree that any action, suit or proceeding, including but not limited to any proceeding for injunctive and declaratory relief, arising out of this Agreement shall be initiated only in the state or federal courts having jurisdiction in Monroe County in the State of Florida, and each Party waives any objection (including objections regarding lack of personal jurisdiction and objection to the convenience of the forum) that such Party may now or hereafter have to such venue or jurisdiction in any action, suit or proceeding, brought in any state or federal court having jurisdiction in Monroe County, Florida.

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19. **Survival.** All representations and warranties contained herein, if any, shall survive the execution and delivery of this Agreement. Furthermore, in the event the FHFC tax credits assigned to the Development lapse, this Agreement and all terms shall survive such lapse. In the event the Developer Parties determine that sufficient funding will not be available to develop the Dockside Multi-Family or Landings Multi-Family projects consistent with this Agreement, the Developer Parties shall promptly notify the Petitioners of such determination.
20. **Revocations of Recording Documents.** Upon the commencement of construction of Dockside Multi-Family or Landings Multi-Family, Lower Keys Community Center shall be entitled to file the revocation of the recording of the executed version of this Agreement referred to in Section 4 for the relevant portions of the Parcels. The revocation shall operate to release the Developer Parties from any obligations identified in Sections 2(a), 2(b), 2(c), 2(e), 2(f), 2(l), and 2(m) of this Agreement for the relevant portion of the Parcels. In the event of an Abandonment, Lower Keys Community Center shall be entitled to file the revocations of recording of the executed version of this Agreement and the revocations of deed restrictions referred to in Section 4 of this Agreement.
21. **Abandonment Option.** The Developer Parties have the option to cause an Abandonment at any time before the commencement of construction of any of the Multi-Family Developments.
22. **Abandonment.** For purposes of this Agreement, an "Abandonment" is defined as Lower Keys Community Center taking all actions required to revoke, withdraw, or otherwise terminate the applications for the Permit and the Permit Modifications and any development approvals with respect thereto and with respect to the development of more than twenty (20) affordable housing units on the Parcels. Following an Abandonment in accordance with this Agreement, Lower Keys Community Center shall be entitled to file a new development application for the Parcels.
23. **Covenant.** Neither Rural Neighborhoods, Inc., nor Steven Kirk, nor any entity with respect to which either of them is a controlling principal, will be a direct or indirect owner of an entity that develops or manages any housing on any portion of the Parcels other than the Dockside Multi-Family or Landings Multi-Family portions.
24. **Notice.** All notices and other communications provided for herein shall be in writing and shall be delivered by hand, overnight courier, or email as follows:

For the Developer Parties

Steven Kirk
o/b/o Rural Neighborhoods, Inc.
19308 SW 380th Street, PO Box 343529
Florida City, FL 33034
stevekirk@ruralneighborhoods.org

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For Petitioners

Ralf Brookes, Esq.
P.O. Box 100238
Cape Coral Florida 33910
ralfbrookes@gmail.com

Stuart Schaffer
32 Venetian Way
Sugarloaf Key, Florida 33042
sfschaffer@gmail.com

IN WITNESS WHEREOF, intending to be legally bound, Lower Keys Community Center Corporation, Rural Neighborhoods, Inc. Dockside at Sugarloaf, LLC, The Landings at Sugarloaf, LLC, Lower Density for Lower Sugarloaf, LLC, Sugarloaf Shores Property Owners Association, Inc., South Point Homeowners, LLC, Stuart Schaffer, Jack Marchant, John Coley, and William L. Waldrop Family Trust execute the *instant* Agreement:

(Signatures Appear On the Following Page).

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Doc. # 2403832 Page Number: 10 of 22

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DocuSigned by:
(x) Steve Kirk
1ED2D17388C54EE

1/3/2023
Date: _____

By: Steven Kirk

o/b/o Rural Neighborhoods Inc.,
Dockside at Sugarloaf Key, LLC, &
The Landings at Sugarloaf Key, LLC

Title: Principle

DocuSigned by:
(x) Stuart Schaffer
B648C5A79284411...

1/3/2023
Date: _____

By: Stuart Schaffer

o/b/o Lower Density for Lower Sugarloaf,
LLC

Title: Director of SSPOA, as member of Lower
Density for Lower Sugarloaf, LLC

DocuSigned by:
(x) Stuart Schaffer
B648C5A79284411...

1/3/2023
Date: _____

By: Stuart Schaffer

o/b/o Sugarloaf Shores Property Owners
Association, Inc.

Title: Director

DocuSigned by:
(x) Jack Marchant
388017B8B3F140E...

1/3/2023
Date: _____

By: Jack Marchant

o/b/o South Point Homeowners, LLC

Title: Manager

DocuSigned by:
(x) William Waldrop
C89834007F8B474...

1/3/2023
Date: _____

By: William Waldrop

o/b/o William L. Waldrop Family Trust

Title: Trustee

DocuSigned by:
(x) Stuart Schaffer
B648C5A79284411...

1/3/2023
Date: _____

By: Stuart Schaffer, individually

DocuSigned by:
(x) Jack Marchant
388017B8B3F140E...

1/3/2023
Date: _____

By: Jack Marchant, individually

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Doc. # 2403832 Page Number: 11 of 22

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DocuSigned by:

(X) 2758CD84BF28460... Date: 1/3/2023

By: John Coley, individually

2/16/23, 3:14 PM

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Doc. # 2403832 Page Number: 12 of 22

DocuSign Envelope ID: 36F6B510-9728-4C81-A5C3-AA1F98AB70B9

DocuSigned by:
(X) Joseph H. Walsh
E4C6E8CAF4448A

Date: 1/4/2023

By: Joseph H. Walsh

o/b/o Lower Keys Community Center
Corporation, LLC

Title: President

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

FHFC CASE NO. 2023-029VW
APPLICATION NO. 2022-521C

HOMESTEAD PORTFOLIO LP,

Petitioner

vs.

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

RECEIVED

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FLORIDA HOUSING
FINANCE CORPORATION

PETITION FOR WAIVER OF RULE 67-21.003(1)(b) AND 67-21.003(8)(l)

HOMESTEAD PORTFOLIO LP, a Florida limited partnership (“**Petitioner**”), by and through its undersigned counsel, hereby petitions Respondent, the FLORIDA HOUSING FINANCE CORPORATION (the “**Corporation**”) for a waiver of the Corporation’s rule which requires that, for Non-Competitive Housing Credits (the “**4 Percent HC**”) only, to be used for a Tax-Exempt Bond-Financed Development where the bonds are issued by a County Housing Authority established pursuant to Section 159.604, Florida Statutes (2022), the Non-Competitive Application Form (the “**Application**”) be submitted anywhere from the time the Applicant completes Credit Underwriting for the Bonds up until the last Corporation business day of December of the year the Development is placed in service (the “**Timing Requirement**”), per the Non-Competitive Application Package (REV. 04-2022) (the “**NCA**”) adopted and incorporated by reference into Rule 67-21.003(1)(b), Florida Administrative Code (2022); and that the Application include an executed Applicant Certification and Acknowledgement in the form included in the NCA without supplementation, per Rule 67-21.003(8)(l), Florida

Administrative Code (2022) and the NCA adopted and incorporated by reference into Rule 67-21.003(1)(b), Florida Administrative Code (2022). Petitioner further petitions the Corporation for a waiver of the prohibition against changing the structure of Petitioner set forth in Petitioner's Principal Disclosure Form prior to the issuance of a Preliminary Determination (as defined by Rule 67-21.002(84), F.A.C. (2022)) or after such issuance but before a Final Housing Credit Allocation Agreement has been approved and the IRS Forms 8609 have been issued, per the NCA adopted and incorporated by reference into Rule 67-21.003(1)(b), Florida Administrative Code (2022) (the "**Structure Requirement**"). This Petition is filed pursuant to Section 120.542 of the Florida Statutes (2022) and Chapter 28-104 of the Florida Administrative Code (2022). In support of its Petition, the Petitioner states:

A. PETITIONER AND DEVELOPMENT

1. The address, telephone number, facsimile number and email address of the Petitioner are:

Homestead Portfolio LP
2711 N. Sepulveda Boulevard #526
Manhattan Beach, California 90266
Attn: Sydne Garchik
Email: sgarchik@mrkpartners.com

2. For purposes of this Petition, the address, telephone number, facsimile number and email address of Petitioner's counsel is:

Hollie A. Croft, Esq.
Nelson Mullins Riley & Scarborough
390 N. Orange Avenue, Suite 1400
Orlando, Florida 32801
Telephone: (407) 839-4200
Facsimile: (407) 425-8377
Email: hollie.croft@nelsonmullins.com

3. Petitioner previously submitted an application to the Housing Finance Authority of Miami-Dade County, Florida for an issuance of multifamily housing revenue bonds (the “**Bonds**”) to be used for the rehabilitation of that certain 233-unit multifamily housing development commonly known as Gardens of Homestead, located in Homestead, Florida (the “**Development**”). Petitioner has also submitted an Application to the Corporation for an allocation of 4 Percent HC to fund a portion of the acquisition and rehabilitation of the Development.

B. WAIVER IS PERMANENT

4. The waiver being sought is permanent in nature.

C. THE RULE FROM WHICH WAIVER IS REQUESTED

5. Petitioner requests a waiver from Rule 67-21.003(8)(l), F.A.C. (2022) which requires the Petitioner to execute an Applicant Certification and Acknowledgement in the form attached to the NCA without supplementation in connection with the Application and 67-21.003(1)(b), F.A.C. (2022) which adopts and incorporates the NCA (collectively, the “**Rule**”). More specifically, Petitioner requests waiver of the requirement in Applicant Certification and Acknowledgement emphasized below. The specific provisions of the Rule from which Petitioner is seeking a waiver are as follows:

6. Rule 67-21.003(8)(l), F.A.C (2022), which provides in relevant part:

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

(l) **The Applicant must execute the Applicant certification and acknowledgement form included in the NCA.**”

(emphasis added).

7. Rule 67-21.003(1)(b), F.A.C. (2022), which provides in relevant part:

“(b) If the NC Award will not be made available through the competitive solicitation funding process outlined in rule Chapter 67-60, F.A.C., the Applicant shall utilize the Non-Competitive Application Package in effect at the time the Applicant submits the Application. The Non-Competitive Application Package or NCA (Rev. 04-2022) is adopted and incorporated herein by reference...”

(emphasis added).

8. Section A.16 of the NCA, which provides, in relevant part:

“The Applicant Certification and Acknowledgement Form included in the Application form must be executed by the Authorized Principal Representative to indicate the Applicant’s certification and acknowledgement of the provisions and requirements of this Application.”

9. Applicant Certification and Acknowledgement Form Section 16.p. of the NCA, which provides, in relevant part:

“The Applicant certifies and acknowledges that...

- p. The Applicant, the Developer **and all Principals are in good standing among all other state agencies and have not been prohibited from applying for funding.**”

(emphasis added).

10. The NCA, which provides, in pertinent part:

“Non-Competitive Housing Credits (4 Percent HC) only, to be used for a Tax-Exempt Bond Financed Development where the bonds are issued by a County Housing Finance Authority (HFA) established pursuant to Section 159.604, F.S. **The Non-Competitive Application Form can be submitted anywhere from the time the Applicant completes Credit Underwriting for the Bonds up until the last Corporation business day of December of the year the Development is placed in service;**”

(emphasis added).

11. Section A.6.b(1) of the NCA, which provides, in relevant part:

6. Principals Disclosure for the Applicant and for each Developer:

b. The name of the Applicant entity stated in the Application may be changed only by written request of an Applicant to Corporation staff and approval of the Corporation after the Applicant has been invited to enter Credit Underwriting.

For purposes of (1) and (2) below, a material change shall mean 33.3 percent or more of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant, and a non-material change shall mean less than 33.3 percent of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant.

For Applicants requesting Non-Competitive Housing Credits only:

The Applicant entity shall be the recipient of the Housing Credits **and the ownership structure of the Applicant entity as set forth in the Principal Disclosure Form and cannot be changed in any way (materially or non-materially) until after the Preliminary Determination is issued. Once the Preliminary Determination has been issued, (a) any material change in the ownership structure of the named Applicant will require Board approval prior to the change, and (b) any non-material change in the ownership structure of the named Applicant will require Corporation approval prior to the change.** The ownership structure of the Applicant entity may be changed without Corporation or Board approval after a Final Housing Credit Allocation Agreement has been approved and the IRS Forms 8609 have been issued; however, the Corporation must still be notified in writing of the change. The Applicant must comply with Principal disclosure requirements outlined in Rule Chapter 67-21, F.A.C. for the duration of the Compliance Period. **Changes to the ownership structure of the Applicant entity prior to the issuance of the Preliminary Determination or without Board approval or Corporation approval, as applicable, prior to the approval of the Final Housing Credit Allocation and issuance of the IRS Forms 8609 shall result in a disqualification from receiving funding and shall be deemed a material misrepresentation.** Changes prior to the issuance of the Preliminary Determination to the officers or directors of a Public Housing Authority, officers or directors of a Non-Profit entity, or the limited partner of an investor limited partnership or an investor member of a limited liability company owning the syndicating interest therein will not result in disqualification, however, the Corporation must be notified of the change. Changes to the officers or directors of a Non-Profit entity shall require Corporation approval. Any allowable replacement to the natural person Principals of a Public Housing Authority or officers and/or directors of a non-profit entity will apply to all preliminarily awarded Applications and Applications pending final Board action that include the Public Housing Authority or non-profit entity.

D. STATUTES IMPLEMENTED BY THE RULE

12. The Rule is implementing, among other sections of the Florida Housing Finance Corporation Act, the statute that created the Housing Tax Credit Program and the Multifamily Mortgage Revenue Bonds Program. *See* §§ 420.509, 420.5099, *Fla. Stat.* (2022) (the “**Statute**”).

13. The Corporation has the authority pursuant to Section 120.542(1), Florida Statutes, and Chapter 28-104, F.A.C., to grant waivers to its rule requirements when strict application of such rules would lead to unreasonable, unfair and unintended results in particular instances. Waivers shall be granted when the person subject to the rule demonstrates that the application of the rule would (1) create a substantial hardship or violate principals of fairness, and (2) the purpose of the underlying statute has been or will be achieved by other means by the person. § 120.542(2), *Fla. Stat.*

E. JUSTIFICATION FOR GRANTING THE WAIVER OF THE RULE

14. Petitioner is seeking a waiver from Section A.16 of the NCA and more specifically Section 16(p) of the Applicant Certification and Acknowledgement Form, which requires the Petitioner to certify that all of the Principals, Applicant and Developer are in good standing with all other state agency and are not prohibited from applying for funding. However, Petitioner cannot make this certification as of Application submission as certain Principals and the Developer (the “**Affected Parties**”) are currently prohibited from applying for funding in the State of Virginia for reasons that would not be the basis for a funding prohibition in the State of Florida (but that the Affected Parties are nevertheless working to remedy with Virginia Housing to return to good standing).

15. This situation has been previously disclosed by the Affected Parties to the Corporation in conjunction with a separate application filed with the Corporation and for which the Corporation has previously granted the waiver requested hereunder. For the Corporation's benefit however, we are reiterating the circumstances of the aforementioned prohibition herein. Said basis was additional design guidelines in connection with the rehabilitation of a project in Virginia (the "**VA Project**") which, while not necessary for issuance of 8609s, were nonetheless required by Virginia Housing. While it is true that some of the additional design guidelines were not reflected in the VA Project upon issuance of the 8609s, it was the Affected Parties understanding from its prior discussions with Virginia Housing that such matters would not be the basis for a prohibition on funding applications. Unfortunately, unlike the process in the State of Florida, application prohibitions do not need to go through prior board discussion or approval and, as such, as there is no delineated opportunity to correct or dispute perceived deficiencies in the State of Virginia prior to the issuance of a prohibition, the Affected Parties were placed out of good standing before steps could be taken to address Virginia Housing's concerns. This was a first-time offense by the Affected Parties and we do not think the issues in the VA Project rose to the level to warrant an immediate prohibition but, the Affected Parties continue to work to remediate the design deficiencies indicated by Virginia Housing to their satisfaction which should be completed in the near future, as the property is almost done with its inspections and several of the buildings have already been approved by Virginia Housing. Specifically, 6 of the 18 buildings that make up the Virginia project have already been approved by Virginia Housing, and the Affected Parties expect to have another 4 approved this month (with Virginia Housing approving roughly 4 buildings per month). The Affected Parties have requested that Virginia Housing increase the number of inspections per month but, currently the Affected Parties are

operating on the assumption that Virginia Housing will at most perform 4 inspections per month. As such, the Petitioner's expectation is that the Affected Parties will have complete sign off from Virginia Housing by sometime in the Summer of this year.

16. As such, for Petitioner to submit a NCA for 4 Percent HC for the Development and comply with Section A.16. thereof, it must be able to submit the Applicant Certification and Acknowledgement with Section 16(p) struck through. The basis for the Affected Parties' current prohibition in the State of Virginia would not have resulted in a similar prohibition in the State of Florida and, regardless the Affected Parties are working to resolve the current lack of good standing in the State of Virginia as quickly as possible. Further the Affected Parties have participated in a number of prior deals in the State of Florida, currently consisting of over 1,500 units throughout the State of Florida, (including, as previously mentioned a prior deal for which the requested waiver has been previously granted, over 1,000 of which have been recently renovated and are in the process of or have already received their 8609s, for which the Affected Parties remain in good standing in connection therewith.

17. Further Petitioner requests a waiver of the Timing Requirement, which requires that Petitioner complete the credit underwriting for the county bond transaction (the "Credit Underwriting") before submission of the Application. In order to complete the Credit Underwriting Report, Petitioner must confirm the Affected Parties are permissible in the ownership structure which it will not be able to do so until this Petition is granted. However, Petitioner cannot submit this Petition without first submitting an Application and cannot submit an Application until completing the Credit Underwriting and cannot complete Credit Underwriting and finalize its Credit Underwriting Report without first granting of this Petition. Consequently, Petitioner will need to submit the Application before completing Credit

Underwriting in order to address this issue in advance with the Corporation. Therefore, Petitioner is requesting a waiver of the requirement to submit a final Credit Underwriting Report with its Application in order to prevent any further delay to the closing and rehabilitation commencement of the Development.

18. Finally, Petitioner requests a waiver of the Structure Requirement, which prohibits making changes to the ownership structure of the Applicant entity as set forth in the Principal Disclosure Form prior to the issuance of the Preliminary Determination or subsequent to the issuance of the Preliminary Determination, but before a Final Housing Credit Allocation Agreement has been approved and the IRS Forms 8609 have been issued. As part of Petitioner's incoming lender's requirements, Petitioner will need to include a special purpose entity (the "SPE") in the ownership structure of the Petitioner's general partner (the "SPE Structure"). However, due to Petitioner's current financing, Petitioner cannot implement this structure change until the closing of the incoming financing occurs. Despite this change, but for the inclusion of a special purpose entity as the new general partner, that is 100% owned by the current general partner, the SPE Structure will be identical to the current ownership structure and inclusion of the SPE will not impact Petitioner's ability to disclose all natural person principals by the 3rd entity level (4th entity level in the case of a trust), as it currently discloses all natural person principals by the 2nd entity level (3rd in the case of the trust in the ownership structure), and no new natural persons will be added into the ownership structure in connection with the SPE Structure. Petitioner requests consent to change its ownership structure now so it can satisfy the principal disclosure requirements of the NCA and move forward with the submission of its Application in accordance with the other waivers discussed by this Petition.

19. A waiver of the Rule will permit Petitioner to apply for non-competitive tax credits to finance a portion of the acquisition and rehabilitation of the Development. Without this additional source of investor equity, the Petitioner will not have enough funds to rehabilitate these much needed 233 affordable units in Homestead, Florida.

20. In this instance, Petitioner meets the standards for a waiver of the Rule. The Corporation has the authority pursuant to Section 120.542(1), Florida Statutes, to provide relief from its rules if strict application of those rules will lead to unreasonable, unfair or unintended results in particular instances. Unless the Rule is waived to allow the Petitioner to apply for non-competitive housing credits with its current ownership structure, certain unreasonable, unfair and unintended results will occur, resulting in a substantial hardship to the Petitioner and the Development. Specifically, the purpose of the Rule was for the Corporation to certify to specific matters in its Application prevent perpetual bad actors in other states from participating in its programs and for the Corporation to know who is participating in its programs. However, strict application of the Rule would lead to the unintended result that parties with extenuating circumstance and that have otherwise demonstrated their good intentions and prior competency are not able to participate in the Corporation's programs as the result of standards set in place by other state programs, as well as result in a substantial hardship to the Petitioner. In this specific instance, the Corporation's failure to grant the waiver requested will result in a substantial hardship to Petitioner, as Petitioner will not be able to apply for and obtain 4 Percent HC and, as such, will not be able to complete the much-needed construction of the Development. Further Petitioner requires the SPE Structure so that it can close its financing necessary for the Development. It would be unreasonable and unfair to, and impose substantial hardship upon, Petitioner to prohibit Petitioner from changing its organizational structure to the SPE Structure

so that Petitioner can satisfy its lender's special purpose entity requirement, when such structure would otherwise be permissible and in accordance with the Corporation's requirements if Petitioner was able to change its structure now. The Corporation will not be harmed by granting this Petition as the intent of the Rule will not be violated.

21. The requested waiver of the Rule serves the purpose of the Statute that is implemented by the Rule. The Florida Housing Finance Corporation Act (Section 420.501, *et seq.*) was passed in order to encourage private and public investment in facilities for persons of low-income. The purpose of the creation of the Housing Tax Credit Program and Multifamily Mortgage Revenue Bonds Program is to stimulate creative private sector initiatives to increase the supply of affordable housing. By granting this waiver of the Corporation's rule which requires the Application include an executed Applicant Certification and Acknowledgement in the form included in the NCA without supplementation, Petitioner will be able to apply for non-competitive housing credits while the Affected Parties work to resolve the outstanding issues with the VA Project, as requested in this Petition, and the Corporation would recognize the goal of increasing the supply of affordable housing through private investment in persons of low income. By granting the waiver of the Corporation's prohibition against revising the Petitioner's organizational structure after the submission of Petitioner's Application and before a Preliminary Determination, Petitioner will be able to finalize its desired organizational structure and obtain its required financing

F. ACTION REQUESTED

22. For the reasons set forth herein, Petitioner respectfully requests the Corporation (i) grant the requested waiver of the Corporation's rule which requires the Application include an executed Applicant Certification and Acknowledgement in the form included in the NCA

without supplementation; (ii) grant the requested waiver of the Timing Requirement and Corporation's requirement that a final Credit Underwriting Report be included in the Application (iii) grant the Petition and all of the relief requested herein; (iv) grant the requested waiver of the Structure Requirement and the Corporation's prohibition of making changes to the ownership structure of Petitioner; and (v) grant such further relief as it may deem appropriate.

Respectfully submitted on the 22nd day of February, 2023.

Respectfully submitted,



Andrew Bennett, Esq.

Fla. Bar No. 0125189

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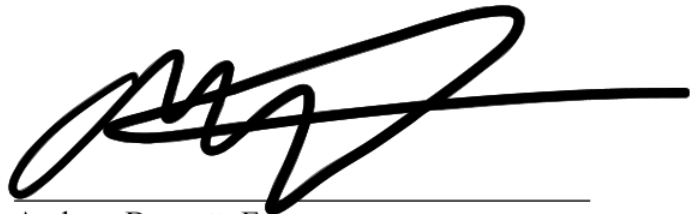
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the foregoing Petition was filed by electronic delivery to:

Florida Housing Finance Corporation,
Attn: Corporation Clerk
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301
CorporationClerk@floridahousing.org

Joint Administrative Procedures Committee
680 Pepper Building
111 W. Madison Street
Tallahassee, Florida 32399
Joint.admin.procedures@leg.state.fl.us

This 22nd day of February, 2023.

A large, stylized handwritten signature in black ink, appearing to read 'Andrew Bennett', is written over a horizontal line.

Andrew Bennett, Esq.
Fla. Bar No. 0125189

Florida Housing Finance Corporation

Credit Underwriting Report

Whispering Oaks

**SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction
with Tax-Exempt Bond Financing and Non-Competitive Housing Credits**

MMRN, SAIL, ELI and 4% HC

RFA 2021-205 / 2022-144BS / 2021-518C

Section A Report Summary

Section B Loan Conditions and HC Allocation Recommendation and Contingencies

Section C Supporting Information and Schedules

Prepared by

Seltzer Management Group, Inc.

Final Report

March 1, 2023

WHISPERING OAKS

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SMG

Section A
Report Summary

MARCH 1, 2023

Recommendation

Seltzer Management Group, Inc. (“SMG” or “Seltzer” or “Servicer”) recommends the issuance of Florida Housing Finance Corporation (“FHFC” or “Florida Housing” or “Corporation”) Multifamily Mortgage Revenue Notes (“MMRN”) in the amount of \$28,000,000 in conjunction with a State Apartment Incentive Loan (“SAIL”) Second Mortgage of \$3,960,000 and a SAIL Extremely Low Income (“ELI”) Third Mortgage in the amount of \$600,000. SMG also recommends an annual Housing Credit (“HC”) allocation of \$2,415,628 to Whispering Oaks for construction and permanent financing.

DEVELOPMENT & SET-ASIDES

Development Name: Whispering Oaks

RFA/Program Numbers: RFA 2021-205 / 2022-144BS 2021-518C

Address: Southeast Corner of North Hiwassee Road and Alta Westgate Drive

City: Unincorporated Orange Co Zip Code: 32818 County: Orange County Size: Large

Development Category: New Construction Development Type: Garden Apts (1-3 Stories)

Construction Type: Wood Frame

Demographic Commitment:
Primary: Family for 100% of the Units

Unit Composition:
of ELI Units: 29 ELI Units Are Restricted to 30% AMI, or less. Total # of units with PBRA? 0
of Link Units: 15 Are the Link Units Demographically Restricted? Yes # of NHTF Units: 0

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
2	2.0	17	1,074	30%			\$560	\$67	\$493		\$493	\$493	\$493	\$100,572
2	2.0	15	1,074	50%			\$933	\$67	\$866		\$866	\$866	\$866	\$155,880
2	2.0	56	1,065	60%			\$1,120	\$67	\$1,053		\$1,053	\$1,053	\$1,053	\$707,616
2	2.0	18	1,065	70%			\$1,307	\$67	\$1,240		\$1,240	\$1,240	\$1,240	\$267,840
2	2.0	22	1,065	80%			\$1,494	\$67	\$1,427		\$1,427	\$1,427	\$1,427	\$376,728
3	2.0	12	1,211	30%			\$646	\$72	\$574		\$574	\$574	\$574	\$82,656
3	2.0	4	1,211	50%			\$1,078	\$72	\$1,006		\$1,006	\$1,006	\$1,006	\$48,288
3	2.0	22	1,211	60%			\$1,293	\$72	\$1,221		\$1,221	\$1,221	\$1,221	\$322,344
3	2.0	8	1,211	70%			\$1,509	\$72	\$1,437		\$1,437	\$1,437	\$1,437	\$137,952
3	2.0	18	1,211	80%			\$1,725	\$72	\$1,653		\$1,653	\$1,653	\$1,653	\$357,048
		192	214,112											\$2,556,924

The Applicant selected the Average Income Test; therefore, as required by RFA 2020-205, the Applicant must set aside fifteen percent (15%) of the total 192 units (29 units) as ELI Set-Aside units for households earning 30% or less of the Area Median Income (“AMI”). Persons with Special Needs Set-Aside Commitment: The Development will set aside fifty percent (50%) of the ELI Set-Aside units (15 units) as Link units for Persons with Special Needs. In order to meet the commitment to set aside ELI units as Link units for Persons with Special Needs, the Applicant must develop and execute a Memorandum of Understanding (“MOU”) with at least one Florida Housing designated Special Needs Household Referral Agency that provides supportive services for Persons with Special Needs for the county where the

MMRN, SAIL, ELI AND HC CREDIT UNDERWRITING REPORT

SMG

proposed Development will be located (Orange County). The executed MOU was approved by Florida Housing on May 12, 2022 , however, an updated MOU is required to include 50% of the units which is now 15 units due to the set-aside change. The Tenant Selection Plan was approved by FHFC on May 12, 2022.

The Persons with Special Needs set-aside requirements must be maintained throughout the entire 50-year Compliance Period.

Buildings: Residential - 8 Non-Residential - 1
 Parking: Parking Spaces - 384 Accessible Spaces - 19

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
MMRN	40.0%	77	60%	50
SAIL/ELI/HC	15.104%	29	30%	50
SAIL/HC	9.896%	19	50%	50
SAIL/HC	40.625%	78	60%	50
SAIL/HC	13.542%	26	70%	50
SAIL/HC	20.833%	40	80%	50

Absorption Rate: 30 units per month for 6.0 months.

Occupancy Rate at Stabilization: Physical Occupancy 97.00% Economic Occupancy 95.00%
 Occupancy Comments New Construction

DDA: No QCT: Yes Multi-Phase Boost: N/A QAP Boost: No
 Site Acreage: 10.30 Density: 18.6498 Flood Zone Designation: X
 Zoning: Multiple-Family Dwelling District (R-3) Flood Insurance Required?: No

The subject Development is located in a Qualified Census Tract ("QCT"); therefore, the Development qualifies for the 130% basis boost.

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DEVELOPMENT TEAM		
Applicant/Borrower:	SP East LLC	% Ownership
Member	SP East Manager LLC	
Member	Raymond James Affordable Housing Investments, Inc. ("RJAHI") or an affiliate	
Construction Completion Guarantor(s):		
CC Guarantor 1:	SP East LLC	
CC Guarantor 2:	SP East Manager LLC	
CC Guarantor 3:	SP and 40 LLC	
CC Guarantor 4:	J. David Page	
CC Guarantor 5:	Southport Development, Inc. a WA Corporation dba Southport Development Services, Inc. ("Southport")	
Operating Deficit Guarantor(s):		
OD Guarantor 1:	SP East LLC	
OD Guarantor 2:	SP East Manager LLC	
OD Guarantor 3:	SP and 40 LLC	
OD Guarantor 4:	J. David Page	
OD Guarantor 5:	Southport	
Note Purchaser	Construction: Fifth Third Commercial Funding Permanent: Capital One, N.A ("CapOne") / Freddie Mac	
Developer:	Southport	
Principal 1	Stephen W. Page	
Principal 2	J. David Page	
DEVELOPMENT TEAM (cont)		
General Contractor 1:	Vaughn Bay Construction, Inc.	
Management Company:	Cambridge Management, Inc.	
Syndicator:	RJAHI	
Note Issuer:	FHFC	
Architect:	Architectonics Studio, Inc.	
Market Study Provider:	Colliers International Valuation & Advisory Services ("Colliers")	
Appraiser:	Colliers	

MMRN, SAIL, ELI AND HC CREDIT UNDERWRITING REPORT

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PERMANENT FINANCING INFORMATION						
	1st Source	2nd Source	3rd Source	4th Source	5th Source	Other
Lender/Grantor	FHFC MMRN / CapOne / Freddie Mac	FHFC SAIL	FHFC SAIL ELI	Orange County AHTF	Orange County Loan	
Amount	\$18,893,000	\$3,960,000	\$600,000	\$1,860,000	\$75,000	
Underwritten Interest Rate	5.66%	1.00%	0.00%	0.50%	0.00%	
Loan Term	15.0	15.5	15.5	20.0	15.0	
Amortization	40.0	N/A	N/A	30.0	N/A	
Market Rate/Market Financing LTV	29.8%	36.0%	36.9%	39.9%	40.0%	
Restricted Market Financing LTV	62.1%	75.2%	77.1%	83.3%	83.5%	
Loan to Cost - Cumulative	35.8%	43.3%	44.4%	47.9%	48.1%	
Loan to Cost - SAIL Only		7.5%				
Debt Service Coverage	1.103	1.060	1.057	1.050	1.050	
Operating Deficit & Debt Service Reserves	\$538,014.00					
# of Months covered by the Reserves	5.8					

Deferred Developer Fee	\$5,431,849
As-Is Land Value	\$3,800,000
Market Rent/Market Financing Stabilized Value	\$63,500,000
Rent Restricted Market Financing Stabilized Value	\$30,400,000
Projected Net Operating Income (NOI) - Year 1	\$1,382,210
Projected Net Operating Income (NOI) - 15 Year	\$1,654,120
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Note Structure	Private Placement
Housing Credit (HC) Syndication Price	\$0.89
HC Annual Allocation - Qualified in CUR	\$2,415,628
HC Annual Allocation - Equity Letter of Interest	\$2,473,137

MMRN, SAIL, ELI AND HC CREDIT UNDERWRITING REPORT

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CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
FHFC - MMRB	FHFC / Fifth Third	\$28,000,000	\$0	\$0.00
FHFC - MMRB	FHFC / CapOne /Freddie Mac	\$0	\$18,893,000	\$98,401.04
FHFC - SAIL	FHFC SAIL	\$3,960,000	\$3,960,000	\$20,625.00
FHFC - SAIL ELI	FHFC SAIL ELI	\$600,000	\$600,000	\$3,125.00
Local Government	Orange County Grant	\$1,860,000	\$1,860,000	\$9,687.50
Local Government	Orange County Grant	\$75,000	\$75,000	\$390.63
HC Equity	RJAH	\$16,896,791	\$22,008,718	\$114,628.74
Deferred Developer Fee	Developer	\$1,436,776	\$5,431,849	\$28,290.88
TOTAL		\$52,828,567	\$52,828,567	\$275,148.78

Financing Structure:

The Applicant submitted RFA Application requesting MMRN with Non-Competitive HC and SAIL to FHFC.. This transaction will involve the issuance of FHFC Tax-Exempt Notes; where, Fifth Third Commercial Funding, Inc. ("Fifth Third") will loan \$28,000,000 to FHFC through a Tax-Exempt Loan ("TEL") in connection with the construction financing of the Development. At conversion to permanent financing, the first mortgage will be paid down with the HC equity and Capital One, N.A. ("CapOne") will provide a permanent loan in the amount of \$18,893,000.

Changes from the Application:

COMPARISON CRITERIA	YES	NO
Does the level of experience of the current team equal or exceed that of the team described in the application?	X	
Are all funding sources the same as shown in the Application?		1
Are all local government recommendations/contributions still in place at the level described in the Application?	X	
Is the Development feasible with all amenities/features listed in the Application?	X	
Do the site plans/architectural drawings account for all amenities/features listed in the Application?	X	
Does the Applicant have site control at or above the level indicated in the Application?	X	
Does the Applicant have adequate zoning as indicated in the Application?	X	
Has the Development been evaluated for feasibility using the total length of set-aside committed to in the Application?	X	
Have the Development costs remained equal to or less than those listed in the Application?		2
Is the Development feasible using the set-asides committed to in the Application?		3

MMRN, SAIL, ELI AND HC CREDIT UNDERWRITING REPORT

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If the Development has committed to serve a special target group (e.g. elderly, large family, etc.), do the development and operating plans contain specific provisions for implementation?	X	
HOME ONLY: If points were given for match funds, is the match percentage the same as or greater than that indicated in the Application?	N/A	
HC ONLY: Is the rate of syndication the same as or greater than that shown in the Application?	X	
Is the Development in all other material respects the same as presented in the Application?		4

The following are explanations of each item checked “No” in the table above:

1. See the below changes in the source of funds:
 - On January 5, 2023, the Applicant requested to increase the MMRN amount from \$23,000,000 to \$27,000,000. FHFC staff approved this request on January 10, 2023. The Application did not include a Letter of Intent (“LOI”) for construction or permanent first mortgage financing. A LOI from Fifth Third was provided for construction financing in the amount up to \$28,000,000. A LOI from CapOne was provided for permanent financing in the amount of \$18,893,000.
 - The Application included a LOI for Housing Credit equity from Synovus Bank in the amount of \$0.86 per tax credit and total equity of \$17,866,211. Subsequently the Applicant provided a LOI from Raymond James Affordable Housing Investments, Inc. (“RJAHI”) reflecting an aggregate amount of \$0.89 per tax credit and total equity of \$22,008,718.
 - Applicant added a loan from Orange County in the amount of \$1,860,000.
2. Total Development Costs (“TDC”) as stated in the application were \$43,335,686. TDC have increased to \$52,828,567, an increase of \$9,492,881. This increase is primarily due to increases in general development and financing costs and the addition of reserves offset by a decrease in construction costs.
3. On January 27, 2023, the Applicant submitted a request to change the total number of units, set-asides and unit mix as follows:

MMRN, SAIL, ELI AND HC CREDIT UNDERWRITING REPORT

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Item Description (From)	Item Description (To)
183 Total Units	192 Total Units
Federal set-aside commitment of "40% of the units at 60% or less of the AMI" with the following breakdown: 10% @30% AMI (SAIL/ELI) 90% @ 60% AMI (SAIL) 80% @ 60% AMI (MMRB) 100% @ 60% AMI (4% HC)	Federal set-aside commitment of "Average Income Test" with the following breakdown of 192 units under SAIL and 4% HC Program: 29 Units @ 30% AMI 19 Units @ 50% AMI 78 Units @ 60% AMI 26 Units @ 70% AMI 40 Units @ 80% AMI Averaging AMI = 60% (MMRB set-aside 40% @ 60% AMI)
122 Two Bedroom / Two Bathroom 61 Three Bedroom / Two Bathroom	128 Two Bedroom / Two Bathroom 64 Three Bedroom / Two Bathroom

FHFC staff approved the changes on February 15, 2023.

4. See the below additional changes to the application:
 - The application had WRH Reality Services listed as the property manager, that has since changed to Cambridge Management, Inc. ("Cambridge"). Cambridge has provided the prior experience chart and management experience certification form.
 - In the 21 day items, the Applicant listed Terracon Consultants, LLC as the Phase 1 Environmental Site Assessment provider, however GLE Associates, Inc. ("GLE") ended up providing the Phase 1 Environmental Site Assessment.

These changes have no substantial material impact to the MMRN, SAIL, SAIL ELI and HC recommendations for this Development.

Does the Development Team have any FHFC Financed Developments on the Past Due/Noncompliance Report?

Florida Housing's Past Due Report dated January 19, 2023 reflects the following past due item(s): None

Florida Housing's Noncompliance Report dated December 28, 2022 reflects the following noncompliance item(s):

1. Hilltop Village – Program Report
 - a. Failure to annually recertify eligibility
2. Oakwood Villas – Program Report
 - a. Failure to perform first anniversary income determination
3. Palm West I - Program Report
 - a. Failure to annually recertify eligibility (HOME)
 - b. Failure to perform first anniversary income determination
4. Philips Pointe – Program Report
 - a. Failure to meet Elderly categorical requirement

This recommendation is subject to satisfactory resolution of any outstanding past due and/or noncompliance items prior to loan closing and the issuance of the annual HC Allocation Recommendation herein.

Strengths:

1. Per the Market Study, Colliers states the capture rates are low and indicate there is sufficient demand for the subject units and average occupancy for the comparables within the Subject's Primary Market Area ("PMA") is 98.2%.
2. Although the Borrower and General Partner are newly formed, the Developer, General Contractor, and the management company all have sufficient experience and financial resources to develop, construct and operate the proposed Development.

Other Considerations: None

Waiver Requests/Special Conditions:

1. According to the RFA, the Corporation will review the limited partnership agreement or limited liability company operating agreement language on reserves for compliance with the RFA requirement. If the limited partnership agreement or limited liability company operating agreement does not specifically state that the parties will comply with the Corporation's RFA requirements, the Corporation will require an amendment of the agreement and will not issue IRS form(s) 8609 until the amendment is executed and provided to the Corporation.

The RFA includes language restricting the disposition of any funds remaining in any operating deficit reserve(s) after the term of the reserve's original purpose has terminated or is near termination. The RFA also requires the Corporation to review the limited partnership agreement or limited liability company operating agreement language on reserves for compliance with the RFA requirement. While Florida Housing will continue to require the Applicant to adhere to all requirements in the RFA including the restrictions on the disposition of any funds in an operating deficit reserve account, Florida Housing will not monitor the limited partnership agreement or limited liability company operating agreement language for compliance with these requirements, as this would require analysis of a legal contract. This deviation in process was included as an information item at the April 29, 2022, FHFC Board meeting.

Additional Information:

1. The Debt Service Coverage ("DSC") for the first mortgage and SAIL reflects a ratio lower than 1.10 to 1.00. According to Rule 67-48.0072 (11), the combined minimum DSC shall be 1.10 to 1.00 for SAIL including all superior mortgages. However, if the Applicant defers at least 35 percent of its Developer Fee following the last disbursement of all permanent sources of funding identified in the final credit underwriting report and, in the case of a Housing Credit Development, the final cost certification documentation, and when the primary expected source of repayment has been identified as projected cash flow, the minimum DSC shall be 1.00 for the SAIL, including all superior mortgages. This Development meets the preceding guidelines.

To ensure that the Second Mortgage SAIL meets or exceeds the minimum DSC of 1.00 to 1.00, based on the projection/estimates and loan amounts in this report, the interest rate of the permanent period First Mortgage Loan may not exceed 6.16%. Following the rate lock of the permanent period

MMRN, SAIL, ELI AND HC CREDIT UNDERWRITING REPORT

SMG

First Mortgage Loan, the Servicer will review and confirm if the Development is still able to support the proposed permanent period First Mortgage Loan amount of \$18,893,000, or if a reduction to the loan amount is necessary. The Servicer's DSC confirmation is a condition to close.

2. The United States is currently under a national emergency due to the spread of the virus known as COVID-19. The extent of the virus' impact to the overall economy is unknown. More specifically, it is unknown as to the magnitude and timeframe the residential rental market (e.g. absorption rates, vacancy rates, collection losses, appraised value, etc.) and the construction industry (e.g. construction schedules, construction costs, subcontractors, insurance, etc.) will be impacted. Recommendations made by Seltzer in this report, in part, rely upon assumptions made by third-party reports that are unable to predict the impacts of the virus.

Issues and Concerns: None

Mitigating Factors: None

Recommendation:

SMG recommends FHFC fund MMRN in the amount of \$28,000,000, a SAIL Second Mortgage of \$3,960,000 and a SAIL ELI Third Mortgage of \$600,000. SMG also recommends an Annual HC allocation of \$2,415,628 be awarded to Whispering Oaks for construction and permanent financing.

This recommendation is based upon the assumptions detailed in the Report Summary (Section A) and Supporting Information and Schedules (Section C). In addition, this recommendation is subject to the MMRN and SAIL Loan Conditions and HC Allocation Recommendation and Contingencies (Section B). The reader is cautioned to refer to these sections for complete information.

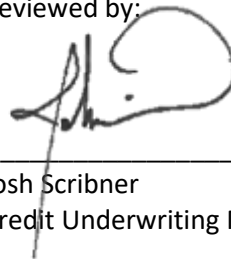
This recommendation is only valid for six months from the date of the report.

Prepared by:



Justin Coles
Credit Underwriter

Reviewed by:



Josh Scribner
Credit Underwriting Manager

Overview

Construction Financing Sources

Source	Lender	Applicant	Revised Applicant	Underwriter	Interest Rate	Construction Debt Service
First Mortgage	FHFC MMRN / Fifth Third	\$23,000,000	\$27,000,000	\$28,000,000	8.22%	\$2,160,000
Second Mortgage	FHFC SAIL	\$3,960,000	\$3,960,000	\$3,960,000	0.00%	\$0
Third Mortgage	FHFC SAIL ELI	\$600,000	\$600,000	\$600,000	0.00%	\$0
Fourth Mortgage	Orange County AHTF		\$1,860,000	\$1,860,000	0.50%	\$13,485
Fifth	Orange County Loan	\$75,000	\$75,000	\$75,000	0.00%	\$0
HC Equity	RJAH	\$13,414,658	\$17,285,667	\$16,896,791		
Deferred Developer Fee	Developer	\$3,500,000	\$1,179,051	\$1,436,776		
Total		\$44,549,658	\$51,959,718	\$52,828,567		\$2,173,485

Tax Exempt Construction Loan:

Applicant initially applied for \$23,000,000 in Tax-Exempt Notes to be issued by Florida Housing for the acquisition and construction of Whispering Oaks. On January 10, 2023, Florida Housing approved the Applicant's request to increase the MMRN to \$27,000,000.

Per an January 13, 2023 LOI, Fifth Third will provide a construction loan to FHFC in an amount up to \$28,000,000. The construction period will be interest only for up to 30 months, with a 6-month extension option with payment of a fee of 25 basis points. The construction period is currently estimated to be 26 months from the date of closing. The interest rate will be based upon the Term Secured Overnight Financing Rate ("SOFR") plus a spread of 2.65%, subject to a Term SOFR floor of 0.75%. As of February 2, 2023, the Term SOFR was 4.57%. For any future increases in the Term SOFR, Seltzer has included an underwriting cushion of 100 basis points, resulting in an all in interest rate of 8.22%. An origination fee of 0.75% of the total Bond amount will be payable at loan closing.

The annual FHFC Issuer Fee of 24 bps and the annual Fiscal Agent Fee of \$4,500 are included in the Uses section of this report.

Other Construction Sources of Funds:

Additional sources of funds for this Development during construction consist of SAIL in the amount of \$3,960,000, SAIL ELI in the amount of \$600,000, a loan from Orange County in the amount of \$1,860,000, a deferred payment loan from Orange County in the amount of \$75,000, Housing Credit equity of \$16,896,791, and deferred Developer Fees in the amount of \$1,436,776. See the Permanent Financing section below for details.

Permanent Financing Sources

Source	Lender	Applicant	Revised Applicant	Underwriter	Interest Rate	Amort. Yrs.	Term Yrs.	Annual Debt
First Mortgage	FHFC MMRN / CapOne / Freddie Mac	\$16,000,000	\$18,893,000	\$18,893,000	5.66%	40	15	\$1,194,737
Second Mortgage	FHFC SAIL	\$3,960,000	\$3,960,000	\$3,960,000	1.00%	N/A	15.5	\$39,600
Third Mortgage	FHFC SAIL ELI	\$600,000	\$600,000	\$600,000	0.00%	N/A	15.5	\$0
Fourth Mortgage	Orange County AHTF	\$0	\$1,860,000	\$1,860,000	0.50%	30	20	\$9,300
Fifth	Orange County Loan	\$75,000	\$75,000	\$75,000	0.00%	N/A	15	\$0
HC Equity	RJAH	\$17,886,211	\$22,448,918	\$22,008,718				
Def. Developer Fee	Developer	\$5,750,000	\$4,122,800	\$5,431,849				
Total		\$44,271,211	\$51,959,718	\$52,828,567				\$1,243,637

Tax Exempt Permanent Loan:

Per a December 21, 2022 Loan Application, CapOne, or its affiliates, will provide permanent financing for Whispering Oaks in an amount up to \$18,893,000. Upon satisfaction of the conditions for conversion, as determined by CapOne, CapOne will purchase the MMRN tax-exempt loan from Fifth Third at which time the loan will be reduced to a maximum amount of \$18,893,000.

The interest rate will be fixed at construction loan closing based upon the 10 year Treasury Rate (currently 3.40% as of February 2, 2023), and a spread of 226 basis points (2.26%) for an estimated all-in rate of 5.66%. The term of the loan is 15 years with a 40 year amortization.

The Note will mature 15 years following the termination of the construction phase and conversion to the permanent phase. At maturity, the Applicant may satisfy the loan via refinancing or sale of the Development pending market feasibility. In the event the Applicant is unable to refinance or sell the Development, then an event of default would not be triggered under the loan documents. Instead, a "Mortgage Assignment Event" would occur whereby Freddie Mac agrees to cancel the Note in exchange for an assignment, by the Fiscal Agent, of the mortgage and all other related documents and accounts. The Fiscal Agent would cancel the Note and discharge the lien of the Funding Loan Agreement. Then the Fiscal Agent would assign the mortgage loan and any other related documents and collateral to Freddie Mac, effectively ending the tax-exempt financing provided by FHFC. Under this scenario, the Note will have been redeemed/cancelled not by payment of cash but by the assignment of the mortgage loan documents; therefore, there is no default. As the new direct mortgagee, Freddie Mac would then be in a position to work with the Applicant to arrive at a resolution without involvement of either FHFC or the Fiscal Agent (as the Note would have been cancelled and would no longer be outstanding).

Annual payments of all applicable fees will be required and are included in the debt service coverage ratio. Fees include Permanent Loan Servicing Fee to be paid annually based on 2.3 basis points (0.023%) of the outstanding MMRN amount or a minimum of \$236 per month; Annual Compliance Monitoring Fee based on a monthly base fee of \$183 and an additional fee per set-aside unit of \$11.24, subject to a minimum of \$286 per month; and an annual Fiscal Agent Fee of \$4,500 and an annual Fiscal Agent Fee based on 24 basis points (0.24%) on the outstanding MMRN balance.

SAIL

Borrower applied to FHFC under RFA 2021-205 for SAIL funds in the amount of \$3,960,000. SAIL will have a total term of 19.5 years, of which 36 months is for the construction / stabilization period with 15.5 years for the permanent period. As required by Freddie Mac, the first mortgage lender, and permitted by Rule Chapter 67-48, the SAIL Loan term will be coterminous with the first mortgage plus six months which is included in the SAIL total term of 19.5 years. The SAIL will be non-amortizing and will bear 1.00% simple interest per annum. Any unpaid interest will be deferred until cash flow is available. At the maturity of the SAIL, however, all principal and unpaid interest is due. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by Freddie Mac. Annual payments of all applicable fees will be required. The Annual Permanent Loan Servicing Fee is based on 25 bps of the outstanding loan amount with a maximum of \$936 per month, subject to a minimum of \$236 per month. The Compliance Monitoring Fee is based on an annual multiple program fee of \$1,023.

ELI Loan

Applicants who submitted an Application for RFA 2021-205 are also eligible for ELI Loan funding for the required ELI set-aside units not to exceed the lesser of (a) \$600,000; or (b) the maximum amount based on the ELI set-aside per unit limits; for 10% of the total units. The ELI Loan is in the form of a forgivable loan in an amount of \$600,000.

The ELI AMI for Orange County is 30%. The Borrower committed to set aside 15% of the units (29 units) at or below 30% AMI for ELI as required by the Average Income Test. The ELI Loan is non-amortizing at 0.00% simple interest per annum. The principal is forgivable at maturity provided the units for which the ELI Loan amount is awarded are targeted to ELI Households for the first 15 years of the 50-year Compliance Period. The Persons with Special Needs set-aside requirement must be maintained throughout the entire 50-year Compliance Period. The ELI Loan will have a total term of 19.5 years, of which 36 months is for the construction/stabilization period with 15.5 years for the permanent period. As required by Freddie Mac, the first mortgage lender and permitted by the RFA, the ELI Loan term will be coterminous with the first mortgage plus six months which is included in the ELI total term of 19.5 years. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by Freddie Mac. Annual payments of all applicable fees will be required. The Annual Permanent Loan Servicing Fee is based on 25 bps of the outstanding loan amount with a maximum of \$936 per month, subject to a minimum of \$236 per month. The annual ELI Compliance Monitoring Multiple Program Fee is \$1,023.

Orange County AHTF Loan:

Orange County will provide a loan to Whispering Oaks for \$1,860,000. The loan will have a 0.5% interest rate with a 20-year term based on a 30-year amortization. Monthly payments of principal and interest, plus a 0.5% service fee will be required. A balloon payment will be due at the end of the 20 year term. The loan includes the property having a 20 year affordability period with 48 units at 50% AMI and 144 units at 60% AMI, using the Average Income Test is acceptable per Orange County.

Orange County Loan:

Orange County issued a loan funding to the Applicant in the amount of \$75,000. The loan will have a 0% interest rate with a 15 year term. Payments will not be required as long as the development is not in default of the agreement with the loan being fully forgivable at the end of the affordability period. The

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loan will be for one unit of affordable rental housing designated for families at or below 60% of area median income for 15 years.

Housing Credits Equity Investment:

The Borrower has applied to Florida Housing to receive 4% Housing Credits directly from the United States Treasury in conjunction with tax-exempt financing. A HC calculation is contained in Exhibit 4 of this credit underwriting report.

Based upon a September 1, 2022 Letter of Intent, RJAHI or an affiliate will purchase a 99.99% membership interest in the Applicant and provide HC equity as follows:

Capital Contributions	Amount	Percent of Total	When Due
1st Installment	\$3,301,308	15.00%	Closing
2nd Installment	\$1,100,436	5.00%	25% Completion and 07/01/23
3rd Installment	\$2,200,872	10.00%	50% Completion and 10/01/23
4th Installment	\$2,200,872	10.00%	75% Completion and 04/01/24
5th Installment	\$8,093,303	36.77%	99% Completion and 10/01/24
6th Installment	\$2,470,882	11.23%	Construction Completion and 10/01/24
7th Installment	\$2,641,045	12.00%	Stabilized Operations and 04/01/25
Total	\$22,008,718	100.00%	

Annual Tax Credits per Syndication Agreement: \$2,473,137

Total HC Available to Syndicator (10 years): \$24,728,897

Syndication Percentage (investor member interest): 99.990%

Calculated HC Exchange Rate (per dollar): \$0.890

Proceeds Available During Construction: \$16,896,791

At least 15% of the total equity will be provided prior to or simultaneous with the closing of the construction financing.

Other Permanent Sources of Funds:

In order to balance the sources and uses of funds after all loan proceeds and capital contributions payable under the RJAHI LOI have been received, the Developer will have to defer \$5,431,849 of Developer Fees.

Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accessory Buildings				\$0	
Demolition				\$0	\$0
Installation of Pre Fab Units				\$0	
New Rental Units	\$24,241,000	\$30,576,562	\$22,986,472	\$119,721	
Off-Site Work				\$0	\$0
Recreational Amenities				\$0	
Rehab of Existing Common Areas				\$0	
Rehab of Existing Rental Units				\$0	
Site Work			\$7,590,090	\$39,532	\$1,138,514
Swimming Pool				\$0	
Furniture, Fixture, & Equipment				\$0	
Hard Cost Contingency - in Constr. Cont.				\$0	
Constr. Contr. Costs subject to GC Fee	\$24,241,000	\$30,576,562	\$30,576,562.00	\$159,253	\$1,138,514
General Conditions	\$3,300,000	\$4,280,719	\$1,834,593.72	\$9,555	
Overhead			\$611,531.24	\$3,185	
Profit			\$1,834,593.72	\$9,555	
Builder's Risk Insurance				\$0	
General Liability Insurance				\$0	
Payment and Performance Bonds				\$0	
Contract Costs not subject to GC Fee				\$0	
Total Construction Contract/Costs	\$27,541,000	\$34,857,281	\$34,857,280.68	\$181,548	\$1,138,514
Hard Cost Contingency	\$1,300,000	\$1,528,828	\$1,528,828	\$7,963	
PnP Bond paid outside Constr. Contr.		\$363,861	\$363,861	\$1,895	
Fees for LOC used as Constr. Surety				\$0	
Demolition paid outside Constr. Contr.				\$0	
FF&E paid outside Constr. Contr.			\$0	\$0	
Other:				\$0	
Total Construction Costs:	\$28,841,000	\$36,749,970	\$36,749,970	\$191,406	\$1,138,514

Notes to the Construction Costs:

- The Applicant has provided an executed AIA Document A102-2017 Standard Form of Agreement between Owner and Contractor where the basis of payment is the Cost of the Work plus a Fee with a Guaranteed Maximum Price dated September 15, 2022 in the amount of \$34,857,280.68. The contract provides for a date of commencement of May 30, 2023. The Agreement calls for achievement of substantial completion to occur not later than September 29, 2024. Ten (10%) percent retainage will be withheld on all work performed up to 50% completion and no retainage thereafter.

Allowances in the GMP Agreement

- Primary Power - \$15,000
- Side Walks - \$250,000
- Total - \$265,000

Final payment will be made when the General Contractor has fully performed the contract, the General Contractor has submitted a final accounting for the Cost of the Work and a final application for payment and the final certificate for payment has been issued by the Architect. The Owner's final

payment to the General Contractor shall be made no later than 30 days after the Architect's final Certificate for Payment.

2. SMG received the General Contractor's Certification of Requirements, whereby the General Contractor acknowledges and commits to adhere to all requirements related to a General Contractor as published within Rule Chapters 67-21 and 67-48 ("Rules"), Florida Administrative Code.
3. General Contractor fees as stated are within the 14% maximum per the Rule. General liability insurance and payment and performance bond costs reflected in the schedule of values are excluded from construction hard costs in the General Contractor fee calculation.
4. The hard cost contingency is within the 5.00% allowed by the RFA and Rules and is not included within the GC Contract or schedule of values.
5. SMG engaged and received a Plan and Cost Analysis ("PCA") from GLE Associates, Inc. ("GLE"). Complete results are set forth in Section C of this credit underwriting report.

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GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	\$40,000	\$30,000	\$30,000	\$156	\$15,000
Appraisal	\$10,000	\$8,000	\$8,000	\$42	
Architect's and Planning Fees				\$0	
Architect's Fee - Green Initiative				\$0	
Architect's Fee - Landscape		\$20,000	\$20,000	\$104	
Architect's Fee - Site/Building Design	\$200,000	\$225,000	\$225,000	\$1,172	
Architect's Fee - Supervision	\$40,000	\$55,000	\$55,000	\$286	
Building Permits	\$250,000	\$164,872	\$164,872	\$859	
Builder's Risk Insurance	\$100,000			\$0	
Capital Needs Assessment/Rehab				\$0	
Engineering Fees	\$175,000	\$96,020	\$96,020	\$500	
Environmental Report	\$15,000	\$2,800	\$2,800	\$15	
Federal Labor Standards Monitoring				\$0	
FHFC Administrative Fees	\$162,000	\$125,000	\$217,407	\$1,132	\$217,407
FHFC Application Fee	\$4,000	\$3,000	\$3,000	\$16	\$3,000
FHFC Credit Underwriting Fee	\$30,000	\$25,000	\$26,001	\$135	\$26,001
FHFC Compliance Fee	\$205,100			\$0	\$0
FHFC Other Processing Fee(s)		\$39,600	\$39,600	\$206	\$39,600
Impact Fee	\$1,526,586	\$0	\$0	\$0	
Lender Inspection Fees / Const Admin	\$50,000	\$66,000	\$66,000	\$344	
Green Building Cert. (LEED, FGBC, NGBS)	\$50,000		\$46,020	\$240	
Home Energy Rating System (HERS)				\$0	
Insurance	\$60,000	\$250,000	\$250,000	\$1,302	
Legal Fees - Organizational Costs	\$255,000	\$125,000	\$125,000	\$651	\$62,500
Local Subsidy Underwriting Fee				\$0	
Market Study	\$5,000	\$5,000	\$5,000	\$26	\$5,000
Marketing and Advertising	\$100,000	\$75,000	\$75,000	\$391	\$75,000
Plan and Cost Review Analysis		\$6,850	\$6,850	\$36	
Property Taxes	\$40,000	\$145,000	\$145,000	\$755	
Soil Test	\$25,000	\$18,865	\$18,865	\$98	
Survey	\$35,000	\$50,000	\$50,000	\$260	\$12,500
Tenant Relocation Costs				\$0	
Title Insurance and Recording Fees	\$125,000	\$125,000	\$125,000	\$651	\$31,250
Traffic Study				\$0	
Utility Connection Fees	\$875,000	\$600,000	\$600,000	\$3,125	
Soft Cost Contingency	\$100,000	\$100,000	\$100,000	\$521	
Other: P&P Bond and Plan and Cost Review	\$240,000			\$0	
Total General Development Costs:	\$4,717,686	\$2,361,007	\$2,500,435	\$13,023	\$487,258

Notes to the General Development Costs:

1. Architect's Fees for Site/Building Design and Supervision are based on the Agreement between Owner and Architect, Architectonics Studio, Inc. dated February 7 ,2022.
2. Engineering Fees are based on the Contract for Professional Services by and between the owner and Harris Civil Engineers, LLC. dated October 7, 2020.
3. The FHFC Administrative Fee is based on 9% of the recommended annual allocation of HC. The FHFC Application Fee is reflective of the application fees stated in RFA 2021-205. The total FHFC Credit Underwriting Fees are \$26,001.

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4. FHFC Other Processing fees include the fees for a Firm Date Extension, change to the Average Income Test and a Request to Change Total Number of Units, Set-Asides and Unit Mix.
 5. Impact Fees have been waived per an email from the county dated January 12, 2023.
 6. Green Building Certification fees reflect the amount in the proposal from GreenBuilt Solutions, LLC dated July 27, 2022, for a Florida Green Building Coalition certification.
 7. Soft cost contingency has been limited to 5% as required per the RFA and Rules.
 8. Other General Development Costs are based on the Applicant's estimates, which appear reasonable.

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FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Construction Loan Application Fee				\$0	
Construction Loan Underwriting Fee				\$0	
Construction Loan Origination Fee	\$230,000	\$202,500	\$210,000	\$1,094	
Construction Loan Commitment Fee				\$0	
Construction Loan Closing Costs		\$25,000	\$25,000	\$130	
Construction Loan Interest	\$550,000	\$2,160,000	\$2,160,000	\$11,250	\$1,155,450
Construction Loan Servicing Fees		\$15,000	\$15,000	\$78	
Permanent Loan Application Fee		\$6,500	\$49,543	\$258	\$49,543
Permanent Loan Underwriting Fee				\$0	\$0
Permanent Loan Subsidy Layering Rev.				\$0	\$0
Permanent Loan Commitment Fee				\$0	\$0
Permanent Loan Origination Fee	\$160,000	\$188,930	\$377,860	\$1,968	\$377,860
Permanent Loan Closing Costs				\$0	\$0
Permanent Loan Interest				\$0	\$0
Permanent Loan Servicing Fee				\$0	\$0
FHFC Note Short-Term Redemption Fee				\$0	\$0
FHFC Note Fiscal Agent Fee		\$5,000	\$9,750	\$51	\$9,750
FHFC Note Credit Enhancement Fee				\$0	\$0
FHFC Note Cost of Issuance		\$220,000	\$301,891	\$1,572	\$301,891
FHFC Note Interest				\$0	\$0
FHFC Note Servicing Fee				\$0	\$0
SAIL Commitment Fee		\$39,600	\$39,600	\$206	\$39,600
SAIL Closing Costs				\$0	\$0
SAIL Interest				\$0	\$0
SAIL Servicing Fee				\$0	\$0
SAIL-ELI Commitment Fee			\$6,000	\$31	\$6,000
SAIL-ELI Closing Costs				\$0	\$0
SAIL-ELI Servicing Fee				\$0	\$0
Legal Fees - Financing Costs		\$75,000	\$75,000	\$391	\$75,000
Placement Agent/Underwriter Fee		\$35,000	\$35,000	\$182	\$35,000
Initial TEFRA Fee		\$1,000	\$1,000	\$5	\$1,000
Other: FHFC Issuer Fee			\$140,400	\$731	\$140,400
Other: Freddie Mac Application Fee			\$18,893	\$98	\$18,893
Other: Misc Financial Costs	\$537,000			\$0	
Total Financial Costs:	\$1,477,000	\$2,973,530	\$3,464,937	\$18,047	\$2,210,387
Dev. Costs before Acq., Dev. Fee & Reserves	\$35,035,686	\$42,084,507	\$42,715,342	\$222,476	\$3,836,159

Notes to the Financial Costs:

1. Construction Origination Fee is based on 0.750% of the loan amount per the Fifth Third LOI.
2. Construction Loan Interest is based on the Applicant's estimate. Applicant provided a capitalized interest budget based on the outstanding balance of the construction loan through construction completion with a lease up schedule based on a 25 months. Seltzer notes that this estimate appears reasonable.
3. Permanent Origination fee is based on 2% of the loan amount per CapOne.
4. FHFC Note Cost of Issuance includes fees and expenses of the Issuer, Real Estate Counsel for MMRN, SAIL and ELI, Note Counsel and Disclosure Counsel Fees, Fiscal Agent Fee, Servicer Closing Fee and other fees.

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5. SAIL Commitment Fee consists of a SAIL commitment fee equal to 1% of the SAIL amount.
6. SAIL ELI Commitment Fee consists of an ELI commitment fee equal to 1% of the ELI Loan amount.
7. Other Financial Costs are based on the Borrower’s estimates, which appear reasonable.
8. FHFC Issuer Fee the annual Issuer Fee of 24 basis points (0.24%) during the construction period estimated at 26 months on the total note amount.
9. The Freddie Mac Application fee is per the CapOne LOI.

NON-LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Brokerage Fees - Building			\$0	\$0	
Building Acquisition Cost				\$0	
Total Non-Land Acquisition Costs:	\$0	\$0	\$0	\$0	\$0

Notes to the Non-Land Acquisition Costs:

1. Since this is a new construction development, there are no non-land acquisition costs.

DEVELOPER FEE ON NON-ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Developer Fee - Unapportioned	\$6,300,000	\$7,575,211	\$7,575,211	\$39,454	
Other:				\$0	
Total Other Development Costs:	\$6,300,000	\$7,575,211	\$7,575,211	\$39,454	\$0

Notes to the Other Development Costs:

1. Developer Fee is within 18% of the Development’s construction cost, exclusive of land acquisition costs and reserves, as required per the RFA and Rules.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land	\$2,000,000	\$2,000,000	\$2,000,000	\$10,417	\$2,000,000
Other:				\$0	\$0
Total Acquisition Costs:	\$2,000,000	\$2,000,000	\$2,000,000	\$10,417	\$2,000,000

Notes to the Land Acquisition Costs:

1. Applicant provided Purchase and Sale Agreement (“PSA”) between SP Whispering LLC (“Seller”) and SP East LLC (“Purchaser”) dated July 3, 2021, with a purchase price of \$2,000,000 and a closing date of July 31, 2022.

Applicant provided a First Amendment to the PSA dated October 29, 2021, which moved the closing date until December 31, 2022. The Applicant also provided a Second Amendment to the PSA dated September 15, 2022 which moves the closing date until March 31, 2023. The Appraisal supports the purchase price.

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RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserve (FHFC)				\$0	\$0
Operating Deficit Reserve (Lender)				\$0	\$0
Operating Deficit Reserve (Syndicator)		\$300,000	\$538,014	\$2,802	\$538,014
Replacement Reserves (FHFC)				\$0	\$0
Replacement Reserves (Lender)				\$0	\$0
Replacement Reserves (Syndicator)				\$0	\$0
Other:				\$0	\$0
Total Reserve Accounts:	\$0	\$300,000	\$538,014	\$2,802	\$538,014

Notes to Reserve Accounts:

- Reserves – Operating Deficit is the Operating Deficit Reserve (“ODR”) required by the Syndicator (RJAH). At the end of the Compliance Period, any remaining balance of the ODR less amounts that may be permitted to be drawn (which includes Deferred Developer Fee and reimbursements for authorized member/partner and guarantor loan(s) pursuant to the operating/partnership agreement), will be used to pay FHFC loan debt; if there is no FHFC loan debt on the proposed Development at the end of the Compliance Period, any remaining balance shall be used to pay outstanding FHFC fees. If any balance is remaining in the ODR after the payments above, the amount should be placed in a Replacement Reserve account for the Development. In no event shall the payments of amounts to the Applicant or the Developer from the Reserve Account cause the Developer Fee or General Contractor Fee to exceed the applicable percentage limitations provided for in the Rule. Any and all terms and conditions of the ODR must be acceptable to Florida Housing, its Servicer and its Legal Counsel.

In exchange for receiving funding from the Corporation, the Corporation reserves the authority to restrict the disposition of any funds remaining in any operating deficit reserve(s) after the term of the reserve’s original purpose has terminated or is near termination. Authorized disposition uses are limited to payments towards any outstanding loan balances of the Development funded from the Corporation, any outstanding Corporation fees, any unpaid costs incurred in the completion of the Development (i.e., deferred Developer Fee), the Development’s capital replacement reserve account (provided, however, that any operating deficit reserve funds deposited to the replacement reserve account will not replace, negate, or otherwise be considered an advance payment or pre-funding of the Applicant’s obligation to periodically fund the replacement reserve account), the reimbursement of any loan(s) provided by a partner, member or guarantor as set forth in the Applicant’s organizational agreement (i.e., operating or limited partnership agreement). The actual direction of the disposition is at the Applicant’s discretion so long as it is an option permitted by the Corporation. In no event, shall the payment of amounts to the Applicant or the Developer from any operating deficit reserve established for the Development cause the Developer Fee or General Contractor fee to exceed the applicable percentage limitations provided for in this RFA.

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TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
TOTAL DEVELOPMENT COSTS:	\$43,335,686	\$51,959,718	\$52,828,567	\$275,149	\$6,374,173

Notes to the Total Development Costs:

1. Per RFA 2021-205, Total Development Cost (“TDC”) is limited on a per unit basis based on the construction type of the units as indicated by the Applicant. The Applicant has indicated a construction type of Garden – Non ESSC Construction, which had a maximum allowable per unit cost of \$275,100. Based on changes to TDC limits as approved at the April 1, 2022 Telephonic FHFC Board Meeting, the maximum allowable per unit cost is \$358,149.60, this is inclusive of the \$7,500 tax exempt bond boost. Whispering Oak’s final TDC per unit is \$261,929.96, which is in compliance with the limit.

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Operating Pro forma

OPERATING PRO FORMA		ANNUAL	PER UNIT
INCOME	Gross Potential Rental Income	\$2,556,924	\$13,317
	Rent Subsidy (ODR)	\$0	\$0
	Other Income:		
	Miscellaneous	\$76,800	\$400
	Gross Potential Income	\$2,633,724	\$13,717
	Less:		
	Economic Loss - Percentage: 0.0%	\$0	\$0
Physical Vacancy Loss - Percentage: 3.0%	(\$79,012)	(\$412)	
Collection Loss - Percentage: 2.0%	(\$52,674)	(\$274)	
Total Effective Gross Revenue		\$2,502,038	\$13,031
EXPENSES	Fixed:		
	Real Estate Taxes	\$208,930	\$1,088
	Insurance	\$129,984	\$677
	Other	\$0	\$0
	Variable:		
	Management Fee - Percentage: 5.4%	\$135,794	\$707
	General and Administrative	\$57,600	\$300
	Payroll Expenses	\$240,000	\$1,250
	Utilities	\$169,920	\$885
	Marketing and Advertising	\$4,800	\$25
	Maintenance and Repairs	\$81,600	\$425
	Grounds Maintenance and Landscaping	\$33,600	\$175
	Resident Programs	\$0	\$0
	Contract Services	\$0	\$0
	Security	\$0	\$0
	Other-Pest Control	\$0	\$0
	Reserve for Replacements	\$57,600	\$300
Total Expenses		\$1,119,828	\$5,832
Net Operating Income		\$1,382,210	\$7,199
Debt Service Payments			
DEBT SERVICE	First Mortgage - FHFC MMRN / CapOne / Freddie	\$1,194,737	\$6,223
	Second Mortgage - FHFC SAIL	\$39,600	\$206
	Third Mortgage - FHFC SAIL ELI	\$0	\$0
	Fourth Mortgage - Orange County AHTF	\$9,300	\$48
	Fifth Mortgage - Orange County Loan	\$0	\$0
	All Other Mortgages -	\$0	\$0
	First Mortgage Fees - FHFC MMRN / CapOne / Fre	\$58,543	\$305
	Second Mortgage Fees - FHFC SAIL	\$10,923	\$57
	Third Mortgage Fees - FHFC SAIL ELI	\$3,855	\$20
	Fourth Mortgage Fees - Orange County AHTF	\$0	\$0
	Fifth Mortgage Fees - Orange County Loan	\$0	\$0
	All Other Mortgages Fees -	\$0	\$0
	Total Debt Service Payments		\$1,316,958
Cash Flow After Debt Service		\$65,252	\$340

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Debt Service Coverage Ratios	
DSC - First Mortgage plus Fees	1.103
DSC - Second Mortgage plus Fees	1.060
DSC - Third Mortgage plus Fees	1.057
DSC - Fourth Mortgage plus Fees	1.050
DSC - Fifth Mortgage plus Fees	1.050
DSC - All Mortgages and Fees	1.050
Financial Ratios	
Operating Expense Ratio	44.8%
Break-Even Ratio	92.8%

Notes to the Operating Pro forma and Ratios:

1. The MMRN program does not impose any rent restrictions; however, the development will be utilizing Housing Credits, SAIL and ELI which will impose rent restrictions. Whispering Oaks is projected to achieve 2022 Maximum Allowable HC Rents published by Florida Housing on all units at 30% AMI, 50% AMI, 60% AMI, 70% AMI and 80% AMI based upon the appraiser's estimate of achievable rents per comparable properties surveyed. Utility Allowances are based upon a September 15, 2022 Energy Consumption Model from Matern, this has not been approved by FHFC and will be a condition to close. The model reflects the residents paying for electricity and the Applicant paying for water, sewer, pest control, and trash pick-up. No manager/employee units are anticipated at this time.

The DSC for the permanent first mortgage and SAIL reflects a ratio lower than 1.10 to 1.00. According to Rule 67-48.0072 (11), the combined minimum DSC shall be 1.10 to 1.00 for SAIL including all superior mortgages. However, if the Applicant defers at least 35 percent of its Developer Fee following the last disbursement of all permanent sources of funding identified in the final credit underwriting report and, in the case of a Housing Credit Development, the final cost certification documentation, and when the primary expected source of repayment has been identified as projected cash flow, the minimum DSC shall be 1.00 for the SAIL, including all superior mortgages. This Development meets the preceding guidelines.

To ensure that the Second Mortgage SAIL meets or exceeds the minimum DSC of 1.00 to 1.00, based on the projection/estimates and loan amounts in this report, the interest rate of the permanent period First Mortgage Loan may not exceed 6.16%. Following the rate lock of the permanent period First Mortgage Loan, the Servicer will review and confirm if the Development is still able to support the proposed First Mortgage Loan amount of \$18,893,000, or if a reduction to the loan amount is necessary. The Servicer's DSC confirmation is a condition to close.

2. The SAIL will be repaid from available cash flow. The Break-Even Ratio would be 90.9% if the SAIL interest payments and Orange County AHTF Loan payments were excluded.

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A rent roll for the Development is illustrated in the following table:

MSA/County: Orlando – Kissimmee – Sanford MSA / Orange County

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
2	2.0	17	1,074	30%			\$560	\$67	\$493		\$493	\$493	\$493	\$100,572
2	2.0	15	1,074	50%			\$933	\$67	\$866		\$866	\$866	\$866	\$155,880
2	2.0	56	1,065	60%			\$1,120	\$67	\$1,053		\$1,053	\$1,053	\$1,053	\$707,616
2	2.0	18	1,065	70%			\$1,307	\$67	\$1,240		\$1,240	\$1,240	\$1,240	\$267,840
2	2.0	22	1,065	80%			\$1,494	\$67	\$1,427		\$1,427	\$1,427	\$1,427	\$376,728
3	2.0	12	1,211	30%			\$646	\$72	\$574		\$574	\$574	\$574	\$82,656
3	2.0	4	1,211	50%			\$1,078	\$72	\$1,006		\$1,006	\$1,006	\$1,006	\$48,288
3	2.0	22	1,211	60%			\$1,293	\$72	\$1,221		\$1,221	\$1,221	\$1,221	\$322,344
3	2.0	8	1,211	70%			\$1,509	\$72	\$1,437		\$1,437	\$1,437	\$1,437	\$137,952
3	2.0	18	1,211	80%			\$1,725	\$72	\$1,653		\$1,653	\$1,653	\$1,653	\$357,048
		192	214,112											\$2,556,924

3. Miscellaneous income consists of anticipated pet fees, application fees and retained deposits estimated by the Applicant.
4. The appraiser estimates a vacancy loss of 3.5% and a collection loss of 0.5%. To be conservative, Seltzer is utilizing an overall vacancy/collection loss of 5.0%, resulting in an economic and physical occupancy of 95%. Real estate tax expense is based on the Appraiser’s estimate.
5. Management Fees are based upon the Management Agreement provided by the Applicant that reflects a management fee in the amount of 4.0% of the gross collections per month, plus \$11 per unit per month for bookkeeping fees, plus \$2 per unit per month for Resident Services Management and \$2.50 unit per month for Computer and IT Services Support for an all in management fee of 5.4%.
6. Contract Services includes the cost of elevator inspections and landscaping.
7. Other operating expense estimates are based on comparable properties and are supported by the appraisal.
8. Replacement Reserves in the amount of \$300 per unit per year, which increase 3% annually starting in year 11, meet RFA and Rule requirements.
9. A 15-year income and expense projection reflects increasing DSC. This projection is attached to this report as Exhibit 1.

SMG

Section B

Loan Conditions

HC Allocation Recommendation and Contingencies

MARCH 1, 2023

Special Conditions

These recommendations are contingent upon the review and approval of the following items by SMG and Florida Housing at least 30 days prior to loan closing. Failure to receive approval of these items within this time frame may result in postponement of the loan closing.

1. Receipt and satisfactory review of a Utility Allowance Energy Consumption Model from Matern approved by FHFC.
2. Receipt and satisfactory review of an updated PCA confirming all of the features and amenities in Exhibit B are in the plans.
3. Receipt and satisfactory review of a fully executed Property Management Agreement and Marketing and Management Plan not substantially different from the unexecuted agreements utilized herein for underwriting.
4. Receipt and satisfactory review of a soil management plan that meets GLE's standards.
5. Receipt and satisfactory review of a revised MOU based on revised set-aside units approved by FHFC.
6. Receipt and satisfactory review of J. David Page's 2021 Federal Tax Retrun.

General Conditions

This recommendation is contingent upon the review and approval of the following items by SMG and Florida Housing at least 30 days prior to loan closing. Failure to receive approval of these items within this time frame may result in postponement of the loan closing.

1. Borrower to comply with any and all recommendations noted in the Plan and Cost Review.
2. Signed and sealed survey, dated within 90 days of closing, unless otherwise approved by Florida Housing, and its Legal Counsel, based upon the particular circumstances of the transaction. The Survey shall be certified to Florida Housing and its Legal Counsel, as well as the title insurance company, and shall indicate the legal description, exact boundaries of the Development, easements, utilities, roads, and means of access to public streets, total acreage and flood hazard area, and any other requirements of Florida Housing.
3. Final "as permitted" (signed and sealed) site plans, building plans and specifications. The geotechnical report, if any, must be bound within the final plans and specifications.
4. Building permits and any other necessary approvals and permits (e.g., final site plan approval, water management district, Department of Environmental Protection, Army Corps of Engineers, Department of Transportation, etc.). Acceptable alternatives to this requirement are receipt and satisfactory review of a letter from the local permitting and approval authority that the above referenced permits and approvals will be issued upon receipt of applicable fees (with no other conditions), or evidence of 100% lien-free completion, if applicable. If a letter is provided, copies of all permits will be required as a condition of the first post-closing draw.
5. Final sources and uses of funds itemized by source and line item, in a format and in amounts approved by the Servicer. A detailed calculation of the construction interest based on the final draw schedule (see below), documentation of the closing costs, and draft loan closing statement must also be

provided. The sources and uses of funds schedule will be attached to the Loan Agreement as the approved Development budget.

6. A final construction draw schedule showing itemized sources and uses of funds for each monthly draw. SAIL and ELI loan proceeds shall be disbursed in an amount per Draw that does not exceed the ratio of the SAIL and ELI loans to the Total Development Cost during the construction or rehabilitation phase, unless otherwise approved by the Credit Underwriter. The closing draw shall include appropriate backup and ACH wiring instructions.
7. Construction Period Developer Fee shall be the lesser of i) 50% of the Total Developer Fee or ii) the Total Developer Fee less the Deferred Developer Fee listed in the Sources and Uses for the construction period, as calculated by the Servicer. At closing, a maximum of 35% of the Construction Period Developer Fee may be funded. Remaining Construction Period Developer Fee will be disbursed during construction/rehabilitation on a pro rata basis, based on the percentage of completion of the development, as approved and reviewed by FHFC and Servicer.

Once the Development has achieved 100% lien free completion and retainage has been released, the Post-Construction Period Developer Fee may be funded. Post-Construction Period Developer Fee is the remaining portion of Developer Fee less Deferred Developer Fee listed in the Sources and Uses for the permanent period, as calculated by the Servicer.

8. Evidence of insurance coverage pursuant to the Request for Application governing this proposed transaction and, if applicable, the FHFC Insurance Guide.
9. The General Contractor shall secure a payment and performance bond equal to 100% of the total construction cost listing FHFC as co-obligee, whose terms do not adversely affect the Corporation's interest, issued in the name of the General Contractor, from a company rated at least "A-" by A.M. Best & Co., or a Corporation-approved alternate security for the General Contractor's performance such as a letter of credit ("LOC") issued by a financial institution with a senior long term (or equivalent) credit rating of at least "Baa3" by Moody's, or at least "BBB-" by Standard & Poor's or Fitch, or a financial rating of at least 175 by IDC Financial Publishing. The LOC must include "evergreen" language and be in a form satisfactory to Florida Housing, its Servicer and its Legal Counsel.
10. Architect, Construction Consultant, and Borrower certifications on forms provided by Florida Housing will be required for both design and as-built with respect to Section 504 of the Rehabilitation Act, the Americans with Disabilities Act ("ADA"), and Federal Fair Housing Act requirements, as applicable.
11. A copy of an Amended and Restated Operating Agreement reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The Amended and Restated Operating Agreement shall be in a form and of financial substance satisfactory to Servicer and to FHFC and its Legal Counsel.
12. Satisfactory resolution of any outstanding past due and/or noncompliance items.
13. Payment of any outstanding arrearages to the Corporation, its Legal Counsel, Servicer or any agent or assignee of the Corporation for past due issues applicable to the Development team (Applicant or Developer or Principal, Affiliate or Financial Beneficiary, as described in 67-21.0025 (5) and 67-48.0075 (5) F.A.C., of an Applicant or a Developer).

14. At all times there will be undisbursed loan funds (collectively held by Florida Housing, the first lender and any other source) sufficient to complete the Development. If at any time there are not sufficient funds to complete the Development, the Borrower will be required to expend additional equity on Development costs or to deposit additional equity with Florida Housing which is sufficient (in Florida Housing's judgment) to complete the Development before additional loan funds are disbursed. This condition specifically includes escrowing at closing all equity necessary to complete construction or another alternative acceptable to Florida Housing in its sole discretion.
15. At the end of the Compliance Period, any remaining balance of the ODR less amounts that may be permitted to be drawn (which includes Deferred Developer Fee and reimbursements for authorized member/partner and guarantor loan(s) pursuant to the operating/partnership agreement), will be used to pay FHFC debt; if there is no FHFC loan debt on the proposed Development at the end of the Compliance Period, any remaining balance shall be used to pay any outstanding FHFC fees. If any balance is remaining in the ODR after the payments above, the amount should be placed in a Replacement Reserve account for the Development. In no event shall the payments of amounts to Applicant or the Developer from the Reserve Account cause the Developer fee or General Contractor Fee to exceed the applicable percentage limitations provided for in the Rule. Any and all terms and conditions of the ODR must be acceptable to FHFC, its Servicer and its Legal Counsel.

This recommendation is contingent upon the review and approval of the following items by Florida Housing and its Legal Counsel at least 30 days prior to loan closing. Failure to receive approval of these items within this time frame may result in postponement of the loan closing.

1. Documentation of the legal formation and current authority to transact business in Florida for the Borrower, the general partner/member(s)/principal(s)/manager(s) of the Borrower, the guarantors, and any limited partners/members of the Borrower.
2. Signed and sealed survey, dated within 90 days of closing, unless otherwise approved by Florida Housing, and its Legal Counsel, based upon the particular circumstances of the transaction. The Survey shall be certified to Florida Housing and its Legal Counsel, as well as the title insurance company, and shall indicate the legal description, exact boundaries of the Development, easements, utilities, roads, and means of access to public streets, total acreage and flood hazard area, and any other requirements of Florida Housing.
3. An acceptable updated Environmental Audit Report, together with a reliance letter to Florida Housing, prepared within 90 days of MMRN, SAIL and SAIL ELI loan closing, unless otherwise approved by Florida Housing, and Legal Counsel, based upon the particular circumstances of the transaction. Borrower to comply with any and all recommendations noted in the Environmental Assessment(s) and Update and the Environmental Review, if applicable.
4. Title insurance pro-forma or commitment for title insurance with copies of all Schedule B exceptions, in the amount of the MMRN, SAIL, and SAIL ELI loans naming FHFC as the insured. All endorsements required by Florida Housing shall be provided.
5. Florida Housing and its Legal Counsel shall review and approve all other lenders closing documents and the Operating Agreement or other applicable agreement. Florida Housing shall be satisfied in its sole discretion that all legal and program requirements for the Loans have been satisfied.

6. Evidence of insurance coverage pursuant to the Request for Application governing this proposed transaction and, if applicable, the FHFC Insurance Guide.
7. Receipt of a legal opinion from the Borrower's Legal Counsel acceptable to Florida Housing addressing the following matters:
 - a. The legal existence and good standing of the Borrower and of any partnership or limited liability company that is the general partner / member of the Borrower (the "GP") and of any corporation or partnership that is the managing general partner / member of the GP, of any corporate guarantor and any manager;
 - b. Authorization, execution, and delivery by the Borrower and the guarantors, of all Loan documents;
 - c. The Loan documents being in full force and effect and enforceable in accordance with their terms, subject to bankruptcy and equitable principles only;
 - d. The Borrower's and the guarantor's execution, delivery and performance of the loan documents shall not result in a violation of, or conflict with, any judgments, orders, contracts, mortgages, security agreements or leases to which the Borrower is a party or to which the Development is subject to the Borrower's Partnership/Operating Agreement and;
 - e. Such other matters as Florida Housing or its Legal Counsel may require.
8. Evidence of compliance with local concurrency laws, as applicable.
9. UCC Searches for the Borrower, its partnerships, as requested by Legal Counsel.
10. Such other assignments, affidavits, certificates, financial statements, closing statements, and other documents as may be reasonably requested by Florida Housing or its Legal Counsel in form and substance acceptable to Florida Housing and its Legal Counsel, in connection with the loan(s).
11. Any other reasonable conditions established by Florida Housing and its Legal Counsel.

Additional Conditions

This recommendation is also contingent upon the following additional conditions:

1. Compliance with all provisions of Sections 420.507, 420.5087 and 420.509, Florida Statutes, Rule Chapters 67-21, 67-48, 67-53, and 67-60, F.A.C., RFA 2021-205, Section 42 I.R.C., and any other State and Federal requirements.
2. Acceptance by the Borrower and execution of all documents evidencing and securing the MMRN, SAIL, and ELI Loan in form and substance satisfactory to Florida Housing and its Legal Counsel, including, but not limited to, the Promissory Note(s), the Loan Agreement(s), the Mortgage and Security Agreement(s), the Land Use Restriction Agreement(s), and Extended Low Income Housing Agreement(s).
3. If MMRN funds are used for construction or rehabilitation, all amounts necessary to complete construction must be deposited with the Fiscal Agent prior to Loan Closing, or any phased HC Equity pay-in of amount necessary to complete construction shall be contingent upon an unconditional obligation, through a Joint Funding Agreement or other mechanism acceptable to Florida Housing, of

the entity providing HC Equity payments (and evidence that 100% of such amount is on deposit with such entity at Loan Closing) to pay, regardless of any default under any documents relating to the HC as long as the First Mortgage continues to be funded.

4. If applicable, receipt and satisfactory review of Financial Statements from all Guarantors dated within 90 days of Real Estate Closing.
5. Guarantors are to provide the standard FHFC Construction Completion Guaranty, to be released upon lien free completion as approved by the Servicer.
6. Guarantors for the MMRN are to provide the standard FHFC Operating Deficit Guaranty. If requested in writing by the Applicant, Servicer will consider a recommendation to release the Operating Deficit Guaranty if all conditions are met, including achievement of a 1.15 DSC on the permanent first mortgage MMRN as determined by FHFC or its Servicer, 90% Occupancy and 90% of Gross Potential Rental Income net of utility allowances, if applicable, for a period equal to twelve (12) consecutive months, all certified by an independent Certified Public Accountant ("CPA") and verified by the Servicer. The calculation of the debt service coverage ratio shall be made by Florida Housing or the Servicer. Notwithstanding the above, the Operating Deficit Guaranty shall not terminate earlier than three (3) years following the final certificate of occupancy.
7. Guarantors for the SAIL are to provide the standard FHFC Operating Deficit Guaranty. If requested in writing by the Applicant, Servicer will consider a recommendation to release the Operating Deficit Guaranty if all conditions are met, including achievement of a 1.15 DSC on the combined permanent first mortgage MMRN and SAIL as determined by FHFC or its Servicer, 90% Occupancy and 90% of Gross Potential Rental Income net of utility allowances, if applicable, for a period equal to twelve (12) consecutive months, all certified by an independent Certified Public Accountant ("CPA") and verified by the Servicer. The calculation of the debt service coverage ratio shall be made by Florida Housing or the Servicer. Notwithstanding the above, the Operating Deficit Guaranty shall not terminate earlier than three (3) years following the final certificate of occupancy.
8. Guarantors are to provide the standard FHFC Environmental Indemnity Guaranty.
9. Guarantors are to provide the standard FHFC Guaranty of Recourse Obligations.
10. A mortgagee title insurance lender's policy naming Florida Housing as the insured mortgage holder in the amount of the Loans is to be issued at closing. Any exceptions to the title insurance policy must be acceptable to Florida Housing or its Legal Counsel. All endorsements that are required by Florida Housing are to be issued and the form of the title policy must be approved prior to closing.
11. Property tax and hazard insurance escrows are to be established and maintained by the First Lender or the Servicer. In the event the reserve account is held by Florida Housing's loan servicing agent, the release of funds shall be at Florida Housing's sole discretion.
12. Replacement Reserves in the minimum amount of \$300 per unit per year are required to be deposited on a monthly basis into a designated escrow account, to be maintained by the First Mortgagee/Credit Enhancer, the Fiscal Agent, or Florida Housing's loan servicing agent. However, Applicant has the option to prepay Replacement Reserves, as allowed per RFA, in the amount of \$57,600 (one-half the required Replacement Reserves for Years 1 and 2), in order to meet the applicable DSC loan requirements. Applicant can waive this election, if at closing of the loan(s) the required DSC is met

without the need to exercise the option. It is currently estimated that Replacement Reserves will be funded from Operations in the amount of \$300 per unit per year for years 1 and 2, followed by \$300 per unit per year thereafter. The initial Replacement Reserve will have limitations on the ability to be drawn. New construction or Redevelopment Developments (with or without acquisition) shall not be allowed to draw during the first five years or until the establishment of a minimum balance equal to the accumulation of five years of replacement reserves per unit.

13. GLE Associates, Inc. ("GLE") or other construction inspector acceptable for Florida Housing is to act as Florida Housing's inspector during the construction period.
14. Under the Whispering Oaks construction contract, a minimum of 10% retainage holdback on all construction draws will be withheld until construction is 50% complete and thereafter no additional retainage is withheld. Retainage will not be released until successful lien free completion of construction and issuance of all certificates of occupancy, which satisfies the RFA and Rules minimum requirement.
15. Satisfactory completion of a pre-loan closing compliance audit conducted by Florida Housing or its Servicer, if applicable.
16. Closing of all funding sources prior to or simultaneous with the closing of the MMRN, SAIL and ELI loans.
17. Any other reasonable requirements of the Servicer, Florida Housing or its Legal Counsel.

Housing Credit Allocation Recommendation

Seltzer Management Group, Inc. recommends a preliminary annual Housing Credit allocation of \$2,415,628. Please see the HC Allocation Calculation section of this report for further details.

Contingencies

The HC allocation recommendation is contingent upon the receipt and satisfactory review of the following items by SMG and the Florida Housing Finance Corporation by the deadline established in the Preliminary HC Allocation. Failure to submit these items within this time frame may result in forfeiture of the HC Allocation.

1. All items listed under the Special Conditions section of the Loan Conditions to Close.
2. Satisfactory resolution of any outstanding past due items and/or noncompliance items.
3. Any reasonable requirements of Florida Housing, SMG or its Legal Counsel.

Exhibit 1
Whispering Oaks
13 Year Income and Expense Projection

FINANCIAL COSTS:		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	
OPERATING PRO FORMA																	
INCOME	Gross Potential Rental Income	\$2,556,924	\$2,608,062	\$2,660,224	\$2,713,428	\$2,767,697	\$2,823,051	\$2,879,512	\$2,937,102	\$2,995,844	\$3,055,761	\$3,116,876	\$3,179,214	\$3,242,798	\$3,307,654	\$3,373,807	
	Rent Subsidy (ODR)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Other Income:																
	Miscellaneous	\$76,800	\$78,336	\$79,903	\$81,501	\$83,131	\$84,793	\$86,489	\$88,219	\$89,983	\$91,783	\$93,619	\$95,491	\$97,401	\$99,349	\$101,336	
	Gross Potential Income	\$2,633,724	\$2,686,398	\$2,740,126	\$2,794,929	\$2,850,828	\$2,907,844	\$2,966,001	\$3,025,321	\$3,085,827	\$3,147,544	\$3,210,495	\$3,274,705	\$3,340,199	\$3,407,003	\$3,475,143	
	Less:																
	Economic Loss - Percentage:																
	Physical Vacancy Loss - Percentage: 3.0%	(\$79,012)	(\$80,592)	(\$82,204)	(\$83,848)	(\$85,525)	(\$87,235)	(\$88,980)	(\$90,760)	(\$92,575)	(\$94,426)	(\$96,315)	(\$98,241)	(\$100,206)	(\$102,210)	(\$104,254)	
	Collection Loss - Percentage: 2.0%	(\$52,674)	(\$53,728)	(\$54,803)	(\$55,899)	(\$57,017)	(\$58,157)	(\$59,320)	(\$60,506)	(\$61,717)	(\$62,951)	(\$64,210)	(\$65,494)	(\$66,804)	(\$68,140)	(\$69,503)	
	Total Effective Gross Revenue	\$2,502,038	\$2,552,079	\$2,603,120	\$2,655,183	\$2,708,286	\$2,762,452	\$2,817,701	\$2,874,055	\$2,931,536	\$2,990,167	\$3,049,970	\$3,110,970	\$3,173,189	\$3,236,653	\$3,301,386	
EXPENSES	Fixed:																
	Real Estate Taxes	\$208,930	\$215,198	\$221,654	\$228,303	\$235,153	\$242,207	\$249,473	\$256,958	\$264,666	\$272,606	\$280,784	\$289,208	\$297,884	\$306,821	\$316,025	
	Insurance	\$129,984	\$133,884	\$137,900	\$142,037	\$146,298	\$150,687	\$155,208	\$159,864	\$164,660	\$169,600	\$174,688	\$179,928	\$185,326	\$190,886	\$196,612	
	Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Variable:																
	Management Fee - Percentage: 5.4%	\$135,794	\$138,509	\$141,280	\$144,105	\$146,987	\$149,927	\$152,926	\$155,984	\$159,104	\$162,286	\$165,532	\$168,842	\$172,219	\$175,663	\$179,177	
	General and Administrative	\$57,600	\$59,328	\$61,108	\$62,944	\$64,829	\$66,774	\$68,777	\$70,841	\$72,966	\$75,155	\$77,410	\$79,732	\$82,124	\$84,588	\$87,125	
	Payroll Expenses	\$240,000	\$247,200	\$254,616	\$262,254	\$270,122	\$278,226	\$286,573	\$295,170	\$304,025	\$313,146	\$322,540	\$332,216	\$342,183	\$352,448	\$363,022	
	Utilities	\$169,920	\$175,018	\$180,268	\$185,676	\$191,246	\$196,984	\$202,893	\$208,980	\$215,250	\$221,707	\$228,358	\$235,209	\$242,265	\$249,533	\$257,019	
	Marketing and Advertising	\$4,800	\$4,944	\$5,092	\$5,245	\$5,402	\$5,561	\$5,731	\$5,903	\$6,080	\$6,263	\$6,451	\$6,644	\$6,842	\$7,045	\$7,260	
	Maintenance and Repairs	\$81,600	\$84,048	\$86,569	\$89,167	\$91,842	\$94,597	\$97,435	\$100,358	\$103,368	\$106,469	\$109,664	\$112,953	\$116,342	\$119,832	\$123,427	
	Grounds Maintenance and Landscaping	\$33,600	\$34,608	\$35,646	\$36,716	\$37,817	\$38,952	\$40,123	\$41,324	\$42,563	\$43,840	\$45,156	\$46,510	\$47,906	\$49,343	\$50,823	
	Resident Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Contract Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Security	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other Pest Control	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Reserve for Replacements	\$57,600	\$57,600	\$57,600	\$57,600	\$57,600	\$57,600	\$57,600	\$57,600	\$57,600	\$57,600	\$57,600	\$59,328	\$61,108	\$62,941	\$64,829	\$66,774	
Total Expenses	\$1,119,828	\$1,150,336	\$1,181,733	\$1,214,045	\$1,247,297	\$1,281,518	\$1,316,736	\$1,352,981	\$1,390,283	\$1,428,672	\$1,468,909	\$1,510,351	\$1,556,033	\$1,600,992	\$1,647,265		
Net Operating Income	\$1,382,210	\$1,401,742	\$1,421,387	\$1,441,138	\$1,460,989	\$1,480,934	\$1,500,965	\$1,521,074	\$1,541,253	\$1,561,495	\$1,580,061	\$1,598,618	\$1,617,155	\$1,635,660	\$1,654,120		
Debt Service Payments																	
DEBT SERVICE	First Mortgage - FHFC MMRN / CapOne / Freddie Mac	\$1,194,737	\$1,194,737	\$1,194,737	\$1,194,737	\$1,194,737	\$1,194,737	\$1,194,737	\$1,194,737	\$1,194,737	\$1,194,737	\$1,194,737	\$1,194,737	\$1,194,737	\$1,194,737	\$1,194,737	
	Second Mortgage - FHFC SAIL	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	\$39,600	
	Third Mortgage - FHFC SAIL ELU	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Fourth Mortgage - Orange County AHTF	\$9,300	\$9,300	\$9,300	\$9,300	\$9,300	\$9,300	\$9,300	\$9,300	\$9,300	\$9,300	\$9,300	\$9,300	\$9,300	\$9,300	\$9,300	
	Fifth Mortgage - Orange County Loan	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	All Other Mortgages -	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	First Mortgage Fees - FHFC MMRN / CapOne / Freddie Mac	\$58,543	\$58,337	\$58,115	\$57,877	\$57,621	\$57,347	\$57,052	\$56,736	\$56,397	\$56,033	\$55,644	\$55,228	\$54,782	\$54,306	\$53,796	
	Second Mortgage Fees - FHFC SAIL	\$10,923	\$10,923	\$10,923	\$10,923	\$10,923	\$10,923	\$10,923	\$10,923	\$10,923	\$10,923	\$10,923	\$10,923	\$10,923	\$10,923	\$10,923	
	Third Mortgage Fees - FHFC SAIL ELU	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	
	Fourth Mortgage Fees - Orange County AHTF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Fifth Mortgage Fees - Orange County Loan	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
All Other Mortgages Fees -	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Total Debt Service Payments	\$1,316,958	\$1,316,752	\$1,316,531	\$1,316,293	\$1,316,037	\$1,315,762	\$1,315,467	\$1,315,151	\$1,314,812	\$1,314,449	\$1,314,059	\$1,313,643	\$1,313,197	\$1,312,721	\$1,312,211		
Cash Flow After Debt Service	\$65,252	\$84,990	\$104,856	\$124,845	\$144,953	\$165,172	\$185,498	\$205,923	\$226,442	\$247,046	\$266,001	\$284,975	\$303,958	\$322,940	\$341,909		
Debt Service Coverage Ratios																	
DSC - First Mortgage plus Fees	1.103	1.119	1.135	1.151	1.167	1.183	1.199	1.215	1.232	1.248	1.264	1.279	1.294	1.310	1.325		
DSC - Second Mortgage plus Fees	1.060	1.075	1.091	1.106	1.121	1.137	1.153	1.168	1.184	1.200	1.215	1.229	1.244	1.259	1.273		
DSC - Third Mortgage plus Fees	1.057	1.072	1.087	1.103	1.118	1.134	1.149	1.165	1.181	1.196	1.211	1.226	1.240	1.255	1.270		
DSC - Fourth Mortgage plus Fees	1.050	1.065	1.080	1.095	1.110	1.126	1.141	1.157	1.172	1.188	1.202	1.217	1.231	1.246	1.261		
DSC - Fifth Mortgage plus Fees	1.050	1.065	1.080	1.095	1.110	1.126	1.141	1.157	1.172	1.188	1.202	1.217	1.231	1.246	1.261		
DSC - All Mortgages and Fees	1.050	1.065	1.080	1.095	1.110	1.126	1.141	1.157	1.172	1.188	1.202	1.217	1.231	1.246	1.261		
Financial Ratios																	
Operating Expense Ratio	44.8%	45.1%	45.4%	45.7%	46.1%	46.4%	46.7%	47.1%	47.4%	47.8%	48.2%	48.6%	49.0%	49.5%	49.9%		
Break-Even Ratio	92.8%	92.1%	91.4%	90.8%	90.2%	89.6%	89.0%	88.5%	88.0%	87.5%	87.0%	86.6%	86.2%	85.8%	85.4%		

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DESCRIPTION OF FEATURES AND AMENITIES

A. The Development will consist of:

192 Garden Apartments located in 8 residential buildings

Unit Mix:

One-hundred twenty-eight (128) two bedroom/two bath units;

Sixty-four (64) three bedroom/two bath units;

192 Total Units

B. All units are expected to meet all requirements as outlined below. If the proposed Development consists of rehabilitation, the proposed Development's ability to provide all construction features will be confirmed as outlined in Exhibit F of the RFA. The quality of the construction features committed to by the Applicant is subject to approval of the Board of Directors.

The Development must meet all federal requirements and state building code requirements, including the following, incorporating the most recent amendments, regulations, and rules: The Federal Fair Housing Act as implemented by 24 CFR 100, Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, F.S., Section 504 of the Rehabilitation Act of 1973, and Titles II and III of the Americans with Disabilities Act ("ADA") of 1990 as implemented by 28 CFR 35.

All Developments must meet accessibility standards of Section 504. Section 504 accessibility standards require a minimum of 5 percent of the total dwelling units, but not fewer than one unit, to be accessible for individuals with mobility impairments. An additional 2 percent of the total units, but not fewer than one unit, must be accessible for persons with hearing or vision impairments. All of the accessible units must be equally distributed among different unit sizes and Development types and must be dispersed on all accessible routes throughout the Development.

C. The Development must provide the following General Features:

1. Broadband infrastructure which includes cables, fiber optics, wiring, or other infrastructure, as long as the installation results in accessibility in each unit;
2. Termite prevention;
3. Pest control;
4. Window covering for each window and glass door inside each unit;

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5. Cable or satellite TV hook-up in each unit and, if the Development offers cable or satellite TV service to the residents, the price cannot exceed the market rate for service of similar quality available to the Development's residents from a primary provider of cable or satellite TV;
6. Washer and dryer hook ups in each of the Development's units or an on-site laundry facility for resident use. If the proposed Development will have an on-site laundry facility, the following requirements must be met:
 - There must be a minimum of one (1) Energy Star certified washer and one (1) Energy Star certified or commercial grade dryer per every 15 units. To determine the required number of washers and dryers for the on-site laundry facility; divide the total number of the Developments' units by 15, and then round the equation's total up to the nearest whole number;
 - At least one washing machine and one dryer shall be front loading that meets the accessibility standards of Section 504;
 - If the proposed Development consists of Scattered Sites, the laundry facility shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both.
7. At least two full bathrooms in all 3 bedroom or larger new construction units;
8. Bathtub with shower in at least one bathroom in at least 90% of the new construction non-Elderly units;
9. Family Demographic Developments must provide a full-size range and oven in all units.

D. Required Accessibility Features, regardless of the age of the Development:

Federal and state law and building code regulations requires that programs, activities, and facilities be readily accessible to and usable by persons with disabilities. Florida Housing requires that the design, construction, or alteration of its financed Developments be in compliance with federal and state accessibility requirements. When more than one law and accessibility standard applies, the Applicant shall comply with the standard (2010 ADA Standards, Section 504, Fair Housing Act, or Florida Building Code, Accessibility) which affords the greater level of accessibility for the residents and visitors. Areas required to be made accessible to mobility-impaired residents and their visitors, including those in wheelchairs, shall include, but not be limited to, accessible routes and entrances, paths of travel, primary function areas, parking, trash bins, mail and package receiving areas for residents, pool and other amenities, including paths of travel to amenities and laundry rooms, including washers and dryers.

E. The Development must provide the following Accessibility Features in all units:

1. Primary entrance doors on an accessible route shall have a threshold with no more than a ½-inch rise;

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2. All door handles on primary entrance door and interior doors must have lever handles;
 3. Lever handles on all bathroom faucets and kitchen sink faucets;
 4. Mid-point on light switches and thermostats shall not be more than 48 inches above finished floor level; and
 5. Cabinet drawer handles and cabinet door handles in bathroom and kitchen shall be lever or D-pull type that operate easily using a single closed fist.
- F.** In addition to the 5 percent mobility requirement outlined above, all Family Demographic Developments must provide reinforced walls for future installation of horizontal grab bars in place around each tub/shower and toilet, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed the 2010 ADA Standards for Accessible Design.

At the request of and at no charge to a resident household, the Development shall purchase and install grab bars around each tub/shower unit and toilet in the dwelling unit. The product specifications and installation must meet or exceed 2010 ADA Standards for Accessible Design. The Development shall inform a prospective resident that the Development, upon a resident household's request and at no charge to the household, will install grab bars around a dwelling unit's tub/shower unit and toilet, pursuant to the 2010 ADA Standards. At a minimum, the Development shall inform each prospective lessee by including language in the Development's written materials listing and describing the unit's features, as well as including the language in each household's lease.

G. Green Building Features required in all Developments:

All new construction units and, as applicable, all common areas must have the features listed below and all rehabilitation units are expected to have all of the following required Green Building features unless found to be not appropriate or feasible within the scope of the rehabilitation work utilizing a capital needs assessment as further explained in Exhibit F of the RFA:

- a. Low or No-VOC paint for all interior walls (Low-VOC means 50 grams per liter or less for flat; 150 grams per liter or less for non-flat paint);
- b. Low-flow water fixtures in bathrooms – WaterSense labeled products or the following specifications:
 - i. Toilets: 1.28 gallons/flush or less,
 - ii. Urinals: 0.5 gallons/flush,
 - iii. Lavatory Faucets: 1.5 gallons/minute or less at 60 psi flow rate,
 - iv. Showerheads: 2.0 gallons/minute or less at 80 psi flow rate;

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- c. Energy Star certified refrigerator;
- d. Energy Star certified dishwasher;
- e. Energy Star certified ventilation fan in all bathrooms;
- f. Water heater minimum efficiency specifications:
 - Residential Electric:
 - i. Up to 55 gallons = 0.95 EF or 0.92 UEF; or
 - ii. More than 55 gallons = Energy Star certified; or
 - iii. Tankless = 0.97 EF and Max GPM of ≥ 2.5 over a 77° rise or 0.87 UEF and GPM of ≥ 2.9 over a 67° rise;
 - Residential Gas (storage or tankless/instantaneous): Energy Star certified
 - Commercial Gas Water Heater: Energy Star certified;
- g. Energy Star certified ceiling fans with lighting fixtures in bedrooms;
- h. Air Conditioning (in-unit or commercial):
 - i. Air-Source Heat Pumps – Energy Star certified:
 - a. ≥ 8.5 HSPF/ ≥ 15 SEER/ ≥ 12.5 EER for split systems
 - b. ≥ 8.2 HSPF/ ≥ 15 SEER/ ≥ 12 EER for single package equipment including gas/electric package units
 - ii. Central Air Conditioners – Energy Star certified:
 - a. ≥ 15 SEER/ ≥ 12.5 EER* for split systems
 - b. ≥ 15 SEER/ ≥ 12 EER* for single package equipment including gas/electric package units.

NOTE: Window air conditioners and portable air conditioners are not allowed. Package Terminal Air Conditioners (PTACs) / Package Terminal Heat Pumps (PTHPs) are allowed in studio and 1 bedroom units;

In addition to the required Green Building Features outlined above, proposed Developments with a Development Category of New Construction or Redevelopment, with or without acquisition, must commit to achieve one of the following Green Building Certification programs:

_____ Leadership in Energy and Environmental Design (LEED); or

X Florida Green Building Coalition (FGBC); or

_____ ICC 700 National Green Building Standard (NGBS); or

_____ Enterprise Green Communities.

H. Applicants who select the Family Demographic must provide at least three Resident Programs:

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The quality of the Resident Programs committed to by the Applicant is subject to approval of the Board of Directors. The availability of the Resident Programs must be publicized on an ongoing basis such as through community newsletters, bulletin board posts, or flyers.

1. Homeownership Opportunity Program - Applicant commits to provide a financial incentive which includes the following provisions:
 - The incentive must be applicable to the home selected and may not be restricted to or enhanced by the purchase of a home in which the Applicant, Developer, or other related party has an interest;
 - the incentive must be not less than 5 percent of the rent received by the owner for the unit during the entire occupancy by the household (Note: The incentive will be paid for all months for which the household is in compliance with the terms and conditions of the lease. Damages to the unit in excess of the security deposit will be deducted from the incentive.);
 - the benefit must be in the form of a gift or grant and may not be a loan of any nature;
 - the benefits of the incentive must accrue from the beginning of occupancy;
 - the vesting period can be no longer than 2 years of continuous residency; and
 - no fee, deposit or any other such charge can be levied against the household as a condition of participation in this program.

2. Employment Assistance Program

The Applicant or its Management Company must provide, at no cost to the resident, a minimum of quarterly scheduled Employment Assistance Program workshops/meetings offering employment counseling by a knowledgeable employment counselor. Such a program includes employability skills workshops providing instruction in the basic skills necessary for getting, keeping, and doing well in a job. The instruction must be held between the hours of 8:00 a.m. and 7:00 p.m. and include, but not be limited to, the following:

- Evaluation of current job skills;
- Assistance in setting job goals;
- Assistance in development of and regular review/update of an individualized plan for each participating resident;
- Resume assistance;
- Interview preparation; and
- Placement and follow-up services.

If the training is not provided on-site, transportation at no cost to the resident must be provided. Electronic media, if used, must be used in conjunction with live instruction.

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3. Adult Literacy

The Applicant or its Management Company must make available, at no cost to the resident, literacy tutor(s) who will provide weekly literacy lessons to residents in private space on-site. Various literacy programming can be offered that strengthens participants' reading, writing skills, and comprehension, but at a minimum, these must include English proficiency and basic reading education.

Training must be held between the hours of 8:00 a.m. and 7:00 p.m. and electronic media, if used, must be used in conjunction with live instruction. If the Development consists of Scattered Sites, this resident program must be provided on the Scattered Site with the most units

COMPLETENESS AND ISSUES CHECKLIST

DEVELOPMENT NAME: Whispering Oaks

DATE: MARCH 1, 2023

In accordance with applicable Program Rule(s), the Borrower is required to submit the information required to evaluate, complete, and determine its sufficiency in satisfying the requirements for Credit Underwriting to the Credit Underwriter in accordance with the schedule established by the Florida Housing Finance Corporation (“Florida Housing” or “FHFC”). The following items must be satisfactorily addressed. “Satisfactorily” means that the Credit Underwriter has received assurances from third parties unrelated to the Borrower that the transaction can close within the allotted time frame. Unsatisfactory items, if any, are noted below and in the “Issues and Concerns” section of the Executive Summary.

CREDIT UNDERWRITING REQUIRED ITEMS:	STATUS	NOTE
	Satis. /Unsatis.	
1. The Development’s final “as submitted for permitting” plans and specifications. Note: Final “signed, sealed, and approved for construction” plans and specifications will be required thirty days before closing.	Satis.	
2. Final site plan and/or status of site plan approval.	Satis.	
3. Permit Status.	Satis.	
4. Pre-construction analysis (“PCA”).	Satis.	
5. Survey.	Satis.	
6. Complete, thorough soil test reports.	Satis.	
7. Full or self-contained appraisal as defined by the Uniform Standards of Professional Appraisal Practice.	Satis.	
8. Market Study separate from the Appraisal.	Satis.	
9. Environmental Site Assessment – Phase I and/or Phase II if applicable (If Phase I and/or II disclosed environmental problems requiring remediation, a plan, including time frame and cost, for the remediation is required). If the report is not dated within one year of the application date, an update from the assessor must be provided indicating the current environmental status.	Satis.	1
10. Audited financial statements for the most recent fiscal year ended or acceptable alternative as stated in the Rule for credit enhancers, Borrower, general partner, principals, guarantors and general contractor.	Satis.	
11. Resumes and experience of Borrower, general contractor and management agent.	Satis.	

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SMG

12. Credit authorizations; verifications of deposits and mortgage loans.	Satis.	
13. Management Agreement and Management Plan.	Satis.	2
14. Firm commitment from the credit enhancer or private placement purchaser, if any.	Satis.	
15. Firm commitment letter from the syndicator, if any.	Satis.	
16. Firm commitment letter(s) for any other financing sources.	Satis.	
17. Updated sources and uses of funds.	Satis.	
18. Draft construction draw schedule showing sources of funds during each month of the construction and lease-up period.	Satis.	
19. Fifteen-year income, expense, and occupancy projection.	Satis.	
20. Executed general construction contract with “not to exceed” costs.	Satis.	
21. HC ONLY: 15% of the total equity to be provided prior to or simultaneously with the closing of the construction financing.	Satis.	
22. Any additional items required by the credit underwriter.	Unatis.	3

NOTES AND APPLICANT’S RESPONSES:

1. Provide a soil management plan that will meet GLE’s standards.
Response: Applicant has included a plan for demo and erosion in their civil site plan.
2. An unexecuted Property Management Agreement was provided between Cambridge and the Applicant. A draft Marketing and Management Plan was provided by the Applicant.
Response: Applicant will provide a fully executed Property Management Agreement and Marketing and Management Plan not substantially different from the unexecuted agreement utilized herein for underwriting.
2. An Energy Consumption Model by Matern was provided, dated September 15, 2022, however this has not been approved by FHFC.
Response: FHFC will approve the Energy Consumption Model prior to closing.

HC Allocation Calculation

Section I: Qualified Basis Calculation	
Development Cost	\$52,828,567
Less Land Cost	(\$2,000,000)
Less Federal Funds	\$0
Less Other Ineligible Cost	(\$4,374,173)
Less Disproportionate Standard	\$0
Total Eligible Basis	\$46,454,394
Applicable Fraction	100.00%
DDA/QCT Basis Credit	130.00%
Qualified Basis	\$60,390,712
Housing Credit Percentage	4.00%
Annual Housing Credit Allocation	\$2,415,628

Notes to the Qualified Basis Calculation:

1. Other Ineligible Costs primarily include a portion of site work, accounting fees, legal fees, a portion of construction loan interest, permanent loan origination, FHFC Loan commitment fees, FHFC administrative, application, and underwriting fees, market study, marketing and advertising, survey and title and reserves.
2. The Borrower committed to a set aside of 100%. Therefore, SMG has utilized an Applicable Fraction of 100.00%.
3. The Development is located in a Qualified Census Tract. Therefore, the 130% basis credit has been applied to the Eligible Basis.
4. Per the FY 2021 Omnibus Consolidated Appropriations Act passed by Congress as of December 21, 2020, a permanent 4% minimum HC rate was established. For purposes of this report, a HC percentage of 4.00% has therefore been applied.

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Section II: Gap Calculation	
Total Development Cost (Including Land and Ineligible Costs)	\$52,828,567
Less Mortgages	(\$25,388,000)
Less Grants	\$0
Equity Gap	\$27,440,567
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.8900
HC Required to Meet Gap	\$30,835,181
Annual HC Required	\$3,083,518

Notes to the Gap Calculation:

1. Mortgages include the CapOne designee first mortgage, FHFC SAIL second mortgage, FHFC SAIL ELI third mortgage, the Orange County AHTF loan and Orange County loan
2. HC Syndication Pricing and Percentage to Investment Partnership are based upon the September 1, 2022 LOI from RJAHI.

Section III: Tax-Exempt Note 50% Test	
Total Depreciable Cost	\$46,454,394
Plus Land Cost	\$2,000,000
Aggregate Basis	\$48,454,394
Tax-Exempt Note Amount	\$28,000,000
Less Debt Service Reserve	\$0
Less Proceeds Used for Costs of Issuance	\$0
Plus Tax-exempt GIC earnings	\$0
Tax-Exempt Proceeds Used for Building and Land	\$28,000,000
Proceeds Divided by Aggregate Basis	57.79%

Notes to 50% Test:

1. SMG estimates the Tax-Exempt MMRN amount to be 57.79% of Depreciable Development Costs plus Land Acquisition Costs. If, at the time of Final Cost Certification, the Tax-Exempt Note Amount is less than 50%, developer fees will have to be reduced by an amount to ensure compliance with the 50% Test. That may, in turn, result in a reduction to HC Equity.

MMRN, SAIL AND HC CREDIT UNDERWRITING REPORT

SMG

Section IV: Summary	
HC per Qualified Basis	\$2,415,628
HC per Gap Calculation	\$3,083,518
Annual HC Recommended	\$2,415,628

Notes to the Summary:

1. The Annual HC Recommended is based on the Qualified Basis calculation.

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF THE MULTIFAMILY MORTGAGE REVENUE NOTE OR NOTES, SERIES 2023__ [ONE OR MORE SERIES TO BE DESIGNATED] (WHISPERING OAKS) OF THE FLORIDA HOUSING FINANCE CORPORATION (“FLORIDA HOUSING”); PROVIDING FOR A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE NOTE OR NOTES; APPROVING THE PREPARATION, EXECUTION AND DELIVERY OF A FUNDING LOAN AGREEMENT OR FUNDING LOAN AGREEMENTS BETWEEN FLORIDA HOUSING, THE FUNDING LENDER NAMED THEREIN AND A FISCAL AGENT OR CORPORATE TRUSTEE, AND A PROJECT OR BORROWER LOAN AGREEMENT OR PROJECT OR BORROWER LOAN AGREEMENTS BETWEEN FLORIDA HOUSING AND THE BORROWER NAMED THEREIN; AUTHORIZING A FUNDING LOAN OR FUNDING LOANS FROM THE FUNDING LENDER TO FLORIDA HOUSING EVIDENCED BY THE NOTES; AUTHORIZING THE PROJECT LOAN OR PROJECT LOANS MADE PURSUANT TO THE PROJECT OR BORROWER LOAN AGREEMENT OR PROJECT OR BORROWER LOAN AGREEMENTS TO THE BORROWER NAMED THEREIN; AUTHORIZING THE PREPARATION, EXECUTION AND DELIVERY OF ALL DOCUMENTS NECESSARY FOR THE EXECUTION AND DELIVERY OF THE NOTES, THE MAKING OF THE FUNDING LOAN OR FUNDING LOANS AND THE SECURITY THEREFOR, AND THE MAKING OF THE PROJECT LOAN OR PROJECT LOANS AND THE SECURITY THEREFOR, AND THE SALE AND/OR THE ASSIGNMENT OF THE NOTE OR NOTES, THE FUNDING LOAN OR FUNDING LOANS, THE FUNDING LOAN AGREEMENT OR FUNDING LOAN AGREEMENTS, THE PROJECT LOAN OR PROJECT LOANS AND THE PROJECT LOAN AGREEMENT OR PROJECT LOAN AGREEMENTS, INCLUDING, BUT NOT LIMITED TO, A PRIVATE PLACEMENT MEMORANDUM; AUTHORIZING ALL ACTIONS NECESSARY FOR FINAL APPROVAL OF THE EXECUTION AND DELIVERY OF THE NOTES AND THE FINANCING OF WHISPERING OAKS AND MAKING OTHER PROVISIONS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Florida Housing Finance Corporation (“Florida Housing”) is a public corporation within the Department of Economic Opportunity of the State of Florida (the “State”) and a public body corporate and politic, duly organized under the Florida Housing Finance Corporation Act, Sections 420.501 *et seq.*, Florida Statutes, as amended (the “Act”). Florida

Housing is authorized by the Act to issue its bonds, debentures, notes or other evidence of financial indebtedness from time to time to fulfill its public purposes, which include the financing and refinancing of multifamily residential housing developments for rental to persons and families of low, moderate or middle income; and

WHEREAS, pursuant to the Act, Florida Housing has now determined to authorize the execution and delivery of its Multifamily Mortgage Revenue Note or Notes, Series 2023 __ [one or more series to be designated] (Whispering Oaks), as tax-exempt or taxable notes (the “Notes”), for the purpose of making a loan or loans to SP East LLC, together with its predecessors, successors, assigns, affiliates and/or related entities (the “Borrower”), to finance the acquisition and new construction of a 192-unit multifamily residential rental development named Whispering Oaks located in unincorporated Orange County, Florida (the “Property”); provided that the maximum aggregate principal amount of the Notes, at the time of execution and delivery, shall not exceed (a) \$27,000,000 or (b) such greater maximum aggregate principal amount of the Notes which, at the time of execution and delivery, does not exceed a maximum aggregate principal amount which would result in a debt service coverage ratio for the Notes, as reflected in the Credit Underwriter Confirmation (as defined below), of less than 1.00 (subject to receipt of private activity bond allocation being made available for the tax-exempt Notes and compliance with Section 147(f) of the Internal Revenue Code of 1986, as amended); and

WHEREAS, as required by the Act, the Board of Directors of Florida Housing (the “Board”) has made the following determinations with respect to the financing of the Property:

(1) that a significant number of low, moderate or middle income persons in the State of Florida are subject to hardship finding or obtaining reasonably accessible decent, safe and sanitary residential housing; and

(2) that private enterprise, unaided, is not meeting and cannot reasonably be expected to meet, the need for such residential housing; and

(3) that the need for such residential housing will be alleviated by the financing of the Property; and

WHEREAS, Florida Housing is desirous of taking all action necessary to give final approval for the financing of the Property as described in the Credit Underwriting Report (as defined below) and to execute and deliver the Notes in compliance with the Act and other applicable provisions of State law;

NOW THEREFORE, it is hereby ascertained, determined and resolved:

1. The Property is hereby given final approval for financing on the terms and conditions as described in the Credit Underwriting Report for the Property, presented to and approved by the Board on this date (the “Credit Underwriting Report”), with such deviations as an Authorized Signatory (as defined below), in consultation with the staff of Florida Housing, Bond Counsel and/or Special Counsel to Florida Housing, may approve. Execution of the funding loan agreement or funding loan agreements and the project or borrower loan agreement or project or borrower loan agreements, each as described below, by an Authorized Signatory (as defined below) shall be conclusive evidence of such approval.

2. Florida Housing hereby authorizes the execution and delivery of the Notes as a tax-exempt or taxable “Bond” (as such term is defined in, and within the meaning of, the Act), in such series or subseries as Florida Housing shall designate, in a maximum aggregate principal amount, at the time of execution and delivery, that does not exceed (a) \$27,000,000 or (b) such greater maximum aggregate principal amount of the Notes which, at the time of execution and delivery, does not exceed a maximum aggregate principal amount which would result in a debt

service coverage ratio for the Notes, as reflected in the Credit Underwriter Confirmation, of less than 1.00 (subject to receipt of private activity bond allocation being made available for the tax-exempt Notes and compliance with Section 147(f) of the Internal Revenue Code of 1986, as amended). The final maximum aggregate principal amount of the Notes that may be executed and delivered shall be determined by an Authorized Signatory after receipt of the Credit Underwriter Confirmation, provided that in no event shall the maximum aggregate principal amount of the Notes, at the time of execution and delivery, exceed a maximum aggregate principal amount which would result in a debt service coverage ratio for the Notes, as reflected in the Credit Underwriter Confirmation, of less than 1.00 (subject to receipt of private activity bond allocation being made available for the tax-exempt Notes and compliance with Section 147(f) of the Internal Revenue Code of 1986, as amended). The “Credit Underwriter Confirmation” is the written confirmation with respect to the Property from the Florida Housing Credit Underwriter, delivered prior to the execution and delivery of the Notes, that, taking into account any increase in the maximum aggregate principal amount of the Notes, the conditions set forth in and the requirements of the Credit Underwriting Report have been satisfied. Conclusive evidence of the determination and approval of any such increase in the maximum aggregate principal amount of the Notes shall be evidenced by a certificate of an Authorized Signatory.

3. A funding loan agreement or funding loan agreements between Florida Housing, the funding lender named therein (the “Funding Lender”) and a fiscal agent or corporate trustee, setting out the terms and conditions of the Notes and the funding loan or funding loans from the Funding Lender to Florida Housing as evidenced by the Notes (collectively, the “Funding Loan”), is hereby authorized to be prepared and delivered, in such form as may be approved by any member of the Board, the Executive Director, the Chief Financial Officer, the Comptroller or any other

person designated by separate resolution of the Board (or any person or persons acting in such capacities) (collectively, or each individually, an “Authorized Signatory”), which form shall set forth as to the Notes such maturities, interest rates and purchase price as shall be determined in accordance with the Act, including Section 420.509, Florida Statutes, and the execution of such funding loan agreement or funding loan agreements by an Authorized Signatory, and the attestation thereof by the Secretary or any Assistant Secretary of Florida Housing, be and hereby is authorized, and the execution thereof by such persons shall be conclusive evidence of such approval.

4. A project or borrower loan agreement or project or borrower loan agreements between Florida Housing and the Borrower, making a loan or loans of the proceeds of the Notes by Florida Housing to the Borrower (collectively, the “Project Loan”), and setting out the payment and other obligations of the Borrower with respect to the Project Loan, including the note or notes made by the Borrower to Florida Housing evidencing the Project Loan, the Notes and the Property, is hereby authorized to be prepared and delivered, in such form as may be approved by an Authorized Signatory, and the execution of such project or borrower loan agreement or project or borrower loan agreements by an Authorized Signatory, and the attestation thereof by the Secretary or any Assistant Secretary of Florida Housing, be and hereby are authorized, and the execution thereof by such persons shall be conclusive evidence of such approval.

5. If necessary, a private placement memorandum or memorandum of terms and conditions is hereby authorized to be prepared and distributed in connection with the sale of the Notes in such form as shall be approved by an Authorized Signatory, and the execution of such private placement memorandum or memorandum of terms and conditions, if necessary, by an Authorized Signatory shall be conclusive evidence of such approval.

6. The Notes shall be sold in accordance with the requirements of the Act, including Section 420.509(12), Florida Statutes. In the event that, pursuant to the Act, the Notes shall be sold through a private placement, an Authorized Signatory is authorized to execute a note purchase agreement, note placement agreement or funding loan agreement or funding loan agreements, as applicable, upon approval of the terms thereof by the staff of Florida Housing, Bond Counsel and/or Special Counsel to Florida Housing, and the execution of such note purchase agreement, note placement agreement or funding loan agreement or funding loan agreements, as applicable, by an Authorized Signatory shall be conclusive proof of such approval.

7. An Authorized Signatory is authorized to cause to be prepared by the staff of Florida Housing, Bond Counsel and/or Special Counsel to Florida Housing and to execute and deliver any additional documents necessary for the execution and delivery of the Notes and the making of the Funding Loan, and the security therefor, the making of the Project Loan, and the security therefor, and the sale and/or assignment of the Notes, the Funding Loan, the funding loan agreement or funding loan agreements upon approval by the staff of Florida Housing, Bond Counsel, and/or Special Counsel to Florida Housing, the Project Loan and the project or borrower loan agreement or project or borrower loan agreements. All other actions by Florida Housing necessary for the execution and delivery of the Notes and the making of the Funding Loan, and the security therefor, the making of the Project Loan, and the security therefor, and the sale and/or assignment of the Notes, the Funding Loan, the funding loan agreement or funding loan agreements, the Project Loan and the project or borrower loan agreement or project or borrower loan agreements (including, but not limited to, the changing of the title of the Notes and the series designation of the Notes, if desirable), are hereby authorized.

8. The principal of, premium, if any, and all interest on the Notes shall be payable solely out of revenues and other amounts pledged therefor as described in the funding loan agreement or funding loan agreements. The Notes do not constitute an obligation, either general or special, of the State of Florida or any of its units of local government and shall not be a debt of the State or of any unit of local government thereof, and neither the State nor any unit of local government thereof shall be liable thereon. Florida Housing does not have the power to pledge the credit, the revenues or the taxing power of the State or of any unit of local government thereof; and neither the credit, the revenues, nor the taxing power of the State or of any unit of local government thereof shall be, or shall be deemed to be, pledged to the payment of the Notes.

9. The Notes may be executed either manually or by facsimile signature by an Authorized Signatory or other officer of Florida Housing. In case any Authorized Signatory or officer whose signature or a facsimile of whose signature appears on the Notes ceases to be an Authorized Signatory or officer before delivery of the Notes, the signature or facsimile signature is nevertheless valid and sufficient for all purposes as fully and to the same extent as if he or she had remained in office until the delivery of the Notes.

10. The maximum aggregate principal amount of the Notes authorized to be executed and delivered hereunder may not exceed the amount permitted in accordance with the applicable Rules of Florida Housing, and reflected in the Credit Underwriter Confirmation, and for which fiscal sufficiency has been determined in accordance with the Act, including Section 420.509(2), Florida Statutes.

11. All resolutions or parts of resolutions in conflict with this Resolution shall be and the same are hereby superseded and repealed to the extent of such conflict.

12. This Resolution shall take effect immediately upon adoption.

[Remainder of page intentionally left blank]

ADOPTED this 10th day of March, 2023.

(SEAL)

FLORIDA HOUSING FINANCE
CORPORATION, a public
corporation and a public body
corporate and politic duly created and
existing under the laws
of the State of Florida

ATTEST:

Hugh R. Brown, Assistant Secretary, Florida
Housing Finance Corporation's Board of
Directors

Mario Facella, Chair, Florida Housing
Finance Corporation's Board of Directors

STATE OF FLORIDA

COUNTY OF LEON

I hereby certify that the above and foregoing is a true and correct copy of a Resolution adopted at a duly noticed public meeting of the Florida Housing Finance Corporation, legally called and held on the 10th day of March, 2023, at which a quorum was present, all as will appear by reference to the original Resolution incorporated in the official records of the Florida Housing Finance Corporation.

By: _____
Hugh R. Brown
General Counsel, Florida Housing Finance
Corporation

STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ____ day of March, 2023 by Hugh R. Brown, General Counsel of the Florida Housing Finance Corporation, a public corporation and a public body corporate and politic duly created and existing under the laws of the State of Florida, on behalf of the corporation. He is personally known to me.

NOTARY SEAL

Notary Public

Name typed, printed or stamped

My Commission Expires:

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AND APPROVING THE PRIVATE PLACEMENT OF THE MULTIFAMILY MORTGAGE REVENUE NOTE OR NOTES, SERIES 2023 __ [ONE OR MORE SERIES TO BE DESIGNATED] (WHISPERING OAKS) OF THE FLORIDA HOUSING FINANCE CORPORATION (“FLORIDA HOUSING”); AUTHORIZING THE NEGOTIATION AND EXECUTION OF A NOTE PURCHASE AGREEMENT, NOTE PLACEMENT AGREEMENT OR FUNDING LOAN AGREEMENT OR FUNDING LOAN AGREEMENTS AND SUCH OTHER DOCUMENTS AS ARE NECESSARY FOR THE PRIVATE PLACEMENT OF THE NOTE OR NOTES; AUTHORIZING THE EXECUTIVE DIRECTOR, CHIEF FINANCIAL OFFICER OR ANY MEMBER OF THE BOARD OF DIRECTORS OF FLORIDA HOUSING OR OTHER AUTHORIZED SIGNATORY TO TAKE ANY OTHER ACTIONS NECESSARY TO NEGOTIATE THE PRIVATE PLACEMENT OF THE NOTE OR NOTES AND MAKING OTHER PROVISIONS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Florida Housing Finance Corporation (“Florida Housing”) is a public corporation, created within the Department of Economic Opportunity of the State of Florida and a public body corporate and politic, duly organized under the Florida Housing Finance Corporation Act, Sections 420.501 *et seq.*, Florida Statutes, as amended (the “Act”). Florida Housing is authorized by the Act to issue its bonds, debentures, notes or other evidence of financial indebtedness from time to time to fulfill its public purposes, which include the financing and refinancing of multifamily residential housing developments for rental to persons or families of low, moderate or middle income; and

WHEREAS, Florida Housing adopted a resolution authorizing the execution and delivery of its Multifamily Mortgage Revenue Note or Notes, Series 2023 __ [one or more series to be designated] (Whispering Oaks), as tax-exempt or taxable notes (the “Notes”), for the purpose of making a loan or loans to SP East LLC, together with its predecessors, successors, assigns, affiliates and/or related entities (the “Borrower”), to finance the acquisition and new construction

of a multifamily residential rental development named Whispering Oaks located in unincorporated Orange County, Florida; provided that the maximum aggregate principal amount of the Notes shall not exceed (a) \$27,000,000 or (b) such greater maximum aggregate principal amount of the Notes which, at the time of execution and delivery, does not exceed a maximum aggregate principal amount which would result in a debt service coverage ratio for the Notes of less than 1.00 (subject to receipt of private activity bond allocation being made available for the tax-exempt Notes and compliance with Section 147(f) of the Internal Revenue Code of 1986, as amended); and

WHEREAS, the Act authorizes Florida Housing to negotiate through an underwriter or placement agent designated by Florida Housing for a negotiated sale or a private placement of the Notes through such underwriter or placement agent if Florida Housing by official action at a public meeting determines that such negotiated sale or private placement of the Notes is in the best interest of Florida Housing; and

WHEREAS, Florida Housing has reviewed the market conditions and trends affecting the execution, delivery and negotiated sale or private placement of the Notes; and

WHEREAS, Florida Housing has received a recommendation and reviewed and looked at the relative advantage of a negotiated sale or a private placement of the Notes in light of the current and anticipated market conditions; and

WHEREAS, the Board of Directors of Florida Housing (the "Board") has considered the best interests of Florida Housing and the public; and

WHEREAS, the nature and structure of the Notes and the current and anticipated market conditions render the Notes a candidate for a private placement of the Notes; and

WHEREAS, based on the foregoing, the Board has made the following findings of fact:

A private placement of the Notes is in the best interest of Florida Housing and the public based on the current market conditions and based upon the structure of the Notes. Existing and projected market conditions and any lack of flexibility in the negotiated sale of the Notes could be prejudicial to Florida Housing and to the public. Additionally, the structure of the Notes and the current demand for these types of obligations support a private placement.

NOW, THEREFORE, BE IT RESOLVED BY FLORIDA HOUSING:

1. A private placement of the Notes is in the best interest of Florida Housing and the public for the reasons herein described.

2. The private placement of the Notes is to be negotiated by Florida Housing with or through RBC Capital Markets, LLC (hereinafter referred to as the “Placement Agent”), and the purchaser or purchasers of the Notes (collectively, the “Purchaser”).

3. The Notes are to be generally described as follows:

Florida Housing Finance Corporation
Multifamily Mortgage Revenue Notes,
Series 2023 __ [one or more series to be designated]
(Whispering Oaks).

4. Florida Housing shall negotiate with or through the Placement Agent with the Purchaser and shall execute such documents as are necessary to privately place the Notes with the Purchaser pursuant to this Resolution. Any member of the Board, the Executive Director, the Chief Financial Officer, the Comptroller or any other person designated by separate resolution of the Board (or any person or persons acting in such capacities) (collectively, or each individually, an “Authorized Signatory”) is authorized to negotiate the terms of the private placement of the Notes and to execute a note purchase agreement, note placement agreement or funding loan

agreement or funding loan agreements, as applicable, upon approval of the terms thereof, and the execution thereof by an Authorized Signatory shall be conclusive evidence of such approval.

5. The authority to execute the note purchase agreement, note placement agreement or funding loan agreement or funding loan agreements, as applicable, is predicated upon the note purchase agreement, note placement agreement or funding loan agreement or funding loan agreements, as applicable, providing for an interest rate on the Notes that will not exceed 10% per annum and will provide for a private placement of the Notes in conformance with the program documents.

6. An Authorized Signatory and the attorneys for Florida Housing and other consultants, agents or employees thereof, are hereby authorized to execute all necessary documents and to take whatever action is necessary to finalize the execution, delivery and private placement of the Notes pursuant to this Resolution and to provide for the use of the proceeds of the Notes contemplated by this Resolution.

7. The private placement of the Notes pursuant to the terms of this Resolution shall be final without any further action by Florida Housing.

8. All resolutions or parts of resolutions in conflict with this Resolution are hereby superseded and repealed to the extent of such conflict.

9. This Resolution shall take effect immediately upon adoption.

[Remainder of page intentionally left blank]

ADOPTED THIS 10th day of March, 2023.

(SEAL)

ATTEST:

FLORIDA HOUSING FINANCE
CORPORATION, a public
corporation and a public body
corporate and politic duly created and
existing under the laws
of the State of Florida

Hugh R. Brown, Assistant Secretary, Florida
Housing Finance Corporation's Board of
Directors

Mario Facella, Chair, Florida Housing
Finance Corporation's Board of Directors

STATE OF FLORIDA

COUNTY OF LEON

I hereby certify that the above and foregoing is a true and correct copy of a resolution adopted at a duly noticed public meeting of the Florida Housing Finance Corporation, legally called and held on the 10th day of March, 2023, at which a quorum was present, all as will appear by reference to the original Resolution incorporated in the official records of the Florida Housing Finance Corporation.

By: _____
Hugh R. Brown
General Counsel

STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ____ day of March, 2023 by Hugh R. Brown, General Counsel of the Florida Housing Finance Corporation, a public corporation and a public body corporate and politic duly created and existing under the laws of the State of Florida, on behalf of the corporation. He is personally known to me.

NOTARY SEAL

Notary Public

Name typed, printed or stamped

My Commission Expires:

Florida Housing Finance Corporation

Credit Underwriting Report

Princeton Crossings

**Tax-Exempt Multifamily Mortgage Revenue Note (“MMRN” or “Note”),
State Apartment Incentive Loan (“SAIL”) Program, Extremely Low Income
 (“ELI”) Loan, and 4% Non-Competitive Housing Credits (“HC”)**

RFA 2020-205 (2021-244BS) / 2020-530C

**SAIL Financing of Affordable Multifamily Housing Developments to be used
in Conjunction with Tax-Exempt Bond Financing and Non-Competitive
Housing Credits**

Section A: Report Summary

Section B: MMRN, SAIL, and ELI Loan Special and General Conditions

HC Allocation Recommendation and Contingencies

Section C: Supporting Information and Schedules

Prepared by

First Housing Development Corporation of Florida

FINAL REPORT

March 1, 2023

Princeton Crossings

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Section A
Report Summary

MMRN, SAIL, ELI, & HC CREDIT UNDERWRITING REPORT

Recommendation

First Housing Development Corporation of Florida (“First Housing” or “FHDC” or “Servicer”) recommends a Tax-Exempt Multifamily Mortgage Revenue Note in the amount of \$25,000,000, a SAIL Loan in the amount of \$4,020,000, an ELI Loan in the amount of \$600,000, and an annual 4% HC Allocation of \$2,236,026 for the construction and permanent financing of Princeton Crossings (“Development”).

DEVELOPMENT & SET-ASIDES																	
Development Name:		<u>Princeton Crossings</u>															
RFA/Program Numbers:		<u>RFA 2020-205</u>				<u>/</u>				<u>2021-244BS</u>				<u>2020-530C</u>			
Address:		<u>13841 SW 252 Street</u>															
		<u>Unincorporated Miami-Dade</u>															
City:		<u>County</u>				Zip Code: <u>33032</u>				County: <u>Miami-Dade</u>				County Size: <u>Large</u>			
Development Category:		<u>New Construction</u>								Development Type: <u>High Rise</u>							
Construction Type:		<u>Masonry</u>															
Demographic Commitment:																	
Primary:		<u>Family</u>								for <u>100%</u> of the Units							
Unit Composition:																	
# of ELI Units:		<u>24</u>				ELI Units Are Restricted to <u>30%</u> AMI, or less.				Total # of units with PBRA? <u>0</u>							
# of Link Units:		<u>12</u>				Are the Link Units Demographically Restricted? <u>Yes</u>				# of NHTF Units: <u>0</u>							

Miami-Dade County/ Miami-Miami Beach-Kendall HMFA

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
1	1.0	7	795	30%			\$548	\$84	\$ 464		\$ 464	\$ 464	\$ 464	\$ 38,976
1	1.0	10	696	60%			\$1,097	\$84	\$ 1,013		\$ 1,013	\$ 1,013	\$ 1,013	\$ 121,560
1	1.0	8	795	60%			\$1,097	\$84	\$ 1,013		\$ 1,013	\$ 1,013	\$ 1,013	\$ 97,248
1	1.0	20	696	70%			\$1,280	\$84	\$ 1,196		\$ 1,196	\$ 1,196	\$ 1,196	\$ 287,040
2	2.0	7	1,082	30%			\$658	\$132	\$ 526		\$ 526	\$ 526	\$ 526	\$ 44,184
2	2.0	7	1,003	30%			\$658	\$132	\$ 526		\$ 526	\$ 526	\$ 526	\$ 44,184
2	2.0	8	1,003	60%			\$1,317	\$132	\$ 1,185		\$ 1,185	\$ 1,185	\$ 1,185	\$ 113,760
2	2.0	25	1,048	60%			\$1,317	\$132	\$ 1,185		\$ 1,185	\$ 1,185	\$ 1,185	\$ 355,500
2	2.0	37	1,048	70%			\$1,536	\$132	\$ 1,404		\$ 1,404	\$ 1,404	\$ 1,404	\$ 623,376
3	2.0	3	1,244	30%			\$760	\$199	\$ 561		\$ 561	\$ 561	\$ 561	\$ 20,196
3	2.0	7	1,109	60%			\$1,521	\$199	\$ 1,322		\$ 1,322	\$ 1,322	\$ 1,322	\$ 111,048
3	2.0	11	1,244	70%			\$1,774	\$199	\$ 1,575		\$ 1,575	\$ 1,575	\$ 1,575	\$ 207,900
		150	145,579											\$ 2,064,972

According to the Request for Applications 2020-205 (“RFA”), Self-Sourced Applicants that Selected Average Income Test are required to set aside at least 5% of the total units (8 units) below 50% Area Median Income (“AMI”). In order to qualify for the ELI Loan, the Applicant must set aside units at 30% AMI or below in addition to the 8 units mentioned above. The Applicant will set aside an additional 10.667% of the total units or 16 units at or below 30% AMI. In total, the Applicant will set aside 16% of the total units or 24 units at or below 30% AMI. Persons with Special Needs Set-Aside Commitment: all Self-Sourced Applicants that selected Average Income Test must commit to set-aside 50% (12 Link Units) of the units set-aside below 50% AMI as Link Units for Persons with Special Needs. In order to meet the commitment of Link units for Persons with Special Needs, the Applicant must develop and execute a Memorandum of Understanding

MMRN, SAIL, ELI, & HC CREDIT UNDERWRITING REPORT

(“MOU”) with at least one designated Special Needs Household Referral Agency that provides supportive services for Persons with Special Needs for the county where the proposed Development will be located (Miami-Dade County). Florida Housing Finance Corporation (“Florida Housing”, “FHFC”, or “Corporation”) approved the MOU on January 30, 2023. The Persons with Special Needs set-aside requirement must be maintained through the entire 50-year Compliance Period.

The Tenant Selection Plan was approved by FHFC on January 11, 2022.

ELI Loan Funding Limits: Miami-Dade County

(5) One Bedroom Units at \$114,900 = \$574,500
 (9) Two Bedroom Units at \$134,400 = \$1,209,600
 (2) Three Bedroom Units at \$151,700 = \$303,400
 Total = \$2,087,500

Buildings: Residential - 1 Non-Residential - 0
 Parking: Parking Spaces - 190 Accessible Spaces - 6

Set Asides:	Program	% of Units	# of Units	% AMI	Term (Years)
	SAIL/ELI/HC	16.000%	24	30%	50
	SAIL/HC	36.000%	54	60%	50
	SAIL/HC	48.000%	72	70%	50
	MMRN	40.0%	60	60%	15
	County Surtax	16.000%	24	30%	30
	County Surtax	38.670%	58	60%	30
	County Surtax	45.330%	68	70%	30
	County HOME	16.000%	24	30%	30
	County HOME	38.670%	58	60%	30
	County HOME	45.330%	68	70%	30

Absorption Rate: 48 units per month for 4.0 months.

Occupancy Rate at Stabilization: Physical Occupancy 97.00% Economic Occupancy 95.00%
 Occupancy Comments N/A- New Construction

DDA: No QCT: Yes Multi-Phase Boost: N/A QAP Boost: N/A
 Site Acreage: 2.66 Density: 56.3910 Flood Zone Designation: X
 Zoning: PCUC - Princeton Community Urban Center Flood Insurance Required?: No

The County HOME/County Surtax restrictions are more restrictive than the MMRN/SAIL/ELI/HC restrictions. Therefore, the rent roll reflects the most restrictive set asides.

Note regarding the term of the Set Asides:

Per the RFA, Self-Sourced Applicants will retain the right to seek a qualified contract in accordance with Section 42 of the I.R.C., as amended and Rule Chapter 67-21 F.A.C. All Other Applicants will

MMRN, SAIL, ELI, & HC CREDIT UNDERWRITING REPORT

waive the right to seek a qualified contract. Additionally, if a Self-Sourced Applicant transfers ownership of the Development within the first 15 years of the Compliance Period, the new owner must waive the right to seek a qualified contract.

DEVELOPMENT TEAM		
Applicant/Borrower:	Princeton Crossings LLC	% Ownership
Member	Princeton Crossings MM LLC	0.0100%
Member	First Horizon Community Investment Group, Inc. ("First Horizon")	99.99%
Special Member	CC Community Development Holdings, Inc.	0.0000%
Construction Completion Guarantor(s):		
CC Guarantor 1:	Princeton Crossings LLC	
CC Guarantor 2:	Princeton Crossings MM LLC	
CC Guarantor 3:	RS Development Corp.	
CC Guarantor 4:	Lewis Swezy	
Operating Deficit Guarantor(s):		
OD Guarantor 1:	Princeton Crossings LLC	
OD Guarantor 2:	Princeton Crossings MM LLC	
OD Guarantor 3:	RS Development Corp.	
OD Guarantor 4:	Lewis Swezy	
Note Purchaser	JPMorgan Chase Bank, N.A. ("JPMorgan Chase")	
Developer:	RS Development Corp.	
General Contractor 1:	R.S. Construction of Dade, Inc.	
Management Company:	Centennial Management Corp.	
Syndicator:	First Horizon	
Note Issuer:	FHFC	
Architect:	Modis Architects, LLC	
Market Study Provider:	Meridian Appraisal Group, Inc. ("Meridian")	
Appraiser:	Meridian	

MMRN, SAIL, ELI, & HC CREDIT UNDERWRITING REPORT

PERMANENT FINANCING INFORMATION						
	1st Source	2nd Source	3rd Source	4th Source	5th Source	Other
Lien Position	First	Second	Third	Fourth	Fifth	Sixth
Lender/Grantor	FHFC/ JPMorgan Chase	FHFC-SAIL	FHFC-ELI	Miami PHCD - Surtax	Miami PHCD - HOME	Lewis Swezy
Amount	\$12,950,000	\$4,020,000	\$600,000	\$3,750,000	\$1,017,500	\$2,010,000
Underwritten Interest Rate	4.94%	1.00%	0.00%	1.00%	1.00%	6.00%
All In Interest Rate	4.94%	1.00%	0.00%	1.00%	1.00%	6.00%
Loan Term	15	15	15	30	30	30
Amortization	35	0	0	0	0	0
Market Rate/Market Financing LTV	27%	35%	36%	44%	46%	50%
Restricted Market Financing LTV	62%	82%	85%	103%	107%	117%
Loan to Cost - Cumulative	26%	34%	35%	42%	44%	48%
Loan to Cost - SAIL Only	N/A	8%	N/A	N/A	N/A	N/A
Debt Service Coverage	1.27	1.19	1.19	1.14	1.13	1.00
Operating Deficit & Debt Service Reserves	\$475,016					
# of Months covered by the Reserves	3.1					

Deferred Developer Fee	\$5,465,053
As-Is Land Value	\$4,500,000
Market Rent/Market Financing Stabilized Value	\$48,710,000
Rent Restricted Market Financing Stabilized Value	\$20,790,000
Projected Net Operating Income (NOI) - Year 1	\$1,039,725
Projected Net Operating Income (NOI) - 15 Year	\$1,198,750
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Note Structure	Private Placement
Housing Credit (HC) Syndication Price	\$0.97
HC Annual Allocation - Initial Award	\$1,395,209
HC Annual Allocation - Qualified in CUR	\$2,236,026
HC Annual Allocation - Equity Letter of Interest	\$2,121,121

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
FHFC - MMRN	FHFC/JPMorgan Chase	\$25,000,000	\$12,950,000	\$86,333
FHFC - SAIL	FHFC	\$4,020,000	\$4,020,000	\$26,800
FHFC - SAIL ELI	FHFC	\$600,000	\$600,000	\$4,000
Local Government Subsidy	Miami PHCD - Surtax	\$3,750,000	\$3,750,000	\$25,000
Local Government Subsidy	Miami PHCD - HOME	\$1,017,500	\$1,017,500	\$6,783
Self-Sourced: Non-Bond Financing	Lewis Swezy	\$2,010,000	\$2,010,000	\$13,400
HC Equity	First Horizon	\$8,229,126	\$20,572,816	\$137,152
Deferred Developer Fee	RS Development Corp.	\$5,758,743	\$5,465,053	\$36,434
TOTAL		\$50,385,369	\$50,385,369	\$335,902

Credit Underwriter: First Housing
Date of Final CUR: _____
TDC PU Limitation at Application: \$310,900 TDC PU Limitation at Credit Underwriting: \$521,530
Minimum 1st Mortgage per Rule: N/A Amount Dev. Fee Reduced for TDC Limit: \$0

MMRN, SAIL, ELI, & HC CREDIT UNDERWRITING REPORT

Changes from the Application:

COMPARISON CRITERIA	YES	NO
Does the level of experience of the current team equal or exceed that of the team described in the application?	1.	
Are all funding sources the same as shown in the Application?		2.-3.
Are all local government recommendations/contributions still in place at the level described in the Application?		2.
Is the Development feasible with all amenities/features listed in the Application?		4.
Do the site plans/architectural drawings account for all amenities/features listed in the Application?		4.
Does the applicant have site control at or above the level indicated in the Application?	X	
Does the applicant have adequate zoning as indicated in the Application?	X	
Has the Development been evaluated for feasibility using the total length of set-aside committed to in the Application?	X	
Have the Development costs remained equal to or less than those listed in the Application?		5.
Is the Development feasible using the set-asides committed to in the Application?	X	
If the Development has committed to serve a special target group (e.g. elderly, large family, etc.), do the development and operating plans contain specific provisions for implementation?	X	
HOME ONLY: If points were given for match funds, is the match percentage the same as or greater than that indicated in the Application?	N/A	
HC ONLY: Is the rate of syndication the same as or greater than that shown in the Application?	X	
Is the Development in all other material respects the same as presented in the Application?		6.-8.

The following are explanations of the changes from application:

1. The Applicant submitted a request, dated January 30, 2023, to remove Lewis Swezy as Co-Developer. Lewis Swezy is the sole principal of the remaining Co-Developer, RS Development Corp. FHFC staff approved the change on February 28, 2023.
2. Since the Application, the Applicant has secured additional subordinate financing from Miami-Dade PHCD in a HOME loan in the amount of \$1,017,500 and a surtax loan of

MMRN, SAIL, ELI, & HC CREDIT UNDERWRITING REPORT

\$3,750,000. The syndicator changed from Raymond James Tax Credit Funds, Inc. in the application to First Horizon. The Applicant submitted a request on February 1, 2023 to increase the MMRN amount from \$23,500,000 to \$25,000,000 and FHFC staff approved this change on February 13, 2023.

3. At the time of Application, the Applicant applied using Self-Sourced Bond Financing. However, the Applicant subsequently provided a letter stating that this will be a Self-Sourced Non-Bond Financing.
4. Closing is conditioned upon receipt of a final PCA.
5. The Total Development Cost (“TDC”) has increased by a total of \$10,819,279 or 27.34% from \$39,566,090 to \$50,385,369 since the application. The increase is mainly due to an increase in construction and financial costs.
6. The Applicant submitted a request letter, dated February 18, 2023, to change the legal description which is subject to FHFC staff approval and is a closing condition.
7. The Application indicated the Development category was Mid-Rise (5-6 stories); however, the Development category is now High Rise. On February 18, 2023, the Applicant submitted a Rule Waiver request for approval of this change. FHFC staff approved the change on February 28, 2023 (see Waiver Requests/Special Conditions section).
8. On November 11, 2022, the Applicant submitted a request to change the unit mix and set asides, which was approved by FHFC’s staff on December 22, 2022. The change in the unit mix and set-asides are as follows:

Unit Mix (from)	Unit Mix (to)
38 one bedroom/ one bathroom – 6 ELI units	45 one bedroom/ one bathroom – 7 ELI units
90 two bedroom/ two bathroom – 14 ELI units	84 two bedroom/ two bathroom – 14 ELI units
22 three bedroom/ two bathroom – 3 ELI units	21 three bedroom/ two bathroom – 3 ELI units
150 total units – 23 ELI units	150 total units – 24 ELI units

Set-Asides (from)	Set-Asides (to)
23 units at 30% AMI	24 units at 30% AMI
58 units at 60% AMI	54 units at 60% AMI
69 units at 70% AMI	72 units at 70% AMI
150 total units	150 total units

The above changes have no substantial material impact to the MMRN, SAIL, ELI, or HC recommendation for this Development.

Does the Development Team have any FHFC Financed Developments on the Past Due/Noncompliance Report?

According to the FHFC Asset Management Noncompliance Report, dated December 28, 2022, the Development team has the following noncompliance item(s) not in the correction period:

- None

According to the FHFC Past Due Report, dated January 19, 2023, the Development team has the following past due item(s):

- Woodland Grove – Semi-Annual Compliance Monitoring Fee in the amount of \$436.45 due on January 1, 2023, which is the difference between bond fee and HC fee.

Closing of the loan is conditioned upon verification that any outstanding past due, and/or noncompliance items noted at the time closing and the issuance of the annual HC allocation recommended herein have been satisfied.

Strengths:

1. The Principals, Developer, General Contractor, and the Management Company are experienced in affordable multifamily housing.
2. The Principals have sufficient experience and substantial financial resources to develop and operate the proposed Development.

Issues and Concerns:

None

Mitigating Factors:

None

Other Considerations:

None

Waiver Requests/Special Conditions:

1. According to the RFA, the Corporation will review the limited partnership agreement or limited liability company operating agreement language on reserves for compliance with the RFA requirement. If the limited partnership agreement or limited liability company operating agreement does not specifically state that the parties will comply with the Corporation's RFA requirements, the Corporation will require an amendment of the agreement and will not issue IRS form(s) 8609 until the amendment is executed and provided to the Corporation.

The RFA includes language restricting the disposition of any funds remaining in any operating deficit reserve(s) after the term of the reserve's original purpose has terminated or is near termination. The RFA also requires the Corporation to review the limited partnership agreement or limited liability company operating agreement language on reserves for compliance with the RFA requirement. While Florida Housing will continue to require the Applicant to adhere to all requirements in the RFA including the restrictions on the disposition of any funds in an operating deficit reserve account, Florida Housing will not monitor the limited partnership agreement or limited liability company operating agreement language for compliance with these requirements, as this would require analysis of a legal contract. This deviation in process was included as an Information Item in the April 29, 2022 FHFC Board Meeting.

2. The Applicant submitted a Rule Waiver request dated February 18, 2023 to change the Development category from Mid-Rise (5-6 stories) to High Rise. At the April 1, 2022, FHFC Telephonic Board meeting, the Board delegated staff to approve changes to the Development type upon recommendation by the credit underwriter. FHFC staff approved the change on February 28, 2023.

Additional Information:

1. The Note will be privately placed with JPMorgan Chase during the construction and permanent periods.
2. Based on the TDC per unit limitations in effect as of the April 1, 2022 Telephonic Board meeting, Florida Housing has set the TDC for RFA 2020-205, exclusive of land costs and Operating Reserves ("ODR"), to \$521,529.84 per unit for new construction, ESS, high-rise Development with tax-exempt bonds located in Miami-Dade County. The Development's TDC, exclusive of land and ODR is \$45,410,353 or \$302,736 per unit, which is within the underwriting parameters.

MMRN, SAIL, ELI, & HC CREDIT UNDERWRITING REPORT

Recommendation:

First Housing recommends Tax-Exempt MMRN in the amount of \$25,000,000, a SAIL Loan in the amount of \$4,020,000, an ELI Loan in the amount of \$600,000, and an annual 4% HC Allocation of \$2,236,026 for the construction and permanent financing of the Development.

These recommendations are based upon the assumptions detailed in the Report Summary (Section A) and Supporting Information and Schedules (Section C). In addition, these recommendations are subject to the MMRN, SAIL, and ELI Loan Special and General Conditions and the HC Allocation Recommendation and Contingencies (Section B). **This recommendation is only valid for six months from the date of the report.**

The United States is currently under a national emergency due to the spread of the virus known as COVID-19. The extent of the virus' impact to the overall economy is unknown. More specifically, it is unknown as to the magnitude and timeframe the residential rental market (e.g. absorption rates, vacancy rates, collection losses, appraised value, etc.) and the construction industry (e.g. construction schedules, construction costs, subcontractors, insurance, etc.) will be impacted. Recommendations made by First Housing in this report, in part, rely upon assumptions made by third-party reports that are unable to predict the impacts of the virus.

The reader is cautioned to refer to these sections for complete information.

Prepared by:



Taylor Arruda
Senior Credit Underwriter

Reviewed by:



Edward Busansky
Senior Vice President

MMRN, SAIL, ELI, & HC CREDIT UNDERWRITING REPORT

Overview

Construction Financing Sources:

Construction Sources	Lender	Application	Revised Applicant	Underwriter	Construction Interest Rate	Annual Construction Debt Service
FHFC - MMRN	FHFC/JPMorgan Chase	\$23,500,000	\$23,500,000	\$25,000,000	7.57%	\$1,892,500
FHFC - SAIL	FHFC	\$4,020,000	\$4,020,000	\$4,020,000	1.00%	\$40,200
FHFC - SAIL ELI	FHFC	\$600,000	\$600,000	\$600,000	0.00%	\$0
Local Government Subsidy	Miami PHCD - Surtax	\$0	\$3,750,000	\$3,750,000	0.00%	\$0
Local Government Subsidy	Miami PHCD - HOME	\$0	\$1,017,500	\$1,017,500	0.00%	\$0
Self-Sourced: Non-Bond Financing	Lewis Swezy	\$2,010,000	\$2,010,000	\$2,010,000	6.00%	\$120,600
HC Equity	First Horizon	\$5,301,264	\$8,229,125	\$8,229,126	N/A	N/A
Deferred Developer Fee	RS Development Corp.	\$5,349,064	\$6,662,591	\$5,758,743	N/A	N/A
Total		\$40,780,328	\$49,789,216	\$50,385,369		\$2,053,300

First Mortgage:

The Applicant has requested \$25,000,000 in MMRN to be issued by FHFC for the construction of the Development. First Housing reviewed a letter, dated January 31, 2023, where JPMorgan Chase anticipates purchasing MMRN in an amount up to \$25,000,000 or 80% of the value of the real estate and low income housing tax credits. The MMRN will have a 24 month initial term and one conditional six-month maturity extension will be available for a fee of 0.25% of the sum of the loan balance and the amount remaining of the original commitment. The MMRN will require monthly payments of interest only. The interest rate on the MMRN will be floating at the one-month term Secured Overnight Finance Rate (“SOFR”) plus 200 basis point spread. The floor rate for the term SOFR will be 1%. First Housing has based the interest rate on the one-month term SOFR (4.57% as of January 31, 2023 from CME Group) plus 200 basis point spread plus 100 basis point underwriting cushion for an all-in rate of 7.57%.

The annual FHFC Issuer Fee of 24 bps and the annual Fiscal Agent Fee of \$4,500 are included in the Uses section of this report.

FHFC SAIL and ELI Loans:

First Housing reviewed an invitation to enter credit underwriting, dated, June 23, 2021, from FHFC with a preliminary SAIL Loan in the amount of \$4,020,000 and a preliminary ELI loan in the amount of \$600,000.

The SAIL Loan is non-amortizing with an interest rate of 1% plus permanent loan servicing and compliance monitoring fees for a total term of 17.5 years, of which 2.5 years is for the construction/stabilization period and 15 years is for the permanent period and will be coterminous

with the first mortgage as permitted by Rule Chapter 67-48. Annual payments of all applicable fees will be required. Any unpaid interest will be deferred until cash flow is available. However, at the maturity of the SAIL Loan, all principal and unpaid interest will be due.

The ELI loan is non-amortizing with an interest rate of 0% plus permanent loan servicing and compliance monitoring fees for a total loan term of 17.5 years, of which 2.5 years is for the construction/stabilization period and 15 years is for the permanent period and will be coterminous with the first mortgage as permitted by the RFA. Annual payments of all applicable fees will be required. Principal is forgivable at maturity, provided the units for which the ELI Loan amount is awarded are targeted to ELI households for the first 15 years of the 50-year Compliance Period. The Persons with Special Needs set aside requirement must be maintained through the entire 50-year Compliance Period.

Surtax:

First Housing reviewed a Memorandum, dated June 14, 2022, which was approved by the Miami-Dade Board of County Commissioners and indicates \$3,750,000 in surtax funds for the Development. It is anticipated that the surtax loan will have a 2 year construction period and a 30 year permanent period. The loan will have a 0% interest rate during the construction period, a 1% interest rate during years 3-17, and a 0.5% interest rate for years 18-30. Payments of interest only are due years 1-17 and then payments of interest and principal are due years 18-30. Payments are based on available cash flow.

HOME:

First Housing received a letter, dated September 11, 2021, from Public Housing and Community Development Miami-Dade County which indicates HOME funds in the amount of \$1,017,500 for the Development. It is anticipated that the HOME loan will have a 2 year construction period and a 30 year permanent period. It is anticipated that the loan will have a 0% interest rate during the construction period, a 1% interest rate during years 3-30 payable from cash flow, and 1% interest accruing and due at maturity. Payments are based on available cash flow.

Self-Sourced:

First Housing received a letter, dated January 30, 2023, from Lewis Swezy. The Self-Sourced loan in the amount of \$2,010,000 will be provided using Lewis Swezy's personal funds and will have an interest rate of 6%. The loan will require interest only payments subject to available cash flow. The loan will be coterminous with the surtax loan and will have a total term of 32 years, of which 2 years is for the construction/stabilization period and 30 years is for the permanent period. The Self-Sourced Financing will be funded at closing of the SAIL Loan via escrow account controlled

by the SAIL Loan Servicer and will be dispersed pro rata along with SAIL funding. The Self-Sourced Financing must be subordinate to the SAIL Loan; no principal may be paid on the Self-Sourced Financing prior to the payoff of the SAIL Loan and surtax loan in full. Any payment of Self-Sourced Financing interest will be made subordinate to SAIL Loan interest payments. Additionally, the Self-Sourced Financing must remain as a source in the Development for a minimum of 15 years and may not be repaid to the Applicant from any funding source, including development cash flow per the RFA.

Housing Credit Equity:

First Housing has reviewed a letter of intent, dated December 13, 2022, indicating First Horizon or an affiliate, will acquire 99.99% ownership interest in the Applicant. Based on the letter of intent, the annual HC allocation is estimated to be in the amount of \$2,121,121 and the syndication rate is anticipated to be \$0.97 per dollar. First Horizon anticipates a net capital contribution of \$20,572,816 and has committed to make available \$8,229,126 of the total net equity during the construction period. An additional \$12,343,690 will be available at construction completion, stabilization, and receipt of 8609s. The first installment, in the amount of \$4,114,563 or 20.00%, meets the RFA requirement that at least 15% of the total equity must be contributed at or prior to the closing.

Deferred Developer Fee:

In order to balance the sources and uses of funds during the construction period, the Developer must defer \$5,758,743 or 83.13% of the total Developer Fee of \$6,927,003 during the construction period.

MMRN, SAIL, ELI, & HC CREDIT UNDERWRITING REPORT

Permanent Financing Sources:

Permanent Sources	Lender	Application	Revised Applicant	Underwriter	Term Yrs.	Amort. Yrs.	Interest Rate	Annual Debt Service
FHFC - MMRN	FHFC/JPMorgan Chase	\$15,970,000	\$13,200,000	\$12,950,000	15	35	4.94%	\$778,348
FHFC - SAIL	FHFC	\$4,020,000	\$4,020,000	\$4,020,000	15	0	1.00%	\$40,200
FHFC - SAIL ELI	FHFC	\$600,000	\$600,000	\$600,000	15	0	0.00%	\$0
Local Government Subsidy	Miami PHCD - Surtax	\$0	\$3,750,000	\$3,750,000	30	0	1.00%	\$37,500
Local Government Subsidy	Miami PHCD - HOME	\$0	\$1,017,500	\$1,017,500	30	0	1.00%	\$10,175
Self-Sourced: Non-Bond Financing	Lewis Swezy	\$2,010,000	\$2,010,000	\$2,010,000	30	0	6.00%	\$120,600
HC Equity	First Horizon	\$13,253,163	\$20,572,816	\$20,572,816	N/A	N/A	N/A	N/A
Deferred Developer Fee	RS Development Corp.	\$5,300,000	\$3,481,694	\$5,465,053	N/A	N/A	N/A	N/A
Total		\$41,153,163	\$48,652,010	\$50,385,369				\$986,823

First Mortgage:

First Housing reviewed a letter, dated January 31, 2023, where JPMorgan Chase anticipates a permanent loan amount up to \$12,950,000. The permanent loan term will be 15 years after the conversion of the construction period to the permanent period. The loan will amortize over 35 years. The interest rate will be locked at construction loan closing. The interest rate will be based on the 10-year SOFR swap rate plus 1.85% spread. First Housing has based the interest rate on the 10-year SOFR swap rate of 3.09% (as of February 2, 2023) plus a spread of 1.85% for an all-in rate of 4.94%.

During conversion, the Applicant will be provided the ability to escalate the underwritten permanent loan amount by a maximum of 10% to \$14,245,000 without being subject to an interest rate adjustment. The final permanent loan amount will be determined during conversion subject to the conversion requirements including meeting the 1.20 debt service coverage requirement and 80% loan-to-value at that time. Any adjustment to the approved permanent first mortgage amount will be subject to a positive recommendation from the credit underwriter and approval by FHFC.

The Note will mature 15 years following the termination of the construction phase and conversion to the permanent phase. At maturity, the Applicant may satisfy the loan via refinancing or sale of the Development pending market feasibility. In the event the Applicant is unable to refinance or sell the Development, then an event of default would not be triggered under the loan documents. Instead, a “Mortgage Assignment Event” would occur whereby JPMorgan Chase agrees to cancel the Note in exchange for an assignment, by the Fiscal Agent, of the mortgage and all other related documents and accounts. The Fiscal Agent would cancel the Note and discharge the lien of the Fiscal Agent. Then the Fiscal Agent would assign the mortgage loan and any other related documents and collateral to JPMorgan Chase, effectively ending the tax-exempt financing provided by FHFC. Under this scenario, the Note will have been redeemed/cancelled not by

payment of cash but by the assignment of the mortgage loan documents; therefore, there is no default. As the new direct mortgagee, JPMorgan Chase would then be in a position to work with the Applicant to arrive at a resolution without involvement of either FHFC or the Fiscal Agent (as the Note would have been cancelled and would no longer be outstanding).

Additional fees included in the Debt Service calculation consist of an annual Permanent Loan Servicing Fee, an annual Compliance Monitoring Fee, an annual Issuer Fee of 24 bps, and an annual Fiscal Agent Fee of \$4,500. The annual Permanent Loan Servicing Fee is based upon a fee of 2.3 bps of the outstanding loan amount, with a minimum monthly fee of \$236. The annual Compliance Monitoring Fee is based upon a total fee which is comprised of a base fee of \$183 per month plus an additional fee per set-aside unit of \$11.24 per year, subject to a minimum of \$286 per month.

FHFC SAIL and ELI Loans:

First Housing reviewed an invitation to enter credit underwriting, dated, June 23, 2021, from FHFC with a preliminary SAIL Loan in the amount of \$4,020,000 and a preliminary ELI loan in the amount of \$600,000.

The SAIL Loan is non-amortizing with an interest rate of 1% plus permanent loan servicing and compliance monitoring fees for a total term of 17.5 years, of which 2.5 years is for the construction/stabilization period and 15 years is for the permanent period and will be coterminous with the first mortgage as permitted by Rule 67-48. Annual payments of all applicable fees will be required. Any unpaid interest will be deferred until cash flow is available. However, at the maturity of the SAIL Loan, all principal and unpaid interest will be due.

The ELI loan is non-amortizing with an interest rate of 0% plus permanent loan servicing and compliance monitoring fees for a total loan term of 17.5 years, of which 2.5 years is for the construction/stabilization period and 15 years is for the permanent period and will be coterminous with the first mortgage as permitted by the RFA. Annual payments of all applicable fees will be required. Principal is forgivable at maturity, provided the units for which the ELI Loan amount is awarded are targeted to ELI households for the first 15 years of the 50-year Compliance Period. The Persons with Special Needs set aside requirement must be maintained through the entire 50-year Compliance Period.

For each of the SAIL and ELI loans, fees include an annual multiple program Compliance Monitoring Fee of \$1,023 and an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of \$936 per month, subject to a minimum of \$236 per month.

Surtax:

First Housing reviewed a Memorandum, dated June 14, 2022, which was approved by the Miami-Dade Board of County Commissioners and indicates \$3,750,000 in surtax funds for the Development. It is anticipated that the surtax loan will have a 2 year construction period and a 30 year permanent period. The loan will have a 0% interest rate during the construction period, a 1% interest rate during years 3-17, and a 0.5% interest rate for years 18-30. Payments of interest only are due years 1-17 and then payments of interest and principal are due years 18-30. Payments are based on available cash flow.

HOME:

First Housing received a letter, dated September 11, 2021, from Public Housing and Community Development Miami-Dade County which indicates HOME funds in the amount of \$1,017,500 for the Development. It is anticipated that the HOME loan will have a 2 year construction period and a 30 year permanent period. It is anticipated that the loan will have a 0% interest rate during the construction period, a 1% interest rate during years 3-30 payable from cash flow, and 1% interest accruing and due at maturity. Payments are based on available cash flow.

Self-Sourced:

First Housing received a letter, dated January 30, 2023, from Lewis Swezy. The Self-Sourced loan in the amount of \$2,010,000 will be provided using Lewis Swezy's personal funds and will have an interest rate of 6%. The loan will require interest only payments subject to available cash flow. The loan will be coterminous with the surtax loan and will have a total term of 32 years, of which 2 years is for the construction/stabilization period and 30 years is for the permanent period. The Self-Sourced Financing will be funded at closing of the SAIL Loan via escrow account controlled by the SAIL Loan Servicer and will be dispersed pro rata along with SAIL funding. The Self-Sourced Financing must be subordinate to the SAIL Loan; no principal may be paid on the Self-Sourced Financing prior to the payoff of the SAIL Loan and surtax loan in full. Any payment of Self-Sourced Financing interest will be made subordinate to SAIL Loan interest payments. Additionally, the Self-Sourced Financing must remain as a source in the Development for a minimum of 15 years and may not be repaid to the Applicant from any funding source, including development cash flow per the RFA.

Housing Credit Equity:

The Applicant has applied to FHFC to receive 4% Housing Credits directly from the U.S. Treasury in conjunction with tax exempt financing. A HC calculation is contained in Exhibit 2 of this credit

MMRN, SAIL, ELI, & HC CREDIT UNDERWRITING REPORT

underwriting report. Based on the letter of intent, dated December 13, 2022, indicating First Horizon or an affiliate, will provide HC equity as follows:

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$4,114,563	20.00%	Closing
2nd Installment	\$4,114,563	20.00%	75% Construction Completion
3rd Installment	\$2,057,282	10.00%	100% Construction Completion
4th Installment	\$1,028,641	5.00%	Receipt of 8609s
5th Installment	\$9,257,767	45.00%	Rental Achievement
Total	\$20,572,816	100.00%	

Annual Credit Per Syndication Agreement \$2,121,121

Calculated HC Exchange Rate \$0.97

Limited Partner Ownership Percentage 99.99%

Proceeds Available During Construction \$8,229,126

Deferred Developer Fee:

To balance the sources and uses of funds during the permanent funding period, the Developer is required to defer \$5,465,053 or 78.89% of the total Developer Fee of \$6,927,003.

Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
New Rental Units	\$19,870,000	\$25,225,920	\$24,325,920	\$162,173	\$164,562
Site Work	\$1,000,000	\$900,000	\$1,800,000	\$12,000	\$450,000
Constr. Contr. Costs subject to GC Fee	\$20,870,000	\$26,125,920	\$26,125,920	\$174,173	\$614,562
General Conditions	\$0	\$0	\$1,567,555	\$10,450	\$0
Overhead	\$0	\$0	\$522,518	\$3,483	\$0
Profit	\$2,921,799	\$3,657,628	\$1,567,555	\$10,450	\$0
Total Construction Contract/Costs	\$23,791,799	\$29,783,548	\$29,783,548	\$198,557	\$614,562
Hard Cost Contingency	\$1,189,589	\$1,489,177	\$1,489,177	\$9,928	\$0
PnP Bond paid outside Constr. Contr.	\$167,918	\$256,026	\$0	\$0	\$0
Fees for LOC used as Constr. Surety	\$0	\$0	\$256,026	\$1,707	\$0
FF&E paid outside Constr. Contr.	\$0	\$75,000	\$75,000	\$500	\$0
Total Construction Costs:	\$25,149,306	\$31,603,751	\$31,603,751	\$210,692	\$614,562

Notes to the Total Construction Costs:

1. The Applicant has provided an executed construction contract, dated January 10, 2023, in the amount of \$29,783,548. This is a Standard Form of Agreement between Owner, Princeton Crossings LLC and Contractor, R.S. Construction of Dade, Inc., where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price (“GMP”). Per this contract, substantial completion is to be achieved by no later than 540 calendar days from the date of commencement. The construction contract specifies retainage of 10% be withheld until completion reaches 50% at which time retainage will be reduced to 5%.
2. First Housing utilized the Schedule of Values (“SOV”) to breakout the construction costs.
3. First Housing adjusted Hard Cost Contingency to 5% of the total construction contract, which is within the allowable 5% of total hard costs for new construction developments as required by the RFA and Rule Chapters 67-48 and 67-21.
4. The GC Fee is within the maximum 14% of hard costs allowed by the RFA and Rule Chapters 67-48 and 67-21. The GC fee stated herein is for credit underwriting purposes only, and the final GC fee will be determined pursuant to the final cost certification process as per Rule Chapters 67-48 and 67-21.
5. First Housing has included 25% of the site work as ineligible costs for housing credits. First Housing has included the cost of purchasing the washers and dryers (\$164,562) as ineligible since they will be leased to the residents.
6. The GC Contract does not include any allowances.

MMRN, SAIL, ELI, & HC CREDIT UNDERWRITING REPORT

7. The Applicant includes costs for a Letter of Credit to secure the construction contract and P&P Bonds for the major subcontractors.

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	\$52,500	\$75,000	\$75,000	\$500	\$10,000
Appraisal	\$10,000	\$10,000	\$10,000	\$67	\$0
Architect's Fee - Site/Building Design	\$375,000	\$450,000	\$450,000	\$3,000	\$0
Architect's Fee - Supervision	\$180,000	\$195,000	\$195,000	\$1,300	\$0
Building Permits	\$450,000	\$450,000	\$450,000	\$3,000	\$0
Builder's Risk Insurance	\$225,000	\$225,000	\$225,000	\$1,500	\$0
Capital Needs Assessment/Rehab	\$7,500	\$0	\$0	\$0	\$0
Engineering Fees	\$150,000	\$187,500	\$187,500	\$1,250	\$0
Environmental Report	\$20,000	\$40,000	\$40,000	\$267	\$0
FHFC Administrative Fees	\$135,000	\$198,000	\$201,242	\$1,342	\$201,242
FHFC Application Fee	\$3,000	\$3,000	\$3,000	\$20	\$3,000
FHFC Credit Underwriting Fee	\$19,000	\$19,000	\$25,243	\$168	\$25,243
FHFC Compliance Fee	\$225,000	\$225,000	\$0	\$0	\$0
Impact Fee	\$225,000	\$240,000	\$240,000	\$1,600	\$0
Lender Inspection Fees / Const Admin	\$37,500	\$45,000	\$45,000	\$300	\$0
Green Building Cert. (LEED, FGBC, NAHB)	\$45,000	\$52,500	\$52,500	\$350	\$0
Insurance	\$45,000	\$60,000	\$60,000	\$400	\$0
Legal Fees - Organizational Costs	\$200,000	\$200,000	\$200,000	\$1,333	\$0
Market Study	\$7,500	\$10,000	\$8,000	\$53	\$8,000
Marketing and Advertising	\$50,000	\$50,000	\$50,000	\$333	\$50,000
Plan and Cost Review Analysis		\$7,500	\$3,500	\$23	\$0
Property Taxes	\$37,500	\$45,000	\$45,000	\$300	\$0
Soil Test	\$15,000	\$25,000	\$25,000	\$167	\$0
Survey	\$30,000	\$30,000	\$30,000	\$200	\$0
Title Insurance and Recording Fees	\$135,000	\$180,000	\$180,000	\$1,200	\$40,000
Utility Connection Fees	\$165,000	\$172,500	\$172,500	\$1,150	\$0
Soft Cost Contingency	\$150,620	\$176,301	\$148,674	\$991	\$0
Total General Development Costs:	\$2,995,120	\$3,371,301	\$3,122,159	\$20,814	\$337,485

Notes to the General Development Costs:

1. General Development Costs are the Applicant's updated estimates, which appear reasonable.
2. First Housing has utilized actual costs for: FHFC Application Fee, FHFC Credit Underwriting, Market Study, and Plan and Cost Analysis (“PCA”).
3. The FHFC Administrative Fee is based on 9% of the recommended annual 4% Housing Credit allocation.
4. First Housing adjusted the Soft Cost Contingency to be 5% of the General Development Costs less the soft cost contingency, as allowed by the RFA and Rules 67-48 and 67-21 for new construction developments.

MMRN, SAIL, ELI, & HC CREDIT UNDERWRITING REPORT

5. The Applicant provided an executed proposal between Energy Cost Solutions Group LLC and Princeton Crossings LLC. The Agreement is for consulting and verification services for the National Green Building Standard ICC 700 2015 (Standard).

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Construction Loan Origination Fee	\$235,000	\$235,000	\$250,000	\$1,667	\$0
Construction Loan Closing Costs	\$0	\$0	\$62,500	\$417	\$0
Construction Loan Interest	\$869,500	\$1,233,750	\$2,649,500	\$17,663	\$662,375
Permanent Loan Origination Fee	\$159,700	\$132,000	\$129,500	\$863	\$129,500
Permanent Loan Closing Costs	\$308,400	\$0	\$0	\$0	\$0
FHFC Note Fiscal Agent Fee	\$0	\$0	\$11,250	\$75	\$11,250
FHFC Note Cost of Issuance	\$0	\$308,400	\$286,290	\$1,909	\$286,290
SAIL Commitment Fee	\$0	\$40,200	\$40,200	\$268	\$40,200
SAIL-ELI Commitment Fee	\$0	\$0	\$6,000	\$40	\$6,000
Misc Loan Closing Costs	\$0	\$50,000	\$50,000	\$333	\$50,000
Placement Agent/Underwriter Fee	\$0	\$0	\$35,000	\$233	\$35,000
Initial TEFRA Fee	\$0	\$0	\$1,000	\$7	\$1,000
Other: Syndication Fee	\$0	\$40,000	\$40,000	\$267	\$40,000
Other: FHFC Issuer Fee	\$0	\$0	\$150,000	\$1,000	\$150,000
Other: SAIL/ELI Extension Fee	\$0	\$0	\$46,200	\$308	\$46,200
Total Financial Costs:	\$1,572,600	\$2,039,350	\$3,757,440	\$25,050	\$1,457,815
Dev. Costs before Acq., Dev. Fee & Reserves	\$29,717,026	\$37,014,402	\$38,483,350	\$256,556	\$2,409,862

Notes to the Financial Costs:

- The Construction Loan Commitment Fee is based on 1% of the construction loan amount.
- The Construction Loan Closing Costs are based on 0.25% of the construction loan and represents the fee for the additional 6 month extension of the term of the construction loan.
- The Construction Loan Interest is based on an interest rate of 7.57%, a 30-month term, and an average outstanding loan balance of 56%.
- The Permanent Loan Origination Fee is based on 1% of the permanent loan amount.
- The FHFC Note Fiscal Agent Fee represents 2.5 years of the annual Fiscal Agent Fee of \$4,500 during the construction period.
- FHFC Note Cost of Issuance (“COP”) includes MMRN, SAIL, and ELI Loan Closing Costs, and expenses of the Fiscal Agent, Real Estate Counsel, MMRN Counsel, Disclosure Counsel, and other fees.

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7. SAIL Commitment Fee is based on 1% of the SAIL Loan.
8. ELI Commitment Fee is based on 1% of the ELI Loan.
9. The FHFC Issuer Fee is based on an annual Issuer Fee of 24 bps on the total MMRN amount during the construction period.
10. SAIL/ELI Extension Fee is based on 1% of the SAIL and ELI loans for the firm loan commitment issuance deadline extension.
11. The Miscellaneous Loan Closing Costs is related to the Miami PHCD subordinate debt.

NON-LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Total Non-Land Acquisition Costs:	\$0	\$0	\$0	\$0	\$0

Notes to the Non-Land Acquisition Costs:

1. As this is new construction, there are no non-land acquisition costs.

DEVELOPER FEE ON NON-ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Developer Fee - Unapportioned	\$5,349,064	\$6,662,591	\$6,927,003	\$46,180	\$0
Total Other Development Costs:	\$5,349,064	\$6,662,591	\$6,927,003	\$46,180	\$0

Notes to the Developer Fee on Non-Acquisition Costs:

1. The recommended Developer's Fee does not exceed 18% of Total Development Cost before Developer Fee, land acquisition costs, and ODR as allowed by RFA 2020-205 and Rule Chapters 67-48 and 67-21.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land	\$4,500,000	\$4,500,000	\$4,500,000	\$30,000	\$4,500,000
Total Acquisition Costs:	\$4,500,000	\$4,500,000	\$4,500,000	\$30,000	\$4,500,000

Notes to Land Acquisition Costs:

1. First Housing has reviewed a Final Settlement Statement, dated December 1, 2021, between 22 Princeton, LLC (“Seller”) and Princeton Crossings LLC (“Buyer”). According to the Final Settlement Statement, the purchase price was \$4,500,000.

2. The Appraisal prepared by Meridian, dated February 7, 2023, indicated the fee simple interest in the Development, as if vacant, based on market conditions prevailing on October 12, 2022, was \$4,500,000 which supports the purchase price.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserve (Syndicator)	\$0	\$475,016	\$475,016	\$3,167	\$475,016
Total Reserve Accounts:	\$0	\$475,016	\$475,016	\$3,167	\$475,016

Notes to Reserve Accounts:

1. An ODR in the amount of \$475,016 is required by First Horizon. In exchange for receiving funding from the Corporation, the Corporation reserves the authority to restrict the disposition of any funds remaining in any operating deficit reserve(s) after the term of the reserve's original purpose has terminated or is near termination. Authorized disposition uses are limited to payments towards any outstanding loan balances of the Development funded from the Corporation, any outstanding Corporation fees, any unpaid costs incurred in the completion of the Development (i.e., deferred Developer Fee), the Development's capital replacement reserve account (provided, however, that any operating deficit reserve funds deposited to the replacement reserve account will not replace, negate, or otherwise be considered an advance payment or pre-funding of the Applicant's obligation to periodically fund the replacement reserve account), the reimbursement of any loan(s) provided by a partner, member or guarantor as set forth in the Applicant's organizational agreement (i.e., operating or limited partnership agreement). The actual direction of the disposition is at the Applicant's discretion so long as it is an option permitted by the Corporation. In no event, shall the payment of amounts to the Applicant or the Developer from any operating deficit reserve established for the Development cause the Developer Fee or General Contractor fee to exceed the applicable percentage limitations provided for in this RFA.

At the end of the Compliance Period, any remaining balance of the ODR less amounts that may be permitted to be drawn (which includes Deferred Developer Fee and reimbursements for authorized member/partner and guarantor loan(s) pursuant to the operating/partnership agreement), will be used to pay FHFC loan debt; if there is no FHFC loan debt on the proposed Development at the end of the Compliance Period, any remaining balance shall be used to pay any outstanding FHFC fees. If any balance is remaining in the ODR after the payments above, the amount should be placed in a Replacement Reserve account for the Development. In no event shall the payments of amounts to the Applicant or the Developer from the Reserve Account cause the Developer Fee or General Contractor Fee to exceed the applicable percentage limitations provided for in Rule Chapter 67-48.

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Any and all terms and conditions of the ODR must be acceptable to Florida Housing, its legal counsel, and its Servicer.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
TOTAL DEVELOPMENT COSTS:	\$39,566,090	\$48,652,009	\$50,385,369	\$335,902	\$7,384,878

Notes to Total Development Costs:

1. The TDC has increased by a total of \$10,819,279 or 27.34% from \$39,566,090 to \$50,385,369 since the Application. The increase is mainly due to an increase in construction and financial costs.

MMRN, SAIL, ELI, & HC CREDIT UNDERWRITING REPORT

Operating Pro Forma – Princeton Crossings

FINANCIAL COSTS:		Year 1	Year 1 Per Unit
OPERATING PRO FORMA			
INCOME:	Gross Potential Rental Income	\$2,064,972	\$13,766
	Other Income		
	Ancillary Income	\$36,000	\$240
	Washer/Dryer Rentals	\$44,550	\$297
	Gross Potential Income	\$2,145,522	\$14,303
	Less:		
	Physical Vac. Loss Percentage: 3.00%	\$64,366	\$429
	Collection Loss Percentage: 2.00%	\$42,910	\$286
	Total Effective Gross Income	\$2,038,246	\$13,588
	EXPENSES:	Fixed:	
Real Estate Taxes		\$221,609	\$1,477
Insurance		\$142,500	\$950
Variable:			
Management Fee Percentage: 5.00%		\$101,912	\$679
General and Administrative		\$75,000	\$500
Payroll Expenses		\$165,000	\$1,100
Utilities		\$82,500	\$550
Marketing and Advertising		\$15,000	\$100
Maintenance and Repairs/Pest Control		\$60,000	\$400
Grounds Maintenance and Landscaping		\$37,500	\$250
Contract Services		\$37,500	\$250
Security		\$15,000	\$100
Reserve for Replacements		\$45,000	\$300
Total Expenses		\$998,521	\$6,657
Net Operating Income	\$1,039,725	\$6,931	
Debt Service Payments			
First Mortgage - FHFC/JPMorgan Chase	\$778,348	\$5,189	
Second Mortgage - FHFC - SAIL	\$40,200	\$268	
Third Mortgage - FHFC - ELI	\$0	\$0	
Fourth Mortgage - Miami PHCD Surtax	\$37,500	\$250	
Fifth Mortgage - Miami PHCD HOME	\$10,175	\$68	
All Other Mortgages - Lewis Swezy	\$120,600	\$804	
First Mortgage Fees - FHFC/JPMorgan Chase	\$42,008	\$280	
Second Mortgage Fees - FHFC - SAIL	\$11,073	\$74	
Third Mortgage Fees - FHFC - ELI	\$3,855	\$26	
Fourth Mortgage Fees - Miami PHCD Surtax	\$0	\$0	
Fifth Mortgage Fees - Miami PHCD HOME	\$0	\$0	
All Other Mortgages Fees - Lewis Swezy	\$0	\$0	
Total Debt Service Payments	\$1,043,759	\$6,958	
Cash Flow after Debt Service	-\$4,034	-\$27	
Debt Service Coverage Ratios			
DSC - First Mortgage plus Fees	1.27x		
DSC - Second Mortgage plus Fees	1.19x		
DSC - Third Mortgage plus Fees	1.19x		
DSC - Fourth Mortgage plus Fee	1.14x		
DSC - Fifth Mortgage plus Fees	1.13x		
DSC - All Mortgages and Fees	1.00x		
Financial Ratios			
Operating Expense Ratio	48.99%		
Break-even Economic Occupancy Ratio (all debt)	95.44%		

MMRN, SAIL, ELI, & HC CREDIT UNDERWRITING REPORT

Notes to the Operating Pro Forma and Ratios:

- The MMRN program does not impose any rent restrictions. However, in conjunction with the MMRN this Development will be utilizing Housing Credits, SAIL, and ELI financing which will impose rent restrictions. The LIHTC rent levels are based on the 2022 maximum LIHTC rents published on FHFC’s website for Miami-Dade County less the utility allowance. The utility allowances are based on the apartments with over 5 units utility allowances for Miami-Dade County effective on January 1, 2022. Below is the rent roll for the Development:

Miami-Dade County/ Miami-Miami Beach-Kendall HMFA

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
1	1.0	7	795	30%			\$548	\$84	\$ 464		\$ 464	\$ 464	\$ 464	\$ 38,976
1	1.0	10	696	60%			\$1,097	\$84	\$ 1,013		\$ 1,013	\$ 1,013	\$ 1,013	\$ 121,560
1	1.0	8	795	60%			\$1,097	\$84	\$ 1,013		\$ 1,013	\$ 1,013	\$ 1,013	\$ 97,248
1	1.0	20	696	70%			\$1,280	\$84	\$ 1,196		\$ 1,196	\$ 1,196	\$ 1,196	\$ 287,040
2	2.0	7	1,082	30%			\$658	\$132	\$ 526		\$ 526	\$ 526	\$ 526	\$ 44,184
2	2.0	7	1,003	30%			\$658	\$132	\$ 526		\$ 526	\$ 526	\$ 526	\$ 44,184
2	2.0	8	1,003	60%			\$1,317	\$132	\$ 1,185		\$ 1,185	\$ 1,185	\$ 1,185	\$ 113,760
2	2.0	25	1,048	60%			\$1,317	\$132	\$ 1,185		\$ 1,185	\$ 1,185	\$ 1,185	\$ 355,500
2	2.0	37	1,048	70%			\$1,536	\$132	\$ 1,404		\$ 1,404	\$ 1,404	\$ 1,404	\$ 623,376
3	2.0	3	1,244	30%			\$760	\$199	\$ 561		\$ 561	\$ 561	\$ 561	\$ 20,196
3	2.0	7	1,109	60%			\$1,521	\$199	\$ 1,322		\$ 1,322	\$ 1,322	\$ 1,322	\$ 111,048
3	2.0	11	1,244	70%			\$1,774	\$199	\$ 1,575		\$ 1,575	\$ 1,575	\$ 1,575	\$ 207,900
		150	145,579											\$ 2,064,972

- First Housing included a Vacancy and Collection loss rate of 5.00% which is supported by the appraisal.
- Miscellaneous Income is comprised of revenue from vending machines, late charges, pet deposits, forfeited security deposits, etc. Total miscellaneous income of \$240 per unit per year is supported by the appraisal.
- The Applicant will offer washer/dryer appliances to rent to the residents. A participation rate of 55% and a monthly premium of \$45 is projected by the appraiser.
- Based upon operating data from comparable properties, third-party reports (appraisal and market study) and First Housing's independent due diligence, First Housing represents that, in its professional opinion, estimates for Rental Income, Vacancy, Other Income, and Operating Expenses fall within a band of reasonableness.
- The Applicant has submitted an executed Housing Management Agreement, dated January 3, 2023, between the Applicant and Centennial Management Corp. which reflects a monthly management fee of 5% of revenue.
- The tenant is responsible for electric, water, sewer, cable, and internet. The landlord is responsible for common area electric, pest control and trash removal.

8. Replacement Reserves of \$300 per unit per year are required, per the RFA and Rule Chapters 67-48 and 67-21. Based on the letter of intent, dated December 13, 2022, from First Horizon the replacement reserves will increase each year at 3%.
9. Refer to Exhibit I, Page 1 for a 15-Year Pro Forma, which reflects rental income increasing at an annual rate of 2%, and expenses increasing at an annual rate of 3%.
10. The Break-Even Economic Occupancy Ratio includes all debt; however, all mortgage payments except the first mortgage and all fees are based on available cash flow. This ratio would improve to 85.72% if only the first mortgages and all fees were included in the calculation.

Section B

MMRN, SAIL, and ELI Loan Special and General Conditions

HC Allocation Recommendation and Contingencies

Special Conditions

This recommendation is contingent upon the review and approval of the following items by Florida Housing and First Housing **at least 30 days prior to Real Estate Loan Closing**. Failure to submit and to receive approval of these items within this time frame may result in postponement of the MMRN pricing date and/or MMRN, SAIL, and ELI Loan closing date. For competitive MMRN sales, these items must be reviewed and approved prior to issuance of the notice of MMRN sale:

1. Receipt and satisfactory review of the Final signed, sealed “approved for construction” plans and specifications by the Construction Consultant and the Servicer.
2. Firm loan commitment from JPMorgan Chase (construction and permanent financing) with terms and conditions that are not substantially different than those utilized in this credit underwriting report.
3. Satisfactory receipt and review of updated financials for the Guarantors, dated within 90 days of closing if un-audited and within a year of closing if audited.
4. First Housing will require a no further action with conditions letter from DERM.
5. A final PCA and form 128.
6. FHFC staff approval to change the legal description from application.
7. Receipt of confirmation from the subsurface investigation provider that the plans are in accordance with their recommendations.
8. Receipt of a trade reference for the General Contractor.
9. Receipt of an Operating Agreement for the Applicant and the Manager.
10. Any other reasonable requirements of the Servicer, Florida Housing, or its Legal Counsel.

General Conditions

This recommendation is contingent upon the review and approval of the following items by Florida Housing and First Housing **at least 30 days prior to Real Estate Loan Closing**. Failure to submit and to receive approval of these items within this time frame may result in postponement of the closing date:

1. Payment of any outstanding arrearages to the Corporation, its Legal Counsel, Servicer or any agent or assignee of the Corporation for past due issues applicable to the development team (Applicant or Developer or Principal, Affiliate or Financial Beneficiary, as described in 67-21.0025 (5) F.A.C. and 67-48.0075 (5) F.A.C. of an Applicant or a Developer).
2. OSG is to act as construction inspector during the construction phase.
3. At all times there will be undisbursed loan funds (collectively held by Florida Housing, the first mortgage lender and any other source) sufficient to complete the Development. If at any time there are not sufficient funds to complete the Development, the Borrower will be required to expend additional equity on Development Costs or to deposit additional equity with Florida Housing which is sufficient (in Florida Housing's judgment) to complete the Development before additional loan funds are disbursed. This condition specifically includes escrowing at closing all equity necessary to complete construction or another alternative acceptable to Florida Housing in its sole discretion.
4. Construction Period Developer Fee shall be the lesser of i) 50% of the Total Developer Fee or ii) the Total Developer Fee less the Deferred Developer Fee listed in the Sources and Uses for the construction period, as calculated by the Servicer. At closing, a maximum of 35% of the Construction Period Developer Fee may be funded. Remaining Construction Period Developer Fee will be disbursed during construction/rehabilitation on a pro rata basis, based on the percentage of completion of the development, as approved and reviewed by FHFC and Servicer.

Once the Development has achieved 100% lien free completion and retainage has been released, the Post-Construction Period Developer Fee may be funded. Post-Construction Period Developer Fee is the remaining portion of Developer Fee less Deferred Developer Fee listed in the Sources and Uses for the permanent period, as calculated by the Servicer.

5. Signed and sealed survey, dated within 90 days of loan closing, unless otherwise approved by Florida Housing, and its Legal Counsel, based upon the particular circumstances of the transaction. The Survey shall be certified to Florida Housing, and its Legal Counsel, as well as the title insurance company, and shall indicate the legal description, exact boundaries of the Development, easements, utilities, roads, and means of access to public streets, total acreage and flood hazard area and any other requirements of Florida Housing.
6. Building permits and any other necessary approvals and permits (e.g., final site plan approval, Department of Environmental Protection, Army Corps of Engineers, the Water Management District, Department of Transportation, etc.) or a letter from the local permitting and approval authority stating that the above referenced permits and approvals

will be issued upon receipt of applicable fees (with no other conditions), or evidence of 100% lien-free completion, if applicable. If a letter is provided, copies of all permits will be required as a condition of the first post-closing draw.

7. Final "as permitted" (signed and sealed) site plans, building plans and specifications. The geotechnical report must be bound within the final plans and specifications, if applicable.
8. Final sources and uses of funds schedule itemized by source and line item, in a format and in amounts approved by the Servicer. A detailed calculation of the construction loan interest based upon the final draw schedule, documentation of the closing costs, and draft loan closing statement must also be provided. The sources and uses of funds schedule will be attached to the Construction Loan Agreement as the approved development budget.
9. A final construction draw schedule showing itemized sources and uses of funds for each monthly draw. SAIL Program loan proceeds shall be disbursed during the construction phase in an amount per draw that does not exceed the ratio of the SAIL Loan to the Total Development Costs, unless approved by First Housing. ELI Loan proceeds shall be disbursed during the construction phase in an amount per draw which does not exceed the ratio of the ELI Loan to the Total Development Costs, unless approved by First Housing. The closing draw must include appropriate backup and ACH wiring instructions.
10. Evidence of insurance coverage pursuant to the RFA governing this proposed transaction and, as applicable, the FHFC Insurance Guide.
11. The General Contractor shall secure a payment and performance bond equal to 100 percent of the total construction cost listing FHFC as a co-obligee, whose terms do not adversely affect the Corporation's interest, issued in the name of the General Contractor, from a company rated at least "A-" by AMBest & Co., or a Corporation-approved alternate security for the General Contractor's performance such as a letter of credit in the amount of 25% of the construction contract issued by a financial institution with a senior long term (or equivalent) credit rating of at least "Baa3" by Moody's, or at least "BBB-" by Standard & Poor's or Fitch, or a financial rating of at least 175 by IDC Financial Publishing. The LOC must include "evergreen" language and be in a form satisfactory to Florida Housing, its Servicer and its Legal Counsel.
12. Architect, Construction Consultant, and Developer Certifications on forms provided by FHFC will be required for both design and as built with respect to Section 504 of the Rehabilitation Act, Americans with Disabilities Act, and the Federal Fair Housing Act requirements, if applicable.

13. Borrower is to comply with any and all recommendations noted in the PCA, prepared by OSG.
14. At the end of the Compliance Period, any remaining balance of the ODR less amounts that may be permitted to be drawn (which includes Deferred Developer Fee and reimbursements for authorized member/partner and guarantor loan(s) pursuant to the operating/partnership agreement), will be used to pay FHFC loan debt; if there is no FHFC loan debt on the proposed Development at the end of the Compliance Period, any remaining balance shall be used to pay any outstanding FHFC fees. If any balance is remaining in the ODR after the payments above, the amount should be placed in a Replacement Reserve account for the Development. In no event shall the payments of amounts to the Applicant or the Developer from the Reserve Account cause the Developer Fee or General Contractor Fee to exceed the applicable percentage limitations provided for in Rule Chapter 67-48. Any and all terms and conditions of the ODR must be acceptable to Florida Housing, its legal counsel, and its Servicer.
15. A copy of an Operating Agreement reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The Operating Agreement shall be in a form and of financial substance satisfactory to Servicer and to FHFC and its Legal Counsel.

This recommendation is contingent upon the review and approval of the following items by Florida Housing, and its Legal Counsel **at least 30 days prior to Real Estate Loan Closing**. Failure to receive approval of these items, along with all other items listed on Florida Housing Counsel's due diligence, within this time frame may result in postponement of the loan closing date.

1. Documentation of the legal formation and current authority to transact business in Florida for the Borrower, the general partner/principal(s)/manager(s) of the Borrower, the guarantor, and any limited partners of the Borrower.
2. Award of 4% Housing Credits and purchase of HC by First Horizon or an affiliate, under terms consistent with the assumptions of this report.
3. Signed and sealed survey, dated within 90 days of closing, unless otherwise approved by Florida Housing, and its Legal Counsel, based upon the particular circumstances of the transaction. The Survey shall be certified to Florida Housing and its Legal Counsel, as well as the title insurance company, and shall indicate the legal description, exact boundaries of the Development, easements, utilities, roads, and means of access to public streets, total acreage and flood hazard area and any other requirements of Florida Housing.

4. An acceptable updated Environmental Audit Report, together with a reliance letter to Florida Housing, prepared within 90 days of closing, unless otherwise approved by Florida Housing, and Legal Counsel, based upon the particular circumstances of the transaction. Borrower to comply with any and all recommendations and remediation restrictions noted in the Environmental Assessment(s) and Updates and the Environmental Review, if applicable.
5. Title insurance pro forma or commitment for title insurance with copies of all Schedule B exceptions, in the amount of the Loans naming FHFC as the insured. All endorsements required by FHFC shall be provided.
6. Florida Housing and its Legal Counsel shall review and approve all other lenders closing documents and the limited partnership agreement or other applicable agreement. Florida Housing shall be satisfied in its sole discretion that all legal and program requirements for the Loan(s) have been satisfied.
7. Evidence of insurance coverage pursuant to the RFA governing this proposed transaction and, as applicable, the FHFC Insurance Guide.
8. Receipt of a legal opinion from the Borrower's Legal Counsel acceptable to Florida Housing addressing the following matters:
 - a. The legal existence and good standing of the Borrower and of any partnership or limited liability company that is the general partner of the Borrower (the "GP") and of any corporation or partnership that is the managing general partner of the GP, of any corporate guarantor and any manager;
 - b. Authorization, execution, and delivery by the Borrower and the guarantor, of all Loan(s) documents;
 - c. The Loan(s) documents being in full force and effect and enforceable in accordance with their terms, subject to bankruptcy and equitable principles only;
 - d. The Borrower's and the Guarantor's execution, delivery and performance of the Loan(s) documents shall not result in a violation of, or conflict with, any judgments, orders, contracts, mortgages, security agreements or leases to which the Borrower is a party or to which the Development is subject to the Borrower's Operating Agreement and;
 - e. Such other matters as Florida Housing or its Legal Counsel may require.

9. Evidence of compliance with the local concurrency laws, if applicable.
10. Such other assignments, affidavits, certificates, financial statements, closing statements and other documents as may be reasonably requested by Florida Housing or its Legal Counsel in form and substance acceptable to Florida Housing or its Legal Counsel, in connection with the Loan(s).
11. UCC Searches for the Borrower, its partnerships, as requested by Counsel.
12. Any other reasonable conditions established by Florida Housing and its Legal Counsel.

Additional Conditions

This recommendation is also contingent upon satisfaction of the following additional conditions:

1. Compliance with all provisions of Sections 420.507, 420.5087, and 420.509, Florida Statutes, Rule Chapter 67-21, F.A.C. (MMRB and Non-Competitive 4% Housing Credits), Rule Chapter 67-48 F.A.C. (SAIL), Rule Chapter 67-53, F.A.C., Rule Chapter 67-60 F.A.C., RFA 2020-205, Section 42 I.R.C. (Housing Credits), and any other State or Federal requirements.
2. Acceptance by the Borrower and execution of all documents evidencing and securing the MMRN, SAIL, and ELI Loans in form and substance satisfactory to Florida Housing, including, but not limited to, the Promissory Note(s), the Loan Agreement(s), the Mortgage and Security Agreement(s), and the Land Use Restriction Agreement(s) and/or Extended Land Use Agreement(s) and Final Cost Certificate.
3. Receipt and satisfactory review of a Joint Funding Agreement between Applicant and First Horizon or an affiliate, that requires funding of all HC Equity Installments during construction, even if the Applicant is in default under the Operating Agreement.
4. All amounts necessary to complete construction must be deposited with the Fiscal Agent prior to closing, or any phased HC Equity pay-in amount necessary to complete construction shall be contingent upon an obligation of the entity providing payments, regardless of any default under any documents relating to the HC's, as long as the First Mortgage continues to be funded. Notwithstanding the foregoing, at least 15% of all HC Equity (but not less than provided for in the Syndication Agreement or such higher amount as recommended by First Housing) shall be deposited with the Fiscal Agent at the MMRN closing unless a lesser amount is approved by FHFC prior to closing.

5. Guarantors to provide the standard FHFC Construction Completion Guaranty, to be released upon lien-free completion, as approved by the Servicer.
6. For the MMRN, Guarantors are to provide the standard FHFC Operating Deficit Guaranty. If requested in writing by the Applicant, the Servicer will consider a recommendation to release the Operating Deficit Guaranty if all conditions are met, including achievement of a 1.15x debt service coverage ratio on the permanent first mortgage MMRN as determined by FHFC or the Servicer, and 90 percent occupancy and 90 percent of the gross potential rental income, net of utility allowances, if applicable, all for a period equal to 12 consecutive months, all certified by an independent Certified Public Accountant, and verified by the Servicer. The calculation of the debt service coverage ratio shall be made by FHFC or the Servicer. Notwithstanding the above, the Operating Deficit Guaranty shall not terminate earlier than three (3) years following the final certificate of occupancy.
7. For the SAIL Loan, Guarantors are to provide the standard FHFC Operating Deficit Guaranty. If requested in writing by the Applicant, the Servicer will consider a recommendation to release the Operating Deficit Guaranty if all conditions are met, including achievement of a 1.15x debt service coverage on the combined permanent first mortgage MMRN and SAIL Loan as determined by FHFC, or the Servicer, and 90 percent occupancy, and 90 percent of the gross potential rental income, net of utility allowances, if applicable, for a period equal to 12 consecutive months, all as certified by an independent Certified Public Accountant, and verified by the Servicer. The calculation of the debt service coverage ratio shall be made by FHFC or the Servicer. Notwithstanding the above, the Operating Deficit Guaranty shall not terminate earlier than three (3) years following the final certificate of occupancy.
8. Guarantors to provide the Standard FHFC Environmental Indemnity Guaranty.
9. Guarantors to provide the Standard FHFC Guaranty of Recourse Obligations.
10. If applicable, receipt and satisfactory review of Financial Statements from all Guarantors dated within 90 days of Real Estate Closing.
11. A Mortgagee Title Insurance policy naming Florida Housing as the insured in the amount of the Loan(s) is to be issued immediately after closing. Any exceptions to the title insurance policy must be acceptable to Florida Housing or its Legal Counsel. The form of the title policy must be approved prior to closing.

12. Property tax and hazard insurance escrow are to be established and maintained by the First Mortgagee Lender, Fiscal Agent, or the Servicer. In the event the reserve account is held by Florida Housing's Loan(s) servicing agent, the release of funds shall be at Florida Housing's sole discretion.
13. Replacement Reserves in the amount of \$300 per unit per year will be required to be deposited on a monthly basis into a designated escrow account, to be maintained by the First Mortgagee or Florida Housing's Loan(s) servicing agent. However, Applicant has the option to prepay Replacement Reserves, as allowed per Rule Chapters 67-21 and 67-48 F.A.C., in the amount of \$45,000 (one-half the required Replacement Reserves for Years 1 and 2), in order to meet the applicable DSC loan requirements. Applicant can waive this election, if at closing of the loan(s) the required DSC is met without the need to exercise the option. It is currently estimated that Replacement Reserves will be funded from Operations in the amount of \$300 per unit per year for years 1 and 2, followed by \$300 per unit per year thereafter. The initial replacement reserve will have limitations on the ability to be drawn. New construction developments shall not be allowed to draw during the first five (5) years or until the establishment of a minimum balance equal to the accumulation of five (5) years of replacement reserves per unit. The amount established as a replacement reserve shall be adjusted based on a Capital Needs Assessment ("CNA") to be received by the Corporation or its servicers, prepared by an independent third party and acceptable to the Corporation and its servicers at the time the CNA is required, beginning no later than the tenth year after the first residential building in the development receives a certificate of occupancy, a temporary certificate of occupancy, or is placed in service, whichever is earlier ("initial replacement reserve date"). A subsequent CNA is required no later than the 15th year after the initial Replacement Reserve Date and subsequently every five (5) years thereafter.
14. A minimum of 10% retainage holdback on all construction draws until the Development is 50% complete, and 0% retainage thereafter is required. Retainage will not be released until successful completion of construction and issuance of all certificates of occupancy. The construction contract specifies retainage of 10% be withheld until completion reaches 50% at which time retainage will be reduced to 5%, which satisfies the RFA and Rule Chapters 67-21 and 67-48.
15. Closing of all funding sources prior to or simultaneous with the MMRN, SAIL, and ELI Loans.
16. Satisfactory completion of a pre-loan closing compliance audit conducted by FHFC or Servicer, if applicable.

17. Satisfactory resolution of any outstanding past due and/or noncompliance items.
18. Any other reasonable requirements of the Servicer, Florida Housing, or its Legal Counsel.

Housing Credit Allocation Recommendation

First Housing Development Corporation has estimated a preliminary annual 4% HC allocation of \$2,236,026. Please see the HC Allocation Calculation in Exhibit 2 of this report for further details.

Contingencies

The HC allocation will be contingent upon the receipt and satisfactory review of the following items by First Housing and Florida Housing by the deadline established in the Preliminary Determination. Failure to submit these items within this time frame may result in forfeiture of the HC Allocation.

1. Purchase of the HC's by First Horizon or an affiliate under terms consistent with assumptions of this report.
2. Satisfactory resolution of any outstanding past due and/or noncompliance items.
3. Receipt of executed FHFC Fair Housing, Section 504 and ADA as-built certification forms 122, 127, and 129.
4. Any other reasonable requirements of the Servicer, Florida Housing, or its Legal Counsel.

MMRN, SAIL, ELI, & HC CREDIT UNDERWRITING REPORT

15-Year Proforma – Princeton Crossings

FINANCIAL COSTS:			Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30	
OPERATING PRO FORMA																		
INCOME:	Gross Potential Rental Income		\$2,779,180	\$2,834,764	\$2,891,459	\$2,949,289	\$3,008,274	\$3,068,440	\$3,129,809	\$3,192,405	\$3,256,253	\$3,321,378	\$3,387,805	\$3,455,562	\$3,524,673	\$3,595,166	\$3,667,070	
	Other Income																	
	Ancillary Income		\$48,451	\$49,420	\$50,409	\$51,417	\$52,445	\$53,494	\$54,564	\$55,655	\$56,768	\$57,904	\$59,062	\$60,243	\$61,448	\$62,677	\$63,930	
	Washer/Dryer Rentals		\$59,958	\$61,158	\$62,381	\$63,628	\$64,901	\$66,199	\$67,523	\$68,873	\$70,251	\$71,656	\$73,089	\$74,551	\$76,042	\$77,563	\$79,114	
	Gross Potential Income		\$2,887,590	\$2,945,342	\$3,004,249	\$3,064,334	\$3,125,620	\$3,188,133	\$3,251,895	\$3,316,933	\$3,383,272	\$3,450,938	\$3,519,956	\$3,590,355	\$3,662,162	\$3,735,406	\$3,810,114	
	Less:																	
	Physical Vac. Loss	Percentage: 3.00%		\$86,628	\$88,360	\$90,127	\$91,930	\$93,769	\$95,644	\$97,557	\$99,508	\$101,498	\$103,528	\$105,599	\$107,711	\$109,865	\$112,062	\$114,303
	Collection Loss	Percentage: 2.00%		\$57,752	\$58,907	\$60,085	\$61,287	\$62,512	\$63,763	\$65,038	\$66,339	\$67,665	\$69,019	\$70,399	\$71,807	\$73,243	\$74,708	\$76,202
	Total Effective Gross Income			\$2,743,211	\$2,798,075	\$2,854,036	\$2,911,117	\$2,969,339	\$3,028,726	\$3,089,301	\$3,151,087	\$3,214,108	\$3,278,391	\$3,343,958	\$3,410,838	\$3,479,054	\$3,548,635	\$3,619,608
	EXPENSES:	Fixed:																
Real Estate Taxes			\$341,908	\$352,165	\$362,730	\$373,612	\$384,820	\$396,365	\$408,258	\$420,503	\$433,118	\$446,112	\$459,495	\$473,280	\$487,478	\$502,103	\$517,166	
Insurance			\$219,855	\$226,451	\$233,244	\$240,241	\$247,449	\$254,872	\$262,516	\$270,394	\$278,506	\$286,861	\$295,467	\$304,331	\$313,461	\$322,864	\$332,550	
Variable:																		
Management Fee		Percentage: 5.00%		\$137,161	\$139,904	\$142,702	\$145,556	\$148,467	\$151,436	\$154,465	\$157,554	\$160,705	\$163,920	\$167,198	\$170,542	\$173,953	\$177,432	\$180,980
General and Administrative			\$115,713	\$119,185	\$122,760	\$126,443	\$130,236	\$134,143	\$138,168	\$142,313	\$146,582	\$150,979	\$155,509	\$160,174	\$164,979	\$169,929	\$175,026	
Payroll Expenses			\$254,569	\$262,206	\$270,072	\$278,174	\$286,519	\$295,115	\$303,969	\$313,088	\$322,480	\$332,155	\$342,119	\$352,383	\$362,954	\$373,843	\$385,058	
Utilities			\$127,284	\$131,103	\$135,036	\$139,087	\$143,260	\$147,558	\$151,984	\$156,544	\$161,240	\$166,077	\$171,060	\$176,191	\$181,477	\$186,921	\$192,529	
Marketing and Advertising			\$23,143	\$23,837	\$24,552	\$25,289	\$26,047	\$26,829	\$27,634	\$28,463	\$29,316	\$30,196	\$31,102	\$32,035	\$32,996	\$33,986	\$35,005	
Maintenance and Repairs/Pest Control			\$92,570	\$95,348	\$98,208	\$101,154	\$104,189	\$107,315	\$110,534	\$113,850	\$117,266	\$120,783	\$124,407	\$128,139	\$131,983	\$135,943	\$140,021	
Grounds Maintenance and Landscaping			\$57,857	\$59,592	\$61,380	\$63,221	\$65,118	\$67,072	\$69,084	\$71,156	\$73,291	\$75,490	\$77,754	\$80,087	\$82,490	\$84,964	\$87,513	
Contract Services			\$57,857	\$59,592	\$61,380	\$63,221	\$65,118	\$67,072	\$69,084	\$71,156	\$73,291	\$75,490	\$77,754	\$80,087	\$82,490	\$84,964	\$87,513	
Security			\$23,143	\$23,837	\$24,552	\$25,289	\$26,047	\$26,829	\$27,634	\$28,463	\$29,316	\$30,196	\$31,102	\$32,035	\$32,996	\$33,986	\$35,005	
Reserve for Replacements			\$69,428	\$71,511	\$73,656	\$75,866	\$78,142	\$80,486	\$82,901	\$85,388	\$87,949	\$90,588	\$93,305	\$96,104	\$98,988	\$101,957	\$105,016	
Total Expenses				\$1,520,486	\$1,564,729	\$1,610,272	\$1,657,153	\$1,705,412	\$1,755,090	\$1,806,228	\$1,858,870	\$1,913,061	\$1,968,846	\$2,026,272	\$2,085,388	\$2,146,244	\$2,208,892	\$2,273,384
Net Operating Income			\$1,222,725	\$1,233,346	\$1,243,764	\$1,253,964	\$1,263,927	\$1,273,636	\$1,283,073	\$1,292,216	\$1,301,048	\$1,309,545	\$1,317,687	\$1,325,450	\$1,332,810	\$1,339,743	\$1,346,224	
Debt Service Payments																		
First Mortgage - FHFC/IPMorgan Chase		\$778,348	\$778,348	\$778,348	\$778,348	\$778,348	\$778,348	\$778,348	\$778,348	\$778,348	\$778,348	\$778,348	\$778,348	\$778,348	\$778,348	\$778,348	\$778,348	
Second Mortgage - FHFC - SAIL		\$40,200	\$40,200	\$40,200	\$40,200	\$40,200	\$40,200	\$40,200	\$40,200	\$40,200	\$40,200	\$40,200	\$40,200	\$40,200	\$40,200	\$40,200	\$40,200	
Third Mortgage - FHFC - ELI		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Fourth Mortgage - Miami PHCD Surtax		\$37,500	\$37,500	\$37,500	\$37,500	\$37,500	\$37,500	\$37,500	\$37,500	\$37,500	\$37,500	\$37,500	\$37,500	\$37,500	\$37,500	\$37,500	\$37,500	
Fifth Mortgage - Miami PHCD HOME		\$10,175	\$10,175	\$10,175	\$10,175	\$10,175	\$10,175	\$10,175	\$10,175	\$10,175	\$10,175	\$10,175	\$10,175	\$10,175	\$10,175	\$10,175	\$10,175	
All Other Mortgages - Lewis Swezy		\$120,600	\$120,600	\$120,600	\$120,600	\$120,600	\$120,600	\$120,600	\$120,600	\$120,600	\$120,600	\$120,600	\$120,600	\$120,600	\$120,600	\$120,600	\$120,600	
First Mortgage Fees - FHFC/IPMorgan Chase		\$42,008	\$41,774	\$41,527	\$41,265	\$40,987	\$40,692	\$40,380	\$40,049	\$39,699	\$39,328	\$38,935	\$38,519	\$38,079	\$37,613	\$37,121	\$36,603	
Second Mortgage Fees - FHFC - SAIL		\$11,073	\$11,073	\$11,073	\$11,073	\$11,073	\$11,073	\$11,073	\$11,073	\$11,073	\$11,073	\$11,073	\$11,073	\$11,073	\$11,073	\$11,073	\$11,073	
Third Mortgage Fees - FHFC - ELI		\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	
Fourth Mortgage Fees - Miami PHCD Surtax		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Fifth Mortgage Fees - Miami PHCD HOME		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
All Other Mortgage Fees - Lewis Swezy		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Debt Service Payments			\$1,043,759	\$1,043,526	\$1,043,278	\$1,043,016	\$1,042,738	\$1,042,443	\$1,042,131	\$1,041,800	\$1,041,450	\$1,041,079	\$1,040,686	\$1,040,270	\$1,039,830	\$1,039,365	\$1,038,872	
Cash Flow after Debt Service			\$178,966	\$189,820	\$200,486	\$210,948	\$221,189	\$231,193	\$240,941	\$250,416	\$259,598	\$268,466	\$277,001	\$285,179	\$292,980	\$300,379	\$307,352	
Debt Service Coverage Ratios																		
DSC - First Mortgage plus Fees		1.49	1.50	1.52	1.53	1.54	1.56	1.57	1.58	1.59	1.60	1.61	1.62	1.63	1.64	1.65	1.65	
DSC - Second Mortgage plus Fees		1.40	1.42	1.43	1.44	1.45	1.46	1.47	1.49	1.50	1.51	1.52	1.53	1.54	1.54	1.55	1.55	
DSC - Third Mortgage plus Fees		1.40	1.41	1.42	1.43	1.45	1.46	1.47	1.48	1.49	1.50	1.51	1.52	1.53	1.54	1.55	1.55	
DSC - Fourth Mortgage plus Fee		1.34	1.35	1.36	1.37	1.39	1.40	1.41	1.42	1.43	1.44	1.45	1.46	1.47	1.47	1.48	1.48	
DSC - Fifth Mortgage plus Fees		1.32	1.34	1.35	1.36	1.37	1.38	1.39	1.40	1.41	1.42	1.43	1.44	1.45	1.46	1.47	1.47	
DSC - All Mortgages and Fees		1.17	1.18	1.19	1.20	1.21	1.22	1.23	1.24	1.25	1.26	1.27	1.27	1.28	1.29	1.30	1.30	
Financial Ratios																		
Operating Expense Ratio		55.43%	55.92%	56.42%	56.92%	57.43%	57.95%	58.47%	58.99%	59.52%	60.06%	60.60%	61.14%	61.69%	62.25%	62.81%	62.81%	
Break-even Economic Occupancy Ratio (all debt)		89.05%	88.81%	88.58%	88.37%	88.17%	88.00%	87.84%	87.70%	87.58%	87.47%	87.38%	87.31%	87.25%	87.21%	87.18%	87.18%	

Based on the letter of intent, dated December 13, 2022, from First Horizon the replacement reserves will increase each year at 3%.

HC Allocation Calculation

Section I: Qualified Basis Calculation

Total Development Costs(including land and ineligible Costs)	\$50,385,369
Less Land Costs	\$4,500,000
Less Federal Grants and Loans	\$0
Less Other Ineligible Costs	\$2,884,878
Total Eligible Basis	\$43,000,491
Applicable Fraction	100%
DDA/QCT Basis Credit	130%
Qualified Basis	\$55,900,638
Housing Credit Percentage	4.00%
Annual Housing Credit Allocation	\$2,236,026

Notes to the Qualified Basis Calculation:

1. Other ineligible costs includes washer/dryer rentals, site work, accounting fees, FHFC Fees, market study, marketing and advertising, title and recording fees, closing costs, and reserves.
2. The Development has a 100% set-aside: therefore, the Applicable Fraction is 100%.
3. For purposes of this analysis, the Development was located in a Qualified Census Tract (“QCT”) at the time of the application; therefore the 130% basis credit was applied. The application was submitted on November 18, 2020. Based on a Notice issued by the Housing and Urban Development Department on July 2, 2021, as long as the MMRN is issued no later than May 17, 2023 (910 days after the application submittal) then the basis boost will still be applicable.
4. For purposes of this recommendation, a HC percentage of 4% was applied based on the 4% floor rate, which was established through the consolidated Appropriations Act of 2021.

Section II: GAP Calculation

Total Development Costs(including land and ineligible Costs)	\$50,385,369
Less Mortgages	\$24,347,500
Less Grants	\$0
Equity Gap	\$26,037,869
HC Syndication Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.97
HC Required to meet Equity Gap	\$26,845,849
Annual HC Required	\$2,684,585

Notes to the Gap Calculation:

1. The pricing and syndication percentage was taken from the letter of intent, dated December 13, 2022, from First Horizon.

Section III: Summary

HC Per Syndication Agreement	\$2,121,121
HC Per Qualified Basis	\$2,236,026
HC Per GAP Calculation	\$2,684,585
Annual HC Recommended	\$2,236,026
Syndication Proceeds based upon Syndication Agreement	\$20,572,816

1. The estimated annual 4% Housing Credit allocation is limited to the lesser of the qualified basis calculation or the gap calculation. The recommendation is based on the qualified basis.

MMRN, SAIL, ELI, & HC CREDIT UNDERWRITING REPORT

50% Test

Tax-Exempt Note Amount	\$25,000,000
Less: Debt Service Reserve Funded with Tax-Exempt Note Proceeds	\$0
Other:	\$0
Other:	\$0
Equals Net Tax-Exempt Note Amount	\$25,000,000
Total Depreciable Cost	\$43,000,491
Plus Land Cost	\$4,500,000
Aggregate Basis	\$47,500,491
Net Tax-Exempt Note to Aggregate Basis Ratio	52.63%

1. Based on the budget, the Development appears to meet the 50% test for 4% Housing Credits.

EXHIBIT 3

(Princeton Crossings / RFA 2020-205 (2021-244BS) / 2020-530C)

DESCRIPTION OF FEATURES AND AMENITIES

A. The Development will consist of:

150 Units located in 1 High-rise residential building

Unit Mix:

Forty-five (45) one bedroom/one bath units;

Eighty-four (84) two bedroom/two bath units;

Twenty-one (21) three bedroom/two bath units;

150 Total Units

B. All units are expected to meet all requirements as outlined below. The quality of the construction features committed to by the Applicant is subject to approval of the Board of Directors.

The Development must meet all federal requirements and state building code requirements, including the following, incorporating the most recent amendments, regulations, and rules: The Federal Fair Housing Act as implemented by 24 CFR 100, Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, F.S., Section 504 of the Rehabilitation Act of 1973, and Titles II and III of the Americans with Disabilities Act (“ADA”) of 1990 as implemented by 28 CFR 35.

All Developments must meet accessibility standards of Section 504. Section 504 accessibility standards require a minimum of 5 percent of the total dwelling units, but not fewer than one unit, to be accessible for individuals with mobility impairments. An additional 2 percent of the total units, but not fewer than one unit, must be accessible for persons with hearing or vision impairments.

C. All Developments must provide the following General Features:

1. Broadband infrastructure which includes cables, fiber optics, wiring, or other infrastructure, as long as the installation results in accessibility in each unit;

2. Termite prevention;
 3. Pest control;
 4. Window covering for each window and glass door inside each unit;
 5. Cable or satellite TV hook-up in each unit and, if the Development offers cable or satellite TV service to the residents, the price cannot exceed the market rate for service of similar quality available to the Development's residents from a primary provider of cable or satellite TV;
 6. Washer and dryer hook ups in each of the Development's units or an on-site laundry facility for resident use. If the proposed Development will have an on-site laundry facility, the following requirements must be met:
 - There must be a minimum of one (1) Energy Star certified washer and one (1) Energy Star certified or commercial grade dryer per every 15 units. To determine the required number of washers and dryers for the on-site laundry facility; divide the total number of the Developments' units by 15, and then round the equation's total up to the nearest whole number;
 - At least one washing machine and one dryer shall be front loading that meets the accessibility standards of Section 504;
 - If the proposed Development consists of Scattered Sites, the laundry facility shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both.
 7. At least two full bathrooms in all 3 bedroom or larger new construction units;
 8. Bathtub with shower in at least one bathroom in at least 90% of the new construction non-Elderly units;
 9. All Family Demographic Developments must provide a full-size range and oven in all units.
- D.** Required Accessibility Features, regardless of the age of the Development:

Federal and state law and building code regulations requires that programs, activities, and facilities be readily accessible to and usable by persons with disabilities. Florida Housing requires that the design, construction, or alteration of its financed Developments be in

compliance with federal and state accessibility requirements. When more than one law and accessibility standard applies, the Applicant shall comply with the standard (2010 ADA Standards, Section 504, Fair Housing Act, or Florida Building Code, Accessibility) which affords the greater level of accessibility for the residents and visitors. Areas required to be made accessible to mobility-impaired residents and their visitors, including those in wheelchairs, shall include, but not be limited to, accessible routes and entrances, paths of travel, primary function areas, parking, trash bins, mail and package receiving areas for residents, pool and other amenities, including paths of travel to amenities and laundry rooms, including washers and dryers.

E. The Development must provide the following Accessibility Features in all units:

1. Primary entrance doors on an accessible route shall have a threshold with no more than a ½-inch rise;
2. All door handles on primary entrance door and interior doors must have lever handles;
3. Lever handles on all bathroom faucets and kitchen sink faucets;
4. Mid-point on light switches and thermostats shall not be more than 48 inches above finished floor level; and
5. Cabinet drawer handles and cabinet door handles in bathroom and kitchen shall be lever or D-pull type that operate easily using a single closed fist.

F. All Family Demographic Developments must provide reinforced walls for future installation of horizontal grab bars in place around each tub/shower and toilet, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed the 2010 ADA Standards for Accessible Design.

At the request of and at no charge to a resident household, the Development shall purchase and install grab bars around each tub/shower unit and toilet in the dwelling unit. The product specifications and installation must meet or exceed 2010 ADA Standards for Accessible Design. The Development shall inform a prospective resident that the Development, upon a resident household's request and at no charge to the household, will install grab bars around a dwelling unit's tub/shower unit and toilet, pursuant to the 2010 ADA Standards. At a minimum, the Development shall inform each prospective lessee by including language in the Development's written materials listing and describing the unit's features, as well as including the language in each household's lease.

G. Green Building Features required in all Developments:

All new construction units and, as applicable, all common areas must have the features listed below:

- a. Low or No-VOC paint for all interior walls (Low-VOC means 50 grams per liter or less for flat; 150 grams per liter or less for non-flat paint);
- b. Low-flow water fixtures in bathrooms – WaterSense labeled products or the following specifications:
 - i. Toilets: 1.28 gallons/flush or less
 - ii. Urinals: 0.5 gallons/flush,
 - iii. Lavatory Faucets: 1.5 gallons/minute or less at 60 psi flow rate,
 - iv. Showerheads: 2.0 gallons/minute or less at 80 psi flow rate;
- c. Energy Star certified refrigerator;
- d. Energy Star certified dishwasher;
- e. Energy Star certified ventilation fan in all bathrooms;
- f. Water heater minimum efficiency specifications:
 - Residential Electric:
 - i. Up to 55 gallons = .95 EF or .92 UEF; or
 - ii. More than 55 gallons = Energy Star certified; or
 - iii. Tankless = 0.97 EF and Max GPM of ≥ 2.5 over a 77° rise or 0.87 UEF and GPM of ≥ 2.9 over a 67° rise;
 - Residential Gas (storage or tankless/instantaneous): Energy Star certified
 - Commercial Gas Water Heater: Energy Star certified;
- g. Energy Star certified ceiling fans with lighting fixtures in bedrooms;
- h. Air Conditioning (in-unit or commercial):
 - i. Air-Source Heat Pumps – Energy Star certified:
 - a. ≥ 8.5 HSPF/ ≥ 15 SEER/ ≥ 12.5 EER for split systems
 - b. ≥ 8.2 HSPF/ ≥ 15 SEER/ ≥ 12 EER for single package equipment including gas/electric package units
 - ii. Central Air Conditioners – Energy Star certified:
 - a. ≥ 15 SEER/ ≥ 12.5 EER* for split systems

b. ≥ 15 SEER/ ≥ 12 EER* for single package equipment including gas/electric package units.

NOTE: Window air conditioners and portable air conditioners are not allowed. Package Terminal Air Conditioners (PTACs) / Package Terminal Heat Pumps (PTHPs) are allowed in studio and 1 bedroom units;

In addition to the required Green Building Features outlined above, proposed Developments with a Development Category of New Construction or Redevelopment, with or without acquisition, must commit to achieve one of the following Green Building Certification programs:

- Leadership in Energy and Environmental Design (LEED); or
- Florida Green Building Coalition (FGBC); or
- ICC 700 National Green Building Standard (NGBS); or
- Enterprise Building Communities.

H. The Applicant must provide the following Resident Programs:

The quality of the Resident Programs committed to by the Applicant is subject to approval of the Board of Directors. The availability of the Resident Programs must be publicized on an ongoing basis such as through community newsletters, bulletin board posts, or flyers.

1. Employment Assistance Program

The Applicant or its Management Company must provide, at no cost to the resident, a minimum of quarterly scheduled Employment Assistance Program workshops/meetings offering employment counseling by a knowledgeable employment counselor. Such a program includes employability skills workshops providing instruction in the basic skills necessary for getting, keeping, and doing well in a job. The instruction must be held between the hours of 8:00 a.m. and 7:00 p.m. and include, but not be limited to, the following:

- Evaluation of current job skills;
- Assistance in setting job goals;
- Assistance in development of and regular review/update of an individualized plan for each participating resident;

- Resume assistance;
- Interview preparation; and
- Placement and follow-up services.

If the training is not provided on-site, transportation at no cost to the resident must be provided. Electronic media, if used, must be used in conjunction with live instruction.

2. Financial Management Program

The Applicant or its Management Company shall provide a series of classes to provide residents training in various aspects of personal financial management. Classes must be held at least quarterly, consisting of at least two hours of training per quarter, and must be conducted by parties that are qualified to provide training regarding the respective topic area. If the Development consists of Scattered Sites, the Resident Program must be held on the Scattered Site with the most units. Residents residing at the other sites of a Scattered Site Development must be offered transportation, at no cost to them, to the classes. The topic areas must include, but not be limited to:

- Financial budgeting and bill-paying including training in the use of technologies and web-based applications;
- Tax preparation including do's and don'ts, common tips, and how and where to file, including electronically;
- Fraud prevention including how to prevent credit card and banking fraud, identity theft, computer hacking and avoiding common consumer scams;
- Retirement planning & savings options including preparing a will and estate planning; and
- Homebuyer education including how to prepare to buy a home, and how to access to first-time homebuyer programs in the county in which the development is located.

Different topic areas must be selected for each session, and no topic area may be repeated consecutively.

3. Adult Literacy

The Applicant or its Management Company must make available, at no cost to the resident, literacy tutor(s) who will provide weekly literacy lessons to residents in private space on-site. Various literacy programming can be offered that strengthens

participants' reading, writing skills, and comprehension, but at a minimum, these must include English proficiency and basic reading education.

Training must be held between the hours of 8:00 a.m. and 7:00 p.m. and electronic media, if used, must be used in conjunction with live instruction. If the Development consists of Scattered Sites, this resident program must be provided on the Scattered Site with the most units.

MMRN, SAIL, ELI, & HC CREDIT UNDERWRITING REPORT

DEVELOPMENT

NAME: Princeton Crossings

DATE: March 1, 2023

In accordance with the applicable Program Rule(s), the applicant is required to submit the information required to evaluate, complete, and determine its sufficiency in satisfying the requirements for Credit Underwriting to the Credit Underwriter in accordance with the schedule established by the Florida Housing Finance Corporation ("FHFC"). The following items must be satisfactorily addressed. "Satisfactorily" means that the Credit Underwriter has received assurances from third parties unrelated to the applicant that the transaction can close within the allowed time frame. Unsatisfactory items, if any, are noted below in the "Issues and Concerns" section of the Executive Summary.

FINAL REVIEW	STATUS	NOTE
REQUIRED ITEMS:	Satis. / Unsatis.	
1. The development's final "as submitted for permitting" plans and specifications. Note: Final "signed, sealed, and approved for construction" plans and specifications will be required thirty days before closing.	Satis.	
2. Final site plan and/or status of site plan approval.	Satis.	
3. Permit Status.	Satis.	1.
4. Pre-construction analysis ("PCA"). a. No construction costs exceeding 20% is subcontracted to any one entity with the exception of a subcontractor contracted to deliver the building shell of a building of at least 5 stories which may not have more than 31% of the construction cost in a subcontract. b. No construction costs is subcontracted to any entity that has common ownership or is an affiliate of the general contractor of the developer.	UnSatis. Satis. Satis.	2.
5. Survey.	Satis.	
6. Complete, thorough soil test reports.	Satis	
7. Full or self-contained appraisal as defined by the Uniform Standards of Professional Appraisal Practice.	Satis.	
8. Market Study separate from the Appraisal.	Satis.	
9. Environmental Site Assessment – Phase I and/or the Phase II if applicable (If Phase I and/or II disclosed environmental problems requiring remediation, a plan, including time frame and cost, for the remediation is required). If the report is not dated within one year of the application date, an update from the assessor must be provided indicating the current environmental status.	UnSatis.	3.
10. Audited financial statements for the most recent fiscal year ended or acceptable alternative as stated in Rule for credit enhancers, applicant, general partner, principals, guarantors and general contractor.	Satis.	
11. Resumes and experience of applicant, general contractor and management agent. Confirmed active status on Sunbiz for Applicant, Developer, and GC entities.	Satis.	
12. Credit authorizations; verifications of deposits and mortgage loans.	Satis.	
13. Management Agreement and Management Plan.	Satis.	
14. Firm commitment from the credit enhancer or private placement purchaser, if any.	Satis.	4.
15. Firm commitment letter from the syndicator, if any.	Satis.	5.

MMRN, SAIL, ELI, & HC CREDIT UNDERWRITING REPORT

16. Firm commitment letter(s) for any other financing sources.	Satis.	
17. Updated sources and uses of funds.	Satis.	
18. Draft construction draw schedule showing sources of funds during each month of the construction and lease-up period.	Unsatis.	6.
19. Fifteen-year income, expense, and occupancy projection.	Satis.	
20. Executed general construction contract with "not to exceed" costs.	Satis.	
21. HC ONLY: 15% of the total equity to be provided prior to or simultaneously with the closing of the construction financing.	Satis.	
22. Any additional items required by the credit underwriter.	Satis.	
23. Receipt of executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128.	UnSatis.	2.
24. If the owner has a HAP Contract or ACC with HUD, then receipt of HUD approval for an owner-adopted preference or limited preference specifically for individuals or families who are referred by a designated Referral Agency serving the county where the Development is located.	N/A	
25. Receipt of Tenant Eligibility and Selection Plan	Satis.	
26. Receipt of GC Certification	Satis.	
27. Reliance for FHDC as agent for FHFC is include in all applicable third party reports: Appraisal, Market Study, PCA, CNA, and Phase I.	Satis.	

NOTES:

1. At this time building permits are not available but will be required prior to closing.
2. A final PCA and form 128 are a condition to closing.
3. The Phase I is not dated within one year of the credit underwriting report. An updated Phase I is a condition to closing.
4. Firm loan commitment from JPMorgan Chase (construction and permanent financing) which indicate first mortgage loan terms that are consistent with this report is a condition to closing.
5. A copy of an Amended and Restated Operating Agreement reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report is a condition to closing.
6. At this time a draft construction draw schedule has not been received. Receipt of a final construction draw schedule is a condition to closing.

FLORIDA HOUSING FINANCE CORPORATION
AUTHORIZATION RESOLUTION
PRINCETON CROSSINGS

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE ISSUANCE, EXECUTION, AND DELIVERY OF MULTIFAMILY MORTGAGE REVENUE NOTE, 2023 SERIES __ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (PRINCETON CROSSINGS) OF THE FLORIDA HOUSING FINANCE CORPORATION; PROVIDING FOR A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF MULTIFAMILY MORTGAGE REVENUE NOTE, 2023 SERIES __ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (PRINCETON CROSSINGS); APPROVING THE PREPARATION, EXECUTION, AND DELIVERY OF ONE OR MORE FUNDING LOAN AGREEMENTS OR TRUST INDENTURES BETWEEN THE FLORIDA HOUSING FINANCE CORPORATION AND A CORPORATE FISCAL AGENT OR TRUSTEE NAMED THEREIN, AND ONE OR MORE LOAN AGREEMENTS OR FINANCING AGREEMENTS BETWEEN THE FLORIDA HOUSING FINANCE CORPORATION AND THE BORROWER NAMED THEREIN; AUTHORIZING ONE OR MORE LOANS MADE PURSUANT TO ONE OR MORE LOAN AGREEMENTS OR FINANCING AGREEMENTS TO THE BORROWER NAMED THEREIN; AUTHORIZING THE PREPARATION, EXECUTION, AND DELIVERY OF ALL DOCUMENTS NECESSARY FOR THE ISSUANCE, SALE, EXECUTION, AND DELIVERY OF MULTIFAMILY MORTGAGE REVENUE NOTE, 2023 SERIES __ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (PRINCETON CROSSINGS); AUTHORIZING ALL ACTIONS NECESSARY FOR FINAL APPROVAL OF THE ISSUANCE, EXECUTION, AND DELIVERY OF MULTIFAMILY MORTGAGE REVENUE NOTE, 2023 SERIES __ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (PRINCETON CROSSINGS), THE FINANCING OF PRINCETON CROSSINGS, AND MAKING OTHER PROVISIONS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Florida Housing Finance Corporation ("Florida Housing") is a public corporation within the Department of Economic Opportunity of the State of Florida (the "State") and a public body corporate and politic, duly organized under the Florida Housing Finance Corporation Act, Sections 420.501 *et seq.*, Florida Statutes, as amended (the "Act"), and is

authorized by the Act to issue its bonds, debentures, notes, or other evidence of financial indebtedness from time to time to fulfill its public purposes, which include the financing and refinancing of multifamily residential housing developments for rental to persons and families of low, moderate, or middle income; and

WHEREAS, pursuant to the Act, Florida Housing has now determined to authorize the issuance, execution, and delivery of its Multifamily Mortgage Revenue Note, 2023 Series __ [one or more series or subseries to be designated] (Princeton Crossings) (the "Note"), as a tax-exempt or taxable note, for the purpose of making one or more loans to Princeton Crossings LLC, together with its predecessors, successors, assigns, affiliates, and/or related entities (the "Borrower"), to finance the acquisition, construction, and equipping of an approximately 150-unit multifamily residential rental development for persons of low, moderate, and middle income named Princeton Crossings located in Miami-Dade County, Florida (the "Property"); provided that the maximum aggregate principal amount of the Note shall not exceed (a) \$25,000,000, or (b) such greater maximum aggregate principal amount of the Note which, at the time of issuance, execution, and delivery, does not exceed a maximum aggregate principal amount which would result in a debt service coverage ratio for the Note, as reflected in the Credit Underwriter Confirmation (as defined below) for the Property, of less than 1.00 (subject to receipt of private activity bond allocation being made available for the tax-exempt Note and compliance with Section 147(f) of the Internal Revenue Code of 1986, as amended); and

WHEREAS, as required by the Act, the Board of Directors of Florida Housing (the "Board") has made the following determinations with respect to the financing of the Property:

(1) that a significant number of low, moderate, or middle income persons in the State are subject to hardship finding or obtaining reasonably accessible decent, safe, and sanitary residential housing; and

(2) that private enterprise, unaided, is not meeting and cannot reasonably be expected to meet, the need for such residential housing; and

(3) that the need for such residential housing will be alleviated by the financing of the Property; and

WHEREAS, Florida Housing is desirous of taking all action necessary to give final approval for the financing of the Property as described in the Credit Underwriting Report (as defined herein) and to issue, execute, and deliver the Note in compliance with the Act and other applicable provisions of State law;

NOW THEREFORE, it is hereby ascertained, determined, and resolved:

1. The Property is hereby given final approval for financing on the terms and conditions as described in the Credit Underwriting Report for the Property, presented to and approved by the Board on this date (the "Credit Underwriting Report"), with such deviations as an Authorized Signatory (as defined herein), in consultation with staff of Florida Housing, Bond Counsel, and/or Special Counsel may approve. Execution of one or more funding loan agreements or trust indentures and one or more loan agreements or financing agreements, each as described below, by an Authorized Signatory (as defined below) shall be conclusive evidence of such approval.

2. Florida Housing hereby authorizes the issuance, execution, and delivery of the Note as a tax-exempt or taxable "Bond" (as such term is defined in and within the meaning of the

Act), in such series or subseries as Florida Housing shall designate, in a maximum aggregate principal amount of not to exceed (a) \$25,000,000, or (b) such greater maximum aggregate principal amount of the Note which, at the time of issuance, execution, and delivery, does not exceed a maximum aggregate principal amount which would result in a debt service coverage ratio for the Note, as reflected in the Credit Underwriter Confirmation for the Property, of less than 1.00, subject to receipt of private activity bond allocation being made available for the tax-exempt Note and compliance with Section 147(f) of the Internal Revenue Code of 1986, as amended. Subject to the immediately preceding sentence, the maximum aggregate principal amount of the Note shall be determined by an Authorized Signatory after receipt of the Credit Underwriter Confirmation for the Property. The "Credit Underwriter Confirmation" is the written confirmation, delivered prior to the issuance, execution, and delivery of the Note, from the Florida Housing Credit Underwriter with respect to the Property that, taking into account any increase in the maximum aggregate principal amount of the Note, the conditions set forth in and the requirements of the Credit Underwriting Report have been satisfied. Conclusive evidence of the determination and approval of any such increase in maximum aggregate principal amount of the Note shall be evidenced by a certificate of an Authorized Signatory.

3. One or more funding loan agreements or trust indentures between Florida Housing and a corporate fiscal agent or trustee named therein (the "Trustee"), setting out the terms and conditions of the Note is hereby authorized to be prepared and delivered, in such forms as may be approved by any member of the Board, the Executive Director, the Chief Financial Officer, the Comptroller, or any other person designated by separate resolution of the Board (or any person or persons acting in such capacities) (collectively, or each individually, an

"Authorized Signatory") (which form shall set forth as to the Note such maturities, interest rates, and purchase price as shall be determined in accordance with the Act, including Section 420.509, Florida Statutes), and the execution of such funding loan agreements or trust indentures by an Authorized Signatory, and the attestation thereof by the Secretary or any Assistant Secretary of Florida Housing, is hereby authorized, and the execution thereof by such persons shall be conclusive evidence of such approval.

4. One or more loan agreements or financing agreements between Florida Housing and the Borrower, setting out the terms of one or more loans of the proceeds of the Note by Florida Housing to the Borrower (collectively, the "Loans"), and the payment and other obligations of the Borrower in respect of the Loans, including one or more promissory notes made by the Borrower to Florida Housing evidencing the Loans (collectively, the "Notes"), is hereby authorized to be prepared and delivered, in such forms as may be approved by an Authorized Signatory, and the execution of such loan agreements or financing agreements by an Authorized Signatory, and the attestation thereof by the Secretary or any Assistant Secretary of Florida Housing, is hereby authorized, and the execution thereof by such persons shall be conclusive evidence of such approval.

5. If necessary, a private placement memorandum, memorandum of terms and conditions, or transaction summary is hereby authorized to be prepared and distributed in connection with the Note in such form as shall be approved by an Authorized Signatory, and the execution of a final private placement memorandum, final memorandum of terms and conditions, or transaction summary, if necessary, by an Authorized Signatory shall be conclusive evidence of such approval.

6. The Note shall be sold in accordance with the requirements of the Act, including Section 420.509(12), Florida Statutes. In the event that, pursuant to the Act, the Note shall be sold by negotiated sale and private placement, an Authorized Signatory is authorized to acknowledge and execute a note purchase agreement, note placement agreement, and funding loan agreements or trust indentures, as applicable, upon approval of the terms thereof by the staff of Florida Housing, Bond Counsel, and/or Special Counsel, and the execution of such note purchase agreement, note placement agreement, and funding loan agreements or trust indentures, as applicable, by an Authorized Signatory shall be conclusive proof of such approval.

7. An Authorized Signatory is authorized to cause to be prepared and to issue, execute, and deliver any additional documents necessary for the execution and delivery of the Note, the making of the Loans, and the security therefor, by the staff of Florida Housing, Bond Counsel, and/or Special Counsel. All other actions by Florida Housing necessary for the final approval of the Property for financing, the issuance, execution, and delivery of the Note, and the making of the Loans, and the security therefor (including, but not limited to, the changing of the title of the Note and the series designation of the Note, if desirable), are hereby authorized.

8. The principal of, premium, if any, and all interest on the Note shall be payable solely out of revenues and other amounts pledged therefor as described in one or more funding loan agreements or trust indentures. The Note does not constitute an obligation, either general or special, of the State or any of its units of local government and shall not be a debt of the State or of any unit of local government thereof, and neither the State nor any unit of local government thereof shall be liable thereon. Florida Housing does not have the power to pledge the credit, the

revenues, or the taxing power of the State or of any unit of local government thereof; and neither the credit, the revenues, nor the taxing power of the State or of any unit of local government thereof shall be, or shall be deemed to be, pledged to the payment of the Note.

9. The Note may be executed either manually or by facsimile signature by any Authorized Signatory or other officer of Florida Housing. In case any Authorized Signatory or officer whose signature or a facsimile of whose signature appears on the Note ceases to be an Authorized Signatory or officer before delivery of the Note, the signature or facsimile signature is nevertheless valid and sufficient for all purposes as fully and to the same extent as if he or she had remained in office until the delivery.

10. The maximum aggregate principal amount of the Note authorized to be issued, executed, and delivered hereunder may not exceed the amount permitted in accordance with the applicable Rules of Florida Housing, and reflected in the Credit Underwriter Confirmation, and for which fiscal sufficiency has been determined in accordance with the Act, including Section 420.509(2), Florida Statutes.

11. All resolutions or parts of resolutions in conflict with this Resolution shall be and the same are hereby superseded and repealed to the extent of such conflict.

12. This Resolution shall take effect immediately upon adoption.

[Remainder of page intentionally left blank]

ADOPTED THIS 10th DAY OF MARCH, 2023.

(SEAL)

ATTEST:

FLORIDA HOUSING FINANCE CORPORATION, a public corporation and a public body corporate and politic duly created and existing under the laws of the State of Florida.

Hugh R. Brown, Assistant Secretary, Florida Housing Finance Corporation's Board of Directors

Mario Facella, Chair, Florida Housing Finance Corporation's Board of Directors

STATE OF FLORIDA

COUNTY OF LEON

I hereby certify that the above and foregoing is a true and correct copy of a Resolution adopted at a duly noticed public meeting of the Florida Housing Finance Corporation, legally called and held on the 10th day of March, 2023, at which a quorum was present, all as will appear by reference to the original Resolution incorporated in the official records of the Florida Housing Finance Corporation.

By: _____
Name: Hugh R. Brown
Title: General Counsel

STATE OF FLORIDA

COUNTY OF LEON

The foregoing instrument was acknowledged before me, by means of physical presence or online notarization, this 10th day of March, 2023, by Hugh R. Brown, General Counsel of the Florida Housing Finance Corporation, a public corporation and a public body corporate and politic duly created and existing under the laws of the State of Florida, on behalf of the Corporation. He is personally known to me.

Notary Public

NOTARY SEAL

Name typed, printed, or stamped

FLORIDA HOUSING FINANCE CORPORATION
SALE RESOLUTION
PRINCETON CROSSINGS

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AND APPROVING THE NEGOTIATED SALE AND PRIVATE PLACEMENT OF THE MULTIFAMILY MORTGAGE REVENUE NOTE, 2023 SERIES __ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (PRINCETON CROSSINGS) OF THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE ISSUANCE, EXECUTION, AND DELIVERY OF THE MULTIFAMILY MORTGAGE REVENUE NOTE, 2023 SERIES __ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (PRINCETON CROSSINGS) BY THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE NEGOTIATION AND EXECUTION OF ONE OR MORE PURCHASE AGREEMENTS, PLACEMENT AGREEMENTS, AND/OR FUNDING LOAN AGREEMENTS OR TRUST INDENTURES, AND SUCH OTHER DOCUMENTS AS ARE NECESSARY FOR THE NEGOTIATED SALE AND PRIVATE PLACEMENT OF THE MULTIFAMILY MORTGAGE REVENUE NOTE, 2023 SERIES __ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (PRINCETON CROSSINGS) OF THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE EXECUTIVE DIRECTOR, CHIEF FINANCIAL OFFICER, COMPTROLLER, OR ANY MEMBER OF THE BOARD OF DIRECTORS OF THE FLORIDA HOUSING FINANCE CORPORATION OR OTHER AUTHORIZED SIGNATORY TO TAKE ANY OTHER ACTIONS NECESSARY TO NEGOTIATE THE SALE OR PRIVATE PLACEMENT OF THE MULTIFAMILY MORTGAGE REVENUE NOTE, 2023 SERIES __ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (PRINCETON CROSSINGS) OF THE FLORIDA HOUSING FINANCE CORPORATION THROUGH A NEGOTIATED SALE AND PRIVATE PLACEMENT AND MAKING OTHER PROVISIONS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Florida Housing Finance Corporation ("Florida Housing") is a public corporation, created within the Department of Economic Opportunity of the State of Florida and a public body corporate and politic, duly organized under the Florida Housing Finance Corporation Act, Sections 420.501 *et seq.*, Florida Statutes, as amended (the "Act"), and is

authorized by the Act to issue its bonds, debentures, notes, or other evidence of financial indebtedness from time to time to fulfill its public purposes, which include the financing and refinancing of multifamily residential housing developments for rental to persons or families of low, moderate, or middle income; and

WHEREAS, Florida Housing adopted a resolution authorizing the issuance, execution, and delivery of its Multifamily Mortgage Revenue Note, 2023 Series __ [one or more series or subseries to be designated] (Princeton Crossings) (the "Note"), as a tax-exempt or taxable note, for the purpose of making one or more loans to Princeton Crossings LLC, together with its predecessors, successors, assigns, affiliates, and/or related entities (the "Borrower"), to finance the acquisition, construction, and equipping of an approximately 150-unit multifamily residential rental development for persons of low, moderate, and middle income to be named Princeton Crossings located in Miami-Dade County, Florida (the "Property"); provided that the maximum aggregate principal amount of the Note shall not exceed (a) \$25,000,000, or (b) such greater maximum aggregate principal amount of the Note which, at the time of execution and delivery, does not exceed a maximum aggregate principal amount which would result in a debt service coverage ratio for the Note, as reflected in the Credit Underwriter Confirmation (as defined below) for the Property, of less than 1.00 (subject to receipt of private activity bond allocation being made available for the tax-exempt Note and compliance with Section 147(f) of the Internal Revenue Code of 1986, as amended); and

WHEREAS, the Act authorizes Florida Housing to negotiate with one or more purchasers designated by Florida Housing for a negotiated sale and private placement of the

Note with one or more purchasers, if Florida Housing by official action at a public meeting determines that such negotiated sale and private placement of the Note is in the best interest of Florida Housing; and

WHEREAS, Florida Housing has reviewed the market conditions and trends affecting the execution, delivery, and negotiated sale and private placement of the Note; and

WHEREAS, Florida Housing has received a recommendation and reviewed and looked at the relative advantage of a negotiated sale and private placement of the Note in light of the current and anticipated market conditions; and

WHEREAS, the Board of Directors of Florida Housing (the "Board") has considered the best interests of Florida Housing and the public; and

WHEREAS, the nature and structure of the Note and the current and anticipated market conditions render the Note a candidate for a negotiated sale and private placement; and

WHEREAS, based on the foregoing, the Board hereby finds that a negotiated sale and private placement of the Note is in the best interest of the public and Florida Housing's based on the current market conditions and based upon the structure of the Note. Existing and projected market conditions and any lack of flexibility in the public sale of the Note could be prejudicial to Florida Housing and to the public. Additionally, the structure of the Note and the current demand for these types of obligations support a negotiated sale and private placement.

NOW, THEREFORE, BE IT RESOLVED BY FLORIDA HOUSING:

1. A negotiated sale and private placement of the Note is in the best interest of Florida Housing and the public for the reasons herein described.

2. The negotiated sale and private placement of the Note is to be negotiated by Florida Housing with or through RBC Capital Markets, LLC (the "Placement Agent") and JPMorgan Chase Bank, N.A., or an affiliate thereof, as the purchaser of the Note (the "Purchaser").

3. The Note is to be generally described as follows:

Florida Housing Finance Corporation
Multifamily Mortgage Revenue Note,
2023 Series __ [one or more series or subseries to be designated]
(Princeton Crossings).

4. Florida Housing shall negotiate with or through the Placement Agent with the Purchaser and execute such documents as are necessary to sell and privately place the Note with the Purchaser pursuant to this Resolution. Any member of the Board, the Executive Director, the Chief Financial Officer, the Comptroller, or any other person designated by separate resolution of the Board (or any person or persons acting in such capacities) (collectively, or each individually, an "Authorized Signatory") is authorized to negotiate the terms of the negotiated sale and private placement of the Note and to execute one or more purchase agreements, placement agreements, and/or funding loan agreements or trust indentures, as applicable, upon approval of the terms thereof, and the execution thereof by an Authorized Signatory shall be conclusive evidence of such approval.

5. The authority to execute one or more purchase agreements, placement agreements, or funding loan agreements or trust indentures, as applicable, is predicated upon the purchase agreements, placement agreements, or funding loan agreements or trust

indentures, as applicable, providing for an interest rate or rates on the Note that would not exceed the lesser of 10% or the maximum rate authorized under Florida law, and would provide for a negotiated sale and private placement of the Note in conformance with the program documents.

6. An Authorized Signatory and the attorneys for Florida Housing and other consultants, agents, or employees thereof, are hereby authorized to execute all necessary documents and to take whatever action is necessary to finalize the issuance, execution, delivery, and negotiated sale and private placement of the Note pursuant to this Resolution and to provide for the use of the proceeds of the Note contemplated by this Resolution.

7. The award of the Note pursuant to the terms of this Resolution shall be final without any further action by Florida Housing.

8. All resolutions or parts of resolutions in conflict with this Resolution are hereby superseded and repealed to the extent of such conflict.

9. This Resolution shall take effect immediately upon adoption.

[Remainder of page intentionally left blank]

ADOPTED THIS 10th DAY OF MARCH, 2023.

(SEAL)

ATTEST:

FLORIDA HOUSING FINANCE CORPORATION, a public corporation and a public body corporate and politic duly created and existing under the laws of the State of Florida

Hugh R. Brown, Assistant Secretary, Florida Housing Finance Corporation's Board of Directors

Mario Facella, Chair, Florida Housing Finance Corporation's Board of Directors

STATE OF FLORIDA

COUNTY OF LEON

I hereby certify that the above and foregoing is a true and correct copy of a Resolution adopted at a duly noticed public meeting of the Florida Housing Finance Corporation, legally called and held on the 10th day of March, 2023, at which a quorum was present, all as will appear by reference to the original Resolution incorporated in the official records of the Florida Housing Finance Corporation.

By: _____

Name: Hugh R. Brown

Title: General Counsel

STATE OF FLORIDA

COUNTY OF LEON

The foregoing instrument was acknowledged before me, by means of physical presence or online notarization, this 10th day of March, 2023, by Hugh R. Brown, General Counsel of the Florida Housing Finance Corporation, a public corporation and a public body corporate and politic duly created and existing under the laws of the State of Florida, on behalf of the Corporation. He is personally known to me.

NOTARY SEAL

Notary Public

Name typed, printed, or stamped



Caine Mitter

Caine Mitter & Associates Incorporated
*** cainemitter.com

225 West 35th Street, Suite 900
New York, NY 10001
t 212 686 8820 | f 212 686 2155

February 21, 2023

Angie Sellers, Chief Financial Officer
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329

Re: **Whispering Oaks, 2023 Multifamily Mortgage Revenue Notes Method of Sale Recommendation**

Dear Angie,

At the request of the staff of the Florida Housing Finance Corporation ("Florida Housing") and pursuant to our Contract for Independent Registered Municipal Advisor Services with Florida Housing, I have reviewed the Credit Underwriting Report dated as of February 3, 2023, relating to Whispering Oaks (the "Credit Underwriting Report"), and herein provide my recommendation for a negotiated private placement method of sale.

This recommendation is consistent with the procedures established for evaluating proposed multifamily transactions and is based upon the project information contained in the Credit Underwriting Report. The required factors considered in my evaluation of the proposed project are:

- Prevailing interest rates and financing costs for multifamily notes,
- The anticipated credit and security structure,
- The proposed financing and issue structure,
- The experience of the developer in financing affordable housing,
- Florida Housing's known programmatic objectives,
- Probable near term market conditions,
- The timing of the transaction, and
- Other information provided by Florida Housing staff and the working group for this transaction, as applicable

The Credit Underwriting Report outlines a plan of finance for affordable multifamily housing involving tax-exempt notes that are privately placed with a bank. The notes will bear interest at a variable rate during the construction phase and a fixed rate during the permanent phase.

The Credit Underwriting Report proposes a negotiated private placement to be an effective method of sale for the tax-exempt notes.

The following is a summary concerning this project and financing:

Project Name: Whispering Oaks

Construction Note Purchaser: Fifth Third Commercial Funding

Permanent Note Purchaser: Capital One, N.A. / Freddie Mac

Developer / Key Representative: Southport Development, Inc. / J. David Page

Recommended Method of Sale: Negotiated private placement

Based on the structure of the note issue and prevailing market conditions, a negotiated private placement will be an effective method of sale for the tax-exempt notes. Based on Florida Housing's experience with similar offerings, current market conditions, and other recent housing finance agency multifamily transactions, this method can be expected to achieve the borrower's objectives based on the facts presented.

Should there be any substantial changes in the market, the proposed credit structure, or development team, a further review of the above recommendation should be undertaken. It is expected, consistent with Chapter 67-21.0045 of Florida Administrative Code that a final term sheet for the project will be provided to Caine Mitter & Associates Incorporated at the appropriate time to allow for any required final recommendation if necessary. If you have any questions or require any discussion please feel free to contact me.

Sincerely,

Victor Chiang

Caine Mitter & Associates Incorporated

Victor Chiang
Vice President

cc: Tim Kennedy, Multifamily Loans & Bonds Director



225 West 35th Street, Suite 900
New York, NY 10001
t 212 686 8820 | f 212 686 2155
***.cainemitter.com Caine Mitter & Associates Incorporated

February 21, 2023

Angie Sellers, Chief Financial Officer
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329

Re: **Princeton Crossings, 2023 Multifamily Mortgage Revenue Notes Method of Sale Recommendation**

Dear Angie,

At the request of the staff of the Florida Housing Finance Corporation ("Florida Housing") and pursuant to our Contract for Independent Registered Municipal Advisor Services with Florida Housing, I have reviewed the Credit Underwriting Report dated as of February 13, 2023, relating to Princeton Crossings (the "Credit Underwriting Report"), and herein provide my recommendation for a negotiated private placement method of sale.

This recommendation is consistent with the procedures established for evaluating proposed multifamily transactions and is based upon the project information contained in the Credit Underwriting Report. The required factors considered in my evaluation of the proposed project are:

- Prevailing interest rates and financing costs for multifamily notes,
- The anticipated credit and security structure,
- The proposed financing and issue structure,
- The experience of the developer in financing affordable housing,
- Florida Housing's known programmatic objectives,
- Probable near term market conditions,
- The timing of the transaction, and
- Other information provided by Florida Housing staff and the working group for this transaction, as applicable

The Credit Underwriting Report outlines a plan of finance for affordable multifamily housing involving tax-exempt notes that are privately placed with a bank. The notes will bear interest at a variable rate during the construction phase and a fixed rate during the permanent phase.

The Credit Underwriting Report proposes a negotiated private placement to be an effective method of sale for the tax-exempt notes.

The following is a summary concerning this project and financing:

Project Name: Princeton Crossings

Construction Note Purchaser: JPMorgan Chase Bank

Permanent Note Purchaser: JPMorgan Chase Bank

Developer / Key Representative: RS Development Corp. / Lewis Swezy

Recommended Method of Sale: Negotiated private placement

Based on the structure of the note issue and prevailing market conditions, a negotiated private placement will be an effective method of sale for the tax-exempt notes. Based on Florida Housing's experience with similar offerings, current market conditions, and other recent housing finance agency multifamily transactions, this method can be expected to achieve the borrower's objectives based on the facts presented.

Should there be any substantial changes in the market, the proposed credit structure, or development team, a further review of the above recommendation should be undertaken. It is expected, consistent with Chapter 67-21.0045 of Florida Administrative Code that a final term sheet for the project will be provided to Caine Mitter & Associates Incorporated at the appropriate time to allow for any required final recommendation if necessary. If you have any questions or require any discussion please feel free to contact me.

Sincerely,

Victor Chiang

Caine Mitter & Associates Incorporated

Victor Chiang
Vice President

cc: Tim Kennedy, Multifamily Loans & Bonds Director

Schedule A

Property Name	Location	Applicant/Borrower	Developer/Principal	Funding Source	Funding Amount	Type/Number of Units	Set Asides
Castle Woods Apartments	Seminole County	Dalcor Castle Woods, Ltd.	Dalcor Companies / Dale Dodson	MMRB (2014-Series A) SAIL (1991-036S) 9% HC (91-021) 4% HC (2013-516C)	\$14,000,000 (MMRB) \$2,500,000 (SAIL) \$1,429,604 (9% HC) \$995,645 (4% HC)	Family/304	85% @ 60% AMI (MMRB) 60% @ 60% AMI (SAIL) 100% @ 60% AMI (HC)
Reef Club I	Osceola County	Dalcor Reef Club, Ltd.	Dalcor Companies / Dale Dodson	MMRB (2013-Series C) 9% HC (91-035) 4% HC (2013-504C)	\$14,000,000 (MMRB) \$1,204,236 (9% HC) \$1,758,308 (4% HC)	Family/280	85% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)
Reef Club II	Osceola County	Dalcor Reef Club, Ltd.	Dalcor Companies / Dale Dodson	MMRB (2013-Series C) 9% HC (92-016)	\$14,000,000 (MMRB) \$1,324,140 (9% HC)	Family/280	85% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)
Ridge Club I	Orange County	Dalcor Ridge Club, Ltd.	Dalcor Companies / Dale Dodson	MMRB (2014-Series B) 9% HC (92-013) 4% HC (2013-520C)	\$10,451,613 (MMRB) \$1,004,400 (9% HC) \$1,207,323 (4% HC)	Family/216	85% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)
Ridge Club II	Orange County	Dalcor Ridge Club, Ltd.	Dalcor Companies / Dale Dodson	MMRB (2014-Series B) SAIL (1994-019S) 9% HC (1995-031C) 4% HC (2013-520C)	\$7,548,387 (MMRB) \$300,000 (SAIL) \$793,851 (9% HC) \$506,297 (4% HC)	Family/156	85% @ 60% AMI (MMRB) 99% @ 60% AMI (SAIL) 100% @ 60% AMI (HC)

Notes: MMRB 2013-Series C issued in aggregate amount of \$28,000,000 were for Reef Club I and Reef Club II
MMRB 2014-Series B issued in aggregate amount of \$14,000,000 were for Ridge Club I and Ridge II

SELTZER MANAGEMENT GROUP, INC.

17633 ASHLEY DRIVE
PANAMA CITY BEACH, FL 32413
TEL: (850) 233-3616
FAX: (850) 233-1429

March 1, 2023

VIA EMAIL

Mr. Tim Kennedy
Multifamily Loans and Bonds Director
Florida Housing Finance Corporation
City Centre Building
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301

Re: The Phoenix Realty Orlando Portfolio Ownership Transfer
Transfer of Ownership/ Refinancing of First Mortgages/Assumption and Subordination of Various
Regulatory Agreements

Dear Mr. Kennedy:

On your behalf, Seltzer Management Group, Inc. ("SMG" or "Seltzer") has reviewed a request, dated February 5, 2023, from a representative of Dalcor Castle Woods, Ltd., Dalcor Reef Club Ltd., and Dalcor Ridge Club, Ltd. ("Dalcor" or "Current Owners") and request letters dated January 28, 2023 from a representative of Phoenix Realty Group LLC ("New Owners" or "Phoenix" or "Buyer") to Florida Housing Finance Corporation ("FHFC" or "Florida Housing"), requesting FHFC consent to the sale of Castle Woods, Reef Club I & II, and Ridge Club I & II ("Phoenix Portfolio") to Phoenix or its affiliates, assumption of various regulatory agreements including but not limited to, Multifamily Mortgage Revenue Bonds ("MMRB") Land Use Restriction Agreements ("LURAs"), State Apartment Incentive Loan ("SAIL") LURAs and Extended Low Income Housing Agreements ("ELIHAs"), refinancing of the existing first mortgages and subordination of the regulatory agreements to a new first mortgage on each property. All properties and ownership entities in the Phoenix Portfolio and list of regulatory agreements being assumed for each property are identified in Exhibit A.

SMG has been requested to determine if the New Owner and its affiliated entities have the prerequisite financial strength and experience to successfully own and operate the Phoenix Portfolio.

For purposes of this analysis SMG has reviewed the following:

1. Correspondence seeking Florida Housing's consent of the request outlined above
2. Audited Financial Statements, for year ended December 31, 2021, for each property in the Phoenix Portfolio
3. Purchase and Sale Agreement ("PSA"), dated January 19, 2023, between Phoenix and Dalcor, for the sale of Phoenix Portfolio to Phoenix
4. For New Owners
 - o Organizational Charts
 - o Amended and Restated Partnership Agreements

Mr. Tim Kennedy
March 1, 2023
Phoenix Realty Orlando Portfolio Ownership Transfer

- State of Delaware Registrations
5. Phoenix
 - Corporate Resume
 - Audited Financial Statements
 6. Capital One National Association (“Capital One”) first mortgage commitment date January 31, 2023
 7. For The Goldman Sachs Group, Inc. (“Goldman”)
 - United States Securities and Exchange Commission Form 10-K, for fiscal year ended December 31, 2021
 8. For New Property Manager, CONAM Management Corporation (“CONAM”)
 - Resume
 - Florida Registration and Certificate of Good Standing
 - Draft Management Agreements
 9. FHFC Past Due Report, dated January 19, 2023, and
 10. FHFC Noncompliance Report, dated December 28, 2022

In addition, SMG has had various conversations with the FHFC staff concerning the proposed requests described above.

Our findings are as follows:

Purchaser Review:

A PSA was provided between Current Owners and Phoenix which reflects a total purchase price up to an estimated \$171,561,729. Individual purchase prices for each property are included in Exhibit A. The prices include the present value of the remaining tax credits. The closing date is no later than April 15, 2023, with options to extend to July 15, 2023.

The Phoenix Portfolio Audited Financial Statements do not reflect any going concern comments. Current first mortgage loan balances are reflected in Exhibit A. None of the properties in the Phoenix Portfolio have any outstanding FHFC debt.

Each property will be purchased by a single asset entity in the form of a Delaware Limited Partnership that will be registered with the State of Florida. Each new owner is reflected in Exhibit A, as well as each newly formed General Partner (“GP”), each with 0.50% ownership. The sole member of the GP’s is Orlando LIHTC 1236 Venture, LLC (“Orlando LIHTC”). Orlando LIHTC is an affiliate of Phoenix and Goldman. For each new owner the 99.50% Limited Partner (“LP”) is UIG BSPI Holdco LLC (“Holdco”). Holdco is owned by Broad Street Principal Investments Superholdco LLC (“Broad Street”). Broad Street is owned by Goldman. Please see Exhibit B for the organizational charts on the new owners as well as Orlando LIHTC.

The Buyer provided a commitment letter for a Mortgage Loan from Capital One through Fannie Mae dated January 31, 2023. The commitment letter indicates a total proposed mortgage for the three properties in the amount of \$119,685,000. The amount in Exhibit A is the allocation price for each property from the commitment letter. The terms of the loan as indicated in the commitment letter are an estimated interest of the then-applicable yield on the applicable Treasury plus a spread of approximately 161 basis points

Mr. Tim Kennedy
March 1, 2023
Phoenix Realty Orlando Portfolio Ownership Transfer

with a required floor of 1%, resulting in a minimum all-in rate of 2.61%. The estimated all-in interest rate is 5.14% as of January 31, 2023. The terms of the loan is 10 years, with a 35-year amortization schedule.

The shortfall remaining will be covered by additional equity. The Buyer indicated that a joint venture will be created between Phoenix (15% contribution) and Goldman (85% contribution). The equity for the acquisitions will be funded at closing.

A corporate resume indicates Phoenix and its affiliates have extensive experience in both the affordable housing and multifamily sectors. Phoenix currently owns 35 properties that contain a total of 8,419 units across the United States. Phoenix's senior executives have on average 30 years of experience and a track record of over 1,000 properties and 130,000 multifamily rental units across the country. Phoenix currently owns one rental complex in Florida, Alvista Sterling Palms. Phoenix purchased the 248-unit property in 2018. Phoenix's portfolio currently consists of 20% affordable units and 80% market rate units. Phoenix's audited financial statements for the year ending December 31, 2021, show total assets of approximately of \$1.47 billion with cash and cash equivalents of \$45,288,505. Total equity is reported at \$267,540,901.

Goldman is a leading global financial institution that delivers a broad range of financial services across investment bank, securities, investment management and consumer banking to a large and diversified client base that includes corporations, financial institutions, governments and individuals. Goldman's Form 10-K for the year ending December 31, 2021, reflected total assets in excess of \$1.46 trillion including cash and equivalents of approximately \$105.19 billion. Total equity is reported at approximately \$109.9 billion.

Management Company

The proposed management company, CONAM, is a California Corporation registered with the Florida Secretary of State on December 23, 1983. CONAM was founded in 1975 and currently manages 409 properties with 52,000+ units all across the country. Approval of the selection of the management company by Florida Housing's Asset Management department is a closing condition.

FHFC Past Due and Noncompliance Reports

The Phoenix Portfolio, Current Owners and New Owners have no items reported on the FHFC Noncompliance Report or the Past Due Report.

Conclusions and Recommendation

SMG concludes that New Owners, through their affiliated entities, have the prerequisite financial strength and experience to own and operate the individual properties.

Therefore, SMG recommends that FHFC consent to and approve the transfer of ownership of the Phoenix Portfolio by New Owners, assumption of the MMRB and SAIL LURAs and ELIHAs, refinancing of the existing first mortgages, subordination of the MMRB and SAIL LURAs and ELHIAs (as applicable) to the new first mortgages and/or modification of any other loan documents, all as applicable and as needed to effectuate the transactions.

These recommendations are subject to the following:

- New Owners, Phoenix, and Goldman and their entities and principals (if applicable) as well as the withdrawing entities to execute any assignment and assumption documents and any other documents that FHFC and its Legal Counsel deems necessary to effectuate the ownership changes
- Verification of Equity funded at closing

Mr. Tim Kennedy
March 1, 2023
Phoenix Realty Orlando Portfolio Ownership Transfer

- Review and approval of all Loan Documents consistent with the terms outlined above by FHFC, its Legal Counsel, and Servicer
- Receipt of a non-refundable MMRB transfer and assumption fee of \$2,500 for each development on the closing date
- Receipt of a non-refundable MMRB LURA, SAIL LURA and ELIHA subordination fee of \$1,000 for each regulatory agreement and each development on the closing date, as applicable
- Registration of the New Owners entities with the State of Florida
- Confirmation of FHFC Asset Management Departments approval of the selectin of the new management company
- Payment of any outstanding arrearages to FHFC, its Legal Counsel, Servicer or any Agent or Assignee of Florida Housing for Past Due items applicable to the Development Team (Borrower or Developer or Principal, Affiliate or Financial Beneficiary, as described in 67-21.0025(5) and 67-48.0075(5) F.A.C., of a Borrower or a Developer)
- Consent of the Investor LP and Subordinate Lenders, as applicable
- Prepayment of any compliance monitoring fees and servicing fees, as applicable
- Satisfactory resolution of any outstanding past due and/or noncompliance items, and
- FHFC requires the Owner to waive the right to a Qualified Contract under the ELIHAs, such waiver to be in form and substance acceptable to FHFC for Castle Woods 4% HC 2013-516C, Reef Club I 4% HC 2013-504C and Ridge Club I 4% HC 2013-520C
- All other due diligence required by FHFC, its Legal Counsel and Servicer

I hope this correspondence has been helpful and please do not hesitate to call if I can be of further assistance.

Sincerely,

SELTZER MANAGEMENT GROUP, INC.



Ryan Johnson
Credit Underwriter

Exhibit A

Property Name	Current Owner	New Owner	New Owner 0.50% GP	Subordinations Requested	Existing First 12/31/21	Purchase Price	Proposed Mortgage Loan Amount
Castle Woods Apartments	Dalcor Castle Woods, Ltd.	Castle Woods Owner, LP	Orlando LIHTC Castle Woods GP, LLC	SAIL LURA, ELIHAs, MMRB LURA	\$14,681,952	\$42,639,086	\$29,777,000
Reef Club I & II	Dalcor Reef Club, LTD	Reef Club Owner, LP	Orlando LIHTC Reef Club GP, LLC	ELIHAs & MMRB LURA	\$27,361,157	\$76,159,060	\$53,534,000
Ridge Club I & II	Dalcor Ridge Club, LTD	Ridge Club Owner, LP	Orlando LIHTC Ridge Club GP, LLC	SAIL LURA, ELIHAs, MMRB LURA	\$18,143,148	\$52,763,583	\$36,374,000

Exhibit B

Orlando LIHTC Portfolio – JV Level

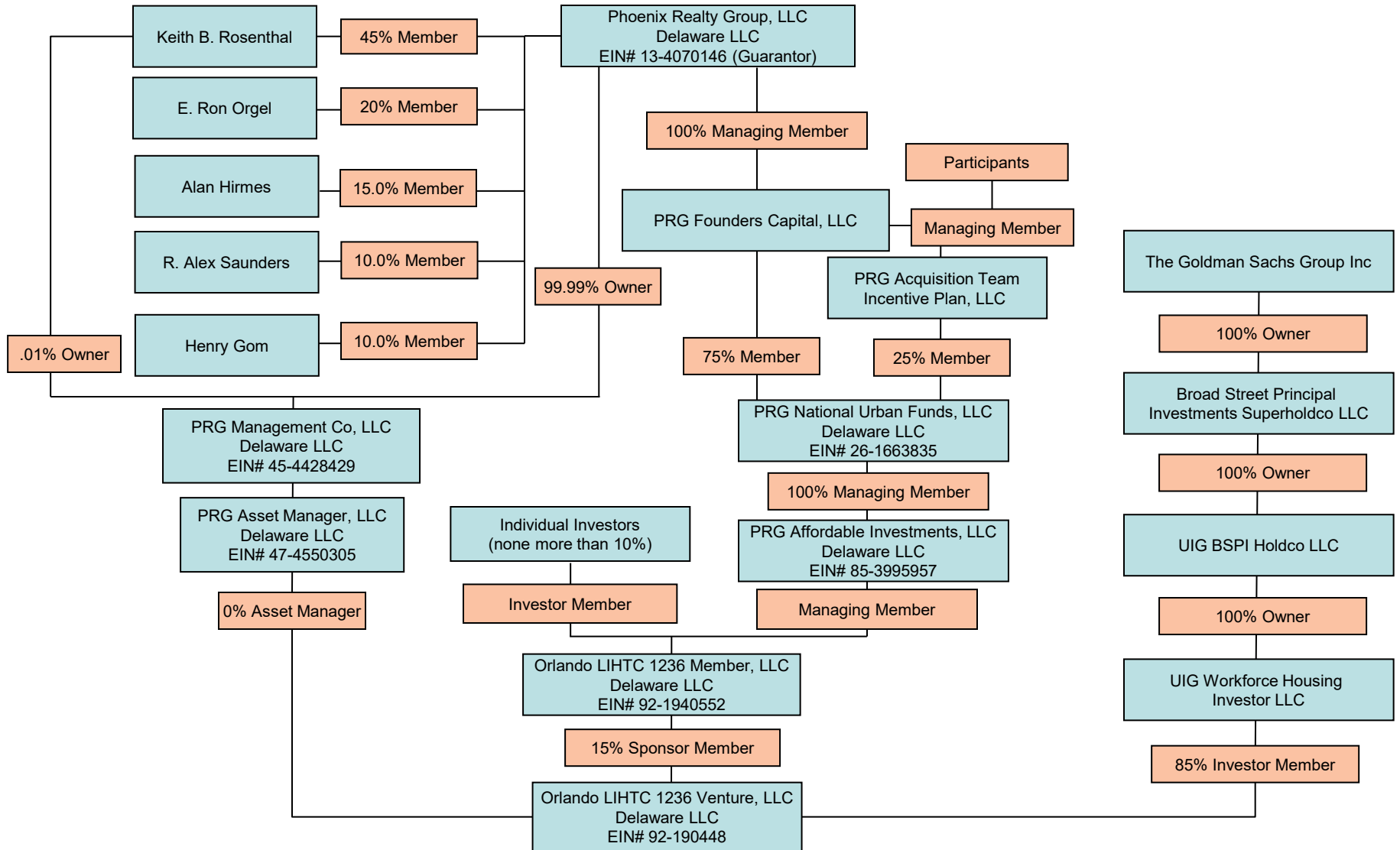
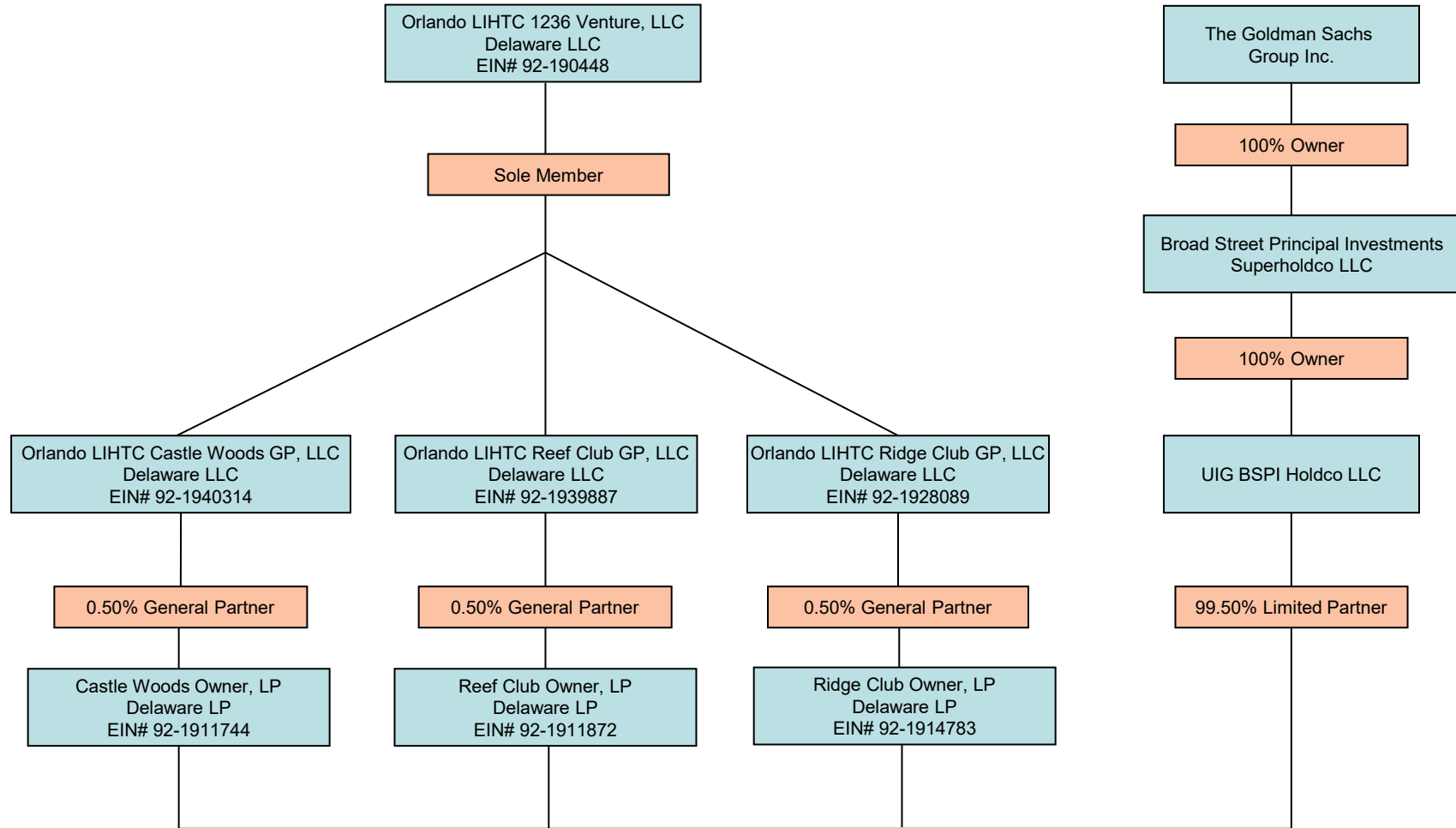


Exhibit B Orlando LIHTC Portfolio – Property Level



February 7, 2023

Florida Housing Finance Corporation
c/o Mitch Englert, Multifamily Programs Manager
via email: mitch.englert@floridahousing.org



Re: Vincentian Village modification to RFA;
RFA 2022-103/2022-255CSN

Dear Mr. Englert,

I am writing to request modifications to Vincentian Village RFA 2022-103 / 2022-255CSN. This letter will serve as a formal written request to FHFC to review and approve the changes described herein.

The Principals listed on the Principal Disclosure for the Applicant have changed. There has been a change to the Board of Directors at Ability Housing, Inc. As of February 3, 2023, Board member Richard H. Pierpont submitted his resignation from the Board. The following modification is being formally submitted to FHFC for review and approval.

Changes to the Applicant Principals:

- 1 Board Member retired from Ability Housing, Inc. Board of Directors
- Pierpont, Richard (Officer/Director)

I would like to formally add Society of St. Vincent DePaul South Pinellas, Inc. as co-developer. The reason why Society of St. Vincent DePaul South Pinellas, Inc. will be added as a co-developer is that they are a joint venture partner with Ability Housing, Inc. for the Vincentian Village development. The co-developer (Society of St. Vincent DePaul South Pinellas, Inc.) will receive 10% of the developer fee as part of the executed operating agreement between both parties and as reflected in the application.

The Principals listed on the Principal Disclosures for the Developer have changed for Ability Housing, Inc. The following modifications to add Society of St. Vincent DePaul South Pinellas, Inc. as a co-developer and updates to Ability Housing, Inc. Principals are being formally submitted to FHFC for review and approval.

Changes to the Developer Principals:

Add Society of St. Vincent DePaul South Pinellas, Inc. as a co-developer.

2 New Board Members have been added for Ability Housing, Inc.

- O'Rourke, Mary Kay (Officer/Director)
- Slover-Athey, Mellisa D. (Officer/Director)

1 Board Member retired from Ability Housing, Inc.

- Pierpont, Richard (Officer/Director)

1 New Board Member has been added for Society of St. Vincent de Paul South

- Cooper II, Mark W. (Officer/Director)

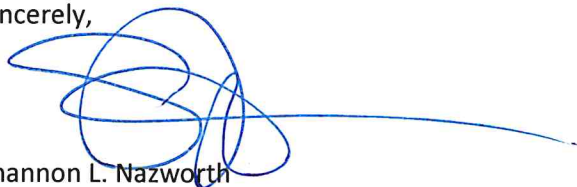
2 Board Members have retired/left board for Society of St. Vincent de Paul South

- Yeske, Sr., James M. (Officer/Director)
- Lopez, Shelia (Officer/Director)

The enclosed Applicant and Developer Disclosure forms have been updated to show Society of St. Vincent DePaul South Pinellas, Inc. is a co-developer, and to reflect the updated Board of Directors at Ability Housing, Inc.

If you need more information, please contact me at 904-359-9650 ext. 106.

Sincerely,

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Shannon L. Nazworth
President and CEO
Ability Housing, Inc.

Principal Disclosures for the Applicant

APPROVED for HOUSING CREDITS
FHFC Advance Review
Received 1.25.22; Approved 2.3.22

Select the organizational structure for the Applicant entity:

The Applicant is a: Limited Liability Company

Provide the name of the Applicant Limited Liability Company:

Ability SVdP, LLC

First Principal Disclosure Level:

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for the Applicant](#)

First Level Entity #	Select Type of Principal of Applicant	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified
1.	<u>Non-Investor Member</u>	<u>Ability SVdP MM, LLC</u>	<u>Limited Liability Company</u>
2.	<u>Manager</u>	<u>Ability SVdP MM, LLC</u>	<u>Limited Liability Company</u>
3.	<u>Investor Member</u>	<u>Ability Housing, Inc. (Placeholder)</u>	<u>Non-Profit Corporation</u>
4.	<u>Investor Member</u>	<u>Society of St. Vincent de Paul South Pinellas, Inc. (Placeholder)</u>	<u>Non-Profit Corporation</u>

Second Principal Disclosure Level:

Ability SVdP, LLC

[Click here for Assistance with Completing the Entries for the Second Level Principal Disclosure for the Applicant](#)

Select the corresponding First Level Principal Entity # from above for which the Second Level Principal is being identified

Second Level Entity #	Select the type of Principal being associated with the corresponding First Level Principal Entity	Enter Name of Second Level Principal	Select organizational structure of Second Level Principal identified
<u>1. (Ability SVdP MM, LLC)</u>	<u>1.A. Managing Member</u>	<u>Ability Housing, Inc.</u>	<u>Non-Profit Corporation</u>
<u>1. (Ability SVdP MM, LLC)</u>	<u>1.B. Member</u>	<u>Ability Housing, Inc.</u>	<u>Non-Profit Corporation</u>
<u>1. (Ability SVdP MM, LLC)</u>	<u>1.C. Managing Member</u>	<u>Society of St. Vincent de Paul South Pinellas, Inc.</u>	<u>Non-Profit Corporation</u>
<u>1. (Ability SVdP MM, LLC)</u>	<u>1.D. Member</u>	<u>Society of St. Vincent de Paul South Pinellas, Inc.</u>	<u>Non-Profit Corporation</u>

Third Principal Disclosure Level:

Ability SVdP, LLC

[Click here for Assistance with Completing the Entries for the Third Level Principal Disclosure for the Applicant](#)

Select the corresponding Second Level Principal Entity # from above for which the Third Level Principal is being identified

Third Level Entity #	Select the type of Principal being associated with the corresponding Second Level Principal Entity	Enter Name of Third Level Principal who must be either a Natural Person or a Trust	The organizational structure of Third Level Principal identified Must be either a Natural Person or a Trust
<u>1.A. (Ability Housing, Inc.)</u>	<u>1.A.(1) Executive Director</u>	<u>Shannon L. Nazworth</u>	<u>Natural Person</u>
<u>1.A. (Ability Housing, Inc.)</u>	<u>1.A.(2) Officer/Director</u>	<u>Shannon L. Nazworth</u>	<u>Natural Person</u>
<u>1.A. (Ability Housing, Inc.)</u>	<u>1.A.(3) Officer/Director</u>	<u>Griffin, Michael L.</u>	<u>Natural Person</u>
<u>1.A. (Ability Housing, Inc.)</u>	<u>1.A.(4) Officer/Director</u>	<u>McCarty, Jr., Hugh D.</u>	<u>Natural Person</u>
<u>1.A. (Ability Housing, Inc.)</u>	<u>1.A.(5) Officer/Director</u>	<u>Adams, Tiffany L.</u>	<u>Natural Person</u>
<u>1.A. (Ability Housing, Inc.)</u>	<u>1.A.(6) Officer/Director</u>	<u>Battles, Cerita J.</u>	<u>Natural Person</u>
<u>1.A. (Ability Housing, Inc.)</u>	<u>1.A.(7) Officer/Director</u>	<u>Fullwood, Reginald N.</u>	<u>Natural Person</u>
<u>1.A. (Ability Housing, Inc.)</u>	<u>1.A.(8) Officer/Director</u>	<u>Haitsuka, Thadgis D.</u>	<u>Natural Person</u>
<u>1.A. (Ability Housing, Inc.)</u>	<u>1.A.(9) Officer/Director</u>	<u>Kobb, Shelly A.</u>	<u>Natural Person</u>
<u>1.A. (Ability Housing, Inc.)</u>	<u>1.A.(10) Officer/Director</u>	<u>Matovina, Gregory E.</u>	<u>Natural Person</u>
<u>1.A. (Ability Housing, Inc.)</u>	<u>1.A.(11) Officer/Director</u>	<u>Peek, John Jacob R.</u>	<u>Natural Person</u>
<u>1.A. (Ability Housing, Inc.)</u>	<u>1.A.(12) Officer/Director</u>	<u>Perry, Jr., Belvin J.</u>	<u>Natural Person</u>
<u>1.A. (Ability Housing, Inc.)</u>	<u>1.A.(13) Officer/Director</u>	<u>Pierpont, Richard H.</u>	<u>Natural Person</u>
<u>1.A. (Ability Housing, Inc.)</u>	<u>1.A.(14) Officer/Director</u>	<u>Rogers, Ellen P.</u>	<u>Natural Person</u>
<u>1.C. (Society of St. Vincent de Paul Sou</u>	<u>1.C.(1) Executive Director</u>	<u>Raposa, Michael J.</u>	<u>Natural Person</u>
<u>1.C. (Society of St. Vincent de Paul Sou</u>	<u>1.C.(2) Officer/Director</u>	<u>Bishop, Gary S.</u>	<u>Natural Person</u>
<u>1.C. (Society of St. Vincent de Paul Sou</u>	<u>1.C.(3) Officer/Director</u>	<u>St. Germain, Kathryn E.</u>	<u>Natural Person</u>
<u>1.C. (Society of St. Vincent de Paul Sou</u>	<u>1.C.(4) Officer/Director</u>	<u>Yeske, Sr., James M.</u>	<u>Natural Person</u>
<u>1.C. (Society of St. Vincent de Paul Sou</u>	<u>1.C.(5) Officer/Director</u>	<u>Bouchard, Richard D.</u>	<u>Natural Person</u>
<u>1.C. (Society of St. Vincent de Paul Sou</u>	<u>1.C.(6) Officer/Director</u>	<u>Sabatino, Joseph J.</u>	<u>Natural Person</u>
<u>1.C. (Society of St. Vincent de Paul Sou</u>	<u>1.C.(7) Officer/Director</u>	<u>Pehna, Nathan A.</u>	<u>Natural Person</u>

Principal Disclosures for the Applicant

APPROVED for HOUSING CREDITS
FHFC Advance Review
Received 1.25.22; Approved 2.3.22

1.C. (Society of St. Vincent de Paul Sou	1.C.(8)	Officer/Director	Darcy, Isabel	Natural Person
1.C. (Society of St. Vincent de Paul Sou	1.C.(9)	Officer/Director	Maxwell, Edwina R.	Natural Person
1.C. (Society of St. Vincent de Paul Sou	1.C.(10)	Officer/Director	Reidy, William G.	Natural Person
1.C. (Society of St. Vincent de Paul Sou	1.C.(11)	Officer/Director	Youmans, Christopher S.	Natural Person
1.C. (Society of St. Vincent de Paul Sou	1.C.(12)	Officer/Director	King-Dwyer, Susan A.	Natural Person
1.C. (Society of St. Vincent de Paul Sou	1.C.(13)	Officer/Director	McKeefery, Kevin	Natural Person
1.C. (Society of St. Vincent de Paul Sou	1.C.(14)	Officer/Director	Lopez, Shelia	Natural Person
1.C. (Society of St. Vincent de Paul Sou	1.C.(15)	Officer/Director	Taylor, Thomas R.	Natural Person

Principal Disclosures for the Developer

**APPROVED for HOUSING CREDITS
FHFC Advance Review
Received 1.25.22; Approved 2.3.22**

How many Developers are part of this Application structure?

1

Select the organizational structure for the Developer entity:

The Developer is a: Non-Profit Corporation

Provide the name of the Developer Non-Profit Corporation:

Ability Housing, Inc.

First Principal Disclosure Level:

Ability Housing, Inc.

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Developer</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>
1.	<u>Executive Director</u>	<u>Shannon L. Nazworth</u>	<u>Natural Person</u>
2.	<u>Officer/Director</u>	<u>Shannon L. Nazworth</u>	<u>Natural Person</u>
3.	<u>Officer/Director</u>	<u>Griffin, Michael L.</u>	<u>Natural Person</u>
4.	<u>Officer/Director</u>	<u>McCarty, Jr., Hugh D.</u>	<u>Natural Person</u>
5.	<u>Officer/Director</u>	<u>Adams, Tiffany L.</u>	<u>Natural Person</u>
6.	<u>Officer/Director</u>	<u>Battles, Cerita J.</u>	<u>Natural Person</u>
7.	<u>Officer/Director</u>	<u>Fullwood, Reginald N.</u>	<u>Natural Person</u>
8.	<u>Officer/Director</u>	<u>Haitsuka, Thadgis D.</u>	<u>Natural Person</u>
9.	<u>Officer/Director</u>	<u>Kobb, Shelly A.</u>	<u>Natural Person</u>
10.	<u>Officer/Director</u>	<u>Matovina, Gregory E.</u>	<u>Natural Person</u>
11.	<u>Officer/Director</u>	<u>Peek, John Jacob R.</u>	<u>Natural Person</u>
12.	<u>Officer/Director</u>	<u>Perry, Jr., Belvin J.</u>	<u>Natural Person</u>
13.	<u>Officer/Director</u>	<u>Pierpont, Richard H.</u>	<u>Natural Person</u>
14.	<u>Officer/Director</u>	<u>Rogers, Ellen P.</u>	<u>Natural Person</u>

PROPOSED

Principal Disclosures for the Applicant

Select the organizational structure for the Applicant entity:

The Applicant is a: Limited Liability Company

Provide the name of the Applicant Limited Liability Company:

Ability SVdP, LLC

% Ownership input features will not be made available until invitation to credit underwriting

First Principal Disclosure Level:

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for the Applicant](#)

First Level Entity #	Select Type of Principal of Applicant	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified	% Ownership of Applicant
1.	<u>Non-Investor Member</u>	<u>Ability SVdP MM, LLC</u>	<u>Limited Liability Company</u>	<u>0.0500%</u>
2.	<u>Manager</u>	<u>Ability SVdP MM, LLC</u>	<u>Limited Liability Company</u>	<u>0.0500%</u>
3.	<u>Investor Member</u>	<u>Ability Housing, Inc. (Placeholder)</u>	<u>Non-Profit Corporation</u>	<u>49.9500%</u>
4.	<u>Investor Member</u>	<u>Society of St. Vincent de Paul South Pinellas, Inc. (Placeholder)</u>	<u>Non-Profit Corporation</u>	<u>49.9500%</u>
5.	<u><Select an option></u>		<u><Select an option></u>	

Second Principal Disclosure Level:

Ability SVdP, LLC

[Click here for Assistance with Completing the Entries for the Second Level Principal Disclosure for the Applicant](#)

Select the corresponding First Level Principal Entity # from above for which the Second Level Principal is being	Second Level Entity #	Select the type of Principal being associated with the corresponding First Level Principal Entity	Enter Name of Second Level Principal	Select organizational structure of Second Level Principal identified	Second Level Principal % Ownership of First Level Principal
<u>1. (Ability SVdP MM, LLC)</u>	1.A.	<u>Managing Member</u>	<u>Ability Housing, Inc.</u>	<u>Non-Profit Corporation</u>	<u>90.0000%</u>
<u>1. (Ability SVdP MM, LLC)</u>	1.B.	<u>Member</u>	<u>Ability Housing, Inc.</u>	<u>Non-Profit Corporation</u>	<u>90.0000%</u>
<u>1. (Ability SVdP MM, LLC)</u>	1.C.	<u>Managing Member</u>	<u>Society of St. Vincent de Paul South Pinellas, Inc.</u>	<u>Non-Profit Corporation</u>	<u>10.0000%</u>
<u>1. (Ability SVdP MM, LLC)</u>	1.D.	<u>Member</u>	<u>Society of St. Vincent de Paul South Pinellas, Inc.</u>	<u>Non-Profit Corporation</u>	<u>10.0000%</u>
<u><Select a #></u>		<u><Select an option></u>		<u><Select an option></u>	

Third Principal Disclosure Level:

Ability SVdP, LLC

[Click here for Assistance with Completing the Entries for the Third Level Principal Disclosure for the Applicant](#)

Select the corresponding Second Level Principal Entity # from above for which the Third Level Principal is being identified	Third Level Entity #	Select the type of Principal being associated with the corresponding Second Level Principal Entity	Enter Name of Third Level Principal who must be either a Natural Person or a Trust	The organizational structure of Third Level Principal identified. Must be either a Natural Person or a Trust	3rd Level Principal % Ownership of 2nd Level Principal
<u>1.A. (Ability Housing, Inc.)</u>	1.A.(1)	<u>Executive Director</u>	<u>Shannon L. Nazworth</u>	<u>Natural Person</u>	
<u>1.A. (Ability Housing, Inc.)</u>	1.A.(2)	<u>Officer/Director</u>	<u>Shannon L. Nazworth</u>	<u>Natural Person</u>	
<u>1.A. (Ability Housing, Inc.)</u>	1.A.(3)	<u>Officer/Director</u>	<u>Griffin, Michael L.</u>	<u>Natural Person</u>	
<u>1.A. (Ability Housing, Inc.)</u>	1.A.(4)	<u>Officer/Director</u>	<u>McCarty, Jr., Hugh D.</u>	<u>Natural Person</u>	
<u>1.A. (Ability Housing, Inc.)</u>	1.A.(5)	<u>Officer/Director</u>	<u>Adams, Tiffany L.</u>	<u>Natural Person</u>	
<u>1.A. (Ability Housing, Inc.)</u>	1.A.(6)	<u>Officer/Director</u>	<u>Battles, Cerita J.</u>	<u>Natural Person</u>	
<u>1.A. (Ability Housing, Inc.)</u>	1.A.(7)	<u>Officer/Director</u>	<u>Fullwood, Reginald N.</u>	<u>Natural Person</u>	
<u>1.A. (Ability Housing, Inc.)</u>	1.A.(8)	<u>Officer/Director</u>	<u>Haitsuka, Thadgis D.</u>	<u>Natural Person</u>	
<u>1.A. (Ability Housing, Inc.)</u>	1.A.(9)	<u>Officer/Director</u>	<u>Kobb, Shelly A.</u>	<u>Natural Person</u>	
<u>1.A. (Ability Housing, Inc.)</u>	1.A.(10)	<u>Officer/Director</u>	<u>Matovina, Gregory E.</u>	<u>Natural Person</u>	
<u>1.A. (Ability Housing, Inc.)</u>	1.A.(11)	<u>Officer/Director</u>	<u>Peek, John Jacob R.</u>	<u>Natural Person</u>	
<u>1.A. (Ability Housing, Inc.)</u>	1.A.(12)	<u>Officer/Director</u>	<u>Perry, Jr., Belvin J.</u>	<u>Natural Person</u>	
<u>1.A. (Ability Housing, Inc.)</u>	1.A.(13)	<u>Officer/Director</u>	<u>Rogers, Ellen P.</u>	<u>Natural Person</u>	
<u>1.A. (Ability Housing, Inc.)</u>	1.A.(14)	<u>Officer/Director</u>	<u>O'Rourke, Mary Kay</u>	<u>Natural Person</u>	
<u>1.A. (Ability Housing, Inc.)</u>	1.A.(15)	<u>Officer/Director</u>	<u>Slover-Athey, Mellisa D.</u>	<u>Natural Person</u>	
<u>1.C. (Society of St. Vincent de Paul Soi</u>	1.C.(1)	<u>Executive Director</u>	<u>Raposa, Michael J.</u>	<u>Natural Person</u>	
<u>1.C. (Society of St. Vincent de Paul Soi</u>	1.C.(2)	<u>Officer/Director</u>	<u>St. Germain, Kathryn E.</u>	<u>Natural Person</u>	
<u>1.C. (Society of St. Vincent de Paul Soi</u>	1.C.(3)	<u>Officer/Director</u>	<u>Taylor, Thomas R.</u>	<u>Natural Person</u>	
<u>1.C. (Society of St. Vincent de Paul Soi</u>	1.C.(4)	<u>Officer/Director</u>	<u>Bouchard, Richard D.</u>	<u>Natural Person</u>	
<u>1.C. (Society of St. Vincent de Paul Soi</u>	1.C.(5)	<u>Officer/Director</u>	<u>Sabatino, Joseph J.</u>	<u>Natural Person</u>	
<u>1.C. (Society of St. Vincent de Paul Soi</u>	1.C.(6)	<u>Officer/Director</u>	<u>Pehna, Nathan A.</u>	<u>Natural Person</u>	
<u>1.C. (Society of St. Vincent de Paul Soi</u>	1.C.(7)	<u>Officer/Director</u>	<u>Darcy, Isabel</u>	<u>Natural Person</u>	
<u>1.C. (Society of St. Vincent de Paul Soi</u>	1.C.(8)	<u>Officer/Director</u>	<u>Maxwell, Edwina R.</u>	<u>Natural Person</u>	
<u>1.C. (Society of St. Vincent de Paul Soi</u>	1.C.(9)	<u>Officer/Director</u>	<u>Reidy, William G.</u>	<u>Natural Person</u>	
<u>1.C. (Society of St. Vincent de Paul Soi</u>	1.C.(10)	<u>Officer/Director</u>	<u>Youmans, Christopher S.</u>	<u>Natural Person</u>	
<u>1.C. (Society of St. Vincent de Paul Soi</u>	1.C.(11)	<u>Officer/Director</u>	<u>King-Dwyer, Susan A.</u>	<u>Natural Person</u>	
<u>1.C. (Society of St. Vincent de Paul Soi</u>	1.C.(12)	<u>Officer/Director</u>	<u>McKeefery, Kevin</u>	<u>Natural Person</u>	
<u>1.C. (Society of St. Vincent de Paul Soi</u>	1.C.(13)	<u>Officer/Director</u>	<u>Cooper II, Mark W.</u>	<u>Natural Person</u>	

Principal Disclosures for the Applicant

1.C. (Society of St. Vincent de Paul So	1.C.(14)	Officer/Director	Bishop, Gary S.	Natural Person	
<Select a #>		<Select an option>		<Select an option>	

Principal Disclosures for the two Developers

PROPOSED

How many Developers are part of this Application structure? (Please complete the Principal Disclosures for each of the two Co-Developers below.)

2

Select the organizational structure for the first Co-Developer entity:

The first Co-Developer is a: Non-Profit Corporation

Provide the name of the Developer Non-Profit Corporation:

Ability Housing, Inc.

First Principal Disclosure Level:

Ability Housing, Inc.

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Developer</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>
1.	<u>Executive Director</u>	<u>Shannon L. Nazworth</u>	<u>Natural Person</u>
2.	<u>Officer/Director</u>	<u>Shannon L. Nazworth</u>	<u>Natural Person</u>
3.	<u>Officer/Director</u>	<u>Griffin, Michael L.</u>	<u>Natural Person</u>
4.	<u>Officer/Director</u>	<u>McCarty, Jr., Hugh D.</u>	<u>Natural Person</u>
5.	<u>Officer/Director</u>	<u>Adams, Tiffany L.</u>	<u>Natural Person</u>
6.	<u>Officer/Director</u>	<u>Battles, Cerita J.</u>	<u>Natural Person</u>
7.	<u>Officer/Director</u>	<u>Fullwood, Reginald N.</u>	<u>Natural Person</u>
8.	<u>Officer/Director</u>	<u>Haitsuka, Thadgis D.</u>	<u>Natural Person</u>
9.	<u>Officer/Director</u>	<u>Kobb, Shelly A.</u>	<u>Natural Person</u>
10.	<u>Officer/Director</u>	<u>Matovina, Gregory E.</u>	<u>Natural Person</u>
11.	<u>Officer/Director</u>	<u>Peek, John Jacob R.</u>	<u>Natural Person</u>
12.	<u>Officer/Director</u>	<u>Perry, Jr., Belvin J.</u>	<u>Natural Person</u>
13.	<u>Officer/Director</u>	<u>Rogers, Ellen P.</u>	<u>Natural Person</u>
14.	<u>Officer/Director</u>	<u>O'Rourke, Mary Kay</u>	<u>Natural Person</u>
15.	<u>Officer/Director</u>	<u>Slover-Athey, Mellisa D</u>	<u>Natural Person</u>
16.	<u><Select an option></u>	<u></u>	<u><Select an option></u>

Principal Disclosures for the two Developers

PROPOSED

Select the organizational structure for the second Co-Developer entity:

The second Co-Developer is a: Non-Profit Corporation

Provide the name of the Developer Non-Profit Corporation:

Society of St. Vincent de Paul South Pinellas, Inc.

First Principal Disclosure Level:

Society of St. Vincent de Paul South Pinellas, Inc.

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Developer</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>
1.	<u>Executive Director</u>	<u>Raposa, Michael J.</u>	<u>Natural Person</u>
2.	<u>Officer/Director</u>	<u>Bishop, Gary S.</u>	<u>Natural Person</u>
3.	<u>Officer/Director</u>	<u>St. Germain, Kathryn E.</u>	<u>Natural Person</u>
4.	<u>Officer/Director</u>	<u>Taylor, Thomas R.</u>	<u>Natural Person</u>
5.	<u>Officer/Director</u>	<u>Bouchard, Richard D.</u>	<u>Natural Person</u>
6.	<u>Officer/Director</u>	<u>Sabatino, Joseph J.</u>	<u>Natural Person</u>
7.	<u>Officer/Director</u>	<u>Pehna, Nathan A.</u>	<u>Natural Person</u>
8.	<u>Officer/Director</u>	<u>Darcy, Isabel</u>	<u>Natural Person</u>
9.	<u>Officer/Director</u>	<u>Maxwell, Edwina R.</u>	<u>Natural Person</u>
10.	<u>Officer/Director</u>	<u>Reidy, William G.</u>	<u>Natural Person</u>
11.	<u>Officer/Director</u>	<u>Youmans, Christopher S.</u>	<u>Natural Person</u>
12.	<u>Officer/Director</u>	<u>King-Dwyer, Susan A.</u>	<u>Natural Person</u>
13.	<u>Officer/Director</u>	<u>McKeefery, Kevin</u>	<u>Natural Person</u>
14.	<u>Officer/Director</u>	<u>Cooper II, Mark W.</u>	<u>Natural Person</u>
15.			

Neil Thompson
Interim Executive Director

11479 Ulmerton Road, Largo, Florida 33778
Phone: (727) 443-7684 | Fax: (727) 489-0757
TDD: (800) 955-8770 | TTY: (800) 955-8771



Exhibit B
Page 1 of 14

October 11, 2022

Ms. Elizabeth Crane
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, FL 32301

RE: Valor Preserve, LLLP (Project #2020-453CS/2021-340CS)
Development Name: Valor Preserve at Lake Seminole

Dear Ms. Crane,

Valor Preserve, LLLP (“Applicant”) submitted application 2020-453CS/2021-340CS (the “Application”) in response to RFA 2020-106 (Financing for the Development of Housing for Persons with a Disabling Condition or Development Disability) for the proposed development Valor Preserve at Lake Seminole (“Development”). As set forth in the Application, the Developers for the Development are Norstar Development USA, L.P. (“Norstar”), Pinellas Property Management Company, Inc (“PPMCI”), and Newstar Development, LLC (“Newstar”). The Development will consist of 64 new construction garden-style family units in Pinellas County.

The principal disclosure form that was submitted in the Application must now be amended for two reasons 1) the retirement of Pinellas County Housing Authority’s (PCHA) Interim Executive Director, Regina Booker, and 2) the replacement of four (4) PCHA Board members. The Applicant has attached as Exhibit A, a revised principal disclosure form that replaces Mrs. Booker with Neil Thompson, the Interim Executive Director at PCHA. Mr. Thompson replaces Mrs. Booker as an Officer/Director & Executive Director of PPMCI, which is the General Partner & Co-Developer of the Applicant. Attached as Exhibit B are resolutions passed by PCHA electing Mr. Thompson as the Interim Executive Director for PCHA and PPMCI.

The second principal disclosure change for the Applicant is removing Angela Rouson, Alan Swartz, Michael Guju, and Joe Triolo as Officers/Directors of PCHA and PPMCI, which is the General Partner of Valor Preserve, LLLP. These Officers/Directors are replaced by Chloe Firebaugh, Veronica Hickey, Wayne Mineo, and Alen Tomczak.

BOARD OF COMMISSIONERS

Veronica Hickey
Chair

Chloe Firebaugh
Vice Chair

Wayne Mineo
Commissioner

Alen Tomczak
Commissioner



The credit underwriting report for the Development was approved by FHFC at the June 18th, 2021 board meeting, and an updated credit underwriting report letter was approved by FHFC at the September 16, 2022 board meeting.

Respectfully,

Neil Thompson

Neil Thompson, Interim Executive Director

CURRENT
Inserted by FHFC Staff

Principal Disclosures for the Applicant

Select the organizational structure for the Applicant entity:

The Applicant is a: [Limited Partnership](#)

Provide the name of the Applicant Limited Partnership:

[Valor Preserve, LLLP](#)

% Ownership input features will not be made available until invitation to credit underwriting

First Principal Disclosure Level:

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for the Applicant](#)

First Level Entity #	Select Type of Principal of Applicant	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified	% Ownership of Applicant
1.	General Partner	Pinellas Property Management Company, Inc.	Non-Profit Corporation	0.0100%
2.	Non-Investor LP	Pinellas County Housing Authority	Public Housing Authority	0.0000%
3.	Investor LP	Pinellas County Housing Authority	Public Housing Authority	99.9900%

Second Principal Disclosure Level:

Valor Preserve, LLLP

[Click here for Assistance with Completing the Entries for the Second Level Principal Disclosure for the Applicant](#)

Select the corresponding First Level Principal Entity # from above for which the Second Level Principal is being	Second Level Entity #	Select the type of Principal being associated with the corresponding First Level Principal Entity	Enter Name of Second Level Principal	Select organizational structure of Second Level Principal identified	Second Level Principal % Ownership of First Level Principal
1. (Pinellas Property Management	1.A.	Officer/Director	Rouson, Angela	Natural Person	
1. (Pinellas Property Management	1.B.	Officer/Director	Swartz, Alan	Natural Person	
1. (Pinellas Property Management	1.C.	Officer/Director	Guju, Michael	Natural Person	
1. (Pinellas Property Management	1.D.	Officer/Director	Triolo, Joseph	Natural Person	
1. (Pinellas Property Management	1.E.	Executive Director	Booker, Regina	Natural Person	
1. (Pinellas Property Management	1.F.	Officer/Director	Booker, Regina	Natural Person	
<Select a #>		<Select an option>		<Select an option>	
2. (Pinellas County Housing Authori	2.A.	Commissioner	Rouson, Angela	Natural Person	
2. (Pinellas County Housing Authori	2.B.	Commissioner	Swartz, Alan	Natural Person	
2. (Pinellas County Housing Authori	2.C.	Commissioner	Guju, Michael	Natural Person	
2. (Pinellas County Housing Authori	2.D.	Commissioner	Triolo, Joseph	Natural Person	
2. (Pinellas County Housing Authori	2.E.	Executive Director	Booker, Regina	Natural Person	
2. (Pinellas County Housing Authori	2.F.	Officer/Director	Booker, Regina	Natural Person	

CURRENT

Inserted by FHFC Staff

Principal Disclosures for the three Developers

How many Developers are part of this Application structure? (Please complete the Principal Disclosures for each of the three Co-Developers below.)

3

Select the organizational structure for the first Co-Developer entity:

The first Co-Developer is a: Limited Partnership

Provide the name of the Developer Limited Partnership:

Norstar Development USA, LP

First Principal Disclosure Level:

Norstar Development USA, LP

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Developer</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>
1.	<u>General Partner</u>	<u>Nordev, Inc.</u>	<u>For-Profit Corporation</u>
2.	<u>Limited Partner</u>	<u>Black Locust, LLC</u>	<u>Limited Liability Company</u>
3.	<u>Limited Partner</u>	<u>Donatello Corporation</u>	<u>For-Profit Corporation</u>

Second Principal Disclosure Level:

Norstar Development USA, LP

[Click here for Assistance with Completing the Entries for the Second Level Principal Disclosure for a Developer](#)

Select the corresponding First Level Principal Entity # from above for which the Second Level Principal is being identified

<u>Second Level Entity #</u>	<u>Select the type of Principal being associated with the corresponding First Level Principal Entity</u>	<u>Enter Name of Second Level Principal</u>	<u>Select organizational structure of Second Level Principal identified</u>
<u>1. (Nordev, Inc.)</u>	<u>Executive Director</u>	<u>Brown, Neil</u>	<u>Natural Person</u>
<u>1. (Nordev, Inc.)</u>	<u>Officer/Director</u>	<u>Higgins, Richard L.</u>	<u>Natural Person</u>
<u>1. (Nordev, Inc.)</u>	<u>Officer/Director</u>	<u>Brown, Neil</u>	<u>Natural Person</u>
<u>1. (Nordev, Inc.)</u>	<u>Shareholder</u>	<u>Norstar USA, Ltd.</u>	<u>Limited Partnership</u>
<u>2. (Black Locust, LLC)</u>	<u>Sole Member</u>	<u>Higgins, Richard L.</u>	<u>Natural Person</u>
<u>2. (Black Locust, LLC)</u>	<u>Manager</u>	<u>Higgins, Richard L.</u>	<u>Natural Person</u>
<u>3. (Donatello Corporation)</u>	<u>Officer/Director</u>	<u>Brown, Neil</u>	<u>Natural Person</u>
<u>3. (Donatello Corporation)</u>	<u>Officer/Director</u>	<u>Silver, Gary B.</u>	<u>Natural Person</u>
<u>3. (Donatello Corporation)</u>	<u>Shareholder</u>	<u>The Brown Business Trust</u>	<u>Trust</u>
<u>3. (Donatello Corporation)</u>	<u>Shareholder</u>	<u>The Silver Business Trust</u>	<u>Trust</u>
<u>3. (Donatello Corporation)</u>	<u>Executive Director</u>	<u>Brown, Neil</u>	<u>Natural Person</u>

CURRENT

Inserted by FHFC Staff

Principal Disclosures for the three Developers

Select the organizational structure for the second Co-Developer entity:

The second Co-Developer is a: [Non-Profit Corporation](#)

Provide the name of the Developer Non-Profit Corporation:

[Pinellas Property Management Company, Inc.](#)

First Principal Disclosure Level:

Pinellas Property Management Company, Inc.

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Developer</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>
1.	Officer/Director	Rouson, Angela	Natural Person
2.	Officer/Director	Swartz, Alan	Natural Person
3.	Officer/Director	Guju, Michael	Natural Person
4.	Officer/Director	Triolo, Joseph	Natural Person
5.	Executive Director	Booker, Regina	Natural Person
6.	Officer/Director	Booker, Regina	Natural Person

Principal Disclosures for the three Developers

Select the organizational structure for the third Co-Developer entity:

The third Co-Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

Newstar Development, LLC

First Principal Disclosure Level:

Newstar Development, LLC

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Developer</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>
1.	<u>Member</u>	<u>Anise Development, LLC</u>	<u>Limited Liability Company</u>
2.	<u>Member</u>	<u>Corder Development, LLC</u>	<u>Limited Liability Company</u>
3.	<u>Member</u>	<u>Norstar Development USA, LP</u>	<u>Limited Partnership</u>
4.	<u>Manager</u>	<u>Evjen, Brian</u>	<u>Natural Person</u>
5.	<u>Manager</u>	<u>Corder, Justin</u>	<u>Natural Person</u>

Second Principal Disclosure Level:

Newstar Development, LLC

[Click here for Assistance with Completing the Entries for the Second Level Principal Disclosure for a Developer](#)

<u>Select the corresponding First Level Principal Entity # from above for which the Second Level Principal is being</u>	<u>Second Level Entity #</u>	<u>Select the type of Principal being associated with the corresponding First Level Principal Entity</u>	<u>Enter Name of Second Level Principal</u>	<u>Select organizational structure of Second Level Principal identified</u>
<u>1. (Anise Development, LLC)</u>	1.A.	<u>Sole Member</u>	<u>Evjen, Brian</u>	<u>Natural Person</u>
<u>1. (Anise Development, LLC)</u>	1.B.	<u>Manager</u>	<u>Evjen, Brian</u>	<u>Natural Person</u>
<u>2. (Corder Development, LLC)</u>	2.A.	<u>Sole Member</u>	<u>Corder, Justin</u>	<u>Natural Person</u>
<u>2. (Corder Development, LLC)</u>	2.B.	<u>Manager</u>	<u>Corder, Justin</u>	<u>Natural Person</u>
<u>3. (Norstar Development USA, LP)</u>	3.A.	<u>General Partner</u>	<u>Nordev, Inc.</u>	<u>For-Profit Corporation</u>
<u>3. (Norstar Development USA, LP)</u>	3.B.	<u>Limited Partner</u>	<u>Black Locust, LLC</u>	<u>Limited Liability Company</u>
<u>3. (Norstar Development USA, LP)</u>	3.C.	<u>Limited Partner</u>	<u>Donatello Corporation</u>	<u>For-Profit Corporation</u>

Principal Disclosures for the Applicant

Select the organizational structure for the Applicant entity:

PROPOSED

The Applicant is a: Limited Partnership

Provide the name of the Applicant Limited Partnership:

Valor Preserve, LLLP

% Ownership input features will not be made available until invitation to credit underwriting

First Principal Disclosure Level:

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for the Applicant](#)

First Level Entity #	Select Type of Principal of Applicant	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified	% Ownership of Applicant
1.	<u>General Partner</u>	<u>Pinellas Property Management Company, Inc.</u>	<u>Non-Profit Corporation</u>	<u>0.0100%</u>
2.	<u>Non-Investor LP</u>	<u>Pinellas County Housing Authority</u>	<u>Public Housing Authority</u>	<u>0.0000%</u>
3.	<u>Investor LP</u>	<u>Pinellas County Housing Authority</u>	<u>Public Housing Authority</u>	<u>99.9900%</u>

Second Principal Disclosure Level:

Valor Preserve, LLLP

[Click here for Assistance with Completing the Entries for the Second Level Principal Disclosure for the Applicant](#)

Select the corresponding First Level Principal Entity # from above for which the Second Level Principal is being	Second Level Entity #	Select the type of Principal being associated with the corresponding First Level Principal Entity	Enter Name of Second Level Principal	Select organizational structure of Second Level Principal identified	Second Level Principal % Ownership of First Level Principal
<u>1. (Pinellas Property Management</u>	1.A.	<u>Officer/Director</u>	<u>Firebaugh, Chloe</u>	<u>Natural Person</u>	
<u>1. (Pinellas Property Management</u>	1.B.	<u>Officer/Director</u>	<u>Hickey, Veronica</u>	<u>Natural Person</u>	
<u>1. (Pinellas Property Management</u>	1.C.	<u>Officer/Director</u>	<u>Mineo, Wayne</u>	<u>Natural Person</u>	
<u>1. (Pinellas Property Management</u>	1.D.	<u>Officer/Director</u>	<u>Tomczak, Alen</u>	<u>Natural Person</u>	
<u>1. (Pinellas Property Management</u>	1.E.	<u>Executive Director</u>	<u>Thompson, Neil</u>	<u>Natural Person</u>	
<u>1. (Pinellas Property Management</u>	1.F.	<u>Officer/Director</u>	<u>Thompson, Neil</u>	<u>Natural Person</u>	
<u><Select a #></u>		<u><Select an option></u>		<u><Select an option></u>	
<u>2. (Pinellas County Housing Autho</u>	2.A.	<u>Commissioner</u>	<u>Firebaugh, Chloe</u>	<u>Natural Person</u>	
<u>2. (Pinellas County Housing Autho</u>	2.B.	<u>Commissioner</u>	<u>Hickey, Veronica</u>	<u>Natural Person</u>	
<u>2. (Pinellas County Housing Autho</u>	2.C.	<u>Commissioner</u>	<u>Mineo, Wayne</u>	<u>Natural Person</u>	
<u>2. (Pinellas County Housing Autho</u>	2.D.	<u>Commissioner</u>	<u>Tomczak, Alen</u>	<u>Natural Person</u>	
<u>2. (Pinellas County Housing Autho</u>	2.E.	<u>Executive Director</u>	<u>Thompson, Neil</u>	<u>Natural Person</u>	
<u>2. (Pinellas County Housing Autho</u>	2.F.	<u>Officer/Director</u>	<u>Thompson, Neil</u>	<u>Natural Person</u>	

Principal Disclosures for the three Developers

PROPOSED

How many Developers are part of this Application structure? (Please complete the Principal Disclosures for each of the three Co-Developers below.)

3

Select the organizational structure for the first Co-Developer entity:

The first Co-Developer is a: Limited Partnership

Provide the name of the Developer Limited Partnership:

Norstar Development USA, LP

First Principal Disclosure Level:

Norstar Development USA, LP

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Developer</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>
1.	<u>General Partner</u>	<u>Nordev, Inc.</u>	<u>For-Profit Corporation</u>
2.	<u>Limited Partner</u>	<u>Black Locust, LLC</u>	<u>Limited Liability Company</u>
3.	<u>Limited Partner</u>	<u>Donatello Corporation</u>	<u>For-Profit Corporation</u>

Second Principal Disclosure Level:

Norstar Development USA, LP

[Click here for Assistance with Completing the Entries for the Second Level Principal Disclosure for a Developer](#)

Select the corresponding First Level Principal Entity # from above for which the Second Level Principal is being identified

<u>Second Level Entity #</u>	<u>Select the type of Principal being associated with the corresponding First Level Principal Entity</u>	<u>Enter Name of Second Level Principal</u>	<u>Select organizational structure of Second Level Principal identified</u>
<u>1. (Nordev, Inc.)</u>	<u>Executive Director</u>	<u>Brown, Neil</u>	<u>Natural Person</u>
<u>1. (Nordev, Inc.)</u>	<u>Officer/Director</u>	<u>Higgins, Richard L.</u>	<u>Natural Person</u>
<u>1. (Nordev, Inc.)</u>	<u>Officer/Director</u>	<u>Brown, Neil</u>	<u>Natural Person</u>
<u>1. (Nordev, Inc.)</u>	<u>Shareholder</u>	<u>Norstar USA, Ltd.</u>	<u>Limited Partnership</u>
<u>2. (Black Locust, LLC)</u>	<u>Sole Member</u>	<u>Higgins, Richard L.</u>	<u>Natural Person</u>
<u>2. (Black Locust, LLC)</u>	<u>Manager</u>	<u>Higgins, Richard L.</u>	<u>Natural Person</u>
<u>3. (Donatello Corporation)</u>	<u>Officer/Director</u>	<u>Brown, Neil</u>	<u>Natural Person</u>
<u>3. (Donatello Corporation)</u>	<u>Officer/Director</u>	<u>Silver, Gary B.</u>	<u>Natural Person</u>
<u>3. (Donatello Corporation)</u>	<u>Shareholder</u>	<u>The Brown Business Trust</u>	<u>Trust</u>
<u>3. (Donatello Corporation)</u>	<u>Shareholder</u>	<u>The Silver Business Trust</u>	<u>Trust</u>
<u>3. (Donatello Corporation)</u>	<u>Executive Director</u>	<u>Brown, Neil</u>	<u>Natural Person</u>

PROPOSED

Principal Disclosures for the three Developers

Select the organizational structure for the second Co-Developer entity:

The second Co-Developer is a: Non-Profit Corporation

Provide the name of the Developer Non-Profit Corporation:

Pinellas Property Management Company, Inc.

First Principal Disclosure Level:

Pinellas Property Management Company, Inc.

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Developer</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>
1.	<u>Officer/Director</u>	<u>Firebaugh, Chloe</u>	<u>Natural Person</u>
2.	<u>Officer/Director</u>	<u>Hickey, Veronica</u>	<u>Natural Person</u>
3.	<u>Officer/Director</u>	<u>Mineo, Wayne</u>	<u>Natural Person</u>
4.	<u>Officer/Director</u>	<u>Tomczak, Alen</u>	<u>Natural Person</u>
5.	<u>Executive Director</u>	<u>Thompson, Neil</u>	<u>Natural Person</u>
6.	<u>Officer/Director</u>	<u>Thompson, Neil</u>	<u>Natural Person</u>

Principal Disclosures for the three Developers

PROPOSED

Select the organizational structure for the third Co-Developer entity:

The third Co-Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

Newstar Development, LLC

First Principal Disclosure Level:

Newstar Development, LLC

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Developer</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>
1.	<u>Member</u>	<u>Anise Development, LLC</u>	<u>Limited Liability Company</u>
2.	<u>Member</u>	<u>Corder Development, LLC</u>	<u>Limited Liability Company</u>
3.	<u>Member</u>	<u>Norstar Development USA, LP</u>	<u>Limited Partnership</u>
4.	<u>Manager</u>	<u>Evjen, Brian</u>	<u>Natural Person</u>
5.	<u>Manager</u>	<u>Corder, Justin</u>	<u>Natural Person</u>

Second Principal Disclosure Level:

Newstar Development, LLC

[Click here for Assistance with Completing the Entries for the Second Level Principal Disclosure for a Developer](#)

<u>Select the corresponding First Level Principal Entity # from above for which the Second Level Principal is being</u>	<u>Second Level Entity #</u>	<u>Select the type of Principal being associated with the corresponding First Level Principal Entity</u>	<u>Enter Name of Second Level Principal</u>	<u>Select organizational structure of Second Level Principal identified</u>
<u>1. (Anise Development, LLC)</u>	1.A.	<u>Sole Member</u>	<u>Evjen, Brian</u>	<u>Natural Person</u>
<u>1. (Anise Development, LLC)</u>	1.B.	<u>Manager</u>	<u>Evjen, Brian</u>	<u>Natural Person</u>
<u>2. (Corder Development, LLC)</u>	2.A.	<u>Sole Member</u>	<u>Corder, Justin</u>	<u>Natural Person</u>
<u>2. (Corder Development, LLC)</u>	2.B.	<u>Manager</u>	<u>Corder, Justin</u>	<u>Natural Person</u>
<u>3. (Norstar Development USA, LP)</u>	3.A.	<u>General Partner</u>	<u>Nordev, Inc.</u>	<u>For-Profit Corporation</u>
<u>3. (Norstar Development USA, LP)</u>	3.B.	<u>Limited Partner</u>	<u>Black Locust, LLC</u>	<u>Limited Liability Company</u>
<u>3. (Norstar Development USA, LP)</u>	3.C.	<u>Limited Partner</u>	<u>Donatello Corporation</u>	<u>For-Profit Corporation</u>

RESOLUTION NO. PH-22-1199

**APPOINTMENT OF INTERIM EXECUTIVE DIRECTOR AND
INTERIM SECRETARY OF
PINELLAS COUNTY HOUSING AUTHORITY**

WHEREAS, the Pinellas County Housing Authority (“PCHA”) Board of Commissioners (“Board”) has determined that it is in the best interests of PCHA to temporarily fill the vacancy of Executive Director and Secretary of PCHA; and

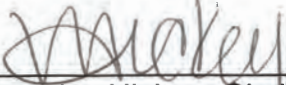
WHEREAS, Neil Thompson is currently the Chief Financial Officer of PCHA; and

WHEREAS, PCHA’s Board wishes to appoint Neil Thompson as Interim Executive Director and Secretary of PCHA to serve until an Executive Director and Secretary are duly appointed by PCHA’s Board; and

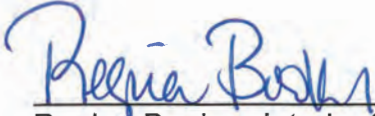
WHEREAS, the Board of PCHA has determined that an appropriate adjustment to Neil Thompson’s current salary would be appropriate while he is serving in these additional roles for PCHA.

NOW, THEREFORE, BE IT RESOLVED, that the Board of PCHA hereby appoints Neil Thompson as Interim Executive Director and Interim Secretary of PCHA, with appropriate adjustment to his current salary temporarily to serve in these additional roles until an Executive Director and Secretary are duly appointed by PCHA’s Board.

APPROVED THIS 27th DAY OF SEPTEMBER 2022.



Veronica Hickey, Chair



Regina Booker, Interim Secretary

RESOLUTION NO. PH-22-1200

**A RESOLUTION AUTHORIZING THE INTERIM
EXECUTIVE DIRECTOR AND INTERIM SECRETARY AND
HIS/HER DESIGNEES TO EXECUTE ANY AND ALL
DOCUMENTS ON BEHALF OF THE
PINELLAS COUNTY HOUSING AUTHORITY**

WHEREAS, the Interim Executive Director and Interim Secretary of the Pinellas County Housing Authority (“PCHA”) are the designated contracting officers of PCHA, duly authorized by the Board of Commissioners (“Board”) of PCHA to execute any and all documents on behalf of PCHA, including but not necessarily limited to contracts, deeds, and reports; and

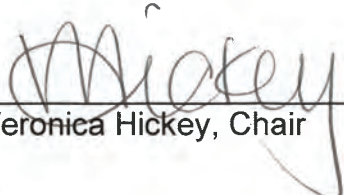
WHEREAS, the Interim Executive Director and Interim Secretary have the authority to select other officers of PCHA to be deemed his/her designees, who are also, duly authorized by the Board of PCHA to execute any and all documents on behalf of PCHA, including but not necessarily limited to contracts, deeds, and reports; and

WHEREAS, the Interim Executive Director and Interim Secretary have designated and the Housing Choice Voucher Director of PCHA as his/her designee for the purposes stated in this resolution; and

WHEREAS, the authorization memorialized by this resolution is intended to apply not only prospectively, but also intended to ratify any and all documents executed by the Interim Executive Director and Interim Secretary and/or his/her designee as indicated in this resolution prior to the adoption of this resolution.

NOW, THEREFORE, BE IT RESOLVED THAT, the Board of PCHA hereby duly authorizes the Interim Executive Director and Interim Secretary of PCHA, and his/her designee to execute any and all documents on behalf of PCHA, including but not necessarily limited to contracts, deeds, and reports prospectively, and ratifies any and all documents executed by the Interim Executive Director and Interim Secretary and/or his/her designee as indicated in this resolution prior to the adoption of this resolution.

APPROVED THIS 27th DAY OF SEPTEMBER, 2022.



Veronica Hickey, Chair



Regina Booker, Interim Secretary

RESOLUTION NO. PPMCI-22-05

**APPOINTMENT OF INTERIM EXECUTIVE DIRECTOR-
SECRETARY AND INTERIM SECRETARY OF
PINELLAS PROPERTY MANAGEMENT COMPANY, INC**

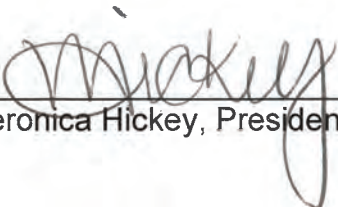
WHEREAS, the Pinellas Property Management Company, Inc (“PPMCI”) Board of Directors (“Board”) has determined that it is in the best interests of PPMCI to temporarily fill the vacancy of Executive Director-Secretary and Secretary of PPMCI; and

WHEREAS, Neil Thompson is currently the Chief Financial Officer of PPMCI; and

WHEREAS, PPMCI’s Board wishes to appoint Neil Thompson as Interim Executive Director-Secretary and Secretary of PPMCI to serve until an Executive Director-Secretary and Secretary are duly appointed by PPMCI’s Board.

NOW, THEREFORE, BE IT RESOLVED, that the Board of PPMCI hereby appoints Neil Thompson as Interim Executive Director-Secretary and Interim Secretary of PPMCI until an Executive Director-Secretary and Secretary are duly appointed by PPMCI’s Board.

APPROVED THIS 27th DAY OF SEPTEMBER, 2022.



Veronica Hickey, President



Regina Booker, Interim Secretary

RESOLUTION NO. PPMCI-22-06

A RESOLUTION AUTHORIZING THE INTERIM EXECUTIVE DIRECTOR-SECRETARY AND INTERIM SECRETARY AND HIS/HER DESIGNEES TO EXECUTE ANY AND ALL DOCUMENTS ON BEHALF OF THE PINELLAS PROPERTY MANAGEMENT COMPANY, INC.

WHEREAS, the Interim Executive Director-Secretary and Interim Secretary of the Pinellas Property Management Company, Inc. ("PPMCI") are the designated contracting officers of PPMCI, duly authorized by the Board of Directors ("Board") of PPMCI to execute any and all documents on behalf of PPMCI, including but not necessarily limited to contracts, deeds, and reports; and

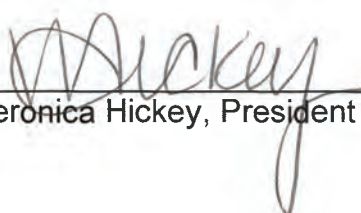
WHEREAS, the Interim Executive Director-Secretary and Interim Secretary have the authority to select other officers of PPMCI to be deemed his/her designees, who are also, duly authorized by the Board of PPMCI to execute any and all documents on behalf of PPMCI, including but not necessarily limited to contracts, deeds, and reports; and

WHEREAS, the Interim Executive Director-Secretary and Interim Secretary have designated the Housing Choice Voucher Director of PPMCI as his/her designee for the purposes stated in this resolution; and

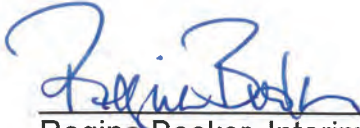
WHEREAS, the authorization memorialized by this resolution is intended to apply not only prospectively, but also intended to ratify any and all documents executed by the Interim Executive Director-Secretary and Interim Secretary and/or his/her designee as indicated in this resolution prior to the adoption of this resolution.

NOW, THEREFORE, BE IT RESOLVED THAT, the Board of PPMCI hereby duly authorizes the Interim Executive Director-Secretary and Interim Secretary of PPMCI, and his/her designee to execute any and all documents on behalf of PPMCI, including but not necessarily limited to contracts, deeds, and reports prospectively, and ratifies any and all documents executed by the Interim Executive Director-Secretary and Interim Secretary and/or his/her designee as indicated in this resolution prior to the adoption of this resolution.

APPROVED THIS 27th DAY OF SEPTEMBER, 2022.



Veronica Hickey, President



Regina Booker, Interim Secretary

**BOARD OF DIRECTORS****Suzanne Cabrera, Chair**

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Community Justice Project

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Aileen Pruitt

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RBC Capital Markets

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Sage Partners

Tim O'Malley

AmeriNat

Christine Ruiz

Bank of America

PRESIDENT/CEO

Jaimie Ross

February 15, 2023

Mr. Robert Dearduff

Florida Housing Finance Corporation

227 N. Bronough Street Ste. 5000

Tallahassee, FL 32301-1329

RE: PLP Loan Extension Request Coleman Park Renaissance PLP 2019-013P-09

Dear Mr. Dearduff:

This letter provides notice that Neighborhood Renaissance, Inc. (NRI) has requested a one-year extension of PLP loan 2019-013P-09. The Coleman Park Renaissance PLP loan of \$750,000 matures on May 1, 2023, with a principal amount owed of \$750,000.

The project is completing the credit underwriting process for FHFC RFA 2020-205 (Application 2021-219SN). The project delays have resulted in the PLP Borrower's submission and approval of a loan commitment extension for FHFC financing due to the following circumstances. The Petition for Rule Waiver was approved, providing a six-month extension of the firm loan commitment deadline to June 30, 2023, and NRI intends to close on financing by the extended deadline.

The project required the City of West Palm Beach to approve a right of way abandonment to achieve the density needed for the project. The City of West Palm Beach Commission approved this abandonment on November 14, 2022. In January 2023, the TEFRA Hearing was completed, and Palm Beach County increased the bond allocation to \$10.5 million. On January 10, 2023, the Palm Beach County Board of County Commissioners voted to approve \$2.3 million in ARPA funds for this project, which filled the financing gap. Other challenges NRI navigated during this time include value engineering to meet the maximum per unit cost, formation of a property management entity, and delayed local government approvals.

As TAP for this project, I am recommending that the request for a one-year extension be approved.

Should you need any further information please feel free to contact me at plancher@flhousing.org or call 850-274-9764.

Elissa Plancher

Technical Advisor



December 15, 2022

Mr. Rob Dearduff
Assistant Director of Special Programs
Florida Housing Finance Corporation
227 S. Bronough St., Suite 500
Tallahassee, FL 32301

RE: Request for One Year Extension Coleman Park Renaissance PLP 2019-013P-09

Mr. Dearduff,

Neighborhood Renaissance, Inc. (NRI) is requesting a one-year extension of the PLP loan maturity date for the Coleman Park Renaissance PLP 2019-013P-09 development project. To date, NRI has drawn \$750,000, fully expending the approved \$750,000 PLP loan. The Coleman Park PLP loan will mature on May 01, 2023.

The Coleman Park development project was selected for financing under the FHFC RFA 2020-205, and is in process of completing credit underwriting. The delay in closing on this financing source is due to several factors including the escalation of construction costs which resulted in the need for gap financing and the abandonment of a right of way by the City of West Palm Beach. These delays subsequently impacted the approval of site plan submissions, final site plan approval, and the construction document completion by the Architect and engineers. The City's right of way abandonment was approved by the City Commission in November 2022. The Palm Beach County Board of County Commissioners is scheduled to vote on January 10, 2023 on the final approval of \$2,358,001 in gap funding. Upon completion of these actions, the project can complete credit underwriting and close on FHFC financing.

We anticipate repayment of the PLP loan upon closing of FHFC financing, which is anticipated to occur by June 2023. Therefore, we anticipate repaying the principal amount borrowed on the PLP loan within the one-year extension period.

Best regards,



Terri Murray
Executive Director



BOARD OF DIRECTORS

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Housing Leadership Council of Palm Beach County, Inc.

Robert Von, Vice Chair

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Ben Johnson, Treasurer

Seltzer Management Group, Inc.

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Duke Energy

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New Port Richey

Barbara Beck

Habitat for Humanity of Florida

Stephen Bender

University of Florida

Charles Eisesser

Community Justice Project

Armando Fana

City of West Palm Beach

Bradford Goar

Florida Power and Light

David Hall

Florida Realtors

Cheryl Howell

Hillsborough County

Jack Humburg

Boley Centers, Inc.

Nancy Merolla

Synovus

Aileen Pruitt

PNC Bank

Anne Ray

Shimberg Center for Housing Studies

Mike Rogers

Southern Advocacy Group

Manny Sarria

Miami-Dade County Homeless Trust

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Marilyn Drayton

Wells Fargo

Helen Hough Feinberg

RBC Capital Markets

Debra Koehler

Sage Partners

Tim O'Malley

AmeriNat

Christine Ruiz

Bank of America

PRESIDENT/CEO

Jaimie Ross

February 16, 2022

Mr. Robert Dearduff
Florida Housing Finance Corporation
227 N. Bronough Street Ste. 5000
Tallahassee, FL 32301-1329

RE: Development Plan Approval for Sandcastle Manor PLP 2022-009P-09

Dear Mr. Dearduff:

This letter provides notice that this project has my approval to go forward for consideration of FHFC approval of the loan amount of \$494,100 and execution of loan documents. Sandcastle Foundation will build 22 single family rental units in Baker County within the City of Macclenny, that will provide housing for low-income family households. PLP funds will be used for site predevelopment expenses. The applicant has expressed a desire to have the FHFC Board consider this request at their next meeting.

I have provided a Development Plan which provides information on the project, the project timeline, and a budget which details how PLP funds will be spent.

After reviewing all documents pertaining to this project, and discussing the project specifics with the applicant, I believe that \$494,100 is sufficient to complete the proposed predevelopment activities for this project.

Should you need any further information please feel free to contact me at plancher@filhousng.org or call 850-274-9764.

A handwritten signature in black ink on a light-colored rectangular background.

Elissa Plancher
Technical Advisor



Predevelopment Loan Program

Development Plan

Development Name	Sandcastle Manor
Development File Number	2022-009P-09

A. General Information	
Applicant Entity Name	Sandcastles Foundation, Inc.
Development Name	Sandcastle Manor
Development Address	Woodlawn Rd. and Mt. Herman Macclenny, FL (Baker County)
Tax Assessor Parcel Id Number	083S22000000000350
Development Co-Developers	FBC Holdings LLC
Primary Contact	Jess Criss
Development Type	Rental <input checked="" type="checkbox"/> Homeownership <input type="checkbox"/>
Number of Buildings	23
Number of Units	22
Target Population	Family
Construction Type	New <input checked="" type="checkbox"/> Rehab <input type="checkbox"/> Both <input type="checkbox"/>
Applicant Comments: Sandcastles Foundation, Inc. has been awarded FHFC HOME funds for Sandcastle Manor with an anticipated loan closing in the next 4-6 months (July-September 2023). Sandcastle Manor will include 22, 4bedroom/3bathroom single family homes, a clubhouse, and a play area. Sandcastle Manor’s target demographic is families.	
TAP Comments: The Applicant will develop zero lot line single family rental homes in Macclenny, FL.	

B. Development Finance Information	
PLP Loan Recommended Amount	\$494,100
Total Predevelopment Costs	\$845,600
PLP Loan Amount for Acquisition	0
Estimated Total Development Costs	\$7,254,901
Will the Development be pursuing Tax Credits or Bonds? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If “Yes” selected above, please state name of entity that will own the property?	
Applicant Comments:	
TAP Comments:	

C. Development Team		
Developer	Sandcastles Foundation, Inc.	Approved by FHFC
Co-Developer		
Contractor	Bell Construction	In process of executing contract
Architect	Donnelly Architecture	Under Contract
Engineer	Plata Engineering	Under Contract
Consultant		
Property Management	AGPM	In process of executing management agreement
Other		
<p>Applicant Comments: Applicant is a new non-profit developer with experience gained through Co-Developer, FBC Holdings, LLC. FBC’s principal, Michael McPhillips, has over 30 years’ experience as an affordable housing developer. Applicant’s Contractor, Bell Construction is highly experienced building FHFC funded affordable housing and has Davis Bacon experience. Applicant will have a management agreement with AGPM, who has extensive property management experience leasing and management of affordable housing developments.</p>		
<p>TAP Comments:</p>		

D. Market/Feasibility		
Type of Study	Performed By	Status
Market Study	Walter Duke and Partners	In process
<p>Provide narrative of anticipated marketing and lease up of property: Applicant has met with the City of Macclenny who expressed a great need for family targeted affordable housing in the area. A market study has been ordered with an anticipated completion in April 2023. Applicant anticipates a 100% lease up of the development within 4 months of construction completion. Applicant will work closely with their experienced property management provider to market and lease the property in accordance with HUD marketing and leasing regulations. Applicant and AGPM will use local newspapers and local community centers to advertise the development. On-site rental managers will make tenant selections and their decisions will be reviewed by AGPM's regional manager and Jessica Criss, President of Sandcastles Foundation, Inc. Sandcastle Manor’s Fair Housing Marketing Plan will be provided to staff and updated as needed.</p>		
<p>Applicant Comments:</p>		
<p>TAP Comments: Project is in process of the FHFC credit underwriting process for RFA 2021-206.</p>		

E. Development Site and Site Control	
TAP has reviewed legal description.	
Site Control Questions	Applicant Response
Applicant currently owns the site (recorded deed)	Yes
The Applicant has or will have prior to loan closing, a contract to purchase the site	N/A
The Applicant has or will have prior to loan closing, a long-term lease on the site	N/A
Are there existing liens on the property?	Yes
If no liens exist, how was that verified?	
List all existing mortgages and liens on the property: First Mortgage – KAT Investment Group, LLC - \$182,212.50	
Are there currently any mortgages or liens, or will there be any mortgages or liens at PLP closing, that will prevent the PLP Loan from being in a first mortgage or a second mortgage position?	_____ Yes <input checked="" type="checkbox"/> No
If the PLP will be a second mortgage, please provide details on the first mortgage, including the Lender, amount of mortgage and proposed closing date.	KAT Investment Group, LLC \$182,212.50, Closed on July 29, 2022
If the development site will be titled in the name of a special purpose entity (SPE) formed by the Applicant, please provide the name of the SPE. If not yet formed, please advise when the entity will be formed and list as "SPE to be formed"	N/A
Applicant Comments:	
TAP Comments:	

F. Development Readiness	
Item	Status
Current Zoning on Property	CG (Commercial General) on the front acre and RG (Residential General) on the remaining back portion
Current Use of Property	Vacant Land
Future Land Use Plan	Front acre: Commercial medium intensity Remaining Parcel: Residential medium density

Site Plan Approval	To be completed (anticipated March 2023)
Property Survey	Complete
Soil Testing	Complete
Permits	To be completed
Availability of Utilities to property	Confirmed-City of Macclenny
Availability of Water to property	Confirmed-City of Macclenny
Availability of Sewer to property	Confirmed-City of Macclenny
Availability of Road access to property	Yes
Environmental Assessments Performed	Complete
Appraisal	In Process
Financial Statements available for review	Yes
Plans, Specs for Development	In process
Applicant Comments:	
TAP Comments: Community clubhouse will be located on the commercial portion of the site.	

G. Financing Sources		
Name of Source	Amount	Status
FHFC HOME	\$5,544,000.00	Awarded
First Mortgage	\$660,000.00	Committed
		Choose an item.
		Choose an item.
Applicant Comments:		
Is the Applicant applying for any other FHFC financing? If so, has it been approved?	FHFC HOME funds have been awarded.	
Is the Applicant entity under the other FHFC financing the same applicant entity as the PLP applicant entity? If not, provide the name of the Applicant entity.	Yes	
Will any of the other financing be closing in conjunction with the PLP loan?	No	
Will any of the financing closing in conjunction with the PLP loan be permanent or construction financing?	N/A	
TAP Comments: Currently in process of completing credit underwriting for RFA 2021-206 and anticipates closing on FHFC financing by June 2023.		

H. Narrative
Provide Additional narrative not covered in comments above: N/A

I. Predevelopment Loan Request Budget	
Item	Amount
Accounting	2,000
Appraisal	7,000
Architect/Engineer	150,000
Credit Underwriting Fees	14,500
Environmental Testing and Soil Test	39,000
Insurance	8,000
Legal Fees	27,000
Market Study and Feasibility	13,000
Survey	2,500
Title Insurance	2,000
Other – Commitment Fees (Financing)	3,600
Other – Permit/Impact Fees	28,500
Other – Land Carrying Costs	27,000
Other- Wetland Mitigation Fee	150,000
Contingency	20,000
PLP Loan Total	\$494,100

J. Total Development Costs	
Acquisition costs not covered by PLP	194,000
Acquisition closing costs not covered by PLP	7,500
Other Predevelopment costs not covered by PLP	150,000
Rehabilitation	0
Hard Construction	5,059,981
Construction Contingency	252,999
Developer Fees	1,000,676
Other construction costs	589,745
Total Development Cost	\$7,254,901

K. Timeline		
Timeline Item	Date	Status
PLP Loan Approval	March 2023	Anticipated
Site Acquisition	July 2022	Complete
Survey	October 2017	Complete (*Update in process)
Zoning Approval	N/A	Complete
PLP Loan Closing	April 2023	Anticipated
Applying for Construction Financing	November 2022	Complete
Construction Start	August 2023	Anticipated
Construction Completion	November 2025	Anticipated
Lease-up/Sale	February 2026	Anticipated

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AmeriNat

Christine Ruiz

Bank of America

PRESIDENT/CEO

Jaimie Ross

February 15, 2023

Mr. Robert Dearduff
Florida Housing Finance Corporation
227 N. Bronough Street Ste. 5000
Tallahassee, FL 32301-1329

RE: PLP Loan Extension Request Hope Hammock PLP 2019-003P-09

Dear Mr. Dearduff:

This letter provides notice that Community of Hope has requested a one-year extension of PLP loan 2019-003P-09. The Hope Hammock PLP loan of \$163,000 matures on May 26, 2023, with a principal amount owed of \$80,560.34.

This development project is being constructed in two phases and is financed by a first mortgage, and HOME allocations from both the City of Titusville and Brevard County. The Borrower is in process of building the capital stack to complete construction of the second phase of the project. The PLP repayment strategy includes ARPA funds from the HOME Consortium or a private loan to finance the Phase II's construction and repayment of the PLP loan. Permitting delays, hurricanes, requirements to incorporate a firewall and address an issue with removing a tree late in the site plan approval process, in addition to securing financing for the two phased development has resulted in project delays.

As TAP for this project, I am recommending that the request for a one-year extension be approved.

Should you need any further information please feel free to contact me at plancher@flhousing.org or call 850-274-9764.

Elissa Plancher
Technical Advisor

**Address**

P. O. Box 1253
Melbourne, FL 32902

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P. Drew Warren

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Melbourne
Highland Avenue Fellowship
Holy Trinity Episcopal
Trinity Wellsprings Church

Website

www.hopeofbrevard.com

Phone

321-474-0966

Fax

321-574-0799

Updated 01/01/2022

02/18/2023

Florida Housing Finance Corporation
Attn: Robert Dearduff
227 N. Bronough Street, Suite 5000
Tallahassee, FL 32301

RE: Hope Hammock PLP 2019-003P-09 Extension Request

Dear Mr. Dearduff,

Community of Hope Inc. is the Borrower for the Hope Hammock PLP 2019-003P-09 loan that is scheduled to mature on May 26, 2023. The predevelopment loan of \$163,000 is used to develop nine rental units for low-income families in Titusville, FL. To date, of the \$163,000 total PLP loan, \$80,560.34 has been expended.

The Hope Hammock project in Titusville, FL has experienced several delays. These delays were related to permitting issues with the City of Titusville, the removal of a tree that was not accounted for in the original civil engineering drawings, and most recently Hurricanes Ian and Nicole. That said, we are moving forward through construction and have a new and realistic schedule for completion of Phase I (4 units). The General Contractor provided an updated construction schedule that indicates the project will obtain the Certificate of Occupancy by April.

Upon the completion of Phase I, construction of Phase II will immediately begin. Completion of Phase II is anticipated by late 2023 or early 2024. At this point, most of the predevelopment expenses have already been incurred, as those costs related to activities applying to both phases.

The construction of this project is financed by HOME allocations from City of Titusville and Brevard County and the Borrower is in the application process for Federal Home Loan Bank of Pittsburgh Affordable Housing Program. To meet the extended maturity date, if the FHLB AHP is not awarded, the County has expressed willingness to allocate ARPA funds, or we will take out a loan to finance Phase II of the development project.

Thank you,

P Drew Warren
Executive Director
Community of Hope

Hope for Homeless Families

A copy of the official registration and financial information may be obtained from the Division of Consumer Services by calling toll-free 1-800-HELP-FLA (435-7352). Registration does not imply endorsement, approval, or recommendation by the state of Florida

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Jaimie Ross

February 15, 2023

Mr. Robert Dearduff
Florida Housing Finance Corporation
227 N. Bronough Street Ste. 5000
Tallahassee, FL 32301-1329

RE: PLP Loan Extension Request Phoenix Crossings PLP 2019-005P-09

Dear Mr. Dearduff:

This letter provides notice that Abundant Life Ministries-Hope House, Inc., has requested a one-year extension of PLP loan 2019-005P-09. The Phoenix Crossings PLP loan of \$464,500.00 matures on June 5, 2023, with a principal amount owed of \$99,412.28.

The PLP Borrower has experienced project delays due to various circumstances. The project required wetlands assessments to evaluate requirements for mitigation by Florida DEP and St. Johns Water Management District. Financing for the project has been a challenge, despite continued efforts to engage the local government by the Borrower and TAP. The Borrower engaged Flagler County to secure gap funding, and the FHC TAP provided education to the local government staff on public funding sources, planning frameworks, and affordable housing development. However, Flagler County did not allocate funds toward this project and the project was not selected by the Federal Home Loan Bank for an Affordable Housing Program award. Securing the Project Based Voucher allocation from the Flagler PHA took longer than anticipated, as the PHA did not have the experience with this action and required assistance from HUD to complete the process. To date, the Borrower is completing the required due diligence to enter into a HAP Contract with Flagler PHA. The Borrower is working with a consultant and has submitted an application for RFA 2022-206, is preparing another application for RFA 2023-102, and has engaged a potential codeveloper.

As TAP for this project, I am recommending that the request for a one-year extension be approved.

Should you need any further information please feel free to contact me at plancher@flhousing.org or call 850-274-9764.

Elissa Plancher
Technical Advisor



Abundant Life Ministries-Hope House, Inc.

P.O. Box 354925

Palm Coast, FL 32135

Office: 386-597-2861* www.almhhi.org* administrator@almhhi.org

February 15, 2023

Florida Housing Finance Corporation

Attn: Robert Dearduff

227 N Bronough St # 5000

Tallahassee, FL 32301

RE: Phoenix Crossings PLP # 2019-005P-09

Dear Mr. Dearduff,

Abundant Life Ministries-Hope House, Inc., is the Borrower for Phoenix Crossings PLP 2019-005P-09. The PLP loan is being used to build 30 units of Permanent Supportive Housing in Bunnell, FL for youth aging out of foster care, adults with disabling conditions and extremely low income. The principal amount borrowed on the PLP loan is \$99,412.28, with a remaining balance of \$365,087.72. The total PLP loan amount is \$464,500.00 and it matures on June 5, 2023.

The project has experienced delays due to various circumstances. The parcel's wetlands required intensive assessment and evaluation for mitigation. As of November, Florida Department of Environmental Protection provided notification that extensive wetland mitigation was not necessary, as the housing units will not be located on the areas identified as wetlands. As of today, many of the pre-development activities have been completed such as: Site Plan, Market Study Analysis, Environmental, Architectural, Engineering and all Zoning and FLUM amendments granted. Through a competitive RFP process, Phoenix Crossings has been awarded project-based vouchers for all 30 units through the Flagler County Housing Authority and is in process of executing the formal contract to secure this subsidy.

The most significant delay is caused by not being selected for financing by both the Federal Home Loan Bank and Florida Housing Finance Corporation. We have also made efforts to engage Flagler County for ARPA gap financing and increasing philanthropic donations that can be used as flexible funding. With the assistance of a development consultant and potential new co-developer, the project is preparing to apply for FHFC RFA 2023-102 financing for the development project.

Due to these unforeseen delays, we are requesting a one year extension to be granted on the PLP loan. The Borrower intends to repay the PLP loan once selected for financing through FHFC's competitive RFA process.

Thank you in advance for granting this extension request. Without the PLP loan Phoenix Crossings would not be possible.

Sincerely,

Sandra Shank

Sandra Shank CEO/Founder



December 19, 2022

Tim Kennedy
Florida Housing Finance Corporation
227 North Bronough Street, #5000
Tallahassee, FL 32301

RE: Vista Breeze (2022-159SN/2021-523C), SAIL Extension Request

Dear Mr. Kennedy:

In connection with the above referenced affordable housing development, we respectfully request a six-month extension to the deadline for obtaining a firm loan commitment for the SAIL, SAIL ELI and NHTF loans from March 8, 2023 to September 8, 2023.

Given the rise in hard costs, materials and labor, and interest rates, Vista Breeze applied in the Miami-Dade County FY 2022 Surtax Request For Applications to fill the gap in financing. The application was submitted on August 26, 2022, and we received preliminary scoring on December 8. As of the date on this letter, Miami-Dade County has not yet released the notification of awards. In turn, we cannot proceed with credit underwriting until the Surtax loan is awarded.

As a result of the above, we respectfully request a six-month extension to obtain a firm loan commitment. The additional time will allow us to complete and obtain the Corporation's board approval of the credit underwriting report to obtain the firm SAIL loan commitment. The extension fee will be wired to the Corporation upon approval.

If you have any questions or concerns, please do not hesitate to contact us. Your assistance and consideration are very much appreciated.

Sincerely,

Liz Wong

Senior Vice President

cc: Heather Strickland, FHFC
Lisa Walker, FHFC
Jade Grubbs, FHFC
Lisa Nickerson, FJFC
Michael O'Hara, HACMB
Michelle Feigenbaum, APC

Charles Jones, FHFC
Melissa Levy, FHFC
Rebecca Sheffield, FHFC
Kim Thorne, AmeriNat
Greg Griffith, APC
Ben Nayberg, APC



Blue Sky Communities
5300 West Cypress Street
Suite 200
Tampa, Florida 33607

December 20, 2022

Tim Kennedy
Multifamily Loans Director
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301

RE: Casa di Francesco, (2022-165SN/2021-532C)
Request to extend firm loan commitment deadline

Dear Tim,

In accordance with RFA 2021-205 and Rule Chapter 67-48.0072(21)(b), we request an extension to the 12 month deadline to have the firm loan commitment issued. Casa di Francesco was invited to credit underwriting on March 1, 2022 with First Housing Development Corporation.

We recently received the schedule of values in preparation of signing the GC contract. Due to the substantial price increase, we will need additional time to value engineer and consider other available options (i.e., change to Income Averaging to allow for additional debt).

We recently were successful in obtaining a \$6,000,000 loan through a competitive funding process with Hillsborough County. The county loan and deferred developer fee does not cover the existing gap.

We anticipate the final credit underwriting report to be approved at either the April 28th or June 9th FHFC board meeting. If you have any questions, you may call me at (813) 384-4825 or contact Angela Hatcher at (727) 269-3853.

Sincerely,

BLUE ST. FRANICS, LTD.

By: Blue St. Francis M, LLC, its manager

By: 

Shawn Wilson, Manager

Cc: Charles Jones, FHFC
Stephanie Petty, First Housing



February 21, 2023

Ms. Lisa C. Walker
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, FL 32301

Subject: Naranja Grand II (2022-201BSN / 2021-528C) (the “Application”) – 6-month Firm Loan Commitment Extension

Dear Ms. Walker,

Naranja Grand II, LLC (“Applicant”), hereby requests approval from the Board of Florida Housing Finance Corporation (“FHFC”) for an extension to secure a firm loan commitment on the SAIL and ELI Loans requested in Application 2022-201BSN / 2021-528C (the “Application”), as per Rule 67-48.0072(21)(b)¹.

Applicant timely submitted the Application in response to RFA 2021-205 SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits (the “RFA”). Applicant received an Invitation to Enter Underwriting dated March 1, 2022 (“Invitation”). Applicant accepted the Invitation on March 3, 2022.

A. The Request:

Applicant is hereby requesting the FHFC to approve a 6-month extension to the firm loan deadline to obtain a firm loan commitment as per Rule 67-48.0072(21)(b) and set the new deadline as August 28, 2023.

B. Considerations:

- Achieving final site plan approval and a building permit ready letter has been particularly cumbersome in this instance as the Applicant’s land was previously owned by Miami-Dade County and the Applicant has had to undergo a more extensive review process to ensure synergy with the adjacent County library facility. This more extensive review has necessitated significant additional changes to the site plan and development scheme, resulting in an extended timeline.
- The initial 12-month period to obtain a firm commitment ends on March 3, 2023. Since we are targeting FHFC approval of the Credit Underwriting recommendation in the 3rd quarter of 2023, this request is for a 6-month extension of the firm loan deadline to August 30, 2023 pursuant to Rule 67-48.0072(21)(b).

If this request is approved, Applicant shall submit, as per Rule 67-48.0072(21)(b), the 1% extension fee of the SAIL, ELI, and NHTF Loan amount, equal to \$71,460.

¹The applicable F.A.C rule for developments allocated under RFA 2020-205 is the following: Chapter 67-48 effective 6-23-20 as it relates to competitive funding (SAIL). Therefore, any mention here to rules in that chapter is a reference to those specific applicable set of rules.



Should FHFC require additional information, Applicant is available to answer questions and to provide all information necessary for consideration of this request.

Sincerely,

NARANJA GRAND II, LLC
a Florida limited liability company

By: **HTG NARANJA GRAND MANAGER II, LLC**
a Florida limited liability company,
its Manager

By: 
Matthew Rieger, Manager of Manager



ROYAL AMERICAN MANAGEMENT, INC.
ROYAL AMERICAN DEVELOPMENT, INC.
ROYAL AMERICAN CONSTRUCTION CO., INC.

February 13, 2023

Florida Housing Finance Corporation
227 N. Bronough Street
Suite 5000
Tallahassee, FL 32301

RE: College Arms Apartments RFA 2022-195BS/2021522C

To: Tim Kennedy
Multifamily Loans & Bonds Director

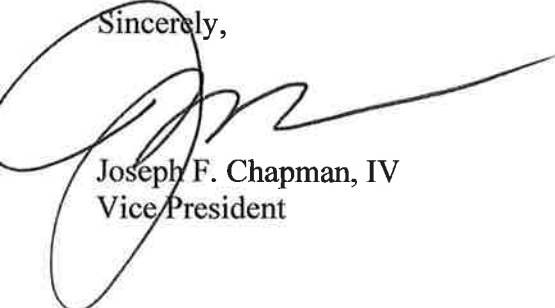
Please let this letter serve as our formal request to extend our CUR deadline of March 7, 2023 to August 7, 2023 for College Arms Apartments.

We anticipate the same delays we are experiencing on our current preservation developments due to Covid-19's impact upon HUD. The Pandemic has forced HUD to work remotely which has drastically delayed HUD processing time for the extension and assignments of the current HAP contract.

We will continue to work diligently to meet all the required deadlines, and we feel comfortable this additional time will suffice for the closing and due diligence needed to meet those deadlines.

If you need any further information or if I can be of any assistance, please let me know. Thank you for your assistance.

Sincerely,



Joseph F. Chapman, IV
Vice President





February 1, 2023

Tim Kennedy
Multifamily Loans Director
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301

RE: Alto Tower - 2021-294CSN/CHIRP
Amended and Restated Request to extend loan closing deadlines.

Dear Tim,

Thank you very much for your patience as we finalize the loan documents and permitting relating to our Alto Tower apartment project. This letter supersedes our letter dated December 20, 2022.

Alto Tower is an 84-unit development selected for funding in the Homeless and Special Needs RFA 2021-103 and invited to credit underwriting on July 1, 2021. The credit underwriting report was approved at Florida Housing's October 28, 2022 board meeting.

Pursuant to our firm loan commitment letter dated November 1, 2022, our deadline to close on the SAIL/ELI/NHTF loans is March 1, 2023, and our deadline to close on the SAIL/NHTF CHIRP loans is March 10, 2023. We respectfully request a 90-day extension to close on all FHFC loans, resulting in a new deadline of June 10, 2023.

The reason for this is permitting. As you may have heard on various closing calls we have had over the last few weeks, we have made a lot of progress but are not quite there. We have been diligently pursuing more than ten individual permits or approvals since after we received our credit underwriting invitation. We formally applied for all building permits in July 2022. At that time our internal schedule showed all permits being received by January 27, 2023, which was within the timeframe required in the SAIL/NHTF CHIRP ITP.

The timeline for permitting for Alto Tower has been protracted due to the following:

- Alto Tower is in the City of Miami, which, as you are likely aware from other developments, has one of the most challenging and lengthy permitting processes.
- We are on a major DOT right of way, which has its own permitting process that will end up taking about nine months.
- We are in an area of the City that was originally developed more than 100 years ago. This has implications on platting, alleys, adjacent utilities, etc. Most recently, as an example of this, we were slated to be approved for our alley vacation in December, but this meeting was cancelled and we were bumped to January.

All of these circumstances have resulted in an extremely long permitting process. City staff has been very attentive and cooperative, but the process is extraordinarily complicated. We would be happy to share more details about permitting upon request.


As evidence of how committed we have been to this project and the deadlines associated with our various funding sources, I would point out that we purchased the land for \$3,500,000 in early 2022 and the City has issued the demolition permit. Demolition on the existing structure began on January 30, 2023.

Thank you for your consideration of our extension request. If you have any questions or need further documentation, please email me or Angela Hatcher.

Sincerely,

BLUE CASL DADE, LLC

By: Blue DADE M, LLC, its manager

By: 

Shawn Wilson, Manager

CASL DADE, LLC

By: CASL DADE, LLC, its manager

By: 
Julian S Eller (Feb 2, 2023 15:58 EST)

Julian S. Eller, Manager

Cc: Amanda Perry, FHFC
Keith Whitaker, Seltzer Management Group

SELTZER MANAGEMENT GROUP, INC.

17633 ASHLEY DRIVE
PANAMA CITY BEACH, FL 32413
TEL: (850) 233-3616
FAX: (850) 233-1429

March 1, 2023

VIA EMAIL

Mr. Todd Fowler
Director of Special Assets
Florida Housing Finance Corporation
City Centre Building
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301

Re: Golf View Gardens Apartments ("Subject Development") – SAIL & 4% HC / 2002-056S / 2002-537C
First Mortgage Refinancing / SAIL Renegotiation / Subordination of SAIL Documents and ELIHA

Dear Mr. Fowler:

On your behalf, Seltzer Management Group, Inc. ("SMG" or "Seltzer") has reviewed a request, dated November 3, 2022, from a representative of Golf View Gardens, Ltd. ("Partnership" or "Borrower") requesting that Florida Housing Finance Corporation ("FHFC" or "Florida Housing") consent to the refinancing of the existing first mortgage. The transaction also requires execution of Subordination Agreements of the State Apartment Incentive Loan ("SAIL") Documents and Extended Low Income Housing Agreement ("ELIHA"), and renegotiation of the SAIL terms all of which are requirements of the new first mortgage lender, for the above Subject Development.

For purposes of this analysis, SMG reviewed the following:

1. Correspondence seeking Florida Housing's consent of the request outlined above
2. SAIL and 4% Housing Credit ("HC") Credit Underwriting Report ("CUR"), dated June 4, 2003 prepared by SMG
3. Transfer of Ownership Interests Recommendation Letter, dated May 22, 2009 prepared by SMG
4. First Mortgage Refinance and SAIL Land Use Restriction Agreement ("LURA") and Extended Use Agreement ("EUA") Subordination Letter, dated February 28, 2012 prepared by SMG
5. SAIL LURA and First Amendment to the SAIL LURA, dated December 31, 2003 and August 10, 2005, respectively
6. ELIHA and First Amendment to the ELIHA, dated March 31, 2004 and September 19, 2005, respectively
7. Borrower Audited Financial Statements, prepared by Tidwell Group, LLC, for the years ended December 31, 2021 and 2020, respectively
8. Draft Application for a Variable Rate Freddie Mac CME Program Loan from Berkadia Commercial Mortgage LLC ("Berkadia"), dated January 30, 2023
9. Appraisal prepared by BBG, Inc. dated November 14, 2022

Mr. Todd Fowler
March 1, 2023
Golf View Gardens
Page 2

10. Amendment Number Three to the Amended and Restated Agreement Limited Partnership dated May ,2019
11. FHFC Occupancy Report
12. Annual Management Review and Physical Inspection, performed May 19, 2020
13. FHFC Past Due Report, dated January 19, 2023
14. FHFC Noncompliance Report, dated December 28, 2022

In addition, SMG has had various conversations with FHFC Staff concerning the proposed requests described above.

Our findings are as follows:

Background

Golf View Gardens is an elderly development, located in the City of Sunrise, Broward County, Florida, consisting of 160 rental apartment units located in one mid-rise residential building with an elevator. The apartment building contains eighty (80) one-bedroom, one-bathroom units and eighty (80) two-bedroom, two-bathroom units. A separate clubhouse is also part of the Subject Development. The SAIL loan closed on December 31, 2003. The General Partner (0.01% interest) is TCG Golf View Gardens, Inc. ("TCG"), a Florida corporation; the Investor Limited Partner (99.98% interest) is Guilford Corporate Tax Credit Fund XX ("Guilford"); and the Special Limited Partner (0.01% interest) is Guilford Realty Corporation ("GRC"). Profits and losses are allocated based upon provisions of the Partnership Agreement, which generally are 0.01% to TCG and 99.99% to Guilford.

Seltzer submitted a detailed recommendation to Florida Housing dated May 22, 2009 to transfer the ownership interests in the General Partner, TCG, from Lloyd Boggio (33.34% interest), Bruce Greer (33.33% interest) and Luis Gonzalez (33.33% interest) to 1754, L.L.C. (66.67% interest) and The Sagra, L.L.C. (33.33% interest). The sole member of 1754, L.L.C. ("1754") is Matthew Greer. The members of The Sagra, L.L.C. ("The Sagra") are: Matthew Greer (33.34% interest), Laura Greer (33.33% interest) and Rachel Narvaez (33.33% interest).

Per the Amendment Number Three to the Amended and Restated Agreement Limited Partnership, Kronos Capital Advisors LLC ("Kronos") purchased the Limited Partnership interests from Guilford and GRC. Kronos is now the sole limited partner.

The development originally received a Broward County MMRB first mortgage financed loan in the amount of \$8,850,000. Proceeds from the sale of the Bonds funded a first mortgage note in the same amount. Terms of the loan include a 41.5-year term and a variable interest rate equal to the bond interest rate plus various related fees. The loan interest rate is calculated periodically in an amount sufficient to meet the debt service requirements of the bonds and all associated fees.

Other funding sources include the \$2,000,000 SAIL loan, a \$194,043 Broward County HOME loan, and a \$500,000 Broward County SHIP Loan.

Seltzer submitted a recommendation to FHFC dated February 28, 2012 to refinance the first mortgage and SAIL Loan as well as to subordinate the LURA and ELIHA. The first mortgage loan was refinanced to \$8,085,000 and no SAIL paydown was required.

Mr. Todd Fowler
March 1, 2023
Golf View Gardens
Page 3

Operation of the Subject Development is restricted by terms and conditions detailed in various loan documents, including but not limited to the LURA and EUA.

Set-asides for the SAIL Loan are 6.25% of the units (10 units) for tenants earning 35% or less of the area median income ("AMI") and 93.75% (remaining units) at 60% or less of AMI. The demographic commitment is Elderly. The Housing Credit set-aside is 100% at 60% or less of AMI. The affordability term for the LURA is 50 years and 30 years for the ELIHA.

The Borrower's 2021 audited financial statements reflect that the Subject Development generated sufficient income to meet operating expenses and to service all the mortgage debt and related fees. Total assets exceed total liabilities resulting in positive net equity.

As of September 30, 2022, the Subject Development reported occupancy at a rate of 96.88%. The average year-to-date occupancy for 2022 is 98.06%.

The most recent Management Review and Physical Inspection was performed May 19, 2020, reflecting no file discrepancies with a Close Out Letter issued July 9, 2021; however, the physical inspections were waived due to COVID-19.

The FHFC Noncompliance Report and Past Due Report reflect no noncompliance or past due items.

Refinancing / Renegotiation Overview

As evidenced by a draft Berkadia Commitment dated January 30, 2023, the Partnership has been approved to receive mortgage insurance on a first mortgage loan, in an amount of \$12,589,000. Loan terms include an interest rate at closing of 1.74% over the current 5-Year U.S. Treasury which is currently estimated at 3.66% as of January 30, 2023 for an all-in interest rate of 5.40% and a 30-year amortization period. The term of the loan will be 10 years.

The annual debt service is estimated to be \$801,388 which is \$305,125 more than the current annual debt service. Cash flow will not be improved although the Subject Development's economic viability will be maintained.

Based on a review of historical operating results, SMG has concluded a net operating income estimate (including annual replacement reserve deposits of \$2,400) in the amount of \$928,066. The resulting combined debt service coverage ("DSC") ratio for the first mortgage loan and SAIL is calculated at 1.08 to 1.00 which meets minimum FHFC DSC underwriting requirements. Seltzer's analysis is based on the Development's interim financial statements, which confirmed receipt of 2022 maximum restricted rents, in conjunction with historical vacancy/collection losses as a percentage of gross potential rental income.

Therefore, renegotiation of the SAIL will require a pay down of \$1,000,000, payment of all outstanding accrued SAIL interest will be made, any payments of deferred developer fee will be subordinate to the annual SAIL interest payment.

The SAIL Loan is currently in a subordinate lien position behind the existing \$8,085,000 first mortgage. The HUD insured first mortgage will be more than the original mortgage. Florida Housing's security position will not be adversely affected.

Mr. Todd Fowler
March 1, 2023
Golf View Gardens
Page 4

Overall Sources and Uses of Funds

Borrower provided SMG with an estimate of the overall sources and uses of funds:

Sources		
Freddie Mac First		\$ 12,589,000
SAIL Assumption		\$ 2,000,000
Total Sources		\$ 14,589,000
Uses		
Existing First Mortgage Payoff		\$ 6,381,000
Estimated Closing Costs		\$ 349,140
SAIL Negotiated Principal Payment		\$ 1,000,000
SAIL Subordination Fee		\$ 2,000
SAIL Renegotiation Fee		\$ 10,000
Cash Out		\$ 6,846,860
Total Uses		\$ 14,589,000

First mortgage loan payoff and closing costs are based on estimates provided by Borrower which appear reasonable at this time. The cash out money will be used to make improvements to the property.

Summary and Recommendation

Seltzer's review concludes the refinancing/renegotiation meets Florida Housing's underwriting standards and notes that FHFC will receive a negotiated \$1,000,000 SAIL principal payment.

Therefore, SMG recommends that FHFC consent to the refinancing of the existing first mortgage loan, subordination of the SAIL Documents and ELIHA (as applicable) to the new first mortgage loan; all of which meet the requirements of the new first mortgage lender, and the modification of any other loan documents required to effectuate the refinancing, subject to the following:

- Review of final first mortgage loan terms and confirmation that all requirements set forth in FHFC underwriting requirements for approval have been met
- Confirmation of refinancing fees and closing costs prior to closing
- Review and approval of all loan documents by FHFC, its Legal Counsel, and Servicer
- Any payments of deferred developer fee will be subordinate to the annual SAIL interest payment, if applicable
- Payment of the SAIL negotiated principal payment of \$1,000,000, as determined by the Servicer and FHFC
- Receipt of payment of any and all accrued SAIL Interest separate from the principal payment
- Receipt of a non-refundable LURA and ELIHA subordination fee of \$1,000, for each, as applicable

Mr. Todd Fowler
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- Receipt of a non-refundable renegotiation fee equal to one-half of one percent of the SAIL principal balance amount on the date of the closing
- Transfer of existing tax, insurance, replacement reserve and debt service reserve escrow accounts or establishment of new accounts in like or greater amounts satisfactory to FHFC prior to closing, if applicable
- Consent of the current limited partner and other subordinate lenders, if applicable
- Prepayment of any compliance monitoring fees and servicing fees, if applicable
- Payment of any outstanding arrearages to FHFC, its Legal Counsel, Servicer or any Agent or Assignee of Florida Housing for Past Due issues applicable to the Development Team (Borrower or Developer or Principal, Affiliate or Financial Beneficiary, as described in 67-21.0025 (5) and 67-48.0075 (5) F.A.C., of a Borrower or a Developer)
- Satisfactory resolution of any outstanding past due and/or noncompliance items
- FHFC requires the Purchaser to waive the right to a Qualified Contract under the ELIHA, such waiver to be in form and substance acceptable to FHFC, if applicable
- All other due diligence required by FHFC, its Legal Counsel and Servicer

I hope this correspondence has been helpful and please do not hesitate to call if I can be of further assistance.

Sincerely,
SELTZER MANAGEMENT GROUP, INC.



Justin Coles
Credit Underwriter

SELTZER MANAGEMENT GROUP, INC.

17633 ASHLEY DRIVE
PANAMA CITY BEACH, FL 32413
TEL: (850) 233-3616
FAX: (850) 233-1429

March 1, 2023

VIA EMAIL

Mr. Todd Fowler
Director of Special Assets
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301

Re: Boynton Bay Apartments - Multifamily Mortgage Revenue Bonds ("MMRB") 2007 Series I / 4% Housing Credits ("HC") 2007-513C / 9% HC 1990-042 / State Apartment Incentive Loan ("SAIL") 1990-042S

Partial Release of Land from existing MMRB and SAIL Land Use Restriction Agreements ("LURAs") and Extended Low-Income Housing Agreements ("ELIHAs")

Dear Mr. Fowler:

On your behalf, Seltzer Management Group, Inc. ("SMG", "Seltzer" or "Servicer") has reviewed a request, dated November 4, 2022, from a representative of Boynton Bay Preservation, LLC ("Owner or Borrower"), requesting Florida Housing Finance Corporation ("FHFC" or "Florida Housing") consent to the release of approximately 2.4 acre parcel of vacant land currently encumbered by existing MMRB and SAIL LURAs and ELIHAs associated with Boynton Bay Apartments ("Subject Development"). The Owner is requesting the release of the land to pursue the development of approximately 140 additional affordable units.

For the purposes of this analysis, SMG has reviewed the following:

1. Correspondence seeking Florida Housing's consent of the request outlined above
2. FHFC SAIL LURA dated December 18, 1990, First Amendment to SAIL LURA dated November 2, 2007, Assignment and Assumption of SAIL LURA and ELIHA (9% HC 1990-042) and Partial Release of SAIL LURA and ELIHA (9% HC 1990-042)
3. FHFC MMRB LURA dated November 1, 2007, Assignment and Assumption of LURA and ELIHA dated November 2, 2007 and First Amendment to MMRB LURA dated May 14, 2008
4. FHFC ELIHA (9% HC 1990-042) dated June 18, 1992, and ELIHA (4% HC 2007-513C) dated March 23, 2010
5. FHFC MMRB and 4% HC Credit Underwriting Report ("CUR"), dated July 13, 2007, prepared by Seltzer

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6. CUR Update Letters, dated November 1, 2007 and February 27, 2009, respectfully, prepared by Seltzer
7. Ownership Transfer CUR Letter dated June 3, 2022, prepared by Seltzer
8. Annual Management Review and Physical Inspection, performed January 13, 2023
9. Survey, completed by Southern Geomatics Services, LLC, dated July 5, 2022
10. FHFC Occupancy Reports
11. FHFC Past Due Report, dated January 19, 2023
12. FHFC Noncompliance Report, dated December 28, 2022

In addition, SMG has had various conversations with FHFC Staff and the Vice President of Boynton Bay Manager, LLC, the Manager of Boynton Bay Preservation, LLC regarding the requests described above.

Our findings are as follows:

Background

The Subject Development is located at 499 Boynton Bay Circle, Boynton Beach, Palm Beach County, Florida, 33435 consisting of 240 multifamily rental apartment units located in 17 two-story buildings, a building for management offices and a building containing the clubhouse and central laundry facility.

The Subject Development was sold to the Owner on July 15, 2022. SMG reviewed the ownership transfer on behalf of FHFC and submitted a positive recommendation on June 3, 2022. The Owner was formed on March 1, 2022. The Managing Member, with 0.01% ownership interest in the Owner is Boynton Bay Manager, LLC. The Principals of the Owner are Jorge and Jon Paul Perez whom are Principals of Perez Housing Associates, LLC, an affiliate of The Related Group ("TRG"). TRG was established in 1979 by Jorge Perez and has developed, rehabilitated, and managed over 15,000 affordable housing units. Seltzer has successfully underwritten multiple transactions that TRG has developed.

The Subject Development was constructed in 1992, primarily funded from the proceeds of FHFC SAIL funds in the amount of \$2,655,000, which were paid off on November 14, 2007, later refinanced/rehabilitated with a \$17,690,000 FHFC MMRB (2007 Series I) first mortgage loan and the syndication of 4% HC. The MMRB were redeemed on July 15, 2022 as part of the 2022 ownership transfer. An existing loan from Palm Beach County in the amount of \$1,000,000, plus \$692,750 of accrued interest, and a Seller Loan in the amount of \$3,895,612, plus \$2,855,082 of accrued interest, has also been paid in full.

The acquisition of the Subject Development was partially funded from the proceeds of a KeyBank first mortgage bridge loan in an amount up to \$52,000,000, currently estimated to be \$46,800,000. The interest rate was variable based on 225 basis points over the daily average Secured Overnight Financing Rate (currently 0.288%). The term was for 12 months, with two 6-

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month extension options. Payments on the loan are interest only for the term of the loan. The term sheet notes that KeyBank will lend up to 100% of the purchase price and total development costs. The loan was sized to a 1.05x interest-only Debt Service Coverage Ratio ("DSCR") based on the actual loan interest rate, plus 75 basis points (0.75%). An origination fee of 0.65% of the loan amount was paid at closing.

KeyBank required FHFC to execute Subordination Agreements for the MMRB and SAIL LURAs and ELIHAs, as applicable, to certain other loan documents.

Additional funding for the purchase of the Subject Development consisted of \$25,000 from Lender Deposits, and \$6,860,564 of New Owner's cash/equity.

Set-asides for the MMRB are 85% of the units (204 units) for residents earning 60% or less of the Area Median Income ("AMI") for 50 years. Set-asides for the HCs are 100% of the units for residents earning 60% or less of the AMI for 50 years. Set-asides for the SAIL Program are 40% of the units (96 units) for residents earning 60% of the AMI for 50 years.

As of December 31, 2022, the Subject Development reported occupancy at a rate of 96.67%. The average occupancy for 2022 exceeded 96%.

The Management Review and Physical Inspection reported compliance deficiencies. All items identified have been cleared and the Management Review was closed out as of February 21, 2023.

FHFC Noncompliance Report and Past Due Report list no items for the development team.

Partial Release of Land Overview

The Owner is requesting a +/- 2.4 acre parcel of vacant land be released within the Subject Development and is currently encumbered by existing MMRB and SAIL LURAs and ELIHAs. The land does not contain any residential improvements. The land will be sold to a TRG Single Purpose Entity, that is yet to be formed. The site plan provided shows the scope boundary of +/- 3.8 acres. The new affordable rental units will be constructed on +/- 2.4 acres that is being requested to be released. The additional +/- 1.4 acres on the site plan will be for additional parking that will be governed under a Reciprocal Use Agreement ("RUA"). The RUA will permit all residents to park across the site. The residents of the new phase will utilize the new parking developed, as it will be closer to their units. The existing parking is currently underutilized with 283 registered vehicles for 507 total parking spaces, of which 33 are handicap accessible. The number of new additional spaces is pending. Currently on the purposed site, there is a dog park and basketball court that were not required per the LURAs and ELIHAs. The Subject Development has amenities that will be shared and governed through a RUA. Releasing the land will provide much needed affordable housing in a high demand area. The Borrower confirms the release of 2.4 acres of land will not adversely impact the existing residents and the Subject Development.

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Summary and Recommendation

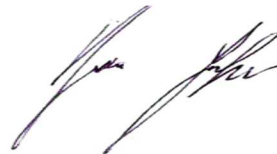
Seltzer recommends that FHFC approve the release of the +/- 2.4 acre parcel of vacant land, which will not adversely impact the Subject Development and its current residents, and a modification of the legal description in the existing MMRB and SAIL LURAs, ELIHAs and modification of any other loan documents, as required to effectuate the transaction, which would allow the Owner to pursue the development of additional affordable rental units subject to the following:

- Review and approval of all documents needed to effectuate the partial release of land consistent with the terms outlined above by Florida Housing, its Legal Counsel, and Servicer
- Payment of any outstanding arrearages to FHFC, its Legal Counsel, Servicer or any Agent or Assignee of Florida Housing for Past Due issues applicable to the Development Team (Borrower or Developer or Principal, Affiliate or Financial Beneficiary, as described in 67-21.0025(5) and 67-48.0075 (5) F.A.C., of a Borrower or a Developer)
- Receipt and satisfactory review of final signed/sealed surveys for the Subject Development by Florida Housing, its Legal Counsel, and Servicer
- Approval of the release of land by the existing first mortgage loan provider, current limited partner and investor member, as applicable
- Satisfactory resolution of any outstanding past due and/or noncompliance items, and
- All other due diligence required by FHFC, its Legal Counsel and Servicer

I hope this correspondence has been helpful and please do not hesitate to contact me if I can be of further assistance.

Sincerely,

SELTZER MANAGEMENT GROUP, INC.



Ryan Johnson
Credit Underwriter



February 24, 2023

Mr. Todd Fowler
Director of Special Assets
Florida Housing Finance Corporation
City Centre Building
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329

Re: Meridian Place (Florida Housing Finance Corporation (“Florida Housing” or “FHFC”)
Demonstration (“Demo”) Loan 2001/08-006HL)
Extension of the Demo Loan and Demo Loan Land Use Restriction Agreement (“LURA”)

Dear Mr. Fowler:

First Housing Development Corporation of Florida (“FHDC”, “First Housing”, or “Servicer”) has reviewed a letter, dated May 5, 2021, from a representative of Miami Beach Community Development Corporation (“MBCDC”) on behalf of Meridian Place, LLC (“Borrower” or “Owner”), requesting that FHFC approve the extension of the Demo Loan maturity date for five years in order to refinance the Development. First Housing has been requested to determine if the proposed extension will affect Meridian Place (“Development”) negatively. A new first mortgage lender would most likely require that the subordinate debt mature after their mortgage matures so that the subordinate debt can be restructured.

Based on an email, dated January 23, 2023, it is the intent of the Borrower to transfer ownership of Meridian Place and the MBCDC’s other developments to Miami Dade County Public Housing and Community Development (“PHCD”). This action will be requested at a further date as the parties are in negotiations at this time. The first mortgage lender is requiring the Borrower to extend the Demo Loan maturity date prior to modifying the first mortgage. Also, PHCD would like the subordinated debt and first mortgage to mature later as they will need time to refinance the property. A five-year request seems reasonable in First Housing’s opinion.

FHDC

On behalf of FHFC, First Housing has reviewed the request, performed certain due diligence, and formulated recommendations and conditions which are contained at the end of this report. For the purposes of this analysis, First Housing has reviewed the following:

- Transfer of Ownership CUR, dated November 29, 2006.
- Subordination Request CUR, dated August 17, 2012.
- Development's Unaudited Financial Statements dated, December 31, 2022.
- Demo Loan LURA, dated April 4, 2005.
- Assignment and Assumption Agreement of Meridian Place Loan Documents, dated February 5, 2007.
- Construction Loan Agreement ("CLA"), dated April 4, 2005, First Amendment to CLA, dated October 28, 2011, Second Amendment to CLA, dated April 24, 2012, Third Amendment to CLA, dated September 30, 2012, Fourth Amendment to CLA, dated March 31, 2013, Fifth Amendment to CLA, dated August 31, 2013.
- FHFC Past Due Report, dated January 19, 2023.
- FHFC Asset Management Noncompliance Report, dated December 28, 2022.

Background

Meridian Place is an existing 34-unit affordable multifamily development for the elderly homeless, consisting of one (1) three-story garden style building with an elevator, located at 530 Meridian Avenue, Miami Beach, Miami-Dade County, Florida 33139. The Development consists of twenty-three (23) zero-bedroom/one-bathroom units and eleven (11) one-bedroom/one-bathroom units.

The Development is financed with a First Mortgage from National Housing Trust Community Development Fund ("NHTCDF") in the amount of \$635,012, a Demo Loan from FHFC in the amount of \$1,000,000, a forgivable Miami-Dade County ("MDC") Surtax Loan in the amount of \$1,000,000, a forgivable City of Miami Beach ("CMB") Redevelopment Agency Loan in the amount of \$1,500,000, a forgivable CMB Community Development Block Grant ("CDBG") and HOME Loan in the amount of \$2,864,642, a forgivable MDC Surtax State Housing Initiatives Partnership Program ("SHIP") Loan in the amount of \$775,000, and a forgivable MDC General Obligation Bonds ("GOB") in the amount of \$440,431.

FHDC

The Demo Loan LURA, requires the following set-asides for a period of fifteen (15) years:

- 50% of the units (17 units) set aside at or below 50% of the Area Median Income (“AMI”)

Status of Development Noncompliance/Past Due:

The Development Team was reported on Florida Housing’s January 19, 2023 Past Due Report:

- Meridian Place – Demo Loan matured April 4, 2021. Replacement reserves account is underfunded.
- Villa Maria – Failure to provide proof of adequate replacement reserves.

The Development Team was not reported on Florida Housing’s December 28, 2022 Noncompliance Report.

Experience and Financial Information of the Current Ownership Entities:

The Owner’s experience is solely from the operation of the Development itself. The actual development and experience lies with MBCDC, Inc. First Housing is relying on the experience and financials of MBCDC, Inc. to provide the necessary experience to effectively operate the Development.

MBCDC was founded in 1981 by the Miami Design Preservation League. It spearheaded the economic revitalization of the Art Deco District, public and private investment on Ocean Drive and Lincoln Road, historic preservation, and the re-emergence of South Beach as a world-class destination. In the 1990’s, the MBCDC shifted its focus to developing affordable housing and serving the low-income residents of Miami Beach. Today, the MBCDC owns and manages 12 residential projects. It has 323 units in its portfolio and primarily serves low-income elderly and disabled residents. Under the new leadership of Mr. Arango, serving as the MBCDC Chief of Operations, the organization is strengthening its relationships with long-time partners and forging new alliances throughout Miami-Dade County and the City of Miami Beach.

First Housing has been provided with a Balance Sheet and Profit & Loss Budget for MBCDC Meridian Place, LLC, as of December 31, 2022. The Statement reflected sufficient liquidity and net worth for a project of this scope.

Management Company:

The existing management company is Royal American Management, Inc. (“RAM”) and there is no plan to change management for the Development at this time. The continuation of RAM as management company, must be approved by Florida Housing’s Asset Management Department.

Recommendations:

First Housing's review indicates that the Borrower has the prerequisite financial strength and experience to successfully own and operate the Development. First Housing recommends approval of the extension of the Demo Loan and Demo Loan LURA for five years.

First Housing believes that the extension of the loan will be beneficial to the Development as it will allow the Owner the ability to refinance the property and find a sponsor who will retain the property's affordability, which is a benefit to the community.

1. The Borrower and its entities and principals (if applicable), to execute any and all extension documents and any other loan documents FHFC and its Legal Counsel deemed necessary to effectuate the transaction.
2. Payment of any outstanding arrearages to the Corporation, its Legal Counsel, Servicer or any agent or assignee of the Corporation for past due issues applicable to the development team (Applicant or Developer or Principal, Affiliate or Financial Beneficiary, as described in 67-21.0025(5) and 67-48.0075(5) F.A.C., of an Applicant or a Developer).
3. Satisfactory resolution of any outstanding noncompliance and/or past due items.
4. Verification that all Insurance Certificates are current and acceptable to Servicer and FHFC.
5. Review and approval of all loan documents consistent with the terms outlined above by FHFC, its Legal Counsel and Servicer.
6. Retention of existing tax, insurance, replacement reserve and operating reserve escrow accounts or establishment of new accounts in like or greater amounts satisfactory to FHFC prior to closing, if applicable.
7. Receipt of a non-refundable extension fee, equal to 1/10 of 1% of outstanding principal balance of the Demo Loan on the date of closing.
8. Payment of all costs and fees to Florida Housing, its Legal Counsel and Servicer, as applicable.
9. All other requirements by FHFC, its Legal Counsel and Servicer.

FHDC

Prepared by:

Thomas Wright

Thomas Wright
Credit Underwriter

Reviewed by:

Ed Busansky

Ed Busansky
Senior Vice President