

STATE OF FLORIDA  
FLORIDA HOUSING FINANCE CORPORATION

Hallmark-Florida GP, LLC,  
Petitioner

FHFC Case No. 2016-002VW

VS.

FLORIDA HOUSING FINANCE CORPORATION,  
Respondent

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PETITION FOR WAIVER OF RULE 67-21.003(8)(k) and (l) and Part C OF THE NON-COMPETITIVE  
APPLICATION INSTRUCTIONS  
TO SUBMIT ONE APPLICATION AND ONE APPLICATION FEE FOR A 24 PROPERTY MULTIFAMILY  
MORTGAGE REVENUE BOND PORTFOLIO

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Petitioner Hallmark-Florida GP, LLC, a Georgia limited liability company ("Hallmark") submits its Petition to Respondent Florida Housing Finance Corporation (the "Corporation") for (i) a waiver or variance of the Corporation's hard copy application requirement, and (ii) a waiver or variance of the Corporation's application fee. See Rule 67-21.003(8)(k) and (l) Florida Administrative Code.

In support of its Petition, Hallmark states:

A. THE PETITIONER

1. The name, address, telephone and facsimile numbers, and email address for Hallmark and its qualified representative for Hallmark's application (the "Application") for non-competitive 4% Low-Income Housing Tax Credits ("LIHTC"):

Hallmark-Florida GP, LLC  
3111 Paces Mill Road SE, Suite A-250  
Atlanta, GA 30339  
Telephone: (770) 984-2100  
Facsimile: (770) 952-9116  
E-Mail: [PPetersen@hallmarkco.com](mailto:PPetersen@hallmarkco.com)

2. The name, address, telephone and facsimile numbers for Hallmark's attorney are:

Gregory Q. Clark  
910 Patterson Street  
Valdosta, GA, 31601  
Telephone: (229)671-8260  
Facsimile: (229)333-0885  
E-Mail: [Greg.Clark@ColemanTalley.com](mailto:Greg.Clark@ColemanTalley.com)

## B. THE DEVELOPMENT

3. The Hallmark development will involve the preservation of a portfolio (the "Portfolio") of 1,038 affordable housing apartment units located within 24 properties across 13 separate counties in the State of Florida, all of which are currently operating under the USDA Section 515 program (the "Properties"). Hallmark will finance the acquisition and rehabilitation of the Properties through a single tax-exempt bond issuance issued by Osceola County and with 4% LIHTC issued by the Corporation. Please see the attached property information schedule for more detail on the Properties.
4. Hallmark has submitted an application for private-activity bond volume cap to Osceola County and has received an approval for a 2015 bond allocation and carryforward volume cap award from the State Division of Bonds. Hallmark submitted one bond application for the 24-Property Portfolio to Osceola County. The Portfolio is currently being underwritten by Seltzer Management, the Credit Underwriter.
5. Hallmark will submit a 4% Application to the Corporation for a determination of eligibility for 4% LIHTC. Prior to submitting an Application, Hallmark requests the waivers described in **Section C**.

## C. RULES FROM WHICH WAIVER IS SOUGHT

6. Hallmark is requesting that the Corporation allow for a single Application for all Properties in the Portfolio to be submitted to the Corporation rather than 24 separate Applications. Hallmark will submit one Application for 4% LIHTC covering all Properties in the Portfolio pursuant to the Rule set forth in Section 21.003(8)(k) and (l):

**"Submission of one original hard copy with the required number of photocopies of the Application by the applicable Application submission deadline, as outlined in the Non-Competitive Application instructions."**

7. Hallmark is requesting that the Corporation allow for the fee required for submitting the Application for all Properties in the Portfolio be determined as if it were submitting a single Application. Hallmark will submit one Application covering all Properties in the Portfolio and will pay the applicable \$3,000 Application fee for one Portfolio rather than \$3,000 for each Property pursuant to Part C of the Non-Competitive Application Instructions:

**"Payment of the required Application fee and, if applicable, the TEFRA fee at submission of the Application. All Applicants requesting MMRB and/or HC shall submit to the Corporation as a part of the Application submission a non-refundable Application fee of \$3,000"**

## D. PETITIONER REQUESTS A WAIVER FROM THE RULE FOR THE FOLLOWING REASONS

8. The financing structure for all Properties in the Portfolio will consist of a single tax-exempt bond issuance with one trust indenture covering all 24 Properties. One bond issuance benefits the Portfolio without adversely affecting the Development, because the Properties will not be cross-collateralized or cross-defaulted under the proposed financing structure even with a single bond indenture. Rather, the tax-exempt bonds will be 100% cash collateralized and the bondholders will not have a mortgage on any Property. The bond holders' collateral will be cash funds held

by a trustee in an equal amount to the bond issuance that will be provided by the senior lender, tax credit investor and project owner. The Development benefits from this structure through cost savings and economies of scale that permit a 4% LIHTC execution for the Portfolio that would otherwise not be financially feasible if each Property were financed separately.

9. Since the Development will be financed with one bond issuance and will be submitted to the Corporation under one Application for 4% LIHTC, the project should be treated as one Development and should pay fees based on a single Development submission. This would result in savings for the Development by reducing the Application fees from \$72,000 to \$3,000 (a savings of \$69,000), which could be allocated to rehabilitation costs for improvements to the Properties that benefit the tenants.

E. ACTION REQUESTED

Hallmark requests the following:

10. That the corporation grant Hallmark a waiver from Rule 67-21.003(8)(k) and (l) Florida Administrative Code, allowing it to submit one application and one application fee for the 24 property portfolio.

Respectfully submitted,

COLEMAN TALLEY LLP  
Counsel for Hallmark-Florida GP, LLC  
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Valdosta, GA, 31601  
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E-Mail: [Greg.Clark@ColemanTalley.com](mailto:Greg.Clark@ColemanTalley.com)

BY:

  
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Gregory Q. Clark

Property List - Hallmark Florida

	PROPERTY	ADDRESS	CITY	COUNTY	ZIP	TYPE	UNITS
1	Baldwin Village	110 Higginbotham Street	Baldwin	Duval	32234	Family	38
2	Cantebury Of Hilliard	37119 Cantebury Drive	Hilliard	Nassau	32046	Elderly	36
3	Colony Court	801 Mt. Homer Rd.	Eustis	Lake	32726	Elderly	47
4	Debary Villas ©	19 South Woodberry Dr.	DeBary	Volusia	32713	Family	83
5	Greenleaf Village	162 Jim Payne Road	Groveland	Lake	34736	Elderly	37
6	Greenwood Terrace	200 Greenwood Circle	Quincy	Gadsden	32351	Elderly	37
7	Inglewood Meadows	4037 Nolte Road	St. Cloud	Osceola	34772	Elderly	51
8	Jefferson Place	1468 S. Waukeenah St.	Monticello	Jefferson	32344	Family	39
	Kissimmee Homes	2188 McLaren Circle	Kissimmee	Osceola	34744	Family	104
9	Oakwood Village	9640 Shady Lane	Century	Escambia	32535	Elderly	40
10	Orangewood Villas	220 E. Collins Street	Umatilla	Lake	32784	Elderly	46
11	Park Place	39234 Park Place Circle	Zephyrhills	Pasco	33542	Family	28
12	Pine Forest II	1530 W. Madison St.	Starke	Bradford	32091	Family	30
13	Pine Ridge	125 Venus Drive	Port St. Joe	Gulf	32456	Family	51
14	Pine Terrace III	45177 Brown Street	Callahan	Nassau	32011	Family	40
15	Post Oak	996 Citrona Drive	Fernandina Beach	Nassau	32034	Family	42
16	Ridgecrest Manor	37 Ridgeview Drive	DeBary	Volusia	32713	Family	49
17	Rosemont Manor	1801 N. County Road 19A	Eustis	Lake	32726	Family	37
18	Village Chase	39216 Village Chase	Zephyrhills	Pasco	33542	Elderly	48
19	Village Walk	6012 Village Walk	Zephyrhills	Pasco	33542	Family	43
20	Water Oak	315 Water Oak Circle	Orange City	Volusia	32763	Elderly	40
21	Wildwood Terrace	500 Gilliam St.	Wildwood	Sumter	34785	Elderly	41
22	Woodland Terrace	4309 Nolte Rd.	St. Cloud	Osceola	34772	Elderly	51

Totals

1058

© = consolidations