

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
May 5, 2017
Consent Items



9% HOUSING CREDITS

Consent

I. 9% HOUSING CREDITS

A. Request Approval of Applicant Principal Change for Arbor View (RFA 2015-107/2016-161C)

Development Name: Arbor View	Location: Broward County
Applicant/Borrower: HTG Arbor View, LLC	Set Aside(s): 10% @ 33% AMI and 90% @ 60% AMI
Developer/Principal: HTG Arbor View Developer, LLC	Demographic/Number of units: Elderly / 100 units
Requested Amounts: \$1,967,002 Housing Credits	Development Category/Type: New Construction / Midrise

1. Background/Present Situation

- a) Arbor View (RFA 2015-107/2016-161C) is a Competitive Housing Credit, New Construction Development providing 100 set-aside units in Broward County, Florida. The Applicant was invited to enter credit underwriting on April 21, 2016. Subsequently, Florida Housing issued an allocation of \$1,967,002.00 in Housing Credits in August of 2016.
- b) The Applicant has requested Board approval, required by RFA 2015-107, to allow more than a 33.3 percent change in the Principals of the Applicant. The current and proposed applicant ownership structures are provided as [Exhibit A](#).
- c) The Applicant proposes to replace HTG Affordable, LLC (0.0075% member) and Rieger Holdings, LLC (0.0025% member) with HTGA Arbor, LLC (0.0075% member) and RH Arbor, LLC (0.0025% member). HTG Affordable, LLC will retain ownership of HTGA Arbor, LLC and Rieger Holdings, LLC will retain ownership of RH Arbor, LLC.

2. Recommendation

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

9% HOUSING CREDITS

Consent

B. Request Approval of Applicant Principal Change for Hammock Ridge (RFA 2015-106/2016-066C)

Development Name: Hammock Ridge	Location: Hernando County
Applicant/Borrower: HTG Hammock Ridge, LLC	Set Aside(s): 10% @ 40% AMI and 90% @ 60% AMI
Developer/Principal: HTG Hammock Ridge Developer, LLC	Demographic/Number of units: Family / 104 units
Requested Amounts: \$1,510,000 Housing Credits	Development Category/Type: New Construction / Garden

1. Background/Present Situation

- a) Hammock Ridge (RFA 2015-106/2016-066C) is a Competitive Housing Credit, New Construction Development providing 104 set-aside units in Hernando County, Florida. The Applicant was invited to enter credit underwriting on May 6, 2016. Subsequently, Florida Housing issued an allocation of \$1,510,000.00 in Housing Credits in August of 2016.
- b) The Applicant has requested Board approval, required by RFA 2015-106, to allow more than a 33.3 percent change in the Principals of the Applicant. The current and proposed applicant ownership structures are provided as [Exhibit B](#).
- c) The Applicant proposes to replace HTG Affordable, LLC (0.0070% member) and Rieger Holdings, LLC (0.0030% member) with HTGA Hammock, LLC (0.0070% member) and RH Hammock, LLC (0.0030% member). HTG Affordable, LLC will retain ownership of HTGA Hammock, LLC and Rieger Holdings, LLC will retain ownership of RH Hammock, LLC.

2. Recommendation

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

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C. Request Approval of Applicant Principal Change for Princeton Park (RFA 2015-108/2016-238C)

Development Name: Princeton Park	Location: Miami-Dade County
Applicant/Borrower: HTG Princeton Park, LLC	Set Aside(s): 10% @ 33% AMI and 90% @ 60% AMI
Developer/Principal: HTG Princeton Park Developer, LLC	Demographic/Number of units: Family / 150 units
Requested Amounts: \$2,561,000 Housing Credits	Development Category/Type: New Construction / Garden

1. Background/Present Situation

- a) Princeton Park (RFA 2015-108/2016-238C) is a Competitive Housing Credit, New Construction Development providing 150 set-aside units in Miami-Dade County, Florida. The Applicant was invited to enter credit underwriting on June 22, 2016. Subsequently, Florida Housing issued an allocation of \$2,561,000.00 in Housing Credits in November of 2016.
- b) The Applicant has requested Board approval, required by RFA 2015-108, to allow more than a 33.3 percent change in the Principals of the Applicant. The current and proposed applicant ownership structures are provided as [Exhibit C](#).
- c) The Applicant proposes to replace HTG Affordable, LLC (0.0070% member) and Rieger Holdings, LLC (0.0030% member) with HTGA Princeton, LLC (0.0070% member) and RH Princeton, LLC (0.0030% member). HTG Affordable, LLC will retain ownership of HTGA Princeton, LLC and Rieger Holdings, LLC will retain ownership of RH Princeton, LLC.

2. Recommendation

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

9% HOUSING CREDITS

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D. Request Approval to Waive Required Feature for Wisdom Village Crossing (2014-242C/2016-421C)

Development Name: Wisdom Village Crossing	Location: Broward County
Applicant/Borrower: Wisdom Village Crossing, LP	Set-Aside: 10% @ 30% AMI and 90% @ 60% AMI
Developer/Principal: Turnstone Development Corporation/Bill Schneider	Demographic: Family
Requested Amount: \$2,561,000 LIHTC	Development Category/Type: New Construction/High-Rise

1. Background/Present Situation

- a) On September 19, 2013, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2013-003 for Housing Credit Financing for Affordable Housing Developments Located in Broward, Miami-Dade and Palm Beach Counties.
- b) On January 31, 2014, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities. On June 13, 2014, staff issued an Invitation to Credit Underwriting to Wisdom Village Crossing, LP.
- c) On January 11, 2016, staff received a credit underwriting report with a positive recommendation for housing credits in the amount of \$2,561,000. Staff reviewed this report and found that the development meets all of the requirements of RFA 2013-003.
- d) On March 21, 2017, staff received a request to waive the requirement from the RFA that “Toilets must be 17 inches to 19 inches in height as measured from the finished floor to the top of the toilet seat” in the non-ADA units. This development has a family demographic and in the non-ADA units, upon tenant request, the Applicant will provide 3-inch toilet seat risers to the 15-inch toilets which will result in 18-inch high toilets. The ADA units will still be required to meet the RFA requirement as stated above.

2. Recommendation

- a) Approve a waiver of the RFA toilet height requirement in the non-ADA units.

HOME RENTAL

Consent

II. HOME RENTAL

A. Request Approval to Extend the Credit Underwriting Deadline for five HOME Rental Developments approved under RFA 2016-101

1. Background

- a) Request for Applications (RFA) 2016-101 was open to Applicants proposing the construction of affordable housing utilizing HOME Investment Partnerships Program (“HOME Rental”) to be used for Rental Developments in Rural Areas. The RFA was issued on January 22, 2016 and Applications were received on or prior to February 25, 2016.
- b) Florida Housing received nine (9) Applications in response to the RFA. On May 6, 2016, the Board approved and Florida Housing posted a notice of its intended decision to award funding to five (5) eligible applicants.
- c) National Development Foundation, Inc. (“NDF”) the developer for American Way Townhomes (“American Way”) an ineligible Applicant, filed a formal written protest contesting the ineligibility of its Application. A hearing was conducted on June 22, 2016 and a Recommended Order was received on July 18, 2016.
- d) On August 5, 2016, the Board approved American Way for selection for funding under RFA 2016-101, in addition to the original five Applicants selected on May 6, 2016 and all six Applicants to receive an invitation to credit underwriting.
- e) On August 10, 2016, the Corporation issued preliminary commitment letters for all six Applicants. On March 24, 2017, the Board approved the underwriting report for the Towns of Okeechobee. In accordance with Rule 67-48, the Developers of the remaining five developments had a May 5, 2017 deadline to complete the credit underwriting report.

2. Present Situation

- a) At present, all five Applicants have submitted information for the credit underwriting reports, however they are missing items needed to complete the reports in time to present at the May 5, 2017 Board Meeting.
- b) Pending receipt of the missing items, the credit underwriters should complete credit underwriting reports prior to the July 28, 2017, Board Meeting.
- c) The Applicants have requested extensions to complete the credit underwriting reports by June 16, 2017 and execute the written agreements thereafter in accordance with Rule 67-48 ([Exhibit A](#)).

3. Recommendation

- a) Approve Staff recommendation to extend the deadline for completion of the credit underwriting reports for the Applicants of American Way Townhomes, Willie Downs Villas, Turner Senior Apartments at Five Ash, St. John Paul II Villas and Highland Grove from RFA 2016-101 to July 28, 2017.

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III. LEGAL

A. In Re: EHDOC Pepper Towers Limited Partnership, LTD. - FHFC Case No. 2017-001VW

Development Name: (“Development”):	Mildred & Claude Pepper Towers
Developer/Principal: (“Developer”):	EHDOC Development Services, LLC Telesis Development Services, LLC Robert Agus
Number of Units: 150	Location: Miami-Dade
Type: Rehabilitation high-rise	Set Asides: 10% at 33% AMI 90% at 60% AMI
Demographics: Elderly non-ALF	9% HC: \$1,392,512 TCEP: \$2,300,000 EHCL: \$200,000

1. Background

- a) Petitioner was selected to receive low-income housing tax credits from Florida Housing pursuant to the 2009 Universal Cycle to assist in the rehabilitation of a Development serving low-income elderly tenants in Miami, Florida. On January 11, 2017, Florida Housing received a Petition for Waiver of Rule 67-48.004 F.A.C., which adopted and incorporated the Universal Application Package. Petitioner requests to waive the requirement to provide a radiant-barrier roof with an insulation “R”- rating of 19, which was selected in order to earn one Application point towards energy conservation under the heading of “Optional Features and Amenities” in Petitioner’s 2009 Application for Housing Credits. A copy of the Petition is attached as [Exhibit A](#).

2. Present Situation

- a) Rule 67-48.004(1)(a), F.A.C. (2009) adopted and incorporated the Universal Application Package. At the time of the award, there was a requirement in Section III.B.2.E.(4) of the 2009 Universal Application, which required Petitioner to select one of the following two items:
 - (1) ___ Attic insulation of R-30 or better
 - (2) ___ Insulation of R-19 with radiant barrier on top floor only
- b) Petitioner selected the second of the two options, thereby committing to provide a radiant-barrier roof with an insulation R-19 rating, to earn one Application point. However, during pre-development planning it was discovered that a radiant-barrier roof with an R-19 insulation rating was not permitted for this type of building under the Miami-Dade Building Code. AmeriNat, Florida Housing’s current compliance consultant, has flagged the absence of a radiant-barrier roof with an R-19 insulation rating as a compliance issue.

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- c) Petitioner has no legal ability to install the R-19 roof which was called for in the Application. Consequently, Petitioner may have to sacrifice one Application point, potentially subjecting its TCEP loan and housing tax credits to recapture. Petitioner requests that it be allowed to use a roof featuring a PVC membrane providing an R-28.25 insulation rating as a substitute. Petitioner asserts that the new proposed roof would be an enhancement of the energy-conservation aspects of the Development and is in compliance with the Building Code.
- d) On January 12, 2017 Notice of the Petition was published in the Florida Administrative Register in Volume 43, Number 008. To date, Florida Housing has received no comments concerning the Petition.
- e) Section 120.542(2), Florida Statutes provides in pertinent part:

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

3. Recommendation

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of the a radiant-barrier roof with an insulation R-19 rating to be replaced with a roof featuring a PVC membrane providing an R-28.25 insulation rating.

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B. In Re: Dunbar Improvement Association, Inc. - FHFC Case No. 2017-0026VW

Development Name: (“Development”):	Palm City Gardens
Developer/Principal: (“Developer”):	Dunbar Improvement Ass’n., Inc. Audrea Anderson, President
Number of Units: 100	Location: Lee County
Type: Rehabilitation Garden Apts.	Set Asides: 100% at 50% AMI
Demographics: Elderly non-ALF	EHCL: \$1,500,000 PLP: \$233,820

1. Background

- a) Petitioner was selected to receive an Elderly Housing Community Loan (EHCL) of \$750,000 from Florida Housing pursuant to RFA 2015-102 to assist in the rehabilitation of a Development serving low-income elderly tenants in Fort Myers, Florida. On April 13, 2017, Florida Housing received a Petition for Waiver of Rule 67-48.0072(4)(c), F.A.C., to allow Petitioner to extend the EHCL closing date for one year. A copy of the Petition is attached as [Exhibit B](#).

2. Present Situation

- a) Rule 67-48.0072(4)(c), F.A.C. provides as follows:

(c) For SAIL, EHCL, and HOME Applicants, the loan must close within 12 months of the date of the invitation to enter credit underwriting. Applicants may request one (1) extension of up to 12 months. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting an extension and shall detail the time frame to close the loan. The written request will then be submitted to the Corporation’s Board for consideration. The Board shall consider the facts and circumstances of each Applicant’s request and any credit underwriting report, if available, prior to determining whether to grant the requested extension. The Corporation shall charge a non-refundable extension fee of 1 percent of each loan amount if the Board approves the request to extend the commitment beyond the initial 12 month closing deadline. In the event the loan does not close by the end of the 12 month extension period, the preliminary commitment or firm commitment, as applicable, will be deemed void and the funds will be de-obligated.

- b) In accordance with the EHCL award under RFA 2015-102, the loan closing deadline was May 23, 2016. Petitioner was granted a 12-month extension of the EHCL closing deadline to May 23, 2017. In December of 2016 Petitioner was awarded additional EHCL funding pursuant to RFA 2016-108. The loan closing deadline under this second RFA will be in January of 2018. Petitioner is requesting an extension of the first EHCL closing deadline to have additional time to obtain supplemental financing commitments for the Development and complete credit underwriting for both EHCL awards.
- c) On April 17, 2017 Notice of the Petition was published in the Florida Administrative Register in Volume 43, Number 47. To date, Florida Housing has received no comments concerning the Petition.

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

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

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

3. Recommendation

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rule 67-48.0072(4)(c), F.A.C. to allow the RFA 2015-102 EHCL loan closing deadline to be extended until May 23, 2018.

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C. In Re: Jasmine Housing, Ltd. - FHFC Case No. 2017-028VW

Development Name: (“Development”):	The Jasmine
Developer/Principal: (“Developer”):	The Gatehouse Group, LLC
Number of Units: 96	Location: Miami -Dade County
Type: Apartments	Set Asides: 10 units @ 33% AMI 86 units @ 60% AMI
Demographics: Elderly, Family	HC: \$2,397,397

1. Background

- a) Jasmine Housing, Ltd., (“Petitioner”) successfully applied for an award of Low Income Housing Tax Credits (“HC”) funding under Request for Applications 2015-108 (the “RFA”) to assist in the construction of The Jasmine.
- b) On April 19, 2017, Florida Housing received a “Petition for Waiver of Rule 67-48.002(95) (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit C](#).

2. Present Situation

- a) Rule 67-48.002(95) Fla. Admin. Code defines and incorporates by reference the 2016 Qualified Allocation Plan (the “QAP”). Section II.K. of the QAP provides in pertinent part:

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

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- b) Petitioner requests a waiver from the above timing provisions of the QAP to permit the immediate return of its Carryover Allocation of 2016 Housing Credits. Petitioner asserts that it cannot meet its currently required “placed in service” date of December 31, 2018, due to delays outside its control. Petitioner asserts that due to the recent drop in equity pricing, Petitioner’s tax credit investor has advised Petitioner it will not be able to close on the terms that were previously agreed to. Accordingly, Petitioner’s transaction will need to be re-underwritten and partially restructured to move forward.
- c) The requested change would neither affect the scoring of Petitioner’s application nor allow Petitioner to gain an unfair advantage over other applicants.
- d) On April 20, 2017, the Notice of Petition was published in the Florida Administrative Register in Volume 43, Number 77. To date, Florida Housing has received no comments concerning the Petition.
- e) Section 120.542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- f) Petitioner has demonstrated that strict application of the above provision of the QAP under these circumstances would constitute a substantial hardship and violate the principles of fairness, in that the completion of the Development has been delayed by circumstances beyond Petitioner’s control.

3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of the timing requirements found in the 2016 QAP as set forth in Rule 67-48.002(95) Fla. Admin. Code to permit the immediate return of its Carryover Allocation of 2016 Housing Credits and to receive a reservation and Carryover Allocation of 2017 Housing Credits, with a corresponding extension of all deadlines relative to those credits.

MULTIFAMILY BONDS

Consent

IV. MULTIFAMILY BONDS

A. Request Approval of Credit Underwriting Report for West Lake Apartments (2016-184BS)

Development Name: West Lake Apartments	Location: Polk County
Applicant/Borrower: West Lake I, Ltd.	Set Aside(s): 10% @ 45% AMI (SAIL & ELI) 40% @ 60% AMI (MMRN) 90% @ 60% AMI (SAIL) 100% @ 60% AMI (Housing Credits)
Developer/Principal: HTG West Lake Developer, LLC	Demographic/Number of units: Elderly / 100
Requested Amounts: \$9,000,000 Multifamily Mortgage Revenue Note (MMRN) \$5,000,000 State Apartment Incentive Loan (SAIL) \$294,000 ELI Gap Funding (ELI) \$615,930 Housing Credits	Development Category/Type: New Construction / Garden Apartments

1. Background/Present Situation

- a) On October 9, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-112 for the SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On March 18, 2016, the Board approved the Final Order(s) allowing staff to proceed with invitations to credit underwriting and preliminary awards.
- c) On March 21, 2016, staff issued an invitation to enter credit underwriting to the Applicant.
- d) Staff reviewed the credit underwriting report, giving a positive recommendation for a SAIL loan in the amount of \$5,000,000, ELI Gap funding in the amount of \$294,000, and \$9,000,000 in Tax Exempt MMRN ([Exhibit A](#)). Staff finds that the development meets all of the requirements of RFA 2015-112.

2. Recommendation

- a) Approve the recommendation of the Credit Underwriter outlined in the final credit underwriting report recommending and allocating \$9,000,000 in Tax Exempt MMRN, \$5,000,000 in SAIL funding, and \$294,000 in ELI Gap funding for the Construction of the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

B. Request Approval of the Method of Note Sale Recommendation from Florida Housing's Independent Registered Municipal Advisor and Assignment of a Note Underwriter

1. Background

- a) Pursuant to staff's request for approval to issue notes to finance the construction of the proposed Development referenced below, the final credit underwriting report is 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. A brief description of the Development is 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 structure by the Independent Registered Municipal Advisor (IRMA) in order to make a recommendation to the Board for the method of note sale for the development. Caine Mitter and Associates Incorporated has prepared an analysis and recommendation for the method of note sale for the Development. The recommendation letter is attached as [Exhibit B](#).

2. Present Situation

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

3. Recommendation

- a) Approve the assignment of the recommended professional and the Independent Registered Municipal Advisor's recommendation for the method of note sale, as shown in the chart below, for the proposed Development.

Development Name	Location of Development	Number of Units	Method of Bond Sale	Recommended Professional	Exhibit
West Lake Apartments	Polk County	100	Private Placement	RBC Capital Markets, LLC	Exhibit B

MULTIFAMILY PROGRAMS

Consent

V. MULTIFAMILY PROGRAMS

A. Request Approval of Correction on Expenditure Deadline Date for Awardees in RFA 2016-107

1. Background/Present Situation

- a) On October 26, 2016, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2016-107 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) At the Review Committee Meeting held on January 19, 2017, twelve applications were selected for recommendation to the Board for funding. On February 3, 2017, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities. On February 14, 2017, staff issued a Notice of Preliminary Award to the twelve Applicants approved for funding.
- c) During our review, staff came across an administrative error. According to Exhibit B, Item 2.e. of the RFA, grant funding must close within twelve months of the date of the invitation to enter credit underwriting. According to Item 2.f. of Exhibit B, all grant funding must be expended by February 28, 2018, which conflicts with and contradicts the prior date. The intended expenditure deadline should be twelve months from the closing date.

2. Recommendation

- a) Approve the recommended expenditure deadline of twelve months from the closing date for all Awardees in RFA 2016-107.

MULTIFAMILY PROGRAMS

Consent

B. Request Approval of Credit Underwriting Report for Baker House Group Home (2016-340G)

1. Background/Present Situation

- a) On March 11, 2016, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2016-105 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On June 24, 2016, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On August 5, 2016, staff issued an invitation to enter credit underwriting to Habilitative Services of North Florida, Inc.
- d) On April 18, 2017, staff received a positive recommendation for a grant amount of \$134,000 to be allocated to the Development ([Exhibit A](#)).

2. Recommendation

- a) Staff recommends that the Board approve the final credit underwriting report and direct staff to proceed with issuance of a firm commitment and closing activities.

MULTIFAMILY PROGRAMS

Consent

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

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

1. Background/Present Situation

- a) On October 24, 2014, Florida Housing Finance Corporation issued Request for Applications (RFA) 2014-112 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On January 30, 2015, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities. On February 6, 2015, staff issued a Letter of Preliminary Award to Life Concepts, Inc. dba Quest Inc., and on February 27, 2015, staff issued an invitation to enter credit underwriting.
- c) On October 9, 2015, staff received a credit underwriting report with a positive recommendation for a grant in the amount of \$101,000. Staff reviewed this report and found that the development met all of the requirements of RFA 2014-112. On October 30, 2015, the Board approved the credit underwriting report, and the Applicant executed their firm commitment on November 3, 2015. Subsequent to executing the firm commitment, the Applicant had challenges working with their general contractor, and had to hire a new general contractor. The Board approved two closing extensions on June 24, 2016 and October 28, 2016, making the closing deadline March 31, 2017.

MULTIFAMILY PROGRAMS

Consent

- d) On January 9, 2017, staff received an update to the final credit underwriting report which includes a review of the new general contractor with a positive recommendation for a grant in the amount of \$101,000. The report was approved by the Board on February 3, 2017, and the Applicant executed their firm commitment on February 28, 2017. The Applicant was set to close by the March 31, 2017 deadline, however in preparation of closing, an issue with the boundary of Coulter Group Home and adjacent property was brought to the Applicant's attention, and they have requested additional time to work with legal counsel to rectify the issue. The Applicant's Letter of Request is included as [Exhibit B](#).

2. **Recommendation**

- a) Approve the additional closing extension from March 31, 2017 to July 31, 2017.

MULTIFAMILY PROGRAMS

Consent

D. Request Approval of Substitution of Development Ownership Interest, Substitution of Developer Ownership Interest, Addition of a Member to Existing Ownership Entities, and Guarantor Change of Each of the Developments Listed Below

Development Name: Duval Park	Location: Pinellas County
Applicant/Borrower: Duval Park, Ltd	Set-Aside: 25% @ 40% HC, Gap Loan & ELI 75% @ 60% HC, Gap Loan
Developer: Duval Park Developer, LLC	Demographic / Number of Units: Family; Veterans with Special Needs / 88
Amounts: Gap Loan \$2,976,377 ELI \$300,000 9% HC \$1,300,000	Development Category / Type: New Construction / Garden Apartments

Development Name: Brookside Square	Location: Pinellas County
Applicant: Brookside Tax Credit, Ltd	Set-Aside: 5% @ 40% MMRB, SAIL, ELI & HC 95% @ 60% MMRB, SAIL & HC
Developer: Brookside Redevelopment Associates, LLC	Demographic Category / Number of Units: Family / 142
Amounts: MMRB \$9,500,000 SAIL \$4,400,000 ELI \$383,600 4% HC \$571,378	Development Category / Type: Acquisition and Rehabilitation / Garden Apartments

Development Name: Cathedral Terrace	Location: Duval County
Applicant: Cathedral Terrace 2, Ltd.	Set Aside: 5% @ 33% SAIL, ELI & HC 95% @ 60% SAIL & HC
Developer: Cathedral Terrace Redevelopment Associates LLC	Demographic Category / Number of Units Elderly / 240
Amounts: SAIL \$3,200,000 ELI \$734,400 4% HC \$889,441	Development Category / Type: Acquisition and Rehabilitation / High Rise

Development Name: Blue Sky at Brandon f/k/a Brandon Palms	Location: Hillsborough County
Applicant/Borrower: Blue Brandon Palms, LLC	Set-Aside: 10% @ 40% HC 90% @ 60% HC
Developer: Blue Sky Two, LLC	Demographic Category / Number of Units: Family / 120
Amounts: 9% HC \$2,110,000	Development Category / Type: New Construction / Mid-Rise

MULTIFAMILY PROGRAMS

Consent

Develop Name: Peterborough Apartments	Location: Pinellas County
Applicant/Borrower: Peterborough 2, Ltd.	Set-Aside: 30% @ 40% MMRB, SAIL, ELI & HC 70% @ 60% MMRB, SAIL & HC
Developer: Peterborough Redevelopment Associates, LLC	Demographic Category / Number of Units Elderly / 150
Amounts: MMRB \$10,000,000 SAIL \$3,939,840 ELI \$1,125,000 4% HC \$689,489	Development Category / Type: Acquisition and Rehabilitation / High-Rise

Development Name: Silver Lake f/k/a Flamingo West	Location: Hillsborough County
Applicant: Blue HC 54, LLC	Set-Aside: 10% @ 40% HC 90% @ 60% HC
Developer: Blue Sky Communities, LLC	Demographic Category / Number of Units Family / 72
Amounts: 9% HC \$680,000	Development Category / Type Acquisition and Rehabilitation / Garden Apartments

Development Name: Wahneta Palms	Location: Polk County
Applicant: Wahneta Palms, Ltd	Set Aside: 10% @ 40% HC & TCEP 90% @ 60% HC & TCEP
Developer: CDG Wahneta Palms Development, LLC	Demographic Category / Number of Units: Family / 64
Amounts: 9% HC \$998,500 TCEP \$3,165,176	Development Category / Type: New Construction / Garden Apartments

1. Background

- a) Blue Sky Communities received funding from Florida Housing Finance Corporation (FHFC) for seven affordable housing properties from 2010 to 2015. Funding sources from FHFC have included MMRB, SAIL, ELI, and Housing Credits. FHFC recently received requests from Blue Sky for approval to make various changes to the composition of the development ownership, the developer ownership, and the guarantor for the seven developments outlined above. None of the entity ownership or developer ownership changes are considered to be of a significant nature, and therefore would normally be approved at the Staff level and presented to the Board as an Informational agenda item. However, the proposed changes related to the guarantor were deemed to be significant enough to warrant presentation to the Board as a

MULTIFAMILY PROGRAMS

Consent

Consent agenda item. All proposed changes are incorporated into this Consent agenda item.

2. Present Situation

- a) An overview of the general changes impacting each of the seven developments is presented below. Specific details of each particular change, and the entities effected, are included in the credit underwriting report ([Exhibit C](#)) received from AmeriNat.
- b) All seven properties propose a change in the development ownership. The primary change in each case is the substitution of Sembler Provision Fund Generation Skipping Trust #4 (“Trust 4”) to be replaced with Sembler Provision Fund Generation Skipping Trust #5 (“Trust 5”). Other changes include the addition of Scott Macdonald to the ownership structure of Cathedral Terrace, Peterborough Apartments, and Flamingo West.
- c) Six properties (excluding Wahneta Palms) propose a change in the developer ownership consisting of the substitution of Trust 4 to be replaced with Trust 5.
- d) All seven properties propose a change in guarantor consisting of the substitution of Trust 4 to be replaced with Trust 5.
- e) Staff received a credit underwriting report from AmeriNat ® providing a positive recommendation for the changes in development ownership, developer ownership and guarantor swaps for each of the seven developments.

3. Recommendation

- a) Approve the substitution/addition of ownership interest for each of the seven developments and developers, as well as the substitution of the guarantor, subject to the conditions in the credit underwriting report with further approval by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities, as needed.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

VI. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Loan Closing Extension for Heron Estates Senior (2016-172S)

Development Name: Heron Estates Senior	Location: Palm Beach County
Applicant/Borrower: HTG Heron Estates Senior, LLC	Set-Aside(s): 10% @ 33% AMI & 90% @ 60% AMI
Developer/Principal: HTG Heron Estates Senior Developer, LLC	Demographic/Number of Units: Elderly/101
Requested Amounts: SAIL \$4,971,218 ELI \$720,500 Annual HC \$608,847	Development Category/Type: New Construction/Garden

1. Background/Present Situation

- a) On October 9, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-112 for the SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On March 18, 2016, the Board approved the Final Orders resolving all pending litigation pertaining to RFA 2015-112, allowing staff to proceed with all necessary credit underwriting activities.
- c) On May 17, 2016, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to HTG Heron Estates Senior, LLC with a closing deadline of May 17, 2017.
- d) On February 24, 2017, staff received a request from the Applicant for an extension of the loan closing deadline to May 17, 2018, which would allow additional time to receive HUD approval for Section 8 vouchers, complete the credit underwriting approval process and proceed to loan closing ([Exhibit A](#)). Per the RFA, the loan must close within 12 months of the date of the invitation to enter credit underwriting. Applicants may request one (1) extension of up to 12 months related to the loan closing. Staff has reviewed this request and finds that the development meets all of the requirements of the RFA.

2. Recommendation

- a) Approve the request to extend the loan closing deadline from May 17, 2017 to May 17, 2018, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval of Loan Closing Extension for Woodwinds (2016-326CS)

Development Name: Woodwinds	Location: Lake County
Applicant/Borrower: Woodwinds Clermont, LLC	Set-Aside(s): 15% @ 40% AMI & 85% @ 60% AMI
Developers/Principals: NB Woodwinds Developer, LLC and Blue Sky Clermont Developer, LLC	Demographic/Number of Units: Homeless/96
Requested Amounts: SAIL \$4,000,000, 9% HC \$1,510,000	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation

- a) On January 22, 2016, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2016-102 for Housing Credit and SAIL Financing for Homeless Housing Developments Located in Medium and Large Counties.
- b) On June 24, 2016, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities. Staff issued a preliminary commitment letter and an invitation to enter credit underwriting to the Applicant on July 1, 2016.
- c) On February 3, 2017, the Board approved the final credit underwriting report and Co-Developer structure change, and directed staff to proceed with issuance of a firm commitment and closing activities.
- d) On February 6, 2017, staff issued a firm commitment letter to the Applicant with a loan closing deadline of June 6, 2017.
- e) On March 30, 2017, staff received a request from the Applicant for a 90-day extension of the loan closing deadline, due to recent changes in equity pricing ([Exhibit B](#)). Once an updated letter of intent is received from the equity investor, Staff will present an updated credit underwriting report to the Board for approval. Per the RFA, the loan must close within 120 Calendar Days of the date of the firm loan commitment. A request for an extension of the firm loan commitment may be considered by the Board for an extension term of up to 90 Calendar Days. Staff has reviewed the extension request and finds that the development meets all of the requirements of the RFA.

2. Recommendation

- a) Approve the request to extend the loan closing deadline from June 6, 2017 to September 4, 2017, subject to payment of the required non-refundable extension fee of one-half of one percent of the loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

C. Request Approval of Loan Closing Extension for Woodland Park Phase I (2016-008CS)

Development Name: Woodland Park Phase I	Location: Alachua County
Applicant/Borrower: Woodland Park Redevelopment I, LLC	Set-Aside(s): 30% @ 33% AMI & 70% @ 60% AMI
Developer/Principal: Pinnacle Housing Group, LLC and GHA Development, LLC	Demographic/Number of Units: Family/96
Requested Amounts: SAIL \$3,840,000, 9% HC \$1,155,000	Development Category/Type: Redevelopment/Garden Apartments

1. Background/Present Situation

- a) On September 3, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-106 for Housing Credit and SAIL Financing for Affordable Housing Developments Located in Medium and Small Counties.
- b) On May 6, 2016, the Board approved the Final Order(s) allowing staff to proceed with all necessary credit underwriting activities.
- c) On May 6, 2016, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to the Applicant with a loan closing deadline of May 6, 2017.
- d) On February 6, 2017, staff received a request from the Applicant for an extension of the loan closing deadline due to the time required to work with HUD on approvals for demolition and disposition ([Exhibit C](#)). Per the RFA, the loan must close within 12 months of the date of the invitation to enter credit underwriting. Applicants may request one extension of up to 12 months related to the loan closing. Staff has reviewed this request and finds that the development meets all of the requirements of the RFA.

2. Recommendation

- a) Approve the request to extend the loan closing deadline from May 6, 2017 to May 6, 2018, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

D. Request Approval of Waiver Request for Royal Palm Place (2014-429S)

Development Name: Royal Palm Place	Location: Palm Beach County
Applicant/Borrower: Royal Palm Place, Ltd.	Set-Aside(s): 30% @ 33% AMI & 70% @ 60% AMI
Developer/Principal: Landmark Development Corp. and Baobab Development, Inc.	Demographic/Number of Units: Family/125
Requested Amounts: SAIL \$4,750,000 ELI \$495,000 Annual 4% HC \$1,092,000	Development Category/Type: Redevelopment/Mid-Rise (4-stories)

1. Background/Present Situation

- a) On August 25, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-111 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 12, 2014, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 19, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Royal Palm Place, Ltd. with a closing deadline of December 21, 2015.
- d) On December 11, 2015, the Board approved a request to extend the loan closing deadline from December 21, 2015 to December 21, 2016.
- e) On December 9, 2016, the Board approved a petition for a waiver of Rule 67-48.0072(4)(c), Fla. Admin. Code, and the loan closing deadline was extended from December 21, 2016 to August 31, 2017.
- f) On April 4, 2017, the Applicant requested approval to waive the RFA requirement which ensures that not more than 20 percent of the construction cost is subcontracted to any one entity, with the exception of a subcontractor contracted to deliver the building shell of a building of at least five (5) stories which may not have more than 31 percent of the construction cost in a subcontract, unless otherwise approved by the Board for a specific Development ([Exhibit D](#)). The shell work for the development equals 24.6% of total

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

construction costs and will be subcontracted to one company. There is no affiliation between the shell contractor and general contractor.

- g) On April 17, 2017, staff received a credit underwriting letter with a positive recommendation for this request ([Exhibit E](#)). Staff has reviewed this letter and finds that the development meets all of the requirements of the RFA.

2. **Recommendation**

- a) Approve the request to minimally exceed subcontractor construction cost percentage limit.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

E. Request Approval of Loan Closing Extension, Waiver of RFA Requirements, and Credit Underwriting Report for Grove Pointe Apartments (2016-324S)

Development Name: Grove Pointe Apartments	Location: Hillsborough County
Applicant/Borrower: Grove Pointe Limited Partnership	Set-Aside(s): 40% @ 40% AMI & 40% @ 60% AMI
Developer/Principal: Cornerstone Group Development Corp.	Demographic/Number of Units: Farmworker/80
Requested Amounts: SAIL \$2,250,000	Development Category/Type: Moderate Rehabilitation/Substantial Rehabilitation /Garden Apartments

1. Background/Presnt Situation

- a) On February 5, 2016, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2016-104 for SAIL Funding to Preserve Farmworker and Commercial Fishing Worker Housing.
- b) On May 6, 2016, the Board approved a Preliminary Award allowing staff to proceed with all necessary credit underwriting activities.
- c) On May 18, 2016, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Grove Pointe Limited Partnership with a closing deadline of May 18, 2017.
- d) On January 4, 2017, staff received a request from the Applicant for an extension of the loan closing deadline to May 18 2018, due to the necessity to resolve set aside issues arising from the requirements of the RFA ([Exhibit F](#)). Per the RFA, the loan must close within 12 months of the date of the invitation to enter credit underwriting. Applicants may request one (1) extension of up to 12 months related to the loan closing. Staff also received a request from the Applicant to waive the RFA requirement related to prohibited changes to the existing SAIL LURA and ELIHA. If the waiver is granted the set asides in the current SAIL LURA and ELIHA would be changed from 100% @ 40% AMI, to 40% @ 40% AMI and 60% @ 60% AMI. Staff has reviewed these requests and finds that the development otherwise meets all requirements of the RFA.
- e) On April 19, 2017, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit G](#)). Staff has reviewed this report and finds that the development meets all requirements of RFA 2016-104.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

2. **Recommendation**

- a) Approve the request to extend the loan closing deadline from May 18, 2017 to May 18, 2018, subject to payment of the required non-refundable extension fee of one percent of the loan amount pursuant to the requirements of the RFA, and approve the waiver of the RFA requirement prohibiting changes to the existing SAIL LURA and ELIHA resulting in changes to the set asides in the current SAIL LURA and ELIHA from 100% @ 40% AMI, to 40% @ 40% AMI and 60% @ 60% AMI. Additionally, approve the final credit underwriting report and direct staff to proceed with issuance of a firm commitment and closing activities.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

F. Request Approval of Credit Underwriting Report and Approval of Developer Structure Change for Cameron Preserve Apartments (2016-325CS)

Development Name: Cameron Preserve Apartments	Location: Osceola County
Applicant/Borrower: Cameron Preserve LLC	Set-Aside(s): 15% @ 40% AMI & 85% @ 60% AMI
Developers/Principals: DRL CP Development LLC	Demographic/Number of Units: Homeless/100
Requested Amounts: SAIL \$4,000,000, 9% HC \$1,510,000	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation

- a) On January 22, 2016, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2016-102 for Housing Credit and SAIL Financing for Homeless Housing Developments Located in Medium and Large Counties.
- b) On June 24, 2016, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities. Staff issued a preliminary commitment letter and an invitation to enter credit underwriting to the Applicant on July 1, 2016.
- c) On April 7, 2017, staff received a request from the Applicant for a structure change in the Developer, DRL CP Development LLC ([Exhibit H](#)). Per the RFA, the Principals of each Developer identified in the Application, including all co-Developers, may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2016-102.
- d) On April 20, 2017, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit I](#)). Staff has reviewed this report and finds that the development meets all of the requirements of the RFA.

2. Recommendation

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

SPECIAL ASSETS

Consent

VII. SPECIAL ASSETS

- A. **Request Approval of the Transfer of Ownership and Release of Collateral as Additional Requests and Changes To Previously Approved Credit Underwriting Report Dated March 2, 2016 for Lakeside Park I and II Apartments (SAIL RFP 2008-01-06/PHMI Grant 2009-07-02)**

Development Name: Lakeside Park I (“Development”)	Location: Highlands County
Developer/Principal: Avon Park Housing Authority (“Developer”)/ Avon Park Housing Authority (“Borrower”)	Set-Aside: 1st 15 Years – 30% @ 40%, 70% @ 60%; Remaining 35 Years – 100% @ 60% LURA: 50 years
Number of Units: 16	Allocated Amount: SAIL \$760,000
Demographics: 80% Homeless, 20% Family	Servicer: First Housing Development Corporation

Development Name: Lakeside Park II (“Development”)	Location: Highlands County
Developer/Principal: Avon Park Housing Authority (“Developer”)/ Avon Park Housing Authority (“Borrower”)	Set-Aside: Grant funds restricted to units with household incomes at or below 80% AMI Restrictive Covenant: 9 years
Number of Units: 63	Allocated Amount: PHMI Grant \$78,471
Demographics: Family	Servicer: First Housing Development Corporation

1. **Background**

- a) During the 2008-01 RFP, Florida Housing Finance Corporation (“Florida Housing”) awarded a State Apartment Incentive Loan (“SAIL”) in the amount of \$760,000 to Avon Park Housing Authority (“Borrower”), for the substantial rehabilitation of a 16-unit property in Highlands County, Florida. The loan closed on August 29, 2011, and matures on August 29, 2026.
- b) During the 2009-07 RFP, Florida Housing Finance Corporation (“Florida Housing”) awarded a Public Housing Mitigation Initiative Grant (“PHMI Grant”) in the amount of \$78,471 to the Borrower for the replacement of 18 existing roofs covering a total of 30 individual residential units in Highlands County, Florida. 29 units are within Lakeside Park II Apartments and 1 unit is within Lakeside Park I Apartments. The grant closed on July 30, 2010, and matures on July 30, 2019. A portion of the PHMI Grant was allocated to Lakeside Park I in the amount of \$2,615.70.

SPECIAL ASSETS

Consent

- c) At the March 18, 2016 Board meeting, Florida Housing's board approved the Borrower's request to transfer ownership of phase one of the Development to Lakeside Park I, LLC, a Florida Limited Liability Company and phase two of the Development to Lakeside Park II, LLC, a Florida Limited Liability Company in connection with the Development's Rental Assistance Demonstration ("RAD") conversion. Lakeside Park I, LLC and Lakeside Park II, LLC are wholly owned by Avon Park Housing Development Corporation ("APHDC"), an affiliate of Avon Park Housing Authority. The Board also approved Borrower's request that the PHMI Grant be subordinated to a new loan from Churchill Mortgage Investment, LLC ("Churchill Mortgage") in the amount of \$1,280,000 for the rehabilitation of 62 units within phase two of the Development.

2. **Present Situation**

- a) The Borrower has since modified their request to include transfer of ownership subject to ground leases between Borrower, Lakeside Park I, LLC, and Lakeside Park II, LLC; carve out of the administration building from the legal description of Lakeside Park I Apartments in connection with a Shared Use Agreement with phase two of the Development which gives Lakeside Park II, LLC access to the administration building located in phase one; subordination of the SAIL loan and the PHMI Grant to the RAD Use Agreements.
- b) Florida Housing received a positive recommendation from the credit underwriter ([Exhibit A](#)).

3. **Recommendation**

- a) Approve the modified requests of transfer of ownership and release of collateral all subject to the conditions provided in the credit underwriting report and direct staff to proceed with loan document modification activities, as needed.

SPECIAL ASSETS

Consent

B. Request Approval for Renegotiation, Assumption and Subordination of SAIL Loan, Transfer of Ownership, First Mortgage Refinancing and Release of Guarantors for Emerald Palms Apartments Limited Partnership, a Florida Limited Partnership, for Emerald Palms (2001-074S/2001-520C)

Development Name: Emerald Palms (“Development”)	Location: Broward County
Developer/Principal: Housing Trust Group of Florida, LLC (“Developer”)/ Emerald Palms Limited Partnership (“Borrower”)	Set-Aside: SAIL 100% @ 60%; HC 100% @ 60% AMI; LURA: 50 years; EUA: 30 years
Number of Units: 318	Allocated Amount: SAIL \$2,500,000; HC \$705,917
Demographics: Family	Servicer: Seltzer Management Group

1. Background

- a) During the 2001/2002 State Apartment Incentive Loan (“SAIL”) Cycle XIII, Florida Housing awarded a \$2,500,000 construction/permanent loan to Emerald Palms Apartments Limited Partnership (“Borrower”), a Florida limited partnership, for the construction of a 318-unit development in Broward County. The SAIL loan closed on August 16, 2002, and will mature on December 1, 2033. Other funding sources included Broward County bonds. The Development also received a 2001 allocation of low-income housing tax credits (“HC”) of \$705,917.

2. Present Situation

- a) The Purchaser requests consent from the Board to refinance the existing first mortgage with a bridge loan from Jones LaSalle Multifamily, LLC, the proceeds of which will be used to satisfy the existing first mortgage, redeeming the underlying bonds and terminating the Bond LURA. The refinancing will require that the SAIL loan documents, SAIL Land Use Restriction Agreement (“LURA”), and Low Income Housing Tax Credit Extended Use Agreement (“EUA”) be subordinated to the new first mortgage.
- b) The Borrower also requests approval of the transfer of ownership from Emerald Palms Apartments Limited Partnership to Emerald Palms Venture, LP., a Florida limited partnership corporation (“Purchaser”) and assumption and renegotiation of the SAIL loan.
- c) Staff received a credit underwriting report from Seltzer Management Group ([Exhibit B](#)) with a positive recommendation for approval of the new financing, transfer, assumption, renegotiation and subordination of the SAIL loan documents, SAIL LURA, and the HC EUA to the new first mortgage.
- d) The Borrower also requests the release of all affiliates and principals as guarantors to be replaced with Purchaser’s guarantors.

SPECIAL ASSETS

Consent

3. **Recommendation**

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

SPECIAL ASSETS

Consent

- C. **Request Approval for Renegotiation, Assumption and Subordination of SAIL Loan, Transfer of Ownership, First Mortgage Refinancing and Release of Guarantors for Florida Heather Glenn Partners, Ltd., a Florida Limited Partnership, for Heather Glenn (MR 2003 SH/2002-131BS/2002-547C)**

Development Name: Heather Glenn (“Development”)	Location: Okaloosa County
Developer/Principal: CED (“Developer”)/Florida Heather Glenn Partners, Ltd. (“Borrower”)	Set-Aside: MMRB 11% @ 50% & 74% @ 60% AMI; SAIL 11% @ 50% & 88% @ 60% AMI; HC: 100% @ 60% AMI LURA & EUA: 50 years
Number of Units: 168	Allocated Amount: MMRB \$7,560,000; SAIL \$1,500,000; HC \$472,099
Demographics: Family	Servicer: AmeriNat

1. Background

- a) During the 2002/2003 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a first mortgage of FHFC issued tax-exempt bonds in the \$7,560,000 to Florida Heather Glenn Partners, Ltd., a Florida limited partnership (“Borrower”), for the development of a 168-unit apartment complex in Okaloosa County. The Multifamily Revenue Bonds (“MMRB”) loan closed on March 1, 2003, and matures on June 15, 2036. FHFC also awarded a State Apartment Incentive Loan (“SAIL”) in the amount of \$1,500,000. The SAIL loan closed on March 25, 2003, and matures on June 20, 2036. The Development also received an allocation of low-income housing tax credits (“HC”) of \$472,099.

2. Present Situation

- a) The Purchaser requests consent from the Board to refinance the existing first with a new first mortgage from Hunt Mortgage Group, LLC, the proceeds of which will be used to satisfy the existing first mortgage, redeeming the underlying bonds. The refinancing will require that the SAIL loan documents, SAIL Land Use Restriction Agreement (“LURA”), and Low Income Housing Tax Credit Extended Use Agreement (“EUA”) be subordinated to the new first mortgage.
- b) The Borrower also requests approval of the transfer of ownership from Florida Heather Glenn Partners, Ltd., to Sheltering Palms – Heather Glenn, LLC, a Florida limited liability company (“Purchaser”). The Purchaser will be assuming the SAIL loan and the Bond LURA.
- c) The Borrower also requests the release of all affiliates and principals as guarantors to be replaced with Purchaser’s guarantors.
- d) Staff has received a credit underwriting report from AmeriNat ([Exhibit C](#)) with a positive recommendation for approval of the new financing, transfer, assumption and subordination of the SAIL loan documents, SAIL LURA, Bond LURA and EUA to the new first mortgage, and renegotiation of the SAIL loan terms.

SPECIAL ASSETS

Consent

3. **Recommendation**

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

SPECIAL ASSETS

Consent

D. Request Approval to Subordinate to HUD Rental Assistance Demonstration Use Agreements for Janie’s Garden I and II Apartments (2007-146C/2009-521C)

Development Name: Janie’s Garden I (“Development”)	Location: Sarasota County
Developer/Principal: Sarasota Housing Authority and Michaels Development (“Developer”)/ Janie Poe Associates, LLC (“Borrower”)	Set-Aside: Supplemental Loan 10% @30%; HC 20% @30%, 56% @60% LURA: 15 years; EUA: 50 years
Number of Units: 86	Allocated Amount: Supplemental \$765,000; HC \$1,155,000
Demographics: Family	Servicer: AmeriNat

Development Name: Janie’s Garden II (“Development”)	Location: Sarasota County
Developer/Principal: Sarasota Housing Authority and Michaels Development (“Developer”)/ Janie Poe Associates 2, LLC (“Borrower”)	Set-Aside: HC 100% @60% EUA: 50 years
Number of Units: 68	Allocated Amount: HC \$584,083
Demographics: Family	Servicer: AmeriNat

1. Background

- a) During the 2007 funding cycle, Florida Housing Finance Corporation awarded a \$765,000 Supplemental Loan (“Supplemental”) to Janie Poe Associates, LLC, a Florida limited liability company, for the construction of an 86-unit development in Sarasota County. The Supplemental loan closed on August 22, 2008, and matures on August 22, 2023. The Development also received allocations of low-income housing tax credits (“HC”), including a 2007 allocation of low-income housing tax credits of \$1,155,000 for phase one of the Development (86 units) and a 2009 allocation of low-income housing tax credits of \$584,083 for phase two of the Development (68 units).

2. Present Situation

- a) The Borrower has obtained HUD approval to convert the units in the Development from public housing units to Rental Assistance Demonstration (“RAD”) units with more favorable subsidies. In order to effectuate the RAD conversions, HUD requires that all lenders subordinate their loan documents to the RAD Use Agreements.
- b) The Borrower requests consent from the Board to subordinate the Supplemental loan documents, the Supplemental Land Use Restriction Agreement (“LURA”), and the Low-Income Housing Tax Credit Extended Use Agreements (“EUA’s”) to the RAD Use Agreements.

SPECIAL ASSETS

Consent

- c) Florida Housing received a credit underwriting report ([Exhibit D](#)) from AmeriNat with a positive recommendation for approval of the subordination of the Supplemental loan documents, LURA, and HC EUA's to the RAD Use Agreements.

3. **Recommendation**

- a) Approve subordination of the Supplemental loan documents, LURA, and HC EUA's to the RAD Use Agreements 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

E. Request Approval to Modify and Transfer the SAIL Land Use Restriction Agreement for Florence N. Davis Center (95S-045)

Development Name: Florence N. Davis Center (“Development”)	Location: Duval
Developer/Principal: Community Connections of Jacksonville, Inc. (“Borrower”/ “Developer”)	Set-Aside: 20% @ 40%, 55% @ 50%, 25% @ 60% AMI LURA: 65 years
Number of Units: 79	Allocated Amount: SAIL - \$288,200
Demographics: Family	Servicer: Seltzer Management Group

1. Background

- a) During the 1994-1995 funding cycle, Florida Housing Finance Corporation awarded a State Apartment Incentive Loan (“SAIL”) in the amount of \$288,200 to Young Women’s Christian Association of Jacksonville, Florida, Inc., a Florida Corporation (“Borrower”), for the rehabilitation of a 79-unit development in Duval County. The SAIL loan closed on December 28, 1995 and will mature on June 28, 2047, extended from an original maturity date of June 28, 2012 as detailed below.

- b) At the September 11, 2011 meeting of Florida Housing’s Board of Directors (“Board”), the Board approved the Borrower’s request to renegotiate the terms of its SAIL loan including forgiving all deferred interest, reducing the interest rate to zero percent (0%), extending the loan for an additional thirty-five (35) years, requiring amortization of principal with payments beginning on June 28, 2012, to allow the Borrower to continue to successfully operate the Development while increasing the affordability period for an additional fifteen (15) years beyond the original fifty (50) year period for a total affordability period of sixty-five (65) years and agreeing to modify the categorical set-aside by serving 100% of the units in the Development to the Homeless in lieu of Family.

2. Present Situation

- a) Florida Housing received a notice from the Borrower that they had closed the doors to the project. Florida Housing also received notice from the first lien holder (City of Jacksonville) that they were initiating foreclosure proceedings. A potential buyer has been found that is willing to pay all debt including FHFC’s SAIL loan and to keep the Development affordable. The Buyer is requesting to modify the LURA restrictions on the Development to make it financially viable. The request is to allow the buyer to redevelop the property as a mixed-use development and to provide a set-aside of 15% of the units at 80% AMI (rent and income) for ten years. As the set-asides would otherwise be terminated upon foreclosure, staff is in support of the revised restrictions as it would allow full repayment of the SAIL loan and keep affordable restrictions on the development. Florida Housing also received several letters of community support for the sale of the development as part of the planned revitalization of the Cathedral District and the modification of the LURA ([Exhibit E](#)).

SPECIAL ASSETS

Consent

3. **Recommendation**

- a) Approve the modified LURA restrictions and the transfer of the LURA to the Buyer conditioned upon the full payoff of the SAIL loan, and direct staff to proceed with loan document modification activities as, needed.

SPECIAL ASSETS

Consent

- F. **Request Approval of the Extension of the SAIL Loan for Seville Farm Family Housing Association, Inc., a Florida Not-For-Profit Corporation, for New Hope Villas of Seville (99-072S)**

Development Name: New Hope Villas of Seville (“Development”)	Location: Volusia County
Developer/Principal: Florida Non-profit Housing, Inc. (“Developer”)/ Seville Farm Family Housing, Inc., (“Borrower”)	Set-Aside: SAIL 83% @ 50% AMI; LURA: 50 years
Number of Units: 61	Allocated Amount: SAIL - \$2,877,785
Demographics: Farmworker	Servicer: Seltzer Management Group

1. **Background**

- a) During the 1998/1999 State Apartment Incentive Loan (“SAIL”) Cycle XI, Florida Housing awarded a \$2,877,785 SAIL construction/permanent loan to Seville Farm Family Housing Association, Inc., a Florida not-for-profit corporation (“Borrower”), for the development of a 61-unit development in Volusia County. The SAIL loan closed on June 29, 2000, and will mature on June 1, 2017.

2. **Present Situation**

- a) The Borrower requests an extension of the SAIL loan, at current terms to June 1, 2033 which is co-terminus with the first mortgage issued by the United States Department of Agriculture/Rural Development (“USDA RD”). The Borrower has been unable to refinance the Development and the additional time will allow the USDA RD loan to fully amortize, paying off the first mortgage lien and allowing time for the SAIL loan to be refinanced and keep the Development affordable. The Borrower has agreed to extend the SAIL Land Use Restriction Agreement (“LURA”) term for an additional amount of time equal to the loan extension.

3. **Recommendation**

- a) Approve the extension of the SAIL loan, at its current terms, to June 1, 2033, extend the LURA for an equal amount of time, and direct staff to proceed with loan document modification activities, as needed.

SPECIAL ASSETS

Consent

G. Request Approval of the Extension of the PLP Loan for Westside Ministries, Inc., a Florida not-for-profit corporation, for Lundy-Cox Community – Phase I (PLP 05-126)

Development Name: Lundy-Cox Community – Phase I (“Development”)	Location: Duval County
Developer/Principal: Westside Ministries, Inc. (“Developer” and “Borrower”)	Set-Aside: PLP 60% @ 60% AMI
Number of Units: 15 (proposed)	Allocated Amount: PLP \$500,000
Demographics: Family	Servicer: NA

1. Background

- a) Westside Ministries, Inc. applied for Pre-Development Loan Program (PLP) funds in 2006 and was awarded a PLP loan in the amount of \$500,000 for predevelopment expenses of a 15-unit development in Duval County. The PLP loan closed on July 23, 2009 and matured on July 23, 2012. The Borrower drew \$159,056 of PLP funds but was unable to complete the Development due to lack of additional funding sources. The Borrower has made monthly payments on the loan reducing the outstanding balance to \$141,045.

2. Present Situation

- a) The Borrower has requested approval to extend the PLP loan term, at its current balance of \$141,045 to July 23, 2018. The Borrower has entered a sales agreement for the land which will allow them to repay the PLP loan. The Borrower needs the additional time to complete the sales transaction. The Borrower has agreed to continue making monthly payments until the property is sold.

3. Recommendation

- a) Approve the extension of the PLP loan term, at its current balance of \$141,045, to July 23, 2018, and direct staff to proceed with loan document modification activities as, needed.