



Date: June 9, 2023
 Location: Hyatt Regency Coral Gables, FL
 Commencement Time: 8:30am

BOARD MEETING AGENDA

1. Call to Order, Declaration of Quorum	<i>Board Liaison</i>
2. Public Comment	<i>Chair</i>
3. Minutes 3.1 Approval of Minutes of the April 23, 2023 Board Meeting	<i>Chair</i>
4. Approval of Items on Consent Agenda Table of Contents 4.1 Community Development Block Grant- Disaster Recovery 4.2 Housing Credits 4.3 Legal 4.4 Multifamily Bonds 4.5 Multifamily Programs 4.6 Professional Services Selection (PSS) 4.7 Special Assets 4.8 State Apartment Incentive Loan Program (SAIL)	<i>Chair</i>
5. Audit Committee Update	<i>Vice Chair</i>
ACTION ITEMS Table of Contents	
6. Fiscal 6.1 Fiscal Year 2023/2024 Appropriation Allocation	<i>Angie Sellers</i>
7. Legal 7.1 Holy Child Housing, Inc. v. Florida Housing Finance Corporation 7.2 HTG Grand East, Ltd., v. Florida Housing Finance Corporation and Beacon at Creative Village – Phase II Partners, Ltd.	<i>Betty Zachem</i>

<p>7.3 Quail Roost Transit Village II, Ltd., v. Florida Housing Finance Corporation and CoCo Plum Housing Partners, LP and The Enclave at Rio, LP</p> <p>7.4 Woodland Park II, LLC, v. Florida Housing Finance Corporation and Enclave at Northshore, LP, and JIC Palatka Apartments, LLC v. Florida Housing Finance Corporation and Parc West, LLC</p> <p>8. Multifamily Programs – Allocations</p> <p>8.1 RFA 2023-105 Financing to Build Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities</p> <p>8.2 RFA 2023-108 Housing Credit and RRLP Financing for Homeless Housing Developments Located in Medium and Large Counties Affected by Hurricane Ian and Hurricane Nicole</p> <p>8.3 RFA 2023-211 Construction Inflation Response Viability Funding</p> <p>8.4 RFA 2023-304 RRLP Financing to be Used for Rental Developments in Hurricane Ian and Hurricane Nicole Impacted Counties</p> <p>8.5 2023-2024 Tentative Funding Amounts and Timeline for Request For Applications (RFAs) for Multifamily Developments</p>	<p><i>Marisa Button</i></p>
<p>9. Public Comment</p>	
<p>10. Adjournment</p>	
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COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY

Consent

I. COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY

A. Request Approval of Loan Closing Deadline Extension and RFA Waiver of Extension Fee for Brownsville Transit Village V (RFA 2019-102 / 2020-023BD / 2019-570C)

Development Name: Brownsville Transit Village V	Location: Miami-Dade County
Applicant/Borrower: Brownsville Village V, Ltd.	Set-Aside(s): MMRB: 40% @ 60% AMI CDBG-DR & 4%HC: 16.667% @ 30% AMI 58.333% @ 60% AMI 25.000% @ 80% AMI
Developer/Principal: APC Brownsville V Development, LLC. (Howard Cohen)	Demographic/Number of Units: Elderly, Non-ALF/120
Requested Amounts: Multifamily Mortgage Revenue Bonds (MMRB): \$17,370,000 CDBG-DR: \$6,150,000 4% Housing Credits: \$1,667,243	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.

COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY

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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.’
- j) On January 27, 2023, the Board approved an RFA Waiver for a third loan closing extension from February 1, 2023, through May 1, 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 County which requires the Miami-Dade County Board of County Commission (MCC) approval.

2. **Present Situation:**

- a) On April 13, 2023, the Borrower requested an RFA Waiver for a fourth loan closing extension from May 1, 2023, through November 1, 2023, and to waive the CDBG-DR extension fee ([Exhibit A](#)). The request was submitted due to HUD’s requirement to have a direct lease with Miami-Dade County (County). The new lease must be reviewed by the Federal Transit Administration (FTA), the seller of the land, before final approval by the Miami-Dade County Board of County Commissioners (BoCC). It is anticipated that the FTA will review, approve, and execute said lease prior to the June 2023 BoCC meeting.

3. **Recommendation:**

- a) Approve the RFA Waiver request to grant a fourth loan closing extension from May 1, 2023 through November 1, 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.

HOUSING CREDITS

Consent

I. HOUSING CREDITS

A. Request Approval of RFA and Final Cost Certification Application Package Waiver to Allow Alternative Confirmation Method for the Third Highest Paid Subcontractor for Deer Creek Senior Housing (RFA 2018-110 / 2019-209C)

Development Name: Deer Creek Senior Housing	Location: Alachua County
Applicant/Borrower: Deer Creek Senior Housing, LLLP	Set-Asides: 10% @ 33%AMI 90% @ 60% AMI
Developer/Principal: Rural Neighborhoods, Inc / Steven Kirk Neighborhood Housing and Development Corporation / Caleb Stewart	Demographic/Number of Units: Elderly, Non-ALF / 62 units
Requested Amounts: 9% HC - \$1,250,000	Development Category/Type: New Construction / Mid-Rise (5 to 6-stories)

1. Background/Present Situation:

- a) Deer Creek Senior Housing, LLLP ("Applicant Name") applied for and was awarded funding from Request for Applications (RFA) 2018-110 for Housing Credit Financing for Affordable Housing Developments Located In Medium Counties. The funds are being utilized to finance the construction of a 62-unit Elderly, Non-ALF, development in Alachua County. On August 6, 2019, staff issued an invitation to the Applicant to enter credit underwriting and subsequently executed a Carryover Allocation Agreement on December 9, 2019.
- b) On May 8, 2023, Florida Housing received a letter from the Applicant requesting approval to waive the requirement that the Certified Public Accountant performing the audit of the General Contractor's cost certification confirm the costs of the third highest paid subcontractor. The letter is provided as [Exhibit A](#).
- c) The Applicant reports that Verdex Construction, LLC ("Verdex"), the General Contractor subcontracted work to Unified Electric, Inc ("Unified"). Unified was paid over \$1,000,000 for the work performed at the Development, making them the third highest paid subcontractor.
- d) The Final Cost Certification Application Package (Form FCCAP) is incorporated by Exhibit C 6.c. of the RFA, which states:

Final Cost Certification Application Package (Form FCCAP)

In accordance with Rule 67-48.023, F.A.C., the Final Cost Certification

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Application Package (Form FCCAP), Rev. May 2018, shall be used by an Applicant to itemize all expenses incurred in association with construction or Rehabilitation of a Housing Credit Development, including Developer and General Contractor fees as described in Rule 67-48.0072, F.A.C., and shall be submitted to the Corporation by the earlier of the following two dates:

- (1) The date that is 90 Calendar Days after all the buildings in the Development have been placed in service, or
- (2) The date that is 30 Calendar Days before the end of the calendar year for which the Final Housing Credit Allocation is requested.

The Corporation may grant extensions for good cause upon written request.

The FCCAP shall be completed, executed and submitted to the Corporation in both hard copy format and electronic files of the Microsoft Excel spreadsheets for the HC Development Final Cost Certification (DFCC) and the General Contractor Cost Certification (GCCC) included in the form package, along with the executed Extended Use Agreement.....the required certified public accountant opinion letter for both the DFCC and GCCC, an unqualified audit report prepared by an independent certified public accountant for both the DFCC and GCCC.....and documentation of the placed-in-service date as specified in the Form FCCAP instructions. The Final Housing Credit Allocation will not be issued until such time as all required items are received and processed by the Corporation.

Form FCCAP, Rev. May 2018, is available on the Corporation’s Website <http://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2018/2018-110/forms-related-to-rfa-2018-110> (also accessible by clicking here).

- e) The FCCAP General Contractor Cost Certification Instructions requires the following to be completed as part of the submission of the General Contractor Cost Certification:

The Certified Public Accountant performing the audit of the General Contractor’s cost certification must send the following confirmation requests to the three largest dollar sub-contractors:

- 1) Confirm the construction contract amount;
- 2) Confirm any change orders;
- 3) Confirm what additional costs were incurred outside of the contract, if any;
- 4) Confirm the type of services provided (trade breakdown); and
- 5) Confirm amounts paid to date and balance(s), if any, to be paid;
- 6) Request to clarify if it is related to the General Contractor; and

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7) Request to clarify if it is related or affiliated to any other sub-contractor utilized on the job.

In addition, the Certified Public Accountant must randomly select other sub-contractors sufficient in number (but in no event less than five), when taken together with the three largest dollar sub-contractors, to account for at least 40% of the total contract construction cost, and verify the amounts paid to each sub-contractor by reviewing check copies, contract documents, change orders, and other supporting information to verify amounts included within the cost certification for each sub-contractor selected. Florida Housing reserves the right to require a higher standard of requirements for the audit from the Certified Public Accountant than those provided herein when there is a contractual agreement between Florida Housing and another entity or individual involved in the delivery of the HC Development where such agreement calls for such a higher standard requirement. The affected entity or individual would be required to inform the General Contractor of the higher standard requirement.

- f) Based on the General Contractor Cost Certification Instructions, the costs of Unified would need to be confirmed in accordance with the steps above; however, the Applicant purports that there are some disputes between Verdex and Unified upon which Unified was terminated by Verdex near the end of construction. Per the Applicant, both the general contractor and accountant have taken repeated steps to confirm construction costs related to this subcontractor; however, Unified has yet to respond to confirm the costs incurred. The accountant has suggested performing a mitigating step by reviewing and vouching 100% of invoices from and payments to Unified to the amounts reported on the certification and test additional subcontractors/vendors if necessary.
- g) Staff has reviewed this request and finds that the development meets all other applicable requirements of the RFA.

2. **Recommendation:**

- a) Approve the RFA and Final Cost Certification Application Package Waiver so that the costs of the third highest paid subcontractor are not confirmed under the following conditions:
 - (1) The Certified Public Accountant will verify the costs paid to the third highest paid subcontractor (Unified) by reviewing check copies, contract documents, change orders and other supporting information.
 - (2) In place of the confirmation of the costs to the third highest paid subcontractor (Unified) and in addition to confirming the costs to the first and second highest paid subcontractors, the Certified Public Accountant will confirm the costs of the next highest paid subcontractors (beginning with the fourth highest paid subcontractor) in an amount that equals or exceeds the costs of the third highest paid subcontractor (Unified).

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B. Request Approval of Applicant Entity Structure Change for Hawthorne Park (RFA 2018-112 / 2019-123C)

Development Name: Hawthorne Park	Location: Orange County
Applicant/Borrower: Hawthorne Park, Ltd.	Set-Asides: 11.67% @ 35%AMI 88.33% @ 60% AMI
Developer/Principal: Hawthorne Park Developer, LLC / Jonathan Wolf	Demographic/Number of Units: Elderly, Non-ALF / 120 units
Requested Amounts: 9% HC - \$2,300,000	Development Category/Type: New Construction / Mid-Rise (4 stories)

1. Background/Present Situation:

- a) Hawthorne Park., Ltd. ("Applicant Name") applied for and was awarded funding from Request for Applications (RFA) 2018-112 for Housing Credit Financing for Affordable Housing Developments Located In Broward, Duval, Hillsborough, Orange, Palm Beach, And Pinellas Counties. The funds are being utilized to finance the construction of a 120-unit Elderly, Non-ALF, development in Orange County. On June 28, 2019, staff issued an invitation to the Applicant to enter credit underwriting and subsequently executed a Carryover Allocation Agreement on December 20, 2019.
- b) On April 25, 2023, Florida Housing received a letter from the Applicant requesting to make a material change to the Applicant entity structure. The Applicant proposes to insert Berkeley Hawthorne GP, LLC ("BH GP") as the new 0.005% General Partner. The original General Partner, Hawthorne Park GP, LLC ("HP GP"), will be renamed Hawthorne Park Class B, LLC ("HP B") and will become the Class B 0.005% Non-Investor Limited Partner. WF AHCDC will replace Jonathan L. Wolf as the Investor Limited Partner. Berkeley Housing Initiative, Inc. ("Berkeley") will be the 100% Member and Manager of BH GP; the Officers and Directors of Berkeley will be Julie von Weller (Executive Director), N. Dwayne Gray (Officer/Director), and Jeffrey B. Sharkey (Officer/Director). The ownership of HP B will remain the same as that of HP GP except that Jonathan L. Wolf will transfer 24% of his interest to Nancy B. Wolf. The Developer organizational structure will remain the same. The letter and the current and proposed Applicant Organizational Charts are provided as [Exhibit B](#).
- c) Per the RFA, the Applicant entity shall be the recipient of the Housing Credits and cannot be changed in any way (materially or non-materially) until after the Carryover Allocation Agreement is in effect. Once the Carryover Allocation Agreement has been executed by all parties, (a) replacement of the Applicant or a material change in the ownership structure of the named Applicant will require Board approval prior to the change and (b) any non-material change in the ownership structure of the named Applicant will require Corporation approval prior to the change.

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- d) Seltzer Management Group, Inc. prepared a recommendation on May 17, 2023 and made a positive recommendation for the change in the partnership interest.
- e) Staff has reviewed this request and finds that the development meets all other applicable requirements of the RFA.

2. **Recommendation:**

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

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C. Request Approval of Applicant and Developer Organizational Changes for Eddie Woodard Apartments (RFA 2019-113 / 2020-308C/2021-330C)

Development Name: Eddie Woodard Apartments	Location: Polk County
Applicant/Borrower: HTG Oak Villas, LLC	Set-Asides: 10% @ 40% AMI 90% @ 60% AMI
Developer/Principal: HTG Oak Villas Developer, LLC / Matthew A. Rieger	Demographic/Number of Units: Family/ 96
Requested Amounts: 9% HC: \$1,698,624	Development Category/Type: New Construction/Garden

1. Background/Present Situation:

- a) HTG Oak Villas, LLC (“Applicant”) applied for and was awarded funding from Request for Applications (RFA) 2019-113 for Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties. The funds are being utilized to finance the construction of a 96-unit Family development in Polk County. On July 9, 2020, Housing Credit staff issued an invitation to the Applicant to enter credit underwriting, and subsequently executed a Carryover Allocation Agreement on October 26, 2020. The Board approved a Credit Exchange on September 10, 2021 and a 2021 Carryover Allocation Agreement was executed on September 17, 2021. A Credit Underwriting Report was finalized on December 2, 2021 providing a positive recommendation of \$1,698,624 in 9% Housing Credits.
- b) On August 22, 2022, Florida Housing received a letter from the Applicant requesting to make changes to the Applicant and Developer structures. While the change in the Applicant structure is non-material, it is being included in this Board write-up to coincide with the related change in the Developer structure. The request letter and current/proposed Principal Disclosure Forms are provided as [Exhibit C](#). The Applicant requests this change to incorporate instrumentalities of the Lakeland Housing Authority. After experiencing significant cost increases, the Lakeland Housing Authority agreed to provide the Applicant with a \$2MM soft loan as well as 31 Project Based Vouchers, allowing the Applicant to increase their first mortgage further. In return the Lakeland Housing Authority will receive a percentage of the developer fee and cash flow.
- c) In regard to the Applicant structure, the Applicant proposes to modify the Applicant, HTG Oak Villas, LLC by inserting Lakeland-Polk County Housing Corporation as a 0.0025% Non-Investor Member, thereby reducing the ownership percentage of HTG Oak Villas Member, LLC to 0.0075%. The Executive Director of Lakeland-Polk Housing Corporation is Benjamin Stevenson and the Officers/Directors are Carrie Oldham, Barbara Carpenter, and Ken Bower.

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- d) In regard to the Developer structure, the Applicant proposes to modify the Developer, HTG Oak Villas Developer, LLC by inserting Polk County Housing Developers, Inc. as a Member of the Developer entity. Benjamin Stevenson is the Executive Director of Polk County Housing Developers, Inc. and the Officers/Directors are Michael A. Pimental, Rev. Richard Richardson, Eddie Hall, Joseph DeCesare, Lorenzo Robinson, Dorothy Sanders, and Shelly Asbury.
- e) Per the RFA, the Applicant entity shall be the recipient of the Housing Credits and cannot be changed in any way (materially or non-materially) until after the Carryover Allocation Agreement is in effect. Once the Carryover Allocation Agreement has been executed by all parties, (a) replacement of the Applicant or a material change in the ownership structure of the named Applicant will require Board approval prior to the change, and (b) any non-material change in the ownership structure of the named Applicant will require Corporation approval prior to the change.
- f) The RFA goes onto say 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.
- g) Matthew A. Rieger met the Developer Experience requirement of the RFA and will remain a Principal of the Developer.
- h) Additionally, since credit underwriting has been completed on this Development, staff has consulted with Amerinat®, the Underwriter on this transaction who provided staff with a recommendation on the request. Amerinat® recommends that staff approve the changes to the Applicant and Developer structures.
- i) Staff has reviewed this request and finds that the development meets all applicable requirements of the RFA.

2. **Recommendation:**

- a) Approve the request to allow for the Principal changes of the Applicant and Developer as listed above.

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D. Request Approval of CHIRP ITP Waiver for LPA Closing Deadline for Rosemary Place (RFA 2020-201/2022 CHIRP ITP/2021-136C/2022-281C)

Development Name: Rosemary Place	Location: Walton County
Applicant/Borrower: RM FL XX Prime, LLC	Set-Asides: 11% @ 35% AMI 89% @ 60% AMI
Developer/Principal: RM FL Development, LLC / Stewart W Rutledge	Demographic/Number of Units: Family/72
Requested Amounts: 9% HC: \$1,175,000 CHIRP 9% HC: \$500,000	Development Category/Type: New Construction/Garden

1. Background/Present Situation:

- a) RM FL XX Prime, LLC ("Applicant") applied for and was awarded funding from Request for Applications (RFA) 2020-201 for Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties. The funds are being utilized to finance the construction of a 72-unit Family development in Walton County. On May 7, 2021, staff issued an invitation to the Applicant to enter credit underwriting and subsequently executed a 2021 Carryover Allocation Agreement for the original \$1,175,000 9% Housing Credit Award on September 8, 2021.
- b) The Applicant also applied for CHIRP funding from 2022 Construction Housing Inflation Response Program (CHIRP) Invitation to Participate (ITP). The Credit Underwriting Report was completed on September 14, 2022 and recommended \$1,175,000 in 9% Housing Credits and \$500,000 in 9% Housing Credits under the CHIRP program. Upon completion of credit underwriting, staff executed a 2022 Carryover Allocation Agreement for the \$500,000 CHIRP 9% Housing Credit Award on December 20, 2022.
- c) On May 8, 2023, Florida Housing received a letter from the Applicant requesting a retroactive waiver of the CHIRP deadline to close on the Limited Partnership Agreement ("LPA") from April 28, 2023 to August 31, 2023. The request letter is provided as [Exhibit D](#).
- d) The Applicant reports that the City of Freeport has a lengthy permitting process and that they are still working to obtain final approval. To date, the Applicant has received conditional site plan approval from the City Council and it is working with the land seller and City to clear the last remaining conditions including finalization of the construction easement with the land seller and completion of the wetlands permitting. The Applicant hopes to have all of the required items in hand by the end of May and hopes to close prior to the June 9th Board Meeting but is unsure how long the city will take to review and clear the documentation once submitted. The request is being made in an abundance of caution.

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- e) Per the CHIRP ITP, Applicants must close on the limited partnership agreement and, if applicable, Corporation funding and construction funding by the earlier of the existing closing deadlines for the Active Award (excluding Rule extension requests that require Board approval) or January 31, 2023. On August 5, 2022, the Board approved a Modification of the ITP, whereby the LPA closing deadline would be January 31, 2023; the "earlier of the existing closing deadline" would not be enforced. On January 27, 2023, the Board approved a Modification of the ITP, whereby the deadline for closing the LPA was extended to March 10, 2023. On March 10, 2023, the Board approved a Modification of the ITP, whereby the deadline for closing the LPA was extended to April 28, 2023.
- f) Staff has reviewed this request and finds that the development meets all applicable requirements of the RFA/ITP.

2. Recommendation:

- a) Approve a waiver of the CHIRP ITP to waive the LPA closing deadline of April 28, 2023 to July 21, 2023.

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E. Request Approval of CHIRP ITP Waiver for LPA Closing Deadline for Grove Manor Apartments (RFA 2020-204/2022 CHIRP ITP/2021-038C/2023-006C)

Development Name: Grove Manor Apartments	Location: Polk County
Applicant/Borrower: Grove Manor Apartments, LLLP	Set-Asides: 20% @ 40% AMI 80% @ 60% AMI
Developer/Principal: Winter Haven Housing Developers II, Inc. / Muriel Thome SHAG Grove Manor Apartments, LLC / Darren Smith	Demographic/Number of Units: Elderly, Non-ALF/84
Requested Amounts: 9% HC: \$1,060,000 CHIRP 9% HC: \$500,000	Development Category/Type: New Construction/Garden

1. Background/Present Situation:

- a) Grove Manor Apartments, LLLP ("Applicant") applied for and was awarded funding from Request for Applications (RFA) 2020-204 for Housing Credit Financing for the Preservation of Existing Affordable Multifamily Housing Developments. The funds are being utilized to finance the acquisition and rehabilitation of 42 units and the construction of another 42 units to combine into an 84-unit Elderly, Non-ALF development in Polk County. On February 3, 2023, staff issued an invitation to the Applicant to enter credit underwriting and subsequently executed a 2021 Carryover Allocation Agreement on June 3, 2021.
- b) The Applicant also applied for CHIRP funding from 2022 Construction Housing Inflation Response Program (CHIRP) Invitation to Participate (ITP). The Credit Underwriting Report was completed on December 12, 2022 and recommended \$1,060,000 in 9% Housing Credits and \$500,000 in 9% Housing Credits under the CHIRP program. As part of the CHIRP program, a credit exchange was granted to the Development and a 2023 Carryover Allocation Agreement was executed by Florida Housing staff on November 7, 2023.
- c) On April 28, 2023, the Board approved a waiver of the CHIRP deadline to close on the Limited Partnership Agreement ("LPA") from April 28, 2023 to June 30, 2023. On May 25, 2023, Florida Housing received a letter from the Applicant requesting a further waiver of the CHIRP deadline to close on the Limited Partnership Agreement ("LPA") from June 30, 2023 to July 21, 2023. The request letter is provided as [Exhibit E](#).
- d) This Development is part of a HUD RAD Conversion under which the Winter Haven Housing Authority is converting their public housing portfolio. The Applicant reports that all documentation necessary for HUD closing approval has been submitted to HUD. However, HUD will not allow closing of the LPA prior to the approval of all related closing documents. HUD can take up to 60 days to review and provide final approval of the transaction once all

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documentation has been submitted. The Applicant has reached out to HUD multiple times for a status update but has not received an update on the status of the approval from HUD. Therefore, the Applicant makes the waiver request in an abundance of caution that they will not receive approval from HUD prior to the existing deadline.

- e) Per the CHIRP ITP, Applicants must close on the limited partnership agreement and, if applicable, Corporation funding and construction funding by the earlier of the existing closing deadlines for the Active Award (excluding Rule extension requests that require Board approval) or January 31, 2023. On August 5, 2022, the Board approved a Modification of the ITP, whereby the LPA closing deadline would be January 31, 2023; the "earlier of the existing closing deadline" would not be enforced. On January 27, 2023, the Board approved a Modification of the ITP, whereby the deadline for closing the LPA was extended to March 10, 2023. On March 10, 2023, the Board approved a Modification of the ITP, whereby the deadline for closing the LPA was extended to April 28, 2023.
- f) Staff has reviewed this request and finds that the development meets all applicable requirements of the RFA/ITP.

2. **Recommendation:**

- a) Approve a waiver of the CHIRP ITP to waive the LPA closing deadline of June 30, 2023 to July 21, 2023.

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I. LEGAL

A. In Re: Sandcastles Foundation, Inc.

FHFC Case No. 2023-035VW (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 May 10, 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. 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.
- c) 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. 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.
- d) 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.
- e) 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.
- f) 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 stated that its engineering firm needed multiple items to complete its review. Petitioner provided those items and was placed on the March 21, 2023 meeting of the Starke City Council.
- g) On February 10, 2023 Petitioner filed a petition for waiver requesting an extension of the loan closing deadline due to the aforementioned issues. On March 10, 2023, the Board granted the petition and extended the firm loan commitment issuance deadline from February 6, 2023 to May 8, 2023.
- h) At the March 21, 2023, Starke City Commission meeting, a quasi-judicial hearing was commenced to determine if the proposed site plan meets the requirements in the land development code. Four homeowners raised concerns regarding possible traffic impacts and potential flooding. Petitioner states that it presented two traffic studies which demonstrated that any traffic impacts met the level of service required by the City's land development code and that the requirements imposed on Petitioner by the North Florida Water Management District will improve the

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flooding issues previously experienced by the homeowners. The matter was bifurcated and reconvened on April 4, 2023. During that reconvened meeting, the City denied Petitioner's application by a vote of 3 to 2 and raised new issues regarding placement of sidewalks and possible elimination of the community center.

- i) On April 27, 2023, Petitioner refiled the application with the City Commission and made the requested modifications. At the time of filing this Petition, Petitioner anticipates being placed on the City Commission agenda for a May 16, 2023 meeting. In the interim, Petitioner advises that it is scheduling meeting with individual commissioners.
- j) After the filing of the Petition, Petitioner informed Florida Housing that the matter was not placed the May 16, 2023 City Commission meeting. Representatives of Petitioner attended that meeting to provide information regarding the proposed Development. Petitioner is working diligently to have the matter heard, however, at the time of this write-up, it is not known if the matter will be placed on the agenda for approval at the next City Commission meeting on June 6, 2023.
- k) On May 11, 2023, Notice of the Petition was published in the Florida Administrative Register in Volume 49, Number 92. To date, Florida Housing has received no comments concerning the Petition.
- l) Section 120. 542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- m) Granting the requested waiver would not impact other participants in funding programs administered by Florida Housing, nor would it detrimentally impact Florida Housing. Petitioner has demonstrated that it would suffer a substantial hardship if the waiver 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 May 8, 2023 to August 7, 2023.

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B. In Re: Naranja Grand Senior, Ltd.

FHFC Case No. 2023-038VW

(RFA 2021-203/App. No. 2022-084C)

Development Name: ("Development"):	Naranja Grand
Developer Principal: ("Developer"):	Naranja Grand Developer, LLC /Matthew A. Reiger
Number of Units: 120	Location: Miami-Dade County
Type: High Rise; New Construction	Set Asides: 18 Units at 30% AMI 48 Units at 60% AMI 54 Units at 70% AMI
Demographics: Elderly, Non-ALF	Funding: 9% HC: \$2,858,700

1. Background:

- a) Petitioner successfully applied for competitive housing credits in Request for Applications 2021-203 to assist in financing the construction of a 120-unit elderly, non-ALF, development named Naranja Grand located in Miami-Dade County, Florida (the "Development"). On May 11, 2023, Florida Housing Finance Corporation ("Florida Housing") received a "Petition for Waiver of Rule 67-48.002(96), F.A.C. (5/18/21) and the 2021 QAP" (the "Petition"). A copy of the Petition is attached as [Exhibit B](#).

2. Present Situation:

- a) Petitioner requests a waiver of Rule 67-48.002(96), Florida Administrative Code (2021), which adopts and incorporates the 2021 QAP.
- b) Petitioner also requests a waiver of Subsection II.J of the 2021 QAP, which states:

Notwithstanding any other provision of this QAP, where a Development has not been placed in service by the date required pursuant to Section 42 of the IRC, or it is apparent that a Development will not be placed in service by the date required pursuant to Section 42 of the IRC, and the Applicant has returned its Housing Credit Allocation after the end of the second calendar quarter of the year in which it was otherwise required to be placed in service pursuant to Section 42 of the IRC, the Corporation will reserve allocation in an amount not to exceed the amount of Housing Credits returned, and will issue a Carryover Allocation Agreement allocating such Housing Credits to the Applicant for either the current year or the year after the year in which the Development was otherwise required to be placed in service pursuant to Section 42 of the IRC, provided the following conditions have been met: (i) The sponsor must have provided written notice to the Corporation, describing the circumstances, all remedial measures attempted by the Applicant to mitigate the delay, and any other pertinent information, prior to returning the allocation; and (ii) A site inspection reflecting the percentage of Development completion must be completed. If the Development is at least fifty (50) percent completed, as reflected in the site inspection, the approval may be made by Corporation staff. If the Development is less than fifty (50) percent completed, as reflected in the site inspection, the approval must be made by the Board. In making such determination, the

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Board must find and determine that the delay was caused by circumstances beyond the Applicant's control, and that the sponsor exercised due diligence in seeking to resolve the circumstances causing delay; and (iii) The Corporation or Board, as applicable, must find 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.

- b) Petitioner requests a waiver of the timing provision in the QAP so that it may exchange its housing credits now, rather than wait until the end of the second quarter of the year in which the Development was otherwise required to be placed in service.
- c) The Development was invited to credit underwriting on December 17, 2021, and a 2022 Carryover Allocation Agreement ("CAA") was executed on or about July 19, 2022, for the allocation of its housing credits. The CAA required Petitioner to incur at least ten percent of the reasonably expected basis of the Development (the "10% Test") and meet the Site Control requirement on or before January 31, 2023 (the "CAA Deadline"). This deadline was later extended to July 19, 2022, as further discussed below. Failure to comply with the CAA Deadline will cause the housing credits allocated within the CAA to be deemed returned to Florida Housing under Section 42(h)(3)(C), Internal Revenue Code.
- d) Pursuant to Section 42(h)(1)(E)(i), Internal Revenue Code, the Development must be placed in service no later than the close of the second calendar year following the calendar year in which the allocation is made; in this case, the federally mandated placed-in-service date would be December 31, 2024.
- e) Petitioner states that due to delays beyond its control, the 10% Test cannot be met. During the design and planning process, Petitioner learned for the first time that, because this site was previously owned by Miami-Dade County (the "County") and it abuts two properties owned and controlled by the County, the Administrative Site Plan Review process ("ASPR") would require an extraordinary amount of coordination and negotiation with six different County departments. According to Petitioner, one of the major hurdles was that the only access to one of the County properties occurs through Petitioner's site. Petitioner states that addressing those issues required numerous meetings with different departments, which could take weeks, especially since the County's new expediting policies did not apply. Petitioner realized that it would not have a complete credit underwriting report to submit to Florida Housing by April 30, 2023.
- f) Anticipating this delay, on March 17, 2023, Petitioner requested an extension to the notice of commencement, credit underwriting report and tax credit partnership agreement deadlines. On February 1, 2023, the Corporation approved extensions to the CAA Deadline to July 19, 2023. On April 21, 2023, the Corporation also approved extensions to the deadline for the notice of commencement, credit underwriting report and tax credit partnership agreement to December 31, 2023. However, the placed in-service deadline remained December 31, 2024.
- g) Per Petitioner, as of May 4, 2023, it has cleared all issues with the different County departments and has received the final comments for its ASPR. Petitioner also began production of its full set of construction documents for permitting in February 2023. As such, Petitioner anticipates submittal to the County for

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permitting will occur in May 2023. Based on this, Petitioner expects to close in December 2023. However, Petitioner's states that the 10% Test deadline of July 19, 2023, is unachievable despite all best efforts since the land is being conveyed via a long-term ground lease at below-market value, which is a major cost component needed to meet this test.

- h) Petitioner also states that other costs, such as purchasing materials or paying the developer fee, could not be incurred in an amount sufficient to satisfy the 10% Test prior to the deadline. While Petitioner must spend roughly \$3.5 Million in additional costs to meet the 10% Test, the accrual for the developer fee during pre-construction is limited to 20% of total fees, which is slightly more than \$1 million for the Development. Moreover, Petitioner states that it was not able to request bids until May due to delays during its site plan review process.
- i) Because Petitioner knows that circumstances outside of its control will prevent it from satisfying the 10% Test deadline, Petitioner requests a waiver of the 2021 QAP to permit Florida Housing to approve the housing credit exchange now as opposed to waiting until after the end of the second calendar quarter of 2024, which is the year the Development is required to be placed in service.
- j) Petitioner indicates that without the waiver the Development will be abandoned because Petitioner will not have sufficient time to satisfy the 10% Test deadline and will lose the allocated housing credits. Without this funding source, the County will lose these 120 affordable housing units. In addition, Petitioner states that the County is currently experiencing a shortage of affordable housing units for the elderly, non-ALF, and Persons with Special Needs and granting the Petition will result in the delivery of 120 new affordable housing units much faster than would reallocating the funding to a new development.
- k) On May 15, 2023, Notice of the Petition was published in the Florida Administrative Register in Volume 49, Number 94. To date, Florida Housing has received no comments concerning the Petition.
- l) Section 120. 542(2), Florida Statutes provides in pertinent part:

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

3. **Recommendation:**

Staff recommends the Board GRANT Petitioner’s request for a waiver of Rule 67-48.002(96), Florida Administrative Code (2021), and the timing provisions of subsection II.J of the 2021 QAP to allow Petitioner to exchange its 2022 housing credits for an allocation of 2023 housing credits now rather than waiting until the end of the second quarter 2024.

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C. In Re: Heritage Oaks, LLLP

FHFC Case No. 2023-037VW

(RFA 2021-202/App. No. 2022-120C)

Development Name: ("Development"):	Heritage Oaks
Developer Principal: ("Developer"):	Norstar Development USA, LP / Richard Higgans PCHA Development, LLC / Neil Brickfield Newstar Development, LLC / Brian Evjen
Number of Units: 80	Location: Pinellas County
Type: Garden Apartments; New Construction	Set Asides: 10% at 33% AMI 90% at 60% AMI
Demographics: Elderly, Non-ALF	Funding: 9% HC: \$1,868,000

1. Background:

- a) Petitioner successfully applied for competitive housing credits in Request for Applications 2021-202 to assist in financing the construction of an 80-unit elderly, non-ALF, development named Heritage Oaks located in Pinellas County, Florida (the "Development"). On May 11, 2023, Florida Housing Finance Corporation ("Florida Housing") received a "Petition for Waiver of Rule 67-48.002(96), F.A.C. (5/18/21) and the 2021 QAP" (the "Petition"). A copy of the Petition is attached as [Exhibit C](#).

2. Present Situation:

- a) Petitioner requests a waiver of Rule 67-48.002(96), Florida Administrative Code (2021), which adopts and incorporates the 2021 QAP.
- b) Petitioner also requests a waiver of Subsection II.J of the 2021 QAP, which states:

Notwithstanding any other provision of this QAP, where a Development has not been placed in service by the date required pursuant to Section 42 of the IRC, or it is apparent that a Development will not be placed in service by the date required pursuant to Section 42 of the IRC, and the Applicant has returned its Housing Credit Allocation after the end of the second calendar quarter of the year in which it was otherwise required to be placed in service pursuant to Section 42 of the IRC, the Corporation will reserve allocation in an amount not to exceed the amount of Housing Credits returned, and will issue a Carryover Allocation Agreement allocating such Housing Credits to the Applicant for either the current year or the year after the year in which the Development was otherwise required to be placed in service pursuant to Section 42 of the IRC, provided the following conditions have been met: (i) The sponsor must have provided written notice to the Corporation, describing the circumstances, all remedial measures attempted by the Applicant to mitigate the delay, and any other pertinent information, prior to returning the allocation; and (ii) A site inspection reflecting the percentage of Development completion must be completed. If the Development is at least fifty (50) percent completed, as reflected in the site inspection, the approval may be made by Corporation staff. If the Development is less than fifty (50) percent completed, as reflected in the site inspection, the

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approval must be made by the Board. In making such determination, the Board must find and determine that the delay was caused by circumstances beyond the Applicant's control, and that the sponsor exercised due diligence in seeking to resolve the circumstances causing delay; and (iii) The Corporation or Board, as applicable, must find 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.

- b) Petitioner requests a waiver of the timing provision in the QAP so that it may exchange its housing credits now, rather than wait until the end of the second quarter of the year in which the Development was otherwise required to be placed in service.
- c) The Development was invited to credit underwriting on January 21, 2022, and Florida Housing staff executed a 2022 Carryover Allocation Agreement ("CAA") on or about July 20, 2022, for the allocation of its housing credits. The CAA required Petitioner to incur at least ten percent of the reasonably expected basis of the Development (the "10% Test") and meet the Site Control requirement on or before January 31, 2023 (the "CAA Deadline"). This CAA Deadline was extended to July 20, 2023. Failure to comply with the CAA Deadline will cause the Housing Credits allocated within the CAA to be deemed returned to Florida Housing under Section 42(h)(3)(C), Internal Revenue Code.
- d) Pursuant to Section 42(h)(1)(E)(i), Internal Revenue Code, the Development must be placed in service no later than the close of the second calendar year following the calendar year in which the allocation is made; in this case, the federally mandated placed-in-service date would be December 31, 2024. Petitioner, however, estimates that the construction schedule, which includes major infrastructure improvements, will likely take approximately 18 months to complete. Thus, Petitioner estimates that the Development will be placed in service in the first quarter of 2025.
- e) Petitioner states that cost overruns and other associated issues caused delays in credit underwriting. According to Petitioner, six months after the application deadline in August of 2021, construction costs increased statewide by 25-30%. At the same time, interest rates and insurance costs also skyrocketed. Petitioner commenced design work shortly after receiving its invitation to credit underwriting in March 2022. Because Petitioner's site and building plans were not yet complete, it did not have updated pricing prior to the deadline for CHIRP funding applications. When Petitioner received its designs and construction pricing in the fourth quarter of 2022, Petitioner realized that it had construction cost overruns, as well as increases in insurance and interest rates. To cover the cost increases, and mitigate delay, Petitioner took action to secure additional funding from Pinellas County.
- f) Petitioner, however, does not anticipate that it will be able to satisfy the CAA Deadline, because it cannot close until a HUD approval is obtained. Specifically, the Development involves the redevelopment of public housing, which requires HUD to terminate a Declaration of Trust. Before Petitioner could request such termination, it was required to perform an environmental review and a capital needs assessment. After such reviews, Petitioner requested the termination in November 2022. According to Petitioner, the termination approval is expected imminently, but has yet to occur. Petitioner cannot begin relocating current

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residents on the property until 90 days after obtaining that HUD approval and all residents must be relocated off site prior to closing per HUD requirements. Petitioner hopes to have HUD approval of the disposition in mid-May, such that it may complete relocation and close by August 2023. Accordingly, Petitioner states that it cannot meet the CAA Deadline for satisfaction of the 10% test or Site Control.

- g) Due to circumstances outside of its control, Petitioner requests a waiver of the 2021 QAP to permit the tax credit exchange now as opposed to waiting until after the end of the second calendar quarter of 2024. Petitioner has used its best efforts to move the Development forward but cannot take any further action until HUD approves termination of the Declaration of Trust.
- h) Petitioner indicates that without the waiver the Development will be abandoned because Petitioner will not have sufficient time to satisfy the CAA Deadline and will lose the allocated housing credits. Without this funding source, Pinellas County (the “County”) will lose these 80 affordable housing units. In addition, Petitioner states that the County is currently experiencing a shortage of affordable housing units for the elderly, non-ALF, and Persons with Special Needs. Petitioner also states that the County stands firmly behind the Development and that, in April 2023, Petitioner received a conditional commitment from the County to provide gap funding of \$2.75 million in addition to \$610,000 in Local Government Area of Opportunity Funding committed in 2021.
- i) On May 15, 2023, Notice of the Petition was published in Volume 49, Number 94, of the Florida Administrative Register. A corrected Notice of the Petition was published on May 16, 2023, in Volume 49, Number 95, of the Florida Administrative Register. To date, Florida Housing has received no comments concerning the Petition.
- j) 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.
- k) Granting the requested waiver would not impact other participants in funding programs administered by Florida Housing, nor would it detrimentally impact Florida Housing. Petitioner has demonstrated that it would suffer a substantial hardship if the waiver is not granted. Petitioner has also demonstrated that the purpose of the underlying statute, which is to “encourage development of low-income housing in the state” (§420.5099, Fla. Stat.), would still be achieved if the waiver is granted.

3. **Recommendation:**

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rule 67-48.002(96), Florida Administrative Code (2021), and the timing provisions of subsection II.J of the 2021 QAP to allow: Petitioner to exchange its 2022 housing credits for an allocation of 2023 housing credits now rather than waiting until the end of the second quarter 2024.

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D. In Re: Malibu Bay Preservation, Ltd.
FHFC Case No. 2023-034VW

Development Name: (“Development”):	Malibu Bay Apartments
Developer/Principal: (“Developer”):	Malibu Bay Developer, LLC/ Jeremy Bronfman
Number of Units: 264 units	Location: Palm Beach County
Type: Acquisition and Rehabilitation; Garden	Set-Asides: 100% @ 60% AMI
Demographics: Family	Funding: 4% HC: \$1,647,982

1. Background:

- a) Petitioner successfully applied for funding to assist in the acquisition and rehabilitation of the Malibu Bay Apartments, a 264-unit development located in Palm Beach County, Florida (the “Development”). On May 8, 2023, Florida Housing received a Petition for Waiver of Rule 67-21.026(13)(e), F.A.C. (07/06/2022) (the “Petition”) to allow the development’s general contractor (“GC”) to self-perform work exceeding the de minimis amount. A copy of the Petition is attached as [Exhibit D](#).

2. Present Situation

- a) Rule 67-21.026(13)(e), Fla. Admin. Code (2019), applies; however, on April 29, 2022, the Board amended Rule 67-21.026(13)(e), Fla. Admin. Code, effective retroactively to developments that had previously submitted applications under prior rule versions. Rule 67-21.026(13)(e), Fla. Admin. Code, as amended, states, in relevant part:

Ensure that no construction or inspection work is performed by the General Contractor, with the following exceptions: (i) the General Contractor may perform its duties to manage and control the construction of the Development; and (ii) the General Contractor may self-perform work of a de minimis amount, defined for purposes of this subparagraph as the lesser of \$350,000 or 5 percent of the construction contract.

- b) Petitioner requests a waiver of the above rule to allow the Development’s GC to self-perform work exceeding the de minimis amount. Petitioner states that, when the contract was initiated with the GC, the parties did not expect the GC to self-perform any work under the GC contract. However, as the project progressed, it became necessary for the GC to supplement certain trades in order to (i) minimize and mitigate risk in occupied units considering the demographic level of tenants, (ii) meet the accelerated project delivery timeline, and (iii) maintain the budget by providing self-performing foremen with industry-specific knowledge to run division crews provided by contracted subcontractors. Petitioner requests a waiver of the above Rule because the GC has exceeded the \$350,000 in self-performed work allowed by the Rule by less than \$2,000.
- c) Staff requested Seltzer Management Group, Inc, the underwriter on this transaction, to provide Florida Housing with a recommendation on the costs incurred by the GC. Staff received a recommendation on May 4, 2023. Seltzer, in conjunction with Partner Engineering and Science, Inc, the construction

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consultant, made a positive recommendation to approve the work that was self-performed by the GC.

- d) On May 10, 2023, the Notice of Petition was published in the Florida Administrative Register in Volume 49, Number 91. 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 the application of a rule would create a substantial hardship or would violate principles of fairness.
- f) Granting the requested waiver would not have any impact on other participants in funding programs administered by Florida Housing, nor would it have a detrimental impact on Florida Housing or the Development. Petitioner has demonstrated that strict application of the above Rules under these circumstances would constitute a substantial hardship. Petitioner has also demonstrated that the purpose of the underlying statute, which is to “encourage development of low-income housing in the state” (§420.5099, Fla. Stat.), would still be achieved if the waiver is granted.

3. **Recommendation:**

- a) Staff recommends the Board GRANT Petition for Waiver of 67-21.026(13)(e), Fla. Admin. Code, to allow the Development’s general contractor to self-perform work exceeding the de minimis amount. No further workout is being proposed with this recommendation because the General Contractor’s Fee is already below the maximum allowed amount.

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E. In Re: Pinnacle at La Cabana, LLLP

FHFC Case No. 2023-041VW

(RFA 2021-202/App. No. 2022-131C)

Development Name: ("Development"):	Pinnacle at La Cabana
Developer Principal: ("Developer"):	Pinnacle Communities, LLC / David Deutch
Number of Units: 110	Location: Broward County
Type: Mid-Rise, 5-6 Stories; New Construction	Set Asides: 10% at 28% AMI 90% at 60% AMI
Demographics: Elderly, Non-ALF	Funding: 9% HC: \$2,882,000

1. Background:

- a) Petitioner successfully applied for competitive housing credits in Request for Applications 2021-202 (the "RFA") to assist in financing the construction of a 110-unit elderly, non-ALF, development named Pinnacle at La Cabana located in Broward County, Florida (the "Development"). On May 17, 2023, Florida Housing Finance Corporation ("Florida Housing") received a "Petition for Waiver of Rule 67-48.002(96) and the 2021 Qualified Allocation Plan's Requirement for Returning Housing Credit Allocations" (the "Petition"). A copy of the Petition is attached as [Exhibit E](#).

2. Present Situation:

- a) Petitioner requests a waiver of Rule 67-48.002(96), Florida Administrative Code (2021), which adopts and incorporates the 2021 QAP.
- b) Petitioner also requests a waiver of Subsection II.J of the 2021 QAP, which states:

Notwithstanding any other provision of this QAP, where a Development has not been placed in service by the date required pursuant to Section 42 of the IRC, or it is apparent that a Development will not be placed in service by the date required pursuant to Section 42 of the IRC, and the Applicant has returned its Housing Credit Allocation after the end of the second calendar quarter of the year in which it was otherwise required to be placed in service pursuant to Section 42 of the IRC, the Corporation will reserve allocation in an amount not to exceed the amount of Housing Credits returned, and will issue a Carryover Allocation Agreement allocating such Housing Credits to the Applicant for either the current year or the year after the year in which the Development was otherwise required to be placed in service pursuant to Section 42 of the IRC, provided the following conditions have been met: (i) The sponsor must have provided written notice to the Corporation, describing the circumstances, all remedial measures attempted by the Applicant to mitigate the delay, and any other pertinent information, prior to returning the allocation; and (ii) A site inspection reflecting the percentage of Development completion must be completed. If the Development is at least fifty (50) percent completed, as reflected in the site inspection, the approval may be made by Corporation staff. If the Development is less than fifty (50) percent completed, as reflected in the site inspection, the approval must be made by the Board. In making such determination, the Board must find and determine that the delay was caused by

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circumstances beyond the Applicant's control, and that the sponsor exercised due diligence in seeking to resolve the circumstances causing delay; and (iii) The Corporation or Board, as applicable, must find 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.

- b) Petitioner requests a waiver of the timing provision in the QAP so that it may exchange its housing credits now, rather than wait until the end of the second quarter of the year in which the Development was otherwise required to be placed in service. Due to events outside of Petitioner's control, Petitioner cannot meet the "placed in service" and "10% test" deadlines as required by the Carryover Allocation Agreement ("CAA").
- c) On July 21, 2022, Petitioner and Florida Housing entered into the CAA. The CAA requires satisfaction of the 10% test by January 31, 2023, which was later extended to July 21, 2023, upon Petitioner's request, (collectively, the "Deadlines"). The CAA also requires the development be placed in service by December 31, 2024. In order to meet the 10% test, Petitioner will need to have closed debt and equity financing, which will likely not occur by July 21, 2023. Petitioner is uncertain as to whether the Development will be able to meet the Deadlines, and as such, Petitioner is requesting this exchange of housing credits to effectuate an extension of such deadlines.
- d) Petitioner states that the Development has suffered unforeseen events outside of its control so that the Development may not be able to meet its December 31, 2024 deadline, or meet the 10% test by July 21, 2023. The challenges are set forth below:
 - 1) Petitioner states that it commenced pre-development activities in January 2022 upon receipt of its invitation to credit underwriting. Petitioner has been processing all necessary approvals diligently. Petitioner received final site plan approval from the City of Miramar (the "City") in November 2022, secured plat approval from both the City and Broward County (the "County"), and has submitted for all permits, except for building permits with the City which Petitioner anticipates submitting within 15 days from the date of filing its Petition. Petitioner anticipates placing the construction contract for the Development out to bid within this same time frame.
 - 2) In the second quarter of 2022, due to the significant increase in construction costs, a budgetary gap existed that could not be bridged without further assistance. Without additional assistance, Petitioner was unable to proceed towards closing the financing for the Development.
 - 3) On May 9, 2022, Florida Housing issued the 2022 Construction Housing Inflation Response Program ("CHIRP") Invitation to Participate. The purpose of CHIRP is to fill the funding gap experienced due to increased construction costs, such as those currently encountered by Petitioner. However, Petitioner states that it was unable to participate in the CHIRP funding cycle because it could not meet the construction commencement deadlines contained therein, due to the amount of time necessary to

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complete the entitlement process in the County with respect to the platting of the Development.

- 4) Petitioner plans to apply to RFA 2023-211, Construction Inflation Response Viability Funding, and has been deemed eligible by Florida Housing to do so. RFA 2023-211 anticipates that the participants therein which have already received an allocation of 9% housing credits will return such credits in exchange for a new award of 9% credits pursuant to the terms of such RFA.
 - 5) Based upon Petitioner's current construction schedule for the Development, construction completion is scheduled to occur late in the fourth quarter of 2024. The tax credit investor for the transaction requires three months between scheduled construction completion and the required placed in service date, December 31, 2024, in order to proceed to closing on the equity financing. Petitioner's estimated completion date for the Development does not fall within the tax credit investor's required scheduling parameters, without an exchange of housing credits, the tax credit investor will not close on the agreed funding.
- e) As noted above, Petitioner is required to satisfy the 10% test by July 21, 2023. Petitioner has been advised by its tax accountants that the capital lease payment in Petitioner's ground lease will no longer be considered in the basis for satisfaction of the 10% test. Petitioner states that even if it purchases materials, accrues a portion of developer fee, and accrues or prepays other fees, such amounts would not be sufficient to meet the 10% test. As such, Petitioner states that it will be unable to satisfy the 10% test.
 - f) Petitioner acknowledges that, if it is successful in receiving an award of funds under RFA 2023-211, the exchange of housing credits requested herein will occur pursuant to the provisions of that RFA. In an abundance of caution, Petitioner is submitting this Petition in the event the RFA does not actually move forward or if Petitioner is not awarded funds under that RFA.
 - g) As discussed above, the delays have been caused by circumstances outside Petitioner's control. As a result, such delays make it difficult to meet the 10% test deadline of July 21, 2023, and places in jeopardy Petitioner's ability to meet the placed in service deadline of December 31, 2024. Petitioner seeks to return its 2022 housing credit allocation now, rather than wait for the third calendar quarter of 2024 as required under the QAP, and obtain from Florida Housing an immediate allocation of new housing credits with a later required 10% test date and placed in service date
 - h) Petitioner states that the requested waivers and variance will not adversely affect the Development. A denial of the Petition, however, would result in substantial economic hardship to Petitioner as it has invested over \$900,000 in the Development, deprive the City and the County of new constructed affordable housing rental units, and violate principles of fairness.
 - i) On May 19, 2023, Notice of the Petition was published in Volume 49, Number 98, of the Florida Administrative Register. To date, Florida Housing has received no comments concerning the Petition.
 - j) Section 120. 542(2), Florida Statutes provides in pertinent part:

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

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

3. **Recommendation:**

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rule 67-48.002(96), Florida Administrative Code (2021), and the timing provisions of subsection II.J of the 2021 QAP to allow Petitioner to exchange its 2022 housing credits for an allocation of 2023 housing credits now rather than waiting until the end of the second quarter 2024.

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F. In Re: RCG Phase I, LLC
FHFC Case No. 2023-039VW (RFA 2021-208/App. No.2021-315S)

Development Name: ("Development"):	Rainbow Village
Developer Principal: ("Developer"):	RGC Phase I Developer, LLC/Matt Rieger
Number of Units: 310	Location: Miami-Dade County
Type: High-Rise, 8 stories	Set Asides: 17% at 30% AMI 14% at 50% AMI 19% at 60% AMI 37% at 70% AMI 14% at 80% AMI
Demographics: Workforce	Funding: SAIL - \$6,000,000 4% HC - \$3,897,022

1. Background:

- a) Petitioner successfully applied for State Apartment Incentive Loan ("SAIL") and 4% housing credits in Request for Applications 2021-208 SAIL And Housing Credit Financing for The Construction of Workforce Housing (the "RFA"), to assist in the construction of a 310-unit workforce housing development named Rainbow Village, in Miami-Dade County, Florida (the "Development"). On May 16, 2023, Florida Housing Finance Corporation ("Florida Housing") received a "Petition for Waiver of Rule 67-48.0072(21)(b), F.A.C. (6/23/20)" (the "Petition") from RGC Phase I, LLC ("Petitioner"), to allow Petitioner to extend the firm loan commitment issuance deadline. A copy of the Petition is attached as [Exhibit F](#).

2. Present Situation:

- a) Petitioner requests a waiver of Rule 67-48.0072(21)(b), Florida Administrative Code (2020), which in relevant part, provides:

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

...

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 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

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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 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. If, by the end of the extension period, the Applicant has not received a firm loan commitment, then the preliminary commitment shall be withdrawn.

- b) Petitioner requests a waiver of Rule 67-48.0072(21)(b) to allow Petitioner to extend the firm loan commitment issuance deadline from July 15, 2023, to January 15, 2024.
- c) Petitioner accepted an invitation to enter credit underwriting, dated July 12, 2021. Although Rule 67-48.0072(21)(b) provides that the firm loan commitment must be issued within twelve months of acceptance to enter credit underwriting, it also provides that Petitioner may request one extension of up to six months. On June 17, 2022, the Board approved Petitioner's request to extend the deadline from July 15, 2022, to January 15, 2023, and Petitioner paid the required extension fee. On December 9, 2022, Petitioner's petition for an additional extension of the deadline for firm loan commitment issuance was granted to extend the deadline from January 15, 2023, to July 15, 2023.
- d) Petitioner is requesting an additional extension of the firm loan commitment deadline from July 15, 2023, to January 15, 2024, to allow sufficient time to finalize underwriting. Petitioner is requesting a six-month extension in an abundance of caution.
- e) Petitioner states that its need for the requested extension was created by circumstances beyond Petitioner's control including:
 - 1) Per Petitioner, increases in construction costs, interest rates, insurance costs, and Davis Bacon wages caused a significant delay. Also, the Development's financing gap has risen substantially. To address the financing gap, Petitioner applied for additional funds from the Southeast Overton Park West Community Redevelopment Agency and plans to apply for additional funding from Florida Housing when such funds are made available. Once these funds are obtained, Petitioner will be able to get the final underwriting approvals and close in late 2023.
 - 2) The Development is located in the City of Miami and is subject to their zoning laws and regulations. The Development's unique location required an ordinance change for final site plan submission. The site plan was submitted on December 16, 2020, and was accepted on March 14, 2022, after the new ordinance was enacted. Furthermore, the City of Miami Fire Department has had continuous delays in fire review and approval of construction documents needed for acquiring the building permit.
- f) Due to these reasons, Petitioner does not anticipate the ability to meet the current firm loan commitment deadline of July 15, 2023. Petitioner anticipates that the Credit Underwriting Report will be finalized in September 2023.

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- g) Petitioner states that the requested waiver will not adversely affect Petitioner, the Development, any other party that applied in the RFA, or Florida Housing. A denial of the Petition, however, would: (a) result in substantial economic hardship to Petitioner, as it has incurred significant costs to date in an effort to ensure that the Development proceeds to completion; (b) deprive Miami-Dade County of essential affordable rental units set aside for Workforce individuals, who desperately need the housing, as well as other amenities and services which the Development will offer; and (c) violate principles of fairness.
- h) On May 17, 2023, Notice of the Petition was published in Volume 49, Number 96, of the Florida Administrative Register. To date, Florida Housing has received no comments concerning the Petition.
- i) 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.
- j) 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” would still be achieved if the waiver is granted. §420.5099, Fla. Stat.

3. **Recommendation:**

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rule 67-48.0072(21)(b), Florida Administrative Code (2020), to allow Petitioner to extend its firm loan commitment issuance deadline from July 15, 2023, to January 15, 2024.

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G. In Re: AMC HTG 2, Ltd.

FHFC Case No. 2023-040VW

(RFA 2021-208/App. No. 2021-323S)

Development Name: ("Development"):	Courtside Apartments, Phase II
Developer Principal: ("Developer"):	AMC HTG 2 Developer, LLC/Matt Rieger
Number of Units: 120	Location: Miami-Dade County
Type: Mid-Rise, 5-6 stories	Set Asides: 15% at 30% AMI 10% at 50% AMI 20% at 60% AMI 55% at 70% AMI
Demographics: Workforce	Funding: SAIL- \$2,750,000 4% - HC \$1,780,620

1. Background:

- a) Petitioner successfully applied for State Apartment Incentive Loan ("SAIL") and 4% housing credits in Request for Applications 2021-208 SAIL And Housing Credit Financing for The Construction of Workforce Housing (the "RFA"), to assist in the construction of a 120-unit workforce housing development named Courtside Apartments, Phase II, in Miami-Dade County, Florida (the "Development"). On May 16, 2023, Florida Housing Finance Corporation ("Florida Housing") received a "Petition for Waiver of Rule 67-48.0072(21)(b), F.A.C. (6/23/20)" (the "Petition") from AMC HTG 2, Ltd. ("Petitioner"), to allow Petitioner to extend the firm loan commitment issuance deadline. A copy of the Petition is attached as [Exhibit G](#).

2. Present Situation:

- a) Petitioner requests a waiver of Rule 67-48.0072(21)(b), Florida Administrative Code (2020), which in relevant part, provides:

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

...

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 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

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the request to extend the credit underwriting and firm loan commitment process beyond the initial twelve (12) month deadline is approved. 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. If, by the end of the extension period, the Applicant has not received a firm loan commitment, then the preliminary commitment shall be withdrawn.

- b) Petitioner requests a waiver of Rule 67-48.0072(21)(b) to allow Petitioner to extend the firm loan commitment issuance deadline from July 15, 2023, to January 15, 2024.
- c) Petitioner accepted an invitation to enter credit underwriting on July 12, 2021. Although Rule 67-48.0072(21)(b) provides that the firm loan commitment must be issued within twelve months of acceptance to enter credit underwriting, it also provides that Petitioner may request one extension of up to six months. On June 17, 2022, the Board approved Petitioner's request to extend the deadline from July 15, 2022, to January 15, 2023, and Petitioner paid the required extension fee. On December 9, 2022, Petitioner's petition for an additional extension of the deadline for firm loan commitment issuance was granted to extend the deadline from January 15, 2023, to July 15, 2023.
- d) Petitioner is requesting an additional extension of the firm loan commitment deadline from July 15, 2023, to January 15, 2024, to allow sufficient time to finalize underwriting. Petitioner is requesting a six-month extension in an abundance of caution.
- e) Petitioner states that its need for the requested extension was created by circumstances beyond Petitioner's control including:
 - 1) Per Petitioner, increases in construction costs, interest rates, insurance costs, and prevailing wages caused a significant delay. Also, the Development's financing gap has risen substantially. To address the financing gap, Petitioner has applied for additional funds from the City of Miami Housing and Community Development department and plans to apply for additional funding from Florida Housing when such funds are made available. Once these funds are obtained, Petitioner will be able to get the final underwriting approvals and close in early 2024.
 - 2) The Development is located on a Miami-Dade County owned site with existing structures and is adjacent to a City of Miami owned site with shared parking and access. This has required Petitioner to solve an array of issues between the County and City. These legal issues have affected the Petitioner's ability to attain timely site plan approval from the City of Miami.
- f) Due to these reasons, Petitioner does not anticipate the ability to meet the current firm loan commitment deadline of July 15, 2023. Petitioner anticipates that the Credit Underwriting Report will be finalized in November 2023.
- g) Petitioner states that the requested waiver will not adversely affect Petitioner, the Development, any other party that applied in the RFA, or Florida Housing. A denial of the Petition, however, would: (a) result in substantial economic hardship to Petitioner, as it has incurred significant costs to date in an effort to ensure that the Development proceeds to completion; (b) deprive Miami-Dade County of

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essential affordable rental units set aside for Workforce individuals, who desperately need the housing, as well as other amenities and services which the Development will offer; and (c) violate principles of fairness.

h) On May 17, 2023, Notice of the Petition was published in Volume 49, Number 96, of the Florida Administrative Register. To date, Florida Housing has received no comments concerning the Petition.

i) Section 120. 542(2), Florida Statutes provides in pertinent part:

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

j) 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” would still be achieved if the waiver is granted. §420.5099, Fla. Stat.

3. **Recommendation:**

a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rule 67-48.0072(21)(b), Florida Administrative Code (2020), to allow Petitioner to extend its firm loan commitment issuance deadline from July 15, 2023 to January 15, 2024.

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H. In Re: Blue CASL Dade, LLC

FHFC Case No. 2023-042VW (RFA 2021-103/App. No. 2021-294CSN)

Development Name: (“Development”):	Alto Tower
Developer/Principal: (“Developer”):	Blue AT Developer, LLC and CASL Developer, LLC/ Shawn Wilson
Number of Units: 84 units	Location: Miami-Dade County
Type: New Construction, Mid-Rise	Set-Asides: 85% @ 60% AMI 15% @ 25% AMI 4.8% @ 30% AMI 7.1% @ 22% AMI
Demographics: Homeless Individuals and Families	Funding: 9% HC: \$2,375,000 SAIL: \$4,600,000 SAIL CHIRP: \$1,119,104 NHTF: \$1,236,800 NHTF CHIRP: \$1,522,000 ELI: \$459,600

1. Background:

- a) Petitioner successfully applied for funding to assist in the construction of Alto Tower, an 84-unit development located in Miami-Dade County, Florida (the “Development”). On May 18, 2023, Florida Housing received a Petition for Waiver of Rule 67-48.0072(26), F.A.C. (06/23/2020) (the “Petition”) to extend its loan closing deadline by 90 days. A copy of the Petition is attached as [Exhibit H](#).

2. Present Situation

- a) Rule 67-48.0072(26), Fla. Admin. Code (2020), provides in relevant part:

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

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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.

- b) Petitioner requests a waiver of the above rule to extend the time allowed for Petitioner to close its loan. Petitioner states that building plans were submitted to the City of Miami in July of 2022 and, despite exercising its due diligence, Petitioner has not been issued a building permit. Without receiving its permit from the City of Miami, Petitioner cannot meet its current May 30, 2023 closing deadline.
- c) On May 19, 2023, the Notice of Petition was published in the Florida Administrative Register in Volume 49, Number 98. To date, Florida Housing has received no comments concerning the Petition.
- d) Section 120.542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when the 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 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 67-48.0072(26), Fla. Admin. Code (2020), to extend Petitioner’s loan closing deadline from May 30, 2023, to August 28, 2023.

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I. In Re: Fairfield Miami Gardens, LP
FHFC Case No. 2023-043VW (App. No. 2021-551C)

Development Name: (“Development”):	Emerald Dunes Apartments
Developer/Principal: (“Developer”):	Fairfield Affordable Housing Fund Tranche V LLC / Richard Boynton
Number of Units: 141 units	Location: Miami-Dade County
Type: Acquisition and Rehabilitation; Garden	Set-Asides: 100% @ 30% AMI
Demographics: Family	Funding: 4% HC: \$1,759,733

1. Background:

- a) Petitioner successfully applied for funding to assist in the acquisition and rehabilitation of the Emerald Dunes Apartments, a 141-unit development located in Miami-Dade County, Florida (the “Development”). On May 22, 2023, Florida Housing received a Petition for Waiver of Rule 67-21.0025(7)(c) and 67-21.026(10) (the “Petition”) to waive the requirements that 1) all natural person Principals of the Applicant entity be disclosed; 2) all rehabilitation work be performed under a guaranteed maximum price (“GMP”) contract. A copy of the Petition is attached as [Exhibit I](#).

2. Present Situation

- a) Rule 67-21.0025(7)(c), Fla. Admin. Code (2021), 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....

(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.

- b) Rule 67-21.026(10), Fla. Admin. Code (2021), provides in relevant part:

(10) The Corporation’s assigned Credit Underwriter shall require a guaranteed maximum price construction contract, acceptable to the Corporation, which may include change orders for changes in cost or changes in the scope of work, or both, if all parties agree, and shall

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order, at the Applicant's sole expense, and review a pre-construction analysis for all new construction units or a CNA for rehabilitation units and review the Development's costs.

- c) Petitioner previously sought and was granted a waiver to allow Petitioner to (1) submit a 4% Housing Credit Application prior to the completion of the credit underwriting for the bonds; (2) have a public pension fund in its corporate structure without the requirement to disclose all natural person Principals; and (3) make a future change in the ownership structure prior to issuance of the Preliminary Determination (August 5, 2022 Board Meeting).
- d) Petitioner now seeks to change the ownership structure of the Applicant, but in doing so, requests a waiver of Rule 67-21.0025(7)(c), Fla. Admin. Code, to further relieve Petitioner of the principal disclosure requirement for two entities within its proposed ownership structure, FRH CI LLC - AHF GP3 Series, a Delaware limited liability company and FRH CI LLC - AHF LP3 Series, a Delaware limited liability company (collectively, the "Profit-Sharing Entities"). The Profit-Sharing Entities are being included in the ownership structure as employee profit sharing entities, which own, collectively, less than a 3% ultimate interest in the general partner of the Petitioner. The Profit-Sharing Entities are made up completely of employees or trusts established by an employee. The Profit-Sharing Entities are utilized to provide compensation to employees and changes in ownership of the entities are intrinsically tied to changes to the employees. Petitioner avers, that the employees of the Profit-Sharing Entities have no ability to control the investments or to exercise meaningful control of the Profit-Sharing Entities and that the only role these members serve is to passively receive any cash flow that passes through the Profit-Sharing Entities as additional compensation for their employment. Petitioner purports that requiring the Profit-Sharing Entities to report each employee and each change in employment status would not be practical and essentially requires Petitioner to effectively consult with Florida Housing on its hiring, firing and other employment practices.
- e) Petitioner further seeks a waiver of Rule 67-21.026(10), Fla. Admin. Code, to allow the Petitioner to perform certain rehabilitation work without a GMP contract. When Petitioner initially acquired the Development in April 2022, they did not immediately close on the bond financing because the seller would not accommodate the long escrow period that would be necessary for a purchaser to close directly on the financing. Petitioner states that at acquisition, the Development required a number of immediate repairs, including deferred maintenance and life/safety issues that Petitioner needed to address promptly to ensure the safety of the residents. Petitioner asserts that the work performed, on its own, is not the type of work that would typically warrant entering a separate GMP contract and is customarily contracted directly between the purchaser of the property and the direct contractors.
- f) The bond financing is expected to close in August 2023; between April 2022, when the Development was acquired and August 2023 when the bond financing closes, Petitioner states that it will incur approximately \$900,000 in non-GMP work out of the total project budget of approximately \$7,200,000. Petitioner further states that, but for the non-GMP work being performed outside the purview of a GMP contract, the work would otherwise constitute eligible rehabilitation costs that Petitioner could include in its basis for the Development. Petitioner agrees to submit documentation prepared by an accountant outlining

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all costs and contractors and certifying the work was otherwise performed in accordance with the Corporation rules.

- g) The Principals of the Petitioner have been advised by staff that this waiver will not be considered on future developments and that the Principals need to determine a strategy moving forward on future developments that meets their business model while conforming to Florida Housing rule requirements.
- h) On May 23, 2023, the Notice of Petition was published in the Florida Administrative Register in Volume 49, Number 100. To date, Florida Housing has received no comments concerning the Petition.
- i) 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.
- j) Granting the requested waiver does not impact other participants in funding programs administered by Florida Housing, nor would it detrimentally impact Florida Housing or the Development. Petitioner has demonstrated that strict application of the above Rules under these circumstances constitutes 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” would still be achieved if the waiver is granted. §420.5099, Fla. Stat.

3. **Recommendation:**

- a) Staff recommends the Board GRANT Petitioner a Waiver of the following:
 - (1) Rule 67-21.0025(7)(c), Fla. Admin. Code (2021), to relieve Petitioner of the principal disclosure requirement for all employee-owners of the referenced Profit-Sharing Entities on the condition that the Petitioner agree to provide a list of natural person Principals for the Profit-Sharing Entities, if requested by staff. Failure to do so may result in staff withholding 8609s; and
 - (2) Rule 67-21.026(10), Fla. Admin. Code, to allow Petitioner to perform certain rehabilitation work without a GMP contract under the following conditions:
 - (a) Receipt of a positive recommendation from Seltzer Management Group, Inc, the credit underwriter assigned to this Development in conjunction with the construction consultant, for the costs incurred outside of a GMP contract;
 - (b) Receipt of a satisfactory Agreed Upon Procedures performed by an independent Certified Public Accountant, which procedures must at a minimum (i) confirm and test the costs to all contractors and vendors utilizing the steps outlined in the General Contractor Cost Certification Instructions, (ii) confirm that all overhead, administrative costs, or other fees paid as compensation for oversight of the work performed

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are documented and within 14% of the total costs paid to vendors and contractors; (iii) confirm that the costs incurred by any one contractor or vendor or any group of entities that have common ownership or are Affiliates of any other contractor or vendor does not exceed the subcontractor limitations as outlined in 67-21, F.A.C.; (iv) confirm that no construction or inspection work was performed by a representative of the Applicant or Developer; (v) confirm that no construction cost was contracted to any entity that has common ownership or is an Affiliate of the Applicant, General Contractor, or Developer.

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J. In Re: Fairfield Cedar Grove LP
FHFC Case No. 2023-045VW

Development Name: (“Development”):	Cedar Grove Apartments
Developer/Principal: (“Developer”):	Fairfield Affordable Housing Fund Tranche V LLC/ Richard Boynton
Number of Units: 288 units	Location: Miami-Dade County
Type: Acquisition and Rehabilitation; Garden	Set-Asides: 100% @ 60% AMI
Demographics: Family	Funding: 4% HC: \$4,535,083

1. Background:

- a) Petitioner successfully applied for funding to assist in the acquisition and rehabilitation of the Cedar Grove Apartments, a 288-unit development located in Miami-Dade County, Florida (the “Development”). On May 22, 2023, Florida Housing received a Petition for Waiver of Rule 67-21.0025(7)(c) and 67-21.026(10) (the “Petition”) to waive the requirements that 1) all natural person Principals of the Applicant entity be disclosed; 2) all rehabilitation work be performed under a guaranteed maximum price (“GMP”) contract. A copy of the Petition is attached as [Exhibit J](#).

2. Present Situation

- a) Rule 67-21.0025(7)(c), Fla. Admin. Code (2021), 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....

(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.

- b) Rule 67-21.026(10), Fla. Admin. Code (2021), provides in relevant part:

(10) The Corporation’s assigned Credit Underwriter shall require a guaranteed maximum price construction contract, acceptable to the Corporation, which may include change orders for changes in cost or changes in the scope of work, or both, if all parties agree, and shall

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order, at the Applicant's sole expense, and review a pre-construction analysis for all new construction units or a CNA for rehabilitation units and review the Development's costs.

- c) Petitioner previously sought and was granted a waiver to allow Petitioner to (1) submit a 4% Housing Credit Application prior to the completion of the credit underwriting for the bonds; (2) have a public pension fund in its corporate structure without the requirement to disclose all natural person Principals; and (3) make a future change in the ownership of the structure prior to issuance of the Preliminary Determination (August 5, 2022 Board Meeting).
- d) Petitioner now seeks to change the ownership structure of the Applicant, but in doing so requests a waiver of Rule 67-21.0025(7)(c), Fla. Admin. Code, to further relieve Petitioner of the principal disclosure requirement for two entities within its proposed ownership structure, FRH CI LLC - AHF GP3 Series, a Delaware limited liability company and FRH CI LLC - AHF LP3 Series, a Series limited liability company (collectively, the "Profit-Sharing Entities"). The Profit-Sharing Entities are being included in the ownership structure as employee profit sharing entities, which own, collectively, less than a 3% ultimate interest in the general partner of the Petitioner. The Profit-Sharing Entities are made up completely by employees or trusts established by an employee. The Profit-Sharing Entities are utilized to provide compensation to employees and changes in ownership of the entities are intrinsically tied to changes to the employees. Petitioner states that the employees of the Profit-Sharing Entities have no ability to control the investments or to exercise meaningful control of the Profit-Sharing Entities and that the only role these members serve is to passively receive any cash flow that passes through the Profit-Sharing Entities as additional compensation for their employment. Petitioner purports that requiring the Profit-Sharing Entities to report each employee and each change in employment status would not be practical and essentially requires Petitioner to effectively consult with Florida Housing on its hiring, firing and other employment practices.
- e) Petitioner further seeks a waiver of Rule 67-21.026(10), Fla. Admin. Code, to allow the Petitioner to perform certain rehabilitation work without a GMP contract. When Petitioner initially acquired the Development in April 2022, they did not immediately close on the bond financing because the seller would not accommodate the long escrow period that would be necessary for a purchaser to close directly on bond-financing. Petitioner states that at acquisition, the Development required a number of immediate repairs, including deferred maintenance and life/safety issues that Petitioner needed to address promptly to ensure the safety of its residents. Petitioner asserts that the work performed, on its own, is not the type of work that would typically warrant entering a separate GMP contract and is customarily contracted directly between the purchaser of the property and the direct contractors.
- f) The bond financing is expected to close in August 2023; between April 2022, when the Development was acquired and August 2023 when the bond financing closes, Petitioner states that it will have incurred approximately \$2,500,000 in non-GMP work out of a total project budget of approximately \$16,000,000. Petitioner further states that, but for the non-GMP work being performed outside the purview of a GMP Contract, the work would otherwise constitute eligible rehabilitation costs that Petitioner could include in its basis for the Development. Petitioner agrees to submit documentation prepared by an accountant outlining

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all costs and contractors and certifying the work has otherwise been performed in accordance with the Corporation rules.

g) The Principals of the Petitioner have been advised by staff that this waiver will not be considered on future developments and that the Principals need to determine a strategy moving forward on future developments that meets their business model while conforming to Florida Housing rule requirements.

h) On May 23, 2023, the Notice of Petition was published in the Florida Administrative Register in Volume 49, Number 100. To date, Florida Housing has received no comments concerning the Petition.

i) 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.

j) 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 a Waiver of the following:

(1) Rule 67-21.0025(7)(c), Fla. Admin. Code (2021), to relieve Petitioner of the principal disclosure requirement for all employee-owners of the referenced Profit-Sharing Entities on the condition that the Petitioner agree to provide a list of natural person Principals for the Profit-Sharing Entities, if requested by staff. Failure to do so may result in staff withholding 8609s; and

(2) Rule 67-21.026(10), Fla. Admin. Code, to allow Petitioner to perform certain rehabilitation work without a GMP contract under the following conditions:

(a) Receipt of a positive recommendation from Seltzer Management Group, Inc, the credit underwriter assigned to this Development in conjunction with the construction consultant, for the costs incurred outside of a GMP contract;

(b) Receipt of a satisfactory Agreed Upon Procedures performed by an independent Certified Public Accountant, which procedures must at a minimum (i) confirm and test the costs to all contractors and vendors utilizing the steps outlined in the General Contractor Cost Certification Instructions, (ii) confirm that all overhead, administrative costs, or other fees paid as compensation for oversight of the work performed

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are documented and within 14% of the total costs paid to vendors and contractors; (iii) confirm that the costs incurred by any one contractor or vendor or any group of entities that have common ownership or are Affiliates of any other contractor or vendor does not exceed the subcontractor limitations as outlined in 67-21, F.A.C.; (iv) confirm that no construction or inspection work was performed by a representative of the Applicant or Developer; (v) confirm that no construction cost was contracted to any entity that has common ownership or is an Affiliate of the Applicant, General Contractor, or Developer.

MULTIFAMILY BONDS

Consent

I. MULTIFAMILY BONDS

A. Request Approval of the Credit Underwriting Report and Authorizing Resolutions and the Assignment, Assumption and Subordination of the Existing ELIHA for Watauga Woods (2020-101B / 2020-547C / 1992L-012)

Development Name: Watauga Woods	Location: Orange County
Applicant/Borrower: Watauga Affordable LLC	Set-Asides: 40% @ 60% AMI (MMRN) 100% @ 60% AMI (4% HC)
Developers/Principals: Southport Development, Inc. / J. David Page	Demographic/Number of Residents: Family/ 216 units
Requested Amounts: \$26,000,000 Multifamily Mortgage Revenue Notes (MMRN) \$2,278,388 Housing Credits (4% HC)	Development Category/Type: Acquisition and Rehabilitation / Garden Apartments

1. Background/Present Situation:

- a) Florida Housing financed the above referenced Development in 1992 with \$985,700 in 9% Housing Credits.
- b) On December 28, 2020, the Applicant submitted a Non-Competitive Application package requesting tax-exempt MMRB in the amount of \$20,000,000 and Non-Competitive Housing Credits in the amount of \$1,200,000. Subsequently, the MMRB request amount was increased to \$26,000,000.
- c) On February 2, 2021, staff issued an invitation to enter credit underwriting to the Applicant. The acceptance was acknowledged on February 8, 2021.
- d) On May 25, 2023, staff received a final credit underwriting report with a positive recommendation for MMRN funding and the Assignment, Assumption and Subordination of the existing Extended Low Income Housing Agreement (“ELIHA”) (Exhibit A). Staff finds that the development meets all requirements of the Non-Competitive Application.
- e) 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 requests approval for the execution of the resolutions.

MULTIFAMILY BONDS

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2. **Recommendation:**

- a) Approve the final credit underwriting report and authorizing resolutions and the Assignment, Assumption and Subordination of the existing ELIHA and direct staff to proceed with 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 Method of Bond/Note Sale Recommendation from Florida Housing's Independent Registered Municipal Advisor and Assignment of 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 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 bond/note sale for the development. Caine Mitter and Associates Incorporated has prepared an analysis and recommendation for the method of bond/note sale for the Development. The recommendation letter is attached as Exhibit C.

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 bond/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
Watuaga Woods	Orange County	216	Private Placement	RBC Capital Markets, LLC	Exhibit C

MULTIFAMILY BONDS

Consent

C. **Request Approval of the Credit Underwriting Update Letter for Liberty Square Phase Four (RFA 2020-208 / 2020-468BS / 2019-573C)**

Development Name: Liberty Square Phase Four	Location: Broward County
Applicant/Borrower: Liberty Square Phase Four, LLC	Set-Asides: 40% @ 60% AMI (MMRN) 53.886% @ 80% AMI (SAIL Workforce & 4% HC) 5.181% @ 60% AMI (SAIL & 4% HC) 13.472% @ 40% AMI (SAIL & 4% HC) 27.461% @ 30% AMI (SAIL & 4% HC)
Developers/Principals: Liberty Square Phase Four Developer, LLC / Alberto Milo, Jr.	Demographic/Number of Residents: Workforce / 193
Requested Amounts: \$43,000,000 Multifamily Mortgage Revenue Notes (MMRN) \$3,250,000 State Apartment Incentive Loan (SAIL) \$ 3,376,097 Housing Credits (4% HC)	Development Category/Type: New Construction / Mid-Rise (5-6 Stories)

1. **Background**

- a) On February 24, 2020, Florida Housing issued a Request for Applications (RFA) 2020-208 for SAIL and Housing Credit Financing for the Construction of Workforce Housing.
- b) On June 11, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On October 21, 2020, staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant. The acceptance was acknowledged on October 26, 2020.
- d) On October 22, 2021, the Board approved a request to extend the firm loan commitment issuance deadline from October 26, 2021 to April 26, 2022. Additionally, on March 4, 2022, the Board granted a waiver request to extend the firm loan commitment issuance deadline from April 26, 2022 to October 26, 2022.
- e) On September 16, 2022, the Board approved final credit underwriting report with a positive recommendation for MMRN and SAIL funding.

2. **Present Situation**

- a) On February 13, 2023, staff approved changes to the unit mix, set-asides, and total number of units. These changes were subject to a positive recommendation from the underwriter.

MULTIFAMILY BONDS

Consent

- b) On May 24, 2023, staff received a credit underwriting update letter with a positive recommendation to increase the permanent first mortgage from \$25,930,000 to \$29,000,000, increase the total number of units, and change the set-asides and unit mix ([Exhibit D](#)). Staff has reviewed this report and finds that it meets all requirements of the RFA.

3. **Recommendation**

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

MULTIFAMILY PROGRAMS

Consent

I. MULTIFAMILY PROGRAMS

A. Request Approval of CHIRP ITP Waiver for Loan Closing Deadline and LPA Closing Deadline 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) 11.9% @ 22% AMI (NHTF)
Developers/Principals: Blue AT Developer, LLC/Shawn Wilson, CASL Developer, LLC/Julien S. Eller	Demographic/Number of Residents: 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. 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. 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.
- b) 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.
- c) 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.
- d) On October 28, 2022, the Board approved a RFA waiver of the 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

MULTIFAMILY PROGRAMS

Consent

closing deadline of March 1, 2023. On March 10, 2023, the Board approved a loan closing deadline extension for the initial funding from March 1, 2023 to May 30, 2023.

- e) On May 18, 2023, staff received a request from the borrower requesting an additional waiver of the CHIRP deadline to close on the loan and Limited Partnership Agreement ("LPA") from June 9, 2023 to July 21, 2023 ([Exhibit A](#)). The development team is working diligently on acquiring permits with the City of Miami, FDOT (Florida Department of Transportation) and MDWASD (Miami Dade Water and Sewer Department). In an abundance of caution, the waiver is needed in case permits are not received by the current CHIRP closing deadline. Staff has reviewed this request and finds that it meets all applicable requirements of the RFA and the CHIRP ITP.
- f) Per the CHIRP ITP, Applicants must close on the limited partnership agreement and, if applicable, Corporation funding and construction funding by the earlier of the existing closing deadlines for the Active Award (excluding Rule extension requests that require Board approval) or January 31, 2023. On August 5, 2022, the Board approved a Modification of the ITP, whereby the LPA closing deadline would be January 31, 2023; the "earlier of the existing closing deadline" would not be enforced. Additionally, the requirement for closing the loan by the "earlier of the existing closing deadline" will not be enforced, and the closing deadline requirement will be January 31, 2023 or March 10, 2023, as applicable. On January 27, 2023, the Board approved a Modification of the ITP, whereby the deadline for closing the LPA was extended to March 10, 2023. On March 10, 2023, the Board approved a Modification of the ITP, whereby the deadline for loan closing and the LPA was extended to April 28, 2023. Subsequently, on April 28, 2023, the Board approved the borrower's request for a waiver of the CHIRP ITP to waive the loan closing deadline and LPA closing deadline from April 28, 2023 to June 9, 2023. Therefore, a waiver is required.

2. **Recommendation:**

- a) Approve a waiver of the CHIRP ITP to waive the loan closing deadline and LPA closing deadline from June 9, 2023 to July 21, 2023.

MULTIFAMILY PROGRAMS

Consent

B. Request Approval of CHIRP ITP Waiver for Loan Closing Deadline for Hillsboro Landing f/k/a Tallman Pines – Phase II (RFA 2020-205 / 2021-207BSN / 2020-538C / 2022 CHIRP ITP)

Development Name: Hillsboro Landing f/k/a Tallman Pines – Phase II	Location: Broward County
Applicant/Borrower: Tallman Pines HR, Ltd.	Set-Asides: 40% @ 60% AMI (MMRN) 90% @ 60% AMI (SAIL) 10% @ 25% AMI (SAIL & ELI) 6.67% @ 22% AMI (NHTF) 100% @ 60% AMI (4% HC)
Developer/Principal: HTG Tallman HR Developer, LLC / Matthew A. Rieger; Building Better Communities, Inc.	Demographic/Number of Units: Elderly/75 units
Requested Amounts: \$25,000,000 Multifamily Mortgage Revenue Bonds (MMRB) \$2,770,000 State Apartment Incentive Loan (SAIL) \$4,300,000 Construction Housing Inflation Response Program (CHIRP) Additional Loan Funding \$600,000 Extremely Low Income (ELI) \$1,569,397 National Housing Trust Fund (NHTF) \$1,861,951 Housing Credits (4% HC)	Development Category/Type: New Construction/Mid-Rise (5-6 Stories)

1. Background/Present Situation

- a) On October 15, 2020, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2020-205 for SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits. 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. 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 an invitation to enter credit underwriting to the Applicant on June 22, 2021, 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 June 25, 2021, giving them a firm loan commitment issuance deadline of June 25, 2022.
- b) 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 23, 2022 requesting additional SAIL funds.
- c) On June 17, 2022, the Board approved the request for a firm loan commitment issuance deadline extension from June 25, 2022, to December 26, 2022.

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- d) On December 9, 2022, the Board approved the credit underwriting report and RFA waiver for an Applicant Entity Change. On December 14, 2022, staff issued a firm commitment to the Applicant giving them a loan closing deadline of June 12, 2023.
- e) On May 10, 2023, staff received an additional request from the borrower requesting a waiver of the CHIRP deadline to close on the loan from June 9, 2023 to July 21, 2023 ([Exhibit B](#)). The Borrower has diligently been working towards the June 9, 2023 CHIRP deadline. However, in an abundance of caution, a waiver is needed while waiting for the subsidy layering review HUD approval and the permit ready letter. Staff has reviewed this request and finds that it meets all applicable requirements of the RFA and the CHIRP ITP.
- f) Per the CHIRP ITP, Applicants must close on Corporation loan funding by the earlier of the existing closing deadlines for the Active Award (excluding Rule extension requests that require Board approval) or January 31, 2023. On August 5, 2022, the Board approved a Modification of the ITP, whereby the requirement for closing the loan by the “earlier of the existing closing deadline” will not be enforced, and the closing deadline requirement will be January 31, 2023 or March 10, 2023, as applicable. On March 10, 2023, the Board approved an additional Modification of the ITP, whereby the deadline for loan closing was extended to April 28, 2023. Subsequently, on April 28, 2023, the Board approved the borrower's request for a waiver of the CHIRP ITP to waive the loan closing deadline from April 28, 2023 to June 9, 2023. Therefore, a waiver is required.

2. **Recommendation**

- a) Approve a waiver of the CHIRP ITP to waive the loan closing deadline from June 9, 2023 to July 21, 2023.

MULTIFAMILY PROGRAMS

Consent

C. Request Approval of CHIRP ITP Waiver for Loan Closing Deadline for Culmer Apartments (RFA 2019-116 / 2020-435BSN / 2019-572C / 2022 CHIRP ITP)

Development Name: Culmer Apartments	Location: Miami-Dade County
Applicant/Borrower: Culmer Apartments, Ltd.	Set-Aside(s): 40% @ 60% AMI (MMRB) 15.481% @ 30% AMI (SAIL, ELI & 4% HC) 2.510% @ 40% AMI (SAIL & 4% HC) 2.092% @ 50% AMI (SAIL & 4% HC) 53.138% @ 60% AMI (SAIL & 4% HC) 26.778% @ 80% AMI (SAIL & 4% HC) 1.674% @ 22% AMI (NHTF)
Developer/Principal: APC Culmer Development, LLC / Kenneth Naylor	Demographic/Number of Units: Family/239
Requested Amounts: \$58,970,000 Multifamily Mortgage Revenue Bonds (MMRB) \$7,000,000 State Apartment Incentive Loan (SAIL) \$4,300,000 Construction Housing Inflation Response Program (CHIRP) Additional Loan Funding \$600,000 Extremely Low Income (ELI) \$1,236,800 National Housing Trust Fund Loan Program (NHTF) \$5,194,449 Housing Credits (4% HC)	Development Category/Type: New Construction / High-Rise

1. Background/Present Situation

- a) On November 6, 2019, Florida Housing issued a Request for Applications (RFA) 2019-116 for SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits. On March 6, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities. On July 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. On July 14, 2020, staff issued an at-risk 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 14, 2020, giving them a firm loan commitment issuance deadline of July 14, 2021.
- b) On June 18, 2021, the Board approved extending the firm loan commitment issuance deadline from July 14, 2021 to January 14, 2022. On December 10, 2021, the Board approved a Rule waiver request for an additional extension of the firm loan commitment issuance deadline from to January 14, 2022 to July 14, 2022.

MULTIFAMILY PROGRAMS

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- c) On April 29, 2022, the Board approved the RFA waiver request for the addition of one five-bedroom unit.
- 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 additional SAIL funds.
- e) On June 17, 2022, the Board approved the credit underwriting report and directed staff to proceed with closing activities. On June 20, 2022, staff issued a firm commitment to the Applicant.
- f) On September 16, 2022, the Board approved a credit underwriting update letter with a positive recommendation for approval of the proposed increase of the MMRB amount from \$55,160,000 to \$58,970,000 and an increase of the SAIL funding amounts through CHIRP funds in the amount of \$4,300,000. On September 22, 2022, staff issued an updated firm commitment to the Applicant with a loan closing deadline of December 22, 2022.
- g) On January 27, 2023, the Board approved a loan closing deadline extension from December 22, 2022 to March 22, 2023. On March 10, 2023 the Board approved Rule waiver extending the loan closing deadline from March 22, 2023 to September 22, 2023.
- h) On May 12, 2023, staff received a request from the borrower requesting an additional waiver of the CHIRP deadline to close on the loan from June 9, 2023 to July 21, 2023 ([Exhibit C](#)). The development team has experienced extensive delays with HUD regarding the 221(d)4 financing and RAD program conversion. In an abundance of caution, a waiver is needed to be sure the development's FHFC funding is not at risk. Staff has reviewed this request and finds that it meets all applicable requirements of the RFA and the CHIRP ITP.
- i) Per the CHIRP ITP, Applicants must close on Corporation loan funding by the earlier of the existing closing deadlines for the Active Award (excluding Rule extension requests that require Board approval) or January 31, 2023. On August 5, 2022, the Board approved a Modification of the ITP, whereby the requirement or closing the loan by the "earlier of the existing closing deadline" will not be enforced, and the closing deadline requirement will be January 31, 2023 or March 10, 2023, as applicable. On March 10, 2023, the Board approved an additional Modification of the ITP, whereby the deadline for loan closing was extended to April 28, 2023. Subsequently, on April 28, 2023, the Board approved the borrower's request for a waiver of the CHIRP ITP to waive the loan closing deadline from April 28, 2023 to June 9, 2023. Therefore, a waiver is required.

2. **Recommendation**

- a) Approve a waiver of the CHIRP ITP to waive the loan closing deadline from June 9, 2023 to July 21, 2023.

MULTIFAMILY PROGRAMS

Consent

D. Request Approval of CHIRP ITP Waiver for Loan Closing Deadline and SAIL/ELI Loan Closing Deadline Extension for The Heron (RFA 2020-102 / 2020-483SA / 2022 CHIRP ITP)

Development Name: The Heron	Location: Miami-Dade County
Applicant/Borrower: Miami Beach Housing Initiatives, Inc.	Set-Asides: 20% @ 28% AMI (SAIL & ELI) 80% @ 60% AMI (SAIL) 40% @ 30% AMI (HOME-ARP)
Developers/Principals: Housing Authority of the City of Miami Beach; Miami Beach Housing Initiatives, Inc./Miguell Del Campillo	Demographic/Number of Units: Persons with Special Needs/20 units
Requested Amounts: \$3,999,980 State Apartment Incentive Loan (SAIL) \$389,200 Extremely Low Income (ELI) \$2,520,000 Construction Housing Inflation Response Program (CHIRP) Home Investment Partnerships Program (HOME) from The American Rescue Plan Act (ARP) (“HOME-ARP”)	Development Category/Type: New Construction/Mid-Rise (4 Stories)

1. Background/Present Situation

- a) On March 4, 2020, Florida Housing issued a Request for Applications (RFA) 2020-102 for SAIL Financing of Smaller Developments for Persons with Special Needs. On June 11, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities. On July 8, 2020, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 9, 2020, giving them a firm loan commitment issuance deadline of July 9, 2021.
- b) On June 18, 2021, the Board approved the request for a firm loan commitment issuance deadline extension from July 9, 2021, to January 9, 2022. On December 10, 2021, the Board approved the Rule waiver request for a firm loan commitment issuance deadline extension from January 9, 2022, to July 9, 2022.
- c) 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 1, 2022, requesting HOME-ARP funds.
- d) On June 17, 2022, the Board approved an additional Rule waiver request to extend firm loan commitment issuance deadline from July 9, 2022, to January 9, 2023.
- e) On January 27, 2023, the Board approved final credit underwriting report with a positive recommendation for funding. On January 30, 2023, staff issued a firm commitment to the Applicant giving them a loan closing deadline of May 30, 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.

MULTIFAMILY PROGRAMS

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- f) On May 5, 2023, staff received a request from the borrower requesting a waiver of the CHIRP deadline to close on the loan from June 9, 2023 to September 8, 2023 ([Exhibit D](#)). In addition, on May 9, 2023, staff received a request from the borrower to extend the SAIL and ELI loan closing deadline from May 30, 2023 to August 28, 2023 ([Exhibit E](#)). In order to qualify for CHIRP funding, the development needed to convert some of the 60% AMI units to 30% AMI units, resulting in a loss of revenue. This required the addition of eight (8) project-based vouchers (PBV) to have sufficient income to support the increased debt, resulting in a Subsidy Layering Review (SLR) to be completed by HUD. The development team feels the additional time is necessary for them to receive the SLR and confidently close by September 8. Staff has reviewed this request and finds that the development meets all applicable requirements of the RFA and the CHIRP ITP. However, FHFC staff is recommending the deadline for SAIL and ELI to be extended to September 8, 2023 to be consistent with the CHIRP deadline extension request.
- g) Per the CHIRP ITP, Applicants must close on Corporation loan funding by the earlier of the existing closing deadlines for the Active Award (excluding Rule extension requests that require Board approval) or January 31, 2023. On August 5, 2022, the Board approved a Modification of the ITP, whereby the requirement for closing the loan by the “earlier of the existing closing deadline” will not be enforced, and the closing deadline requirement will be January 31, 2023 or March 10, 2023, as applicable. On March 10, 2023, the Board approved an additional Modification of the ITP, whereby the deadline for loan closing was extended to April 28, 2023. Subsequently, on April 28, 2023, the Board approved the borrower's request for a waiver of the CHIRP ITP to waive the loan closing deadline from April 28, 2023 to June 9, 2023. Therefore, a waiver is required.

2. **Recommendation**

- a) Approve a waiver of the CHIRP ITP to waive the loan closing deadline from June 9, 2023 to September 8, 2023 and the request for a SAIL/ELI loan closing deadline from May 30, 2023 to September 8, 2023, subject to payment of the required non-refundable extension fee of one percent of the SAIL/ELI loan amounts, pursuant to the requirements of the RFA.

MULTIFAMILY PROGRAMS

Consent

E. Request Approval of CHIRP ITP Waiver for Loan Closing Deadline for Sovereign at North Bay f/k/a Bid-A-Wee Apartments (RFA 2019-111 / 2020-076BR / 2019-575C / 2022 CHIRP ITP)

Development Name: Sovereign at North Bay f/k/a Bid-A-Wee Apartments	Location: Bay County
Applicant/Borrower: Bid-A-Wee Apartments, LLC	Set-Asides: 40% @ 60% AMI (MMRB) 15.278% @ 30% AMI (RRLP, ELI, & 4% HC) 55.556% @ 60% AMI (RRLP & 4% HC) 15.278% @ 70% AMI (RRLP & 4% HC) 13.888% @ 80% AMI (RRLP & 4% HC)
Developers/Principals: Bid-A-Wee Developer, LLC / James W. Freeman III	Demographic/Number of Units: Family / 144 Units
Requested Amounts: \$30,000,000 Multifamily Mortgage Revenue Bonds (MMRB) \$6,114,900 Rental Recovery Loan Program (RRLP) \$4,300,000 Construction Housing Inflation Response Program (CHIRP) Additional Loan Funding \$1,056,300 Extremely Low Income (ELI) \$2,602,911 Housing Credits (4% HC)	Development Category/Type: New Construction / Mid-Rise, (5-6 stories)

1. Background/Present Situation

- a) On August 1, 2019, Florida Housing issued a Request for Applications (RFA) 2019-111 for Rental Recovery Loan Program (RRLP) Financing to be Used for Rental Developments in Hurricane Michael Impacted Counties. 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. On March 6, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting to the Applicant on March 11, 2020, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on March 16, 2020, giving them a firm loan commitment issuance deadline of March 16, 2021.
- b) On March 12, 2021, the Board approved the request to extend the firm loan commitment issuance deadline extension from March 16, 2021, to September 16, 2021. On September 10, 2021, the Board approved a RFA waiver to extend the firm loan commitment issuance deadline from September 16, 2021, to March 16, 2022.
- c) On October 12, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2021-211 for Development Viability Loan Funding to assist Applicants that have received a recent award since 2017 but have not yet started construction or rehabilitation of their proposed Development and are experiencing a financing gap for their Active Award. On December 10, 2021, the Board approved the final scores and recommendations for RFA 2021-211

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and directed staff to proceed with all necessary credit underwriting activities. Staff issued a Notice of Preliminary Award to the Applicant on December 15, 2021. However, the Development Viability Loan Funding was subsequently returned as a result of applying for the Construction Housing Inflation Response Program (CHIRP).

- d) On March 4, 2022, the Board approved an additional RFA waiver request to extend the firm loan commitment issuance deadline extension from March 16, 2022, to June 17, 2022.
- e) On May 9, 2022, Florida Housing issued the 2022 CHIRP Invitation to Participate (ITP). Staff received a CHIRP ITP Application from the Applicant on June 29, 2022.
- f) On June 17, 2022, the Board approved an additional RFA waiver request to extend the firm loan commitment issuance deadline extension from June 17, 2022, to September 16, 2022.
- g) On September 16, 2022, the Board approved an additional RFA waiver request to extend the firm loan commitment issuance deadline extension from September 16, 2022 to December 16, 2022 and RFA waiver for an Applicant Entity and Developer Entity Change. On December 9, 2022, the Board approved the final credit underwriting report and RFA waiver to change development type from Mid-/Rise (4 stories) to Mid-/Rise (5-6 stories) and directed staff to proceed with closing activities. On December 14, 2023, staff issued a firm commitment to the Applicant giving them a loan closing deadline of June 12, 2023.
- h) On January 27, 2023, the Board approved a credit underwriting update letter increasing the permanent first mortgage and changing the Construction and Permanent Bond purchaser.
- i) On May 17, 2023, staff received an additional request from the borrower requesting a waiver of the CHIRP deadline to close on the loan from June 9, 2023 to July 21, 2023 ([Exhibit F](#)). Sovereign at North Bay is currently scheduled to close all of its financing by June 1, 2023. However, out of an abundance of caution, Sovereign at North Bay seeks an extension of the June 9 closing deadline in the event that any unforeseen events delay a June 1 settlement. Staff has reviewed this request and finds that the development meets all applicable requirements of the RFA and the CHIRP ITP.
- j) Per the CHIRP ITP, Applicants must close on Corporation loan funding by the earlier of the existing closing deadlines for the Active Award (excluding Rule extension requests that require Board approval) or January 31, 2023. On August 5, 2022, the Board approved a Modification of the ITP, whereby the requirement for closing the loan by the “earlier of the existing closing deadline” will not be enforced, and the closing deadline requirement will be January 31, 2023 or March 10, 2023, as applicable. On March 10, 2023, the Board approved an additional Modification of the ITP, whereby the deadline for loan closing was extended to April 28, 2023. Subsequently, on April 28, 2023, the Board approved the borrower's request for a waiver of the CHIRP ITP to waive the loan closing deadline from April 28, 2023 to June 9, 2023. Therefore, a waiver is required.

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Consent

2. **Recommendation**

- a) Approve a waiver of the CHIRP ITP to waive the loan closing deadline closing deadline from June 9, 2023 to July 21, 2023.

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F. Request Approval of RFA Waiver of Loan Closing Deadline Extension for New River Landing (RFA 2019-111 / 2020-075RN / RFA 2021-211 / 2022-229V)

Development Name: New River Landing	Location: Franklin County
Applicant/Borrower: MHP New River Landing LLC	Set-Asides: 10% @ 40% AMI (RRLP & ELI) 60% @ 60% AMI (RRLP) 23.30% @ 22% AMI (NHTF)
Developers/Principals: MHP New River Landing Developer, LLC/Christopher Shear	Demographic/Number of Units: Family/30 units
Requested Amounts: \$4,988,724 Rental Recovery Loan Program (RRLP) \$131,100 Extremely Low Income (ELI) \$1,820,000 National Housing Trust Fund (NHTF) \$1,200,000 Development Viability Loan Funding (Viability Loan)	Development Category/Type: New Construction/Single Family

1. Background/Present Situation

- a) On August 1, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-111 for Rental Recovery Loan Program (RRLP).
- b) On December 13, 2019, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On March 6, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting to the Applicant on March 11, 2020, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on March 12, 2020, giving it a firm loan commitment issuance deadline of March 12, 2021.
- d) On March 12, 2021, the Board approved the request to extend the firm loan commitment issuance deadline from March 12, 2021 to September 12, 2021. On September 10, 2021, the Board approved a RFA Waiver request from the Borrower for additional extension of the firm loan commitment issuance deadline from September 12, 2021 to March 14, 2022.
- e) On October 12, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2021-211 for Development Viability Loan Funding to assist Applicants that have received a recent award since 2017 but have not yet started construction or rehabilitation of their proposed Development and are experiencing a financing gap for their Active Award.
- f) On March 4, 2022, the Board approved the RFA Waiver request to add NHTF Funding and the RFA Waiver request for an additional extension of the firm loan commitment issuance deadline from March 14, 2022, to September 14, 2022. On August 5, 2022, the Board approved an RFA Waiver request for an

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additional extension of the firm loan commitment issuance deadline from September 14, 2022, to March 14, 2023.

- g) On October 28, 2022, the Board approved the final credit underwriting report and direct 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.
- h) On January 27, 2023, the Board approved a loan closing deadline extension from March 1, 2023 to May 30, 2023.
- i) On May 19, 2023, staff received a request for a RFA waiver for an additional loan closing deadline extension from May 30, 2023 to August 28, 2023 ([Exhibit G](#)). Due to concerns with the income-qualified renters in the market, the Applicant put the closing of the development on hold to ensure they are not entering a market where there are not enough qualified tenants to support the development long-term. Upon clearing the market and insurance concerns, the Applicant intends to proceed to closing. Since the one extension allowed per the RFA has been approved by the Board, the additional extension request requires a RFA waiver.

2. **Recommendation**

- a) Approve the request for a RFA waiver of loan closing deadline extension from May 30, 2023, to August 28, 2023.

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- G. **Request Approval of Applicant/Developer Principal Changes for Beachwood Apartments (2021-501C), Federation Davie (2020-510C), Federation Gardens (2018-102B/2018-524C), Federation Sunrise Apartments (2019-519C), Federation Towers (2018-103B/2018-525C), Forest & Village Apartments (2019-526C), Gould House (2019-539C), and Sable Palms Apartments (2021-515C).**

Development Name: Beachwood Apartments	Location: Duval County
Applicant/Borrower: Beachwood Preservation LP	Set-Asides: HC: 41 units @ 40% AMI 70 units @ 60% AMI 37 units @ 80% AMI
Developer/Principal: Beachwood Developer LLC / John Tatum	Demographic/Number of Units: Family/148
Requested Amounts: 4% HC: \$1,414,380	Development Category/Type: Acquisition and Rehabilitation/Garden

Development Name: Federation Davie Apartments	Location: Broward County
Applicant/Borrower: Federation Davie Preservation LP	Set-Asides: HC: 100% @ 60% AMI
Developer/Principal: FA Developer FL LLC / Jeffrey Goldberg	Demographic/Number of Units: Elderly, Non-ALF/80
Requested Amounts: 4% HC: \$850,217	Development Category/Type: Acquisition and Rehabilitation/Garden

Development Name: Federation Gardens Apartments	Location: Miami-Dade County
Applicant/Borrower: Federation Gardens Preservation LP	Set-Asides: HC/MMRN: 100% @ 60% AMI
Developer/Principal: FA Developer LLC / Jeffrey Goldberg	Demographic/Number of Units: Elderly, Non-ALF/161
Requested Amounts: MMRN: \$39,050,000 4% HC: \$1,475,345	Development Category/Type: Acquisition and Rehabilitation/Mid-Rise (4 Stories)

Development Name: Federation Sunrise Apartments	Location: Broward County
Applicant/Borrower: Federation Sunrise Preservation LP	Set-Asides: HC: 100% @ 60% AMI
Developer/Principal: FA Developer FL LLC / Jeffrey Goldberg	Demographic/Number of Units: Elderly, Non-ALF/123
Requested Amounts: 4% HC: \$1,412,900	Development Category/Type: Acquisition and Rehabilitation/Garden

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Development Name: Federation Towers	Location: Miami-Dade County
Applicant/Borrower: Federation Towers Preservation LP	Set-Asides: HC/MMRN: 100% @ 60% AMI
Developer/Principal: FA Developer LLC / Jeffrey Goldberg	Demographic/Number of Units: Elderly, Non-ALF/114
Requested Amounts: MMRN: \$28,245,000 4% HC: \$887,983	Development Category/Type: Acquisition and Rehabilitation/High-Rise

Development Name: Forest & Village Apartments	Location: Alachua County
Applicant/Borrower: Forest & Village Preservation LP	Set-Asides: HC: 100% @ 60% AMI
Developer/Principal: FA Developer LLC / Jeffrey Goldberg	Demographic/Number of Units: Family/200
Requested Amounts: 4% HC: \$1,321,743	Development Category/Type: Acquisition and Rehabilitation/Garden

Development Name: Gould House	Location: Palm Beach County
Applicant/Borrower: Federation Gould Preservation LP	Set-Asides: HC: 100% @ 60% AMI
Developer/Principal: FA Developer FL LLC / Jeffrey Goldberg	Demographic/Number of Units: Elderly, Non-ALF/101
Requested Amounts: 4% HC: \$1,612,794	Development Category/Type: Acquisition and Rehabilitation/Mid-Rise (4 Stories)

Development Name: Sable Palms Apartments	Location: Duval County
Applicant/Borrower: Sable Palms Preservation LP	Set-Asides: HC: 100% @ 60% AMI
Developer/Principal: Sable Palms Developer LLC / Jeffrey Goldberg	Demographic/Number of Units: Family/200
Requested Amounts: 4% HC: \$2,542,478	Development Category/Type: Acquisition and Rehabilitation/Garden

1. Background/Present Situation:

- a) The Applicants listed above submitted Non-Competitive Application packages requesting Non-Competitive Housing Credits and two Applicants requested tax-exempt MMRB. The funds are being utilized to finance the acquisition and rehabilitation of affordable housing in Alachua, Broward, Duval, Miami-Dade, and Palm Beach counties. All Developments have been invited into credit underwriting, have completed credit underwriting with a positive recommendation, have been issued a Preliminary Determination Certificate and if applicable have closed on the MMRB funding.
- b) On April 5, 2023, Florida Housing received a letter from the respective Applicants requesting to make changes to the Principals of the Applicant for Beachwood Apartments, Forest & Village Apartments, and Sable Palms

MULTIFAMILY PROGRAMS

Consent

Apartments. Subsequently, on May 5, 2023, Florida Housing received a letter from the respective Applicants requesting to make changes to the Principals of the Applicant for Federation Davie Apartments, Federation Gardens Apartments, Federation Sunrise Apartments, Federation Towers, Gould House, and Sable Palms Apartments.

- c) The letter also requested organizational changes to Goodlette Arms; however, these changes were non-material and approved by staff. In addition, while it was not directly included in the request letter, staff discovered that JCT Capital LLC is being removed as a Principal of both the Applicant and Developer, which was confirmed with the Applicant and included in this approval package.
- d) The request letters and current/proposed Principal Disclosure Forms for each Applicant and Developer entity are provided as [Exhibit H](#). The request entails: For all of the Developments listed above: JD2 Affordable LLC, FCM-JD2 Member LLC, William Blodgett, JCT Capital LLC, and Tyler McIntyre are being removed as Principals of Fairstead Affordable FL LLC, the General Partner or Non-Investor Limited Partner of the Applicant entities. Jeffrey Goldberg and Stuart Feldman will remain as 49% Manager/ Member and 51% Member of Fairstead Affordable FL, LLC, respectively. For all of the Developments listed above: JCT Affordable LLC will be removed as a Member of Fairstead Affordable LLC, the Managing Member of the Developer entities.
- e) Per the 2018 Non-Competitive Application Package incorporated by Rule:

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

The Applicant entity shall be the recipient of the Housing Credits and cannot be changed in any way (materially or non-materially) until after the Preliminary Determination is issued. Once the Preliminary Determination has been issued, (a) replacement of the Applicant or a material change in the ownership structure of the named Applicant will require Board approval prior to the change, and (b) any non-material change in the ownership structure of the named Applicant will require Corporation approval prior to the change.....

(2) For Applicants requesting MMRB, with or without Non-Competitive Housing Credits:

The Applicant entity shall be the recipient of the Non-Competitive Housing Credits and the borrowing entity for the MMRB Loan and cannot be changed in any way (materially or non-materially) until after the MMRB Loan closing. After loan closing, any change (materially or non-materially) will require Board approval prior to the change. Changes to the Applicant entity prior to the loan closing or without Board approval after the loan closing shall result in disqualification from receiving funding and shall be deemed a material misrepresentation....

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.

MULTIFAMILY PROGRAMS

Consent

- f) Per the 2019 Non-Competitive Application Package incorporated by Rule:

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

The Applicant entity shall be the recipient of the Housing Credits and cannot be changed in any way (materially or non-materially) until after the Preliminary Determination is issued. Once the Preliminary Determination has been issued, (a) replacement of the Applicant or a material change in the ownership structure of the named Applicant will require Board approval prior to the change, and (b) any non-material change in the ownership structure of the named Applicant will require Corporation approval prior to the change.....

The 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.

- g) Per the 2020 and 2021 Non-Competitive Application Package incorporated by Rule:

- (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 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.

- h) Staff consulted with the underwriters assigned to these Developments and they confirmed that both Mr. Goldberg and Mr. Feldman provide sufficient experience and financial strength to approve the requested entities restructuring, provided that both Mr. Goldberg and Mr. Feldman remain as individual guarantors. The Applicant has confirmed that Mr. Goldberg and Mr. Feldman will remain as individual guarantors on all of the above mentioned Developments
- i) Staff has reviewed this request and finds that the development meets all other requirements of the Non-Competitive Application Package.

2. **Recommendation:**

- a) Approve the request to make the Principal changes of the Applicant and Developer entities for each Development as described above.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

I. PROFESSIONAL SERVICES SELECTION (PSS)

A. Single Source Procurement for Affordable Housing Catalyst Program Services

1. Background:

- a) Florida Housing is authorized to administer the Affordable Housing Catalyst Program (Catalyst) under chapter 2004-243, Laws of Florida, amending section 420.531, F.S.
- b) The Affordable Housing Catalyst Program provides training and technical assistance mainly to local governments and community-based organizations on state and federal housing programs. The training and technical assistance includes administration and implementation of the State Housing Initiatives Partnership (SHIP) Program, the HOME Investment Partnerships (HOME) Program, the State Apartment Incentive Loan (SAIL) Program, and other affordable housing programs, including the Hurricane Housing Recovery Program (HHRP). Typically, the Catalyst program is funded using state appropriated funds.
- c) The technical assistance provided through Catalyst allows local governments, not-for-profit organizations and other stakeholders engaged in the development/preservation of affordable housing to access expertise in a variety of subjects and formats. Subjects may include, but not be limited to specific program management for SHIP, HHRP, HOME, SAIL and other housing programs; housing developer specific topics; and housing for persons with special needs. Technical assistance and trainings are provided through onsite direct technical assistance, in-person workshops, webinars, email, and phone. A major focus of Catalyst is providing these services to local government staff engaged in the management of the SHIP and HHRP programs.
- d) Section 420.531, F.S., also outlines the requirements for the entity providing technical assistance, stating in pertinent part, “To the maximum extent feasible, the entity to provide the necessary expertise must be recognized by the Internal Revenue Service as a nonprofit tax-exempt organization. It must have as its primary mission the provision of affordable housing training and technical assistance, an ability to provide training and technical assistance statewide, and a proven track record of successfully providing training and technical assistance under the Affordable Housing Catalyst Program.”
- e) The only firm that meets all of these statutory requirements is the Florida Housing Coalition, Inc.

2. Present Situation:

- a) The current contract provides the following services:
 - Monthly telephonic and e-mail assistance that is available to all stakeholders;
 - On-site technical assistance visits (primarily for local governments and non-profit developers);
 - Statewide in-person one/two-day workshops;
 - Webinars; and
 - Regional Clinics.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

- b) Rule 67-49.0032, F.A.C., allows the Board to exempt contractual services from competitive solicitation requirements upon a determination by the Executive Director that such services are most readily available from a single source. The current contract for these services with the Florida Housing Coalition, Inc., expires on June 30, 2023, and Florida Housing has a continuing need for these services.

3. **Recommendation:**

- a) Authorize Florida Housing to enter into a one-year single source contract with the Florida Housing Coalition, Inc., to deliver affordable housing training and technical assistance under the Catalyst program.

SPECIAL ASSETS

Consent

I. SPECIAL ASSETS

A. Request Approval of the Extension of the SAIL Loan for Harding Village, LTD, a Florida Limited Partnership, for Harding Village-Miami Beach (2003-016CS)

Development Name: Harding Village-Miami Beach ("Development")	Location: Miami-Dade County
Developer/Principal: Carrfour Supportive Housing Inc. ("Developer"); Harding Village, Ltd. ("Borrower")	Set-Aside: SAIL 17% @ 30%, 83% @ 60% AMI; HC 17% @ 30% & 83% @ 60% AMI LURA & EUA 50 years each
Number of Units: 92	Allocated Amount: SAIL \$2,000,000; HC \$497,510
Demographics: Homeless	Servicer: First Housing Development Corporation

1. Background:

- a) During the 2003 funding cycle, Florida Housing Finance Corporation ("Florida Housing") awarded a State Apartment Incentive Loan ("SAIL") in the amount of \$2,000,000 to Harding Village, Ltd. ("Borrower"), a Florida limited partnership, for the development of a 92-unit property in Miami-Dade County, Florida. The loan closed on May 18, 2005 and matured on May 18, 2022. The Development also received a 2003 allocation of low-income housing tax credits of \$497,510.
- b) The Board approved the Borrower's request for a one-year extension of the SAIL Loan to May 18, 2023 at the April 29, 2022 Board of Directors Meeting.

2. Present Situation:

- a) The Borrower has requested approval to extend the SAIL loan, for one (1) year, to May 18, 2024, while working on refinancing of the Development. The Borrower is currently exploring options to refinance which will include repayment of the SAIL loan by the extended maturity date requested.

3. Recommendation:

- a) Approve the extension of the SAIL loan at its current terms to May 18, 2024, extension of the LURA for an additional year, subject to further approvals and verifications by the Servicer, counsel, and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities, as needed.

SPECIAL ASSETS

Consent

B. Request Approval of the Extension of the SAIL Loan for Pinnacle Park, Ltd., a Florida Limited Partnership, for Pinnacle Park (2006-04-08R / 2005-100C)

Development Name: Pinnacle Park ("Development")	Location: Miami-Dade County
Developer/Principal: Pinnacle Park, Ltd. ("Borrower")	Set-Aside(s): SAIL 13% @ 30%, 82% @ 60% AMI; HC 40% @ 60% AMI LURA & EUA 50 years each
Number of Units: 135	Allocated Amount: SAIL \$1,040,000 HC \$2,320,500
Demographics: Family	Servicer: AmeriNat LLC

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 \$1,040,000 to Pinnacle Park, Ltd., a Florida Limited Partnership, for the development of a 135-unit property in Miami-Dade County, Florida. The loan closed on January 10, 2007 and will mature on August 31, 2023. The Development also received a 2007 allocation of low-income housing tax credits of \$2,320,500.

2. Present Situation:

- a) The Borrower has requested approval to extend the SAIL loan for two (2) years to August 31, 2025, to be co-terminus with the first mortgage extended maturity date to allow time to refinance both loans.

3. Recommendation:

- a) Approve the extension of the SAIL loan at its current terms to August 31, 2025, extension of the LURA for an additional two years, subject to further approvals and verifications by the Servicer, counsel, and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities, as needed.

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 Vincentian Village (RFA 2022-103 / 2022-255CSN)

Development Name: Vincentian Village	Location: Pinellas County
Applicant/Borrower: Ability SVdP, LLC	Set-Asides: 15% @ 33% AMI (SAIL, ELI & 9% HC) 85% @ 60% AMI (SAIL & 9% HC) 5.48% @ 22% AMI (NHTF)
Developer/Principal: Ability Housing, Inc./Shannon L. Nazworth, Society of St. Vincent de Paul South Pinellas, Inc./Michael J. Raposa	Demographic/Number of Units: Homeless/Persons with Special Needs/73 units
Requested Amounts: \$4,895,500 State Apartment Incentive Loan (SAIL) \$214,500 Extremely Low Income (ELI) \$1,340,000 National Housing Trust Fund (NHTF) \$2,375,000 Housing Credits (9% HC)	Development Category/Type: New Construction/Mid-Rise (5-6 Stories)

1. Background/Present Situation:

- a) On November 2, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2022-103 for Housing Credit and SAIL Financing for Homeless Housing Developments Located in Medium and Large Counties.
- b) On April 29, 2022, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 23, 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 May 23, 2022, giving them a firm loan commitment issuance deadline of May 23, 2023. Per the RFA, Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On March 10, 2023, the Board approved Applicant and Developer Entity Structure changes and adding a new co-developer, Society of St. Vincent de Paul South Pinellas, Inc.
- e) On April 11, 2023, staff received a request from the Applicant to extend the firm loan issuance commitment deadline from May 23, 2023, to November 23, 2023 ([Exhibit A](#)). The development is being redesigned to reduce construction costs in the volatile market, and is therefore seeking Viability Loan funding under RFA 2023-211, for which Review Committee recommendations will be presented on June 9. FHFC approved a development type change from High-Rise to Mid-Rise to help reduce costs. As a result, an extension is needed to

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

allow more time to provide all credit underwriting documents required. 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 May 23, 2023, to November 23, 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

B. Request Approval for Firm Loan Commitment Issuance Deadline Extension for Griffin Lofts (RFA 2022-103 / 2022-257CSN)

Development Name: Griffin Lofts	Location: Polk County
Applicant/Borrower: Allegre Pointe, LLC	Set-Asides: 15% @ 40% AMI (SAIL, ELI & 9% HC) 85% @ 60% AMI (SAIL & 9% HC) 5% @ 22% AMI (NHTF)
Developer/Principal: Carrfour Supportive Housing, Inc./Stephanie Berman	Demographic/Number of Units: Homeless/Persons with Special Needs/60 units
Requested Amounts: \$4,200,000 State Apartment Incentive Loan (SAIL) \$140,300 Extremely Low Income (ELI) \$870,000 National Housing Trust Fund (NHTF) \$1,700,000 Housing Credits (9% HC)	Development Category/Type: New Construction/Mid-Rise (4 Stories)

1. Background/Present Situation:

- a) On November 2, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2022-103 for Housing Credit and SAIL Financing for Homeless Housing Developments Located in Medium and Large Counties.
- b) On April 29, 2022, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 23, 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 May 25, 2022, giving them a firm loan commitment issuance deadline of May 25, 2023. Per the RFA, Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On April 27, 2023, staff received a request from the Applicant to extend the firm loan issuance commitment deadline from May 25, 2023, to November 25, 2023 ([Exhibit B](#)). Escalating construction costs hampered the bid process leading to prolonged negotiating with the General Contractor on the Contract Price as well as delayed the Plan and Cost Analysis, and therefore the Development is seeking Viability Loan funding under RFA 2023-211, for which Review Committee recommendations will be presented on June 9 . As a result, an extension is needed to allow more time to provide all credit underwriting documents required. 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 May 25, 2023, to November 25, 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.



April 13, 2023

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

RE: Brownsville Transit Village V (2020-023DB), RFA 2019-102
 Loan Closing Deadline

Dear Mr. Kennedy:

Brownsville Transit Village V received a firm commitment on January 25, 2022 for a \$3,900,000 CDBG-DR loan, and the loan closing deadline, approved by the FHFC Board on October 28, was extended to May 1, 2023. We respectfully request an additional six-month extension of the loan closing deadline from May 1, 2023 to November 1, 2023, and a waiver of the extension fee.

Brownsville Transit Village V currently has a sub-sub-lease on Miami-Dade County ("County") owned land, and we have been working with Miami-Dade County to enter into a direct lease as required with HUD debt. This process has taken several months to finalize, and we have now been informed the new lease must undergo a review by the Federal Transit Administration ("FTA"), the seller of the land to the County, and be approved by the Miami-Dade County Board of County Commissioners (BoCC). We are confident that the lease will be reviewed by the FTA and approved for execution in advance of the June 2023 Miami-Dade County BoCC meeting. Out of an abundance of caution, we are submitting what we hope to be the final request to extend the deadline to November 1, 2023.

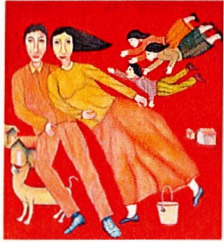
Should you and or staff have any questions or concerns, please do not hesitate to contact us.

Sincerely,

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

Liz Wong
Executive Vice President

Cc: Amanda Franklin, FHFC
 David Woodward, FHFC
 Jade Grubbs, FHFC
 Tammy Bearden, FHFC
 Junious D. Brown, III, NGN
 Stephanie Petty, First Housing
 Greg Griffith, APC
 Fernando Arimon, APC
 Hanna McQueen, APC



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

May 8th, 2023

Ms. Melissa Levy
Florida Housing Finance Corporation
227 North Bronough Street
Suite 5000
Tallahassee, FL 32301

Re: *Request for RFP Waiver for Deer Creek Senior Housing ID# RFA 2018-110/2019-209C)*

Dear Ms. Levy, et al:

Rural Neighborhoods, Incorporated (RN), Developer and Deer Creek Senior Housing, LLLP (DCSH), Owner, request an RFP waiver and approval from Florida Housing Finance Corporation from requirements of the General Contractor Cost Certification (GCCC) and the unqualified audit report from an independent Certified Public Accountant regarding the GCCC. Further, RN and DCSH request use of alternative methods in documenting the true and correct general contractor costs.

Tidwell Group has been retained by the Owner to provide cost certifications for the DCSH project. The general contractor of record is Verdex Construction, LLC located at 545 Centrepark Drive North, West Palm Beach, FL 33401. In performing the overall scope of work, Verdex Construction employed Unified Electric, Inc. as a Top 3 vendor. Unified Electric, Inc., is alleged to have performed in an unsatisfactory manner contrary to its contractual requirements and was terminated by Verdex Construction. Further notice and potential action were taken against the subcontractor's payment and performance bond to the best of our knowledge. This action took place near the end of construction. Accordingly, substantial payments to Unified Electric, Inc., were made throughout the construction period. (It should be noted Unified Electric, Inc., may dispute allegations asserted by Verdex Construction.)

Both the general contractor and Tidwell have taken repeated steps to verify construction costs related to this subcontractor. Despite these diligent efforts, Unified Electric, Inc., has not responded to confirm costs in the manner expected in the course of a cost certification process.

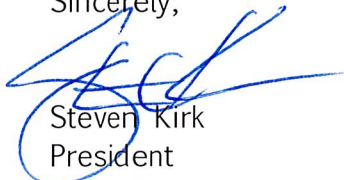
Accordingly, RN and DCSH requests approval to use alternative methods for the GCCC audit/certification rather than reliance on traditional confirmation from Unified Electric, Inc.:

Tidwell proposes:

- for Unified Electric, Tidwell will review and vouch 100% of invoices from and payments to the subcontractor to the amounts reported on the certification; and
- test additional subcontractors and vendors, if necessary, to meet FHFC required thresholds for certification.

Thank you for your prompt consideration of this request. In the interim, Tidwell will compile draft certifications for review. Should additional information be required, please do not hesitate to call or E-mail. This letter as noted above serves as our authorization for an additional credit underwriting fee should it be required.

Sincerely,



Steven Kirk
President

Rural Neighborhoods, Incorporated (Developer)

HAWTHORNE PARK, LTD.

1105 KENSINGTON PARK DRIVE, SUITE 200
ALTAMONTE SPRINGS, FLORIDA 32714

TEL: (407) 333-3233 FAX: (407) 333-3919

DELIVERED VIA EMAIL

April 25, 2023

Ms. Amanda Perry
FLORIDA HOUSING FINANCE CORPORATION
227 North Bronough St., Suite 500
Tallahassee, FL 32301

RE: HAWTHORNE PARK/2019-123C

Dear Mandy:

We are requesting an organizational change to the limited partnership for the admission of Berkeley Hawthorne GP, LLC, a single purpose entity owned 100% by the non-profit entity Berkeley Housing Initiative, Inc., as General Partner. The admission of Berkeley Hawthorne GP, LLC and the amendment to the Agreement of Limited Partnership was completed on December 30, 2022.

Concurrent with the amendment to the LPA, the name of Hawthorne Park GP, LLC entity was changed to Hawthorne Park Class B, LLC. Note this was a change in name only and the FEIN for that entity remains the same. In addition, for estate planning purposes, Jonathan L. Wolf assigned 24% of his interest in Hawthorne Park Class B, LLC to his wife, Nancy B. Wolf.

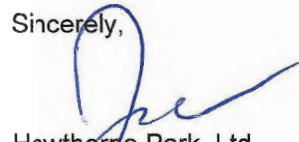
Berkeley Hawthorne GP, LLC has a 0.005% general partner interest and the former General Partner, Hawthorne Park GP, LLC (now known as Hawthorne Park Class B, LLC) became a 0.005% Class B Limited Partner. The principal of the former General Partner will maintain his existing obligations and guarantees. See the attached principal disclosure form which was approved at Application (Exhibit A) and the updated form reflecting the new ownership structure (Exhibit B).

The newly formed non-profit General Partner will assist in the coordination of resident services and community outreach in conjunction with the Class B Limited Partner and may provide additional services if requested by a limited partner.

We ask that FHFC amend the Extended Use Agreement to incorporate this change and advise as to the appropriate individual to execute the Final Cost Certification on behalf of the Owner.

Please let us know if you have any questions or need any additional information.

Sincerely,



Hawthorne Park, Ltd.
By: Hawthorne Park Class B, LLC
By: Jonathan L. Wolf, its manager

Principal Disclosures for Applicant

APPROVED for HOUSING CREDIT APPLICATION
FHFC Advance Review 11.2.18

Select the organizational structure for the Applicant entity:

The Applicant is a: Limited Partnership

Provide the name of the Applicant Limited Partnership:

Hawthorne Park, Ltd.

% 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](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Applicant</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>	<u>% Ownership of Applicant</u>
1.	<u>General Partner</u>	<u>Hawthorne Park GP, LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>
2.	<u>Investor LP</u>	<u>Wolf, Jonathan L.</u>	<u>Natural Person</u>	<u>99.9900%</u>
3.	<u>Non-Investor LP</u>	<u>Wolf, Jonathan L.</u>	<u>Natural Person</u>	<u>99.9900%</u>

Second Principal Disclosure Level:

Hawthorne Park, Ltd.

[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

<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>Second Level Principal % Ownership of First Level Principal</u>
<u>1. (Hawthorne Park GP, LLC)</u>	<u>1.A. Manager</u>	<u>Wolf, Jonathan L.</u>	<u>Natural Person</u>	<u>75.0000%</u>
<u>1. (Hawthorne Park GP, LLC)</u>	<u>1.B. Member</u>	<u>Wolf, Jonathan L.</u>	<u>Natural Person</u>	<u>75.0000%</u>
<u>1. (Hawthorne Park GP, LLC)</u>	<u>1.C. Member</u>	<u>Jonathan and Nancy Wolf Family Trust I, dated August 6, 2018</u>	<u>Trust</u>	<u>25.0000%</u>

Third Principal Disclosure Level:

Hawthorne Park, Ltd.

[Click here for Assistance with Completing the Entries for the Third Level Principal Disclosure for the Applicant](#)

<u>Select the corresponding Second Level Principal Entity # from above for which the Third Level Principal is being identified</u>	<u>Select the type of Principal being associated with the corresponding Second Level Principal Entity</u>	<u>Enter Name of Third Level Principal who must be a Natural Person</u>	<u>The organizational structure of Third Level Principal identified Must Be a Natural Person</u>	<u>3rd Level Principal % Ownership of 2nd Level Principal</u>
<u>1.C. (Jonathan and Nancy Wolf Family Trust I, da</u>	<u>Trustee</u>	<u>Wolf, Nancy B.</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>1.C. (Jonathan and Nancy Wolf Family Trust I, da</u>	<u>Trustee</u>	<u>Bamberger, Glen F.</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>1.C. (Jonathan and Nancy Wolf Family Trust I, da</u>	<u>Beneficiary</u>	<u>Wolf, Nancy B.</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>1.C. (Jonathan and Nancy Wolf Family Trust I, da</u>	<u>Beneficiary</u>	<u>Wolf, Sara E.</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>1.C. (Jonathan and Nancy Wolf Family Trust I, da</u>	<u>Beneficiary</u>	<u>Wolf, Harrison F.</u>	<u>Natural Person</u>	<u>0.0000%</u>

Exhibit B

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:

Hawthorne Park, Ltd.

% 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>Berkeley Hawthorne GP, LLC</u>	<u>Limited Liability Company</u>	<u>0.0050%</u>
2.	<u>Investor LP</u>	<u>Wells Fargo Affordable Housing Community Development Corpora</u>	<u>Natural Person</u>	<u>99.9900%</u>
3.	<u>Non-Investor LP</u>	<u>Hawthorne Park Class B, LLC</u>	<u>Limited Liability Company</u>	<u>0.0050%</u>
4.	<u><Select an option></u>	<u></u>	<u><Select an option></u>	<u></u>

Second Principal Disclosure Level:

Hawthorne Park, Ltd.

[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	Second Level Principal % Ownership of First Level Principal
<u>1. (Berkeley Hawthorne GP, LLC)</u>	1.A.	<u>Manager</u>	<u>Berkeley Housing Initiative, Inc.</u>	<u>Non-Profit Corporation</u>	<u>100.0000%</u>
<u>1. (Berkeley Hawthorne GP, LLC)</u>	1.B.	<u>Member</u>	<u>Berkeley Housing Initiative, Inc.</u>	<u>Non-Profit Corporation</u>	<u>100.0000%</u>
<u>3. (Hawthorne Park Class B, LLC)</u>	3.A.	<u>Manager</u>	<u>Wolf, Jonathan L.</u>	<u>Natural Person</u>	<u>51.0000%</u>
<u>3. (Hawthorne Park Class B, LLC)</u>	3.B.	<u>Member</u>	<u>Wolf, Jonathan L.</u>	<u>Natural Person</u>	<u>51.0000%</u>
<u>3. (Hawthorne Park Class B, LLC)</u>	3.C.	<u>Member</u>	<u>Jonathan and Nancy Wolf Family Trust I, dated August 6, 2018</u>	<u>Trust</u>	<u>25.0000%</u>
<u>3. (Hawthorne Park Class B, LLC)</u>	3.D.	<u>Member</u>	<u>Wolf, Nancy B.</u>	<u><Select an option></u>	<u>24.0000%</u>

Third Principal Disclosure Level:

Hawthorne Park, Ltd.

[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. (Berkeley Housing Initiative, Inc.)</u>	1.A.(1)	<u>Executive Director</u>	<u>von Weller, Julie</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>1.A. (Berkeley Housing Initiative, Inc.)</u>	1.A.(2)	<u>Officer/Director</u>	<u>Gray, N. Dwayne</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>1.A. (Berkeley Housing Initiative, Inc.)</u>	1.A.(3)	<u>Officer/Director</u>	<u>Sharkey, Jeffrey B.</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>1.A. (Berkeley Housing Initiative, Inc.)</u>	1.A.(4)	<u>Officer/Director</u>	<u>Gray, N. Dwayne</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>1.A. (Berkeley Housing Initiative, Inc.)</u>	1.A.(5)	<u>Officer/Director</u>	<u>Sharkey, Jeffrey B.</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>1.A. (Berkeley Housing Initiative, Inc.)</u>	1.A.(6)	<u>Officer/Director</u>	<u>Sharkey, Jeffrey B.</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>1.B. (Berkeley Housing Initiative, Inc.)</u>	1.B.(1)	<u>Executive Director</u>	<u>von Weller, Julie</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>1.B. (Berkeley Housing Initiative, Inc.)</u>	1.B.(2)	<u>Officer/Director</u>	<u>Gray, N. Dwayne</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>1.B. (Berkeley Housing Initiative, Inc.)</u>	1.B.(3)	<u>Officer/Director</u>	<u>Sharkey, Jeffrey B.</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>1.B. (Berkeley Housing Initiative, Inc.)</u>	1.B.(4)	<u>Officer/Director</u>	<u>Gray, N. Dwayne</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>1.B. (Berkeley Housing Initiative, Inc.)</u>	1.B.(5)	<u>Officer/Director</u>	<u>Sharkey, Jeffrey B.</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>1.B. (Berkeley Housing Initiative, Inc.)</u>	1.B.(6)	<u>Officer/Director</u>	<u>Sharkey, Jeffrey B.</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>3.C. (Jonathan and Nancy Wolf Family</u>	3.C.(1)	<u>Trustee</u>	<u>Wolf, Nancy B.</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>3.C. (Jonathan and Nancy Wolf Family</u>	3.C.(2)	<u>Trustee</u>	<u>Bamberger, Glen F.</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>3.C. (Jonathan and Nancy Wolf Family</u>	3.C.(3)	<u>Trustee</u>	<u>Wolf, Sara E.</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>3.C. (Jonathan and Nancy Wolf Family</u>	3.C.(4)	<u>Beneficiary</u>	<u>Wolf, Nancy B.</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>3.C. (Jonathan and Nancy Wolf Family</u>	3.C.(5)	<u>Beneficiary</u>	<u>Wolf, Sara E.</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u>3.C. (Jonathan and Nancy Wolf Family</u>	3.C.(6)	<u>Beneficiary</u>	<u>Wolf, Harrison F.</u>	<u>Natural Person</u>	<u>0.0000%</u>
<u><Select a #></u>		<u><Select an option></u>	<u></u>	<u><Select an option></u>	<u></u>



August 22, 2022

Elizabeth Crane, Lead Program Manager
Florida Housing Finance Corporation ("FHFC")
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329

Re: Park Ridge (2020-308C/2021-330C) – Approval of Applicant and Developer Change

Dear Ms. Crane,

HTG Oak Villas, LLC (the "Applicant") respectfully requests approval of non-material changes to the principal organizational structure of the Applicant and Developer entities. The Applicant is requesting approval to admit Lakeland-Polk Housing Corporation, a Florida non-profit corporation, which will have a 0.0025% membership interest of the Applicant (25% non-investor interest). The Developer is seeking to admit Polk County Housing Developer, Inc., a Florida Corporation, which will have a 25% of the Developer entity. Exhibit "A" of this letter contains the Applicant's and Developer's current organizational chart and principals list, and Exhibit "B" contains the proposed structure and principals list. Both entities to admit are instrumentalities of the Lakeland Housing Authority. Below, please find Sub-section 3.c.(3) of Section 4 to RFA 2019-113 that refers to the Applicant's ability to make changes to their organizational structure after the Carryover Agreement is in effect.

Sub-section 3.c.(3) of Section 4 to RFA 2019-113

For purposes of the following, 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. 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 Board after the Applicant has been invited to enter credit underwriting. The Applicant entity shall be the recipient of the Housing Credits and cannot be changed in any way (materially or non-materially) until after the Carryover Allocation Agreement is in effect. Once the Carryover Allocation Agreement has been executed by all parties, (a) replacement of the Applicant or a material change in the ownership structure of the named Applicant will require Board approval prior to the change, and (b) any non-material change in the ownership structure of the named Applicant will require Corporation approval prior to the change. The Applicant entity may be changed without Board approval after a Final Cost Certification Package has been approved by the Corporation and the IRS Forms 8609 have been issued; however, the Corporation must still be notified in writing of the change. Changes to the Applicant entity (material or non-material) prior to the execution of a Carryover Allocation Agreement 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 may result in a disqualification from receiving funding and may be deemed a material misrepresentation. Changes to the officers or directors of a Public Housing Authority, the officers or directors of a non-profit corporation, 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.

Should FHFC require any additional information, we are available to answer questions and to provide all necessary information. Please contact Rodrigo Paredes at (305) 537-4704.

Sincerely,

HTG OAK VILLAS, LLC
a Florida limited liability company

By: HTG OAK VILLAS MANAGER, LLC,
a Florida limited liability company
Its Manager

By: 
Matthew Krieger, Manager

EXHIBIT A

Current Principals' List
Applicant Entity

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:

HTG Oak Villas, 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.	Manager	HTG Oak Villas Manager, LLC	Limited Liability Company	0.0000%
2.	Non-Investor Member	HTG Oak Villas Member, LLC	Limited Liability Company	0.0100%
3.	Investor Member	Raymond James Tax Credit Fund XX, LLC	Limited Liability Company	99.9900%
4.	<Select an option>		<Select an option>	
5.	<Select an option>		<Select an option>	
6.	<Select an option>		<Select an option>	
7.	<Select an option>		<Select an option>	
8.	<Select an option>		<Select an option>	
9.	<Select an option>		<Select an option>	
10.	<Select an option>		<Select an option>	
11.	<Select an option>		<Select an option>	
12.	<Select an option>		<Select an option>	
13.	<Select an option>		<Select an option>	
14.	<Select an option>		<Select an option>	
15.	<Select an option>		<Select an option>	
16.	<Select an option>		<Select an option>	
17.	<Select an option>		<Select an option>	
18.	<Select an option>		<Select an option>	
19.	<Select an option>		<Select an option>	
20.	<Select an option>		<Select an option>	

Second Principal Disclosure Level:

HTG Oak Villas, 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	Second Level Principal % Ownership of First Level Principal
1. (HTG Oak Villas Manager, LLC)	1.A. Manager	Rieger, Matthew A.	Natural Person	
1. (HTG Oak Villas Manager, LLC)	1.B. Manager	Rieger, Randy E.	Natural Person	
1. (HTG Oak Villas Manager, LLC)	1.C. Sole Member	HTG Holdings 2, LLC	Limited Liability Company	100.0000%
2. (HTG Oak Villas Member, LLC)	2.A. Manager	Rieger, Matthew A.	Natural Person	
2. (HTG Oak Villas Member, LLC)	2.B. Manager	Rieger, Randy E.	Natural Person	
2. (HTG Oak Villas Member, LLC)	2.C. Sole Member	HTG Holdings 2, LLC	Limited Liability Company	100.0000%
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	

Principal Disclosures for the Applicant

Third Principal Disclosure Level:

HTG Oak Villas, LLC

[Click here for Assistance with Completing the Entries for the Third Level Principal Disclosure for the Applicant](#)

<u>Select the corresponding Second Level Principal Entity # from above for which the Third Level Principal is being identified</u>	<u>Select the type of Principal being associated with the corresponding Second Level Principal Entity</u>	<u>Enter Name of Third Level Principal who must be either a Natural Person or a Trust</u>	<u>The organizational structure of Third Level Principal identified. Must be either a Natural Person or a Trust</u>	<u>3rd Level Principal % Ownership of 2nd Level Principal</u>
1.C. (HTG Holdings 2, LLC)	1.C.(1) Manager	Rieger, Matthew A.	Natural Person	0.0000%
1.C. (HTG Holdings 2, LLC)	1.C.(2) Manager	Rieger, Randy E.	Natural Person	0.0000%
1.C. (HTG Holdings 2, LLC)	1.C.(3) Member	Matthew A. Rieger Family Trust	Trust	40.0000%
1.C. (HTG Holdings 2, LLC)	1.C.(4) Member	Matthew A. Rieger Irrevocable MGM Trust	Trust	10.0000%
1.C. (HTG Holdings 2, LLC)	1.C.(5) Member	Gina Rieger Irrevocable MGM Trust	Trust	10.0000%
1.C. (HTG Holdings 2, LLC)	1.C.(6) Member	Meredith Branciforte Irrevocable MGM Trust	Trust	10.0000%
1.C. (HTG Holdings 2, LLC)	1.C.(7) Member	Andrew C. Balogh Irrevocable Ins Trust	Trust	15.0000%
1.C. (HTG Holdings 2, LLC)	1.C.(8) Member	Alexandra B. Balogh Irrevocable Ins Trust	Trust	15.0000%
2.C. (HTG Holdings 2, LLC)	2.C.(1) Manager	Rieger, Matthew A.	Natural Person	0.0000%
2.C. (HTG Holdings 2, LLC)	2.C.(2) Manager	Rieger, Randy E.	Natural Person	0.0000%
2.C. (HTG Holdings 2, LLC)	2.C.(3) Member	Matthew A. Rieger Family Trust	Trust	40.0000%
2.C. (HTG Holdings 2, LLC)	2.C.(4) Member	Matthew A. Rieger Irrevocable MGM Trust	Trust	10.0000%
2.C. (HTG Holdings 2, LLC)	2.C.(5) Member	Gina Rieger Irrevocable MGM Trust	Trust	10.0000%
2.C. (HTG Holdings 2, LLC)	2.C.(6) Member	Meredith Branciforte Irrevocable MGM Trust	Trust	10.0000%
2.C. (HTG Holdings 2, LLC)	2.C.(7) Member	Andrew C. Balogh Irrevocable Ins Trust	Trust	15.0000%
2.C. (HTG Holdings 2, LLC)	2.C.(8) Member	Alexandra B. Balogh Irrevocable Ins Trust	Trust	15.0000%
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	

Principal Disclosures for the Applicant

Fourth Principal Disclosure Level:

HTG Oak Villas, LLC

[Click here for Assistance with Completing the Entries for the Fourth Level Principal Disclosure for the Applicant](#)

<u>Select the corresponding Third Level Principal Entity # from above for which the Fourth Level Principal is being identified</u>	<u>Select the type of Principal being associated with the corresponding Third Level Principal Entity</u>	<u>Enter Name of Fourth Level Principal who must be a Natural Person</u>	<u>The organizational structure of Fourth Level Principal Identified Must Be a Natural Person</u>	<u>4th Level Principal % Ownership of 3rd Level Principal</u>
1.C.(3) (Matthew A. Rieger Family Trust)	Trustee	Rieger, Matthew A.	Natural Person	
1.C.(3) (Matthew A. Rieger Family Trust)	Beneficiary	Rieger, Matthew A.	Natural Person	100.0000%
1.C.(4) (Matthew A. Rieger Irrevocable MGM Tru:	Trustee	Rieger, Matthew A.	Natural Person	
1.C.(4) (Matthew A. Rieger Irrevocable MGM Tru:	Beneficiary	Rieger, Matthew A.	Natural Person	100.0000%
1.C.(5) (Gina Rieger Irrevocable MGM Trust)	Trustee	Rieger, Gina	Natural Person	
1.C.(5) (Gina Rieger Irrevocable MGM Trust)	Beneficiary	Rieger, Gina	Natural Person	100.0000%
1.C.(6) (Meredith Branciforte Irrevocable MGM T	Trustee	Branciforte, Meredith	Natural Person	
1.C.(6) (Meredith Branciforte Irrevocable MGM T	Beneficiary	Branciforte, Meredith	Natural Person	100.0000%
1.C.(7) (Andrew C. Balogh Irrevocable Ins Trust)	Trustee	Balogh, Robert	Natural Person	
1.C.(7) (Andrew C. Balogh Irrevocable Ins Trust)	Beneficiary	Balogh, Andrew C.	Natural Person	100.0000%
1.C.(8) (Alexandra B. Balogh Irrevocable Ins Trust	Trustee	Balogh, Robert	Natural Person	
1.C.(8) (Alexandra B. Balogh Irrevocable Ins Trust	Beneficiary	Balogh, Alexandra B.	Natural Person	100.0000%
2.C.(3) (Matthew A. Rieger Family Trust)	Trustee	Rieger, Matthew A.	Natural Person	
2.C.(3) (Matthew A. Rieger Family Trust)	Beneficiary	Rieger, Matthew A.	Natural Person	100.0000%
2.C.(4) (Matthew A. Rieger Irrevocable MGM Tru:	Trustee	Rieger, Matthew A.	Natural Person	
1.C.(4) (Matthew A. Rieger Irrevocable MGM Tru:	Beneficiary	Rieger, Matthew A.	Natural Person	100.0000%
2.C.(5) (Gina Rieger Irrevocable MGM Trust)	Trustee	Rieger, Gina	Natural Person	
2.C.(5) (Gina Rieger Irrevocable MGM Trust)	Beneficiary	Rieger, Gina	Natural Person	100.0000%
2.C.(6) (Meredith Branciforte Irrevocable MGM T	Trustee	Branciforte, Meredith	Natural Person	
2.C.(6) (Meredith Branciforte Irrevocable MGM T	Beneficiary	Branciforte, Meredith	Natural Person	100.0000%
2.C.(7) (Andrew C. Balogh Irrevocable Ins Trust)	Trustee	Balogh, Robert	Natural Person	
2.C.(7) (Andrew C. Balogh Irrevocable Ins Trust)	Beneficiary	Balogh, Andrew C.	Natural Person	100.0000%
2.C.(8) (Alexandra B. Balogh Irrevocable Ins Trust	Trustee	Balogh, Robert	Natural Person	
2.C.(8) (Alexandra B. Balogh Irrevocable Ins Trust	Beneficiary	Balogh, Alexandra B.	Natural Person	100.0000%
<Select a #>	<Select an option>		Natural Person	
<Select a #>	<Select an option>		Natural Person	
<Select a #>	<Select an option>		Natural Person	
<Select a #>	<Select an option>		Natural Person	
<Select a #>	<Select an option>		Natural Person	
<Select a #>	<Select an option>		Natural Person	

Current Principals' List
Developer Entity

Principal Disclosures for the Developer

How many Developers are part of this Application structure?

1

Select the organizational structure for the Developer entity:

The Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

HTG Oak Villas Developer, LLC

First Principal Disclosure Level:

HTG Oak Villas Developer, LLC

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

First Level Entity #	Select Type of Principal of Developer	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified
1.	Manager	Rieger, Matthew A.	Natural Person
2.	Manager	Rieger, Randy E.	Natural Person
3.	Sole Member	HTG Developer, LLC	Limited Liability Company
4.	<Select an option>		<Select an option>
5.	<Select an option>		<Select an option>
6.	<Select an option>		<Select an option>
7.	<Select an option>		<Select an option>
8.	<Select an option>		<Select an option>
9.	<Select an option>		<Select an option>
10.	<Select an option>		<Select an option>
11.	<Select an option>		<Select an option>
12.	<Select an option>		<Select an option>
13.	<Select an option>		<Select an option>
14.	<Select an option>		<Select an option>
15.	<Select an option>		<Select an option>
16.	<Select an option>		<Select an option>
17.	<Select an option>		<Select an option>
18.	<Select an option>		<Select an option>
19.	<Select an option>		<Select an option>
20.	<Select an option>		<Select an option>

Second Principal Disclosure Level:

HTG Oak Villas Developer, LLC

[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	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
3. (HTG Developer, LLC)	3.A.	Manager	Rieger, Matthew A.	Natural Person
3. (HTG Developer, LLC)	3.B.	Manager	Rieger, Randy E.	Natural Person
3. (HTG Developer, LLC)	3.C.	Member	HTG Affordable, LLC	Limited Liability Company
3. (HTG Developer, LLC)	3.D.	Member	Rieger Holdings, LLC	Limited Liability Company
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>

EXHIBIT B

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:

HTG Oak Villas, 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.	Manager	HTG Oak Villas Manager, LLC	Limited Liability Company	0.0000%
2.	Non-Investor Member	HTG Oak Villas Member, LLC	Limited Liability Company	0.0075%
3.	Investor Member	Raymond James Tax Credit Fund XX, LLC	Limited Liability Company	99.9900%
4.	Non-Investor Member	Lakeland-Polk Housing Corporation	Non-Profit Corporation	0.0025%
5.	<Select an option>		<Select an option>	
6.	<Select an option>		<Select an option>	
7.	<Select an option>		<Select an option>	
8.	<Select an option>		<Select an option>	
9.	<Select an option>		<Select an option>	
10.	<Select an option>		<Select an option>	
11.	<Select an option>		<Select an option>	
12.	<Select an option>		<Select an option>	
13.	<Select an option>		<Select an option>	
14.	<Select an option>		<Select an option>	
15.	<Select an option>		<Select an option>	
16.	<Select an option>		<Select an option>	
17.	<Select an option>		<Select an option>	
18.	<Select an option>		<Select an option>	
19.	<Select an option>		<Select an option>	
20.	<Select an option>		<Select an option>	

Second Principal Disclosure Level:

HTG Oak Villas, 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

Select the type of Principal being associated with the corresponding First Level Principal Entity

Select organizational structure of Second Level Principal Identified

Second Level Principal % Ownership of First Level Principal

Second Level Entity #	Select 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. (HTG Oak Villas Manager, LLC)	1.A. Manager	Rieger, Matthew A.	Natural Person	
1. (HTG Oak Villas Manager, LLC)	1.B. Manager	Rieger, Randy E.	Natural Person	
1. (HTG Oak Villas Manager, LLC)	1.C. Sole Member	HTG Holdings 2, LLC	Limited Liability Company	100.0000%
2. (HTG Oak Villas Member, LLC)	2.A. Manager	Rieger, Matthew A.	Natural Person	
2. (HTG Oak Villas Member, LLC)	2.B. Manager	Rieger, Randy E.	Natural Person	
2. (HTG Oak Villas Member, LLC)	2.C. Sole Member	HTG Holdings 2, LLC	Limited Liability Company	100.0000%
4. (Lakeland-Polk Housing Corporat	4.A. Executive Director	Benjamin Stevenson	Natural Person	
4. (Lakeland-Polk Housing Corporat	4.B. Officer/Director	Carrie Oldham	Natural Person	
4. (Lakeland-Polk Housing Corporat	4.C. Officer/Director	Barbara Carpenter	Natural Person	
4. (Lakeland-Polk Housing Corporat	4.D. Officer/Director	Ken Bower	Natural Person	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	

Principal Disclosures for the Applicant

Third Principal Disclosure Level:

HTG Oak Villas, LLC

[Click here for Assistance with Completing the Entries for the Third Level Principal Disclosure for the Applicant](#)

<u>Select the corresponding Second Level Principal Entity # from above for which the Third Level Principal is being identified</u>	<u>Select the type of Principal being associated with the corresponding Second Level Principal Entity</u>	<u>Enter Name of Third Level Principal who must be either a Natural Person or a Trust</u>	<u>The organizational structure of Third Level Principal identified Must be either a Natural Person or a Trust</u>	<u>3rd Level Principal % Ownership of 2nd Level Principal</u>
1.C. (HTG Holdings 2, LLC)	1.C.(1) Manager	Rieger, Matthew A.	Natural Person	0.0000%
1.C. (HTG Holdings 2, LLC)	1.C.(2) Manager	Rieger, Randy E.	Natural Person	0.0000%
1.C. (HTG Holdings 2, LLC)	1.C.(3) Member	Matthew A. Rieger Family Trust	Trust	40.0000%
1.C. (HTG Holdings 2, LLC)	1.C.(4) Member	Matthew A. Rieger Irrevocable MGM Trust	Trust	10.0000%
1.C. (HTG Holdings 2, LLC)	1.C.(5) Member	Gina Rieger Irrevocable MGM Trust	Trust	10.0000%
1.C. (HTG Holdings 2, LLC)	1.C.(6) Member	Meredith Branciforte Irrevocable MGM Trust	Trust	10.0000%
1.C. (HTG Holdings 2, LLC)	1.C.(7) Member	Andrew C. Balogh Irrevocable Ins Trust	Trust	15.0000%
1.C. (HTG Holdings 2, LLC)	1.C.(8) Member	Alexandra B. Balogh Irrevocable Ins Trust	Trust	15.0000%
2.C. (HTG Holdings 2, LLC)	2.C.(1) Manager	Rieger, Matthew A.	Natural Person	0.0000%
2.C. (HTG Holdings 2, LLC)	2.C.(2) Manager	Rieger, Randy E.	Natural Person	0.0000%
2.C. (HTG Holdings 2, LLC)	2.C.(3) Member	Matthew A. Rieger Family Trust	Trust	40.0000%
2.C. (HTG Holdings 2, LLC)	2.C.(4) Member	Matthew A. Rieger Irrevocable MGM Trust	Trust	10.0000%
2.C. (HTG Holdings 2, LLC)	2.C.(5) Member	Gina Rieger Irrevocable MGM Trust	Trust	10.0000%
2.C. (HTG Holdings 2, LLC)	2.C.(6) Member	Meredith Branciforte Irrevocable MGM Trust	Trust	10.0000%
2.C. (HTG Holdings 2, LLC)	2.C.(7) Member	Andrew C. Balogh Irrevocable Ins Trust	Trust	15.0000%
2.C. (HTG Holdings 2, LLC)	2.C.(8) Member	Alexandra B. Balogh Irrevocable Ins Trust	Trust	15.0000%
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	

Principal Disclosures for the Applicant

Fourth Principal Disclosure Level:

HTG Oak Villas, LLC

[Click here for Assistance with Completing the Entries for the Fourth Level Principal Disclosure for the Applicant](#)

<u>Select the corresponding Third Level Principal Entity # from above for which the Fourth Level Principal is being identified</u>	<u>Select the type of Principal being associated with the corresponding Third Level Principal Entity</u>	<u>Enter Name of Fourth Level Principal who must be a Natural Person</u>	<u>The organizational structure of Fourth Level Principal identified. Must Be a Natural Person</u>	<u>4th Level Principal % Ownership of 3rd Level Principal</u>
1.C.(3) (Matthew A. Rieger Family Trust)	Trustee	Rieger, Matthew A.	Natural Person	
1.C.(3) (Matthew A. Rieger Family Trust)	Beneficiary	Rieger, Matthew A.	Natural Person	100.0000%
1.C.(4) (Matthew A. Rieger Irrevocable MGM Tru:	Trustee	Rieger, Matthew A.	Natural Person	
1.C.(4) (Matthew A. Rieger Irrevocable MGM Tru:	Beneficiary	Rieger, Matthew A.	Natural Person	100.0000%
1.C.(5) (Gina Rieger Irrevocable MGM Trust)	Trustee	Rieger, Gina	Natural Person	
1.C.(5) (Gina Rieger Irrevocable MGM Trust)	Beneficiary	Rieger, Gina	Natural Person	100.0000%
1.C.(6) (Meredith Branciforte Irrevocable MGM T	Trustee	Branciforte, Meredith	Natural Person	
1.C.(6) (Meredith Branciforte Irrevocable MGM T	Beneficiary	Branciforte, Meredith	Natural Person	100.0000%
1.C.(7) (Andrew C. Balogh Irrevocable Ins Trust)	Trustee	Balogh, Robert	Natural Person	
1.C.(7) (Andrew C. Balogh Irrevocable Ins Trust)	Beneficiary	Balogh, Andrew C.	Natural Person	100.0000%
1.C.(8) (Alexandra B. Balogh Irrevocable Ins Trust	Trustee	Balogh, Robert	Natural Person	
1.C.(8) (Alexandra B. Balogh Irrevocable Ins Trust	Beneficiary	Balogh, Alexandra B.	Natural Person	100.0000%
2.C.(3) (Matthew A. Rieger Family Trust)	Trustee	Rieger, Matthew A.	Natural Person	
2.C.(3) (Matthew A. Rieger Family Trust)	Beneficiary	Rieger, Matthew A.	Natural Person	100.0000%
2.C.(4) (Matthew A. Rieger Irrevocable MGM Tru:	Trustee	Rieger, Matthew A.	Natural Person	
1.C.(4) (Matthew A. Rieger Irrevocable MGM Tru:	Beneficiary	Rieger, Matthew A.	Natural Person	100.0000%
2.C.(5) (Gina Rieger Irrevocable MGM Trust)	Trustee	Rieger, Gina	Natural Person	
2.C.(5) (Gina Rieger Irrevocable MGM Trust)	Beneficiary	Rieger, Gina	Natural Person	100.0000%
2.C.(6) (Meredith Branciforte Irrevocable MGM T	Trustee	Branciforte, Meredith	Natural Person	
2.C.(6) (Meredith Branciforte Irrevocable MGM T	Beneficiary	Branciforte, Meredith	Natural Person	100.0000%
2.C.(7) (Andrew C. Balogh Irrevocable Ins Trust)	Trustee	Balogh, Robert	Natural Person	
2.C.(7) (Andrew C. Balogh Irrevocable Ins Trust)	Beneficiary	Balogh, Andrew C.	Natural Person	100.0000%
2.C.(8) (Alexandra B. Balogh Irrevocable Ins Trust	Trustee	Balogh, Robert	Natural Person	
2.C.(8) (Alexandra B. Balogh Irrevocable Ins Trust	Beneficiary	Balogh, Alexandra B.	Natural Person	100.0000%
<Select a #>	<Select an option>		Natural Person	
<Select a #>	<Select an option>		Natural Person	
<Select a #>	<Select an option>		Natural Person	
<Select a #>	<Select an option>		Natural Person	
<Select a #>	<Select an option>		Natural Person	
<Select a #>	<Select an option>		Natural Person	

Proposed Principals'
List Developer Entity

Principal Disclosures for the Developer

How many Developers are part of this Application structure?

1

Select the organizational structure for the Developer entity:

The Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

HTG Oak Villas Developer, LLC

First Principal Disclosure Level:

HTG Oak Villas Developer, 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.	Manager	Rieger, Matthew A.	Natural Person
2.	Manager	Rieger, Randy E.	Natural Person
3.	Member	HTG Developer, LLC	Limited Liability Company
4.	Member	Polk County Housing Developers, Inc.	Non-Profit Corporation
5.	<Select an option>		<Select an option>
6.	<Select an option>		<Select an option>
7.	<Select an option>		<Select an option>
8.	<Select an option>		<Select an option>
9.	<Select an option>		<Select an option>
10.	<Select an option>		<Select an option>
11.	<Select an option>		<Select an option>
12.	<Select an option>		<Select an option>
13.	<Select an option>		<Select an option>
14.	<Select an option>		<Select an option>
15.	<Select an option>		<Select an option>
16.	<Select an option>		<Select an option>
17.	<Select an option>		<Select an option>
18.	<Select an option>		<Select an option>
19.	<Select an option>		<Select an option>
20.	<Select an option>		<Select an option>

Second Principal Disclosure Level:

HTG Oak Villas Developer, 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 identified</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>
3. (HTG Developer, LLC)	3.A.	Manager	Rieger, Matthew A.	Natural Person
3. (HTG Developer, LLC)	3.B.	Manager	Rieger, Randy E.	Natural Person
3. (HTG Developer, LLC)	3.C.	Member	HTG Affordable, LLC	Limited Liability Company
3. (HTG Developer, LLC)	3.D.	Member	Rieger Holdings, LLC	Limited Liability Company
4. (Polk County Housing Developer:	4.A.	Executive Director	Benjamin Stevenson	Natural Person
4. (Polk County Housing Developer:	4.B.	Officer/Director	Michael A. Pimental	Natural Person
4. (Polk County Housing Developer:	4.C.	Officer/Director	Rev. Richard Richardson	Natural Person
4. (Polk County Housing Developer:	4.D.	Officer/Director	Eddie Hall	Natural Person
4. (Polk County Housing Developer:	4.E.	Officer/Director	Joseph DeCesare	Natural Person
4. (Polk County Housing Developer:	4.F.	Officer/Director	Lorenzo Robinson	Natural Person
4. (Polk County Housing Developer:	4.G.	Officer/Director	Dorothy Sanders	Natural Person
4. (Polk County Housing Developer:	4.H.	Officer/Director	Shelly Asbury	Natural Person
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>

RM FL XX PRIME, LLC

May 8, 2023

Melissa Levy
Assistant Director of Multifamily Programs
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, FL 32301

RE: Rosemary Place – RFA 2020-201/2021-136C
Notice of Commencement and Limited Partnership Extension Request

Dear Ms. Levy,

Rosemary Place is a 72-unit, new construction development located in Freeport, FL. The development has received its final credit underwriting report from Seltzer, which recommended the approval of the preliminary annual allocation of LIHTC's in the amount of \$1,175,000, plus additional CHIRP funding in the amount of \$500,000.

According to our 2021 Carryover Allocation Agreement and subsequent Agency extensions, the Owner agreed to provide a Notice of Commencement and Limited Partnership Agreement on or before June 9, 2023. We are respectfully requesting to added to the Agenda for the June board of directors meeting to request an extension through August 31, 2023. The proposed extension will still allow us to meet subsequent agency and program deadlines such as the 10% Test and the Placed in Service deadline.

As we've mentioned in our monthly construction reports, the city of Freeport has a lengthy permitting process and we are still working to obtain final approval. To date, we have received conditional site plan approval from the City Council and are working with the land seller and the city to clear the following remaining conditions:

1. Construction easement with our land seller.
 - a. Status: 99% Complete. We expect to have this executed the week of May 8th.
2. Wetlands Permitting for one crossing
 - a. Status: 98% Complete. We are only waiting on the seller to obtain the letter of reservation from the mitigation bank.
3. Tree mitigation report
 - a. Status: Complete.

We hope to have all of these items in hand within the next two weeks. Once received, we will submit each item for the City to review and clear. We are pushing to have everything closed prior to the June Board Meeting, but there could be a situation in which we are waiting on the City to finish its final review.

We appreciate your time and consideration in this matter. If you have any further questions, please feel free to contact us at any time.

Sincerely,


A handwritten signature in blue ink, appearing to be 'SR', with a stylized flourish extending to the right.


Stewart Rutledge
Authorized Representative of the Applicant and Developer Entity



Enclosure: Rosemary Construction Timeline


Rosemary Place		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15																			
Dirt Work	5 MONTH				8	16	24	36	48	60	72																								
Utilities	4 MONTH				8	16	24	36	48	60	72																								
Paving	2 WEEK																																		
Plumbing Rough	10/WEEK						8	16	24	36	48	60	72																						
Slabs	10/WEEK						8	16	24	36	48	60	72																						
Framing	10/WEEK							8	16	24	36	48	60	72																					
Roofing	10/WEEK								8	16	24	36	48	60	72																				
Brick	10/WEEK									8	16	24	36	48	60	72																			
Siding	10/WEEK										8	16	24	36	48	60	72																		
Exterior Painting	10/WEEK											8	16	24	36	48	60	72																	
Plumbing	10/WEEK												8	16	24	36	48	60	72																
HVAC	10/WEEK													8	16	24	36	48	60	72															
Electrical	10/WEEK														8	16	24	36	48	60	72														
Insulation	10/WEEK															8	16	24	36	48	60	72													
Framing In-Wall Inspection	10/WEEK																8	16	24	36	48	60	72												
Drywall	10/WEEK																	8	16	24	36	48	60	72											
Trim	10/WEEK																		8	16	24	36	48	60	72										
Painting	10/WEEK																			8	16	24	36	48	60	72									
Cabinets	10/WEEK																				8	16	24	36	48	60	72								
Hard Flooring	10/WEEK																					8	16	24	36	48	60	72							
Plumbing Trim	10/WEEK																						8	16	24	36	48	60	72						
HVAC Trim	10/WEEK																							8	16	24	36	48	60	72					
Electrical Trim	10/WEEK																								8	16	24	36	48	60	72				
Carpet	10/WEEK																									8	16	24	36	48	60	72			
Final Inspection/Punch	10/WEEK																										8	16	24	36	48	60	72		
Final Clean	10/WEEK																											8	16	24	36	48	60	72	
CO'S	10/WEEK																												8	16	24	36	48	60	72
Units 1-8																																			
Units 9-16																																			
Units 17-24																																			
Units 25-36																																			
Units 37-48																																			
Units 49-60																																			
Units 61-72																																			
Driveways/Walks	10/WEEK																																		
Landscaping	10/WEEK																																		
Final Asphalt	1 WEEK																																		
TOTAL																																			

Key

Start 

End 

Rosemary Place  

Original Projection 



198 NE 4TH AVENUE
DELRAY BEACH, FLORIDA 33444

TELEPHONE: (561) 859-8520
DSMITH@SMITHHENZY.COM
WWW.SMITHHENZY.COM

May 25, 2023

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

Re: Grove Manor Apartments (2021-038C/2023-006C)
CHIRP LPA Deadline

Dear Ms. Levy,

The Applicant, Grove Manor Apartments, LLLP, formally requests an extension of the CHIRP Limited Partnership Agreement ("LPA") closing deadline for the Grove Manor Apartments development to July 30, 2023.

WHA has filed a HUD RAD Conversion of its public housing portfolio. HUD will not allow closing of the Limited Partnership Agreement prior to the approval of all related closing documents. All documentation necessary for HUD closing approval was submitted to HUD on May 5, 2023, and is currently under review. It is anticipated that all required closing approvals will be received prior to the current June 30, 2023, closing deadline. However, HUD can take up to 60 days to review and provide final approval of the transaction from the date of document submission.

Based on the potential HUD approval timeframe and out of an abundance of caution, we respectfully request an extension to July 30, 2023, to close on the Grove Manor Apartments LPA.

The entire development team is committed to the completion and success of Grove Manor Apartments and will do everything within its power to mitigate any unanticipated delays. We will keep Florida Housing staff informed as to the closing of the transaction.

Sincerely,

A handwritten signature in blue ink that reads "Darren Smith".

Darren Smith
Managing Member
SHAG Grove Manor Apartments, LLC
Its Co-Developer

**STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION**

Sandcastles Foundation, Inc.,

Petitioner,

v.

Florida Housing
Finance Corporation

Respondent.
_____ /

RFA 2020-206
FHFC Case No.: 2023-035VW

RECEIVED

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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. The Petitioner owns the six (6) acre parcel upon which the proposed single-family homes will be built.

5. 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.

6. 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.

7. 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.

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

9. 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 the Viability Loan in the amount of \$1,000,000.00 for a total amount of \$6,826,000.00. The Loan closing for both loans was to occur by October 7, 2022.

10. 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.

11. 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*.

12. 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.

13. 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.

14. On October 12, 2022, the Petitioner filed a Petitioner for Waiver with Florida Housing to address the citizen concerns by reducing the number of total number of units from 25 to 21, resulting in a corresponding request to reduce the Loan amount and allow for an extension of the closing date.

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

17. The city then sent the site plan to an outside engineering firm for a technical review.

18. The Petitioner began reaching out to Florida Housing staff in late January and early February regarding the need for another waiver since it was not likely Petitioner would be able to close by the February 6th deadline.

19. The technical review was completed on February 2, 2023, and the city advised that the matter would be placed on the agenda of the February 21st meeting of the Starke City Council.

20. The Petitioner filed a Petition for Waiver to continue the loan closing. An Order approving the Petition and extending the loan closing to May 8, 2023, was entered on March 10, 2023.

21. Shortly before the February 17th City Commission meeting the Petitioner was informed by the Commission staff that the engineering firm still needed multiple items to complete their review.²

22. The requested items were provided within days and the Applicant requested to be placed on the March 7th agenda but was placed on the March 21st agenda.

23. At the March 21st City Commission meeting, a quasi-judicial hearing was commenced the purpose of which was to determine if the proposed site plan meets the requirements of the land development code. After the Petitioner made their initial statements, four (4) homeowners who all live in the neighborhood where the proposed development will be located spoke out against the proposed development.

24. The concerns raised were surrounding the possible traffic impacts to adding twenty-two (22) single family homes at the end of their street and the potential for flooding their properties from construction. The Petitioner submitted evidence, including two traffic studies, demonstrating that any traffic impacts meet the level of service required by the City's land development code and additionally that the requirements being imposed on the Petitioner by the North Florida Water Management District will improve flooding that the homeowners have experienced in the past.³

² The requested items had all been previously provided to either staff or the engineering firm by the Applicant.

³ There was no substantial competent evidence presented by the homeowners to rebut the professional opinions offered by the Petitioner.

25. The City at that point decided to bifurcate the quasi-judicial hearing to provide the City Commissioners additional time to review the evidence and formulate questions for the parties.

26. The matter was reconvened on April 4, 2023, at which time the City denied the application by a vote of 3 to 2, raising new, never raised issues regarding placement of sidewalks and the possible elimination of the Community Center.

27. The Petitioner has refiled the application with the City Commission as of Thursday April 27, 2023, making the requested modifications to the sidewalks and eliminating the club house.⁴

28. Since everything else in the application to the City is the same, the Petitioner expects the review to be completed quickly and for this matter to be back on the agenda for approval on the May 16th agenda. In the interim, the Petitioner is scheduling meetings with individual commissioners in advance of the City Commission meeting with the approval of the City Attorney.

RULE FOR WHICH WAIVER IS SOUGHT

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

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

⁴ In the application Petitioner committed to providing both Adult Literacy and Financial Management education service to the residents. The RFA requires that adult literacy services be provided to residents “in a private space on-site.” Petitioner has space to provide these services on-site even with the elimination of the Community Center per the City Commissions request.

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)

30. Application of Rule 67-48.0072(26), FAC., and the denial of this Petition will result in the firm loan commitment being deemed void and the funds de-obligated. Petitioner will not be able to move forward without the HOME funds and the viability loan.

31. The Petitioners, to this point have done everything asked of them by the City Commission to secure the approval to build these units. The delays to this point, while unfortunate, have been necessary to secure the approval from the City Commission.

32. This Petition should be granted as opposed to de-obligating the award because Bradford County is in desperate need of affordable housing for families and granting this waiver will deliver those units quicker than de-obligating the award.

STATUTES IMPLEMENTED BY RULE

33. 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

34. 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.

35. Strict adherence to rule 67-48.0072(26), F.A.C., will create a substantial hardship for the Petitioner at this stage in the process. The Petitioner, owner of the land upon which the development is proposed to be constructed, has expended significant funds and lost valuable time seeking rezoning which the city requested and them voted against. The Petitioner has met every requirement of the relevant land development code, has continued to work closely with the city staff and most recently met with Florida Housing HOME staff to determine if there is additional information that can be shared with the City Commission to encourage their support of the proposed development. There is no doubt that Bradford County needs affordable housing, and the extension requested will help to meet that need in a manner consistent with the requirements and purpose of the RFA.

36. 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,

37. 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.

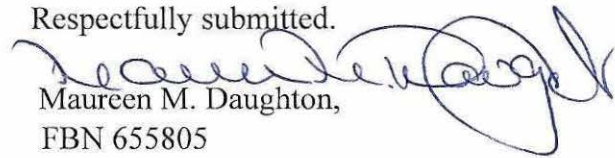
TYPE OF WAIVER

38. The waiver being sought is permanent in nature.

ACTION REQUESTED

39. 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 10th day of May 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

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

MAY 11 2023 3:45 PM

Naranja Grand Senior, Ltd.,
a Florida limited partnership,

FLORIDA HOUSING
FINANCE CORPORATION

Petitioner,

FHFC CASE NO. 2023-038VW
Application No. 2022-084C

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

_____ /

PETITION FOR WAIVER OF RULE 67-48.002(96), F.A.C. (5/18/21)
AND THE 2021 QAP

Naranja Grand Senior, Ltd. (the "Petitioner") by and through its undersigned counsel, hereby petitions Respondent, Florida Housing Finance Corporation ("Florida_Housing"), for a waiver of the provisions of the 2021 Qualified Allocation Plan ("2021 QAP") as incorporated and adopted by Rule 67-48.002(96), Florida Administrative Code ("F.A.C.") (5/18/21), such that Petitioner may return its 2022 Housing Credit Allocation now as opposed to waiting until after the end of the second calendar quarter of 2024. While Petitioner has diligently attempted to progress the development, delays related to an extraordinary amount of coordination and negotiation with six different County departments that went beyond the typical review timeline for projects of similar scope and size will prevent Petitioner from meeting the 10% test deadline.

In support, Petitioner states as follows:

A. THE PETITIONER

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

Naranja Grand Senior, Ltd.
3225 Aviation Avenue, 6th Floor

Coconut Grove, Florida 33133
(305)-860-8188
Mattr@htgf.com

2. The address, telephone and facsimile number and e-mail address of Petitioner's counsel is:

Brian J. McDonough, Esq.
Stearns Weaver Miller Weissler Alhadeff &
Sitterson, P.A.
150 West Flagler Street
Suite 2200
Miami, Florida 33130
Telephone: 305-789-3350
Fax: 305-789-3395
Email: Bmcdonough@stearnsweaver.com

Bridget Smitha
Stearns Weaver Miller Weissler Alhadeff &
Sitterson, P.A.
106 East College Avenue, Suite 700
Tallahassee, FL 32301
Telephone: 850-329-4852
Fax: 850-329-4844
Email: BSmitha@stearnsweaver.com

B. DEVELOPMENT BACKGROUND

3. The following information pertains to the development underlying Petitioner's application:

- Development Name: Naranja Grand
- Development Address: Waldin Dr., at the intersection of Waldin Dr. and SW 147th Ave
- County: Miami-Dade
- Developers: Naranja Grand Developer, LLC
- Number of Units: 120 new construction
- Type: High Rise
- Set Asides: 15% (18 units) at or below 30% AMI; 40% (48 units) at or below 60% AMI; and 45% (54 units) at or below 70% AMI; 50% of the ELI units will be set-aside for Persons with Special Needs
- Demographics: Elderly, Non-ALF
- Funding: 9% HC request of \$2,858,700 annually

C. WAIVER IS PERMANENT

4. The waiver being sought is permanent in nature.

D. THE RULE FROM WHICH WAIVER IS REQUESTED

5. Petitioner requests a waiver of Rule 67-48.002(96), effective May 18, 2021, which provides in pertinent part:

“QAP” or “Qualified Allocation Plan” means, with respect to the HC Program, the 2021 Qualified Allocation Plan which is adopted and incorporated herein by reference, effective upon approval by the Governor of the State of Florida, pursuant to Section 42(m)(1)(B) of the IRC and sets forth the selection criteria and the preferences of the Corporation for Developments which will receive Housing Credits. The QAP is available on the Corporation’s website under the Multifamily Programs link or by contacting the Housing Credit Program at 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329, or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-13097>.

6. Subsection II.J. of the 2021 QAP, provides as follows:

Notwithstanding any other provision of this QAP, where a Development has not been placed in service by the date required pursuant to Section 42 of the IRC, or it is apparent that a Development will not be placed in service by the date required pursuant to Section 42 of the IRC, and the Applicant has returned its Housing Credit Allocation after the end of the second calendar quarter of the year in which it was otherwise required to be placed in service pursuant to Section 42 of the IRC, the Corporation will reserve allocation in an amount not to exceed the amount of Housing Credits returned, and will issue a Carryover Allocation Agreement allocating such Housing Credits to the Applicant for either the current year or the year after the year in which the Development was otherwise required to be placed in service pursuant to Section 42 of the IRC, provided the following conditions have been met: (i) The sponsor must have provided written notice to the Corporation, describing the circumstances, all remedial measures attempted by the Applicant to mitigate the delay, and any other pertinent information, prior to returning the allocation; and (ii) A site inspection reflecting the percentage of Development completion must be completed. If the Development is at least fifty (50) percent completed, as reflected in the site inspection, the approval may be made by Corporation staff. If the Development is less than fifty (50) percent completed, as reflected in the site inspection, the approval must be made by the Board. In making such determination, the Board must find and determine that the delay was caused by circumstances beyond the Applicant’s control, and that the sponsor exercised due diligence in seeking to resolve the circumstances causing delay; and (iii) The Corporation or Board, as applicable, must find 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.

E. STATUTES IMPLEMENTED BY THE RULE AND THE 2021 QAP.

7. The Rule implements Section 420.5087 (State Apartment Incentive Loan Program), Section 420.5089 (HOME Investment Partnership Program; HOME Investment Partnership Fund), and Section 420.5099 (creating the Housing Credits Program) of the Florida Housing Finance Corporation Act (the “Act”).¹ The Act designates Florida Housing as the State of Florida's housing credit agency within the meaning of Section 42(h)(8)(A) of the Internal Revenue Code of 1986. As the designated agency, Florida Housing is responsible for and is authorized to establish procedures for the allocation and distribution of low-income housing tax credits (“Allocation Procedures”). *See* § 420.5099(1) and (2), Fla. Stat. Accordingly, the Rule implements, among other sections of the Act, the statutory authorization for Florida Housing's establishment of Allocation Procedures for the HC Program. *Id.*

F. JUSTIFICATION FOR GRANTING WAIVER OF THE RULE.

8. Petitioner timely submitted Application No. 2022-084C on August 24, 2021 in response to RFA 2021-203 Housing Credit Financing For Affordable Housing Developments Located In Miami-Dade County (the “RFA”).

9. The Development received an allocation of the 2022 Housing Credit dollar amount meeting the requirements of Section 42(h)(1)(E) and (F) of the Internal Revenue Code of 1986 as amended (“Tax Credits”) and was invited to credit underwriting.

10. The Development was preliminarily selected for funding by the Florida Housing Board on October 22, 2021. After all issues within subsequently filed notices of intent were resolved, Petitioner submitted a signed acknowledgement accepting the invitation to credit underwriting on December 17, 2021.

¹ The Act is set forth in Sections 420.50 through 420.55 of the Florida Statutes.

11. Florida Housing staff executed a 2022 Carryover Allocation Agreement (“CAA”) on or about July 19, 2022 for the allocation of its Tax Credits. The CAA required Petitioner to incur at least ten percent of the reasonably expected basis of the Development (the “10% Test”) and meet the Site Control requirement on or before January 31, 2023 (the “CAA Deadline”).² Failure to comply with the CAA Deadline will cause the Housing Credits allocated within the CAA to be deemed returned to Florida Housing under 26 U.S.C. § 42(h)(3)(C).

12. Pursuant to 26 U.S.C. § 42(h)(1)(E)(i), the Development must be placed in service no later than the close of the second calendar year following the calendar year in which the allocation is made; in this case, the federally-mandated placed-in-service date would be December 31, 2024.

13. Due to delays beyond Petitioner’s control, described herein, the 10% Test cannot be met. First, during the design and planning process, HTG learned for the first time that, because this site was previously owned by Miami-Dade County (the “County”) and it abuts both the Miami-Dade Naranja Branch Library (“Naranja Library”) and a property owned by Miami-Dade County Parks and Recreation, the Administrative Site Plan Review Process (“ASPR”) would require an extraordinary amount of coordination and negotiation with six different County departments that went beyond the typical review timeline for projects of similar scope and size. One of the major hurdles was that the only access to the Naranja Library occurs through Petitioner’s site, and as such, the County’s interests were intricately vested in our design and engineering. Addressing these issues required a number of zoom meetings with different departments, which could take weeks to be accommodated, especially since this all took place prior to the County’s new expediting policies released in March 2023. Petitioner realized that it

² This deadline was extended to July 19, 2022. *See* ¶ 14, below.

would not have a complete credit underwriting report to submit to Florida Housing by April 30, 2023.

14. Anticipating this delay, on January 13, 2023, Petitioner requested an extension to the CAA deadlines. Subsequently, on March 17, 2023, Petitioner requested an extension to the notice of commencement, credit underwriting report and tax credit partnership agreement deadlines. On February 1, 2023, the Corporation approved extensions to the CAA Deadline to July 19, 2023. On April 21, 2023 the Corporation also approved extensions to the deadline for the notice of commencement, credit underwriting report and tax credit partnership agreement to December 31, 2023. However the placed in service deadline remained December 31, 2024.

15. As of May 4th, 2023, Petitioner has cleared all issues with the different County departments and has received the final turn of comments for its ASPR. Petitioner also began production of its full set of construction documents for permitting in February 2023 and is in receipt of such sets. As such, submittal to the County for permitting will occur in May 2023 and a request for bids for a General Contractor will be sent out on May 10th, 2023. Based on this progress and the typical timeline to obtain County approvals, Petitioner expects to close in December 2023. However, Petitioner's 10% Test deadline of July 19, 2023 is unachievable despite all best efforts due to the fact that the land is being conveyed via a long-term ground lease at below-market value, which is one of the major cost components needed to meet this test.³

³ Other costs, such as purchasing materials or paying the developer fee, could not be incurred in an amount sufficient to satisfy the 10% Test prior to the deadline. While Petitioner must spend roughly \$3.5 Million in additional costs to meet the 10% Test, the accrual for the developer fee during pre-construction is limited to 20% of total fees, which is slightly more than \$1 Million for the Development. Moreover, Petitioner was not able to request bids until this month due to delays during its site plan review process, which delayed the production of full construction documents necessary to obtain pricing. The volatility of material pricing and construction costs

16. Because Petitioner knows that circumstances outside of its control will prevent it from satisfying the 10% Test deadline, Petitioner respectfully requests a waiver of the 2021 QAP to permit Florida Housing to approve the tax credit exchange now as opposed to waiting until after the end of the second calendar quarter of 2024.

17. As set forth above, this request was not necessitated through any fault of Petitioner. Rather, Petitioner exercised due diligence in attempting to move the Development towards construction.

18. If the Petition is denied, the Development will be abandoned because Petitioner will not have sufficient time to satisfy the 10% Test deadline and will lose the allocated Housing Credits. Without this funding source, Miami-Dade County will lose these 120 affordable housing units.

19. This Petition should be granted, as opposed to de-obligating the award, because Miami-Dade County is currently experiencing a shortage of affordable housing units for the elderly (non-ALF) and Persons with Special Needs. Granting the Petition will result in the delivery of 120 new affordable housing units much faster than would reallocating the funding to a new development.

20. Under Section 120.542(1), *Fla. Stat.*, and Chapter 28-104, F.A.C., 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.

over the last year, particularly the increase in concrete and cement pricing, makes buying materials 6+ months in advance of construction commencement very risky and could potentially result in increased project costs. Indeed, based on some projections, it seems likely that concrete pricing could stabilize by the first quarter of 2024, making material buyout at that time more cost efficient. In the current environment, aggressive buyout for materials across labor divisions has the best results when carried out at a point where all stakeholders, including the General Contractor and their sub-contractors, have complete certainty on the construction commencement and actual mobilization dates.

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,⁴ and (2) the purpose of the underlying statute has been or will be achieved by other means by the person. *See* § 120.542(2), Fla. Stat.

21. Strict adherence to Subsection II.J. of the QAP would violate principles of fairness, as Florida Housing has granted similar waivers to other Developments facing similar circumstances (*e.g.*, Arbor Village- granted credit swap in November 2019; Georgian Gardens- granted credit swap in November 2019; Luna Trails- granted credit swap in 2019; Northside Transit Village- granted credit swap in November 2019; Residences at Dr. King Boulevard, Ltd.- granted credit swap in 2019).⁵

22. In this instance, Petitioner meets the standards for a waiver of the Rule and the 2021 QAP. The requested waiver will not adversely impact the Development or Florida Housing and will ensure that 120 affordable housing units will be made available for the target population in Miami-Dade County, Florida. The strict application of the 2021 QAP would prevent Petitioner from completing the swap now and will create a substantial hardship for Petitioner because it cannot – due to no fault of its own – meet the 10% Test deadline. Further, the waiver will serve the purposes of the Statute and the Act, because one of the Act's primary purposes is to facilitate the availability of decent, safe and sanitary housing in the State. Moreover, the Statute

⁴ “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. *See* § 120.542(2), Fla. Stat.

⁵ The reasons that precipitated the credit swaps include but are not limited to: need for off-site improvements, which required negotiation with neighboring property owners; revision to construction plans due to increased construction costs, which required the securing of additional funds; redesign requirements due to a fire code violation in the design of a staircase; post-Hurricane clean up; and title issues, which only became known after the design process.

was enacted, in part, to encourage private and public investment in facilities for persons of low-income. By granting this waiver, and further ensuring the development of 120 affordable housing units in Miami-Dade County, Florida Housing would recognize the goal of increasing the supply of affordable housing through private investment in persons of low-income, and recognizing the economic realities and principles of fundamental fairness in developing affordable housing. *See* § 420.5099(2), Fla. Stat.

23. The foregoing demonstrates the hardship and other circumstances justifying this Petition.

24. The requested waiver should be granted because, as demonstrated above, the delay was caused by circumstances beyond Petitioner's control, due diligence was employed in an attempt to resolve those circumstances, the Development in all respects, except timing, still meets the conditions upon which the Housing Credits were originally allocated, and the Development is still desirable in terms of meeting affordable housing needs.

25. Should Florida Housing require additional information, Petitioner is available to answer questions and to provide all information necessary for consideration of this Petition.

G. ACTION REQUESTED

26. For the reasons set forth herein, Petitioner respectfully requests Florida Housing: (i) grant the requested waiver to permit the requested credit exchange, immediate return of Petitioner's 2022 Housing Credit Allocation, and an immediate allocation of new Housing Credits; (ii) grant a corresponding extension of deadlines relative to those credits; (iii) grant this Petition and all of the relief requested herein; and (iv) grant such further relief as it may deem appropriate.

Respectfully submitted,

STEARNS WEAVER MILLER WEISSLER
ALHADEFF & SITTERSON, P.A.
150 West Flagler Street, 22nd Floor
Miami, Florida 33131
Tel: (305) 789-3350
Fax: (305) 789-3395
E-mail: bmcdonough@stearnsweaver.com

Counsel for Petitioner

By: /s/ Brian J. McDonough
BRIAN J. MCDONOUGH, ESQ.

CERTIFICATE OF SERVICE

This Petition is being served by electronic transmission for filing with the Clerk for the Florida Housing Finance Corporation, CorporationClerk@FloridaHousing.org, with a copy served by U.S. Mail on the Joint Administrative Procedures Committee, 680 Pepper Building, 111 W. Madison Street, Tallahassee, Florida 32399-1400, this 11th day of May, 2023.

By: /s/ Brian J. McDonough
Brian J. McDonough, Esq.

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

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Heritage Oaks, LLLP,
a Florida limited partnership,

FLORIDA HOUSING
FINANCE CORPORATION

Petitioner,

FHFC CASE NO. 2023-037VW
Application No. 2022-120C

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

_____ /

PETITION FOR WAIVER OF RULE 67-48.002(96), F.A.C. (5/18/21)
AND THE 2021 QAP

Petitioner Heritage Oaks, LLLP (the “Petitioner”) by and through its undersigned counsel, hereby petitions Respondent, Florida Housing Finance Corporation (“Florida Housing”), for a waiver of the provisions of the 2021 Qualified Allocation Plan (“2021 QAP”) as incorporated and adopted by Rule 67-48.002(96), Florida Administrative Code (“F.A.C.”) (5/18/21), such that Petitioner may return its 2022 Housing Credit Allocation now as opposed to waiting until after the end of the second calendar quarter of 2024. While Petitioner has expended more than \$1 million to diligently progress the development, delays related to obtaining U.S. Department of Housing and Urban Development (“HUD”) approval of Petitioner’s Disposition of Public Housing units and dramatic construction cost increases will prevent Petitioner from closing until after the deadline for satisfaction of the 10% test and Site Control. In support, Petitioner states as follows:

A. THE PETITIONER

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

Brian Evjen
Heritage Oaks, LLLP
3629 Madaca Lane
Tampa, FL 33618
Telephone: (813)933-0629
Fax: N/A
Email: BEvjen@norstarus.com

2. The address, telephone and facsimile number and e-mail address of Petitioner's counsel is:

Brian J. McDonough, Esq.
Stearns Weaver Miller Weissler Alhadeff &
Sitterson, P.A.
150 West Flagler Street
Suite 2200
Miami, Florida 33130
Telephone: 305-789-3350
Fax: 305-789-3395
Email: Bmcdonough@stearnsweaver.com

Bridget Smitha
Stearns Weaver Miller Weissler Alhadeff &
Sitterson, P.A.
106 East College Avenue, Suite 700
Tallahassee, FL 32301
Telephone: 850-329-4852
Fax: 850-329-4844
Email: BSmitha@stearnsweaver.com

B. DEVELOPMENT BACKGROUND

3. The following information pertains to the development underlying Petitioner's application:

- Development Name: Heritage Oaks
- Development Address: Washington Dr, NW of the intersection of Washington Dr and 130th Avenue N a/k/a Wilcox Rd; Washington Dr, NE of the intersection of Washington Dr and Jefferson Circle; Washington Dr, SE of the intersection of Washington Dr and Jefferson Circle; Washington Dr, E of the intersection of Washington Dr and Jefferson Circle
- County: Pinellas
- Developers: Norstar Development USA, LP; PCHA Development, LLC; and Newstar Development, LLC
- Number of Units: 80 new construction
- Type: Garden Apartments
- Set Asides: 10% (8 units) at or below 33% AMI and 90% (72 units) at or below 60% AMI; 50% of the ELI units will be set-aside for Persons with Special Needs

- Demographics: Elderly, Non-ALF
- Funding: 9% HC request of \$ 1,868,000 annually; \$2.75 million Pinellas County gap funding; \$610,000 Local Government Area of Opportunity Funding; \$22,500,000 Construction Loan; \$6,700,000 Permanent Loan; \$1,700,000 PCHA Funds

C. WAIVER IS PERMANENT

4. The waiver being sought is permanent in nature.

D. THE RULE FROM WHICH WAIVER IS REQUESTED

5. Petitioner requests a waiver of Rule 67-48.002(96), effective May 18, 2021,

which provides in pertinent part:

“QAP” or “Qualified Allocation Plan” means, with respect to the HC Program, the 2021 Qualified Allocation Plan which is adopted and incorporated herein by reference, effective upon approval by the Governor of the State of Florida, pursuant to Section 42(m)(1)(B) of the IRC and sets forth the selection criteria and the preferences of the Corporation for Developments which will receive Housing Credits. The QAP is available on the Corporation’s website under the Multifamily Programs link or by contacting the Housing Credit Program at 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329, or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-13097>.

6. Subsection II.J. of the 2021 QAP, provides as follows:

Notwithstanding any other provision of this QAP, where a Development has not been placed in service by the date required pursuant to Section 42 of the IRC, or it is apparent that a Development will not be placed in service by the date required pursuant to Section 42 of the IRC, and the Applicant has returned its Housing Credit Allocation after the end of the second calendar quarter of the year in which it was otherwise required to be placed in service pursuant to Section 42 of the IRC, the Corporation will reserve allocation in an amount not to exceed the amount of Housing Credits returned, and will issue a Carryover Allocation Agreement allocating such Housing Credits to the Applicant for either the current year or the year after the year in which the Development was otherwise required to be placed in service pursuant to Section 42 of the IRC, provided the following conditions have been met: (i) The sponsor must have provided written notice to the Corporation, describing the circumstances, all remedial measures attempted by the Applicant to mitigate the delay, and any other pertinent information, prior to returning the allocation; and (ii) A site inspection reflecting the percentage of Development completion must be completed. If the Development is at least fifty (50) percent completed, as reflected in the site inspection, the approval may be

made by Corporation staff. If the Development is less than fifty (50) percent completed, as reflected in the site inspection, the approval must be made by the Board. In making such determination, the Board must find and determine that the delay was caused by circumstances beyond the Applicant's control, and that the sponsor exercised due diligence in seeking to resolve the circumstances causing delay; and (iii) The Corporation or Board, as applicable, must find 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.

E. STATUTES IMPLEMENTED BY THE RULE AND THE 2021 QAP.

7. The Rule implements Section 420.5087 (State Apartment Incentive Loan Program), Section 420.5089 (HOME Investment Partnership Program; HOME Investment Partnership Fund), and Section 420.5099 (creating the Housing Credits Program) of the Florida Housing Finance Corporation Act (the "Act").¹ The Act designates Florida Housing as the State of Florida's housing credit agency within the meaning of Section 42(h)(8)(A) of the Internal Revenue Code of 1986. As the designated agency, Florida Housing is responsible for and is authorized to establish procedures for the allocation and distribution of low-income housing tax credits ("Allocation Procedures"). *See* § 420.5099(1) and (2), Fla. Stat. Accordingly, the Rule implements, among other sections of the Act, the statutory authorization for Florida Housing's establishment of Allocation Procedures for the HC Program. *Id.*

F. JUSTIFICATION FOR GRANTING WAIVER OF THE RULE.

8. Petitioner timely submitted Application No. 2022-120C on August 28, 2021 in response to RFA 2021-202 (Housing Credit Financing For Affordable Housing Developments Located In Broward, Duval, Hillsborough, Orange, Palm Beach, And Pinellas Counties).

¹ The Act is set forth in Sections 420.50 through 420.55 of the Florida Statutes.

9. The Development received an allocation of the 2022 Housing Credit dollar amount meeting the requirements of Section 42(h)(1)(E) and (F) of the Internal Revenue Code of 1986 as amended (“Tax Credits”) and was invited to credit underwriting.

10. Florida Housing staff executed a 2022 Carryover Allocation Agreement (“CAA”) on or about July 20, 2022 for the allocation of its Tax Credits. The CAA required² Petitioner to incur at least ten percent of the reasonably expected basis of the Development (the “10% Test”) and meet the Site Control requirement on or before January 31, 2023 (the “CAA Deadline”). This CAA Deadline was extended to July 20, 2023. Failure to comply with the CAA Deadline will cause the Housing Credits allocated within the CAA to be deemed returned to Florida Housing under 26 U.S.C. § 42(h)(3)(C).

11. Pursuant to 26 U.S.C. § 42(h)(1)(E)(i), the Development must be placed in service no later than the close of the second calendar year following the calendar year in which the allocation is made; in this case, the federally-mandated placed-in-service date would be December 31, 2024.

12. The requested waiver is necessitated by cost overruns, and the concomitant substantial gap that had to be covered, which caused Petitioner to take longer to get through credit underwriting than originally contemplated. The overruns could not be foreseen because the cost estimates for the Development were established in August of 2021, prior to the RFA application deadline. Within the following six months, construction costs increased statewide by 25-30%, which had a cascading effect that caused other increases. At the same time, interest rates and insurance costs also skyrocketed. Petitioner commenced design work shortly after

² The CAA also required Petitioner to provide the Tax Credit Partnership Agreement, Credit Underwriting Report, and Notice of Commencement by April 30, 2023. Florida Housing recently approved Petitioner’s extension request to October 30, 2023.

receiving its invitation to credit underwriting in March 2022. Because Petitioner's site and building plans were not yet complete, it did not have updated pricing prior to the deadline for CHIRP funding applications. When Petitioner finally received its designs and construction pricing in the fourth quarter of 2022, Petitioner realized that it had substantial construction cost overruns, as well as substantial increases in insurance and interest rates.

13. To cover the construction cost increases, and mitigate the associated delay, Petitioner took remedial action, such as securing additional funding from Pinellas County. However, Petitioner does not anticipate that it will be able to satisfy the CAA Deadline, namely because it cannot close until HUD approves removal of a deed restriction. Specifically, the Development involves the redevelopment of public housing, which requires HUD to terminate a Declaration of Trust. Before Petitioner could request such termination, it was required to perform an environmental review pursuant to 24 C.F.R. Part 58 and a Capital Needs Assessment for inclusion. As a result of this delay, Petitioner was not able to request the termination until November 2022. For the last month, such approval has been expected imminently, but has yet to occur. Petitioner cannot begin relocating current residents on the property until 90 days after obtaining that HUD approval and all residents must be relocated off site prior to closing per HUD requirements. Petitioner hopes to receive HUD approval of the disposition in mid-May, such that it may complete relocation and close by August 2023.³ Accordingly, Petitioner cannot meet the CAA Deadline for satisfaction of the 10% test or Site Control.

14. Because Petitioner knows that circumstances outside of its control will prevent it from satisfying the CAA Deadline, Petitioner respectfully requests a waiver of the 2021 QAP to

³ Petitioner estimates that the construction schedule, which includes major infrastructure improvements, will likely take approximately 18 months to complete. Thus, the Development is estimated to be placed in service in the first quarter of 2025.

permit Florida Housing to approve the tax credit exchange now as opposed to waiting until after the end of the second calendar quarter of 2024. Petitioner has used its best efforts to move the Development forward, but cannot take any further action until HUD approves termination of the Declaration of Trust.

15. As set forth above, this request was not necessitated through any fault of Petitioner. Rather, Petitioner exercised due diligence in attempting to move the Development towards construction. In fact, more than \$1 million has been expended to date in relation to the Development.

16. If the Petition is denied, the Development will be abandoned because Petitioner will not have sufficient time to satisfy the CAA Deadline and will lose the allocated Housing Credits. Without this funding source, Pinellas County will lose these 80 affordable housing units.

17. This Petition should be granted, as opposed to de-obligating the award, because Pinellas County is currently experiencing a shortage of affordable housing units for the elderly (non-ALF) and Persons with Special Needs. Indeed, the County stands so firmly behind the Development that, in April 2023, Petitioner received a conditional commitment from the County to provide gap funding of \$2.75 million in addition to \$610,000 in Local Government Area of Opportunity Funding committed in 2021. Granting the Petition will result in the delivery of 80 affordable housing units much faster than would reallocating the funding to a new development.

18. Under Section 120.542(1), *Fla. Stat.*, and Chapter 28-104, F.A.C., 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,⁴ and (2) the purpose of the underlying statute has been or will be achieved by other means by the person. *See* § 120.542(2), Fla. Stat.

19. In this instance, Petitioner meets the standards for a waiver of the Rule and the 2021 QAP. The requested waiver will not adversely impact the Development or Florida Housing and will ensure that 80 affordable housing units will be made available for the target population in Pinellas County, Florida. The strict application of the 2021 QAP would prevent Petitioner from completing the swap now and will create a substantial hardship for Petitioner because it cannot – due to no fault of its own – meet the CAA Deadline. Further, the waiver will serve the purposes of the Statute and the Act, because one of the Act's primary purposes is to facilitate the availability of decent, safe and sanitary housing in the State. Moreover, the Statute was enacted, in part, to encourage private and public investment in facilities for persons of low-income. By granting this waiver, and further ensuring the development of 80 affordable housing units in Pinellas County, Florida Housing would recognize the goal of increasing the supply of affordable housing through private investment in persons of low-income, and recognizing the economic realities and principles of fundamental fairness in developing affordable housing. *See* § 420.5099(2), Fla. Stat.

20. The foregoing demonstrates the hardship and other circumstances justifying this Petition.

⁴ “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. *See* § 120.542(2), Fla. Stat.

21. The requested waiver should be granted because, as demonstrated above, the delay was caused by circumstances beyond Petitioner's control, due diligence was employed in an attempt to resolve those circumstances, the Development in all respects, except timing, still meets the conditions upon which the Housing Credits were originally allocated, and the Development is still desirable in terms of meeting affordable housing needs.

22. Should Florida Housing require additional information, Petitioner is available to answer questions and to provide all information necessary for consideration of this Petition.

G. ACTION REQUESTED

23. For the reasons set forth herein, Petitioner respectfully requests Florida Housing: (i) grant the requested waiver to permit the requested credit exchange, immediate return of Petitioner's 2022 Housing Credit Allocation, and an immediate allocation of new Housing Credits; (ii) grant this Petition and all of the relief requested herein; and (iii) grant such further relief as it may deem appropriate.

Respectfully submitted,

STEARNS WEAVER MILLER WEISSLER
ALHADEFF & SITTERSON, P.A.
150 West Flagler Street, 22nd Floor
Miami, Florida 33131
Tel: (305) 789-3350
Fax: (305) 789-3395
E-mail: bmcdonough@stearnsweaver.com

Counsel for Petitioner

By: /s/ Brian J. McDonough
BRIAN J. MCDONOUGH, ESQ.

CERTIFICATE OF SERVICE

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By: /s/ Brian J. McDonough
Brian J. McDonough, Esq.

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

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MALIBU BAY PRESERVATION, LTD.,
a Florida limited partnership,

Petitioner,

FHFC CASE NO. 2023-034VW
Application No. 2019-532C

v.

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

_____ /

PETITION FOR WAIVER OF RULE 67-21.026(13)(e), F.A.C. (07/06/2022)

Malibu Bay Preservation, Ltd. (the "Petitioner") by and through its undersigned counsel, hereby petitions Respondent, Florida Housing Finance Corporation ("Florida Housing") for a waiver of Florida Housing's general prohibition against the General Contractor ("GC") self-performing work that exceeds \$350,000 or 5 percent of the construction contract. *See* Rule 67-21.026(13)(e), Florida Administrative Code ("F.A.C.") (eff. 07/06/2022) (the "Rule"). At the time of the contract signing, the GC did not intend to self-perform, and submitted pricing based upon solicited quotes with turn-key subcontractors. However, because the project involved rehabilitation of occupied units, it subsequently became necessary for the GC to supplement certain key trades in order to: (a) minimize and mitigate risk in occupied units considering the demographic level of tenants, (b) meet the accelerated project delivery timeline, and (c) maintain the budget by providing self-performing foremen with industry-specific knowledge to run division crews provided by contracted subcontractors. Because the \$350,000 cap was exceeded (by less than \$2k), Petitioner respectfully requests a Rule waiver. In support thereof, Petitioner states as follows:

A. THE PETITIONER

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

Malibu Bay Preservation, Ltd.
Attn: Jeremy Bronfman
Lincoln Avenue Capital
401 Wilshire Blvd. Suite 1070
Santa Monica, CA 90401
Telephone: (424)222-8258
Email: jeremy@lincolnavecap.com
rcondas@lincolnavecap.com
jriley@lincolnavecap.com
hooori@lincolnavecap.com

2. The address, telephone, and facsimile number and e-mail address of Petitioner's counsel is:

Brian J. McDonough, Esq.
Stearns Weaver Miller Weissler Alhadeff
& Sitterson, P.A.
150 West Flagler Street
Suite 2200
Miami, Florida 33130
Telephone: 305-789-3350
Fax: 305-789-3395
Email: Bmcdonough@stearnsweaver.com

Bridget Smitha, Esq.
Stearns Weaver Miller Weissler
Alhadeff & Sitterson, P.A.
106 E. College Ave.
Suite 700
Tallahassee, Florida 32301
Telephone: 850-329-4852
Fax: 850-329-4864
Email: BSmitha@stearnsweaver.com

B. WAIVER IS PERMANENT

3. The waiver being sought is permanent in nature.

C. DEVELOPMENT BACKGROUND.

4. Petitioner provides the following background information related to its Application submitted on June 9, 2020 and revised on July 1, 2020:

- Development Name: Malibu Bay Apartments
- Development Address: 750 Malibu Bay Drive, West Palm Beach, FL
- County: Palm Beach

- Developer: Malibu Bay Developer LLC
- Number of Units: 264 rehab
- Type: Garden Apartments
- Set Asides: 100% of units at 60% AMI or less
- Demographics: Family
- Funding: \$1,676,697 Non-Competitive HC funding request (annual amount)

D. THE RULE FROM WHICH WAIVER IS REQUESTED

5. At the time of Petitioner’s Application the Rule provide in relevant part:

(13) The General Contractor must meet the following conditions:

(e) Ensure that no construction or inspection work that is normally performed by subcontractors is performed by the General Contractor;

See Rule 67-21.026(13)(e), F.A.C. (7/11/19).

6. On April 29, 2022, during the 2022 rule development process, the Board approved a change in the Rule to allow the General Contractor to self-perform a limited amount of work as follows: *“Ensure that no construction or inspection work is performed by the General Contractor, with the following exceptions: (i) the General Contractor may perform its duties to manage and control the construction of the Development; and (ii) the General Contractor may self-perform work of a de minimis amount, defined for purposes of this paragraph as the lesser of \$350,000 or 5 percent of the construction contract.”* As part of the Board’s action, the Board also approved the rule to be retroactively applied to developments that had previously submitted applications under prior rule versions. Thus, while the Development applied subject to the 2019-version of the Rule, the 2022-version may apply in this instances based on the Board’s action.

E. STATUTE IMPLEMENTED BY THE RULE.

7. The Rule implements, among other sections of the Florida Housing Finance Corporation Act (the “Act”), Section 420.5099, Allocation of the low-income housing tax credit. Per Section 420.5099(1)-(2), Fla. Stat., Florida Housing acts as the State’s housing credit agency and is authorized to establish procedures for allocating and distributing low-income housing tax credits.

F. JUSTIFICATION FOR GRANTING WAIVER OF THE RULE.

8. When the contract was signed and the related documents assembled, the GC did not expect to self-perform various divisions. The pricing was therefore based on solicited quotes with turn-key subcontractors. Through execution of the contract, mobilization, and the buyout process, it became evident that the GC would be required to supplement certain key trades in order to: (a) minimize and mitigate risk in occupied units considering the demographic level of tenants, (b) meet the accelerated project delivery timeline, and (c) maintain the budget by providing self-performing foremen with industry-specific knowledge to run division crews provided by contracted subcontractors.

9. Via the negotiation of contracts with key subcontractors with regard to cabinets, HVAC, painting, flooring and specialties divisions, the GC was able to tap into the subcontractor’s sub-level crews at a cost point that allowed the project to satisfy the contract. The negotiated arrangement of sub-level crews was presented as an option less crew foremen. The GC’s company size and depth of talent allowed it to swiftly put into motion the self-performance of experienced foremen necessary to bridge the gap. The synergies created was a key factor in bringing the project together, with the least amount of impact on tenants, and at the lowest possible cost.

10. The self-performed work included providing hands-on foremen to run crews in the divisions of (a) Resilient Flooring, (b) Painting, (c) Cabinetry/Countertops, (d) HVAC, and (e) Specialties; specifically:

- a) Resilient Flooring: The GC's foremen managed the labor-only crews of Labor for Hire, Inc. (a subcontractor) with respect to entering occupied units to dust proof units, remove flooring, haul debris (from units through the complex to the dumpsters), and deliver new flooring material to the skilled installation subcontractor.
- b) Painting: The GC's foremen managed paint subcontractor labor crews with regard to work being performed at various buildings at the same time requiring oversight of safety, logistics, material ordering/availability, equipment, and quality control.
- c) Cabinetry/Countertops: The GC's foremen managed demolition and interior renovation subcontractor labor crews in accessing occupied units to dust proof units, demolish/remove cabinets and tops, haul debris (from units through the complex to the dumpsters), stage and deliver new cabinets/tops, and install drywall modifications and repairs.
- d) HVAC: The GC's foremen managed Labor for Hire, Inc.'s labor-only crews regarding entering occupied units to remove uninstalled air handlers, t-stat's, and coordinate with the installation subcontractor related to the disconnection of old equipment and installation of new equipment to include drywall modifications and repairs.
- e) Specialties: The GC's foremen managed interior renovation installation crews with respect to entering occupied units to demolish/remove bath hardware/accessories, and blinds, to conduct framing, drywall modifications, and repairs.

The GC did not provide labor, but rather only self-performing foremen.¹ Labor for Hire, Inc. was utilized as the labor component with specific focus on the labor-intensive scopes within the Flooring and HVAC divisions, where the demolition/debris removal, hauling, and new equipment/material delivery to the installation subcontractors was critical.

¹ Construction Management Services of Minnesota, LLC (also listed as a subcontractor in the five foregoing divisions), was subcontracted for the turn-key management and division-specific expertise of Resilient Flooring and HVAC divisions, to include complete logistics, material procurement/controls, delivery, inventory staging, security, and scheduling of removal/installation of equipment by installation crews, and coordination of inspections by the building department. In contrast, the GC's self-performance within these divisions was focused on the hands-on management of non-technical labor-intensive Labor for Hire, Inc. crews, and the access to occupied units.

11. In the process of completing the Final Cost Certification, it was determined that the GC exceeded, by less than \$2k, the limit imposed by the Rule. None of the self-performed work is for general supervision or other costs that should be included within General Requirements.

12. Realizing the mistake, Petitioner offered to exclude the \$1k~ overage or the entire \$351k~ from eligible basis. Florida Housing indicated that a Rule waiver was necessary.

13. Under Section 120.542(1), *Fla. Stat.*, and Chapter 28-104, F.A.C., 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,² 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.

14. If the requested waiver is not granted, Petitioner will suffer a substantial and unnecessary economic and operational hardship. Specifically, because the work has already been completed, Petitioner will be required to tear out and redo the self-performed work in order to satisfy the technical requirements of the Rule. This will disrupt and displace up to 264 families currently residing at the Development while causing severe financial hardship to Petitioner, who likely will be unable to secure additional financing. The denial would also cause

² “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. § 120.542(2), Fla. Stat.

Petitioner to violate other provisions and requirements, preventing Petitioner from obtaining Form 8609, required for the allocation of low-income housing credits.

15. In this instance, Petitioner meets the standards for the requested waiver. The requested waiver will not adversely impact the Development or Florida Housing and will ensure that 264 affordable housing units will be preserved and made available for the target population in Palm Beach County, Florida. Further, the waiver will serve the purposes of the Statute and the Act, because one of the Act's primary purposes is to facilitate the availability of decent, safe and sanitary housing in the State. Denying the waiver would unnecessarily uproot and displace tenants while the self-performed work is torn out and redone.

16. 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.

G. ACTION REQUESTED

17. For the reasons set forth herein, Petitioner respectfully requests Florida Housing: (i) grant the requested permanent waiver and allow the GC to exceed the \$350k cap; (ii) grant this Petition and all of the relief requested herein; and (iii) grant such further relief as it may deem appropriate.

Respectfully submitted,

STEARNS WEAVER MILLER WEISSLER
ALHADEFF & SITTERSON, P.A.
150 West Flagler Street, 22nd Floor
Miami, Florida 33131
Tel: (305) 789-3350
Fax: (305) 789-3395
E-mail: bmcdonough@stearnsweaver.com

Counsel for Petitioner

By: /s/ Brian J. McDonough

BRIAN J. MCDONOUGH, ESQ.

CERTIFICATE OF SERVICE

This Petition is being served by electronic transmission for filing with the Florida Housing Clerk for the Florida Housing Finance Corporation, CorporationClerk@floridahousing.org, with a copy served by U.S. Mail on the Joint Administrative Procedures Committee, 680 Pepper Building, 111 W. Madison Street, Tallahassee, Florida 32399-1400, this 8th day of May, 2023.

By: /s/ Brian J. McDonough
Brian J. McDonough, Esq.

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

CASE NO. 2023-041VW

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PINNACLE AT LA CABANA, LLLP,

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Petitioner,

FLORIDA HOUSING
FINANCE CORPORATION

v.

FLORIDA HOUSING FINANCE
CORPORATION

Respondent.

**PETITION FOR WAIVER OF RULE 67-48.002(96) AND THE
2021 QUALIFIED ALLOCATION PLAN'S REQUIREMENT FOR
RETURNING HOUSING CREDIT ALLOCATIONS**

Pinnacle at La Cabana, LLLP, a Florida limited liability limited partnership ("Petitioner"), submits its Petition to Respondent Florida Housing Finance Corporation (the "Corporation") for a waiver of the Corporation's Qualified Allocation Plan's prohibition from returning its 2022 Housing Credit Allocation prior to the third quarter of 2024. The return of these Housing Credits is required before the Corporation may reserve an allocation of Housing Credits that Petitioner requests be immediately allocated. *See* Rule 67-48.002(96), Florida Administrative Code (2021) (the "Rules"), and 2021 Qualified Allocation Plan Section II.J. Due to events outside of Petitioner's control, Petitioner cannot meet the "placed in service" and "10% test" deadlines as required by the Carryover Allocation Agreement.

1. Pursuant to Section 120.542, Fla. Stat. (2021) and Rules 28-104.001 through 28-104.006, F.A.C., Petitioner requests a waiver of Rule 67-48.002(96), Florida Administrative Code (2021), and of Section II.J of the 2021 Qualified Allocation Plan ("QAP") to allow the immediate return of its 2022 Housing Credit Allocation, and an immediate allocation of new Housing Credits (2023 or later).

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

Pinnacle at La Cabana, LLLP
9400 South Dadeland Blvd., Suite 100
Miami, FL 33156
Attn: David O. Deutch
305-854-7100 (telephone)
david@pinnaclehousing.com (e-mail)

3. 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
305-347-7308 (telephone)
305-347-7808 (facsimile)
gcohen@shutts.com (e-mail)

4. Pursuant to RFA 2021-202, Petitioner timely submitted its application for competitive Housing Credits under the Low Income Housing Tax Credit program ("LIHTC Program" or "HC Program"). *See* Application Number 2022-131C.

5. Equity raised from Housing Credits will be used for the construction of 110 residential units (all of which will be low-income housing tax credit units) to be known as Pinnacle at La Cabana (the "Development"). The Development will serve low-income elderly tenants in the City of Miramar and Broward County, Florida.

6. Petitioner's application was selected for funding by FHFC, and Petitioner was invited to credit underwriting.

7. Under Rule 67-48.028(1), if an applicant cannot complete its development by the end of the year in which the preliminary allocation of Housing Credits is issued, such applicant must enter into a "carryover allocation agreement" with the Corporation by December 31 of the year in which the preliminary allocation is issued. On July 21, 2022, Petitioner and the Corporation

entered into the carryover allocation agreement for the Development. The carryover allocation may (under Section 42 of the Internal Revenue Code) allow the applicant until the end of the second year following the year in which the carryover allocation is issued to place the development in service; in the instant case the Corporation mandated in the carryover allocation agreement that the development be placed in service by December 31, 2024. The carryover allocation agreement requires satisfaction of the 10% test by January 31, 2023 (extended to July 21, 2023 upon Petitioner's request) (collectively, the "Deadlines"). In order to meet the 10% test, Petitioner will need to have closed debt and equity financing, which will likely not occur by July 21, 2023.

8. As explained more fully below, there is uncertainty as to whether or not the Development will be able to meet the Deadlines, and as such Petitioner is requesting an exchange of Housing Credits in order to effectuate an extension of such deadlines.

9. Since being preliminarily selected for funding and invited to credit underwriting, the Development has suffered unforeseen events outside of its control that make it clear that the Development may not be able to meet its December 31, 2024 deadline, or meet the 10% test by July 21, 2023. These challenges are set forth below:

- (a) Petitioner commenced pre-development activities in January 2022 upon receipt of its invitation to credit underwriting from the Corporation, after resolution of all appeals pertaining to RFA 2021-202. Petitioner has been processing all necessary pre-development and development approvals diligently since that time. Petitioner received final site plan approval from the City of Miramar in November 2022, secured plat approval from both the City of Miramar and Broward County, and has submitted for all permits required to construct the Development, except for building permits with the City of Miramar which Petitioner anticipates submitting within the next 15

days. Petitioner anticipates placing the construction contract for the Development out to bid within the next 15 days.

- (b) However, in the second quarter of 2022, it became obvious (due to the significant increase in construction costs encountered throughout the affordable housing industry) that a budgetary gap existed that could not be bridged without further assistance from FHFC. Without additional assistance, Petitioner was unable to proceed towards closing the financing for the Development.
- (c) On May 9, 2022, the Corporation issued the 2022 Construction Housing Inflation Response Program (“CHIRP”) Invitation to Participate (“ITP”). The purpose of ITP is to fill the funding gap experienced due to increased construction costs, such as those currently encountered by Petitioner. However, Petitioner was unable to participate in the CHIRP funding cycle because it could not meet the construction commencement deadlines contained therein, due to the amount of time necessary to complete the entitlement process in Broward County (particularly with respect to the platting of the Development).
- (d) Petitioner will submit an application pursuant to RFA 2023-211 (Construction Inflation Response Viability Funding) and has been deemed eligible by the Corporation to do so. RFA 2023-211 anticipates that the participants therein which have already received an allocation of 9% housing credits will return such credits in exchange for a new award of 9% credits pursuant to the terms of such RFA.

- (e) Based upon Petitioner's current construction schedule for the Development, construction completion is scheduled to occur late in the fourth quarter of 2024. The tax credit investor for the transaction requires a cushion of three months between scheduled construction completion and the required placed in service date (December 31, 2024) in order to proceed to closing on the equity financing.
- (f) Due to the delays described above, the estimated completion date for the Development does not fall within the tax credit investor's required scheduling parameters. As such, the tax credit investor will not close on the agreed funding unless Petitioner obtains an exchange of 2022 Housing Credits for later Housing Credits (2023 or later).
- (g) As noted above, Petitioner is required to satisfy the 10% test by July 21, 2023. Petitioner has been advised by its tax accountants that the capital lease payment provided for in Petitioner's ground lease will no longer be considered as includable in basis for purposes of satisfaction of the 10% test. As such, even if Petitioner was to make the capital lease payment by July 21, 2023, such payment would not cause the Partnership to satisfy the 10% test by such date. Even if Petitioner purchases materials, accrues a portion of developer fee and accrues or prepays other fees, such amounts would not be sufficient to meet the 10% test. As such, Petitioner will be unable to satisfy the 10% test, further giving rise to the necessity of exchanging the 2022 Housing Credits for later Housing Credits (2023 or later) in order to obtain a later date for satisfaction of the 10% test.

- (h) Petitioner acknowledges that, if it is successful in receiving an award of funds under RFA 2023-211, the exchange of Housing Credits requested herein will occur pursuant to the provisions of that RFA. In an abundance of caution, Petitioner is submitting this Petition in the event the RFA does not actually move forward or if Petitioner is not awarded funds under that RFA.

10. As discussed above, the delays have been caused by circumstances outside Petitioner's control. As a result, such delays make it difficult to meet the July 21, 2023 10% test deadline, and places in jeopardy Petitioner's ability to meet the December 31, 2024 placed in service deadline.

11. As set forth more fully below, Petitioner seeks to return its 2022 Housing Credit allocation now, rather than wait for the third calendar quarter of 2024 as required under the QAP, and obtain from the Corporation an immediate allocation of new Housing Credits with a later required 10% test date and placed in service date.

12. The requested waivers and variance will not adversely affect the Development. A denial of the Petition, however, would (a) result in substantial economic hardship to Petitioner as set forth herein, (b) deprive the City of Miramar and Broward County of new constructed rental units set aside for low-income and very low-income tenants, and (c) violate principles of fairness. Petitioner has invested over \$900,000 to date in the development, and respectfully requests the relief sought herein in order to keep Development of this badly needed new construction of elderly affordable housing moving forward.

13. Section 42(m) of the Internal Revenue Code requires each state allocating agency to adopt an allocation plan for the allocation and distribution of federal low income housing tax

credits. The Corporation, as the allocating agency for the State of Florida, must distribute housing credits to applicants pursuant to its qualified allocation plan.

14. The Corporation's 2022 Qualified Allocation Plan (Section II.J) (incorporated by Rule 67-48.002(96)(2021)) provides that Housing Credits may be returned **only** after the second calendar quarter of the year in which a development is required to be placed in service:

...where a Development has not been placed in service by the date required pursuant to Section 42 of the IRC, or it is apparent that a Development will not be placed in service by the date required pursuant to Section 42 of the IRC, and the Applicant has returned its Housing Credit allocation after the end of the second calendar quarter of the year in which it was otherwise required to be placed in service pursuant to Section 42 of the IRC, the Corporation will reserve allocation in an amount not to exceed the amount of Housing Credits returned, and will issue a Carryover Allocation Agreement allocating such Housing Credits to the Applicant for either the current year or the year after the year in which the Development was otherwise required to be placed in service..."

QAP at Section II.K.

15. The applicable Rules for which waivers are requested are implementing, among other sections of the Florida Housing Finance Corporation Act (the "Act"),¹ the statute that created the Housing Credits Program. *See* § 420.5099, Fla. Stat. (2022). The Act designates FHFC as the State of Florida's housing credit agency within the meaning of Section 42(h)(8)(A) of the Internal Revenue Code of 1986. As the designated agency, FHFC is responsible for and is authorized to establish procedures for the allocation and distribution of low-income housing tax credits ("Allocation Procedures"). §§ 420.5099(1) and (2), Fla. Stat. (2022). Accordingly, the Rules subject to Petitioner's waiver requests are implementing, among other sections of the Act, the

¹ The Florida Housing Finance Corporation Act is set forth in Sections 420.501 through 420.55 of the Florida Statutes (the "Act").

statutory authorization for the Corporation's establishment of Allocation Procedures for the HC Program. §§ 420.5099(1) and (2), Fla. Stat. (2022).

16. The requested waivers will ensure the availability of Housing Credits which might otherwise be lost as a consequence of development delays described herein.

17. The facts set forth in Sections 9 through 14 of this Petition demonstrate the hardship and other circumstances which justify Petitioner's request for Rule waiver.

18. As demonstrated above, the requested waiver serves the purposes of Section 420.5099 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 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 the credit is sought.

§ 420.5099(2), Fla. Stat. (2022).

19. Further, by granting the requested waiver, FHFC would recognize principles of fundamental fairness in the development of affordable rental housing. In addition, grant of the requested waiver will permit the construction of much needed housing for low-income and very low-income elderly tenants. Finally, grant of the request to waiver will enable Petitioner to utilize (and not lose) its significant investment in due diligence expenses that cannot be recouped if the requested waiver is not granted.

20. The requested waiver will not adversely impact the Development or the Corporation.

21. The waiver being sought is permanent in nature.

Should the Corporation require additional information, Petitioner is available to answer questions and to provide all information necessary for consideration of its Petition for Waiver.

WHEREFORE, Petitioner Pinnacle at La Cabana, LLLP, respectfully requests that the Corporation:

- A. Grant the Petition and all the relief requested therein;
- B. Waive the provisions of the Qualified Allocation Plan (incorporated by Rule 67-48.002(96)(2021) prohibiting Petitioner from returning Housing Credit Allocations prior to the third quarter of 2024;
- C. Allow the immediate return of Petitioner's 2022 Housing Credit Allocation;
- D. Immediately allocate new Housing Credits to Petitioner with a later placed in service date, in an amount equal to the amount of its 2022 Housing Credit Allocation; and
- E.. Award such further relief as may be deemed appropriate.



GARY J. COHEN
Shutts & Bowen LLP
200 S. Biscayne Blvd., Suite 4100
Miami, Florida 33131
(305) 347-7308
ATTORNEYS FOR PETITIONER

CERTIFICATE OF SERVICE

The Original Petition is being served by email and overnight delivery for filing with the Corporation Clerk of the Florida Housing Finance Corporation, 227 North Bronough Street, City Centre Building, Room 5000, Tallahassee, Florida 32399, with copies served by overnight delivery on the Joint Administrative Procedures Committee, Room 680, Pepper Building, 111 W. Madison Street, Tallahassee, Florida 32399-1400 this 17th day of May 2023.



GARY J. COHEN

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

RECEIVED

MAY 16 2023 12:25 PM

RGC Phase I, LLC,
a Florida limited liability company,

Petitioner,

FHFC CASE NO. 2023-039VW

Application No. 2021-315S

RFA 2021-208

FLORIDA HOUSING
FINANCE CORPORATION

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

_____ /

PETITION FOR WAIVER OF RULE 67-48.0072(21)(b), F.A.C. (6/23/20)

Pursuant to Section 120.542, Florida Statutes, and Rule 28-104.002, Florida Administrative Code (“F.A.C.”), Petitioner RGC Phase I, LLC, a Florida limited liability company, submits this Petition to Respondent Florida Housing Finance Corporation (“Florida Housing”) for a waiver of Rule 67-48.0072 (21)(b), F.A.C. (the “Rule”) in effect at the time the Petitioner submitted its application in response to Florida Housing’s Request for Applications 2021-208 SAIL And Housing Credit Financing For The Construction Of Workforce Housing (the “RFA”). Petitioner seeks an additional firm loan commitment extension for Application 2021-315S (the “Application”). Per Rule 67-48.0072 (21)(a), F.A.C., Florida Housing “shall issue a firm loan commitment after approval of the Credit Underwriter’s recommendation for funding by the Board.” However, Petitioner experienced significant delays beyond its control and anticipates that the credit underwriting report cannot be finalized until September 2023.

Petitioner’s current deadline to achieve firm loan commitment issuance is by July 15, 2023, or an earlier Florida Housing Board meeting. Thus, Petitioner seeks a temporary (*e.g.*, six-month)

extension of the firm loan commitment deadline to January 15, 2024. In support of its Petition, the Petitioner states as follows:

A. THE PETITIONER

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

Matthew A. Rieger
RGC Phase I, LLC
3225 Aviation Ave., 6th Floor
Coconut Grove, FL 33133
Telephone: (305) 860-8188
Fax: (305) 639-8427
Email: mattr@htgf.com

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

Brian J. McDonough
Stearns Weaver Miller Weissler Alhadeff &
Sitterson
150 West Flagler Street
Suite 2200
Miami, FL 33130
bmcDonough@stearnsweaver.com
Tel: (305) 789-3350
Fax: (305) 789-3395

Bridget Smitha
Stearns Weaver Miller Weissler Alhadeff
& Sitterson
106 East College Avenue, Suite 700
Tallahassee, FL 32301
bsmitha@stearnsweaver.com
Direct: 850-329-4852
Fax: 850-329-4844

B. THE DEVELOPMENT AND ITS FINANCING

3. The following information pertains to the development underlying Petitioner's Application (the "Development"):

- Development Name: Rainbow Village
- Development Address: 2000 NW 3rd Ave, Miami, FL
- County: Miami-Dade
- Developer: RGC Phase I Developer, LLC

- Number of Units: 310 newly constructed units
- Type: High-Rise (1) - 8 story building
- Set Asides: Average Income Test

For SAIL and 4% Housing Credits:

52 units (17%) @ or below 30% AMI
42 units (13.5%) @ or below 50% AMI
60 units (19%) @ or below 60% AMI
114 units (37%) @ or below 70% AMI
42 units (13.5%) @ or below 80% AMI

For ELI:

Number of Bedrooms/Bathrooms per Unit	
0 Bed/1 Bathroom	0 ELI Set-Aside (of 30)
1 Bed/1 Bathroom	6 ELI Set-Aside (of 163)
2 Bed/2 Bathrooms	23 ELI Set-Aside (of 85)
3 Bed/2 Bathrooms	20 ELI Set-Aside (of 28)
4 Bed/2 Bathrooms	3 ELI Set-Aside (of 4)
Total	52 units (16.7%)

- Demographics: Workforce, serving general occupancy at the Area Median Income (AMI) described in 6.d of the RFA.
- Funding: \$6,000,000 State Apartment Incentive Loan (SAIL); \$3,897,022 Housing Credits (4% HC)

4. Petitioner accepted an invitation to enter credit underwriting dated July 12, 2021. Although the Rule provides that the firm loan commitment must be issued within twelve months of acceptance to enter credit underwriting, it also provides that Petitioner may request one extension of up to six months. Petitioner exercised this right and Florida Housing's Board approved the extension request on June 17, 2022 to extend the deadline from July 15, 2022 to January 15, 2023. Petitioner paid the extension fee required by the Rule. Petitioner received Board approval for a Petition for Waiver of Rule 67-48.0072(21)(b), F.A.C. (6/23/20) on December 9, 2022 for an additional extension for the deadline for firm loan commitment issuance deadline from January 15, 2023 to July 15, 2023.

C. WAIVER IS PERMANENT

5. The requested waiver is permanent in nature.

D. RULE FROM WHICH WAIVER IS SOUGHT

6. Petitioner requests a waiver from the Rule, which 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 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

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. If, by the end of the extension period, the Applicant has not received a firm loan commitment, then the preliminary commitment shall be withdrawn.

See Rule 67-48.072(21)(b), F.A.C. (6/23/20)

E. STATUTES IMPLEMENTED BY THE RULE

7. The Rule implements, among other sections of the Florida Housing Finance Corporation Act (the “Act”),¹ Section 420.5087 (State Apartment Incentive Loan Program); Section 420.5089 (HOME Investment Partnership Program and HOME Investment Partnership Fund); and Section 420.5099 (allocation of the low-income housing tax credit).

F. JUSTIFICATION FOR THE REQUESTED WAIVER

8. Under Section 120.542(1), Fla. Stat., and Chapter 28-104, F.A.C., Florida Housing has the authority to grant waivers to its rule requirements when strict application of these rules would lead to unreasonable, unfair, and unintended consequences in particular instances. Waivers must be granted when: (1) the person who is subject to the rule demonstrates that the application of the rule would 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.

9. Because Petitioner was previously granted a six-month extension of the firm loan commitment deadline, the requested extension may not be granted without a waiver of the Rule.

10. Petitioner is requesting an additional extension of the firm loan commitment deadline from July 15, 2023 to January 15, 2024 to allow sufficient time to finalize underwriting.

¹ The Florida Housing Finance Corporation Act is set forth in Sections 420.501 through 420.517 of the Florida Statutes.

Petitioner's current deadline to achieve firm loan commitment issuance is by July 15, 2023, or an earlier Florida Housing Board meeting. A temporary (*e.g.*, six-month) extension is requested in an abundance of caution and to prevent the need to make a subsequent petition for rule waiver.

11. The need for the requested extension was created by circumstances beyond Petitioner's control, as set forth below:

- a. Unfortunately, there are a multitude of issues beyond the Petitioner's control which have caused a significant delay in the timeline for this development which include rising construction costs, interest rates, insurance costs, and Davis Bacon wages. The project's financing gap has risen substantially. To address the financing gap, we have applied for additional funds from the Southeast Overtown Park West Community Redevelopment Agency ("CRA") and plan to apply for additional funding from FHFC when the funds are made available in late 2nd quarter of 2023. Once these funds are obtained, we will be able to get the final HUD approvals and close in November to December 2023.
- b. The Development is located in the City of Miami and is subject to the zoning laws and regulations dictated by the Planning Department and Commission. The Development's unique location required an ordinance change for final site plan submission. The site plan was submitted on December 16, 2020, however it was not accepted until March 14, 2022 after the new ordinance was enacted. Furthermore, the City of Miami Fire Department has had continuous delays in fire review and approval of construction documents needed for acquiring the building permit.

12. Currently, the Development has fully completed construction documents and has received bids from various General Contractors. The Development is currently in the negotiating phase for a Contract with a General Contractor. Following the conclusion of negotiations, the Development can proceed with the Plan and Cost Review and finalize the Credit Underwriting Report.

13. Due to these reasons, Petitioner does not anticipate the ability to meet the firm loan commitment deadline of July 15, 2023. However, Petitioner anticipates that the Credit Underwriting Report will be finalized in September 2023.

14. The requested waiver will not adversely affect Petitioner, the Development, any other party that applied to receive SAIL funding in the RFA, or Florida Housing. A denial of the Petition, however, would: (a) result in substantial economic hardship to Petitioner, as it has incurred significant costs to date in an effort to ensure that the Development proceeds to completion; (b) deprive Miami-Dade County of essential affordable rental units set aside for Workforce individuals, serving general occupancy at the Area Median Income, who desperately need the housing, as well as other amenities and services which the Development will offer; and (c) violate principles of fairness². *See* § 120.542(2), F.S.

15. If this Petition is not granted, the preliminary commitment will be withdrawn and the Development will not be constructed.

²“Substantial hardship” means a demonstrated economic, technological, legal or other type of hardship to the person requesting the variance or waiver. “Principles of Fairness” are violated when 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.

16. As discussed herein, Petitioner is requesting a third extension of the deadline for issuance of the firm loan commitment from July 15, 2023 to January 15, 2024, which request requires a waiver of the Rule.

17. The requested waiver will ensure the availability of SAIL and housing credit financing which will otherwise be lost as a consequence of the delays described herein.

18. The foregoing facts demonstrate the hardship and other circumstances which justify Petitioner's request for a Rule waiver.

19. Controlling statutes and Florida Housing's Rules are designed to allow the flexibility necessary to provide relief from requirements when strict application, in particular circumstances, would lead to unreasonable, unfair, or unintended results. As demonstrated above, the requested waiver serves the purposes of Section 420.5087 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, Florida Housing would recognize principles of fundamental fairness in the development of affordable rental housing.

20. Should Florida Housing require additional information, a representative of Petitioner is available to answer questions and to provide all information necessary for consideration of this Petition.

G. ACTION REQUESTED

21. Petitioner requests the following:

- a. That Florida Housing grant Petitioner an additional waiver from Rule 67-48.0072(21)(b), Florida Administrative Code, extend the deadline for issuance of the firm loan commitment from July 15, 2023 to January 15, 2024;

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

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CASE NO. _____

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AMC HTG 2, Ltd.,
a Florida limited partnership,

FLORIDA HOUSING
FINANCE CORPORATION

Petitioner,

FHFC CASE NO. 2023-040VW

Application No. 2021-323S

RFA 2021-208

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

_____ /

PETITION FOR WAIVER OF RULE 67-48.0072(21)(b), F.A.C. (6/23/20)

Pursuant to Section 120.542, Florida Statutes, and Rule 28-104.002, Florida Administrative Code (“F.A.C.”), Petitioner AMC HTG 2, Ltd., a Florida limited partnership, submits this Petition to Respondent Florida Housing Finance Corporation (“Florida Housing”) for a waiver of Rule 67-48.0072 (21)(b), F.A.C. (the “Rule”) in effect at the time the Petitioner submitted its application in response to Florida Housing’s Request for Applications 2021-208 SAIL And Housing Credit Financing For The Construction Of Workforce Housing (the “RFA”). Petitioner seeks an additional firm loan commitment extension for Application 2021-323S (the “Application”). Per Rule 67-48.0072 (21)(a), F.A.C., Florida Housing “shall issue a firm loan commitment after approval of the Credit Underwriter’s recommendation for funding by the Board.” However, Petitioner experienced significant delays beyond its control and anticipates that the credit underwriting report cannot be finalized until November 2023.

Petitioner’s current deadline to achieve firm loan commitment issuance is by July 15, 2023, or an earlier Florida Housing Board meeting. Thus, Petitioner seeks a six-month extension of the

firm loan commitment deadline to January 15, 2024. In support of its Petition, the Petitioner states as follows:

A. THE PETITIONER

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

Matthew A. Rieger
AMC HTG 2, Ltd.
3225 Aviation Ave., 6th Floor
Coconut Grove, FL 33133
Telephone: (305) 860-8188
Fax: (305) 639-8427
Email: mattr@htgf.com

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

Brian J. McDonough
Stearns Weaver Miller Weissler Alhadeff &
Sitterson
150 West Flagler Street
Suite 2200
Miami, FL 33130
bmcDonough@stearnsweaver.com
Tel: (305) 789-3350
Fax: (305) 789-3395

Bridget Smitha
Stearns Weaver Miller Weissler Alhadeff
& Sitterson
106 East College Avenue, Suite 700
Tallahassee, FL 32301
bsmitha@stearnsweaver.com
Direct: 850-329-4852
Fax: 850-329-4844

B. THE DEVELOPMENT AND ITS FINANCING

3. The following information pertains to the development underlying Petitioner's Application (the "Development"):

- Development Name: Courtside Apartments, Phase II
- Development Address: NW 17th Street, NW 17th Street and NW 3rd Avenue, Miami; and NW 4th Avenue, NW 4th Avenue and NW 17th Street, Miami
- County: Miami-Dade

- Developer: AMC HTG 2 Developer, LLC
- Number of Units: 120 newly constructed units
- Type: Mid-Rise 5-6 Stories
- Set Asides: 15% @ 30% AMI (SAIL & 4% HC); 10% @ 50% AMI (SAIL & 4% HC); 20% @ 60% AMI (SAIL & 4% HC); 55% @ 70% AMI (SAIL & 4% HC) (Workforce)
- Demographics: Workforce
- Funding: \$2,750,000 State Apartment Incentive Loan (SAIL); \$1,780,620 Housing Credits (4% HC)

4. Petitioner accepted an invitation to enter credit underwriting dated July 12, 2021.

Although the Rule provides that the firm loan commitment must be issued within twelve months of acceptance to enter credit underwriting, it also provides that Petitioner may request one extension of up to six months. Petitioner exercised this right and Florida Housing's Board approved the extension request on June 17, 2022 to extend the deadline from July 15, 2022 to January 15, 2023. Petitioner paid the extension fee required by the Rule. Petitioner received Board approval for a Petition for Waiver of Rule 67-48.0072(21)(b), F.A.C. (6/23/20) on December 9, 2022 for an additional extension for the deadline for firm loan commitment issuance deadline from January 15, 2023 to July 15, 2023.

C. WAIVER IS PERMANENT

5. The requested waiver is permanent in nature.

D. RULE FROM WHICH WAIVER IS SOUGHT

6. Petitioner requests a waiver from the Rule, which 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 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 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. If, by the end of the extension period, the Applicant has not received a firm loan commitment, then the preliminary commitment shall be withdrawn.

See Rule 67-48.072(21)(b), F.A.C. (6/23/20)

E. STATUTES IMPLEMENTED BY THE RULE

7. The Rule implements, among other sections of the Florida Housing Finance Corporation Act (the "Act"),¹ Section 420.5087 (State Apartment Incentive Loan Program); Section 420.5089 (HOME Investment Partnership Program and HOME Investment Partnership Fund); and Section 420.5099 (allocation of the low-income housing tax credit).

F. JUSTIFICATION FOR THE REQUESTED WAIVER

8. Under Section 120.542(1), Fla. Stat., and Chapter 28-104, F.A.C., Florida Housing has the authority to grant waivers to its rule requirements when strict application of these rules would lead to unreasonable, unfair, and unintended consequences in particular instances. Waivers must be granted when: (1) the person who is subject to the rule demonstrates that the application

¹ The Florida Housing Finance Corporation Act is set forth in Sections 420.501 through 420.517 of the Florida Statutes.

of the rule would 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.

9. Because Petitioner was previously granted a six-month extension of the firm loan commitment deadline, the requested extension may not be granted without a waiver of the Rule.

10. Petitioner is requesting an additional extension of the firm loan commitment deadline from July 15, 2023 to January 15, 2024 to allow sufficient time to finalize underwriting. Petitioner's current deadline to achieve firm loan commitment issuance is by July 15, 2023, or an earlier Florida Housing Board meeting. A temporary (*e.g.*, six-month) extension is requested in an abundance of caution and to prevent the need to make a subsequent petition for rule waiver.

11. The need for the requested extension was created by circumstances beyond Petitioner's control, as set forth below:

- a. Unfortunately, there are a multitude of issues beyond the Petitioner's control which have caused a significant delay in the timeline for this development which include rising construction costs, interest rates, insurance costs, and prevailing wages. The project's financing gap has risen substantially. To address the financing gap, we have applied for additional funds from the City of Miami Housing and Community Development department ("Miami HCD") and plan to apply for additional funding from FHFC when the funds are made available in late 2nd quarter of 2023. Once these funds are obtained, we will be able to get the final underwriting approvals and close in January to February 2024.
- b. The Development is located on a Miami-Dade County owned site with existing structures and is adjacent to a City of Miami owned site with shared parking and access.

This has required the Petitioner to solve an array of legal and planning issues between the County and City. These legal issues have affected the Petitioner's ability to attain timely site plan approval from the City of Miami which is underway in a lengthy review process.

12. Currently, the Development has fully completed construction documents and has received bids from various General Contractors. The Development is currently in the negotiating phase for a Contract with a General Contractor. Following the conclusion of negotiations the Development can proceed with Plan and Cost Review, after which it will be able to finalize the Credit Underwriting Report.

13. Due to these reasons, Petitioner does not anticipate the ability to meet the firm loan commitment deadline of July 15, 2023. Petitioner anticipates that the Credit Underwriting Report will be finalized in November 2023.

14. The requested waiver will not adversely affect Petitioner, the Development, any other party that applied to receive SAIL funding in the RFA, or Florida Housing. A denial of the Petition, however, would: (a) result in substantial economic hardship to Petitioner, as it has incurred significant costs to date in an effort to ensure that the Development proceeds to completion; (b) deprive Miami-Dade County of essential affordable rental units set aside for Workforce individuals, who desperately need the housing, as well as other amenities and services which the Development will offer; and (c) violate principles of fairness². *See* § 120.542(2), F.S.

²“Substantial hardship” means a demonstrated economic, technological, legal or other type of hardship to the person requesting the variance or waiver. “Principles of Fairness” are violated when 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.

15. If this Petition is not granted, the preliminary commitment will be withdrawn and the Development will not be constructed.

16. As discussed herein, Petitioner is requesting a third extension of the deadline for issuance of the firm loan commitment from July 15, 2023 to January 15, 2024, which request requires a waiver of the Rule.

17. The requested waiver will ensure the availability of SAIL and housing credit financing which will otherwise be lost as a consequence of the delays described herein.

18. The foregoing facts demonstrate the hardship and other circumstances which justify Petitioner's request for a Rule waiver.

19. Controlling statutes and Florida Housing's Rules are designed to allow the flexibility necessary to provide relief from requirements when strict application, in particular circumstances, would lead to unreasonable, unfair, or unintended results. As demonstrated above, the requested waiver serves the purposes of Section 420.5087 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, Florida Housing would recognize principles of fundamental fairness in the development of affordable rental housing.

20. Should Florida Housing require additional information, a representative of Petitioner is available to answer questions and to provide all information necessary for consideration of this Petition.

G. ACTION REQUESTED

21. Petitioner requests the following:
- a. That Florida Housing grant Petitioner an additional waiver from Rule 67-48.0072(21)(b), Florida Administrative Code, extend the deadline for issuance of the firm loan commitment from July 15, 2023 to January 15, 2024;
 - b. That Florida Housing grant the Petition and all the relief requested therein; and
 - c. That Florida Housing grant such further relief as may be deemed appropriate.

Respectfully submitted,

STEARNS WEAVER MILLER WEISSLER
ALHADEFF & SITTERSON, P.A.
150 West Flagler Street, 22nd Floor
Miami, Florida 33131
Tel: (305) 789-3350
Fax: (305) 789-3395
E-mail: bmcdonough@stearnsweaver.com
Counsel for Petitioner

By: /s/ Brian J. McDonough
BRIAN J. MCDONOUGH, ESQ.

CERTIFICATE OF SERVICE

This Petition is being served by electronic transmission for filing with the Clerk for the Florida Housing Finance Corporation, CorporationClerk@FloridaHousing.org, with copies served by U.S. Mail on the Joint Administrative Procedures Committee, 680 Pepper Building, 111 W. Madison Street, Tallahassee, Florida 32399-1400, this 16th day of May, 2023.

By: /s/ Brian J. McDonough
Brian J. McDonough, Esq.

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

RECEIVED

MAY 18 2023 1:30 PM

BLUE CASL DADE, LLC,
a Florida limited liability company,

Petitioner,

FHFC CASE NO. 2023-042VW
Application No. 2021-294CSN
RFA 2021-103

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

_____ /

PETITION FOR WAIVER OF RULE 67-48.0072(26), F.A.C. (6/23/20)

Pursuant to Section 120.542, Florida Statutes, and Rule 28-104.002, Florida Administrative Code (“F.A.C.”), Blue CASL Dade, LLC (the “Petitioner”) by and through its undersigned counsel, hereby petitions Respondent, Florida Housing Finance Corporation (“Florida Housing”), for a waiver of Rule 67-48.0072(26), Florida Administrative Code (“F.A.C.”) (June 23, 2020), in effect at the time Petitioner submitted its application in response to Florida Housing’s Request for Applications 2021-103 Housing Credit and SAIL Financing for Homeless Housing Developments Located in Medium and Large Counties. The Board approved Petitioner’s request for a 90-day extension on March 10, 2023 to close the SAIL, ELI and NHTF loans. The \$62,964.00 extension fee was paid. In an abundance of caution, the Petitioner is submitting this petition to extend the loan closing deadline another 90 days if the building permit ready letter is not obtained by the City of Miami by the current closing deadline of May 30, 2023.

Petitioner submitted its building plans in July 2022 and has diligently worked since that time to obtain approval. Petitioner additionally hired a private provider to assist with the navigation of the City of Miami’s building approval process in an effort to progress the

development.

A. PETITIONER

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

Shawn Wilson
Blue CASL Dade, LLC
180 Fountain Parkway N., Suite 100
St. Petersburg, FL 33716
Telephone: 813-384-4825
Email: swilson@blueskycommunities.com

2. The address, telephone and facsimile number and e-mail address of Petitioner's counsel is:

Brian J. McDonough, Esq.
Stearns Weaver Miller Weissler Alhadeff &
Sitterson, P.A.
150 West Flagler Street
Suite 2200
Miami, Florida 33130
Telephone: 305-789-3350
Fax: 305-789-3395
Email: Bmcdonough@stearnsweaver.com

Bridget Smitha
Stearns Weaver Miller Weissler Alhadeff &
Sitterson, P.A.
106 East College Avenue, Suite 700
Tallahassee, FL 32301
Telephone: 850-329-4852
Fax: 850-329-4844
Email: BSmitha@stearnsweaver.com

B. DEVELOPMENT BACKGROUND

3. The following information pertains to the development underlying Petitioner's application:

- Development Name: Alto Tower
- Development Address: 2291, 2277, 2267 NW 36 ST. & 3618 NW 22 CT., Miami
- County: Miami-Dade
- Developers: Blue AT Developer, LLC and CASL Developer, LLC
- Number of Units: 84 new construction
- Type: Mid-Rise 5-6 Stories

- Set Asides: 15% (13 units) at or below 25% AMI, 85% (71 units) at or below 60%, 11.9% (10 NHTF units) at or below 22% AMI
- Demographics: Homeless Individuals and Families
- Funding: HC recommendation of \$2,375,000 annually; \$4,600,000 SAIL, plus an additional \$1,119,104 in SAIL from CHIRP; and \$459,600 ELI, and \$1,236,800 NHTF, plus an additional \$1,522,000 in NHTF CHIRP.

C. WAIVER IS PERMANENT

4. The waiver being sought is permanent in nature.

D. THE RULE FROM WHICH WAIVER IS REQUESTED

5. Petitioner requests a waiver of Rule 67-48.0072(26), effective June 23, 2020,

which provides in pertinent part:

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

E. STATUTES IMPLEMENTED BY THE RULE

6. The Rule implements Section 420.5087 (State Apartment Incentive Loan Program), Section 420.5089 (HOME Investment Partnership Program; HOME Investment Partnership Fund), and Section 420.5099 (creating the Housing Credits Program) of the Florida Housing Finance Corporation Act (the “Act”).¹ The Act designates FHFC as the State of Florida's housing credit agency within the meaning of Section 42(h)(8)(A) of the Internal Revenue Code of 1986. As the designated agency, FHFC is responsible for and is authorized to establish procedures for the allocation and distribution of low-income housing tax credits (“Allocation Procedures”). *See* § 420.5099(1) and (2), Fla. Stat. Accordingly, the Rule implements, among other sections of the Act, the statutory authorization for Florida Housing's establishment of Allocation Procedures for the HC Program.

F. JUSTIFICATION FOR GRANTING WAIVER OF THE RULE.

7. Under Section 120.542(1), *Fla. Stat.*, and Chapter 28-104, F.A.C., 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,² and (2) the purpose of the underlying statute has been or will be achieved by other means by the person. *See* § 120.542(2), Fla. Stat.

8. Because Petitioner was previously granted a ninety-day closing extension, the requested extension may not be granted without a waiver of the Rule.

¹ The Act is set forth in Sections 420.50 through 420.55 of the Florida Statutes.

² “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. *See* § 120.542(2), Fla. Stat.

9. Petitioner is requesting an additional extension of the closing deadline from May 30, 2023, to August 28, 2023, to allow sufficient time for the issuance of the building permit ready letter.

10. The need for the requested extension was created by circumstances beyond Petitioner's control. Petitioner exercised due diligence in attempting to resolve the circumstances causing delay; Petitioner has also taken the following actions to obtain the building permit:

- Expedited Permit Reviews
- Engaged an experienced Private Provider to assist with obtaining permits.
- Petitioner's President of the company and partner went to Miami to move the process along to little avail. Most recently, Blue Sky staff camped out in the permitting office, again to no avail.

11. Petitioner expects to close by the May 30, 2023 deadline and this request is made solely in the abundance of caution.

12. This Petition should be granted, as opposed to de-obligating the award, because the City and Miami-Dade County are currently experiencing a severe shortage of affordable housing units for homeless persons. Granting the Petition will result in the delivery of 84 new affordable housing units much faster than would reallocating the funding to a new development.

13. The foregoing demonstrates the hardship and other circumstances justifying this Petition.

14. Should Florida Housing require additional information, Petitioner is available to answer questions and to provide all information necessary for consideration of this Petition.

G. ACTION REQUESTED

15. For the reasons set forth herein, Petitioner respectfully requests Florida Housing: (i) grant a waiver from Rule 67-48.0072(26), Florida Administrative Code, for an additional extension of the closing deadline from May 30, 2023 to August 28, 2023; (ii) that Florida Housing grant the Petition and all the relief requested therein; and (iii) that Florida Housing grant such further relief as may be deemed appropriate.

Respectfully submitted,

STEARNS WEAVER MILLER WEISSLER
ALHADEFF & SITTERSON, P.A.
150 West Flagler Street, 22nd Floor
Miami, Florida 33131
Tel: (305) 789-3350
Fax: (305) 789-3395
E-mail: bmcdonough@stearnsweaver.com

Counsel for Petitioner

By: /s/ Brian J. McDonough
BRIAN J. MCDONOUGH, ESQ.

CERTIFICATE OF SERVICE

This Petition is being served by electronic transmission for filing with the Clerk for the Florida Housing Finance Corporation, CorporationClerk@FloridaHousing.org, with a copy served by U.S. Mail on the Joint Administrative Procedures Committee, 680 Pepper Building, 111 W. Madison Street, Tallahassee, Florida 32399-1400, this 18th day of May, 2023.

By: /s/ Brian J. McDonough
Brian J. McDonough, Esq.

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

FHFC CASE NO. 2023-043VW
APPLICATION NO. 2021-551C

FAIRFIELD MIAMI GARDENS LP,

Petitioner

vs.

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

RECEIVED

MAY 22 2023 8:00 AM

FLORIDA HOUSING
FINANCE CORPORATION

PETITION FOR WAIVER OF RULE 67-21.0025(7)(c) and 67-21.026(10)

FAIRFIELD MIAMI GARDENS 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 all natural persons that constitute the ownership of a principal be disclosed. Petitioner further petitions the Corporation for a waiver of the rule which requires a guaranteed maximum price construction contract (a “GMP Contract”) for all of the rehabilitation work. This Petition is filed pursuant to Section 120.542 of the Florida Statutes (2021) and Chapter 28-104 of the Florida Administrative Code (2021). In support of its Petition, the Petitioner states:

A. PETITIONER AND DEVELOPMENT

1. The address, telephone number, facsimile number and e-mail address of the Petitioner are:

Fairfield Miami Gardens LP
5355 Mira Sorrento Place, Suite 100
San Diego, California 92121
Attn: Richard Boynton
Telephone: (858) 824-6424
Facsimile: (858) 625-6047
Email: rboynton@ffres.com

2. For purposes of this Petition, the address, telephone number, facsimile number and e-mail 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 141-unit multifamily housing development commonly known as the Emerald Dunes Apartments, located at 1931 NW 207th Street, Miami Gardens, Florida 33056 (the "Development"). Petitioner has also submitted an application to the Corporation for an allocation of Non-Competitive Housing Credits 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. (2021) which requires the Petitioner to disclose all natural persons that constitute the ownership of a Principal, Rule 67-21.026(10), F.A.C. (2021) which requires the Petitioner to enter into a GMP Contract for the intended rehabilitation work for the Development that is acceptable to the Corporation

(collectively, the “Rule”). The specific provisions of the Rule from which Petitioner is seeking a waiver are as follows:

Rule 67-21.0025(7)(c), F.A.C (2021), 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)

Rule 67-21.026(10), F.A.C. (2021), which provides in relevant part:

(10) The Corporation’s assigned Credit Underwriter **shall require a guaranteed maximum price construction contract, acceptable to the Corporation**, which may include change orders for changes in cost or changes in the scope of work, or both, if all parties agree, and shall order, at the Applicant’s sole expense, and review a pre-construction analysis for all new construction units or a CNA for rehabilitation units and review the Development’s costs.

(emphasis added)

D. STATUTES IMPLEMENTED BY THE RULE

6. 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.* (2021) (the “Statute”).

7. 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

8. Petitioner previously sought and was granted by the Board a waiver of Rule 67-21.0025(7)(c) and 67-21.003(1)(b), F.A.C. (2021), pursuant to FHFC Case No. 2022-040VW (the “Prior Waiver”). Under the Prior Waiver, Petitioner was permitted to (i) submit its application prior to completion of bond credit underwriting, so as to allow earlier consideration of the waiver itself, (ii) submit the Principal Disclosure Form (as defined in Section A.6.a. of the Non-Competitive Application Package (Rev. 03-2021)) included in its application without disclosing all natural person principals by the third level, in order to allow for a public pension fund to be included in Petitioner’s ownership structure, and (iii) subsequently change its ownership structure prior to issuance of the Preliminary Determination (as defined by Rule 67-21.002(84), F.A.C. (2021)) or after such issuance but before a Final Housing Credit Allocation

Agreement has been approved and the IRS Forms 8609 have been issued with just staff approval, to allow Petitioner to change from its bridge ownership structure to a revised ownership structure (which is substantially the same as the bridge ownership structure) in connection with the closing of Petitioner's re-syndication (the "Structure Change").

9. It is in connection with the Structure Change, that Petitioner is seeking a further waiver from Rule 67-21.0025(7)(c), F.A.C. (2021), which requires the Petitioner to disclose all natural persons that constitute the ownership of a principal. Petitioner's ownership structure includes multiple employee profit sharing entities, specifically FRH CI LLC – AHF GP3 Series, a Delaware Series limited liability company and FRH CI LLC – AHF LP3 Series, a Delaware Series limited liability company, (collectively, the "Profit-Sharing Entities"), which entities own, collectively, less than a 3% ultimate interest in the general partner of Petitioner, with ownership of the Profit-Sharing Entities made up completely by employees (or trusts established by an employee). As the Profit-Sharing Entities are utilized to provide compensation to employees, changes in ownership of the Profit-Sharing Entities are intrinsically tied to changes to the employees, and therefore it would not be practical or reasonable for them to be included in the Principal Disclosure Form as principals of the Petitioner. To do so would require Petitioner to effectively consult with the Corporation on its hiring, firing and other employment practices on an ongoing basis. Further the ultimate owners of the Profit-Sharing Entities, explicitly have no ability to control the investments or to exercise meaningful control of the Profit-Sharing Entities, such control being vested in the manager of the Profit-Sharing Entities, the natural person principals of which are still fully disclosed to the Corporation. The only role these members serve is to passively receive any cash flow that passes through the Profit-Sharing Entities as additional compensation for their employment.

10. Petitioner is seeking a waiver from Rule 67-21.026(10), F.A.C. (2021), which requires the Petitioner to enter into a GMP Contract for the intended rehabilitation work for the Development that is acceptable to the Corporation. When Petitioner initially acquired the Development, in April of 2022, the Development required a number of immediate repairs, which involved life and safety matters, deferred maintenance at the Project which could not be further deferred and design and preparatory work in connection therewith, that Petitioner needed to address promptly to ensure the well being of the Development and its residents (the “Immediate Repair Work”). More specifically, the Immediate Repair Work involved:

- a. An ADA site survey;
- b. Pest control for termites;
- c. Inspection of storm sewer pipe;
- d. Repairs to the sidewalk/concrete, landscape irrigation, maintenance shop golf carts and radon mitigation systems;
- e. Initial deposits for ESG LED exterior/common areas and permanent signage;
- f. Installation of new Keytrac system and Flock cameras;
- g. Exterior paint mockups;
- h. Assessment of area drainage;
- i. Installation of new fire stops, fire extinguishers, water heaters, AC units and PLANK Vinyl flooring;
- j. Ordering of new ESG dishwashers, ranges, ESG range hoods and ESG refrigerators;
- k. Storage of construction materials;
- l. Upfront design costs for the leasing office/clubhouses; and
- m. General & administrative expenses and overhead in connection with the foregoing.

The state of the market is such that it is common practice for purchasers to acquire a given property without bond-financing in place and to subsequently re-syndicate thereafter, as few

sellers will accommodate the long escrow period that would be necessary for a purchaser to close directly on bond-financing. The current re-syndication under consideration is expected to close in August 2023 and a GMP for the rehabilitation work associated therewith in the amount of approximately \$6,300,000 will be executed at that time. Between the date of acquisition of the Project in April 2022 and August 2023, Petitioner will have incurred approximately \$900,000 in performing the Immediate Repair Work out of the total budget of approximately \$7,200,000, which costs would otherwise be eligible for reimbursement under Treas. Reg. 1.150-2 but for the Rule which requires such costs be under a GMP Contract.

11. But for the Immediate Repair Work being performed outside the purview of a GMP Contract, the Immediate Repair Work would otherwise constitute eligible rehabilitation costs that Petitioner could include in its basis for the Development. While the Immediate Repair Work was not performed under a GMP Contract, there are a number of mitigating factors that should nonetheless adequately assure the Corporation that the Immediate Repair Work was otherwise performed in accordance with the Corporation's rules. Specifically, (i) the Immediate Repair Work, on its own, is not of the type of work that would typically warrant entering a separate GMP contract and is customarily contracted directly by a purchaser in connection with the acquisition of a property and as such the contractors to perform the Immediate Repair Work have been directly hired by Petitioner, which includes subcontractors, trade contractors and architects; (ii) Petitioner (nor the general contractor under the GMP Contract or Developer) has no common ownership with, nor is it an affiliate of, the contractors hired to perform the Immediate Repair Work; (iii) Petitioner (nor the general contractor under the GMP Contract or Developer) has not directly performed any of the Immediate Repair Work, Petitioner representatives only oversee completion of the Immediate Repair Work by the hired contractors;

(iv) the costs incurred for the Immediate Repair Work, which Petitioner bids out and oversees, do not exceed the subcontractor limitations imposed by the Corporation and have been evaluated by the plan and cost reviewer and have been deemed reasonable; (v) no additional fees were charged or received by the Petitioner or Developer, the only cost incurred by Petitioner directly for the work being the salaries paid by Petitioner to its construction management representatives for overseeing completion of the Immediate Repair Work by the hired contractors; and (vi) Petitioner will cause its accountant to submit Agreed Upon Procedures outlining all costs and contractors and certifying same are in accordance with the Corporation rules, with regards to the Immediate Repair Work.

12. A waiver of the Rule will permit Petitioner to continue its application 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 141 affordable units in Miami Gardens, Florida. Petitioner acquired the Development on April 28, 2022. 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.

13. 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 continue its application for non-competitive housing credits, 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 ensure the rehabilitation costs included in a petitioner's basis are reasonable and incurred in accordance with the Corporation's rules and to know who is actively participating in its programs. However, strict application of the Rule would lead to the unintended result that a petitioner that incurred valid rehabilitation costs is unable to include them in its basis and an employer utilizing employee-profit sharing entities in its deal structure as a means by which to compensate its employees would make their general employment practices subject to Corporation consent in order 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 continue its application for and obtain 4% housing credits 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 allow the Corporation to ensure eligible basis costs were incurred in accordance with Corporation's rules and permit the Corporation to ascertain the parties actively involved in its programs. Petitioner is able to provide assurances to the Corporation that the costs of the Immediate Repair Work were reasonable and otherwise incurred in accordance with the Corporation's rules. Petitioner is still able to provide to the Corporation disclosure of all principals (except with regards to the CalSTRS public pension in connection with the Prior Waiver, and the requested waivers for the Profit-Sharing Entities herein).

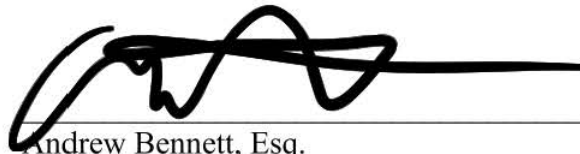
14. The requested waiver of the Rule serves the purpose of the Statute that is implemented by the Rule. The Florida Housing Finance Corporation Act (Section 420.501, *et seq.*) was passed in order to encourage private and public investment in facilities for persons of

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 the waiver of the Corporation's requirement that all natural persons that constitute the ownership of a principal be disclosed and the Corporation's requirement that eligible rehabilitation work for the Development be conducted under a GMP Contract, Petitioner will be able to continue its application for non-competitive housing credits with all of its eligible rehabilitation costs accounted for, as requested in this Petition, the Corporation would recognize the goal of increasing the supply of affordable housing through private investment in persons of low-income.

F. ACTION REQUESTED

15. For the reasons set forth herein, Petitioner respectfully requests the Board (i) grant the requested waiver of the Corporation's rule which requires that all natural persons that constitute the ownership of a principal be disclosed; (ii) grant the requested waiver of the Corporation's rule which requires eligible rehabilitation work be performed under a GMP Contract; (iii) grant the Petition and all of the relief requested herein; and (iv) grant such further relief as it may deem appropriate.

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

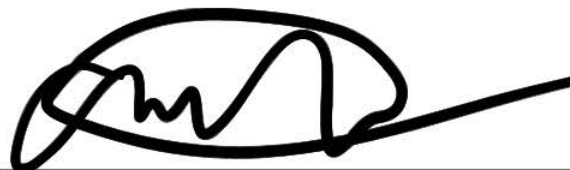
CERTIFICATE OF SERVICE

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 22nd day of May, 2023.

A handwritten signature in black ink, appearing to read 'Andrew Bennett', written over a horizontal line.

Andrew Bennett, Esq.
Fla. Bar No. 0125189

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

FHFC CASE NO. 2023-045VW
APPLICATION NO. 2021-552C

FAIRFIELD CEDAR GROVE LP,

Petitioner

vs.

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

RECEIVED

MAY 22 2023 8:00 AM

FLORIDA HOUSING
FINANCE CORPORATION

PETITION FOR WAIVER OF RULE 67-21.0025(7)(c) and 67-21.026(10)

FAIRFIELD CEDAR GROVE 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 all natural persons that constitute the ownership of a principal be disclosed. Petitioner further petitions the Corporation for a waiver of the rule which requires a guaranteed maximum price construction contract (a “GMP Contract”) for all of the rehabilitation work. This Petition is filed pursuant to Section 120.542 of the Florida Statutes (2021) and Chapter 28-104 of the Florida Administrative Code (2021). In support of its Petition, the Petitioner states:

A. PETITIONER AND DEVELOPMENT

1. The address, telephone number, facsimile number and e-mail address of the Petitioner are:

Fairfield Cedar Grove LP
5355 Mira Sorrento Place, Suite 100
San Diego, California 92121
Attn: Richard Boynton
Telephone: (858) 824-6424
Facsimile: (858) 625-6047
Email: rboynton@ffres.com

2. For purposes of this Petition, the address, telephone number, facsimile number and e-mail 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 288-unit multifamily housing development commonly known as the Cedar Grove Apartments, located at 20601 NW 17th Avenue, Miami Gardens, Florida 33056 (the "Development"). Petitioner has also submitted an application to the Corporation for an allocation of Non-Competitive Housing Credits 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. (2021) which requires the Petitioner to disclose all natural persons that constitute the ownership of a Principal, Rule 67-21.026(10), F.A.C. (2021) which requires the Petitioner to enter into a GMP Contract for the intended rehabilitation work for the Development that is acceptable to the Corporation

(collectively, the “Rule”). The specific provisions of the Rule from which Petitioner is seeking a waiver are as follows:

Rule 67-21.0025(7)(c), F.A.C (2021), 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)

Rule 67-21.026(10), F.A.C. (2021), which provides in relevant part:

(10) The Corporation’s assigned Credit Underwriter **shall require a guaranteed maximum price construction contract, acceptable to the Corporation**, which may include change orders for changes in cost or changes in the scope of work, or both, if all parties agree, and shall order, at the Applicant’s sole expense, and review a pre-construction analysis for all new construction units or a CNA for rehabilitation units and review the Development’s costs.

(emphasis added)

D. STATUTES IMPLEMENTED BY THE RULE

6. 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.* (2021) (the “Statute”).

7. 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

8. Petitioner previously sought and was granted by the Board a waiver of Rule 67-21.0025(7)(c) and 67-21.003(1)(b), F.A.C. (2021), pursuant to FHFC Case No. 2022-041VW (the “Prior Waiver”). Under the Prior Waiver, Petitioner was permitted to (i) submit its application prior to completion of bond credit underwriting, so as to allow earlier consideration of the waiver itself, (ii) submit the Principal Disclosure Form (as defined in Section A.6.a. of the Non-Competitive Application Package (Rev. 03-2021)) included in its application without disclosing all natural person principals by the third level, in order to allow for a public pension fund to be included in Petitioner’s ownership structure, and (iii) subsequently change its ownership structure prior to issuance of the Preliminary Determination (as defined by Rule 67-21.002(84), F.A.C. (2021)) or after such issuance but before a Final Housing Credit Allocation Agreement has been approved and the IRS Forms 8609 have been issued with just staff approval,

to allow Petitioner to change from its bridge ownership structure to a revised ownership structure (which is substantially the same as the bridge ownership structure) in connection with the closing of Petitioner's re-syndication (the "Structure Change").

9. It is in connection with the Structure Change, that Petitioner is seeking a further waiver from Rule 67-21.0025(7)(c), F.A.C. (2021), which requires that the Petitioner disclose all natural persons that constitute the ownership of a principal. Petitioner's ownership structure includes multiple employee profit sharing entities, specifically FRH CI LLC – AHF GP3 Series, a Delaware Series limited liability company and FRH CI LLC – AHF LP3 Series, a Delaware Series limited liability company (collectively, the "Profit-Sharing Entities"), which entities own, collectively, less than a 3% ultimate interest in the general partner of Petitioner, with ownership of the Profit-Sharing Entities made up completely by employees (or trusts established by an employee). As the Profit-Sharing Entities are utilized to provide compensation to employees, changes in ownership of the Profit-Sharing Entities are intrinsically tied to changes to the employees, and therefore it would not be practical or reasonable for them to be included in the Principal Disclosure Form as principals of the Petitioner. To do so would require Petitioner to effectively consult with the Corporation on its hiring, firing and other employment practices on an ongoing basis. Further the ultimate owners of the Profit-Sharing Entities, explicitly have no ability to control the investments or to exercise meaningful control of the Profit-Sharing Entities, such control being vested in the manager of the Profit-Sharing Entities, the natural person principals of which are still fully disclosed to the Corporation. The only role these members serve is to passively receive any cash flow that passes through the Profit-Sharing Entities as additional compensation for their employment.

10. Petitioner is seeking a waiver from Rule 67-21.026(10), F.A.C. (2021), which requires the Petitioner to enter into a GMP Contract for the intended rehabilitation work for the Development that is acceptable to the Corporation. When Petitioner initially acquired the Development, in April of 2022, the Development required a number of immediate repairs, which involved life and safety matters, deferred maintenance at the Project which could not be further deferred and design and preparatory work in connection therewith, that Petitioner needed to address promptly to ensure the well being of the Development and its residents (the “Immediate Repair Work”). More specifically, the Immediate Repair Work involved:

- a. Securing bids for new fire sprinklers;
- b. Backflow prevention work;
- c. Pest control for termites;
- d. Replacement of water shut off and water connection valves;
- e. Replacement of gutters/downspouts and roofing shingles
- f. Repairs to the chain link, sidewalk/concrete, fire alarms, landscape irrigation, units and maintenance shop golf carts;
- g. Initial deposits for ESG LED exterior/common areas and permanent signage;
- h. Installation of new Keytrac system and Flock cameras;
- i. Exterior paint mockups;
- j. Asbestos and lead paint abatement;
- k. Installation of new fire stops, fire extinguishers, plumbing fixtures, water heaters, AC units, cabinets, countertops (including back splashes) and PLANK Vinyl flooring;
- l. Painting of units;
- m. Ordering of new ESG dishwashers, ranges, ESG range hoods and ESG refrigerators;
- n. Storage of construction materials;
- o. Upfront design costs for the leasing office/clubhouses; and

- p. General & administrative expenses and overhead in connection with the foregoing.

The state of the market is such that it is common practice for purchasers to acquire a given property without bond-financing in place and to subsequently re-syndicate thereafter, as few sellers will accommodate the long escrow period that would be necessary for a purchaser to close directly on bond-financing. The current re-syndication under consideration is expected to close in August 2023 and a GMP for the rehabilitation work associated therewith in the amount of approximately \$13,500,000 will be executed at that time. Between the date of acquisition of the Project in April 2022 and August 2023, Petitioner will have incurred approximately \$2,500,000 in performing the Immediate Repair Work out of the total budget of approximately \$16,000,000, which costs would otherwise be eligible for reimbursement under Treas. Reg. 1.150-2 but for the Rule which requires such costs be under a GMP Contract.

11. But for the Immediate Repair Work being performed outside the purview of a GMP Contract, the Immediate Repair Work would otherwise constitute eligible rehabilitation costs that Petitioner could include in its basis for the Development. While the Immediate Repair Work was not performed under a GMP Contract, there are a number of mitigating factors that should nonetheless adequately assure the Corporation that the Immediate Repair Work was otherwise performed in accordance with the Corporation's rules. Specifically, (i) the Immediate Repair Work, on its own, is not of the type of work that would typically warrant entering a separate GMP contract and is customarily contracted directly by a purchaser in connection with the acquisition of a property and as such the contractors to perform the Immediate Repair Work have been directly hired by Petitioner, which includes subcontractors, trade contractors and architects; (ii) Petitioner (nor the general contractor under the GMP Contract or Developer) has no common ownership with, nor is it an affiliate of, the contractors hired to perform the

Immediate Repair Work; (iii) Petitioner (nor the general contractor under the GMP Contract or Developer) has not directly performed any of the Immediate Repair Work, Petitioner representatives only oversee completion of the Immediate Repair Work by the hired contractors; (iv) the costs incurred for the Immediate Repair Work, which Petitioner bids out and oversees, do not exceed the subcontractor limitations imposed by the Corporation and have been evaluated by the plan and cost reviewer and have been deemed reasonable; (v) no additional fees were charged or received by the Petitioner or Developer, the only cost incurred by Petitioner directly for the work being the salaries paid by Petitioner to its construction management representatives for overseeing completion of the Immediate Repair Work by the hired contractors; and (vi) Petitioner will cause its accountant to submit Agreed Upon Procedures outlining all costs and contractors and certifying same are in accordance with the Corporation rules, with regards to the Immediate Repair Work.

12. A waiver of the Rule will permit Petitioner to continue its application 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 288 affordable units in Miami Gardens, Florida. Petitioner acquired the Development on April 28, 2022. 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.

13. 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 continue its application for non-competitive housing credits, 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 ensure the rehabilitation costs included in a petitioner's basis are reasonable and incurred in accordance with the Corporation's rules and to know who is actively participating in its programs. However, strict application of the Rule would lead to the unintended result that a petitioner that incurred valid rehabilitation costs is unable to include them in its basis and an employer utilizing employee-profit sharing entities in its deal structure as a means by which to compensate its employees would make their general employment practices subject to Corporation consent in order 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 continue its application for and obtain 4% housing credits 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 allow the Corporation to ensure eligible basis costs were incurred in accordance with Corporation's rules and permit the Corporation to ascertain the parties actively involved in its programs. Petitioner is able to provide assurances to the Corporation that the costs of the Immediate Repair Work were reasonable and otherwise incurred in accordance with the Corporation's rules. Petitioner is still able to provide to the Corporation disclosure all principals (except with regards to the CalSTRS public pension in connection with the Prior Waiver, and the requested waivers for the Profit-Sharing Entities herein).

14. 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 the waiver of the Corporation's requirement that all natural persons that constitute the ownership of a principal be disclosed and the Corporation's requirement that eligible rehabilitation work for the Development be conducted under a GMP Contract, Petitioner will be able to continue its application for non-competitive housing credits with all of its eligible rehabilitation costs accounted for, as requested in this Petition, the Corporation would recognize the goal of increasing the supply of affordable housing through private investment in persons of low-income.

F. ACTION REQUESTED

15. For the reasons set forth herein, Petitioner respectfully requests the Board (i) grant the requested waiver of the Corporation's rule which requires that all natural persons that constitute the ownership of a principal be disclosed; (ii) grant the requested waiver of the Corporation's rule which requires eligible rehabilitation work be performed under a GMP Contract; (iii) grant the Petition and all of the relief requested herein; and (iv) grant such further relief as it may deem appropriate.

Respectfully submitted,



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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 22nd day of May, 2023.

A handwritten signature in black ink, appearing to read "Andrew Bennett", written over a horizontal line.

Andrew Bennett, Esq.
Fla. Bar No. 0125189

Florida Housing Finance Corporation

Credit Underwriting Report

Watauga Woods

MMRN and 4% Non-Competitive Housing Credit Program

2020-101B / 2020-547C

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Prepared by

Seltzer Management Group, Inc.

Final Report

May 25, 2023

WATAGUA WOODS

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Section A
Report Summary

Recommendation

Seltzer Management Group, Inc. ("SMG" or "Seltzer") recommends Florida Housing Finance Corporation ("FHFC" or "Florida Housing") fund Multifamily Mortgage Revenue Notes ("MMRN") in the amount of \$26,000,000 for the construction period with a reduction to \$21,500,000 at conversion to the permanent period. SMG also recommends an Annual Housing Credit ("HC") allocation of \$2,278,388 for the acquisition, rehabilitation, and permanent financing of Watauga Woods ("Development" or "Watauga Woods"). SMG also recommends the approval of the assignment, assumption and subordination of the existing Extended Low Income Housing Agreement ("ELIHA") (1992L-012).

DEVELOPMENT & SET-ASIDES

Development Name: Watauga Woods

RFA/Program Numbers: _____ / 2020-101B 4% HC 2020-547C 9% HC 1992L-012

Address: 1637 Watauga Avenue

City: Orlando Zip Code: 32812 County: Orange County Size: Large

Development Category: Acquisition/Rehab 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: 0 ELI Units Are Restricted to _____ AMI, or less. Total # of units with PBRA? 0
of Link Units: 0 Are the Link Units Demographically Restricted? No # 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
1	1.0	60	632	60%			\$933	\$68	\$865		\$868	\$807	\$865	\$622,800
2	2.0	116	866	60%			\$1,120	\$75	\$1,045		\$1,048	\$971	\$1,045	\$1,454,640
3	2.0	40	973	60%			\$1,293	\$79	\$1,214		\$1,216	\$1,127	\$1,214	\$582,720
		216	177,296											\$2,660,160

Buildings: Residential - 19 Non-Residential - 1
Parking: Parking Spaces - 367 Accessible Spaces - 23

Set Asides:	Program	% of Units	# of Units	% AMI	Term (Years)
	MMRB	40.0%	87	60%	30
	New HC	100.0%	216	60%	30
	Old HC	100.0%	216	60%	30

As restricted by the MMRN program 40% of the units (87 units) will be set aside for households earning 60% or less of the Area Median Income ("AMI") and also under the HC program, where 100% of the units (216 units) will be set aside for households earning 60% or less of AMI.

There is an existing Florida Housing Extended Low-Income Housing Agreement ("ELIHA") (92L-012) on the Development, effective September 30, 1993, with an extended use period of 30 years (1 year remaining).

Under this Agreement 100% of the units (216 units) are set aside for households earning 60% or less of the AMI. These commitments are incorporated in the unit mix table(s) throughout this report.

Absorption Rate 35 units per month for 6.0 months.

Occupancy Rate at Stabilization: Physical Occupancy 95.00% Economic Occupancy 94.00%
Occupancy Comments 95.37% as of 02/28/22

DDA: Yes QCT: No Multi-Phase Boost: No QAP Boost: No
Site Acreage: 12.78 Density: 16.9001 Flood Zone Designation: X
Zoning: Medium Intensity Development with Aircraft Noise (R-3B/AN) Flood Insurance Required?: No

DEVELOPMENT TEAM		
Applicant/Borrower:	Watauga Affordable LLC	% Ownership
Manager	Watauga Manager LLC	0.0100%
Member	Synovous Bank or one of its affiliates	99.9900%
Construction Completion Guarantor(s):		
CC Guarantor 1:	Watauga Affordable LLC	
CC Guarantor 2:	Watauga Manager LLC	
CC Guarantor 3:	Southport Development, Inc., a WA Corporation dba Southport Development Services, Inc. ("Southport")	
CC Guarantor 4:	J. David Page	
Operating Deficit Guarantor(s):		
OD Guarantor 1:	Watauga Affordable LLC	
OD Guarantor 2:	Watauga Manager LLC	
OD Guarantor 3:	Southport	
OD Guarantor 4:	J. David Page	
Note Purchaser	Berkadia Commerical Mortgage LLC / Freddie Mac	
Developer:	Southport	
Principal 1	J. David Page	
Principal 2	Stephan W. Page	
DEVELOPMENT TEAM (cont)		
General Contractor 1:	Vaughn Bay Construction, Inc.	
Management Company:	Cambridge Management, Inc. d/b/a Cambridge Management of Washington, Inc. ("Cambridge")	
Syndicator:	Synovous Bank and/or it's affiliate	
Note Issuer:	Florida Housing Finance Corporation	
Architect:	Architectonics Studio, Inc.	
Market Study Provider:	Novogradac Consulting LLP	
Appraiser:	Novogradac & Company LLP	

PERMANENT FINANCING INFORMATION						
	1st Source	2nd Source	3rd Source	4th Source	5th Source	Other
Lender/Grantor	FHFC MMRN / Berkadia / Freddie	Seller Note				
Amount	\$21,500,000	\$4,000,000				
Underwritten Interest Rate	5.33%	8.00%				
Loan Term	17.0	30.0				
Amortization	40.0	N/A				
Market Rate/Market Financing LTV	35.8%	42.5%				
Restricted Market Financing LTV	61.8%	73.3%				
Loan to Cost - Cumulative	41.0%	48.6%				
Debt Service Coverage	1.12	0.91				
Operating Deficit & Debt Service Reserves	\$500,000.00					
# of Months covered by the Reserves	5.7					
Deferred Developer Fee			\$5,469,727			
As-Is Land Value			\$2,200,000			
As-Is Value (Land & Building)			\$33,400,000			
Market Rent/Market Financing Stabilized Value			\$60,000,000			
Rent Restricted Market Financing Stabilized Value			\$34,800,000			
Projected Net Operating Income (NOI) - Year 1			\$1,527,584			
Projected Net Operating Income (NOI) - 15 Year			\$1,803,781			
Year 15 Pro Forma Income Escalation Rate			2.00%			
Year 15 Pro Forma Expense Escalation Rate			3.00%			
Note Structure			Freddie Mac Tax Exempt Loan			
Housing Credit (HC) Syndication Price			\$0.890			
HC Annual Allocation - Initial Award			\$1,200,000			
HC Annual Allocation - Qualified in CUR			\$2,278,388			
HC Annual Allocation - Equity Letter of Interest			\$2,266,415			

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
FHFC - MMRB	Berkadia	\$21,500,000	\$21,500,000	\$99,537.04
FHFC - MMRB	Berkadia B Bonds	\$4,500,000	\$0	\$0.00
Bridge Loan	Synovous Bank	\$12,500,000	\$0	\$0.00
Seller Financing	GP Watauga, LLC	\$4,000,000	\$4,000,000	\$18,518.52
HC Equity	Synovous Bank and/or it's affiliate	\$3,025,361	\$20,169,076	\$93,375.35
Deferred Developer Fee	Developer	\$5,613,441	\$5,469,727	\$25,322.81
Net Operating Income	Property	\$1,322,330	\$1,322,330	\$6,121.90
TOTAL		\$52,461,133	\$52,461,133	\$242,875.61

Financing Structure:

The Applicant submitted a non-competitive application for FHFC MMRN and Non-Competitive HCs. Watauga Woods initially received funding from the issuance of FHFC Tax-Exempt Notes in an amount up to \$20,000,000. On January 25, 2022, FHFC approved a Note increase to a total of \$22,000,000. On May 12, 2022, FHFC approved a second request to increase the Note amount to \$24,000,000. On February 6, 2023, FHFC approved a third request to increase the Note amount to \$26,500,000 (currently estimated to be \$26,000,000). The Notes will be fixed rate Notes until their maturity or date of mandatory tender, approximately seventeen (17) years from closing.

Berkadia Commercial Mortgage LLC (“Berkadia”) will provide first mortgage financing through the Freddie Mac Mod Rehab loan program through a Tax Exempt Loan (“TEL”). It is anticipated that the MMRN will be issued in two series: Series A in the amount of \$21,500,000 for construction, and permanent financing and Series B Notes in the amount of \$4,500,000 for construction period financing only, for a total Note amount of \$26,000,000.

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?	n/a	
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?	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?		3
Is the Development in all other material respects the same as presented in the Application?	X	

The following are explanations of each item checked "No" in the table above:

1. Changes to Funding Sources:

- a. The Application included a LOI for Housing Credit equity from Synovus Bank in the amount of \$0.90 per tax credit and total equity of \$10,798,920. Subsequently the Applicant provided an updated LOI from Synovus Bank dated April 13, 2023 reflecting an aggregate amount of \$0.89 per tax credit and total equity of \$20,169,076.

- b. The Application did not include a Bridge Loan from Synovous Bank as a source during the construction period, it has since been added.
 - c. The Application did not include Net Operating Income as a source, it has since been added.
 - d. On January 13, 2022, the Applicant requested an increase in the amount of MMRN from \$20,000,000 to \$22,000,000. FHFC approved the Applicant's request on January 25, 2022.
 - e. On May 5, 2022, the Applicant requested an increase in the amount of MMRN from \$22,000,000 to \$24,000,000. FHFC approved the Applicant's request on May 12, 2022.
 - f. On January 30, 2023, the Applicant requested an increase in the amount of MMRN from \$24,000,000 to \$26,500,000. FHFC approved the Applicant's request on February 6, 2023.
2. Total Development Costs have increased from \$33,835,500 to \$52,461,133, an approximate increase of \$18,625,633, primarily due to the increase in construction costs, developer fees, and financing costs.
 3. The Application included a syndication rate of \$0.90 per tax credit and total equity of \$10,798,920, subsequently the Applicant provided an updated LOI dated April 13, 2023 reflecting an aggregate amount of \$0.89 per tax credit and total equity of \$20,169,076.

These changes have no substantial material impact to the MMRN/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 April 27, 2023, reflects the following past due item(s): None

Florida Housing's Asset Management Noncompliance Report dated December 28, 2022 reflects the following noncompliance items:

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 – Annual Review
 - 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 Recommendations herein.

Strengths:

1. Per the market study, Novogradac Consulting LLP (“Novo”), the Development is an existing property that should remain at or near fully-stabilized throughout the renovations.
2. Although the Applicant, general partner and developer entity are newly formed, the principals of the developer Southport Development, Inc. (“Southport”), general contractor, and the management company have sufficient experience and financial resources to develop, renovate, and operate the Development.

Other Considerations: None

Waiver Requests/Special Conditions: None

Additional Information:

1. The Applicant is expecting the property to receive a Real Estate Tax Abatement in 2022, therefore they will not owe any real estate taxes.
2. The Purchase and Sale Agreement (“PSA”) dated June 28, 2021 lists a different property address. SMG has confirmed the property is the same, and that the property has multiple mailing addresses.
3. Applicant has decided to prepay Replacement Reserves as allowed per the Rule, in the amount of \$79,064 (one-half the required Replacement Reserve for Years 1 and 2), in order to meet the applicable DSC loan requirements.
4. 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

Recommendation:

SMG recommends FHFC issue the MMRN in the amount of \$26,000,000 for the construction period with a reduction to \$21,500,000 at conversion to the permanent period, with an annual HC allocation of \$2,278,388. 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 Conditions and HC Allocation Recommendation and Contingencies (Section B). The reader is cautioned to refer to these sections for complete information.

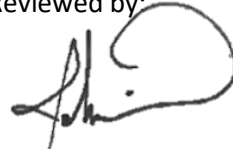
This recommendation is only valid for six months from the date of the report.

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 / Berkadia / Freddie	\$20,000,000	\$21,500,000	\$21,500,000	5.33%	\$1,335,032
Second Mortgage	FHFC MMRN / Berkadia	\$0	\$4,500,000	\$4,500,000	5.86%	\$382,365
Bridge Loan	Synovous Bank	\$0	\$12,500,000	\$12,500,000	8.12%	\$1,015,000
Seller Note	GP Watauga, LLC	\$0	\$4,000,000	\$4,000,000	8.00%	\$320,000
HC Equity	Synovous Bank and/or it's affiliate	\$9,719,028	\$3,025,361	\$3,025,361		
Deferred Developer Fee	Developer	\$5,005,000	\$4,555,345	\$5,613,441		
Net Operating Income	Property	\$0	\$1,322,330	\$1,322,330		
Total		\$34,724,028	\$51,403,036	\$52,461,133		\$3,052,397

Proposed MMRN / First Mortgage Financing:

Applicant provided a financing proposal from Berkadia, dated February 3, 2023, for the purchase of up to \$26,500,000 of Tax-Exempt Notes (currently estimated at \$26,000,000). The MMRN will be issued in two Series: Series A, estimated at \$21,500,000 through the Freddie Mac Mod Rehab tax-exempt loan program, shall be the construction/permanent tax-exempt Notes with a 17-year financing term and Series B, estimated at \$4,500,000, shall be construction period only tax-exempt Notes and have a term of 24 months.

Additional terms of the Series A MMRN include monthly principal and interest payments based on a 40-year amortization period and a fixed interest rate. The interest rate will be fixed prior to closing based upon the 10-year Treasury Index published by Thomson Reuters plus a spread as determined by Berkadia. Per an email from Berkadia on May 17, 2023, interest rate is 5.33%, as they rate was locked when the 10-year Treasury Index was at 3.39%.

Additional terms of the Series B MMRN include monthly interest only payments and a fixed interest rate, based upon the 2-year Treasury rate plus a spread of 1.69%. Per an email from Berkadia of May 17, 2023, the all in interest rate is 5.86%. The term of the loan anticipated to be 24-months. The Series B Note will be cash collateralized and fully funded at closing with principal and 24 months of interest held in an account with the Fiscal Agent.

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 Issuer Fee based on 24 basis points (0.24%).

Bridge Loan:

Per a Term Sheet, dated April 13, 2023, Synovous Bank will provide a bridge loan during the construction period in the amount of \$12,500,000. The loan will have a 24 month term with monthly interest only payments at a variable interest rate, based upon the BSBY rate plus a spread of 3.00%, subject to a BSBY

floor of 0.5%. As of May 4, 2023, the Bloomberg Short Term Bank Yield Index (“BSBY”) is 5.12%, indicative of an interest rate of 8.12%.

Other Construction Sources of Funds:

Additional construction sources of funds for this Development consist of a Seller Note in the amount of \$4,000,000, HC equity in the amount of \$3,025,361, deferred developer fees in the amount of \$5,613,441 and Net Operating Income of \$1,322,330. For permanent period financing details, see the Permanent Financing section below.

Construction/Stabilization Period:

The GC contract requires substantial completion of the Development within 14 months (no later than August 30, 2024). Therefore, SMG assumes a construction period of 14 months.

The market study projects the Development will remain at or near fully-stabilized throughout the renovation. Under this scenario, stabilization at a 95% occupancy rate is expected throughout construction. SMG anticipates a six-month stabilization period, for a total construction/stabilization period of 20 months for purposes of this credit underwriting report.

Permanent Financing Sources

Source	Lender	Applicant	Revised Applicant	Underwriter	Interest Rate	Amort. Yrs.	Term Yrs.	Annual Debt
First Mortgage	FHFC MMRN / Berkadia / Freddie	\$19,000,000	\$21,500,000	\$21,500,000	5.33%	40	17	\$1,300,976
Seller Note	Watauga Woods	\$0	\$4,000,000	\$4,000,000	8.00%	N/A	30	\$320,000
HC Equity	Synovous Bank and/or it's affiliate	\$10,798,920	\$20,169,076	\$20,169,076				
Def. Developer Fee	Developer	\$5,000,000	\$4,411,631	\$5,469,727				
Net Operating Income	Property	\$0	\$1,322,330	\$1,322,330				
Total		\$34,798,920	\$51,403,037	\$52,461,133				\$1,620,976

Proposed MMRN / First Mortgage Financing:

Per the revised February 3, 2023 Financing Proposal from Berkadia, upon construction completion and stabilization, the Series B MMRN will mature and the Series A MMRN will remain outstanding in an estimated amount of \$21,500,000. The Series A MMRN will have a 17-year term with a 40 year amortization. The loan amount is subject to a maximum 80% LTV of the as-rehabbed value of the property as determined by an appraisal or minimum of 1.15x DSC. The interest rate will be fixed prior to closing based upon the 10-year Treasury Index published by Thomson Reuters plus a spread as determined by Berkadia. Per an email from Berkadia on May 17, 2023, the interest rate was locked at 5.33%.

The loan will mature seventeen (17) years from loan closing. At maturity, Borrower may satisfy the MMRN via refinance or sale of the Development pending market feasibility. In the event the Borrower is unable to refinance or effectuate a sale to fund payoff of the MMRN, such event would not cause an event of default under the loan documents. Rather, should this situation occur, it would trigger a "Mortgage Assignment Event" whereby the Berkadia/Freddie Mac agrees to cancel the MMRN 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 MMRN and discharge the lien of the Funding Loan Agreement, and it would then assign the mortgage loan (Project Loan) and any other related documentation and collateral to a Berkadia/Freddie Mac, effectively ending the transaction. Under this scenario, the MMRN will have been redeemed/canceled not by payment of cash but by the assignment of the mortgage loan documents and there is no default. As the new direct mortgagee, a Berkadia/Freddie Mac would then be in position to work with the Borrower to arrive at a resolution without involvement of either FHFC or the Fiscal Agent (as the MMRN would have been canceled 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, subject to 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 Issuer Fee based on 24 basis points (0.24%) on the outstanding MMRN balance.

Seller Note:

Per a draft Promissory Note, GP Watauga, LLC, a related party entity, will self-source a construction/permanent loan in the amount of \$4,000,000. Terms of the Subordinate Loan will include an interest rate fixed at 8%. This note will have a 30-year term. All accrued interest shall be due annually subject to available Cash Flow. To the extent that available Cash Flow is insufficient to pay all accrued

interest on a Payment Date, the unpaid amount of interest shall accrue, without compounding. The entire outstanding principal balance, plus accrued interest, of this Note shall be paid in full at maturity.

Housing Credits Equity Investment:

In addition to the MMRN, the Applicant also applied for Housing Credits as part of their non-competitive MMRN and HC FHFC application 2020-101B.

Based upon the Synovous Bank letter dated April 13, 2023, Synovous Bank or an affiliate will purchase a 99.99% interest in the Applicant and provide HC equity as follows:

Capital Contributions	Amount	Percent of Total	When Due
1st Installment	\$3,025,361	15.00%	Closing
2nd Installment	\$14,862,592	73.69%	Project Completion
3rd Installment	\$2,281,123	11.31%	8609s
Total	\$20,169,076	100.00%	

Annual Tax Credits per Syndication Agreement: \$2,266,415

Total HC Available to Syndicator (10 years): \$22,661,884

Syndication Percentage (limited partner interest): 99.990%

Calculated HC Exchange Rate (per dollar): \$0.890

Proceeds Available During Construction: \$3,025,361

At least 15% of the total equity will be provided prior to or simultaneously 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 Synovous Bank equity investment have been received, the developer will have to defer \$5,469,727, or approximately 70% of the total developer fees (\$7,764,870), there is also \$1,322,330 in Net Operating Income included.

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				\$0	
Off-Site Work				\$0	\$0
Recreational Amenities				\$0	
Rehab of Existing Common Areas	\$6,264,000	\$11,858,828	\$10,335,131	\$47,848	
Rehab of Existing Rental Units				\$0	
Site Work			\$773,697	\$3,582	\$116,055
Swimming Pool			\$750,000	\$3,472	
Furniture, Fixture, & Equipment				\$0	
Hard Cost Contingency - in Constr. Cont.				\$0	
Constr. Contr. Costs subject to GC Fee	\$6,264,000	\$11,858,828	\$11,858,828	\$54,902	\$116,055
General Conditions	\$876,960	\$1,660,235	\$711,529.68	\$3,294	
Overhead			\$237,176.00	\$1,098	
Profit			\$711,529.68	\$3,294	
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	\$7,140,960	\$13,519,063	\$13,519,063	\$62,588	\$116,055
Hard Cost Contingency	\$626,400	\$1,185,883	\$1,185,883	\$5,490	
PnP Bond paid outside Constr. Contr.		\$147,049	\$147,049	\$681	
Fees for LOC used as Constr. Surety				\$0	
Demolition paid outside Constr. Contr.				\$0	
FF&E paid outside Constr. Contr.				\$0	
Other:				\$0	
Total Construction Costs:	\$7,767,360	\$14,851,995	\$14,851,995	\$68,759	\$116,055

Notes to the Construction Costs:

- The Applicant provided an executed AIA Document A102-2017 construction contract dated January 14, 2022, between the Owner and Contractor, Vaughn Bay Construction, Inc. ("Vaughn Construction"), with a Guaranteed Maximum Price in the amount of \$13,519,063. The date of commencement is expected to be June 1, 2023. Vaughn Construction shall achieve substantial completion no later than August 30, 2024. According to the contract, ten percent (10%) retainage will be withheld on all work performed up to fifty percent (50%) completion, and no retainage thereafter.

Allowances in the GMP Agreement totaling \$780,370 or 5.77%:

- Exterior Fence (Repairs) - \$50,000
- Landscaping and Irrigation - \$100,000
- ADA Sidewalk and Ramps - \$200,000
- Dumpster - \$50,000
- Entry Doors (Hardware and Labor) - \$36,630 Interior Door and Trim and Hardware - \$168,740
- Monument Sign - \$10,000
- Pool Upgrade - \$75,000

- Security Camera System - \$75,000
- Fire Alarm - \$15,000

Final payment will be made when the contract has been fully performed, the General Contractor has submitted final accounting for the Cost of the Work and a final Certificate for Payment has been issued by the Architect. The Owner's final payment to the Contractor shall be made no later than 30 days after the issuance of the Architect's final Certificate for Payment.

Moran indicated the allowances are within an acceptable range for the scope of work indicated.

The General Contractor provided an executed General Contractor Certification of Requirements, whereby the General Contractor acknowledges and commits to adhere to all requirements related to a General Contractor as published within Florida Administrative Code ("F.A.C.") 67-21 ("Rule").

2. General Contractor fees as stated are within the 14% maximum per Rule.
3. The hard cost contingency of \$1,185,883 equates to an approximate contingency of 8.77%, which is within the 15% hard cost contingency limits per Rule.
4. The cost of the payment and performance Note (\$147,049) is outside the GC Contract.
5. Berkadia engaged a Document and Cost Review ("DCR") also known as a Plan and Cost Analysis from Moran Construction Consultants, LLC ("Moran") and SMG is an additional intended user. Complete results are set forth in Section C of this credit underwriting report.

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	\$40,000	\$40,000	\$40,000	\$185	\$20,000
Appraisal	\$10,000	\$10,000	\$10,000	\$46	
Architect's and Planning Fees				\$0	
Architect's Fee - Green Initiative				\$0	
Architect's Fee - Landscape				\$0	
Architect's Fee - Site/Building Design	\$100,000	\$165,000	\$165,000	\$764	
Architect's Fee - Supervision	\$30,000	\$50,000	\$50,000	\$231	
Building Permits	\$77,674	\$147,049	\$147,049	\$681	
Builder's Risk Insurance		\$50,000	\$50,000	\$231	
Capital Needs Assessment/Rehab	\$5,000		\$250	\$1	
Engineering Fees	\$35,000			\$0	
Environmental Report	\$15,000	\$22,500	\$22,500	\$104	
Federal Labor Standards Monitoring				\$0	
FHFC Administrative Fees	\$108,000	\$160,000	\$205,055	\$949	\$205,055
FHFC Application Fee	\$3,000	\$3,000	\$3,000	\$14	\$3,000
FHFC Credit Underwriting Fee	\$22,292	\$22,292	\$29,108	\$135	\$29,108
FHFC Compliance Fee		\$1,000	\$0	\$0	\$0
FHFC Other Processing Fee(s)				\$0	\$0
Impact Fee				\$0	
Lender Inspection Fees / Const Admin	\$30,000	\$90,000	\$90,000	\$417	
Green Building Cert. (LEED, FGBC, NGBS)	\$30,000			\$0	
Home Energy Rating System (HERS)				\$0	
Insurance	\$170,000	\$170,000	\$170,000	\$787	
Legal Fees - Organizational Costs	\$162,500	\$125,000	\$125,000	\$579	\$62,500
Local Subsidy Underwriting Fee				\$0	
Market Study		\$5,000	\$4,250	\$20	\$4,250
Marketing and Advertising				\$0	\$0
Plan and Cost Review Analysis		\$5,000	\$5,000	\$23	
Property Taxes	\$65,000	\$5,000	\$5,000	\$23	
Soil Test				\$0	
Survey	\$15,000	\$15,000	\$15,000	\$69	\$3,750
Tenant Relocation Costs	\$125,000	\$236,000	\$236,000	\$1,093	
Title Insurance and Recording Fees	\$105,000	\$125,000	\$125,000	\$579	\$31,250
Traffic Study				\$0	
Utility Connection Fees				\$0	
Soft Cost Contingency	\$64,000	\$100,000	\$82,213	\$381	
Other: P&P Bond and Escrow Taxes	\$142,674			\$0	
Other: Misc Third Party Reports				\$0	\$0
Total General Development Costs:	\$1,355,140	\$1,546,841	\$1,579,425	\$7,312	\$358,913

Notes to the General Development Costs:

1. Appraisal expense reflects the cost of the report engaged by the first mortgage lender, as indicated by the Applicant.
2. Architect's Fees for architectural and supervision services reflect fees consistent with the executed AIA Document B109-2020 Standard Form Agreement Between Owner and Architect (Architectonics Studio, Inc.) dated January 25, 2022.
3. Capital Needs Assessment figure reflects the actual cost of the report as engaged by Berkadia

4. The FHFC Administrative Fee is based on 9% of the recommended annual allocation of HC. The FHFC Application Fee is reflective of the application fee for MMRN and 4% HC. The total FHFC Credit Underwriting Fee is \$29,108, which includes \$20,393 as stated in the FHFC Invitation to Credit Underwriting and \$8,715, which is for a re-underwriting fee.
5. Market Study fee is the actual cost of the report as engaged by Seltzer.
6. Plan and Cost Analysis figure reflects the actual cost of the report as engaged by Berkadia.
7. Tenant Relocation Costs are a temporary cost, incurred when a tenant's unit is being rehabbed and they are moved into a temporary accommodation during the process.
8. Soft cost contingency is within the 5% maximum as permitted by Rule.
9. Other General Development Costs are based on the Applicant's estimates, which appear reasonable.

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	\$200,000	\$161,500	\$130,000	\$602	
Construction Loan Commitment Fee				\$0	
Construction Loan Closing Costs	\$16,000			\$0	
Construction Loan Interest		\$1,389,831	\$1,717,397	\$7,951	\$572,975
Construction Loan Servicing Fees				\$0	
Permanent Loan Application Fee		\$22,000	\$21,500	\$100	\$21,500
Permanent Loan Underwriting Fee				\$0	\$0
Permanent Loan Subsidy Layering Rev.				\$0	\$0
Permanent Loan Commitment Fee				\$0	\$0
Permanent Loan Origination Fee		\$161,500	\$130,000	\$602	\$130,000
Permanent Loan Closing Costs	\$200,000	\$4,500	\$4,500	\$21	\$4,500
Permanent Loan Interest				\$0	\$0
Permanent Loan Servicing Fee				\$0	\$0
Bridge Loan Application Fee				\$0	
Bridge Loan Underwriting Fee				\$0	
Bridge Loan Origination Fee		\$125,000	\$125,000	\$579	
Bridge Loan Commitment Fee				\$0	
Bridge Loan Closing Costs				\$0	
Bridge Loan Interest		\$500,000	\$1,015,000	\$4,699	
Bridge Loan Servicing Fee				\$0	
FHFC Note Short-Term Redemption Fee				\$0	\$0
FHFC Note Fiscal Agent Fee			\$9,000	\$42	\$9,000
FHFC Note Credit Enhancement Fee				\$0	\$0
FHFC Note Cost of Issuance		\$250,000	\$282,581	\$1,308	\$282,581
FHFC Note Interest				\$0	\$0
FHFC Note Servicing Fee				\$0	\$0
Legal Fees - Financing Costs		\$90,000	\$90,000	\$417	
Negative Arbitrage				\$0	
Forward Rate Lock Fee				\$0	
Placement Agent/Underwriter Fee		\$35,000	\$35,000	\$162	\$35,000
Initial TEFRA Fee			\$1,000	\$5	\$1,000
FHA MIP (Prepayment)				\$0	
FHA Exam Fee				\$0	
NIBP Commitment Fee				\$0	
Other: App fees, Inspection Fees	\$292,000			\$0	
Other: FHFC Issuer Fee			\$124,800	\$578	
Total Financial Costs:	\$708,000	\$2,739,331	\$3,685,777	\$17,064	\$1,056,556
Dev. Costs before Acq., Dev. Fee & Reserves	\$9,830,500	\$19,138,167	\$20,117,198	\$93,135	\$1,531,523

Notes to the Financial Costs:

1. Permanent Loan Origination Fee and Construction Loan Origination Fee is equal to 1% of the final loan amount (\$21,500,000), in accordance with Berkadia's term sheet dated February 3, 2023. We have split this amount between the two columns.
2. Construction Loan Interest reflects the Applicant's estimate of capitalized interest, which appears reasonable.
3. FHFC Note Cost of Issuance includes fees and expenses of the Issuer, Real Estate Counsel, Note Counsel, Disclosure Counsel, Fiscal Agent, and other fees.
4. FHFC Note Fiscal Agent Fee of \$9,000 represents 24 months of the annual Fiscal Agent Fee of \$4,500 during the construction period.
5. FHFC Issuer Fee represents 2 years of the annual Issuer Fee of 24 basis points (0.24%) during the construction period on the total note amount. Other Financial Costs are based on the Applicant's estimates, which appear reasonable.

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	\$18,000,000	\$24,000,000	\$24,000,000	\$111,111	
Developer Fee on Non-Land Acq. Costs	\$1,765,000	\$4,320,000	\$4,320,000	\$20,000	
Other:				\$0	
Total Non-Land Acquisition Costs:	\$19,765,000	\$28,320,000	\$28,320,000	\$131,111	\$0

Notes to the Non-Land Acquisition Costs:

1. The Applicant presented a June 28, 2021, Purchase and Sale Agreement ("PSA") between GP Watauga LLC the Seller, and Watauga Affordable, LLC in the total amount of \$20,000,000 for the buildings, which included a land lease for the land with a closing date on or before December 31, 2021. The Sixth Amendment to the PSA dated February 6, 2023 extended the closing date to on or before June 30, 2023 and changed the purchase price to \$24,000,000.
2. Per the appraisal, dated March 20, 2023, the estimated "As-Is" value of the subject property to be \$33,400,000 assuming restricted rents.
3. Maximum Developer Fee on building acquisition costs is the purchase price) x 18%.

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	\$3,240,000	\$3,444,870	\$3,444,870	\$15,948	
Other:				\$0	
Total Other Development Costs:	\$3,240,000	\$3,444,870	\$3,444,870	\$15,948	\$0

Notes to the Other Development Costs:

1. Developer Fee is within 18% of Total Development Cost, exclusive of land acquisition costs and reserves, as required per Rule.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land	\$1,000,000	\$0	\$0	\$0	\$0
Land Lease Payment			\$1	\$0	\$1
Other:				\$0	\$0
Total Acquisition Costs:	\$1,000,000	\$0	\$1	\$0	\$1

Notes to the Land Acquisition Costs:

- Per the PSA dated June 28, 2021, the property will have a Ground Lease for a term of 99 years. During the first sixteen years, annual rent shall be \$1 per year, payable for the first 16 years in advance at Closing. Starting in the 17th year, rent shall be \$15,000 per month, every five years thereafter rent shall increase by the increase in the Consumer Price Index over the five-year period. The Ground Lease shall contain an option for Watauga Affordable, LLC to buy the land from GP Watauga LLC for \$2,000,000 at any time during the first twenty-five years of the ground lease.
- An executed Ground Lease with terms consistent with the PSA is a condition to close.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR	HOME Ineligible Costs - CUR
Operating Deficit Reserve (FHFC)				\$0	\$0	
Operating Deficit Reserve (Lender)				\$0	\$0	
Operating Deficit Reserve (Syndicator)		\$500,000	\$500,000	\$2,315	\$500,000	
Replacement Reserves (FHFC)			\$79,064	\$366	\$79,064	
Replacement Reserves (Lender)				\$0	\$0	
Replacement Reserves (Syndicator)				\$0	\$0	
Other:				\$0	\$0	
Total Reserve Accounts:	\$0	\$500,000	\$579,064	\$2,681	\$579,064	\$0

Notes to the Reserve Accounts Costs:

- Operating Deficit Reserve (Syndicator) – Is based on the Developers estimate.
- Applicant has decided to prepay Replacement Reserves as allowed per the Rule, in the amount of \$79,064 (one-half the required Replacement Reserve for Years 1 and 2), in order to meet the applicable DSC loan requirements.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
TOTAL DEVELOPMENT COSTS:	\$33,835,500	\$51,403,037	\$52,461,133	\$242,876	\$2,110,588

Notes to the Total Development Costs:

- Since the time of application, anticipated Total Development Costs have increased \$18,625,633, from \$33,835,500 to \$52,461,133, due mainly to increases in construction costs, developer fees, and financing costs. .

Operating Pro forma

OPERATING PRO FORMA		ANNUAL	PER UNIT
INCOME	Gross Potential Rental Income	\$2,660,160	\$12,316
	Rent Subsidy (ODR)	\$0	\$0
	Other Income:		
	Ancillary Income-Parking	\$0	\$0
	Miscellaneous	\$86,400	\$400
	Gross Potential Income	\$2,746,560	\$12,716
	Less:		
	Economic Loss - Percentage: 0.0%	\$0	\$0
	Physical Vacancy Loss - Percentage: 5.0%	(\$137,328)	(\$636)
	Collection Loss - Percentage: 1.0%	(\$27,466)	(\$127)
Total Effective Gross Revenue		\$2,581,766	\$11,953
EXPENSES	Fixed:		
	Ground Lease	\$0	\$0
	Insurance	\$162,000	\$750
	Other	\$0	\$0
	Variable:		
	Management Fee - Percentage: 4.0%	\$103,271	\$478
	General and Administrative	\$97,200	\$450
	Payroll Expenses	\$273,320	\$1,265
	Utilities	\$243,000	\$1,125
	Marketing and Advertising	\$0	\$0
	Maintenance and Repairs	\$140,400	\$650
	Grounds Maintenance and Landscaping	\$0	\$0
	Contract Services	\$0	\$0
	Security	\$0	\$0
	Other-Pest Control	\$0	\$0
Reserve for Replacements	\$34,992	\$162	
Total Expenses		\$1,054,183	\$4,880
Net Operating Income		\$1,527,584	\$7,072
Debt Service Payments			
DEBT SERVICE	First Mortgage - FHFC MMRN / Berkadia / Freddie	\$1,300,976	\$6,023
	Second Mortgage - Watauga Woods	\$320,000	\$1,481
	All Other Mortgages -	\$0	\$0
	First Mortgage Fees - FHFC MMRN / Berkadia / Freddie	\$65,669	\$304
	Second Mortgage Fees - Watauga Woods	\$0	\$0
	All Other Mortgages Fees -	\$0	\$0
Total Debt Service Payments		\$1,686,644	\$7,809
Cash Flow After Debt Service		(\$159,061)	(\$736)

Debt Service Coverage Ratios		
	DSC - First Mortgage plus Fees	1.12
	DSC - Second Mortgage plus Fees	0.91
	DSC - All Mortgages and Fees	0.91
Financial Ratios		
	Operating Expense Ratio	40.8%
	Break-Even Ratio	100.0%

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, which will impose rent restrictions. The Subject Development is projected to achieve 2022 Maximum Allowable HC Rents published by Florida Housing on all units at 60% of AMI based upon the appraiser's estimate of achievable rents per comparable properties surveyed.
2. Utility Allowances are based upon a Utility Allowance Study, dated September 9, 2022, completed by Matern Professional Engineering, Inc. and approved by FHFC on October 3, 2022.:

A rent roll for the Subject 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
1	1.0	60	632	60%			\$933	\$68	\$865		\$868	\$807	\$865	\$622,800
2	2.0	116	866	60%			\$1,120	\$75	\$1,045		\$1,048	\$971	\$1,045	\$1,454,640
3	2.0	40	973	60%			\$1,293	\$79	\$1,214		\$1,216	\$1,127	\$1,214	\$582,720
		216	177,296											\$2,660,160

3. Miscellaneous income includes the Appraiser's anticipated income from tenant charges, late fees, and vending machines.
4. The Appraiser estimates a combined stabilized physical vacancy and collection loss of 6.0% for an economic occupancy rate of 94%.
5. The Appraiser is anticipating a Real Estate Tax Exemption for 2022.
6. Real estate Insurance expenses were estimated by the Appraiser and are included in the operating pro forma.
7. Management Fees of 4% of the gross income collected are based upon the unexecuted Property Management Agreement between the Applicant and Cambridge Management, Inc. d/b/a Cambridge Management of Washington, Inc. ("Cambridge").
8. General and Administrative costs are taken from the Appraiser's analysis of comparable properties in the appraisal.
9. Payroll expenses are taken from the Appraiser's analysis of comparable properties in the appraisal.
10. Maintenance/Repairs expense is based on the Applicants estimate.
11. Other operating expense estimates are based on either market comparables or historical operations of the Development and are supported by the appraisal.
12. The Seller's Note will be repaid from available cash flow. The Break-Even Ratio would be 89.7% if the Seller Note interest payments were excluded.
13. In the Document and Cost Review prepared by Moran Construction Consultants, LLC ("Moran") dated April 20, 2023, Replacement Reserves were estimated to be in the amount of \$329 per unit per year (\$34,992 per annum). Seltzer has utilized that amount in the operating pro forma, which meets the

minimum required by Rule. Applicant has decided to prepay Replacement Reserves as allowed per the Rule, in the amount of \$79,064 (one-half the required Replacement Reserve for Years 1 and 2).

14. A 15-year income and expense projection shows increasing debt service coverage (“DSC”) starting in year two (2) and continuing to increase through year fifteen (15). This projection is attached to this report as Exhibit 1.

Section B

Loan Conditions

HC Allocation Recommendation and Contingencies

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 real estate 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 fully executed Management Agreement reflecting terms not substantially different from the undated and unexecuted Management Agreement utilized herein for underwriting.
2. Receipt and satisfactory review of a Ground Lease with terms consistent to the PSA.
3. Confirmation of 100% ad valorem tax exemption.
4. The assignment and assumption of the existing ELIHA by Watauga Affordable LLC.
5. Subordination of the existing ELIHA to the First Mortgage.

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 real estate 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 Capital Needs Assessment and 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. 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.
4. 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.
5. A final construction draw schedule showing itemized sources and uses of funds for each monthly draw. The closing draw shall include appropriate backup and ACH wiring instructions.
6. Construction Period Developer Fee shall be the lessor 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. Evidence of insurance coverage pursuant to Rule 67-21 governing this proposed transaction and, as applicable, the FHFC Insurance Guide.

7. The General Contractor shall secure a payment and performance Note equal to 100% 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 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.
8. 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.
9. 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.
10. Satisfactory resolution of any outstanding past due and/or noncompliance items.
11. Payment of any outstanding arrearages to the Corporation, its Legal Counsel, Servicer or any agent or assignee of the Corporation for past due items applicable to the Development team (Applicant or Developer or Principal, Affiliate or Financial Beneficiary, as described in 67-21.0025 (5) F.A.C., of an Applicant or a Developer).
12. 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.
13. 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.
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 the Rule. Any and all terms and conditions of the ODR must be acceptable to Florida Housing, 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 real estate 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 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 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 MMRN governing this proposed transaction and, as 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 and 420.509, Florida Statutes, Rule Chapter 67-21, F.A.C., Sections 420.507(22), Florida Statutes, Rule Chapter 67-53, F.A.C., 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 Loan and First Mortgage 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 Trustee 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 Loan 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 First

Mortgage, 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"). 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 are to provide the standard FHFC Environmental Indemnity Guaranty.
8. Guarantors are to provide the standard FHFC Guaranty of Recourse Obligations.
9. A mortgagee title insurance lender's policy naming Florida Housing as the insured first, second and third 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.
10. 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.
11. Replacement Reserves in the minimum amount of \$329 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 Trustee, or Florida Housing's loan servicing agent. However, Applicant has the option to prepay Replacement Reserves as allowed per the Rule, in the amount of \$79,064 (one-half the required Replacement Reserve 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 \$329 per unit per year. The initial Replacement Reserve will have limitations on the ability to be drawn. Preservation or Rehabilitation Developments (with or without acquisition) shall not be allowed to draw until the start of the scheduled replacement activities as outlined in the pre-construction Capital Needs Assessment report ("CNA") subject to the activities completed in the scope of rehabilitation, but not sooner than the third year.

The amount established as a Replacement Reserve shall be adjusted based on a 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 10th 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.

12. Moran, or other construction inspector acceptable for Florida Housing, is to act as Florida Housing's inspector during the construction period.
13. According to the contract, ten percent (10%) retainage will be withheld on all work performed up to fifty percent (50%) completion, and no retainage thereafter. Florida Housing requires a minimum of 10% retainage holdback on all construction draws until the Development is 50% complete, at which time no retainage will be withheld. Retainage will not be released until successful lien free completion

of construction and issuance of all certificates of occupancy, which satisfies Florida Housing's minimum requirement.

14. Satisfactory completion of a pre-loan closing compliance audit conducted by Florida Housing or its Servicer, if applicable.
15. Closing of the MMRN first mortgage prior to or simultaneous with all other funding sources.
16. 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 \$2,278,388. 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 and General sections of the Loan Conditions to Close.
2. Any reasonable requirements of Florida Housing, SMG or its Legal Counsel.

**EXHIBIT 1
WATAUGA WOODS
15 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	\$2,660,160	\$2,713,363	\$2,767,630	\$2,822,983	\$2,879,443	\$2,937,032	\$2,995,772	\$3,055,688	\$3,116,801	\$3,179,137	\$3,242,720	\$3,307,575	\$3,373,726	\$3,441,201	\$3,510,025
	Rent Subsidy (ODR)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Other Income:															
	Miscellaneous	\$86,400	\$88,128	\$89,891	\$91,688	\$93,522	\$95,393	\$97,300	\$99,246	\$101,231	\$103,256	\$105,321	\$107,428	\$109,576	\$111,768	\$114,003
	Gross Potential Income	\$2,746,560	\$2,801,491	\$2,857,521	\$2,914,671	\$2,972,965	\$3,032,424	\$3,093,073	\$3,154,934	\$3,218,033	\$3,282,393	\$3,348,041	\$3,415,002	\$3,483,302	\$3,552,968	\$3,624,028
	Less:															
	Economic Loss - Percentage:															
Physical Vacancy Loss - Percentage: 5.0%	(\$137,328)	(\$140,075)	(\$142,876)	(\$145,734)	(\$148,648)	(\$151,621)	(\$154,654)	(\$157,747)	(\$160,902)	(\$164,120)	(\$167,402)	(\$170,750)	(\$174,165)	(\$177,648)	(\$181,201)	
Collection Loss - Percentage: 1.0%	(\$27,466)	(\$28,015)	(\$28,575)	(\$29,147)	(\$29,730)	(\$30,324)	(\$30,931)	(\$31,549)	(\$32,180)	(\$32,824)	(\$33,480)	(\$34,150)	(\$34,833)	(\$35,530)	(\$36,240)	
Total Effective Gross Revenue	\$2,581,766	\$2,633,402	\$2,686,070	\$2,739,791	\$2,794,587	\$2,850,479	\$2,907,488	\$2,965,638	\$3,024,951	\$3,085,450	\$3,147,159	\$3,210,102	\$3,274,304	\$3,339,790	\$3,406,586	
EXPENSES	Fixed:															
	Ground Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Sub-Ground Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Real Estate Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Insurance	\$162,000	\$166,860	\$171,866	\$177,022	\$182,332	\$187,802	\$193,436	\$199,240	\$205,217	\$211,373	\$217,714	\$224,246	\$230,973	\$237,902	\$245,040
	Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Variable:															
	Management Fee - Percentage: 4.0%	\$103,271	\$105,336	\$107,443	\$109,592	\$111,783	\$114,019	\$116,300	\$118,626	\$120,998	\$123,418	\$125,886	\$128,404	\$130,972	\$133,592	\$136,263
	General and Administrative	\$97,200	\$100,116	\$103,119	\$106,213	\$109,399	\$112,681	\$116,062	\$119,544	\$123,130	\$126,824	\$130,629	\$134,548	\$138,584	\$142,741	\$147,024
	Payroll Expenses	\$273,320	\$281,520	\$289,965	\$298,664	\$307,624	\$316,853	\$326,358	\$336,149	\$346,234	\$356,621	\$367,319	\$378,339	\$389,689	\$401,380	\$413,421
	Utilities	\$243,000	\$250,290	\$257,799	\$265,533	\$273,499	\$281,704	\$290,155	\$298,859	\$307,825	\$317,060	\$326,572	\$336,369	\$346,460	\$356,854	\$367,559
	Marketing and Advertising	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Maintenance and Repairs	\$140,400	\$144,612	\$148,950	\$153,419	\$158,021	\$162,762	\$167,645	\$172,674	\$177,855	\$183,190	\$188,686	\$194,346	\$200,177	\$206,182	\$212,368
Other-Pest Control	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Reserve for Replacements	\$34,992	\$34,992	\$69,984	\$69,984	\$69,984	\$69,984	\$69,984	\$69,984	\$69,984	\$69,984	\$72,084	\$74,246	\$76,473	\$78,768	\$81,131	
Total Expenses	\$1,054,183	\$1,083,726	\$1,149,126	\$1,180,426	\$1,212,644	\$1,245,805	\$1,279,940	\$1,315,076	\$1,351,242	\$1,388,470	\$1,428,890	\$1,470,498	\$1,513,328	\$1,557,419	\$1,602,805	
Net Operating Income	\$1,527,584	\$1,549,676	\$1,536,943	\$1,559,365	\$1,581,943	\$1,604,673	\$1,627,548	\$1,650,562	\$1,673,709	\$1,696,980	\$1,718,269	\$1,739,604	\$1,760,976	\$1,782,372	\$1,803,781	
Debt Service Payments																
DEBT SERVICE	First Mortgage - FHFC MMRN / Berkadia / Freddie	\$1,300,976	\$1,300,976	\$1,300,976	\$1,300,976	\$1,300,976	\$1,300,976	\$1,300,976	\$1,300,976	\$1,300,976	\$1,300,976	\$1,300,976	\$1,300,976	\$1,300,976	\$1,300,976	\$1,300,976
	Second Mortgage - Watauga Woods	\$320,000	\$320,000	\$320,000	\$320,000	\$320,000	\$320,000	\$320,000	\$320,000	\$320,000	\$320,000	\$320,000	\$320,000	\$320,000	\$320,000	\$320,000
	All Other Mortgages -	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	First Mortgage Fees - FHFC MMRN / Berkadia / Fr	\$65,669	\$65,390	\$65,092	\$64,774	\$64,436	\$64,075	\$63,691	\$63,282	\$62,846	\$62,382	\$61,889	\$61,364	\$60,806	\$60,213	\$59,583
All Other Mortgages Fees -	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Debt Service Payments	\$1,686,644	\$1,686,365	\$1,686,068	\$1,685,750	\$1,685,412	\$1,685,051	\$1,684,666	\$1,684,257	\$1,683,822	\$1,683,358	\$1,682,865	\$1,682,340	\$1,681,782	\$1,681,189	\$1,680,558	
Cash Flow After Debt Service	(\$159,061)	(\$136,689)	(\$149,124)	(\$126,385)	(\$103,468)	(\$80,378)	(\$57,118)	(\$33,695)	(\$10,113)	\$13,622	\$35,405	\$57,265	\$79,194	\$101,183	\$123,222	
Debt Service Coverage Ratios																
DSC - First Mortgage plus Fees	1.12	1.134	1.125	1.142	1.159	1.176	1.193	1.210	1.227	1.245	1.261	1.277	1.293	1.309	1.326	
DSC - All Mortgages and Fees	0.906	0.919	0.912	0.925	0.939	0.952	0.966	0.980	0.994	1.008	1.021	1.034	1.047	1.060	1.073	
Financial Ratios																
Operating Expense Ratio	40.8%	41.2%	42.8%	43.1%	43.4%	43.7%	44.0%	44.3%	44.7%	45.0%	45.4%	45.8%	46.2%	46.6%	47.1%	
Break-Even Ratio	100.0%	99.1%	99.5%	98.6%	97.7%	96.9%	96.1%	95.3%	94.6%	93.8%	93.2%	92.6%	92.0%	91.4%	90.8%	

WATAUGA WOODS
2021-101B / HC# 2020-547C
DESCRIPTION OF FEATURES AND AMENITIES

A. The Development will consist of:

216 units located in 19 garden residential buildings.

Unit Mix:

Sixty (60) one bedroom / one bath units;

One Hundred Sixteen (116) two bedroom / two bath units; and

Forty (40) three bedroom / two bath units

216 Total Units

The Development is to be rehabilitated/constructed in accordance with the final plans and specifications approved by the appropriate city or county building or planning department or equivalent agency and approved as reflected in the Pre-Construction Analysis prepared for Florida Housing or its Servicer, unless a change has been approved in writing by Florida Housing or its Servicer. The Development will conform to requirements of local, state & federal laws, rules, regulations, ordinances, orders and codes, the Federal Fair Housing Act and Americans with Disabilities Act ("ADA"), as applicable.

All selected features and amenities must be located on the Development site. In addition, if the proposed Development will consist of Scattered Sites, the Applicant must locate each selected feature and amenity that is not unit-specific on each of the Scattered Sites, or no more than 1/16 mile from the site with the most units, or a combination of both.

B. The Borrower has committed to provide the following Optional Features and Amenities for All Developments:

1. 30 Year expected life roofing on all buildings.
2. Community center or clubhouse.
3. Car care area (for car cleaning/washing/vacuuming)

C. The Borrower has committed to provide the following Green Building Features:

1. Programmable thermostat in each unit
2. Energy Star qualified ceiling fans in all bedrooms and living areas
3. Energy Star qualified ventilation fans in all bathrooms

WATAUGA WOODS
2021-101B / HC# 2020-547C
DESCRIPTION OF FEATURES AND AMENITIES

4. Install daylight sensor, timers or motion detectors on all outdoor lighting attached to buildings
 5. Low-flow water fixtures in bathrooms – WaterSense labeled products or the following specifications:
 - Toilets: 1.28 gallons/flush or less;
 - Urinals: 0.5 gallons/flush
 - Lavatory Faucets: 1.5 gallons/minute or less at 60 psi flow rate; and
 - Showerheads: 2.0 gallons/minute or less at 80 psi flow rate.
- D. The Borrower has committed to provide the following Qualified Resident Program:
1. Health and Nutrition Classes- At least 8 hours per year, provided on site at no cost to the residents. Classes 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: Watauga Woods Apartments

DATE: May 25, 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. "Satisfactory" 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.	Satisfactory	
2. Final site plan and/or status of site plan approval.	Satisfactory	
3. Permit Status.	Satisfactory	
4. Pre-construction analysis ("PCA").	Satisfactory	
5. Survey.	Satisfactory	
6. Complete, thorough soil test reports.	N/A	
7. Full or self-contained appraisal as defined by the Uniform Standards of Professional appraisal Practice.	Satisfactory	
8. Market Study separate from the appraisal.	Satisfactory	
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.	Satisfactory	
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.	Satisfactory	
11. Resumes and experience of Borrower, general contractor and management agent.	Satisfactory	

12. Credit authorizations; verifications of deposits and mortgage loans.	Satisfactory	
13. Management Agreement and Management Plan.	Unsatis.	1
14. Firm commitment from the credit enhancer or private placement purchaser, if any.	Satisfactory	
15. Firm commitment letter from the syndicator, if any.	Satisfactory	
16. Firm commitment letter(s) for any other financing sources.	Satisfactory	
17. Updated sources and uses of funds.	Satisfactory	
18. Draft construction draw schedule showing sources of funds during each month of the construction and lease-up period.	Satisfactory	
19. Fifteen-year income, expense, and occupancy projection.	Satisfactory	
20. Executed general construction contract with "not to exceed" costs.	Satisfactory	
21. HC ONLY: 15% of the total equity to be provided prior to or simultaneously with the closing of the construction financing.	Satisfactory	
22. Any additional items required by the credit underwriter.	Satisfactory	

NOTES AND APPLICANT'S RESPONSES:

1. Receipt and satisfactory review of an executed Management Agreement.

HC Allocation Calculation

Section I: Qualified Basis Calculation	
Development Cost	\$52,461,133
Less Land Cost	(\$1)
Less Federal Funds	\$0
Less Other Ineligible Cost	(\$2,110,587)
Less Disproportionate Standard	\$0
Acquisition Eligible Basis	\$28,320,000
Rehabilitation Eligible Basis	\$22,030,545
Total Eligible Basis	\$50,350,545
Applicable Fraction	100.0%
DDA/QCT Basis Credit	130.00%
Acquisition HC Percentage	4.00%
Rehabilitation HC Percentage	4.00%
Annual HC on Acquisition	\$1,132,800
Annual HC on Rehabilitation	\$1,145,588
Annual Housing Credit Allocation	\$2,278,388

Notes to the Qualified Basis Calculation:

1. Other Ineligible Costs primarily include a portion of site work, accounting fees, FHFC administrative fees, FHFC application and FHFC credit underwriting fees, Legal Fees (organizational costs), Market Study fee, the portion of construction interest accrued during lease-up (SMG estimate), permanent loan application fee, half of the permanent loan origination attributable to the construction phase (Applicant's estimate), FHFC Note cost of issuance, initial TEFRA fee, and the portion of brokerage fees attributable to the acquisition of land.
2. The Borrower committed to a set aside of 100%. Therefore, SMG has utilized an Applicable Fraction of 100.00%.
3. At the time of Application, this Development was located in SADDA. Therefore, the 130.00% basis credit has been applied.
4. A Housing Credit Percentage of 4% is used based on the Consolidated Appropriations Act, 2021.

Section II: Gap Calculation	
Total Development Cost (Including Land and Ineligible Costs)	\$52,461,133
Less Mortgages	(\$25,500,000)
Less Grants	\$0
Equity Gap	\$26,961,133
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.8900
HC Required to Meet Gap	\$30,296,438
Annual HC Required	\$3,029,644

Notes to the Gap Calculation:

1. Mortgages include the First Mortgage loan provided by Berkadia and the Seller Note.
2. HC Syndication Pricing and Percentage to Investment Partnership are based upon the April 13, 2023 LOI from Synovus Bank.

Section III: Tax-Exempt Note 50% Test	
Total Depreciable Cost	\$50,350,545
Plus Land Cost	\$1
Aggregate Basis	\$50,350,546
Tax-Exempt Note Amount	\$26,000,000
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	\$26,000,000
Proceeds Divided by Aggregate Basis	51.64%

Notes to 50% Test:

1. SMG estimates the Tax-Exempt Note amount to be 51.64% 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.

Section IV: Summary	
HC per Qualified Basis	\$2,278,388
HC per Gap Calculation	\$3,029,644
Annual HC Recommended	\$2,278,388

Notes to the Summary:

1. The Annual HC Recommended is based on the Qualified Basis Calculation.

**FLORIDA HOUSING FINANCE CORPORATION
AUTHORIZATION RESOLUTION
WATAUGA WOODS**

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE ISSUANCE, EXECUTION, AND DELIVERY OF MULTIFAMILY MORTGAGE REVENUE NOTES, 2023 SERIES __ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (WATAUGA WOODS) OF THE FLORIDA HOUSING FINANCE CORPORATION; PROVIDING FOR A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF MULTIFAMILY MORTGAGE REVENUE NOTES, 2023 SERIES __ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (WATAUGA WOODS); APPROVING THE PREPARATION, EXECUTION, AND DELIVERY OF ONE OR MORE FUNDING LOAN AGREEMENTS AMONG THE FLORIDA HOUSING FINANCE CORPORATION, A FUNDING LENDER NAMED THEREIN, AND A FISCAL AGENT NAMED THEREIN, AND ONE OR MORE LOAN AGREEMENTS AMONG THE FLORIDA HOUSING FINANCE CORPORATION, A FISCAL AGENT NAMED THEREIN, AND THE BORROWER NAMED THEREIN; AUTHORIZING ONE OR MORE LOANS MADE PURSUANT TO ONE OR MORE LOAN 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 NOTES, 2023 SERIES __ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (WATAUGA WOODS); AUTHORIZING ALL ACTIONS NECESSARY FOR FINAL APPROVAL OF THE ISSUANCE, EXECUTION, AND DELIVERY OF MULTIFAMILY MORTGAGE REVENUE NOTES, 2023 SERIES __ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (WATAUGA WOODS), THE FINANCING OF WATAUGA WOODS, 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 Notes, 2023 Series __ [one or more series or subseries to be designated] (Watauga Woods) (the "Notes") for the purpose of making one or more loans to Watauga Affordable LLC, together with its predecessors, successors, assigns, affiliates, and/or related entities (the "Borrower"), to finance the acquisition, rehabilitation, and equipping of an approximately 216-unit multifamily residential rental development for persons of low, moderate, and middle income named Watauga Woods located in Orlando, Orange County, Florida (the "Property"); provided that the aggregate principal amount of the Notes shall not exceed the greater of (a) \$26,000,000, or (b) such greater aggregate principal amount of the Notes which, at the time of issuance, execution, and delivery, does not exceed an 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) for the Property, 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); 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 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 the Authorized Signatory (as defined below), in consultation with staff, Note Counsel, and Special Counsel, may approve. Execution of one or more funding loan agreements and one or more loan agreements, each as described below, by an Authorized Signatory shall be conclusive evidence of such approval.

2. Florida Housing hereby authorizes the issuance, 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 an aggregate principal

amount of not to exceed the greater of (a) \$26,000,000, or (b) such greater aggregate principal amount of the Notes which, at the time of issuance, execution, and delivery, does not exceed an aggregate principal amount which would result in a debt service coverage ratio for the Notes, 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. Subject to the immediately preceding sentence, the aggregate maximum principal amount of the Notes 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 Notes, from the Florida Housing Credit Underwriter with respect to the Property that, taking into account any increased 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 determination and approval of any such increased aggregate principal amount of the Notes shall be evidenced by a certificate of an Authorized Signatory.

3. One or more funding loan agreements among Florida Housing, a funding lender named therein, and a fiscal agent named therein, setting out the terms and conditions of the Notes 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 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 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.

4. One or more loan agreements among Florida Housing, a fiscal agent named therein, and the Borrower, setting out the terms of one or more loans of the proceeds of the Notes 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, 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 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 Notes 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 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 by negotiated sale and private placement, an Authorized Signatory is authorized to

acknowledge and execute note purchase agreements, note placement agreements, and funding loan agreements, as applicable, upon approval of the terms thereof by the staff of Florida Housing, Note Counsel, and Special Counsel to Florida Housing, and the execution of such note purchase agreements, note placement agreements, and 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 and to issue, execute, and deliver any additional documents necessary for the execution and delivery of the Notes, the making of the Loans, and the security therefor, by the staff of Florida Housing, Note Counsel, and Special Counsel to Florida Housing. All other actions by Florida Housing necessary for the final approval of the Property for financing, the issuance, execution, and delivery of the Notes, and the making of the Loans, and the security therefor (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 one or more funding loan agreements. The Notes do not constitute obligations, 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 Notes.

9. The Notes 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 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.

10. The maximum aggregate amount of the Notes 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 9th DAY OF JUNE, 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.

Tim Kennedy, 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 9th day of June, 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: Melissa Levy
Title: Managing Director of Multifamily
Programs, 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 9th day of June, 2023, by Tim Kennedy, as Multifamily Loans and Bonds Director 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

FLORIDA HOUSING FINANCE CORPORATION
SALE RESOLUTION
WATAUGA WOODS

RESOLUTION NO. ____

A RESOLUTION AUTHORIZING AND APPROVING THE NEGOTIATED SALE AND PRIVATE PLACEMENT OF MULTIFAMILY MORTGAGE REVENUE NOTES, 2023 SERIES __ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (WATAUGA WOODS) OF THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE ISSUANCE, EXECUTION, AND DELIVERY OF MULTIFAMILY MORTGAGE REVENUE NOTES, 2023 SERIES __ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (WATAUGA WOODS) BY THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE NEGOTIATION AND EXECUTION OF ONE OR MORE NOTE PURCHASE AGREEMENTS, NOTE PLACEMENT AGREEMENTS, FUNDING LOAN AGREEMENTS, AND SUCH OTHER DOCUMENTS AS ARE NECESSARY FOR THE NEGOTIATED SALE AND PRIVATE PLACEMENT OF MULTIFAMILY MORTGAGE REVENUE NOTES, 2023 SERIES __ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (WATAUGA WOODS) 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 MULTIFAMILY MORTGAGE REVENUE NOTES, 2023 SERIES __ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (WATAUGA WOODS) 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, 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 and 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 Notes, 2023 Series __ [one or more series or subseries to be designated] (Watauga Woods) (the "Notes"), as tax-exempt or taxable notes, for the purpose of making one or more loans to Watauga Affordable LLC, together with its predecessors, successors, assigns, affiliates, and/or related entities (the "Borrower"), to finance the acquisition, rehabilitation, and equipping of an approximately 216-unit multifamily residential rental development for persons of low, moderate, and middle income named Watauga Woods located in Orlando, Orange County, Florida (the "Property"); provided that the aggregate principal amount of the Notes shall not exceed the greater of (a) \$26,000,000, or (b) such greater aggregate principal amount of the Notes which, at the time issuance, execution, and delivery, does not exceed an 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) for the Property, 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); 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

Notes 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 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 and 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 and 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 renders the Notes 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 Notes is in the best interest of the public and Florida Housing 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 public 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 negotiated sale and private placement.

NOW, THEREFORE, BE IT RESOLVED BY FLORIDA HOUSING:

1. A negotiated sale and private placement of the Notes 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 Notes is to be negotiated by Florida Housing with or through RBC Capital Markets, LLC (the "Placement Agent") and Berkadia Commercial Mortgage LLC, or an affiliate thereof, as the purchaser of the Notes (the "Purchasers").

3. The Notes are to be generally described as follows:

Florida Housing Finance Corporation
Multifamily Mortgage Revenue Notes,
2023 Series __ [one or more series or subseries to be designated]
(Watauga Woods).

4. Florida Housing shall negotiate through the Placement Agent with the Purchasers and execute such documents as are necessary to sell and privately place the Notes with the Purchasers 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 Notes and to execute one or more note purchase agreements, note placement agreements, 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 one or more note purchase agreements, note placement agreements, or funding loan agreements, as applicable, is predicated upon the note purchase agreements, note placement agreements, or funding loan agreements, as applicable, providing

for an interest rate or rates on the Notes not to 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 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 issuance, execution, delivery, and negotiated sale 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 award of the Notes pursuant to the terms of this Resolution shall be final without any further action by Florida Housing.

8. This Resolution shall take effect immediately upon adoption.

[Remainder of page intentionally left blank]

ADOPTED THIS 9TH DAY OF JUNE, 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.

Tim Kennedy, 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 9th day of June, 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: Melissa Levy

Title: Managing Director of Multifamily
Programs, 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 9th day of June, 2023, by Tim Kennedy, as Multifamily Loans and Bonds Director 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

May 17, 2023

Angie Sellers, Chief Financial Officer
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329

Re: **Watauga Woods, 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 May 4, 2023, relating to Watauga Woods (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 fixed rates during both construction and permanent phases.

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: Watauga Woods

Construction Note Purchaser: Berkadia Commercial Mortgage LLC / Freddie Mac

Permanent Note Purchaser: Berkadia Commercial Mortgage LLC / Freddie Mac

Developer / Key Representative: Southport Development Services, Inc. / J. David Page

Recommended Method of Sale: Negotiated private placement

Based on the structure of the bond 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



May 24, 2023

Mr. Tim Kennedy
Multifamily Loans & Bonds Director
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301-3291

Re: Liberty Square Phase Four (“Development”) - Tax-Exempt Multifamily Mortgage Revenue Note (“MMRN” or “Note”), State Apartment Incentive Loan (“SAIL”), Extremely Low Income (“ELI”) Loan, RFA 2020-208 (2020-468BS) and 4% Non-Competitive Housing Credits (“HC”) 2019-573C

Credit Underwriting Report Update Letter (“CUR Update Letter”) – Changes to the Final Credit Underwriting Report (“Final CUR”), dated September 8, 2022

First Housing Development Corporation of Florida (“FHDC”, “First Housing”, or “Servicer”) received a letter from a representative of the Applicant, requesting Florida Housing Finance Corporation (“FHFC” or “Florida Housing”) approve the change in the unit mix, set-asides, and MMRN issuance amount. The total number of units is increasing from 186 units in the Final CUR to 193 units, which changed the set-asides. The MMRN issuance/construction amount is decreasing from \$43,000,000 in the Final CUR to \$42,500,000. The permanent MMRN amount increased from \$25,930,000 in the Final CUR to \$28,390,000. There is also an increase in the Recommended Annual 4% HC Allocation from \$3,135,015 to \$3,376,001. First Housing has prepared this CUR Update Letter to outline the changes.

On January 9, 2023, the Applicant requested to change the unit mix and set-asides which was approved by FHFC staff on February 13, 2023. First Housing has included the manager unit as a 60% AMI unit in the below chart. The changes in the unit mix and set-asides are as follows:

Set-Aside (from)	Set-Aside (to)
27.957% of units at 30% AMI – 52 units	27.461% of units at 30% AMI – 53 units
13.441% of units at 40% AMI – 25 units	13.472% of units at 40% AMI – 26 units
3.763% of units at 60% AMI – 7 units	5.181% of units at 60% AMI – 10 units
54.839% of units at 80% AMI – 102 units	53.886% of units at 80% AMI – 104 units

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Unit Mix (from)	Unit Mix (to)
112 one bedroom/one bathroom – 17 ELI units	114 one bedroom/one bathroom – 18 ELI units
56 two bedroom/two bathroom – 32 ELI units	61 two bedroom/two bathroom – 32 ELI units
12 three bedroom/two bathroom – 2 ELI units	12 three bedroom/two bathroom – 2 ELI units
6 four bedroom/two bathroom – 1 ELI unit	6 four bedroom/two bathroom – 1 ELI unit
186 total units – 52 ELI units	193 total units – 53 ELI units

On behalf of Florida Housing, First Housing has performed certain due diligence and formulated a recommendation and closing conditions which are contained at the end of this CUR Update Letter. For the purposes of this analysis, First Housing has reviewed the following:

1. Final CUR, dated September 8, 2022.
2. Letter of interest, dated April 18, 2023, from Wells Fargo Bank, National Association (“Wells Fargo”).
3. Loan application, dated December 30, 2022, from Wells Fargo and a follow up letter, dated April 11, 2023, from Wells Fargo.
4. Request Letter, dated January 9, 2023, from a representative of the Applicant.
5. Term Sheet, dated April 18, 2023, from Wells Fargo Community Lending and Investment (“Wells Fargo CLI”).
6. Draft Appraisal from Meridian Appraisal Group, Inc., dated May 19, 2023.
7. Document and Cost Review, dated February 13, 2023.

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PERMANENT FINANCING INFORMATION			
	1st Source	2nd Source	3rd Source
Lien Position	First	Second	Third
Lender/Grantor	FHFC/Wells Fargo/Freddie Mac	FHFC - SAIL	Miami-Dade
Amount	\$28,390,000	\$3,250,000	\$3,000,000
Underwritten Interest Rate	5.76%	1.00%	1.00%
All In Interest Rate	5.76%	1.00%	1.00%
Loan Term	15	15.5	28
Amortization	40	0	0
Market Rate/Market Financing LTV	49%	55%	60%
Restricted Market Financing LTV	70%	78%	85%
Loan to Cost - Cumulative	40%	44%	48%
Loan to Cost - SAIL Only	N/A	5%	N/A
Debt Service Coverage	1.10	1.08	1.06
Operating Deficit & Debt Service Reserves	\$1,764,055		
# of Months covered by the Reserves	6.4		

Deferred Developer Fee	\$5,408,966
As-Is Land Value	\$4,340,000
Market Rent/Market Financing Stabilized Value	\$57,420,000
Rent Restricted Market Financing Stabilized Value	\$40,650,000
Projected Net Operating Income (NOI) - Year 1	\$2,096,874
Projected Net Operating Income (NOI) - 15 Year	\$2,527,051
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	\$0.96209768
HC Annual Allocation - Initial Award	\$1,257,004
HC Annual Allocation - Qualified in CUR	\$3,376,001
HC Annual Allocation - Equity Letter of Interest	\$3,289,148

Per Rule 67-48 the minimum Debt Service Coverage (“DSC”) ratio shall be 1.10x for the SAIL Loan, including all superior mortgages. However, per Rule 67-48, if the Applicant defers at least 35% 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 1.00x for the SAIL Loan, including all superior mortgages. The Applicant will be required to show permanent Deferred Developer Fee of at least 35% as the SAIL Loan DSC is 1.08x.

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Construction Financing Sources:

Construction Sources	Lender	Application	Revised Applicant	Underwriter	Construction Interest Rate	Annual Construction Debt Service
FHFC - MMRN	FHFC/Wells Fargo	\$43,000,000	\$42,500,000	\$42,500,000	7.87%	\$3,344,750
Regulated Mortgage Lender	Wells Fargo	\$5,000,000	\$5,000,000	\$5,000,000	7.87%	\$393,500
FHFC - SAIL	FHFC	\$3,250,000	\$3,250,000	\$3,250,000	1.00%	\$32,500
Local Government Subsidy	Miami-Dade	\$3,000,000	\$3,000,000	\$3,000,000	0.00%	\$0
HC Equity	Wells Fargo CLI	\$4,474,853	\$6,261,523	\$6,400,826	N/A	N/A
Deferred Developer Fee	Liberty Square Phase Four Developer, LLC	\$8,828,336	\$8,260,775	\$9,775,738	N/A	N/A
Operating Deficit Reserve	N/A	\$1,482,230	\$1,871,034	\$1,764,055	N/A	N/A
Total		\$69,035,419	\$70,143,332	\$71,690,619		\$3,770,750

Please note, the Application column is based on First Housing's conclusions in the Final CUR, dated September 8, 2022.

First Mortgage:

The Applicant has requested \$42,500,000 in MMRN to be issued by FHFC for the construction of the Development. First Housing reviewed a letter of interest, dated April 18, 2023, from Wells Fargo where Wells Fargo anticipates a construction loan in an amount up to \$47,500,000. It is anticipated that the construction loan will consist of \$42,500,000 in tax-exempt proceeds and \$5,000,000 in taxable proceeds. The construction loan amount will be subject to final underwriting and will be limited to the lesser of 80% of the appraisal value based on the stabilized rent-restricted value of the project plus the value of the low-income housing tax credits, 85% of the total development cost of the project or the amount required to meet the 50% test. The construction loan will have a term of 30 months from loan closing plus one six month extension. The construction loan will require interest only payments for the term of the loan. The interest rate of the construction loan will be a floating rate based on the average 30-Day Secured Overnight Funding Rate ("SOFR") plus a 2.05% spread. The average 30-Day SOFR shall have a floor rate of 0.50%. The construction loan interest is calculated based on the average 30-Day SOFR rate of 4.82%, as of May 5, 2023, plus 2.05% spread, and an underwriting cushion of 1.00% for an all-in rate of 7.87%.

The annual FHFC Issuer Fee of 12.5 basis points of the tax-exempt loan proceeds and the annual Fiscal Agent Fee of \$4,500 are included in the Uses section of this report. The FHFC Issuer Fee is less than 24 basis points since the equity provider is a related entity to the construction lender.

FHFC SAIL Loan:

First Housing reviewed an invitation to enter credit underwriting, dated, October 21, 2020, from FHFC with a preliminary SAIL Loan in the amount of \$3,250,000.

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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 18.5 years, of which 3 years is for the construction/stabilization period and 15.5 years is 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 (total term of 18.5 years). Annual payments of all applicable fees will be required. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by Freddie Mac. 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.

Third Mortgage:

First Housing received a Conditional Loan Commitment, dated August 8, 2022, from Miami-Dade County for a Surtax Loan in the amount of \$3,000,000. The Loan will bear interest at 0% during years 1 and 2. The loan will require 1% interest only payments from Development cash flow in years 3-30, with an additional 1% accrual in years 3-30. The term of the loan is 30 years, of which 2 years is for the construction/stabilization period and 28 years is for the permanent period. Full principal and accrued interest are due at maturity.

Housing Credit Equity:

First Housing has reviewed a term sheet, dated April 18, 2023, indicating Wells Fargo CLI or an affiliate, will acquire 99.99% ownership interest in the Applicant. Based on the letter, the annual HC allocation is estimated to be in the amount of \$3,289,148 and the syndication rate is anticipated to be \$0.9621 per dollar. First Housing has used a syndication rate of \$0.96209768 in order to be exact. Wells Fargo anticipates a net capital contribution of \$31,641,653 and has committed to make available \$6,400,826 of the total net equity available at closing of the construction financing. An additional \$25,240,827 will be available at construction completion, stabilization, and 8609s. The first installment, in the amount of \$6,400,826 or 20.23%, 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 92.76% or \$9,775,738 of the total Developer Fee of \$10,538,455 during the construction period.

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Deferred Reserves:

The Operating Deficit Reserves in the amount of \$1,764,055 will be required to be funded at permanent loan closing/conversion. Therefore, First Housing has shown this amount deferred during construction.

FHDC

Permanent Financing Sources:

Permanent Sources	Lender	Application	Revised Applicant	Underwriter	Term Yrs.	Amort. Yrs.	Interest Rate	Annual Debt Service
FHFC - MMRN	FHFC/Wells Fargo/Freddie Mac	\$25,930,000	\$28,390,000	\$28,390,000	15	40	5.76%	\$1,817,789
FHFC - SAIL	FHFC	\$3,250,000	\$3,250,000	\$3,250,000	15.5	0	1.00%	\$32,500
Local Government Subsidy	Miami-Dade	\$3,000,000	\$3,000,000	\$3,000,000	28	0	1.00%	\$30,000
HC Equity	Wells Fargo CLI	\$29,832,349	\$31,307,616	\$31,641,653	N/A	N/A	N/A	N/A
Deferred Developer Fee	Liberty Square Phase Four Developer, LLC	\$7,023,070	\$4,195,717	\$5,408,966	N/A	N/A	N/A	N/A
Total		\$69,035,419	\$70,143,333	\$71,690,619				\$1,880,289

Please note, the Application column is based on First Housing's conclusions in the Final CUR, dated September 8, 2022.

First Mortgage:

First Housing reviewed a loan application, dated December 30, 2022, from Wells Fargo. The application is for first-mortgage financing from Wells Fargo under the Freddie Mac Tax Exempt Loan via Unfunded Forward Commitment. The maximum amount of the permanent loan is \$24,676,000 but it is not to exceed the lesser of 90% of the underwritten value as determined by Wells Fargo and 100% of total development costs net of LIHTC equity raise, subordinate debt, and borrower equity. The loan shall have a 15-year term and a 40-year amortization period. First Housing received a letter, dated April 11, 2023, from Wells Fargo which indicates an adjusted targeted loan amount of \$29,000,000. First Housing has sized the first mortgage in the amount of \$28,390,000 in order to maintain a 1.10 debt service coverage.

First Housing received an index lock confirmation sheet, dated March 24, 2023, which indicates that the index was locked at 3.38% and the spread (which is subject to change) is estimated at 2.38%. The index lock expires on July 3, 2023. First Housing has included interest on the permanent loan based upon the index lock of 3.38% plus a 2.38% spread, for an all-in rate of 5.76%.

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

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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).

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 Loan:

First Housing reviewed an invitation to enter credit underwriting, dated, October 21, 2020, from FHFC with a preliminary SAIL Loan in the amount of \$3,250,000.

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 18.5 years, of which 3 years is for the construction/stabilization period and 15.5 years is 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 (total term of 18.5 years). Annual payments of all applicable fees will be required. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by Freddie Mac. 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.

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, with a minimum monthly fee of \$236, and a maximum monthly fee of \$936.

Surtax:

First Housing received a Conditional Loan Commitment, dated August 8, 2022, from Miami-Dade County for a Surtax Loan in the amount of \$3,000,000. The Loan will bear interest at 0% during years 1 and 2. The loan will require 1% interest only payments from Development cash flow in years 3-30, with an additional 1% accrual in years 3-30. The term of the loan is 30 years, of which 2 years is for the construction/stabilization period and 28 years is for the permanent period. Full principal and accrued interest are due at maturity.

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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. The term sheet, dated April 18, 2023, indicates Wells Fargo CLI, its affiliate or designee, will provide HC equity as follows:

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$6,400,826	20.23%	Closing
2nd Installment	\$20,777,982	65.67%	The later of final certificate of occupancy for 100% of the units, lien free construction completion, 50% test, receipt of eligible basis prepared by managing member and September 1, 2024.
3rd Installment	\$4,462,845	14.10%	The later of permanent loan closing/conversion, the attainment of 1.15 DSC on all must pay debt for 90 consecutive days, 100% qualified occupancy, cost certification for the property from the accountant setting forth the eligible basis and the total available tax credits including a source and use reconciliation against closing budget, managing member prepared calculation of tax credit timing and tax credit basis adjuster, the company's receipt of executed form 8609 and receipt of satisfactory income qualification/initial tenant file audit for 100% of the LIHTC units and June 1, 2025.
Total	\$31,641,653	100.00%	

Annual Credit Per Syndication Agreement	\$3,289,148
Calculated HC Exchange Rate	\$0.96209768
Limited Partner Ownership Percentage	99.99%
Proceeds Available During Construction	\$6,400,826

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Deferred Developer Fee:

To balance the sources and uses of funds during the permanent funding period, the Developer is required to defer \$5,408,966 or 51.33% of the total Developer Fee of \$10,538,455.

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Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
New Rental Units	\$36,423,500	\$35,243,505	\$36,993,506	\$191,676	\$175,000
Recreational Amenities	\$0	\$0	\$0	\$0	\$0
Site Work	\$0	\$1,750,000	\$0	\$0	\$0
Constr. Contr. Costs subject to GC Fee	\$36,423,500	\$36,993,505	\$36,993,506	\$191,676	\$175,000
General Conditions	\$2,185,410	\$2,219,610	\$2,219,610	\$11,501	\$0
Overhead	\$728,470	\$739,870	\$739,870	\$3,834	\$0
Profit	\$2,185,410	\$2,219,610	\$2,219,610	\$11,501	\$0
Total Construction Contract/Costs	\$41,522,790	\$42,172,595	\$42,172,596	\$218,511	\$175,000
Hard Cost Contingency	\$2,076,139	\$2,108,630	\$2,108,629	\$10,926	\$0
PnP Bond paid outside Constr. Contr.	\$251,794	\$255,547	\$255,547	\$1,324	\$0
Demolition paid outside Constr. Contr.	\$266,370	\$266,370	\$266,370	\$1,380	\$266,370
FF&E paid outside Constr. Contr.	\$200,000	\$200,000	\$200,000	\$1,036	\$0
Other: Site Security	\$280,000	\$280,000	\$280,000	\$1,451	\$0
Other: Pre-Development Site Work	\$32,962	\$32,962	\$32,962	\$171	\$0
Other: Art in Public Places	\$714,433	\$714,433	\$714,433	\$3,702	\$0
Total Construction Costs:	\$45,344,488	\$46,030,537	\$46,030,537	\$238,500	\$441,370

Please note, the Application column is based on First Housing's conclusions in the Final CUR, dated September 8, 2022.

Notes to the Total Construction Costs:

1. The Applicant has provided an executed construction contract, dated July 13, 2022, in the amount of \$41,522,790. This is a Standard Form of Agreement between Owner, Liberty Square Phase Four, LLC and Contractor, Related Urban Construction LLC, 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 19 months (580 calendar days) from the date of commencement. The construction contract specifies retainage of 10% shall be withheld on all draws submitted through 50% completion of the work and 5% retainage withheld on amounts due and owing for work performed after 50% completion of the work. The remaining retainage shall be paid upon Contractor's completion of all punch list work and satisfaction of all other conditions precedent to final payment.
2. First Housing received Addendum No. 2 to the General Contract ("GC") Contract, dated December 8, 2022. The GMP is revised to be \$42,172,596 since the number of units changed to 193 total units. First Housing received Addendum No. 1 to the GC Contract, dated August 16, 2022, which adds an Exhibit to the contract in order to establish the insurance requirements.
3. First Housing utilized the Schedule of Values ("SOV") to breakout the construction costs.

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4. 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.
5. The GC Fee is within the maximum 14% of hard costs allowed by 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.
6. First Housing has included 10% of the site work (\$175,000) as ineligible for housing credits. First Housing has received a report which confirms the Miami Dade Chamber of Commerce offices qualifies as a community service facility; therefore, the costs to construct have been included in eligible basis.
7. The GC Contract does not include any allowances.
8. The Applicant has budgeted for a P&P Bond to secure the construction contract.
9. First Housing received a proposal from Viking Defense, Inc. to provide professional security services for the site.

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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	\$50,000	\$50,000	\$50,000	\$259	\$10,000
Appraisal	\$7,500	\$7,500	\$10,000	\$52	\$0
Architect's Fee - Site/Building Design	\$841,000	\$891,000	\$891,000	\$4,617	\$0
Building Permits	\$685,126	\$695,848	\$695,848	\$3,605	\$0
Builder's Risk Insurance	\$377,676	\$383,586	\$383,586	\$1,987	\$0
Engineering Fees	\$218,000	\$218,000	\$218,000	\$1,130	\$0
Environmental Report	\$25,000	\$25,000	\$25,000	\$130	\$0
FHFC Administrative Fees	\$282,151	\$292,685	\$303,840	\$1,574	\$303,840
FHFC Application Fee	\$3,000	\$3,000	\$3,000	\$16	\$3,000
FHFC Credit Underwriting Fee	\$33,404	\$0	\$48,619	\$252	\$48,619
FHFC Compliance Fee	\$0	\$140,000	\$0	\$0	\$0
Impact Fee	\$252,590	\$262,419	\$262,419	\$1,360	\$0
Lender Inspection Fees / Const Admin	\$35,000	\$35,000	\$35,000	\$181	\$0
Green Building Cert. (LEED, FGBC, NAHB)	\$65,000	\$65,000	\$65,000	\$337	\$0
Insurance	\$415,228	\$421,726	\$421,726	\$2,185	\$0
Legal Fees - Organizational Costs	\$180,000	\$165,000	\$165,000	\$855	\$115,000
Market Study	\$13,500	\$5,000	\$13,500	\$70	\$13,500
Marketing and Advertising	\$100,000	\$100,000	\$100,000	\$518	\$100,000
Plan and Cost Review Analysis	\$6,200	\$5,000	\$6,200	\$32	\$0
Soil Test	\$3,250	\$3,250	\$3,250	\$17	\$0
Survey	\$50,000	\$50,000	\$50,000	\$259	\$0
Tenant Relocation Costs	\$67,500	\$70,000	\$70,000	\$363	\$70,000
Title Insurance and Recording Fees	\$303,176	\$307,451	\$307,451	\$1,593	\$7,500
Utility Connection Fees	\$204,600	\$212,300	\$212,300	\$1,100	\$0
Soft Cost Contingency	\$251,328	\$421,811	\$257,822	\$1,336	\$0
Other: Private Provider Inspections/Review	\$312,162	\$320,212	\$320,212	\$1,659	\$0
Other: Community Engagement Meetings	\$300,000	\$300,000	\$300,000	\$1,554	\$300,000
Other: Permit Expediter	\$20,500	\$20,500	\$20,500	\$106	\$0
Other: Interior Design	\$60,000	\$60,000	\$60,000	\$311	\$0
Other: Threshold Inspections/Material Testing	\$115,000	\$115,000	\$115,000	\$596	\$0
Total General Development Costs:	\$5,277,891	\$5,646,288	\$5,414,273	\$28,053	\$971,459

Please note, the Application column is based on First Housing's conclusions in the Final CUR, dated September 8, 2022.

Notes to the General Development Costs:

1. General Development Costs are the Applicant's 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 Credit Underwriting Fee includes \$24,943 for the initial MMRN, SAIL, and HC underwriting fee and \$8,461 for the re-underwriting fee once the site and number of units increased as well as \$6,500 for a CUR Update Letter which was not finalized, and \$8,715 for this CUR Update Letter.
4. The FHFC Administrative Fee is based on 9% of the recommended annual 4% Housing Credit allocation.
5. 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.

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6. The Applicant provided an executed proposal with Energy Cost Solutions Group, LLC. The Agreement is for consulting and certification services for the National Green Building Standard.
7. First Housing has received an Engagement Agreement with ARC Private Provider Services, Inc. for them to provide plan review and inspection services.
8. First Housing has included the tenant relocation costs as ineligible for housing credits since the existing structures on the site are being demolished.

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Construction Loan Origination Fee	\$432,000	\$427,500	\$427,500	\$2,215	\$0
Construction Loan Interest	\$4,201,344	\$3,990,000	\$5,233,550	\$27,117	\$1,308,388
Permanent Loan Application Fee	\$40,930	\$43,390	\$43,390	\$225	\$43,390
Permanent Loan Origination Fee	\$259,300	\$283,900	\$283,900	\$1,471	\$283,900
Permanent Loan Closing Costs	\$10,000	\$2,500	\$10,000	\$52	\$10,000
FHFC Note Fiscal Agent Fee	\$13,500	\$14,500	\$11,250	\$58	\$11,250
FHFC Note Cost of Issuance	\$397,018	\$425,000	\$393,799	\$2,040	\$393,799
SAIL Commitment Fee	\$32,500	\$32,500	\$32,500	\$168	\$32,500
Misc Loan Origination Fee	\$30,000	\$28,710	\$28,710	\$149	\$28,710
Legal Fees - Financing Costs	\$281,000	\$276,000	\$276,000	\$1,430	\$276,000
Placement Agent/Underwriter Fee	\$35,000	\$67,500	\$35,000	\$181	\$35,000
Initial TEFRA Fee	\$1,000	\$0	\$1,000	\$5	\$1,000
Other: Freddie Mac Standby Fee	\$116,685	\$127,755	\$127,755	\$662	\$127,755
Other: FHFC Issuer Fee	\$161,250	\$0	\$132,813	\$688	\$132,813
Other: SAIL Extension Fees	\$32,500	\$32,500	\$65,000	\$337	\$65,000
Total Financial Costs:	\$6,044,027	\$5,751,755	\$7,102,167	\$36,799	\$2,749,505
Dev. Costs before Acq., Dev. Fee & Reserves	\$56,666,406	\$57,428,580	\$58,546,977	\$303,352	\$4,162,334

Please note, the Application column is based on First Housing's conclusions in the Final CUR, dated September 8, 2022.

Notes to the Financial Costs:

1. The Construction Loan Origination Fee is based on 0.90% of the construction loan amount.
2. The Construction Loan Interest is based on an interest rate of 7.87%, a 30-month term, and an average outstanding loan balance of 56%. First Housing has utilized a construction term of 30 months for this calculation. The GC Contract specifies a substantial completion of not later than 19 months and considering it will take approximately 6 months to lease-up, First Housing has estimated that a construction term of 30 months is reasonable.
3. The Permanent Loan Origination Fee is based on 1% of the permanent loan amount.
4. The FHFC Note Fiscal Agent Fee represents 2.5 years of the annual Fiscal Agent Fee of \$4,500 during the construction period.

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5. FHFC Note Cost of Issuance (“COI”) includes MMRN and SAIL Loan Closing Costs, and expenses of the Fiscal Agent, Real Estate Counsel, MMRN Counsel, Disclosure Counsel, and other fees.
6. SAIL Commitment Fee is based on 1% of the SAIL Loan.
7. The FHFC Issuer Fee is based on an annual Issuer Fee of 12.5 bps on the total MMRN amount during the construction period since the equity provider is a related entity to the construction lender.
8. SAIL Extension Fee is based on 1% of the SAIL loan for the firm commitment extension and 1% of the SAIL loan for the loan closing extension.

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

Please note, the Application column is based on First Housing’s conclusions in the Final CUR, dated September 8, 2022.

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	\$10,199,953	\$10,261,218	\$10,538,455	\$54,603	\$0
Total Other Development Costs:	\$10,199,953	\$10,261,218	\$10,538,455	\$54,603	\$0

Please note, the Application column is based on First Housing’s conclusions in the Final CUR, dated September 8, 2022.

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 Operating Deficit Reserves (“ODR”) as allowed by the RFA 2020-208 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	\$465,000	\$482,500	\$482,500	\$2,500	\$482,500
Total Acquisition Costs:	\$465,000	\$482,500	\$482,500	\$2,500	\$482,500

Please note, the Application column is based on First Housing’s conclusions in the Final CUR, dated September 8, 2022.

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Notes to Land Acquisition Costs:

1. First Housing has reviewed draft Ground Lease between Miami-Dade County (“Landlord”) and Liberty Square Phase Four, LLC (“Tenant”). Based on the Ground Lease, an annual rental amount equal to \$35,000 (increasing each year at 4% per year) shall be payable. The Developer anticipates that the final Ground Lease will require the annual rent payment to be payable out of 50% of available net cash flow. Any portion of the annual rent not paid shall be deferred to the following year. Additionally, a one-time capitalized lease payment of \$482,500 is to be paid at closing of the construction financing. The Ground Lease will be for a term of 75 years. Receipt and review of a satisfactory Ground Lease is a condition of the Final CUR.

2. The draft appraisal, dated May 19, 2023, indicated that the market value of the ground leasehold interest in the Development as if vacant, based on market conditions prevailing on January 31, 2023 was \$4,340,000. Therefore, the appraisal supports the capitalized lease payment.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserve (Syndicator)	\$1,482,230	\$1,612,403	\$1,764,055	\$9,140	\$1,764,055
Replacement Reserves (Lender)	\$55,800	\$57,900	\$57,900	\$300	\$57,900
Reserves - Start-Up/Lease-up Expenses	\$100,000	\$100,000	\$100,000	\$518	\$100,000
Other: Tax Escrow	\$66,030	\$51,258	\$51,258	\$266	\$51,258
Other: Operating Subsidy Reserve	\$0	\$149,474	\$149,474	\$774	\$149,474
Total Reserve Accounts:	\$1,704,060	\$1,971,035	\$2,122,687	\$10,998	\$2,122,687

Please note, the Application column is based on First Housing’s conclusions in the Final CUR, dated September 8, 2022.

Notes to Reserve Accounts:

1. An ODR is required by the Syndicator and First Housing has based the amount on the term sheet, dated April 18, 2023, from Wells Fargo CLI. 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

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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. 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:	\$69,035,419	\$70,143,333	\$71,690,619	\$371,454	\$6,767,521

Please note, the Application column is based on First Housing’s conclusions in the Final CUR, dated September 8, 2022.

Notes to Total Development Costs:

1. The Total Development Cost (“TDC”) has increased by a total of \$2,655,200 from \$69,035,419 to \$71,690,619 or 3.85% since the Final CUR. The change is mainly due to an increase in construction and financial costs.

2. Based on the TDC per unit limitations in effect as of the April 1, 2022 Telephonic FHFC Board Meeting, Florida Housing has set the TDC for RFA 2020-208, exclusive of land costs, tenant relocation costs, demolition, and reserves, to \$459,317.80 per unit for new construction, garden-style and mid-rise, ESSC Development located in Miami-Dade County. The Development’s TDC, exclusive of land, tenant relocation costs, demolition, and reserves is \$68,749,062 or \$356,213 per unit, which is within the underwriting parameters.

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Operating Pro Forma: Liberty Square Phase Four

FINANCIAL COSTS:		Year 1	Year 1 Per Unit
OPERATING PRO FORMA			
INCOME:	Gross Potential Rental Income	\$3,640,632	\$18,863
	Other Income		
	Ancillary Income	\$28,800	\$149
	Miscellaneous	\$46,320	\$240
	Gross Potential Income	\$3,715,752	\$19,253
	Less:		
	Physical Vac. Loss Percentage: 3.00%	\$111,473	\$578
	Collection Loss Percentage: 2.43%	\$90,293	\$468
Total Effective Gross Income	\$3,513,987	\$18,207	
EXPENSES:	Fixed:		
	Ground Lease	\$0	\$0
	Real Estate Taxes	\$204,038	\$1,057
	Insurance	\$250,900	\$1,300
	Variable:		
	Management Fee Percentage: 5.00%	\$175,699	\$910
	General and Administrative	\$86,850	\$450
	Payroll Expenses	\$260,550	\$1,350
	Utilities	\$159,225	\$825
	Marketing and Advertising	\$19,300	\$100
	Maintenance and Repairs/Pest Control	\$77,200	\$400
	Grounds Maintenance and Landscaping	\$28,950	\$150
	Contract Services	\$38,600	\$200
	Security	\$57,900	\$300
	Reserve for Replacements	\$57,900	\$300
	Total Expenses	\$1,417,112	\$7,343
Net Operating Income	\$2,096,874	\$10,865	
Debt Service Payments			
First Mortgage - FHFC/Wells Fargo/Freddie Mac	\$1,817,789	\$9,419	
Second Mortgage - FHFC - SAIL	\$32,500	\$168	
Third Mortgage - Miami-Dade - Surtax	\$30,000	\$155	
First Mortgage Fees - FHFC/Wells Fargo/Freddie Mac	\$83,290	\$432	
Second Mortgage Fees - FHFC - SAIL	\$9,148	\$47	
Third Mortgage Fees -Miami-Dade PHCD Surtax	\$0	\$0	
Total Debt Service Payments	\$1,972,727	\$10,221	
Cash Flow after Debt Service	\$124,148	\$643	
Debt Service Coverage Ratios			
DSC - First Mortgage plus Fees	1.10x		
DSC - Second Mortgage plus Fees	1.08x		
DSC - Third Mortgage plus Fees	1.06x		
Financial Ratios			
Operating Expense Ratio	40.33%		
Break-even Economic Occupancy Ratio (all debt)	91.50%		

Notes to the Operating Pro Forma and Ratios:

1. The MMRN program does not impose any rent restrictions. However, in conjunction with the MMRN this Development will be utilizing Housing Credits and SAIL financing which will impose rent restrictions. The LIHTC rent levels are based on the 2023

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maximum LIHTC rents published on FHFC’s website. The utility allowances are based on an Energy Consumption Model Estimate prepared by KN Consultants LLC which was approved by FHFC staff on February 8, 2023. The Development will have 27 units that will be designated for public housing. These units will receive an annual subsidy from Miami-Dade County in the anticipated amount of \$571 per unit. It is anticipated that the Applicant will enter into a Mixed-Finance Amendment to Consolidated ACC with Miami-Dade County which will further outline the terms of the ACC. Since the ACC is not available at this time, First Housing has based the subsidy rents on the Developer’s estimate, which has not been approved by HUD. Furthermore, the Development will have 50 units that will be under a Section 8 Project Based Voucher HAP Contract with HUD. The rent levels for these units are based on a letter from Miami-Dade Public Housing and Community Development, dated October 5, 2022. Please note the HAP units have a different utility allowance than the housing credit units; however, the chart below only shows the housing credit utility allowances as those are used to calculate the net restricted rents. Receipt of a HAP Contract at closing which supports the HAP rents is a condition in the Final CUR.

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	6	581	30%			\$580	\$71	\$ 509	\$ 571	\$ 571	\$ 571	\$ 571	\$ 41,112
1	1.0	12	689	30%			\$580	\$75	\$ 505	\$ 571	\$ 571	\$ 571	\$ 571	\$ 82,224
1	1.0	9	581	40%			\$774	\$71	\$ 703	\$ 571	\$ 571	\$ 571	\$ 571	\$ 61,668
1	1.0	1	581	40%			\$774	\$71	\$ 703		\$ 703	\$ 703	\$ 703	\$ 8,436
1	1.0	7	581	60%			\$1,161	\$71	\$ 1,090		\$ 1,091	\$ 1,090	\$ 1,090	\$ 91,560
1	1.0	72	578	80%			\$1,549	\$71	\$ 1,478		\$ 1,478	\$ 1,478	\$ 1,478	\$ 1,276,992
1	1.0	7	581	80%			\$1,549	\$71	\$ 1,478		\$ 1,478	\$ 1,478	\$ 1,478	\$ 124,152
2	2.0	24	859	30%			\$696	\$100	\$ 596	\$ 2,001	\$ 2,001	\$ 2,001	\$ 2,001	\$ 576,288
2	2.0	8	853	30%			\$696	\$100	\$ 596	\$ 2,001	\$ 2,001	\$ 2,001	\$ 2,001	\$ 192,096
2	2.0	1	859	40%			\$929	\$100	\$ 829		\$ 829	\$ 829	\$ 829	\$ 9,948
2	2.0	3	859	60%			\$1,393	\$100	\$ 1,293		\$ 1,294	\$ 1,293	\$ 1,293	\$ 46,548
2	2.0	25	859	80%			\$1,858	\$100	\$ 1,758		\$ 1,758	\$ 1,758	\$ 1,758	\$ 527,400
3	2.0	2	1,119	30%			\$805	\$128	\$ 677	\$ 2,631	\$ 2,631	\$ 2,631	\$ 2,631	\$ 63,144
3	2.0	10	1,119	40%			\$1,073	\$128	\$ 945	\$ 2,631	\$ 2,631	\$ 2,631	\$ 2,631	\$ 315,720
4	2.0	1	1,335	30%			\$898	\$156	\$ 742	\$ 3,102	\$ 3,102	\$ 3,102	\$ 3,102	\$ 37,224
4	2.0	5	1,335	40%			\$1,198	\$156	\$ 1,042	\$ 3,102	\$ 3,102	\$ 3,102	\$ 3,102	\$ 186,120
		193	141,103											\$ 3,640,632

2. First Housing included Vacancy and Collection loss rate of 5.43% which is more conservative than the appraisal because it accounts for the anticipated manager unit. The appraisal included a vacancy and collection loss rate of 5%.
3. Ancillary Income includes income associated with the Jessie Trice Community Health Center and the offices for the Miami-Dade Chamber of Commerce. First Housing received a letter of intent to enter into a lease agreement to provide community health services within the Development, dated March 31, 2022. The letter indicates that the lease term will be 15 years and the amount payable for the leased space will be \$1,000

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per month. First Housing received an unexecuted letter of intent to enter into a lease agreement to provide opportunities for residents/local community for economic and social transformation within the Development, dated November 4, 2022. The letter indicates that the lease term would be 15 years and the amount payable for the leased space will be \$1,400 per month. First Housing has included ancillary income of \$28,800 which is supported by the appraisal. Executed lease agreements for the Jessie Trice Community Health Center and the offices for the Miami-Dade Chamber of Commerce is a condition in the Final CUR.

4. 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.
5. 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.
6. First Housing received a real estate tax analysis, dated August 5, 2022, from Meridian. The purpose of the analysis was to estimate the Development's real estate taxes for underwriting purposes based on comparison to current assessments of existing recently constructed restricted apartments in Miami-Dade County. The analysis concluded to a real estate tax of \$204,038 which is used above. Please note, this amount is lower than the real estate taxes included in the appraisal as the appraisal is based on sales of market rate properties in Miami-Dade County.
7. The Applicant has submitted a draft management agreement which reflects a management fee of the greater of 5% or \$5,000 per month and a compliance reporting fee of \$5 per unit per month (payable out of available cash flow). First Housing has included a management fee of 5% based on the draft agreement which is supported by the appraisal.
8. The tenant is responsible for electric, cable, and internet. The landlord is responsible for water, sewer, trash, pest control, common area electric, and common area water/sewer.
9. Replacement Reserves of \$300 per unit per year are required, per the RFA and Rule Chapters 67-48 and 67-21. Based on the term sheet, dated April 18, 2023 from Wells Fargo CLI, the replacement reserves will be required to increase by 3% each year.

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10. 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%.
11. Based on the Ground Lease, an annual rental amount equal to \$35,000 (increasing each year at 4% per year) shall be payable. The Developer anticipates that the final Ground Lease will require the annual rent payment to be payable out of 50% of available net cash flow. Any portion of the annual rent not paid shall be deferred to the following year. First Housing has not shown the ground lease payments since they are payable out of available cash flow. Receipt and review of a satisfactory Ground Lease is a condition in the Final CUR.
12. Per Rule 67-48 the minimum Debt Service Coverage (“DSC”) ratio shall be 1.10x for the SAIL Loan, including all superior mortgages. However, per Rule 67-48, if the Applicant defers at least 35% 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 1.00x for the SAIL Loan, including all superior mortgages. The Applicant will be required to show permanent Deferred Developer Fee of at least 35% as the SAIL Loan DSC is 1.08x.
13. The Break-Even Economic Occupancy Ratio includes the debt payments and fees on all mortgages. However, all mortgage payments, except the first mortgage payments and all fees, are subject to available cash flow. The Break-Even Economic Ratio for the first mortgage and all fees is 89.82%.

Document and Cost Review

First Housing has reviewed a Document and Cost Review (“DCR”), dated February 13, 2023, prepared by Partner Engineering and Science, Inc. (“Partner”). The property will consist of 193 units situated in three residential buildings.

The Development’s common areas will include community rooms, multi-purpose rooms, police room, leasing and management offices, restrooms, resident lobbies, mail and package rooms, computer rooms, corridors, and elevator lobbies. A future office space will also be provided. Site improvements will generally include new asphalt paved parking areas, concrete curbs and sidewalks, a central green space with trellis structures, seating areas, landscaping, site lighting, and signage.

Partner was provided with a Standard Form of Agreement Between Owner and Contractor (AIA Document A102-2017), dated July 13, 2022. Partner was also provided with Addendum No 1, dated August 16, 2022, and Addendum No. 2, dated December 8, 2022, to the GC Contract. Addendum No. 2 modifies the Development’s description and revises the GMP to \$42,172,596.

Partner’s estimated cost for this Development is \$42,809,715 or \$221,812 per dwelling unit which is slightly above the GC Contract which is \$42,172,596 or \$218,511 per dwelling unit. This is a variance of roughly 1.5% which is within an acceptable range when performing conceptual cost analysis.

The design of the Development appears to be in accordance with required national, state, and local codes and ordinances. The drawings identify the following applicable codes and local ordinances: 2020 Florida Building Code, 2020 Florida Accessibility Code, 2020 Florida Fire Prevention Code, 2018 NFPA 101, 2018 NFPA 1, 2016 NFPA 72, 2017 National Electrical Code, UFAS – Latest Edition, Florida Housing Visitability and Universal Design Manual, Fair Housing Act Design Manual.

First Housing has been provided a certification from the GC which confirms that not more than 20% of the project cost shall be subcontracted to any one entity and that no construction cost will be subcontracted to any entity that has common ownership or is an affiliate of the GC or the Developer.

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Recommendation

First Housing's review indicates the proposed change in the unit mix, set-asides, and MMRN issuance amount has no substantial adverse impact to the Final CUR. First Housing recommends Tax-Exempt MMRN in the amount of \$42,500,000, a SAIL Loan in the amount of \$3,250,000, and an annual 4% HC Allocation of \$3,376,001 for the construction and permanent financing of the Development.

Closing of the transaction is subject to the following conditions:

1. All closing conditions in the Final CUR must be met.
2. Receipt of a final appraisal.
3. Per Rule 67-48 the minimum Debt Service Coverage ("DSC") ratio shall be 1.10x for the SAIL Loan, including all superior mortgages. However, per Rule 67-48, if the Applicant defers at least 35% 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 1.00x for the SAIL Loan, including all superior mortgages. The Applicant will be required to show permanent Deferred Developer Fee of at least 35% as the SAIL Loan DSC is 1.08x.
4. All other due diligence required by FHFC, its Legal Counsel and Servicer.

Prepared by:



Taylor Arruda
Senior Credit Underwriter

Reviewed by:



Ed Busansky
Senior Vice President

HC Allocation Calculation

Qualified Basis Calculation

Total Development Costs(including land and ineligible Costs)	\$71,690,619
Less Land Costs	\$482,500
Less Federal Grants and Loans	\$0
Less Other Ineligible Costs	\$6,285,021
Total Eligible Basis	\$64,923,098
Applicable Fraction	100%
DDA/QCT Basis Credit	130%
Qualified Basis	\$84,400,027
Housing Credit Percentage	4.00%
Annual Housing Credit Allocation	\$3,376,001

Notes to the Qualified Basis Calculation:

1. Other ineligible costs include site work, demolition of existing buildings, accounting fees, FHFC Fees, legal fees, market study, marketing and advertising, tenant relocation costs, title insurance and recording fees, community engagement meetings, closing costs, land, and reserves.
2. The Development has a 100% set-aside: therefore, the Applicable Fraction is 100%.
3. For purposes of this analysis, the Development is located in a Qualified Census Tract ("QCT") and is a subsequent phase of a multiphase development; therefore the 130% basis credit was applied.
4. For purposes of this recommendation a HC percentage of 4.00% was applied based on the 4% floor rate, which was established through the Consolidated Appropriations Act of 2021.

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GAP Calculation

Total Development Costs(including land and ineligible Costs)	\$71,690,619
Less Mortgages	\$34,640,000
Less Grants	\$0
Equity Gap	\$37,050,619
HC Syndication Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.96209768
HC Required to meet Equity Gap	\$38,514,098
Annual HC Required	\$3,851,410

Notes to the Gap Calculation:

1. The pricing and syndication percentage was taken from the term sheet, dated April 18, 2023, from Wells Fargo CLI. First Housing has used a syndication rate of \$0.96209768 to be exact in order to tie to the annual HC allocation per the LOI.
2. The Development is subject to the minimum first mortgage test. First Housing calculated the minimum first mortgage test, which indicated a minimum first mortgage of \$24,748,473. Therefore, the committed first mortgage in the amount of \$28,390,000 meets the minimum first mortgage test.

Summary

HC Per Syndication Agreement	\$3,289,148
HC Per Qualified Basis	\$3,376,001
HC Per GAP Calculation	\$3,851,410
Annual HC Recommended	\$3,376,001
Syndication Proceeds based upon Syndication Agreement	\$31,641,653

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.

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50% Test

Tax-Exempt Note Amount	\$42,500,000
Less: Debt Service Reserve Funded with Tax-Exempt Note Proceeds	\$0
Other:	\$0
Other:	\$0
Equals Net Tax-Exempt Note Amount	\$42,500,000
Total Depreciable Cost	\$64,923,098
Plus Land Cost	\$482,500
Aggregate Basis	\$65,405,598
Net Tax-Exempt Note to Aggregate Basis Ratio	64.98%

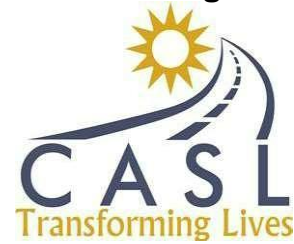
1. Based on the budget, the Development appears to meet the 50% test for 4% Housing Credits.

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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		\$3,640,632	\$3,713,445	\$3,787,714	\$3,863,468	\$3,940,737	\$4,019,552	\$4,099,943	\$4,181,942	\$4,265,581	\$4,350,892	\$4,437,910	\$4,526,668	\$4,617,202	\$4,709,546	\$4,803,737	
	Other Income																	
	Ancillary Income		\$28,800	\$29,376	\$29,964	\$30,563	\$31,174	\$31,798	\$32,433	\$33,082	\$33,744	\$34,419	\$35,107	\$35,809	\$36,525	\$37,256	\$38,001	
	Miscellaneous		\$46,320	\$47,246	\$48,191	\$49,155	\$50,138	\$51,141	\$52,164	\$53,207	\$54,271	\$55,357	\$56,464	\$57,593	\$58,745	\$59,920	\$61,118	
	Gross Potential Income		\$3,715,752	\$3,790,067	\$3,865,868	\$3,943,186	\$4,022,049	\$4,102,490	\$4,184,540	\$4,268,231	\$4,353,596	\$4,440,668	\$4,529,481	\$4,620,071	\$4,712,472	\$4,806,721	\$4,902,856	
	Less:																	
	Physical Vac. Loss Percentage: 3.00%		\$111,473	\$113,702	\$115,976	\$118,296	\$120,661	\$123,075	\$125,536	\$128,047	\$130,608	\$133,220	\$135,884	\$138,602	\$141,374	\$144,202	\$147,086	
	Collection Loss Percentage: 2.43%		\$90,293	\$92,099	\$93,941	\$95,819	\$97,736	\$99,691	\$101,684	\$103,718	\$105,792	\$107,908	\$110,066	\$112,268	\$114,513	\$116,803	\$119,139	
	Total Effective Gross Income		\$3,513,987	\$3,584,266	\$3,655,952	\$3,729,071	\$3,803,652	\$3,879,725	\$3,957,320	\$4,036,466	\$4,117,195	\$4,199,539	\$4,283,530	\$4,369,201	\$4,456,585	\$4,545,716	\$4,636,631	
	EXPENSES:	Fixed:																
Ground Lease		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Real Estate Taxes		\$204,038	\$210,159	\$216,464	\$222,958	\$229,647	\$236,536	\$243,632	\$250,941	\$258,469	\$266,223	\$274,210	\$282,436	\$290,909	\$299,637	\$308,626		
Insurance		\$250,900	\$258,427	\$266,180	\$274,165	\$282,390	\$290,862	\$299,588	\$308,575	\$317,833	\$327,368	\$337,189	\$347,304	\$357,723	\$368,455	\$379,509		
Variable:																		
Management Fee Percentage: 5.00%		\$175,699	\$179,213	\$182,798	\$186,454	\$190,183	\$193,986	\$197,866	\$201,823	\$205,860	\$209,977	\$214,177	\$218,460	\$222,829	\$227,286	\$231,832		
General and Administrative		\$86,850	\$89,456	\$92,139	\$94,903	\$97,750	\$100,683	\$103,703	\$106,815	\$110,019	\$113,320	\$116,719	\$120,221	\$123,827	\$127,542	\$131,368		
Payroll Expenses		\$260,550	\$268,367	\$276,417	\$284,710	\$293,251	\$302,049	\$311,110	\$320,444	\$330,057	\$339,959	\$350,157	\$360,662	\$371,482	\$382,626	\$394,105		
Utilities		\$159,225	\$164,002	\$168,922	\$173,989	\$179,209	\$184,585	\$190,123	\$195,827	\$201,701	\$207,753	\$213,985	\$220,405	\$227,017	\$233,827	\$240,842		
Marketing and Advertising		\$19,300	\$19,879	\$20,475	\$21,090	\$21,722	\$22,374	\$23,045	\$23,737	\$24,449	\$25,182	\$25,938	\$26,716	\$27,517	\$28,343	\$29,193		
Maintenance and Repairs/Pest Control		\$77,200	\$79,516	\$81,901	\$84,359	\$86,889	\$89,496	\$92,181	\$94,946	\$97,795	\$100,728	\$103,750	\$106,863	\$110,069	\$113,371	\$116,772		
Grounds Maintenance and Landscaping		\$28,950	\$29,819	\$30,713	\$31,634	\$32,583	\$33,561	\$34,568	\$35,605	\$36,673	\$37,773	\$38,906	\$40,074	\$41,276	\$42,514	\$43,789		
Contract Services		\$38,600	\$39,758	\$40,951	\$42,179	\$43,445	\$44,748	\$46,090	\$47,473	\$48,897	\$50,364	\$51,875	\$53,431	\$55,034	\$56,685	\$58,386		
Security		\$57,900	\$59,637	\$61,426	\$63,269	\$65,167	\$67,122	\$69,136	\$71,210	\$73,346	\$75,546	\$77,813	\$80,147	\$82,552	\$85,028	\$87,579		
Reserve for Replacements		\$57,900	\$59,637	\$61,426	\$63,269	\$65,167	\$67,122	\$69,136	\$71,210	\$73,346	\$75,546	\$77,813	\$80,147	\$82,552	\$85,028	\$87,579		
Total Expenses		\$1,417,112	\$1,457,869	\$1,499,813	\$1,542,979	\$1,587,404	\$1,633,124	\$1,680,178	\$1,728,605	\$1,778,445	\$1,829,739	\$1,882,532	\$1,936,866	\$1,992,787	\$2,050,343	\$2,109,580		
Net Operating Income		\$2,096,874	\$2,126,398	\$2,156,139	\$2,186,092	\$2,216,248	\$2,246,601	\$2,277,142	\$2,307,861	\$2,338,751	\$2,369,800	\$2,400,998	\$2,432,335	\$2,463,797	\$2,495,374	\$2,527,051		
Debt Service Payments																		
First Mortgage - FHFC/Wells Fargo/Freddie Mac		\$1,817,789	\$1,817,789	\$1,817,789	\$1,817,789	\$1,817,789	\$1,817,789	\$1,817,789	\$1,817,789	\$1,817,789	\$1,817,789	\$1,817,789	\$1,817,789	\$1,817,789	\$1,817,789	\$1,817,789	\$1,817,789	
Second Mortgage - FHFC - SAIL		\$32,500	\$32,500	\$32,500	\$32,500	\$32,500	\$32,500	\$32,500	\$32,500	\$32,500	\$32,500	\$32,500	\$32,500	\$32,500	\$32,500	\$32,500		
Third Mortgage - Miami-Dade - Surtax		\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000		
First Mortgage Fees - FHFC/Wells Fargo/Freddie Mac		\$83,290	\$82,956	\$82,600	\$82,218	\$81,810	\$81,373	\$80,906	\$80,408	\$79,875	\$79,306	\$78,698	\$78,050	\$77,358	\$76,620	\$75,832		
Second Mortgage Fees - FHFC - SAIL		\$9,148	\$9,148	\$9,148	\$9,148	\$9,148	\$9,148	\$9,148	\$9,148	\$9,148	\$9,148	\$9,148	\$9,148	\$9,148	\$9,148	\$9,148		
Third Mortgage Fees - Miami-Dade PHCD Surtax		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Total Debt Service Payments		\$1,972,727	\$1,972,394	\$1,972,037	\$1,971,655	\$1,971,247	\$1,970,810	\$1,970,344	\$1,969,845	\$1,969,312	\$1,968,743	\$1,968,135	\$1,967,487	\$1,966,795	\$1,966,057	\$1,965,270		
Cash Flow after Debt Service		\$124,148	\$154,004	\$184,102	\$214,436	\$245,001	\$275,791	\$306,798	\$338,017	\$369,439	\$401,057	\$432,863	\$464,848	\$497,002	\$529,317	\$561,781		
Debt Service Coverage Ratios																		
DSC - First Mortgage plus Fees		1.10	1.12	1.13	1.15	1.17	1.18	1.20	1.22	1.23	1.25	1.27	1.28	1.30	1.32	1.33		
DSC - Second Mortgage plus Fees		1.08	1.09	1.11	1.13	1.14	1.16	1.17	1.19	1.21	1.22	1.24	1.26	1.27	1.29	1.31		
DSC - Third Mortgage plus Fees		1.06	1.08	1.09	1.11	1.12	1.14	1.16	1.17	1.19	1.20	1.22	1.24	1.25	1.27	1.29		
Financial Ratios																		
Operating Expense Ratio		40.33%	40.67%	41.02%	41.38%	41.73%	42.09%	42.46%	42.82%	43.20%	43.57%	43.95%	44.33%	44.72%	45.10%	45.50%		
Break-even Economic Occupancy Ratio (all debt)		91.50%	90.78%	90.08%	89.40%	88.75%	88.12%	87.51%	86.92%	86.36%	85.81%	85.28%	84.78%	84.29%	83.83%	83.38%		

Based on the term sheet, dated April 18, 2023, from Wells Fargo CLI, the replacement reserves will be required to increase by 3% each year.



May 18, 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 Closing Deadline, June 9, 2023

Dear Tim,


At the April 28, 2023 FHFC board meeting, CHIRP loan closing deadlines were extended to June 9, 2023. For Alto Tower, we have diligently been working on obtaining final approval of our plans since our initial submission in July 2022. We expect to have the building permit ready letter by June 9, 2023. However, in an abundance of caution, we respectfully request an extension to July 21, 2023.

If you have any questions or need further documentation, please call Shawn Wilson at (813) 384-4825 or contact Angela Hatcher at (727) 269-3853.

Sincerely,

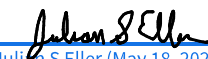
BLUE CASL DADE, LLC

By: Blue DADE M, LLC, its manager

By: 
Shawn Wilson, Manager

CASL DADE, LLC

By: CASL DADE M, LLC, its manager

By: 
[Julian S Eller \(May 18, 2023 13:11 EDT\)](#)
Julian S. Eller, Manager

Cc: Amanda Perry, FHFC

Keith Whitaker, Seltzer Management Group



May 10, 2023

Mr. Tim Kennedy
Florida Housing Finance Corporation
227 N. Bronough Street
Suite 5000
Tallahassee, FL 32301

Subject: Hillsboro Landing f/k/a Tallman Pines – Phase II (2021-2017BSN) Request for Chirp Closing Deadline extension

Dear Mr. Kennedy:

Tallman Pines HR, Ltd, (“Applicant”), hereby requests an extension from the June 9, 2023 CHIRP closing deadline to the next FHFC Board meeting dated July 21, 2023.

The Applicant has been actively putting forward its best effort to meet the June 9th CHIRP closing deadline. The only outstanding items pending are 2 HUD approvals that are currently under review.

We submitted our Subsidy Layering Review to HUD on January 17, 2023 and while we have expressed our deadlines very clearly to HUD staff, we are ultimately at the will of the HUD review process. HUD cannot provide any guarantees on when the review will be finalized but we continue to press on and try our best for some expedition. In fact, our partners, the Broward County Housing Authority, traveled to Washington this week to meet with the attorneys and HUD in an attempt to bring these approvals to a conclusion. We are expecting a progress update from them before the end of the week. Nevertheless, out of an abundance of caution, we are requesting an extension from the current closing deadline to the July 21, 2023 Board meeting.

Should FHFC require additional information, the Applicant is available to answer questions and to provide all information necessary for your consideration.

Sincerely,

Tallman Pines HR, Ltd.
a Florida limited partnership

By: HTG Tallman HR, LLC,
a Florida limited liability company,
its Special Limited Partner

By: _____

Matthew Rieger, Manager



May 12, 2023

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

RE: Culmer Apartments, RFA 2019-116/2020-435BSN/2019-572/CHIRP
CHIRP Closing Deadline Extension Request

Dear Mr. Kennedy:

In connection with the above-referenced affordable housing development, we respectfully request an extension to the closing deadline for the CHIRP loan from June 9, 2023, to July 21, 2023. We are scheduled to have the real estate closing on May 16 followed by the financial closing on May 25 but in an abundance of caution we are requesting this extension. We have been experiencing extensive delays with HUD and the uncertainties surrounding their ability to complete reviews within typical time frames, a summary of these delays are below:

RAD Conversion delays: Culmer Apartments is a public housing conversion utilizing the Rental Assistance Demonstration ("RAD") program. The RAD financing plan was submitted to HUD for approval on May 25, 2022, with the expectation we would receive the RAD Conversion Commitment (RCC) within four months. We received the RCC from HUD on March 20, 2023, causing a six-month delay to the projected timeline. Since receiving the RCC, we have been working with HUD to obtain approval of the proposed Conversion Plan for the public housing units converting to RAD; however, we did not receive preliminary approval of a Conversion Plan until April 28, 2023 and have since been working diligently with HUD to update relevant closing and conversion documents. Based on the latest communication, we are projected to close before the current June 9, 2023 CHIRP deadline.

Tenant Relocation delays: In order to commence the temporary relocation of the current residents, HUD requires that the RCC be issued. As mentioned above, we did not receive the RCC from HUD until March 20. Since receiving the RCC, we have been relocating the residents to renovated units within Miami-Dade County Public Housing & Community Development's (PHCD) portfolio. Unfortunately, given the delay, the rehabbed units have sat vacant and idle for several months during which many have been vandalized. This has led to additional repairs to the units and delays while Atlantic Pacific and PHCD coordinate to ensure residents have decent, safe, and sanitary units to reside in. We expect to rehab all the affected units and relocate all the residents prior to commencing construction.

As a result of the above delays and uncertainties surrounding the remaining HUD review period and resident relocations, we respectfully request an extension to the closing deadline for the CHIRP loan from June 9, 2023, to July 21, 2023. This request is being submitted in an abundance of caution as we do not want to place Culmer's funding at risk.



Should we require the extension to the closing deadline beyond June 9, 2023, the extension fee will be wired to the Corporation.

If you have any questions or concerns, please do not hesitate to contact us. Your assistance and consideration are very much appreciated.

Sincerely,

Culmer Apartments, Ltd.
By: APC Culmer Apartments, LLC,
its managing general partner

A handwritten signature in blue ink, appearing to read "Kenneth Naylor".

Kenneth Naylor, Vice President

cc: Amanda Franklin, FHFC
George Repity, AmeriNat
Greg Griffith, APC

David Woodward, FHFC
Mark Fredericks, AmeriNat
Oscar Hentschel, APC



**THE HOUSING AUTHORITY
OF THE
CITY OF MIAMI BEACH**



BOARD OF COMMISSIONERS

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WWW.HACMB.ORG

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MIGUELL DEL CAMPILLO
EXECUTIVE DIRECTOR

May 5, 2023

Tim Kennedy, Multifamily Loans & Bonds Director
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, FL 32301

Re: The Heron (RFA 2020-102/2020-483SA/ITP-2022 CHIRP)

Dear Mr. Kennedy:

The Miami Beach Housing Initiatives, Inc., an instrumentality of the Housing Authority of the City of Miami Beach (HACMB), respectfully requests a waiver of the CHIRP ITP to extend the current June 9, 2023 closing deadline for The Heron, to September 8, 2023, the date of the September Florida Housing Finance Corporation Board meeting.

The Heron is a proposed development of twenty (20) permanent supporting housing units for elderly persons with special needs. The development was originally proposed to consist of sixteen (16) units at 60% of Area Median Income (AMI), and four (4) Extremely Low Income units at 28% AMI. In order to receive additional funding through the CHIRP program, The Heron was required to convert eight of the 60% AMI units to 30% AMI units. The twenty permanent supportive housing units at The Heron are now deeply subsidized with four units at 28% AMI, eight at 30%, and eight at 60%.

The resulting substantial loss in rental revenue required the addition of eight (8) project-based vouchers (PBV) in order to have sufficient income to support the increased debt. However, this triggers a required Subsidy Layering Review (SLR) process to be completed by U.S. HUD.

The HACMB has been advised to anticipate a minimum turnaround time of sixty days thus requiring an extension to the closing deadline. As such, the HACMB will request that U.S. HUD expedite its review and approval process to the greatest extent possible to allow for the project financing to close in advance of the requested deadline of September 8, 2023.

Thank you in advance for your consideration of this request.

Sincerely,



Miguell Del Campillo
Executive Director



**THE HOUSING AUTHORITY
OF THE
CITY OF MIAMI BEACH**



BOARD OF COMMISSIONERS

MOJDEH L. KHAGHAN
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200 ALTON ROAD
MIAMI BEACH, FL 33139-6742
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WWW.HACMB.ORG

LEONOR FERNANDEZ
COMMISSIONER
DAVID C. GREEFF
COMMISSIONER
MIGUELL DEL CAMPILLO
EXECUTIVE DIRECTOR

May 9, 2023

Tim Kennedy, Multifamily Loans & Bonds Director
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, FL 32301

Re: The Heron (RFA 2020-102/2020-483SA/ITP-2022 CHIRP)

Dear Mr. Kennedy:

The Miami Beach Housing Initiatives, Inc., an instrumentality of the Housing Authority of the City of Miami Beach (HACMB), respectfully requests a ninety (90) calendar day extension to the May 30, 2023 SAIL/ELI closing deadline for The Heron to August 28, 2023. On May 5, 2023, the HACMB requested a waiver of the CHIRP ITP to extend the closing deadline to September 8, 2023.

The Heron is a proposed development of twenty (20) permanent supportive housing units for elderly persons with special needs. The development was originally proposed to consist of sixteen (16) units at 60% of Area Median Income (AMI), and four (4) Extremely Low Income units at 28% AMI. In order to receive additional funding through the CHIRP program, The Heron was required to convert eight of the 60% AMI units to 30% AMI units. The twenty permanent supportive housing units at The Heron are now deeply subsidized with four units at 28% AMI, eight at 30%, and eight at 60%.

The resulting substantial loss in rental revenue required the addition of eight (8) project-based vouchers (PBV) in order to have sufficient income to support the increased debt. However, this triggers a required Subsidy Layering Review (SLR) process to be completed by U.S. HUD.

The HACMB has been advised to anticipate a minimum turnaround time of sixty days thus requiring an extension to the closing deadline. As such, the HACMB will request that U.S. HUD expedite its review and approval process to the greatest extent possible to allow for the project financing to close in advance of the requested deadline of August 28, 2023.

Thank you in advance for your consideration of this request.

Sincerely,



Miguell Del Campillo
Executive Director

BID-A-WEE APARTMENTS, LLC

575 Pharr Road NE, Unit 550069, Atlanta, Georgia 30355

(404) 963-6657

May 17, 2023

Mr. Tim Kennedy
Multifamily Loans and Bonds Director
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301

Re: Sovereign at North Bay, formerly known as Bid-A-Wee Apartments
RFA 2019-111 (2020-076BR)/2019-575C
Request for Extension of Deadline for Closing of Financing and Closing of Limited
Partnership Agreement

Dear Mr. Kennedy:

As you know, Sovereign at North Bay (“Sovereign”) in Bay County, Florida, formerly known as Bid-A-Wee Apartments, applied for funding under the Construction Housing Inflation Response Program (“CHIRP”) Invitation to Participate. This funding supplements funding previously awarded in the Hurricane Michael Rental Recovery Loan Program (“RRLP”), wherein Sovereign was awarded \$7,171,200 in RRLP and Extremely Low-Income loan funding, Corporation-issued tax-exempt bond financing, and non-competitive housing credits. Sovereign received a favorable Credit Underwriting Report dated December 1, 2022, which was approved by Florida Housing’s Board of Directors on December 9, 2022. Sovereign received its firm loan commitment for the RRLP, CHIRP, and ELI financing on December 14, 2022, and subsequently received favorable CUR updates.

Sovereign is currently scheduled to close all of its financing, as well as close the Limited Partnership Agreement (“LPA”) associated with the non-competitive tax credit financing, by June 1, 2023. However, out of an abundance of caution, Sovereign at North Bay seeks an extension of the June 9 closing deadline in the event that any unforeseen events delay a June 1 settlement.

For the financing awarded to Sovereign other than CHIRP financing, the applicable closing deadline is June 12, 2023. The original CHIRP ITP when issued by Florida Housing in May 2022 required applicants receiving CHIRP awards to close on Corporation-issued financing and their limited partnership agreements by January 31, 2023 (or an earlier closing deadline connected to their prior, non-CHIRP “Active Award” of financing). At subsequent Board meetings, the CHIRP closing deadlines have been granted a blanket extension, the most recent to April 28, 2023, with the Board indicating that any subsequent extension requests would be considered on a case-by-case basis.

Specifically, Sovereign at North Bay requests that the time for the closing of both its LPA and financing be extended up to and including July 21, 2023, the date of the July FHFC Board

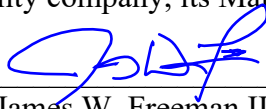
Meeting. Sovereign has been working in close cooperation with Florida Housing staff and fully expects as scheduled on June 1.

Thank you for your time and consideration with this matter.

Sincerely,

Bid-A-Wee Apartments, LLC, a Florida limited liability company

By: Bid-A-Wee Manager, LLC, a Florida limited liability company, its Manager

By: 

James W. Freeman III, Manager

May 19, 2023

Via Email

Mr. Tim Kennedy
Multifamily Loans & Bonds Director
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, FL 32301

Viability/RRLP/ELI/NHTF Loan Closing Deadline Extension
RE: New River Landing (RFA 2019-111 / 2020-075R & RFA 2021-211 / 2022-229V)

Dear Mr. Kennedy:

MHP New River Landing, LLC (“Applicant”) has a current deadline to close Viability/RRLP/ELI/NHTF by May 30, 2023. New River Landing consist of thirty (30) single-family rental units in rural Franklin County, FL. The Applicant put the development on hold due to concerns with the size of income-qualified renter households in the market. The Applicant wants to ensure that they are not entering into a market whereby sufficient qualified tenants are not available to support the development long-term. In addition, the Applicant requires additional time to examine the availability and cost of property insurance within the marketplace.

The Applicant received Credit Underwriting approval on October 28, 2022. Draft loan documents have been prepared by FL Housing counsel and are under review by the Applicant. Upon clearing the market and insurance concerns, the Applicant intends to proceed to closing. Therefore, we respectfully request a ninety (90) day extension to closing in complete assess and mitigate the aforementioned concerns.

Thank you for your consideration. If you have any questions, you may reach me at (786) 257-2767 or cshear@mcdhousing.com.

Sincerely,



Authorized Representative
MHP New River Landing, LLC

May 5th, 2023

Rebecca Sheffield
Florida Housing and Finance Corporation
227 N. Bronough Street #5000
Tallahassee, FL 32301

Re: Change in Ownership Structure

Dear Ms. Sheffield,

Please accept this letter as notice that, based on information provided by Fairstead Affordable FL LLC, the Class B Limited Partner of (i) Federation Gould Preservation LP, (ii) Federation Davie Preservation LP, (iii) Federation Gardens Preservation LP, (iv) Federation Towers Preservation LP, and (v) Federation Sunrise Preservation LP, that there has been a change in the organizational structure of Fairstead Affordable FL LLC which will cause a change in the structure of the applicant entities for the relevant projects.

A similar change has occurred in Goodlette Arms Class B LLC, the Class B limited partner of Goodlette Arms Preservation LP, resulting in the same change of the applicant entity structure.

John Tatum, William Blodgett, JD2 Affordable LLC, FCM-JD2 Member LLC, Stephen Siegel, Tyler McIntyre, and Andrew Goldberg have been removed from the applicant structures of the following entities: (i) Federation Gould Preservation LP (ii) Federation Davie Preservation LP, (iii) Federation Gardens Preservation LP, (iv) Federation Towers Preservation LP, (v) Federation Sunrise Preservation LP, and (vi) Goodlette Arms Preservation LP. Please see the following pages for signed authorization on behalf of each entity.

Neither John nor Will owned more than 30% of any of the above projects, individually or combined. Going forward, Jeffrey Goldberg will be the authorized principal representative for all projects listed above.

Thank you for your time. Please let us know if we can provide any further information.

Federation Gardens Preservation LP:

CLASS B LIMITED PARTNER:

FAIRSTEAD AFFORDABLE FL LLC
a Delaware limited liability company

By: 
Name: Jeffrey Goldberg
Title: Authorized Signatory

Goodlette Arms Preservation LP:

CLASS B LIMITED PARTNER:

GOODLETTE ARMS CLASS B LLC,
a Delaware limited liability company

By: 
Name: Jeffrey Goldberg
Title: Authorized Signatory

Federation Sunrise Preservation LP:

CLASS B LIMITED PARTNER:

FAIRSTEAD AFFORDABLE FL LLC
a Delaware limited liability company

By: 
Name: Jeffrey Goldberg
Title: Authorized Signatory

Federation Towers Preservation LP:

CLASS B LIMITED PARTNER:


FAIRSTEAD AFFORDABLE FL LLC
a Delaware limited liability company

By: 
Name: Jeffrey Goldberg
Title: Authorized Signatory

Federation Davie Preservation LP:

CLASS B LIMITED PARTNER:

FAIRSTEAD AFFORDABLE FL LLC
a Delaware limited liability company

By: 
Name: Jeffrey Goldberg
Title: Authorized Signatory

Federation Gould Preservation LP:

CLASS B LIMITED PARTNER:

FAIRSTEAD AFFORDABLE FL LLC
a Delaware limited liability company

By: 
Name: Jeffrey Goldberg
Title: Authorized Signatory



April 5th, 2023

Rebecca Sheffield
Florida Housing and Finance Corporation
227 N. Bronough Street #5000
Tallahassee, FL 32301

Re: Change in Ownership Structure

Dear Ms. Sheffield,

Please consider this letter formal notification that John Tatum and William Blodgett are no longer employed by Fairstead.

They, along with JD2 Affordable LLC, FCM-JD2 Member LLC, Stephen Siegel, Tyler McIntyre, and Andrew Goldberg have been removed from the applicant structures of the following entities: (1) Forest & Village Preservation LP, (2) Beachwood Preservation LP, and (3) Sable Palms Preservation LP. Please see the following pages for signed authorization on behalf of each entity.

Neither John nor Will owned more than 30% of any of the above projects, individually or combined. Going forward, Jeffrey Goldberg will be the authorized principal representative for all projects listed above.

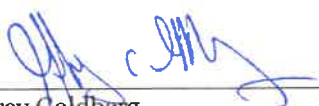
Thank you for your time. Please let us know if we can provide any further information.

// FAIRSTEAD

Forest & Village Preservation LP:

GENERAL PARTNER:

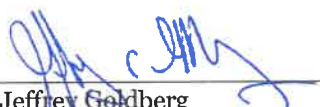
FAIRSTEAD AFFORDABLE FL LLC
a Delaware limited liability company

By: 
Name: Jeffrey Goldberg
Title: Authorized Signatory

Beachwood Preservation LP:

GENERAL PARTNER:

FAIRSTEAD AFFORDABLE FL LLC
a Delaware limited liability company

By: 
Name: Jeffrey Goldberg
Title: Authorized Signatory

Sable Palms Preservation LP:

GENERAL PARTNER:

FAIRSTEAD AFFORDABLE FL LLC
a Delaware limited liability company

By: 
Name: Jeffrey Goldberg
Title: Authorized Signatory

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:

Beachwood Preservation LP

% 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	Fairstead Affordable FL LLC	Limited Liability Company	0.0100%
2.	Investor LP	CDC Special Limited Partner, LLC	Limited Liability Company	0.0000%
3.	Investor LP	TCC Beachwood, LLC	Limited Liability Company	99.9900%
4.	<Select an option>		<Select an option>	
5.	<Select an option>		<Select an option>	
6.	<Select an option>		<Select an option>	
7.	<Select an option>		<Select an option>	
8.	<Select an option>		<Select an option>	
9.	<Select an option>		<Select an option>	
10.	<Select an option>		<Select an option>	
11.	<Select an option>		<Select an option>	
12.	<Select an option>		<Select an option>	
13.	<Select an option>		<Select an option>	
14.	<Select an option>		<Select an option>	
15.	<Select an option>		<Select an option>	
16.	<Select an option>		<Select an option>	
17.	<Select an option>		<Select an option>	
18.	<Select an option>		<Select an option>	
19.	<Select an option>		<Select an option>	
20.	<Select an option>		<Select an option>	

Second Principal Disclosure Level:

Beachwood Preservation LP

[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	Second Level Principal % Ownership of First Level Principal
1. (Fairstead Affordable FL LLC)	1.A. Managing Member	JD2 Affordable LLC	Limited Liability Company	30.0000%
1. (Fairstead Affordable FL LLC)	1.B. Member	Feldman, Stuart	Natural Person	23.5240%
1. (Fairstead Affordable FL LLC)	1.C. Member	Goldberg, Jeffrey	Natural Person	3.1430%
1. (Fairstead Affordable FL LLC)	1.D. Member	FCM-JD2 Member LLC	Limited Liability Company	26.6700%
1. (Fairstead Affordable FL LLC)	1.E. Member	Blodgett, William	Natural Person	9.4130%
1. (Fairstead Affordable FL LLC)	1.F. Member	JCT Capital LLC	Limited Liability Company	5.2500%
1. (Fairstead Affordable FL LLC)	1.G. Member	McIntyre, Tyler	Natural Person	2.0000%
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	

Principal Disclosures for the Developer

Original
Beachwood

How many Developers are part of this Application structure?

1

Select the organizational structure for the Developer entity:

The Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

Beachwood Developer LLC

First Principal Disclosure Level:

Beachwood Developer LLC

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

First Level Entity #	Select Type of Principal of Developer	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified
1.	Managing Member	Fairstead Affordable LLC	Limited Liability Company
2.	<Select an option>		<Select an option>
3.	<Select an option>		<Select an option>
4.	<Select an option>		<Select an option>
5.	<Select an option>		<Select an option>
6.	<Select an option>		<Select an option>
7.	<Select an option>		<Select an option>
8.	<Select an option>		<Select an option>
9.	<Select an option>		<Select an option>
10.	<Select an option>		<Select an option>
11.	<Select an option>		<Select an option>
12.	<Select an option>		<Select an option>
13.	<Select an option>		<Select an option>
14.	<Select an option>		<Select an option>
15.	<Select an option>		<Select an option>
16.	<Select an option>		<Select an option>
17.	<Select an option>		<Select an option>
18.	<Select an option>		<Select an option>
19.	<Select an option>		<Select an option>
20.	<Select an option>		<Select an option>

Second Principal Disclosure Level:

Beachwood Developer LLC

[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

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
1. (Fairstead Affordable LLC)	1.A. Manager	JD2 Affordable LLC	Limited Liability Company
1. (Fairstead Affordable LLC)	1.B. Member	FCM Affordable LLC	Limited Liability Company
1. (Fairstead Affordable LLC)	1.C. Member	JCT Capital LLC	Limited Liability Company
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>

Proposed Beachwood

Principal Disclosures for the Applicant

Provide the name of the Applicant Limited Partnership:

Beachwood Preservation LP

% 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](#)

Select organizational structure of First Level Principal identified

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	Fairstead Affordable FL LLC	Limited Liability Company	0.0100%
2.	Investor LP	CDC Special Limited Partner, LLC	Limited Liability Company	0.0000%
3.	Investor LP	TCC Beachwood, LLC	Limited Liability Company	99.9900%

Second Principal Disclosure Level:

Beachwood Preservation LP

[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

Select the type of Principal being associated with the corresponding First Level Principal Entity

Select organizational structure of Second Level Principal identified

Second Level Principal % Ownership of First Level Principal

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. (Fairstead Affordable FL LLC)	1.A. Member	Feldman, Stuart	Natural Person	51.0000%
1. (Fairstead Affordable FL LLC)	1.B. Manager	Goldberg, Jeffrey	Natural Person	49.0000%

Proposed Beachwood

Principal Disclosures for the Developer

How many Developers are part of this Application structure?

1

Select the organizational structure for the Developer entity:

The Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

Beachwood Developer LLC

First Principal Disclosure Level:

Beachwood Developer 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>Managing Member</u>	<u>Fairstead Affordable LLC</u>	<u>Limited Liability Company</u>

Second Principal Disclosure Level:

Beachwood Developer LLC

[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. (Fairstead Affordable LLC)</u>	<u>Manager</u>	<u>JD2 Affordable LLC</u>	<u>Limited Liability Company</u>
<u>1. (Fairstead Affordable LLC)</u>	<u>Member</u>	<u>FCM Affordable LLC</u>	<u>Limited Liability Company</u>

Principal Disclosures for Applicant

Select the organizational structure for the Applicant entity:

The Applicant is a: Limited Partnership

Provide the name of the Applicant Limited Partnership:

Federation Towers Preservation LP

% 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	The Affordable Housing Institute, Inc.	Non-Profit Corporation	0.0100%
2.	Non-Investor LP	Fairstead Affordable FL LLC	Limited Liability Company	0.0100%
3.	Investor LP	Fairstead Affordable FL LLC	Limited Liability Company	99.9800%
4.	Investor LP		<Select an option>	0.0000%
5.	<Select an option>		<Select an option>	
7.	<Select an option>		<Select an option>	
8.	<Select an option>		<Select an option>	
9.	<Select an option>		<Select an option>	

Second Principal Disclosure Level:

Federation Towers Preservation LP

[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	Second Level Principal % Ownership of First Level Principal
1. (The Affordable Housing Institu	1.A.	Executive Director	Hartnett, Bryan C.	Natural Person	NA
1. (The Affordable Housing Institu	1.B.	Officer	Hartnett, Bryan C.	Natural Person	NA
1. (The Affordable Housing Institu	1.C.	Officer	Hartnett, Robert C.	Natural Person	NA
1. (The Affordable Housing Institu	1.D.	Officer	Hartnett, Jill C.	Natural Person	NA
1. (The Affordable Housing Institu	1.E.	Director	Hartnett, Bryan C.	Natural Person	NA
1. (The Affordable Housing Institu	1.F.	Director	Hartnett, Robert C.	Natural Person	NA
1. (The Affordable Housing Institu	1.G.	Director	Hartnett, Jill C.	Natural Person	NA
1. (The Affordable Housing Institu	1.H.	Director	Hartnett, Elizabeth R.	Natural Person	NA
2. (Fairstead Affordable FL LLC)	2.A.	Managing Member	JD2 Affordable LLC	Limited Liability Company	30.0000%
2. (Fairstead Affordable FL LLC)	2.B.	Member	Feldman, Stuart	Natural Person	23.5240%
2. (Fairstead Affordable FL LLC)	2.C.	Member	Goldberg, Jeffrey	Natural Person	3.1430%
2. (Fairstead Affordable FL LLC)	2.D.	Member	FCM-JD2 Member LLC	Limited Liability Company	26.6700%
2. (Fairstead Affordable FL LLC)	2.E.	Member	Blodgett, William	Natural Person	9.4130%
2. (Fairstead Affordable FL LLC)	2.F.	Member	JCT Capital LLC	Limited Liability Company	5.2500%
2. (Fairstead Affordable FL LLC)	2.G.	Member	McIntyre, Tyler	Natural Person	2.0000%
N/A (Investor)	N/A	<Select an option>		<Select an option>	
<Select a #>		<Select an option>	The Affordable Housing Institute, Inc. is a non-profit corporation	<Select an option>	
<Select a #>		<Select an option>	therefore, has no shareholders.	<Select an option>	
<Select a #>		<Select an option>		<Select an option>	
<Select a #>		<Select an option>		<Select an option>	
<Select a #>		<Select an option>		<Select an option>	
<Select a #>		<Select an option>		<Select an option>	

Third Principal Disclosure Level:

Federation Towers Preservation LP

[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	Select the type of Principal being associated with the corresponding Second Level Principal Entity	Enter Name of Third Level Principal who must be a Natural Person	The organizational structure of Third Level Principal identified Must Be a Natural Person	3rd Level Principal % Ownership of 2nd Level Principal
2.A. (JD2 Affordable LLC)	Member	Feldman, Stuart (also manager)	Natural Person	90.0100%
2.A. (JD2 Affordable LLC)	Member	Goldberg, Jeffrey (also manager)	Natural Person	9.9900%
2.D. (FCM-JD2 Member LLC)	Managing Member	Goldberg, Jeffrey	Natural Person	80.0000%
2.D. (FCM-JD2 Member LLC)	Member	Goldberg, Andrew	Natural Person	10.0000%
2.D. (FCM-JD2 Member LLC)	Member	Siegel, Stephen	Natural Person	10.0000%
2.F. (JCT Capital LLC)	Sole Member	Tatum, John	Natural Person	100.0000%
<Select a #>	<Select an option>		Natural Person	
<Select a #>	<Select an option>		Natural Person	
<Select a #>	<Select an option>		Natural Person	

Principal Disclosures for the Developer

How many Developers are part of this Application structure?

1

Select the organizational structure for the Developer entity:

The Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

FA Developer LLC

First Principal Disclosure Level:

FA Developer LLC

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

First Level Entity #	Select Type of Principal of Developer	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified
1.	Sole Member	Fairstead Affordable LLC	Limited Liability Company
2.	<Select an option>		<Select an option>
3.	<Select an option>		<Select an option>
4.	<Select an option>		<Select an option>
5.	<Select an option>		<Select an option>
6.	<Select an option>		<Select an option>
7.	<Select an option>		<Select an option>
8.	<Select an option>		<Select an option>
9.	<Select an option>		<Select an option>
10.	<Select an option>		<Select an option>
11.	<Select an option>		<Select an option>
12.	<Select an option>		<Select an option>
13.	<Select an option>		<Select an option>
14.	<Select an option>		<Select an option>
15.	<Select an option>		<Select an option>
16.	<Select an option>		<Select an option>
17.	<Select an option>		<Select an option>
18.	<Select an option>		<Select an option>
19.	<Select an option>		<Select an option>
20.	<Select an option>		<Select an option>

Second Principal Disclosure Level:

FA Developer LLC

[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

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
1. (Fairstead Affordable LLC)	1.A. Manager	JD2 Affordable LLC	Limited Liability Company
1. (Fairstead Affordable LLC)	1.B. Member	FCM Affordable LLC	Limited Liability Company
1. (Fairstead Affordable LLC)	1.C. Member	JCT Capital LLC	Limited Liability Company
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>

Proposed
Federation
Towers

Principal Disclosures for Applicant

The Applicant is a: Limited Partnership

Provide the name of the Applicant Limited Partnership:

Federation Towers Preservation LP

% 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>The Affordable Housing Institute, Inc.</u>	<u>Non-Profit Corporation</u>	<u>0.0100%</u>
2.	<u>Non-Investor LP</u>	<u>Fairstead Affordable FL LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>
3.	<u>Investor LP</u>	<u>CITI - ESG LIHTC Partner I, LLC</u>	<u>Limited Liability Company</u>	<u>99.9800%</u>
4.	<u>Investor LP</u>	<u>LP Purchaser, LLC</u>	<u>Limited Liability Company</u>	<u>0.0000%</u>

Second Principal Disclosure Level:

Federation Towers Preservation LP

[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	Second Level Principal % Ownership of First Level Principal
<u>1. (The Affordable Housing Institut</u>	<u>1.A. Executive Director</u>	<u>Hartnett, Bryan C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (The Affordable Housing Institut</u>	<u>1.B. Officer</u>	<u>Hartnett, Bryan C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (The Affordable Housing Institut</u>	<u>1.C. Officer</u>	<u>Hartnett, Robert C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (The Affordable Housing Institut</u>	<u>1.D. Officer</u>	<u>Harnett, Jill C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (The Affordable Housing Institut</u>	<u>1.E. Director</u>	<u>Hartnett, Bryan C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (The Affordable Housing Institut</u>	<u>1.F. Director</u>	<u>Hartnett, Robert C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (The Affordable Housing Institut</u>	<u>1.G. Director</u>	<u>Hartnett, Jill C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (The Affordable Housing Institut</u>	<u>1.H. Director</u>	<u>Hartnett, Elizabeth R.</u>	<u>Natural Person</u>	<u>NA</u>
<u>2. (Fairstead Affordable FL LLC)</u>	<u>2.A. Member</u>	<u>Feldman, Stuart</u>	<u>Natural Person</u>	<u>51.0000%</u>
<u>2. (Fairstead Affordable FL LLC)</u>	<u>2.B. Manager</u>	<u>Goldberg, Jeffrey</u>	<u>Natural Person</u>	<u>49.0000%</u>

Principal Disclosures for the Developer

FA Developer LLC

First Principal Disclosure Level:

FA Developer 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>Sole Member</u>	<u>Fairstead Affordable LLC</u>	<u>Limited Liability Company</u>

Second Principal Disclosure Level:

FA Developer LLC

[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. (Fairstead Affordable LLC)</u>	<u>1.A. Manager</u>	<u>JD2 Affordable LLC</u>	<u>Limited Liability Company</u>
<u>1. (Fairstead Affordable LLC)</u>	<u>1.B. Member</u>	<u>FCM Affordable LLC</u>	<u>Limited Liability Company</u>

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:

Federation Davie Preservation LP

% 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	Affordable Housing Institute, Inc.	Non-Profit Corporation	0.0100%
2.	Non-Investor LP	Fairstead Affordable FL LLC	Limited Liability Company	0.0100%
3.	Investor LP	RAH Investor 260 LLC	Limited Liability Company	99.9700%
4.	Investor LP	Sterling Corporate Services LLC	Limited Liability Company	0.0100%
5.	<Select an option>		<Select an option>	
6.	<Select an option>		<Select an option>	
7.	<Select an option>		<Select an option>	
8.	<Select an option>		<Select an option>	
9.	<Select an option>		<Select an option>	
10.	<Select an option>		<Select an option>	
11.	<Select an option>		<Select an option>	
12.	<Select an option>		<Select an option>	
13.	<Select an option>		<Select an option>	
14.	<Select an option>		<Select an option>	
15.	<Select an option>		<Select an option>	
16.	<Select an option>		<Select an option>	
17.	<Select an option>		<Select an option>	
18.	<Select an option>		<Select an option>	
19.	<Select an option>		<Select an option>	
20.	<Select an option>		<Select an option>	

Second Principal Disclosure Level:

Federation Davie Preservation LP

[Click here for Assistance with Completing the Entries for the Second Level Principal Disclosure for the Applicant](#)

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. (Affordable Housing Institute, Inc.)	1.A. Executive Director	Hartnett, Bryan C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.B. Officer/Director	Hartnett, Bryan C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.C. Officer/Director	Hartnett, Robert C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.D. Officer/Director	Hartnett, Jill C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.E. Officer/Director	Hartnett, Bryan C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.F. Officer/Director	Hartnett, Robert C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.G. Officer/Director	Hartnett, Jill C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.H. Officer/Director	Hartnett, Elizabeth R.	Natural Person	NA
2. (Fairstead Affordable FL LLC)	2.A. Managing Member	JD2 Affordable LLC	Limited Liability Company	30.0000%
2. (Fairstead Affordable FL LLC)	2.B. Member	Feldman, Stuart	Natural Person	23.5240%
2. (Fairstead Affordable FL LLC)	2.C. Member	Goldberg, Jeffrey	Natural Person	3.1430%
2. (Fairstead Affordable FL LLC)	2.D. Member	FCM-JD2 Member LLC	Limited Liability Company	26.6700%
2. (Fairstead Affordable FL LLC)	2.E. Member	Blodgett, William	Natural Person	9.4130%
2. (Fairstead Affordable FL LLC)	2.F. Member	JCT Capital LLC	Limited Liability Company	5.2500%
2. (Fairstead Affordable FL LLC)	2.G. Member	McIntyre, Tyler	Natural Person	2.0000%
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>	The Affordable Housing Institute, Inc. is a non-profit corporation and	<Select an option>	
<Select a #>	<Select an option>	therefore, has no shareholders.	<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	

Principal Disclosures for the Developer

Original
Federation
Davie

How many Developers are part of this Application structure?

1

Select the organizational structure for the Developer entity:

The Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

FA Developer FL LLC

First Principal Disclosure Level:

FA Developer FL 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.	Sole Member	Fairstead Affordable LLC	Limited Liability Company
2.	<Select an option>		<Select an option>
3.	<Select an option>		<Select an option>
4.	<Select an option>		<Select an option>
5.	<Select an option>		<Select an option>
6.	<Select an option>		<Select an option>
7.	<Select an option>		<Select an option>
8.	<Select an option>		<Select an option>
9.	<Select an option>		<Select an option>
10.	<Select an option>		<Select an option>
11.	<Select an option>		<Select an option>
12.	<Select an option>		<Select an option>
13.	<Select an option>		<Select an option>
14.	<Select an option>		<Select an option>
15.	<Select an option>		<Select an option>
16.	<Select an option>		<Select an option>
17.	<Select an option>		<Select an option>
18.	<Select an option>		<Select an option>
19.	<Select an option>		<Select an option>
20.	<Select an option>		<Select an option>

Second Principal Disclosure Level:

FA Developer FL LLC

[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>
1. (Fairstead Affordable LLC)	1.A. Manager	JD2 Affordable LLC	Limited Liability Company
1. (Fairstead Affordable LLC)	1.B. Member	FCM Affordable LLC	Limited Liability Company
1. (Fairstead Affordable LLC)	1.C. Member	JCT Capital LLC	Limited Liability Company
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>

Proposed
Federation
Davie

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:

Federation Davie Preservation LP

% 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>Affordable Housing Institute, Inc.</u>	<u>Non-Profit Corporation</u>	<u>0.0100%</u>
2.	<u>Non-Investor LP</u>	<u>Fairstead Affordable FL LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>
3.	<u>Investor LP</u>	<u>RAH Investor 260 LLC</u>	<u>Limited Liability Company</u>	<u>99.9700%</u>
4.	<u>Investor LP</u>	<u>Sterling Corporate Services LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>

Second Principal Disclosure Level:

Federation Davie Preservation LP

[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	Second Level Principal % Ownership of First Level Principal
<u>1. (Affordable Housing Institute, Inc.)</u>	<u>1.A. Executive Director</u>	<u>Hartnett, Bryan C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (Affordable Housing Institute, Inc.)</u>	<u>1.B. Officer/Director</u>	<u>Hartnett, Bryan C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (Affordable Housing Institute, Inc.)</u>	<u>1.C. Officer/Director</u>	<u>Hartnett, Robert C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (Affordable Housing Institute, Inc.)</u>	<u>1.D. Officer/Director</u>	<u>Hartnett, Jill C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (Affordable Housing Institute, Inc.)</u>	<u>1.E. Officer/Director</u>	<u>Hartnett, Bryan C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (Affordable Housing Institute, Inc.)</u>	<u>1.F. Officer/Director</u>	<u>Hartnett, Robert C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (Affordable Housing Institute, Inc.)</u>	<u>1.G. Officer/Director</u>	<u>Hartnett, Jill C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (Affordable Housing Institute, Inc.)</u>	<u>1.H. Officer/Director</u>	<u>Hartnett, Elizabeth R.</u>	<u>Natural Person</u>	<u>NA</u>
<u>2. (Fairstead Affordable FL LLC)</u>	<u>2.A. Member</u>	<u>Feldman, Stuart</u>	<u>Natural Person</u>	<u>51.0000%</u>
<u>2. (Fairstead Affordable FL LLC)</u>	<u>2.B. Manager</u>	<u>Goldberg, Jeffrey</u>	<u>Natural Person</u>	<u>49.0000%</u>

Proposed Federation Davie

Principal Disclosures for the Developer

How many Developers are part of this Application structure?

1

Select the organizational structure for the Developer entity:

The Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

FA Developer FL LLC

First Principal Disclosure Level:

FA Developer FL 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>Sole Member</u>	<u>Fairstead Affordable LLC</u>	<u>Limited Liability Company</u>

Second Principal Disclosure Level:

FA Developer FL LLC

[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

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

1. (Fairstead Affordable LLC)
1. (Fairstead Affordable LLC)

1.A.
1.B.

Manager
Member

JD2 Affordable LLC
FCM Affordable LLC

Limited Liability Company
Limited Liability Company

Original
Federation
Gardens

Principal Disclosures for Applicant

Select the organizational structure for the Applicant entity:

The Applicant is a: Limited Partnership

Provide the name of the Applicant Limited Partnership:

Federation Gardens Preservation LP

% 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	The Affordable Housing Institute, Inc.	Non-Profit Corporation	0.0100%
2.	Non-Investor LP	Fairstead Affordable FL LLC	Limited Liability Company	0.0100%
3.	Investor LP	Fairstead Affordable FL LLC	Limited Liability Company	99.9800%
4.	Investor LP		<Select an option>	0.0000%
5.	<Select an option>		<Select an option>	
6.	<Select an option>		<Select an option>	
20.	<Select an option>		<Select an option>	

Second Principal Disclosure Level:

Federation Gardens Preservation LP

[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

Select the type of Principal being associated with the corresponding First Level Principal Entity

Select organizational structure of Second Level Principal identified

Second Level Principal % Ownership of First Level Principal

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. (The Affordable Housing Institute)	1.A. Executive Director	Hartnett, Bryan C.	Natural Person	NA
1. (The Affordable Housing Institute)	1.B. Officer	Hartnett, Bryan C.	Natural Person	NA
1. (The Affordable Housing Institute)	1.C. Officer	Hartnett, Robert C.	Natural Person	NA
1. (The Affordable Housing Institute)	1.D. Officer	Hartnett, Jill C.	Natural Person	NA
1. (The Affordable Housing Institute)	1.E. Director	Hartnett, Bryan C.	Natural Person	NA
1. (The Affordable Housing Institute)	1.F. Director	Hartnett, Robert C.	Natural Person	NA
1. (The Affordable Housing Institute)	1.G. Director	Hartnett, Jill C.	Natural Person	NA
1. (The Affordable Housing Institute)	1.H. Director	Hartnett, Elizabeth R.	Natural Person	NA
2. (Fairstead Affordable FL LLC)	2.A. Managing Member	JD2 Affordable LLC	Limited Liability Company	30.0000%
2. (Fairstead Affordable FL LLC)	2.B. Member	Feldman, Stuart	Natural Person	23.5240%
2. (Fairstead Affordable FL LLC)	2.C. Member	Goldberg, Jeffrey	Natural Person	3.1430%
2. (Fairstead Affordable FL LLC)	2.D. Member	FCM-JD2 Member LLC	Limited Liability Company	26.6700%
2. (Fairstead Affordable FL LLC)	2.E. Member	Blodgett, William	Natural Person	9.4130%
2. (Fairstead Affordable FL LLC)	2.F. Member	JCT Capital LLC	Limited Liability Company	5.2500%
2. (Fairstead Affordable FL LLC)	2.G. Member	McIntyre, Tyler	Natural Person	2.0000%
N/A (Investor)	N/A	<Select an option>	<Select an option>	
<Select a #>	<Select an option>	The Affordable Housing Institute, Inc. is a non-profit corporation	<Select an option>	
<Select a #>	<Select an option>	therefore, has no shareholders.	<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	

Third Principal Disclosure Level:

Federation Gardens Preservation LP

[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

Select the type of Principal being associated with the corresponding Second Level Principal Entity

Enter Name of Third Level Principal who must be a Natural Person

The organizational structure of Third Level Principal identified. Must Be a Natural Person

Third Level Principal % Ownership of 2nd Level Principal

Third Level Principal Entity #	Select the type of Principal being associated with the corresponding Second Level Principal Entity	Enter Name of Third Level Principal who must be a Natural Person	The organizational structure of Third Level Principal identified. Must Be a Natural Person	Third Level Principal % Ownership of 2nd Level Principal
2.A. (JD2 Affordable LLC)	Member	Feldman, Stuart (also manager)	Natural Person	90.0100%
2.A. (JD2 Affordable LLC)	Member	Goldberg, Jeffrey (also manager)	Natural Person	9.9900%
2.D. (FCM-JD2 Member LLC)	Managing Member	Goldberg, Jeffrey	Natural Person	80.0000%
2.D. (FCM-JD2 Member LLC)	Member	Goldberg, Andrew	Natural Person	10.0000%
2.D. (FCM-JD2 Member LLC)	Member	Siegel, Stephen	Natural Person	10.0000%
2.F. (JCT Capital LLC)	Sole Member	Tatum, John	Natural Person	100.0000%
<Select a #>	<Select an option>		Natural Person	
<Select a #>	<Select an option>		Natural Person	
<Select a #>	<Select an option>		Natural Person	
<Select a #>	<Select an option>		Natural Person	
<Select a #>	<Select an option>		Natural Person	

Principal Disclosures for the Developer

How many Developers are part of this Application structure?

1

Original
Federation
Gardens

Select the organizational structure for the Developer entity:

The Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

FA Developer LLC

First Principal Disclosure Level:

FA Developer LLC

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

First Level Entity #	Select Type of Principal of Developer	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified
1.	<u>Sole Member</u>	<u>Fairstead Affordable LLC</u>	<u>Limited Liability Company</u>
2.	<u><Select an option></u>		<u><Select an option></u>
3.	<u><Select an option></u>		<u><Select an option></u>
4.	<u><Select an option></u>		<u><Select an option></u>
5.	<u><Select an option></u>		<u><Select an option></u>
6.	<u><Select an option></u>		<u><Select an option></u>
7.	<u><Select an option></u>		<u><Select an option></u>
8.	<u><Select an option></u>		<u><Select an option></u>
9.	<u><Select an option></u>		<u><Select an option></u>
10.	<u><Select an option></u>		<u><Select an option></u>
11.	<u><Select an option></u>		<u><Select an option></u>
12.	<u><Select an option></u>		<u><Select an option></u>
13.	<u><Select an option></u>		<u><Select an option></u>
14.	<u><Select an option></u>		<u><Select an option></u>
15.	<u><Select an option></u>		<u><Select an option></u>
16.	<u><Select an option></u>		<u><Select an option></u>
17.	<u><Select an option></u>		<u><Select an option></u>
18.	<u><Select an option></u>		<u><Select an option></u>
19.	<u><Select an option></u>		<u><Select an option></u>
20.	<u><Select an option></u>		<u><Select an option></u>

Second Principal Disclosure Level:

FA Developer LLC

[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

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. (Fairstead Affordable LLC)</u>	<u>Manager</u>	<u>JD2 Affordable LLC</u>	<u>Limited Liability Company</u>
<u>1. (Fairstead Affordable LLC)</u>	<u>Member</u>	<u>FCM Affordable LLC</u>	<u>Limited Liability Company</u>
<u>1. (Fairstead Affordable LLC)</u>	<u>Member</u>	<u>JCT Capital LLC</u>	<u>Limited Liability Company</u>
<u><Select a #></u>	<u><Select an option></u>		<u><Select an option></u>
<u><Select a #></u>	<u><Select an option></u>		<u><Select an option></u>
<u><Select a #></u>	<u><Select an option></u>		<u><Select an option></u>
<u><Select a #></u>	<u><Select an option></u>		<u><Select an option></u>
<u><Select a #></u>	<u><Select an option></u>		<u><Select an option></u>
<u><Select a #></u>	<u><Select an option></u>		<u><Select an option></u>
<u><Select a #></u>	<u><Select an option></u>		<u><Select an option></u>
<u><Select a #></u>	<u><Select an option></u>		<u><Select an option></u>
<u><Select a #></u>	<u><Select an option></u>		<u><Select an option></u>
<u><Select a #></u>	<u><Select an option></u>		<u><Select an option></u>
<u><Select a #></u>	<u><Select an option></u>		<u><Select an option></u>
<u><Select a #></u>	<u><Select an option></u>		<u><Select an option></u>
<u><Select a #></u>	<u><Select an option></u>		<u><Select an option></u>

Principal Disclosures for Applicant

Proposed
Federation
Gardens

Select the organizational structure for the Applicant entity:

The Applicant is a: Limited Partnership

Provide the name of the Applicant Limited Partnership:

Federation Gardens Preservation LP

% 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>The Affordable Housing Institute, Inc.</u>	<u>Non-Profit Corporation</u>	<u>0.0100%</u>
2.	<u>Non-Investor LP</u>	<u>Fairstead Affordable FL LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>
3.	<u>Investor LP</u>	<u>CITI - ESG LIHTC Partners I, LLC</u>	<u>Limited Liability Company</u>	<u>99.9800%</u>
4.	<u>Investor LP</u>	<u>LP Purchaser, LLC</u>	<u><Select an option></u>	<u>0.0000%</u>

Second Principal Disclosure Level:

Federation Gardens Preservation LP

[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	Second Level Principal % Ownership of First Level Principal
<u>1. (The Affordable Housing Institut</u>	<u>1.A. Executive Director</u>	<u>Hartnett, Bryan C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (The Affordable Housing Institut</u>	<u>1.B. Officer</u>	<u>Hartnett, Bryan C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (The Affordable Housing Institut</u>	<u>1.C. Officer</u>	<u>Hartnett, Robert C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (The Affordable Housing Institut</u>	<u>1.D. Officer</u>	<u>Harnett, Jill C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (The Affordable Housing Institut</u>	<u>1.E. Director</u>	<u>Hartnett, Bryan C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (The Affordable Housing Institut</u>	<u>1.F. Director</u>	<u>Hartnett, Robert C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (The Affordable Housing Institut</u>	<u>1.G. Director</u>	<u>Hartnett, Jill C.</u>	<u>Natural Person</u>	<u>NA</u>
<u>1. (The Affordable Housing Institut</u>	<u>1.H. Director</u>	<u>Hartnett, Elizabeth R.</u>	<u>Natural Person</u>	<u>NA</u>
<u>2. (Fairstead Affordable FL LLC)</u>	<u>2.A. Manager</u>	<u>Goldberg, Jeffrey</u>	<u>Natural Person</u>	<u>51.0000%</u>
<u>2. (Fairstead Affordable FL LLC)</u>	<u>2.B. Member</u>	<u>Feldman, Stuart</u>	<u>Natural Person</u>	<u>49.0000%</u>

Proposed
Federation
Gardens

Principal Disclosures for the Developer

How many Developers are part of this Application structure?

1

Select the organizational structure for the Developer entity:

The Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

FA Developer LLC

First Principal Disclosure Level:

FA Developer 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>Sole Member</u>	<u>Fairstead Affordable LLC</u>	<u>Limited Liability Company</u>

Second Principal Disclosure Level:

FA Developer LLC

[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. (Fairstead Affordable LLC)</u>	<u>Manager</u>	<u>JD2 Affordable LLC</u>	<u>Limited Liability Company</u>
<u>1. (Fairstead Affordable LLC)</u>	<u>Member</u>	<u>FCM Affordable LLC</u>	<u>Limited Liability Company</u>

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:

Federation Sunrise Preservation LP

% 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	Affordable Housing Institute, Inc.	Non Profit Corporation	0.0100%
2.	Non-Investor LP	Fairstead Affordable FL LLC	Limited Liability Company	0.0100%
3.	Investor LP	Citibank, NA	For-Profit Corporation	99.9800%
4.	Investor LP	LP Purchaser, LLC	Limited Liability Company	0.0000%
5.	<Select an option>		<Select an option>	
6.	<Select an option>		<Select an option>	
7.	<Select an option>		<Select an option>	
8.	<Select an option>		<Select an option>	
9.	<Select an option>		<Select an option>	
10.	<Select an option>		<Select an option>	
11.	<Select an option>		<Select an option>	
12.	<Select an option>		<Select an option>	
13.	<Select an option>		<Select an option>	
14.	<Select an option>		<Select an option>	
15.	<Select an option>		<Select an option>	
16.	<Select an option>		<Select an option>	
17.	<Select an option>		<Select an option>	
18.	<Select an option>		<Select an option>	
19.	<Select an option>		<Select an option>	
20.	<Select an option>		<Select an option>	

Federation Sunrise Preservation LP

Second Principal Disclosure Level:

[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

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

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. (Affordable Housing Institute, Inc)	Executive Director	Hartnett, Bryan C.	Natural Person	NA
1. (Affordable Housing Institute, Inc)	Officer/Director	Hartnett, Bryan C.	Natural Person	NA
1. (Affordable Housing Institute, Inc)	Officer/Director	Hartnett, Robert C.	Natural Person	NA
1. (Affordable Housing Institute, Inc)	Officer/Director	Hartnett, Jill C.	Natural Person	NA
1. (Affordable Housing Institute, Inc)	Officer/Director	Hartnett, Bryan C.	Natural Person	NA
1. (Affordable Housing Institute, Inc)	Officer/Director	Hartnett, Robert C.	Natural Person	NA
1. (Affordable Housing Institute, Inc)	Officer/Director	Hartnett, Jill C.	Natural Person	NA
1. (Affordable Housing Institute, Inc)	Officer/Director	Hartnett, Elizabeth R.	Natural Person	NA
2. (Fairstead Affordable FL LLC)	Managing Member	JD2 Affordable LLC	Limited Liability Company	30.0000%
2. (Fairstead Affordable FL LLC)	Member	Feldman, Stuart	Natural Person	23.5240%
2. (Fairstead Affordable FL LLC)	Member	Goldberg, Jeffrey	Natural Person	3.1430%
2. (Fairstead Affordable FL LLC)	Member	FCM-JD2 Member LLC	Limited Liability Company	26.6700%
2. (Fairstead Affordable FL LLC)	Member	Blodgett, William	Natural Person	9.4130%
2. (Fairstead Affordable FL LLC)	Member	JCT Capital LLC	Limited Liability Company	5.2500%
2. (Fairstead Affordable FL LLC)	Member	McIntyre, Tyler	Natural Person	2.0000%
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>	The Affordable Housing Institute, Inc. is a non-profit corporation and	<Select an option>	
<Select a #>	<Select an option>	therefore, has no shareholders.	<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
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Principal Disclosures for the Applicant

<Select a #>	<Select an option>	<Select an option>	
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<Select a #>	<Select an option>	<Select an option>	
<Select a #>	<Select an option>	<Select an option>	
<Select a #>	<Select an option>	<Select an option>	
<Select a #>	<Select an option>	<Select an option>	

Third Principal Disclosure Level:

Federation Sunrise Preservation LP

[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
2.A. (J02 Affordable LLC)	2.A (1)	Member	Feldman, Stuart (also manager)	Natural Person	90.0100%
2.A. (J02 Affordable LLC)	2.A (2)	Member	Goldberg, Jeffrey (also manager)	Natural Person	9.9900%
2.D. (FCM-J02 Member LLC)	2.D (1)	Managing Member	Goldberg, Jeffrey	Natural Person	80.0000%
2.D. (FCM-J02 Member LLC)	2.D (2)	Member	Goldberg, Andrew	Natural Person	10.0000%
2.D. (FCM-J02 Member LLC)	2.D (3)	Member	Siegel, Stephen	Natural Person	10.0000%
2.F. (ICT Capital LLC)	2.F (1)	Sole Member	Tatum, John	Natural Person	100.0000%
<Select a #>		<Select an option>		<Select an option>	
<Select a #>		<Select an option>		<Select an option>	
<Select a #>		<Select an option>		<Select an option>	
<Select a #>		<Select an option>		<Select an option>	
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<Select a #>		<Select an option>		<Select an option>	
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<Select a #>		<Select an option>		<Select an option>	
<Select a #>		<Select an option>		<Select an option>	
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<Select a #>		<Select an option>		<Select an option>	
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<Select a #>		<Select an option>		<Select an option>	
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<Select a #>		<Select an option>		<Select an option>	
<Select a #>		<Select an option>		<Select an option>	
<Select a #>		<Select an option>		<Select an option>	

Principal Disclosures for the Developer

How many Developers are part of this Application structure?

1

Select the organizational structure for the Developer entity:

The Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

FA Developer FL LLC

First Principal Disclosure Level:

FA Developer FL LLC

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

First Level Entity #	Select Type of Principal of Developer	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified
1.	Sole Member	Fairstead Affordable LLC	Limited Liability Company
2.	<Select an option>		<Select an option>
3.	<Select an option>		<Select an option>
4.	<Select an option>		<Select an option>
5.	<Select an option>		<Select an option>
6.	<Select an option>		<Select an option>
7.	<Select an option>		<Select an option>
8.	<Select an option>		<Select an option>
9.	<Select an option>		<Select an option>
10.	<Select an option>		<Select an option>
11.	<Select an option>		<Select an option>
12.	<Select an option>		<Select an option>
13.	<Select an option>		<Select an option>
14.	<Select an option>		<Select an option>
15.	<Select an option>		<Select an option>
16.	<Select an option>		<Select an option>
17.	<Select an option>		<Select an option>
18.	<Select an option>		<Select an option>
19.	<Select an option>		<Select an option>
20.	<Select an option>		<Select an option>

Second Principal Disclosure Level:

FA Developer FL LLC

[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

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

1. (Fairstead Affordable LLC)	1.A.	Manager	JD2 Affordable LLC	Limited Liability Company
1. (Fairstead Affordable LLC)	1.B.	Member	FCM Affordable LLC	Limited Liability Company
1. (Fairstead Affordable LLC)	1.C.	Member	JCT Capital LLC	Limited Liability Company
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
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<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>

Proposed
Federation
Sunrise

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:

Federation Sunrise Preservation LP

% 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](#)

Select organizational structure of First Level Principal identified

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	Affordable Housing Institute, Inc.	Non-Profit Corporation	0.0100%
2.	Non-Investor LP	Fairstead Affordable FL LLC	Limited Liability Company	0.0100%
3.	Investor LP	CITI - ESG LIHTC Partner I, LLC	Limited Liability Company	99.9800%
4.	Investor LP	LP Purchaser, LLC	Limited Liability Company	0.0000%

Second Principal Disclosure Level:

Federation Sunrise Preservation LP

[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

Select the type of Principal being associated with the corresponding First Level Principal Entity

Select organizational structure of Second Level Principal identified

Second Level Principal % Ownership of First Level Principal

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	Second Level Principal % Ownership of First Level Principal
1. (Affordable Housing Institute, Inc.)	1.A.	Executive Director	Hartnett, Bryan C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.B.	Officer/Director	Hartnett, Bryan C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.C.	Officer/Director	Hartnett, Robert C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.D.	Officer/Director	Hartnett, Jill C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.E.	Officer/Director	Hartnett, Bryan C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.F.	Officer/Director	Hartnett, Robert C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.G.	Officer/Director	Hartnett, Jill C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.H.	Officer/Director	Hartnett, Elizabeth R.	Natural Person	NA
2. (Fairstead Affordable FL LLC)	2.A.	Member	Feldman, Stuart	Natural Person	51.0000%
2. (Fairstead Affordable FL LLC)	2.B.	Manager	Goldberg, Jeffrey	Natural Person	49.0000%

Principal Disclosures for the Developer

How many Developers are part of this Application structure?

1

Select the organizational structure for the Developer entity:

The Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

FA Developer FL LLC

First Principal Disclosure Level:

FA Developer FL 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>Sole Member</u>	<u>Fairstead Affordable LLC</u>	<u>Limited Liability Company</u>

Second Principal Disclosure Level:

FA Developer FL LLC

[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. (Fairstead Affordable LLC)</u>	<u>Manager</u>	<u>JD2 Affordable LLC</u>	<u>Limited Liability Company</u>
<u>1. (Fairstead Affordable LLC)</u>	<u>Member</u>	<u>FCM Affordable LLC</u>	<u>Limited Liability Company</u>

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:

Forest & Village Preservation LP

% 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	Fairstead Affordable FL LLC	Limited Liability Company	0.0100%
2.	Investor LP	BF FRE 2018, Limited Partnership	Limited Partnership	99.9900%
3.	Investor LP	BFIM Special Limited Partner, Inc.	For-Profit Corporation	0.0000%
4.	<Select an option>		<Select an option>	
5.	<Select an option>		<Select an option>	
6.	<Select an option>		<Select an option>	
7.	<Select an option>		<Select an option>	
8.	<Select an option>		<Select an option>	
9.	<Select an option>		<Select an option>	
10.	<Select an option>		<Select an option>	
11.	<Select an option>		<Select an option>	
12.	<Select an option>		<Select an option>	
13.	<Select an option>		<Select an option>	
14.	<Select an option>		<Select an option>	
15.	<Select an option>		<Select an option>	
16.	<Select an option>		<Select an option>	
17.	<Select an option>		<Select an option>	
18.	<Select an option>		<Select an option>	
19.	<Select an option>		<Select an option>	
20.	<Select an option>		<Select an option>	

Second Principal Disclosure Level:

Forest & Village Preservation LP

[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	Second Level Principal % Ownership of First Level Principal
1. (Fairstead Affordable FL LLC)	1.A. Managing Member	JD2 Affordable LLC	Limited Liability Company	30.0000%
1. (Fairstead Affordable FL LLC)	1.B. Member	Feldman, Stuart	Natural Person	23.5240%
1. (Fairstead Affordable FL LLC)	1.C. Member	Goldberg, Jeffrey	Natural Person	3.1430%
1. (Fairstead Affordable FL LLC)	1.D. Member	FCM-JD2 Member LLC	Limited Liability Company	26.6700%
1. (Fairstead Affordable FL LLC)	1.E. Member	Blodgett, William	Natural Person	9.4130%
1. (Fairstead Affordable FL LLC)	1.F. Member	JCT Capital LLC	Limited Liability Company	5.2500%
1. (Fairstead Affordable FL LLC)	1.G. Member	McIntyre, Tyler	Natural Person	2.0000%
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
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<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
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<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	

Principal Disclosures for the Developer

How many Developers are part of this Application structure?

1

Select the organizational structure for the Developer entity:

The Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

FA Developer LLC

First Principal Disclosure Level:

FA Developer LLC

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

First Level Entity #	Select Type of Principal of Developer	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified
1.	Sole Member	Fairstead Affordable LLC	Limited Liability Company
2.	<Select an option>		<Select an option>
3.	<Select an option>		<Select an option>
4.	<Select an option>		<Select an option>
5.	<Select an option>		<Select an option>
6.	<Select an option>		<Select an option>
7.	<Select an option>		<Select an option>
8.	<Select an option>		<Select an option>
9.	<Select an option>		<Select an option>
10.	<Select an option>		<Select an option>
11.	<Select an option>		<Select an option>
12.	<Select an option>		<Select an option>
13.	<Select an option>		<Select an option>
14.	<Select an option>		<Select an option>
15.	<Select an option>		<Select an option>
16.	<Select an option>		<Select an option>
17.	<Select an option>		<Select an option>
18.	<Select an option>		<Select an option>
19.	<Select an option>		<Select an option>
20.	<Select an option>		<Select an option>

Second Principal Disclosure Level:

FA Developer LLC

[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	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. (Fairstead Affordable LLC)</u>	1.A.	Manager	JD2 Affordable LLC	Limited Liability Company
<u>1. (Fairstead Affordable LLC)</u>	1.B.	Member	FCM Affordable LLC	Limited Liability Company
<u>1. (Fairstead Affordable LLC)</u>	1.C.	Member	JCT Capital LLC	Limited Liability Company
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>

Proposed
Forest &
Village

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:

Forest & Village Preservation LP

% 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	Fairstead Affordable FL LLC	Limited Liability Company	0.0100%
2.	Investor LP	BF FRE 2018, Limited Partnership	Limited Partnership	99.9900%
3.	Investor LP	BFIM Special Limited Partner, Inc.	For-Profit Corporation	0.0000%

Second Principal Disclosure Level:

Forest & Village Preservation LP

[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	Second Level Principal % Ownership of First Level Principal
<u>1. (Fairstead Affordable FL LLC)</u>	1.A. Member	Feldman, Stuart	Natural Person	51.0000%
<u>1. (Fairstead Affordable FL LLC)</u>	1.B. Manager	Goldberg, Jeffrey	Natural Person	49.0000%

Proposed
Forest &
Village

Principal Disclosures for the Developer

How many Developers are part of this Application structure?

1

Select the organizational structure for the Developer entity:

The Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

FA Developer LLC

First Principal Disclosure Level:

FA Developer 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>Sole Member</u>	<u>Fairstead Affordable LLC</u>	<u>Limited Liability Company</u>

Second Principal Disclosure Level:

FA Developer LLC

[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

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

1. (Fairstead Affordable LLC)

1.A.

Managing Member

JD2 Affordable LLC

Limited Liability Company

1. (Fairstead Affordable LLC)

1.B.

Member

FCM Affordable LLC

Limited Liability Company

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:

Federation Gould Preservation LP

% 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	Affordable Housing Institute, Inc.	Non Profit Corporation	0.0100%
2.	Non-Investor LP	Fairstead Affordable FL LLC	Limited Liability Company	0.0100%
3.	Investor LP	RAH Investor 257 LLC	Limited Liability Company	99.9700%
4.	Investor LP	Sterling Corporate Services LLC	Limited Liability Company	0.0100%
5.	<Select an option>		<Select an option>	
6.	<Select an option>		<Select an option>	
7.	<Select an option>		<Select an option>	
8.	<Select an option>		<Select an option>	
9.	<Select an option>		<Select an option>	
10.	<Select an option>		<Select an option>	
11.	<Select an option>		<Select an option>	
12.	<Select an option>		<Select an option>	
13.	<Select an option>		<Select an option>	
14.	<Select an option>		<Select an option>	
15.	<Select an option>		<Select an option>	
16.	<Select an option>		<Select an option>	
17.	<Select an option>		<Select an option>	
18.	<Select an option>		<Select an option>	
19.	<Select an option>		<Select an option>	
20.	<Select an option>		<Select an option>	

Second Principal Disclosure Level:

Federation Gould Preservation LP

[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	Second Level Principal % Ownership of First Level Principal
1. (Affordable Housing Institute, Inc.)	1.A. Executive Director	Hartnett, Bryan C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.B. Officer/Director	Hartnett, Bryan C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.C. Officer/Director	Hartnett, Robert C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.D. Officer/Director	Hartnett, Jill C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.E. Officer/Director	Hartnett, Bryan C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.F. Officer/Director	Hartnett, Robert C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.G. Officer/Director	Hartnett, Jill C.	Natural Person	NA
1. (Affordable Housing Institute, Inc.)	1.H. Officer/Director	Hartnett, Elizabeth H.	Natural Person	NA
2. (Fairstead Affordable FL LLC)	2.A. Managing Member	JD2 Affordable LLC	Limited Liability Company	30.0000%
2. (Fairstead Affordable FL LLC)	2.B. Member	Feldman, Stuart	Natural Person	23.5240%
2. (Fairstead Affordable FL LLC)	2.C. Member	Goldberg, Jeffrey	Natural Person	3.1430%
2. (Fairstead Affordable FL LLC)	2.D. Member	FCM-JD2 Member LLC	Limited Liability Company	26.6700%
2. (Fairstead Affordable FL LLC)	2.E. Member	Bindgett, William	Natural Person	9.4130%
2. (Fairstead Affordable FL LLC)	2.F. Member	JCT Capital LLC	Limited Liability Company	5.2500%
2. (Fairstead Affordable FL LLC)	2.G. Member	McIntyre, Tyler	Natural Person	2.0000%
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>	The Affordable Housing Institute, Inc. is a non-profit corporation and therefore, has no shareholders.	<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	

Principal Disclosures for the Developer

How many Developers are part of this Application structure?

1

Select the organizational structure for the Developer entity:

The Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

FA Developer FL LLC

First Principal Disclosure Level:

FA Developer FL LLC

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

First Level Entity #	Select Type of Principal of Developer	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified
1.	Sole Member	Fairstead Affordable LLC	Limited Liability Company
2.	<Select an option>		<Select an option>
3.	<Select an option>		<Select an option>
4.	<Select an option>		<Select an option>
5.	<Select an option>		<Select an option>
6.	<Select an option>		<Select an option>
7.	<Select an option>		<Select an option>
8.	<Select an option>		<Select an option>
9.	<Select an option>		<Select an option>
10.	<Select an option>		<Select an option>
11.	<Select an option>		<Select an option>
12.	<Select an option>		<Select an option>
13.	<Select an option>		<Select an option>
14.	<Select an option>		<Select an option>
15.	<Select an option>		<Select an option>
16.	<Select an option>		<Select an option>
17.	<Select an option>		<Select an option>
18.	<Select an option>		<Select an option>
19.	<Select an option>		<Select an option>
20.	<Select an option>		<Select an option>

FA Developer FL LLC

Second Principal Disclosure Level:

[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	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
1. (Fairstead Affordable LLC)	1.A.	Manager	JD2 Affordable LLC	Limited Liability Company
1. (Fairstead Affordable LLC)	1.B.	Member	FCM Affordable LLC	Limited Liability Company
1. (Fairstead Affordable LLC)	1.C.	Member	JCT Capital LLC	Limited Liability Company
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>
<Select a #>		<Select an option>		<Select an option>

Proposed
Gould House

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:

Federation Gould Preservation LP

% 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>Affordable Housing Institute, Inc.</u>	<u>Non-Profit Corporation</u>	<u>0.0100%</u>
2.	<u>Non-Investor LP</u>	<u>Fairstead Affordable FL LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>
3.	<u>Investor LP</u>	<u>RAH Investor 257 LLC</u>	<u>Limited Liability Company</u>	<u>99.9700%</u>
4.	<u>Investor LP</u>	<u>Sterling Corporate Services LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>

Second Principal Disclosure Level:

Federation Gould Preservation LP

[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	Second Level Principal % Ownership of First Level Principal
<u>1. (Affordable Housing Institute, In</u>	<u>1.A. Executive Director</u>	<u>Hartnett, Bryan C.</u>	<u>Natural Person</u>	<u>N/A</u>
<u>1. (Affordable Housing Institute, In</u>	<u>1.B. Officer/Director</u>	<u>Hartnett, Bryan C.</u>	<u>Natural Person</u>	<u>N/A</u>
<u>1. (Affordable Housing Institute, In</u>	<u>1.C. Officer/Director</u>	<u>Hartnett, Robert C.</u>	<u>Natural Person</u>	<u>N/A</u>
<u>1. (Affordable Housing Institute, In</u>	<u>1.D. Officer/Director</u>	<u>Hartnett, Jill C.</u>	<u>Natural Person</u>	<u>N/A</u>
<u>1. (Affordable Housing Institute, In</u>	<u>1.E. Officer/Director</u>	<u>Hartnett, Elizabeth R.</u>	<u>Natural Person</u>	<u>N/A</u>
<u>2. (Fairstead Affordable FL LLC)</u>	<u>2.A. Member</u>	<u>Feldman, Stuart</u>	<u>Natural Person</u>	<u>51.0000%</u>
<u>2. (Fairstead Affordable FL LLC)</u>	<u>2.B. Manager</u>	<u>Goldberg, Jeffrey</u>	<u>Natural Person</u>	<u>49.0000%</u>

Proposed Gould House

Principal Disclosures for the Developer

How many Developers are part of this Application structure?

1

Select the organizational structure for the Developer entity:

The Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

FA Developer FA LLC

First Principal Disclosure Level:

FA Developer FA 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>Sole Member</u>	<u>Fairstead Affordable LLC</u>	<u>Limited Liability Company</u>

Second Principal Disclosure Level:

FA Developer FA LLC

[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

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

1. (Fairstead Affordable LLC)
1. (Fairstead Affordable LLC)

1.A.
1.B.

Managing Member
Member

JD2 Affordable LLC
FCM Affordable LLC

Limited Liability Company
Limited Liability Company

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:

Sable Palms Preservation LP

% 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	Fairstead Affordable FL LLC	Limited Liability Company	0.0100%
2.	Investor LP	BFIM Special Limited Partner, Inc.	Limited Liability Company	0.0000%
3.	Investor LP	BF Sable Palms, LLC	Limited Liability Company	99.9900%
4.	<Select an option>		<Select an option>	
5.	<Select an option>		<Select an option>	
6.	<Select an option>		<Select an option>	
7.	<Select an option>		<Select an option>	
8.	<Select an option>		<Select an option>	
9.	<Select an option>		<Select an option>	
10.	<Select an option>		<Select an option>	
11.	<Select an option>		<Select an option>	
12.	<Select an option>		<Select an option>	
13.	<Select an option>		<Select an option>	
14.	<Select an option>		<Select an option>	
15.	<Select an option>		<Select an option>	
16.	<Select an option>		<Select an option>	
17.	<Select an option>		<Select an option>	
18.	<Select an option>		<Select an option>	
19.	<Select an option>		<Select an option>	
20.	<Select an option>		<Select an option>	

Second Principal Disclosure Level:

Sable Palms Preservation LP

[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	Second Level Principal % Ownership of First Level Principal
1. (Fairstead Affordable FL LLC)	1.A. Managing Member	JD2 Affordable LLC	Limited Liability Company	30.0000%
1. (Fairstead Affordable FL LLC)	1.B. Member	Feldman, Stuart	Natural Person	23.5240%
1. (Fairstead Affordable FL LLC)	1.C. Member	Goldberg, Jeffrey	Natural Person	3.1430%
1. (Fairstead Affordable FL LLC)	1.D. Member	FCM-JD2 Member LLC	Limited Liability Company	26.6700%
1. (Fairstead Affordable FL LLC)	1.E. Member	Blodgett, William	Natural Person	9.4130%
1. (Fairstead Affordable FL LLC)	1.F. Member	JCT Capital LLC	Limited Liability Company	5.2500%
1. (Fairstead Affordable FL LLC)	1.G. Member	McIntyre, Tyler	Natural Person	2.0000%
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
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<Select a #>	<Select an option>		<Select an option>	
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<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	

Principal Disclosures for the Developer

How many Developers are part of this Application structure?

1

Select the organizational structure for the Developer entity:

The Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

Sable Palms Developer LLC

First Principal Disclosure Level:

Sable Palms Developer LLC

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

First Level Entity #	Select Type of Principal of Developer	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified
1.	Managing Member	Fairstead Affordable LLC	Limited Liability Company
2.	<Select an option>		<Select an option>
3.	<Select an option>		<Select an option>
4.	<Select an option>		<Select an option>
5.	<Select an option>		<Select an option>
6.	<Select an option>		<Select an option>
7.	<Select an option>		<Select an option>
8.	<Select an option>		<Select an option>
9.	<Select an option>		<Select an option>
10.	<Select an option>		<Select an option>
11.	<Select an option>		<Select an option>
12.	<Select an option>		<Select an option>
13.	<Select an option>		<Select an option>
14.	<Select an option>		<Select an option>
15.	<Select an option>		<Select an option>
16.	<Select an option>		<Select an option>
17.	<Select an option>		<Select an option>
18.	<Select an option>		<Select an option>
19.	<Select an option>		<Select an option>
20.	<Select an option>		<Select an option>

Second Principal Disclosure Level:

Sable Palms Developer LLC

[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

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
1. (Fairstead Affordable LLC)	1.A. Manager	JD2 Affordable LLC	Limited Liability Company
1. (Fairstead Affordable LLC)	1.B. Member	FCM Affordable LLC	Limited Liability Company
1. (Fairstead Affordable LLC)	1.C. Member	JCT Capital LLC	Limited Liability Company
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>
<Select a #>	<Select an option>		<Select an option>

Proposed
Sable Palms

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:

Sable Palms Preservation LP

% 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	Fairstead Affordable FL LLC	Limited Liability Company	0.0100%
2.	Investor LP	BFIM Special Limited Partner, Inc.	Limited Liability Company	0.0000%
3.	Investor LP	BF Sable Palms, LLC	Limited Liability Company	99.9900%
4.	<Select an option>		<Select an option>	
5.	<Select an option>		<Select an option>	
6.	<Select an option>		<Select an option>	
7.	<Select an option>		<Select an option>	
8.	<Select an option>		<Select an option>	
9.	<Select an option>		<Select an option>	
10.	<Select an option>		<Select an option>	
11.	<Select an option>		<Select an option>	
12.	<Select an option>		<Select an option>	
13.	<Select an option>		<Select an option>	
14.	<Select an option>		<Select an option>	
15.	<Select an option>		<Select an option>	
16.	<Select an option>		<Select an option>	
17.	<Select an option>		<Select an option>	
18.	<Select an option>		<Select an option>	
19.	<Select an option>		<Select an option>	
20.	<Select an option>		<Select an option>	

Second Principal Disclosure Level:

Sable Palms Preservation LP

[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

Select the type of Principal being associated with the corresponding First Level Principal Entity

Select organizational structure of Second Level Principal identified

Second Level Principal % Ownership of First Level Principal

Second Level Entity #	Select 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. (Fairstead Affordable FL LLC)	1.A. Member	Feldman, Stuart	Natural Person	51.0000%
1. (Fairstead Affordable FL LLC)	1.B. Manager	Goldberg, Jeffrey	Natural Person	49.0000%
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
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<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	
<Select a #>	<Select an option>		<Select an option>	

Principal Disclosures for the Developer

How many Developers are part of this Application structure?

1

Proposed
Sable Palms

Select the organizational structure for the Developer entity:

The Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

Sable Palms Developer LLC

First Principal Disclosure Level:

Sable Palms Developer 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>Managing Member</u>	<u>Fairstead Affordable LLC</u>	<u>Limited Liability Company</u>
2.	<u><Select an option></u>	<u></u>	<u><Select an option></u>
3.	<u><Select an option></u>	<u></u>	<u><Select an option></u>
4.	<u><Select an option></u>	<u></u>	<u><Select an option></u>
5.	<u><Select an option></u>	<u></u>	<u><Select an option></u>
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Second Principal Disclosure Level:

Sable Palms Developer LLC

[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. (Fairstead Affordable LLC)</u>	<u>1.A. Manager</u>	<u>JD2 Affordable LLC</u>	<u>Limited Liability Company</u>
<u>1. (Fairstead Affordable LLC)</u>	<u>1.B. Member</u>	<u>FCM Affordable LLC</u>	<u>Limited Liability Company</u>
<u><Select a #></u>	<u><Select an option></u>	<u></u>	<u><Select an option></u>
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April 11, 2023

Florida Housing Finance Corporation
227 N Bronough St # 5000
Tallahassee, FL 32301
c/o Kristin Peters
via email Kristin.Peters@floridahousing.org



Re: Vincentian Village / 2022-255CSN / Ability SVdP, LLC.

This letter is our written request to extend the deadline for completing the credit underwriting process for the Development noted above. We understand that pursuant to RFA 2022-103, the credit underwriting process must be completed within twelve (12) months of the Applicant's acceptance to enter credit underwriting. The Applicant accepted the invitation to enter credit underwriting on May 23, 2022, making May 23, 2023 the deadline for completing the credit underwriting process. We would like the deadline to be extended six (6) months to November 23, 2023.

We are requesting an extension due to the project being redesigned to reduce construction costs in the current volatile market. On July 5th, 2022 Florida Housing Finance Corporation approved the project type modification from High-Rise to Mid-Rise which has reduced the overall project costs. Unfortunately, this has impacted the project's ability to furnish all the required documents for the Credit Underwriting Report by the twelve (12) month deadline. We are confident that we will meet the requested deadline.

Sincerely,

Shannon Nazworth
President and CEO for Ability Housing, Inc.
Registered Agent for Ability SVdP, LLC



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April 27, 2023

Mr. Tim Kennedy
Assistant Director of Multifamily Development
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301

RE: Griffin Lofts (2022-257CSN) SAIL/ELI/NHTF Loan Commitment Extension Request

Dear Mr. Kennedy,

Allegre Pointe, LLC aka Griffin Lofts, is asking for a 6-month extension to the SAIL/ELI Loan commitment from May 25, 2023 to November 25, 2023. We appreciate your consideration of this request.

This request became necessary due to escalating construction costs, hampering the bid process and causing several reiterations of the GC Contract draft, leading to prolonged negotiating with the GC on Contract Price. The process became lengthy to the point that it prevented us from providing information necessary for the PCA and other timely documents to get SAIL/ELI Credit Underwriting Report (CUR) Approval at the April 28 Board Meeting, which was our last opportunity to get firm loan commitment prior to the May 25, 2023 deadline.

With this extension we are confident to get CUR approval at the July 21 FHFC Board Meeting to comfortably close in late August or early September.

Upon approval of the loan commitment extension Allegre Pointe, LLC will pay the 1% extension fee.

Should you have any questions, please contact me by email at sberman@carrfour.org or by telephone at (305) 371-8300, extension 1303.

Thank you for considering this request. Please contact me if you have any questions.

Sincerely,


Stephanie Berman
President/CEO



June 9, 2023

Action Items

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FISCAL

Action

I. FISCAL

A. Fiscal Year 2023/2024 Appropriation Allocation

1. Background:

- a) In most state fiscal years, Florida Housing has been appropriated spending authority from state documentary stamp tax collections in the Housing Trust Funds. Section 420.507, Florida Statutes (F.S.), authorizes Florida Housing to expend such amounts advanced to further its mission. Unless otherwise specified in legislation or proviso, these funds are used for the state programs provided for in Chapter 420, Part V, F.S. such as the State Apartment Incentive Loan (SAIL) program. [Exhibit A](#) shows the historical allocation of funds.
- b) In some years the Legislature specifies where all funding appropriated to Florida Housing will be spent, while in other years, the Legislature appropriates some or all funding in a lump sum for Florida Housing to allocate to state programs. This allows Florida Housing to allocate funding across programs as warranted by real estate and financial markets and housing needs.

2. Present Situation:

- a) Senate Bill 102, the Live Local Act, included \$711 million in appropriations for Florida Housing.
- b) Most of that amount is appropriated to specific programs including Hometown Heroes, a competitive viability loan program, and SHIP.
- c) \$109 million has been appropriated to Affordable Housing Programs for the state fiscal year 2023/2024 without program breakdowns. When Florida Housing receives funding without designation, the Board must allocate funds to the specified programs.
- d) Staff recommends the following allocations:
 - (1) Florida Housing Data Clearinghouse - Up to \$380,000 - Founded in 2000 with support from Florida Housing's Board of Directors, the Clearinghouse provides a free, web-based portal for data and reports on demographics, housing need and supply across local communities and at the state level throughout Florida. The Clearinghouse is managed by the Shimberg Center for Housing Studies at the University of Florida and is heavily used by local planners, state policymakers, non-profit organizations, grant writers and reporters seeking information about Florida's affordable housing needs. Florida Housing regularly uses Clearinghouse data to assist in policy decisions and relies on Clearinghouse staff to run special reports as needed for this purpose (e.g., impacts from natural disasters or COVID-19). The scope of the annual work to keep the Clearinghouse operating is detailed in a contract with the Center. Note that additional support from other sources provided by the Shimberg Center also pays for Clearinghouse

FISCAL

Action

activities. This item is shown as a maximum amount because the contract has not yet been finalized.

- (2) Catalyst Program - Up to \$660,000 - The Affordable Housing Catalyst Program provides training and technical assistance mainly to local governments and community-based organizations on state and federal housing programs. The training and technical assistance includes administration and implementation of the State Housing Initiatives Partnership (SHIP) Program, the HOME Investment Partnerships (HOME) Program, the State Apartment Incentive Loan (SAIL) Program, and other affordable housing programs, including the Hurricane Housing Recovery Program (HHRP). Typically, the Catalyst program is funded using state appropriated funds. This allocation is shown as a maximum amount because the contract has not yet been finalized.
- (3) SAIL - \$107,960,000 - There remains a shortage of affordable housing in Florida. With \$100 million appropriated to homeownership in SB 102, allocating these remaining funds to the SAIL program ensures that Florida Housing continues to respond to the strong demand for affordable rental housing.

3. **Recommendation:**

- a) Staff recommends that the Board approve the allocation of the Fiscal Year 2023-2024 discretionary appropriation from the State Housing Trust Fund as follows:
 - (1) For the Florida Housing Data Clearinghouse, up to \$380,000, with any funds not used for the Data Clearinghouse going to the SAIL program.
 - (2) For the Catalyst Program, up to \$660,000, with any funds not used for Catalyst going to the SAIL program.
 - (3) For the SAIL Program, \$107,960,000, or the remaining appropriation available after funding the Data Clearinghouse and Catalyst.

LEGAL

Action

I. LEGAL

A. Holy Child Housing, Inc. v. Florida Housing Finance Corporation FHFC Case No. 2023-031BP (RFA 2022-206/App. No. 2023-168H)

1. Background:

- a) This case regards a protest filed against the preliminary awards for RFA 2022-206: HOME Financing To Be Used For Rural Developments In Certain Hurricane Ian Impacted Counties (the “RFA”). Florida Housing received eight applications in response to the RFA. At the March 10, 2023 Board meeting, six applicants were determined to be eligible and two applicants, including Holy Child Housing, Inc. (“Petitioner” or “Holy Child”), were deemed ineligible. All six eligible applicants were selected for preliminary funding.
- b) Petitioner timely filed a notice of intent to protest and a Formal Written Protest and Petition for Administrative Hearing (the “Petition”) challenging Florida Housing’s scoring of its application as ineligible. A copy of the Petition is attached as [Exhibit A](#). A Notice to Bidders was issued by Florida Housing informing all bidders that their substantial interests might be affected by the Petition. No applicants sought to intervene.

2. Present Situation:

- a) During scoring, the Holy Child application was deemed ineligible because information in the unit characteristic chart was inconsistent with the selected Development Type. In its Petition, Holy Child pointed out information within its application that clarified the discrepancy. In reviewing the Petition, the Application, the requirements of the RFA, and the stipulated facts in the Consent Agreement, and in the interest of avoiding the time, expense, and uncertainty of litigation, the parties entered into a Consent Agreement, attached as [Exhibit B](#).
- b) The Consent Agreement results in the Holy Child application being deemed eligible for funding and Florida Housing staff recommending to the Board to add additional HOME funding to the RFA to fully fund Holy Child, subject to the requirements of credit underwriting. The Consent Agreement does not displace any other applicants recommended for funding in this RFA. Petitioner has agreed to dismiss the Petition with prejudice if the Consent Agreement is adopted.
- c) On April 13, 2023, Florida Housing received notice that a preliminarily funded applicant in this RFA withdrew its application. With that withdrawal, \$6,219,000 in HOME funds remains unallocated in this RFA. Holy Child has a HOME request amount of \$6,994,000. In order to fully fund the Holy Child application, \$775,000 in HOME funds would need to be added to the RFA.

3. Recommendation:

- a) Staff recommends the Board adopt the Consent Agreement and issue a Final Order in accordance with the Consent Agreement. Staff also recommends that the Board add \$775,000 in HOME funds to the RFA to fully fund the Holy Child application, subject to the requirements of credit underwriting.

LEGAL

Action

**B. HTG Grand East, Ltd., v. Florida Housing Finance Corporation and Beacon at Creative Village – Phase II Partners, Ltd.,
FHFC Case No. 2023-014BP; DOAH Case No. 23-0670BID**

1. Background:

- a) This case regards a protest filed against the preliminary awards for RFA 2022-202: Housing Credit Financing For Affordable Housing Developments Located In Broward, Duval, Hillsborough, Orange, Palm Beach, And Pinellas Counties (the “RFA”). Florida Housing received 15 applications in response to the RFA. At the January 27, 2023 Board meeting, six applicants were preliminarily recommended for funding, one in each of the six counties. Beacon at Creative Village Phase II Partners, Ltd. (“Beacon”) was preliminarily recommended for funding in Orange County. HTG Grand East, Ltd. (“HTG Grand”) was found eligible but not selected for funding.
- b) HTG Grand timely filed a notice of intent to protest and a Formal Written Protest and Petition for Administrative Hearing (the “Petition”) challenging Florida Housing’s scoring of the Beacon application alleging that Beacon failed to demonstrate the Availability of Sewer as required in the RFA. A Notice to Bidders was issued by Florida Housing informing all bidders that their substantial interests might be affected by the Petition. Beacon timely filed a Notice of Appearance and intervened in the matter. The petition was referred to the Division of Administrative Hearings (“DOAH”).

2. Present Situation:

- a) The hearing was conducted as scheduled on March 10, 2023, in Tallahassee, Florida before DOAH Administrative Law Judge (“ALJ”) J. Bruce Culpepper. At hearing, Florida Housing agreed with HTG Grand that Beacon should be ineligible for failing to meet the Availability of Sewer requirement in the RFA because Beacon did not submit a properly completed and executed sewer form. While Beacon did not dispute that its sewer form failed to contain a signature on the signature line, Beacon argued that digital metadata within the electronic version of sewer form could be used to determine that Beacon met the Availability of Sewer requirement.
- b) After the hearing, the parties filed Proposed Recommended Orders. After reviewing the Proposed Recommended Orders, the ALJ issued a Recommended Order on May 8, 2023. A copy of the Recommended Order is attached as [Exhibit C](#). The ALJ found that Beacon’s sewer form did not meet the RFA requirements for the Availability of Sewer. The ALJ recommended that Florida Housing enter a final order deeming Beacon’s application ineligible for funding and rescinding its initial award of housing credits to Beacon and recommending that Florida Housing select HTG Grand’s application for funding, subject to the requirements of credit underwriting.
- c) On May 16, 2023, Beacon filed exceptions to the Recommended Order, which are attached as [Exhibit D](#). On May 19, 2023, Florida Housing and HTG Grand filed a joint response to the exceptions, which is attached as [Exhibit E](#).

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Action

- d) The applicants not impacted by this litigation were previously offered an at-risk invitation to credit underwriting. Attached as [Exhibit F](#) is a spreadsheet listing the applications that have been or will be invited to credit underwriting if the Board adopts the Recommended Order.

3. **Recommendation:**

- a) Staff recommends the Board:
 - (1) Reject Beacon's exceptions to the Recommended Order;
 - (2) Adopt the Findings of Fact, Conclusions of Law, and Recommendation of the Recommended Order as its own, and;
 - (3) Issue a Final Order consistent with those actions in this matter.

LEGAL

Action

C. Quail Roost Transit Village II, Ltd., v. Florida Housing Finance Corporation and Coco Plum Housing Partners, LP and The Enclave at Rio, LP
FHFC Case No. 2023-011BP; DOAH Case No. 23-0674BID

1. Background:

- a) This case regards a protest filed against the preliminary awards for RFA 2022-203: Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County (the “RFA”). Florida Housing received 29 applications in response to the RFA. At the January 27, 2023 Board meeting, two applicants were preliminarily recommended for funding, one of which was Coco Plum Housing Partners, LP (“Coco Plum”). The Enclave at Rio, LP (“Enclave”) and Quail Roost Transit Village II, Ltd. (“Quail Roost”) were deemed eligible for funding, but according to the funding selection process outlined in the RFA were ranked behind Coco Plum and not selected for funding.
- b) Quail Roost timely filed a notice of intent to protest and a Formal Written Protest and Petition for Administrative Hearing (the “Petition”) challenging Florida Housing’s scoring and ranking of Coco Plum and Enclave. Specifically, Quail Roost alleged that Enclave was not entitled to 5 points for its Local Government Contribution and that Coco Plum failed to meet the minimum transit score because its selected bus stop did not meet the definition of a Public Bus Rapid Transit Stop.
- c) A Notice to Bidders was issued by Florida Housing informing all bidders that their substantial interests might be affected by the Petition. Coco Plum and Enclave timely filed Notices of Appearance and intervened in the matter. The Petition was referred to the Division of Administrative Hearings (“DOAH”). Prior to hearing, Enclave agreed that while it remained an eligible application it was not entitled to the 5 points for a Local Government Contribution and, without those 5 points, Enclave is not in line for funding.

2. Present Situation:

- a) The hearing was conducted as scheduled on March 22, 2023, via Zoom technology, before DOAH Administrative Law Judge (“ALJ”) W. David Watkins. At hearing, Florida Housing agreed with Quail Roost that Coco Plum should be ineligible because its selected bus stop did not meet the RFA definition of a Public Bus Rapid Transit Stop and without the proximity points for that bus stop, Coco Plum failed to attain the minimum transit score required by the RFA. Coco Plum argued that it met the requirements for a Public Bus Rapid Transit Stop and should receive those proximity points.
- b) After the hearing, the parties filed Proposed Recommended Orders. After reviewing the Proposed Recommended Orders, the ALJ issued a Recommended Order on May 10, 2023, a copy of which is attached as [Exhibit G](#). The ALJ found that Coco Plum’s application materially deviated from the requirements in the RFA because its selected bus stop failed to meet the RFA definition of a Public Bus Rapid Transit Stop and that Enclave remains eligible but does not receive 5 points for its Local Government Contribution. The ALJ recommended that Florida Housing enter a final order deeming Coco Plum’s application ineligible

LEGAL

Action

for funding and finding that Enclave is not entitled to 5 points for a Local Government Contribution.

- c) No exceptions to the Recommended Order were filed.
- d) The preliminarily funded applicant not impacted by this litigation was previously offered an at-risk invitation to credit underwriting. Attached as [Exhibit H](#) is a spreadsheet listing the applications that have been or will be invited to credit underwriting if the Board adopts the Recommended Order.

3. **Recommendation:**

- a) Staff recommends the Board:
 - (1) Adopt the Findings of Fact, Conclusions of Law, and Recommendation of the Recommended Order as its own, and;
 - (2) Issue a Final Order consistent with those actions in this matter.

LEGAL

Action

I. LEGAL

D. **Woodland Park II, LLC, v. Florida Housing Finance Corporation and Enclave at Northshore, LP, FHFC Case No. 2023-005BP; DOAH Case No. 23-0685BID and**

JIC Palatka Apartments, LLC v. Florida Housing Finance Corporation and Parc West, LLC, FHFC Case No. 2023-008BP; DOAH Case No. 23-0680BID

1. **Background:**

- a) This case concerns protests filed against the preliminary awards for RFA 2022-201: Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties (the “RFA”). Florida Housing received 47 applications in response to the RFA. At the January 27, 2023 Board meeting, eight applicants were preliminarily recommended for funding, including Enclave at Northshore, LP (“Enclave”) and Parc West, LLC (“Parc West”). Woodland Park II, LLC (“Woodland Park”) was preliminarily deemed ineligible for failing to meet submission requirements. JIC Palatka Apartments, LLC (“JIC Palatka”) was deemed eligible for funding but, according to the funding selection process outlined in the RFA, was not selected for funding.
- b) Woodland Park and JIC Palatka timely filed notices of intent to protest and Formal Written Protests and Petitions for Administrative Hearing (the “Petitions”). Woodland Park’s petition challenged Florida Housing’s determination that its application was ineligible for failing to timely submit the application fee as required by the RFA. JIC Palatka’s petition challenged Florida Housing’s scoring of Parc West’s application, alleging that Parc West should be ineligible for failing to include a properly completed and executed Environmental Site Assessment Form as required by the RFA because the form did not contain a signature.
- c) A Notice to Bidders was issued by Florida Housing informing all bidders that their substantial interests might be affected by the Petition. Parc West and Enclave at Northshore timely filed Notices of Appearance and intervened in the matter. The Petitions were referred to the Division of Administrative Hearings (“DOAH”) and consolidated. Prior to hearing, Parc West agreed that its application should be deemed ineligible and entered into a stipulation to that effect.

2. **Present Situation:**

- a) The hearing was conducted as scheduled on March 21, 2023, via Zoom technology, before DOAH Administrative Law Judge (“ALJ”) Brittany O. Finkbeiner. Only one contested issue proceeded to hearing, which was Woodland Park’s ineligibility. Woodland Park argued that, while its application fee wire transfer was not deposited into Florida Housing’s account due to a typographical error on Woodland Park’s wire transfer instructions, its application should nevertheless be deemed eligible. Florida Housing and Enclave argued that Florida Housing’s initial scoring of the Woodland Park application as ineligible was correct because Woodland Park failed to provide its application fee payment prior to the Application Deadline as required by the RFA.
- b) After the hearing, the parties filed Proposed Recommended Orders. After reviewing the Proposed Recommended Orders, the ALJ issued a Recommended Order on May 17, 2023, a copy of which is attached as [Exhibit I](#). The ALJ found that the plain and unambiguous language of the RFA requires an applicant to

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Action

provide its application fee to Florida Housing before the Application Deadline and Woodland Park's application materially deviated from that requirement. The ALJ held that Florida Housing's determination that Woodland Park's application was ineligible was not clearly erroneous, contrary to competition, arbitrary, or capricious and that Woodland Park failed to demonstrate that Florida Housing's action was contrary to Florida Housing's governing statutes, rules or policies, or the RFA specifications. Additionally, the ALJ adopted the parties agreement that Parc West is ineligible. The ALJ recommended that Florida Housing enter a final order deeming Woodland Park and Parc West ineligible for funding.

- c) On May 25, 2023, Woodland Park filed exceptions to the Recommended Order, a copy of which is attached as [Exhibit J](#). On May 31, 2023, Florida Housing filed a response to those exceptions, a copy of which is attached as [Exhibit K](#). On June 1, 2023, Enclave filed a Notice of Joinder in Florida Housing's Response to the Petitioner Woodland Park II, LLC's Proposed Exceptions to the Recommended Order, a copy of which is attached as [Exhibit L](#).
- d) The preliminarily funded applicants not impacted by this litigation were previously offered an at-risk invitation to credit underwriting. Attached as [Exhibit M](#) is a spreadsheet listing the applications that have been or will be invited to credit underwriting if the Board adopts the Recommended Order.

3. **Recommendation:**

- a) Staff recommends the Board:
 - (1) Reject the exceptions filed by Woodland Park;
 - (2) Adopt the Findings of Fact, Conclusions of Law, and Recommendation of the Recommended Order as its own, and;
 - (3) Issue a Final Order consistent with those actions in this matter.

MULTIFAMILY PROGRAMS - ALLOCATIONS

Action

I. MULTIFAMILY PROGRAMS – ALLOCATIONS

A. RFA 2023-105 Financing to Build Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities

1. Background

- a) On March 21, 2023, Florida Housing Finance Corporation (Florida Housing) issued RFA 2023-105 offering \$4,000,000 in grant funding for small Permanent Supportive Housing Developments for housing for Persons with Developmental Disabilities as defined in Section 393.063, F.S., consisting of no more than six Units.
- b) The deadline for receipt of Applications was 3:00 p.m., Eastern Time, April 18, 2023.

2. Present Situation

- a) Florida Housing received 1 Application in response to this RFA. The Review Committee members, designated by the Executive Director, were Lenard Randolph, Multifamily Programs Manager (Chair), Diana Fields, Policy Administrator, Sheila Freaney, Board liaison/Policy Manager, Ryan McKinless, Policy Coordinator, and Obi Okeke, Multifamily Programs Manager. Each member of the Review Committee independently evaluated and scored their assigned portions of the submitted Applications, consulting with non-committee staff and legal counsel as necessary and appropriate.
- b) At its May 24, 2023 Review Committee meeting, the individual committee members presented their scores and the Committee carried out the funding selection process in accordance with Section Five, B. of the RFA. The individual scores are set forth on the RFA webpage and can be accessed [here](#).
- c) The RFA 2023-105 All Applications chart (provided as Exhibit A) lists the eligible and ineligible Applications. The Applications are listed in assigned Application Number order. There were no ineligible Applications.
- d) The Review Committee considered the following motions:
 - (1) A motion for the Review Committee to approve the scoring results set out on [Exhibit A](#) and recommendations for funding as set out on [Exhibit B](#);
 - (2) A motion to recommend that the Board approve the scoring results set out on Exhibit A and recommendations for funding as set out on Exhibit B.
- e) The motions passed unanimously.

MULTIFAMILY PROGRAMS - ALLOCATIONS

Action

3. **Recommendation**

- a) Approve the Committee's recommendations that the Board adopt the scoring results of the 1 Applications and authorize the tentative selection of the 1 Application (set out on Exhibit B) for funding.
- b) If no notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., staff will proceed to issue an invitation to enter credit underwriting to the Application set out on the Exhibit B.
- c) If a notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., then at the completion of all litigation, staff will present all Recommended Orders for Board approval prior to issuing invitations to enter credit underwriting to those Applicants in the funding range.
- d) There is \$3,275,800 in grant funding remaining. As provided in Section Five, B. of the RFA, any remaining funding will be distributed as approved by the Board.

MULTIFAMILY PROGRAMS - ALLOCATIONS

Action

B. RFA 2023-108 Housing Credit and RRLP Financing for Homeless Housing Developments Located in Medium and Large Counties Affected by Hurricane Ian and Nicole

1. Background

- a) On April 11, 2023, Florida Housing Finance Corporation (Florida Housing) issued RFA 2023-108 offering \$4,890,000 in competitive 9% Housing Credits (HC), \$5,500,000 in HOME-American Rescue Plan (HOME-ARP) funding, and \$8,400,000 in Rental Recover Loan Program (RRLP) funding Non-Profit Applicants proposing the development of housing for Homeless Households.
- b) The deadline for receipt of Applications was 3:00 p.m., Eastern Time, April 27, 2023.

2. Present Situation

- a) Florida Housing received 4 Applications in response to this RFA. The Review Committee members, designated by the Executive Director, were Zach Summerlin, Policy Director (Chair), Ebony Cargle, Multifamily Programs Manager, Diana Fields, Policy Administrator, Jade Grubbs, Multifamily Programs Administrator, Lenard Randolph, Multifamily Programs Manager, and Elaine Roberts, Policy Administrator. Each member of the Review Committee independently evaluated and scored their assigned portions of the submitted Applications, consulting with non-committee staff and legal counsel as necessary and appropriate.
- b) At its May 25, 2023 Review Committee meeting, the individual committee members presented their scores and the Committee carried out the funding selection process in accordance with Section Five, B. of the RFA. The individual scores are set forth on the RFA webpage and can be accessed [here](#).
- c) The RFA 2023-108 All Applications chart (provided as Exhibit C) lists the eligible and ineligible Applications. The Applications are listed in assigned Application Number order. There were no ineligible Applications.
- d) The Review Committee considered the following motions:
 - (1) A motion for the Review Committee to approve the scoring results set out on [Exhibit C](#) and recommendations for funding as set out on [Exhibit D](#);
 - (2) A motion to recommend that the Board approve the scoring results set out on Exhibit C and recommendations for funding as set out on Exhibit D.
- e) The motions passed unanimously.

MULTIFAMILY PROGRAMS - ALLOCATIONS

Action

3. **Recommendation**

- a) Approve the Committee's recommendations that the Board adopt the scoring results of the 4 Applications and authorize the tentative selection of the 2 Applications (set out on Exhibit D) for funding.
- b) If no notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., staff will proceed to issue an invitation to enter credit underwriting to the Application set out on the Exhibit D.
- c) If a notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., then at the completion of all litigation, staff will present all Recommended Orders for Board approval prior to issuing invitations to enter credit underwriting to those Applicants in the funding range.
- d) There is \$810,000 in HC funding, \$0 in RRLP funding, and \$3,746,400 in HOME-ARP funding remaining. As provided in Section Five, B. of the RFA, any remaining funding will be distributed as approved by the Board.

MULTIFAMILY PROGRAMS - ALLOCATIONS

Action

C. RFA 2023-211 Construction Inflation Response Viability Funding

1. Background

- a) On May 1, 2023, Florida Housing Finance Corporation (Florida Housing) issued RFA 2023-211 offering \$168,600,000 in loan funding to assist competitive projects in the development pipeline experiencing cost increases related to market inflation.
- b) The deadline for receipt of Applications was 3:00 p.m., Eastern Time, May 17, 2023.

2. Present Situation

- a) Florida Housing received 30 Applications in response to this RFA. The Review Committee members, designated by the Executive Director, were Matt Jugenheimer, Development Finance Administrator (Chair), Ebony Cargle, Multifamily Programs Manager, and Freebeau Swindle, Construction Administrator. Each member of the Review Committee independently evaluated and scored their assigned portions of the submitted Applications, consulting with non-committee staff and legal counsel as necessary and appropriate.
- b) At its May 24, 2023 Review Committee meeting, the individual committee members presented their scores and the Committee carried out the funding selection process in accordance with Section Five, B. of the RFA. The individual scores are set forth on the RFA webpage and can be accessed [here](#).
- c) The RFA 2023-211 All Applications chart (provided as Exhibit E) lists the eligible and ineligible Applications. The Applications are listed in assigned Application Number order. There were no ineligible Applications.
- d) The Review Committee considered the following motions:
 - (1) A motion for the Review Committee to approve the scoring results set out on [Exhibit E](#) and recommendations for funding as set out on [Exhibit F](#);
 - (2) A motion to recommend that the Board approve the scoring results set out on Exhibit E and recommendations for funding as set out on Exhibit F.
- e) The motions passed unanimously.

3. Recommendation

- a) Approve the Committee's recommendations that the Board adopt the scoring results of the 30 Applications and authorize the tentative selection of the 30 Application (set out on Exhibit F) for funding.
- b) If no notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., staff will proceed to issue an invitation to enter credit underwriting to the Application set out on the Exhibit F.

MULTIFAMILY PROGRAMS - ALLOCATIONS

Action

- c) If a notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., then at the completion of all litigation, staff will present all Recommended Orders for Board approval prior to issuing invitations to enter credit underwriting to those Applicants in the funding range.

- d) There is \$46,945,383 in New Construction Viability program income and \$4,300,000 in Rehabilitation Viability program income funding remaining. There is a recommendation to reserve \$4.3 million of the remaining funding to provide a Viability Loan for the Development Citadelle Village, awarded in RFA 2017-108. Citadelle Village was not eligible for the CHIRP ITP or the current Viability Loan RFA 2023-211 because of the aged RFA under which it was funded. Citadelle Village has had a change in the Applicant entity since it was originally funded and has been successful in securing local funding resources, but still has a funding gap. Staff recommends offering Citadelle Village a Viability loan subject to the terms of RFA 2023-211, which will be sized during credit underwriting.

MULTIFAMILY PROGRAMS - ALLOCATIONS

Action

D. RFA 2023-304 RRLP Financing to be Used for Rental Developments in Hurricane Ian and Hurricane Nicole Impacted Counties

1. Background

- a) On April 12, 2023, Florida Housing Finance Corporation (Florida Housing) issued RFA 2023-304 offering \$81,600,00 in Rental Recovery Loan Program (RRLP) loan funding for Developments in Hurricane impacted counties, based on the available impact criteria and FEMA data.
- b) The deadline for receipt of Applications was 3:00 p.m., Eastern Time, May 3, 2023.

2. Present Situation

- a) Florida Housing received 36 Applications in response to this RFA. The Review Committee members, designated by the Executive Director, were Rachael Grice, Multifamily Programs Coordinator (Chair), Heather Strickland, Multifamily Programs Coordinator and Lisa Walker, Multifamily Programs Manager. Each member of the Review Committee independently evaluated and scored their assigned portions of the submitted Applications, consulting with non-committee staff and legal counsel as necessary and appropriate.
- b) At its May 25, 2023 Review Committee meeting, the individual committee members presented their scores and the Committee carried out the funding selection process in accordance with Section Five, B. of the RFA. The individual scores are set forth on the RFA webpage and can be accessed [here](#).
- c) The RFA 2023-304 All Applications chart (provided as Exhibit G) lists the eligible and ineligible Applications. The Applications are listed in assigned Application Number order. There were no ineligible Applications.
- d) The Review Committee considered the following motions:
 - (1) A motion for the Review Committee to approve the scoring results set out on [Exhibit G](#) and recommendations for funding as set out on [Exhibit H](#);
 - (2) A motion to recommend that the Board approve the scoring results set out on Exhibit G and recommendations for funding as set out on Exhibit H.
- e) The motions passed unanimously.

3. Recommendation

- a) Approve the Committee's recommendations that the Board adopt the scoring results of the 36 Applications and authorize the tentative selection of the 9 Application (set out on Exhibit H) for funding.
- b) If no notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., staff will proceed to issue an invitation to enter credit underwriting to the Application set out on the Exhibit H.

MULTIFAMILY PROGRAMS - ALLOCATIONS

Action

- c) If a notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., then at the completion of all litigation, staff will present all Recommended Orders for Board approval prior to issuing invitations to enter credit underwriting to those Applicants in the funding range.
- d) There is \$1,930,300 RRLP funding remaining. As provided in Section Five, B. of the RFA, any remaining funding will be distributed as approved by the Board.

MULTIFAMILY PROGRAMS - ALLOCATIONS

Action

E. 2023-2024 Tentative Funding Amounts and Timeline for Request for Applications (RFAs) for Multifamily Developments

1. Background

a) During the remainder of 2023 and first half of 2024, the Corporation expects to offer the following funding through various RFAs as set forth in a tentative 2023-2024 Funding Amounts/Timeline plan:

(1) Estimated \$154,205,383 in State Apartment Incentive Loan (SAIL) Program funding comprised of \$107,960,000 from 2023 legislative appropriation, and \$46,245,383 in SAIL program income, split by the demographic and geographic categories in accordance with the 2022 Rental Market Needs Study and Sec. 420.5087, Florida Statutes.

(a) Demographic

5% Farmworker/Commercial Fishing Worker

10% Homeless Households

11.8% Persons with Special Needs

29.4% Elderly (includes 10% for Elderly Preservation)

43.8% Families

(b) Geographic

10% Small Counties

37.7% Medium Counties

52.3% Large Counties

(2) \$150 M in SAIL funding for implementation of Section 420.50871, F.S., for innovative projects, authorized by the Florida Legislature through the Live Local Act.

(3) \$TBD in grant funding for Persons with Developmental Disabilities

(4) \$35 M in HOME Investment Partnerships (HOME)

(5) Estimated \$32 M in HOME-American Rescue Plan (HOME-ARP)

(6) Estimated \$18 M of National Housing Trust Fund (NHTF); and

(7) Estimated \$65,295,972 in Housing Credit (HC) allocation (anticipated 2024 Annual Allocation of HC, plus remaining 2023 HC), split by the following demographic and geographic categories as set forth in accordance with the 2023 Qualified Allocation Plan.

MULTIFAMILY PROGRAMS - ALLOCATIONS

Action

(a) Demographic

5% High Priority as defined by the Board:

*Per the Qualified Allocation Plan, 5% of the competitive Housing Credit allocation is designated as High Priority, as defined by the Board. A portion this 5% will fund a Monroe County Active Award RFA and the remainder will be distributed with the Geographic splits referenced below.

5% Persons with a Disabling Condition

Remaining split by the following geographic areas:

2.61% Small Counties

37.74% Medium Counties (includes one Homeless Demographic Award)

59.65% Large Counties (includes one Homeless Demographic Award)

2. Present Situation

- a) The Tentative 2023-2024 Funding Amounts/Timeline plan, outlining the tentative timeframes for the various RFAs for which staff expects to hold workshops and issue through the remainder of 2023 and into the first half of 2024, with the estimated funding amounts reflected above is attached as [Exhibit I](#). In addition, the 2024 Estimated Housing Credit Allocation Amounts spreadsheet is attached as [Exhibit J](#) and the 2023-2024 SAIL Allocation Amounts spreadsheet is attached as [Exhibit K](#).

3. Recommendation

- a) Authorize staff to proceed with the development of various RFAs and authorize the Executive Director to establish a review committee for each RFA, as each RFA is issued, to make recommendations for award to the Board.

Documentary Stamp Tax & Other Program Appropriations
1992/1993 through 2022/2023

PROGRAM NAME	1992 / 1993 to 2005 / 2006 & reallocations	2006 / 2007	2007 / 2008	2008 / 2009 (incl. SB 2A & shortfall)	2009 / 2010	2010 / 2011	2011 / 2012	2012 / 2013	2013 / 2014
State Housing Trust Fund									
State Apartment Incentive Loan (SAIL)	\$ 369,949,102	\$ 55,102,200	\$ 115,000,000	\$ (38,220,580)	\$ -	\$ -	\$ -	\$ -	\$ -
Homeownership Assistance / Hometown Heroes	135,310,900	8,000,000	18,087,200	-	-	37,500,000	-	-	-
HOME Investment Partnerships (HOME)	19,683,000	-	-	-	-	-	-	-	-
Predevelopment Loan (PLP)	13,288,200	-	-	-	-	-	-	-	-
ELI & Special Needs	13,000,000	30,000,000	15,000,000	4,619,790	-	-	-	10,000,000	-
Hurricane Funding	74,500,000	17,000,000	-	(26,216,829)	-	-	-	-	-
Farmworker & Special Needs (SHADP)	-	15,000,000	-	(9,846,695)	-	-	-	-	-
Catalyst Program	1,345,600	672,800	672,800	826,200	-	-	-	-	-
Housing Data Clearinghouse	747,938	150,000	165,000	330,000	-	-	-	-	-
Affordable Housing Study Commission / Task Force	276,153	175,000	175,000	175,000	-	-	-	-	-
Project Independence & Soldiers to Scholars	1,050,000	-	-	-	-	-	-	-	-
Guarantee Fund Debt Service	42,740,269	6,400,000	6,400,000	17,609,940	-	-	-	-	-
State Housing Initiatives Partnership (SHIP)	-	-	-	33,244,086	-	-	-	-	-
Technical Assistance	-	100,000	-	-	-	-	-	-	-
Guarantee Program Feasibility Study	100,000	-	-	-	-	-	-	-	-
Transfer to Community Contribution Tax Credit	-	-	-	2,330,011	169,989	-	-	-	-
SHIP Compliance Monitoring	200,000	-	-	-	-	-	-	-	-
Administration	13,310,958	-	-	-	-	-	-	-	-
TOTAL SHTF Appropriations	\$ 685,502,120	\$ 132,600,000	\$ 155,500,000	\$ (15,149,077)	\$ 169,989	\$ 37,500,000	\$ -	\$ 10,000,000	\$ -
Sweeps to General Revenue	\$ 117,082,937	\$ -	\$ -	\$ 120,528,123	\$ 36,830,000	\$ 25,921,198	\$ 56,343,754	\$ 29,815,000	\$ 52,730,000
Local Government Housing Trust Fund									
State Housing Initiatives Partnership (SHIP)	\$ 1,409,006,538	\$ 166,250,000	\$ 166,018,500	\$ 158,040,024	\$ 30,110,000	\$ -	\$ -	\$ -	\$ -
Hurricane Funding	177,250,000	75,900,000	-	-	-	-	-	-	-
Homeless Programs - DCF & DEO	34,000,000	7,900,000	5,900,000	5,436,805	-	-	-	-	-
SHIP Compliance Monitoring	1,600,000	200,000	416,500	383,802	-	-	-	-	-
Housing Data Clearinghouse	542,950	150,000	165,000	165,000	-	-	-	-	-
Preservation Pilot Program	-	-	-	4,899,900	-	-	-	-	-
Community Workforce Housing Innovation Pilot	(13,055,231)	50,000,000	62,400,000	(84,471,877)	-	-	-	-	-
State Apartment Incentive Loan (SAIL)	13,055,231	-	-	-	-	-	-	-	-
Public Housing Mitigation Initiative	-	-	-	-	1,000,000	-	-	-	-
TOTAL LGHTF Appropriations	\$ 1,622,399,488	\$ 300,400,000	\$ 234,900,000	\$ 84,453,654	\$ 31,110,000	\$ -	\$ -	\$ -	\$ -
Sweeps to General Revenue	\$ 236,614,000	\$ -	\$ -	\$ 319,471,877	\$ 55,070,000	\$ 148,388,802	\$ 133,187,355	\$ 66,845,000	\$ 151,400,000
Total SHTF & LGHTF Appropriations	\$ 2,307,901,608	\$ 433,000,000	\$ 390,400,000	\$ 69,304,577	\$ 31,279,989	\$ 37,500,000	\$ -	\$ 10,000,000	\$ -
Total Sweeps to General Revenue	\$ 353,696,937	\$ -	\$ -	\$ 440,000,000	\$ 91,900,000	\$ 174,310,000	\$ 189,531,109	\$ 96,660,000	\$ 204,130,000

Documentary Stamp Tax & Other Program Appropriations
1992/1993 through 2022/2023

PROGRAM NAME	2014 / 2015	2015 / 2016	2016 / 2017	2017 / 2018	2018 / 2019	2019 / 2020	2020 / 2021	2021 / 2022	2022 / 2023
State Housing Trust Fund									
State Apartment Incentive Loan (SAIL)	\$ 57,660,000	\$ 59,300,000	\$ 54,315,000	\$ 9,500,000	\$ 36,465,000	\$ 27,621,000	\$ 102,925,000	\$ 62,165,000	\$ 52,904,000
Homeownership Assistance / Hometown Heroes	-	-	-	8,085,000	-	-	-	-	75,000,000
Community Workforce Housing Loan Program	-	-	-	-	-	-	-	-	-
ELI & Special Needs	10,000,000	10,000,000	10,000,000	10,000,000	-	3,104,000	11,500,000	-	-
Hurricane Funding	-	-	-	-	-	50,000,000	-	-	-
Catalyst Program	-	400,000	-	-	-	-	250,000	-	-
Housing Data Clearinghouse	-	300,000	285,000	315,000	300,000	315,000	325,000	335,000	346,000
Affordable Housing Study Commission / Task Force	-	-	-	100,000	-	-	-	-	-
TOTAL SHTF Appropriations	\$ 67,660,000	\$ 70,000,000	\$ 64,600,000	\$ 28,000,000	\$ 36,765,000	\$ 81,040,000	\$ 115,000,000	\$ 62,500,000	\$ 128,250,000
Sweeps to General Revenue	\$ 14,298,030	\$ 6,000,000	\$ 30,414,438	\$ 59,270,000	\$ 54,600,000	\$ 10,000,000	\$ -	\$ -	\$ -
Local Government Housing Trust Fund									
State Housing Initiatives Partnership (SHIP)	\$ 96,000,000	\$ 101,000,000	\$ 129,800,000	\$ 94,225,000	\$ 43,950,000	\$ 45,060,000	\$ -	\$ 146,136,400	\$ 208,911,400
Hurricane Funding	-	-	-	-	-	65,000,000	30,000,000	-	-
Catalyst Program	-	-	500,000	500,000	500,000	500,000	-	563,600	563,600
State Apartment Incentive Loan (SAIL)	-	-	-	9,000,000	42,390,000	-	-	-	-
Homeless Programs - DCF & DEO	4,000,000	4,000,000	5,200,000	5,200,000	-	-	-	-	-
Veterans Grants	-	-	-	-	-	1,000,000	-	-	-
Florida Supportive Housing Coalition	-	-	-	75,000	-	-	-	-	-
TOTAL LGHTF Appropriations	\$ 100,000,000	\$ 105,000,000	\$ 135,500,000	\$ 109,000,000	\$ 86,840,000	\$ 111,560,000	\$ 30,000,000	\$ 146,700,000	\$ 209,475,000
Sweeps to General Revenue	\$ 91,853,337	\$ 75,000,000	\$ 86,500,000	\$ 95,130,000	\$ 127,400,000	\$ 115,000,000	\$ 322,450,000	\$ -	\$ -
Total SHTF & LGHTF Appropriations	\$ 167,660,000	\$ 175,000,000	\$ 200,100,000	\$ 137,000,000	\$ 123,605,000	\$ 192,600,000	\$ 145,000,000	\$ 209,200,000	\$ 337,725,000
Total Sweeps to General Revenue	\$ 106,151,367	\$ 81,000,000	\$ 116,914,438	\$ 154,400,000	\$ 182,000,000	\$ 125,000,000	\$ 322,450,000	\$ -	\$ -

Additional Appropriations

Attorney General Settlement Funds¹	2012 / 2013
State Apartment Incentive Loan (SAIL) Elder, ELI, DD	\$ 60,000,000
State Housing Initiatives Partnership (SHIP)	40,000,000
Homeownership Assistance (HAP)	35,000,000
Homeless Grant	10,000,000
DD Grant	10,000,000
Foreclosure Counseling	10,000,000
Total Attorney General Settlement Funds	\$ 165,000,000

Guarantee Fund (back of the bill appropriations)²	2016 / 2017	2017 / 2018
State Apartment Incentive Loan (SAIL) Elder, ELI, DD	\$ 38,850,000	\$ 73,000,000
State Apartment Incentive Loan (SAIL) Workforce	-	40,000,000
Total Guarantee Fund	\$ 38,850,000	\$ 113,000,000

General Revenue	2022 / 2023
Homeownership Assistance / Hometown Heroes	\$ 25,000,000
Hurricane Funding	150,000,000
Live Local Viability	100,000,000
Total General Revenue	\$ 275,000,000

¹ LBC amendment - 01/2013; SB 1852 - signed 06/2013

² 16/17 appropriation did not include a dollar amount. Amount listed is the amount actually available and used.

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MAR 27 2023 12:59 PM

FLORIDA HOUSING
FINANCE CORPORATION

**BEFORE THE STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION**

HOLY CHILD HOUSING INC.

Petitioner,
vs.
FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

FHFC Case # 2023-031BP
RFA No. 2022-206
Application No. 2023-168H

**FORMAL WRITTEN PROTEST AND
PETITION FOR ADMINISTRATIVE HEARING**

Petitioner, HOLY CHILD HOUSING, INC (“Holy Child”), pursuant to sections 120.57(3), Florida Statutes (“F.S.”), and Rules 28-110 and 67-60, Florida Administrative Code (“FAC”) hereby files this Formal Written Protest and Petition for Administrative Hearing regarding the review, ranking, scoring and eligibility decisions of Respondent, FLORIDA HOUSING FINANCE CORPORATION (“Florida Housing”) in awarding funding pursuant to Request for Application 2022-206 HOME Financing To Be Used For Rental Developments In Certain Hurricane Ian Impacted Counties (the “RFA”). In support Holy Child provides as follows:

1. Holy Child is a Florida limited liability company in the business of providing affordable housing. Holy Child is located at 12629 New Brittany Blvd., Building 16, Ft. Myers, FLORIDA 33907.

2. Florida Housing is the allocating agency for the State of Florida that was granted the authority to issue the RFA for the purpose of construction, redevelopment, or rehabilitation of much needed affordable housing. Florida Housing's address is 227 North Bronough Street, Suite 500, Tallahassee, Florida 32301.

3. On December 15, 2022, Florida Housing issued the RFA which offered funding as follows:

SECTION ONE
INTRODUCTION

This Request for Applications (RFA) is open to Applicants proposing the construction of affordable housing utilizing HOME Investment Partnerships (HOME-rental) Program funding for Developments in Hurricane Ian impacted counties.

Florida Housing Finance Corporation (the Corporation) expects to have an estimated \$35 million in HOME funding available for award. In Charlotte County, Non-Competitive Housing Credits with local bond funding or Corporation-issued Multifamily Mortgage Revenue Bonds (MMRB) Program funding* may be used in conjunction with the HOME funding.

*If, prior to the submission of the Applicant's Application in response to this RFA, the Applicant submits or has already submitted a Non-Competitive Application for the Development proposed in its Application through this RFA, such previous Non-Competitive Application will not be considered and the Applicant will be required to request the Corporation-issued MMRB and/or Non-Competitive Housing Credits as a part of the Application in this RFA, as outlined above.

If the proposed Development is not selected for funding or if the Applicant's funding award is rescinded, and the Applicant still wishes to receive the MMRB and/or Non-Competitive Housing Credits, the Applicant will be required to submit a new Application for such funding using the Non-Competitive Application Package that is in effect at that time.

Proposed Developments are not eligible for any funding offered in this RFA if the Applicant has already closed on the Tax-Exempt Bond financing prior to the Application Deadline for this RFA. In addition, proposed Developments are not eligible to receive any funding awarded through this RFA if the Applicant closes on the Tax-Exempt Bond financing prior to the issuance of the preliminary commitment for this award. If the Bonds are closed between the Application Deadline and issuance of the preliminary commitment, the Applicant's award will be rescinded.

The Corporation is soliciting applications from qualified Applicants that commit to provide housing in accordance with the terms and conditions of this RFA, inclusive of all exhibits, applicable laws, rules and regulations, and the Corporation's generally applicable construction and financial standards.

Applicants that are selected to receive funding will be invited to enter credit underwriting and will be expected to complete the credit underwriting process, including Board approval of the credit underwriting report, and execute a HOME written agreement within twelve months of the date of the invitation to enter into credit underwriting.

4. Through the issuance of the RFA, Florida Housing sought to solicit proposals from qualified applicants that would provide affordable housing consistent with the terms and conditions of the RFA, applicable laws, rules, and regulations.

5. On January 25, 2023, Holy Child submitted its Application in response to the RFA that included information concerning the development of a 25 unit complex in Hardee County, Florida, named Holy Child.

6. Through the Application, Holy Child was requesting funding to develop affordable housing. Florida Housing received 8 applications in response to the RFA.

7. As the owner and developer of a project seeking funding through the RFA, Holy Child is substantially affected by the review, scoring, and ranking of the responses to the RFA. The results of this proceeding affects Holy Child's ability to obtain funding through the RFA. Consistent with the primary mission and goal of the RFA, Holy Child seeks to provide much needed affordable housing in Hardee County. Without the funds provided by the RFA, Holy Child will be unable to provide this much needed housing. Accordingly, Holy Child's substantial interests are affected by the decisions made by Florida Housing.

8. On February 28, 2023, the designated Review Committee met and considered the Applications submitted in response to the RFA. At the meeting the Review Committee orally listed and manually input the scores for each section of the Application and ultimately made a recommendation to the Board for their consideration. The Review Committee consisted of Florida Housing staff. During the meeting, the Review Committee found Holy Child's application to be ineligible.

9. On March 10, 2023, the Florida Housing Board of Directors accepted and approved the Review Committee's ranking and funding recommendation.

10. On March 15, 2023, Holy Child timely filed its Notice of Intent to Protest. (See Attachment A) This Formal Written Protest is being timely filed and Florida Housing has waived the bid protest bond requirement for the RFA.

11. In this action Holy Child challenges the eligibility and funding determinations made by Florida Housing as it relates to the Holy Child Application.

12. Florida Housing determined that Holy Child provided incorrect information at RFA Section 4.A.4, General Proposed Development Information. Specifically Florida Housing determined that Holy Child incorrectly completed the Unit Characteristic Chart at page 5 of 29 of its Application.

13. At page 5 of 29 of its Exhibit A Holy Child indicated that its Development Type would be Single Family. In its Unit Characteristics Chart Holy Child inadvertently selected Garden ESS Construction with a number of units as 25. (See Attachment B)

14. In addition to the information provided in the Unit Characteristics Chart Holy Child provided other information which clarifies any confusion caused by the inadvertent selection. For example at page 7 of 29 Holy Child listed its total number of units as 25. (See Attachment C)

Additionally at page 9 of 29 of its Exhibit A Holy Child indicated its number of anticipated residential buildings as 25 (See Attachment D)

15. Holy Child intended to select Single Family ESS Construction at the Unit Characteristic Chart. The selection of Garden ESS Construction however at best is a minor irregularity that should be waived.

16. No competitive advantage was gained by selecting Garden ESS vs. Single Family ESS. Moreover no competitive advantage was gained for purposes of Total Developer Cost (“TDC”) or for purposes of leveraging. Indeed there is no leveraging classification used for sorting and the TDC is one and the same for Garden ESS and Single Family ESS.

17. In essence no material information was omitted by the selection made at the Unit Characteristic Chart and to the extent an error was committed it should be deemed a minor irregularity.

18. Material issues of disputed fact:

- a. Whether Florida Housing has acted arbitrary or capricious in awarding funding in this RFA.
- b. Whether the alleged error in the Holy Child Application is a minor irregularity which should be waived.

19. Holy Child reserves the right to amend this petition as more facts and issues are discovered.

WHEREFORE, Holy Child requests that a settlement meeting be scheduled and to the extent no settlement is reached a hearing scheduled and ultimately the entry of a Recommended and Final Order determining that Florida Housing's review and scoring of Holy Child’s application was contrary to the RFA specifications and to Florida Housing's governing statutes, rules and

policies to such an extent as to be arbitrary, capricious, contrary to competition, and clearly erroneous and awarding funding to Holy Child.

Respectfully submitted,

CARLTON, FIELDS

/s/ *Michael P. Donaldson*

MICHAEL P. DONALDSON

Florida Bar No. 0802761

Post Office Drawer 190

215 S. Monroe St., Suite 500

Tallahassee, Florida 32302

Telephone: 850/224-1585

Facsimile: 850/222-0398

Email: mdonaldson@carltonfields.com

Counsel for Holy Child Housing , Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the original of the foregoing Formal Written Protest and Petition for Administrative Proceedings has been filed by e-mail with the Corporation Clerk, Florida Housing Finance Corporation, 227 North Bronough Street, Suite 5000, Tallahassee, FL 32301, this 27th day of March 2023.

/s/ *Michael P. Donaldson*

MICHAEL P. DONALDSON

**CARLTON
FIELDS**

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FLORIDA HOUSING
FINANCE CORPORATION

Atlanta
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Tallahassee
Tampa
Washington, DC
West Palm Beach

Michael Donaldson
850 513-3613 Direct Dial
mdonaldson@carltonfields.com

March 15, 2023

Florida Housing Finance Corporation
Ana McGlamory, CP, FCP, FRP
Corporation Clerk
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329

ELECTRONIC TRANSMISSION

Re: RFA 2022-206 – HOME Financing To Be Used For Rental Developments
In Certain Hurricane Ian Impacted Counties

Dear Ms. McGlamory:

On behalf of Holy Child Housing, Inc. (“Holy Child”) (2023-168H), this letter constitutes a Notice of Intent to Protest (“Notice”) filed pursuant to sections 120.569 and 120.57(3), Florida Statutes, Rules 28-110.003 and 67.60.009, Florida Administrative Code, and the RFA.

This Notice is being filed within 72 hours (not including weekends and holidays) of the posting of the RFA on the Florida Housing’s website on March 10, 2023 at 8:45 a.m. Holy Child reserves the right to file a formal written protest within (10) days of the filing of this Notice pursuant to section 120.57(3), Florida Statutes.

Sincerely,

Michael P. Donaldson

Michael P. Donaldson

MPD/rb

cc: Eric Miller

Carlton Fields, P.A.

Carlton Fields, P.A. practices law in California through Carlton Fields, LLP.

ATTACHMENT A

Exhibit A to RFA 2022-206 HOME Financing To Be Used For Rental Developments In Certain Hurricane Ian Impacted Counties

**Section 4.A.4
General Proposed Development Information**

a. Name of the proposed Development: Holy Child

b. Development Category

(1) Select the Development Category: New Construction

(2) The Development Category requirements are outlined in Section Four.

c. Characteristics of Development

(1) Select the Development Type: Single Family (Your selection for Development Type is NOT confirmed by the Unit Characteristics table below)

Based on the input in the Unit Characteristics Table below, there is 1 predominant unit type and it is New Construction Garden ESS Construction.

(2) Enhanced Structural Systems ("ESS") Construction Qualifications are outlined in Section Four, A.4.c.(2) of RFA.

d. Unit Characteristic Chart

Complete the chart below reflecting the number of units for each of the Development Categories, Development Types, or ESS/non-ESS Construction, for purposes of the Total Development Cost Per Unit Limitation calculation and the Leveraging Calculation. The last row of the far right column is the Leveraging Factor.

Unit Characteristics			Enter the applicable number of units
New Construction	Garden	ESS Construction	25
	Garden	Non-ESS Construction	
	Mid-Rise	ESS Construction	
	Mid-Rise	Non-ESS Construction	
	High-Rise	ESS Construction	
	Single Family	ESS Construction	
	Single Family	Non-ESS Construction	
	Other Dev Type*	ESS Construction	
	Other Dev Type*	Non-ESS Construction	
	Total Units:		

The number of units calculated here matches the 25 units in stated at 6.a.

* Other Dev(elopment) Type means any Development Type that is not specifically identified in the chart but could be selected in drop-down menu in A.4.A.c.

** Not all decimal places of the actual number for the overall Leveraging Classification Development Type Multiplier may be displaying. Nonetheless, the full actual number will be used to calculate the Applicant's overall Corporation's funding amount in the 'Funding' tab. The final Leveraging Multiplier is calculated by summing together the products of multiplying the number of units for each applicable Development Type by their Leveraging Classification Development Type Multiplier and dividing the results by the amount of Total Units.

e. Has any physical construction activity commenced on the proposed Development? No

Note: If "Yes", all rules and regulations in 24 CFR Part 92, which includes cross-cutting Federal Regulations, will apply.

Exhibit A to RFA 2022-206 HOME Financing To Be Used For Rental Developments In Certain Hurricane Ian Impacted Counties

**Section 4.A.6
Number of Units and Buildings**

a. Enter the total number of units in the proposed Development upon completion: 25
 Minimum number of units of 10 is met. Maximum number of units of 50 is met.
 The marked-out section below is not available for developments that are not located in Charlotte County.

b. Set-Aside Commitments

(1) Select one of the following minimum set-aside commitments for Charlotte County Bond transactions ONLY: (HOME Set-Aside Commitments are determined in the Funding tab.)

<select one>

(2) Total Set-Aside Breakdown Chart

(a) Applicants committing to the minimum IRS set-aside commitment of 20 percent of the total units at 50 percent of the Area Median Income or less or 40 percent of the total units at 60 percent of the Area Median Income or less must complete the following chart for HC Set-Aside Commitments.

Number of Residential Units	Percentage of Units	AMI Level, at or below:	Types of Units
0		25%	Housing Credit Units
0		28%	
0		30%	
0		33%	
0		35%	
0		40%	
0		45%	
0		50%	
0		60%	
0	0%	Above 60%	
0	0%		Total Qualifying HC Units
0	0%		Total Units

This area intentionally left blank.

(b) Applicants committing to the IRS Average Income Test must complete this chart for Housing Credit Set-Aside Commitments. The minimum ELI Set-Aside Commitment is 0% of Total Units, or 0 units at 30% AMI or less.

Number of Residential Units	Percentage of Units	AMI Level, at or below:	Types of Units
	0.000%	20%	
	0.000%	30%	

Exhibit A to RFA 2022-206 HOME Financing To Be Used For Rental Developments In Certain Hurricane Ian Impacted Counties

4 Bedrooms/2 bathrooms	21
4 Bedrooms/2.5 bathrooms	
4 Bedrooms/3 bathrooms	
4 Bedrooms/3.5 bathrooms	
4 Bedrooms/4 bathrooms	
Totals	25

The total number of units calculated in the Unit Mix Chart matches the total number of units of 25 stated at 6.a. above.

This area intentionally left blank.

d. Number of Buildings

Number of anticipated residential buildings: 25

e. Compliance Period

All Applicants are required to set aside the units for this number of years, as further described in Section Four of the RFA. 50 Years

**BEFORE THE STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION**

HOLY CHILD HOUSING, INC.,

Case No.: 2023-031BP
RFA 2022-206

Petitioner,

vs.

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

_____ /

CONSENT AGREEMENT

Petitioner Holy Child Housing Inc. (“Holy Child”) and Respondent Florida Housing Finance Corporation (“Florida Housing”) by and through undersigned counsel, hereby present the following Consent Agreement in accordance with Section 120.57(4), Florida Statutes.

PRELIMINARY STATEMENT

1. On December 15, 2022, Florida Housing issued RFA 2022-206 HOME Financing To Be Used For Rural Developments In Certain Hurricane Ian Impacted Counties (the “RFA”).
2. Holy Child submitted Application No. 2023-168H in response to the RFA. Holy Child requested an allocation of HOME Funding for its proposed twenty-five (25) unit affordable housing development in Hardee County, Florida.
3. Florida Housing received eight (8) Applications in response to the RFA.
4. The designated Review Committee recommended that Florida Housing’s Board of Directors (the “Board”) find six (6) applications eligible for funding and two (2) applications ineligible including the Holy Child Application.

5. The Review Committee recommended that the Board select five (5) applications for funding.

6. At the March 10, 2023 Board meeting, the Board approved the preliminarily funding recommendations from the Review Committee and funded the one remaining eligible Application with the remaining HOME funding in the RFA.

7. Holy Child timely filed its Notice of Intent to Protest followed by a Formal Written Protest and Petition for Administrative Hearing (the "Petition") challenging the eligibility determination of its own Application.

8. Florida Housing issued a Notice to All Bidders on the RFA, including those bidders who had been preliminarily selected for funding and the two remaining ineligible Applications including the Holy Child Application. The Notice informed all bidders that their substantial interests might be affected by the disposition of Holy Child's Petition and advised the bidders of their opportunity to intervene.

9. No other bidders sought to intervene.

STIPULATED FINDINGS OF FACT

10. Florida Housing is a public corporation that is organized to provide and promote the public welfare by administering the governmental function of financing and refinancing housing and related facilities in the State of Florida.

11. Chapter 67-60, Florida Administrative Code, establishes the procedures by which Florida Housing administers the competitive solicitation funding process for the allocation of HOME funding.

12. The RFA was issued pursuant to and in accordance with Rule 67-60.003, Florida Administrative Code, and is adopted and incorporated herein by reference.

13. As required in the RFA, applications must include General Proposed Development Information including the completion of a Unit Characteristic Chart.

14. Based on the Review Committee scorer's notes, the Holy Child Application was found ineligible because the Unit Characteristic Chart incorrectly indicated its proposed Development would include 25 Garden Apartments rather than 25 Single Family Units.

15. In its Petition Holy Child pointed out that within the four corners of its Application, information was provided that indicates its proposed Development would be 25 units in 25 separate buildings. This information supports the conclusion that 25 Single Family Units will be constructed and clarifies the incorrect disclosure in the Unit Characteristic Chart. Accordingly, the necessary information was submitted within the four corners of Holy Child's Application and Florida Housing can determine that Holy Child provided all required information.

16. In reviewing the Application, the Petition, and the requirements of the RFA, Florida Housing determined that the error within the Holy Child application is a waivable Minor Irregularity and Holy Child should be an eligible application.

17. Florida Housing agrees to recommend to the Board that additional HOME funding be added to fully fund the Holy Child Application and not displace any other applicants in the RFA.

STIPULATED CONCLUSIONS OF LAW

18. In light of the foregoing stipulated facts and in order to avoid the time, expense, and uncertainty of litigation, the parties agree that Holy Child is eligible for funding in RFA 2022-206.

19. The undersigned attorneys represent that they have the authority to execute this

Consent Agreement on behalf of their respective clients.

20. Pursuant to Sections 120.569 and 120.57(3), Florida Statutes, and Chapter 67-60, Florida Administrative Code, the Florida Housing Board has jurisdiction over the parties to this proceeding.

21. Upon issuance of a Final Order adopting the terms of this Consent Agreement, Holy Child will timely dismiss its Petition with prejudice.

22. The Holy Child Application is eligible and is selected for funding consistent with the terms and recommendations within this Consent Agreement.

23. The parties waive all rights to appeal this Consent Agreement and the Final Order to be issued in this case. Each party shall bear its own costs and attorney's fees.

24. This Consent Agreement is subject to approval of the Board. If the Board does not approve this Consent Agreement, no Final Order will be issued, and this Consent Agreement shall be null and void as if it were never executed.

25. Holy Child agrees that in a further spirit of cooperation and understanding of the need for the expeditious allocation of HOME funds in these hurricane impacted areas, it will not displace any other Applications from current tentative funding.

STIPULATED DISPOSITION

26. Holy Child is eligible and is selected for funding, subject to the requirements of credit underwriting.

27. The Board's decision on March 10, 2023, with respect to the other applications, remains unaffected.

Respectfully signed this 8th day of May 2023.


/s/

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*Counsel for Florida Housing
Finance Corporation*

**STATE OF FLORIDA
DIVISION OF ADMINISTRATIVE HEARINGS**

HTG GRAND EAST, LTD.,

Petitioner,

vs.

Case No. 23-0670BID

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent,

and

BEACON AT CREATIVE VILLAGE –
PHASE II PARTNERS, LTD.,

Intervenor.

RECOMMENDED ORDER

The final hearing in this matter was conducted before J. Bruce Culpepper, Administrative Law Judge of the Division of Administrative Hearings, pursuant to sections 120.569 and 120.57(1) and (3), Florida Statutes (2022),¹ on March 10, 2023, in Tallahassee, Florida.

APPEARANCES

For Petitioner HTG Grand East, LTD.:

J. Stephen Menton, Esquire
Tana D. Storey, Esquire
Rutledge Ecenia, P.A.
119 South Monroe Street, Suite 202
Tallahassee, Florida 32301

¹ Unless otherwise stated, all citations to the Florida Statutes are to the 2022 version.

For Respondent Florida Housing Finance Corporation:

Betty C. Zachem, Esquire
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301

For Intervenor Beacon At Creative Village-Phase II Partners, LTD.:

Michael P. Donaldson, Esquire
Carlton Fields, P.A.
Post Office Drawer 190
Tallahassee, Florida 32302

STATEMENT OF THE ISSUE

The issue in this bid protest matter is whether Respondent, Florida Housing Finance Corporation's, intended award of funding under Request for Applications 2022-202 was contrary to its governing statutes, rules, or the solicitation specifications.

PRELIMINARY STATEMENT

This matter involves the protest by Petitioner, HTG Grand East, LTD ("HTG Grand"), to the intended decision of Respondent, Florida Housing Finance Corporation ("Florida Housing"), of an award under Request for Applications 2022-202 ("RFA 2022-202").

On November 14, 2022, Florida Housing issued RFA 2022-202 soliciting applications to allocate competitive tax credits for affordable housing developments to be located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties, Florida.²

² No protests were made to the specifications or terms of RFA 2022-202.

On January 27, 2023, Florida Housing posted notice of its intent to award funding for the development that qualified for the Family Designation in Orange County to Intervenor Beacon At Creative Village – Phase II Partners, LTD ("Beacon").

On February 13, 2023, HTG Grand timely filed a formal written protest challenging the eligibility and selection of Beacon's application.

On February 17, 2023, Florida Housing referred HTG Grand's protest to the Division of Administrative Hearings ("DOAH") for assignment of an Administrative Law Judge ("ALJ") to conduct a chapter 120 evidentiary hearing.

The final hearing was held on March 10, 2023. Joint Exhibits 1 through 7 were admitted into evidence. Beacon's Exhibits 1 through 3 were also admitted. Florida Housing called Marisa Button as a witness, from whom all parties elicited testimony. HTG Grand offered the testimony of Rodrigo Paredes. Beacon provided testimony from Scott Culp. In addition, the parties stipulated to a number of facts in a Joint Pre-Hearing Statement filed on March 8, 2023, which have been incorporated into this Recommended Order.

A one-volume Transcript of the final hearing was filed with DOAH on April 7, 2023. At the close of the hearing, the parties were advised of a ten-day time frame after receipt of the hearing transcript to file post-hearing submittals. All parties filed Proposed Recommended Orders, which were duly considered in preparing this Recommended Order.

FINDINGS OF FACT

1. Florida Housing is a public corporation created pursuant to section 420.504, Florida Statutes. Its purpose is to provide and promote

public welfare by administering the governmental function of financing affordable housing in the state of Florida. For purposes of this administrative proceeding, Florida Housing is considered an agency of the state of Florida.

2. Beacon applied for competitive housing credits awarded by RFA 2022-202 for a proposed affordable housing development to be located in Orange County, Florida. Florida Housing deemed Beacon's application (Application Number 2023-112C) eligible for funding and preliminarily selected Beacon for an award of housing credits for Orange County.

3. HTG Grand also submitted an application (Application Number 2023-103C) to Florida Housing for housing credits through RFA 2022-202 for a proposed affordable housing development in Orange County, Florida. Florida Housing deemed eligible, but did not select, HTG Grand's application for funding under RFA 2022-202.

4. As background, Florida Housing is designated as the housing credit agency for the state of Florida within the meaning of section 42(h)(7)(A) of the Internal Revenue Code. As such, Florida Housing is authorized to establish procedures to distribute low-income housing tax credits (commonly referred to as "housing credits" or "tax credits") and to exercise all powers necessary to administer the allocation of those credits. § 420.5099, Fla. Stat.

5. Florida Housing's low-income housing tax credit program was enacted to incentivize the private market to invest in affordable rental housing. The affordable housing industry relies heavily on public funding, subsidies, and tax credits to support projects that may not be financially sustainable in light of the sub-market rents they charge. The housing credits provide an "equity infusion" into prospective housing developments. For this reason, housing credits allow developers to reduce the amount necessary to fund housing projects. Concomitantly, applicants who are awarded housing credits can (and must) offer the subject property at lower, more affordable rents.

6. Florida Housing uses a competitive solicitation process to award the housing credits. Florida Housing initiates the solicitation process by issuing a

request for applications ("RFA"). §§ 420.507(48) and 420.5093, Fla. Stat.; and Fla. Admin. Code Chs. 67-48 and 67-60.

7. The RFA competitive solicitation process begins when Florida Housing requests its Board of Directors (the "Board") to approve Florida Housing's plan for allocating resources through various RFAs. If the Board approves the plan, Florida Housing begins work on each individual RFA.

RFA 2022-202:

8. The RFA at issue in this matter is RFA 2022-202, entitled "Housing Credit Financing For Affordable Housing Developments Located In Broward, Duval, Hillsborough, Orange, Palm Beach, And Pinellas Counties." The purpose of RFA 2022-202 is to distribute funding to develop affordable, multifamily housing in the named Florida counties. Through RFA 2022-202, Florida Housing intends to provide an estimated \$16,491,600.00 of housing credit financing.

9. Florida Housing issued RFA 2022-202 on November 14, 2022.³ RFA 2022-202 set forth the information each Applicant was required to provide. This information included a number of submission requirements, as well as a general description of the type of project that would be considered for funding. RFA 2022-202 Section Three A.3 directed Applicants to submit their Application Packages electronically through the Florida Housing RFA Webpage. RFA 2022-202 Section Three A.2.b further instructed Applicants to compile all attachments together into one All Attachments Document, which Applicants would then upload "in a pdf format." Applicants were advised that the All Attachments Document could be created by "merging the documents using a computer program such as Adobe Acrobat Pro or by scanning all of the attachments together."

³ Florida Housing subsequently modified RFA 2022-202 on November 18, 2022, November 29, 2022, and December 20, 2022.

10. All applications for funding under RFA 2022-202 were due to Florida Housing by December 29, 2022. Florida Housing received 15 applications for housing credits, including timely applications from both Beacon and HTG Grand.

11. Florida Housing appointed a Review Committee from amongst its staff to evaluate and score the applications. The Review Committee independently reviewed, deemed eligible or ineligible, scored, and ranked applications pursuant to the terms of RFA 2022-202, as well as Florida Administrative Code Chapters 67-48 and 67-60, and applicable federal regulations.

12. Beacon and HTG Grand were the only two Applicants for housing credits in Orange County. Through the scoring and evaluation process outlined in RFA 2022-202, the Review Committee found both HTG Grand and Beacon eligible for funding under RFA 2022-202. Beacon's application, however, received a scoring preference because Beacon qualified for Local Government Areas of Opportunity Designation points. With its application, Beacon produced evidence of a "local government" contribution from the City of Orlando, which demonstrated to Florida Housing that Orlando was committed to Beacon's housing project. HTG Grand's application, on the other hand, did not include a local government contribution. Consequently, Beacon's application received five additional points over HTG Grand's application. (RFA 2022-202 Section Four, A.11.d; Section Five A.2; and Section Five B.1). Beacon, therefore, was the highest-ranking Applicant for an award of the tax credits in Orange County.

13. Following its assessment, the Review Committee recommended six applications to the Board for funding in the designated counties. Included in the Review Committee's recommendations was Beacon's application for the Family Demographic for Orange County.

14. On January 27, 2023, the Board formally approved the Review Committee recommendations. As part of its determinations, the Board

selected Beacon's application for housing credits in Orange County. The Board awarded Beacon \$2,850,000.00 in housing credits.

The HTG Grand Protest:

15. HTG Grand protests the Board's selection of Beacon's development instead of its own. HTG Grand, the second ranked Applicant for Orange County, challenges Florida Housing's determination regarding the eligibility of, and award to, Beacon. If HTG Grand successfully demonstrates that Florida Housing erred in accepting, then scoring, Beacon's application, or the evidence demonstrates that Beacon's application was ineligible or nonresponsive, then HTG Grand will be entitled to an award of housing credits for Orange County through RFA 2022-202 instead of Beacon.⁴

16. In its protest, HTG Grand raises one objection to Beacon's application. HTG Grand contends that Beacon failed to satisfy the "Availability of Sewer" requirement under RFA 2022-202 Section Four A.7.b(3). Specifically, HTG Grand points to an alleged deficiency in Beacon's "Florida Housing Verification of Availability of Infrastructure – Sewer Capacity, Package Treatment, or Septic Tank Form" (the "Sewer Form"). HTG Grand asserts that the Sewer Form Beacon included with its application was fatally flawed due to the fact that it was not signed by a waste treatment service provider. HTG Grand argues that a "properly completed and executed" (i.e., signed) Sewer Form is a mandatory eligibility requirement per RFA 2022-202 in order to be selected for funding. Consequently, the "incomplete" Sewer Form renders Beacon's application ineligible for funding. Therefore, Florida Housing should have disqualified Beacon from an award under RFA 2022-202.

17. At the final hearing, Florida Housing announced that its initial determination that Beacon's application was eligible for funding was incorrect. Instead, after reviewing HTG Grand's allegations and realizing

⁴ No party alleged that HTG Grand's application failed to satisfy all eligibility requirements or was otherwise ineligible for funding under RFA 2022-202.

that Beacon's Sewer Form was unsigned, Florida Housing took the position that Beacon's application failed to meet mandatory RFA requirements and is ineligible under RFA 2022-202. As a result, Florida Housing sided with HTG Grand and declared that Florida Housing should have selected HTG Grand's application for an award of housing credits.

18. To explain its reasoning, Florida Housing presented the testimony of Marisa Button. Ms. Button is Florida Housing's Managing Director of Multifamily Programs. In her job, Ms. Button oversees the allocation of federal and state resources for the development and rehabilitation of multifamily affordable rental housing throughout the state of Florida. She is also responsible for Florida Housing's competitive solicitation process.

19. Initially, Ms. Button testified regarding RFA 2022-202's provision requiring the Sewer Form. Ms. Button reported that, as an eligibility requirement, RFA 2022-202 Section Four A.7.b(3) charged each Applicant to demonstrate the "Availability of Sewer" to the development site. Specifically, RFA 2022-202 Section Four A.7.b(3) directed the Applicant to:

Demonstrate that as of the Application Deadline sewer capacity, package treatment or septic tank service is available to the entire proposed Development site by providing as **Attachment 9** to Exhibit A:

(a) The properly completed and executed Florida Housing Finance Corporation Verification of Availability of Infrastructure – Sewer Capacity, Package Treatment, or Septic Tank form (Form Rev. 07-2022) [the Sewer Form]; or

(b) Documentation from the waste treatment service provider that contains the Development location, the number of units, and is dated within 12 months of the Application Deadline. The documentation may not be signed by the Applicant, by any related parties of the Applicant, by any Principals or Financial Beneficiaries of the Applicant, or by any local elected officials.

In other words, the RFA instructed each Applicant to demonstrate the "Availability of Sewer" to its proposed development site through one of two ways. The Applicant could provide with its application a "properly completed and executed" Sewer Form ("Option (a)"). The second option ("Option (b)") was for the Applicant to produce documentation from a waste treatment service provider that incorporated certain information including the development location, as well as the number of units in the development, and was signed within 12 months of the application deadline.

20. Regarding Option (a), Ms. Button relayed that the Sewer Form was created by Florida Housing to assist Applicants comply with the RFA's "Availability of Sewer" requirement. RFA 2022-202 included a blank template Sewer Form for Applicants' reference and use. The Sewer Form contained spaces in which the Applicant could insert the development's name, location, and number of units. The Sewer Form further read, in part:

The undersigned service provider confirms that, as of the date that this form was signed, Sewer Capacity or Package Treatment is available to the proposed Development; or there are no known prohibitions to installing a Septic Tank system with adequate capacity for the proposed Development location, or if necessary, upgrading an existing Septic Tank system with adequate capacity for the proposed Development location.

In addition, the Sewer Form contained a "CERTIFICATION" section, which stated, "I certify that the foregoing information is true and correct." This language was followed by spaces the certifying individual was to complete, including: Signature, Print or Type Name, Print or Type Title, Date Signed, Name of Entity Providing Service, Address (street address, city, state), and Telephone Number (including area code).

21. Beacon included the Sewer Form under Option (a) with its application. Beacon's Sewer Form CERTIFICATION displayed the following information:

Signature: [blank]

Print or Type Name: David Breitrack, P.E.

Print or Type Title: Engineering & Mapping Manager

Date Signed: November 11, 2022

Name of Entity Providing Service: City of Orlando Water
Reclamation Division

Address (street address, city, state): 5100 L.B. McLeod Rd
Orlando, FL 32811

Telephone Number (including area code): 407-246-2213

As shown above, the signature line on Beacon's Sewer Form was empty. In other words, Beacon's Sewer Form did not bear the signature of Mr. Breitrack, the person who Beacon represented certified that sewer services were available to its development site.

22. By contrast, the Sewer Form that HTG Grand submitted contained the following CERTIFICATION:

Signature: David Breitrack Digitally signed by David Breitrack

Date: 2022.11.10 10:05:54 -05'00'^[5]

Print or Type Name: David Breitrack, P.E.

Print or Type Title: Engineering & Mapping Manager

Date Signed: November 10, 2022

Name of Entity Providing Service: City of Orlando Water
Reclamation Division

Address (street address, city, state): 5100 L.B. McLeod Rd
Orlando, FL 32811

Telephone Number (including area code): 407-246-2213

⁵ See section 668.004, Florida Statutes, which states that, "Unless otherwise provided by law, an electronic signature may be used to sign a writing and shall have the same force and effect as a written signature."

23. Ms. Button voiced that HTG Grand's Sewer Form was "properly completed and executed."

24. During her testimony, Ms. Button acknowledged that Florida Housing did not discover the blank signature line on Beacon's Sewer Form until after the Review Committee had completed its evaluation and preliminarily deemed Beacon's application eligible for funding under RFA 2022-202. Ms. Button offered that whoever scored Beacon's application simply did not pick up on the missing signature. Consequently, the Board was unaware of the lack of a signature on Beacon's Sewer Form at the time it approved the Review Committee's recommendation for housing credits in Orange County.

25. Ms. Button declared that the Review Committee's initial determination, as well as the Board's selection of Beacon's application, was a mistake. Instead, Florida Housing should have found that Beacon's Sewer Form omitted information that was specifically required by RFA 2022-202 Section Four A.7.b(3)(a), i.e., the signature of the individual who certified that sewer services were available to the development site on behalf of a waste treatment service provider. As a result, Ms. Button asserted that Beacon's Sewer Form materially deviated from the RFA specifications because it was not "properly completed or executed" as mandated by RFA 2022-202 Section Four A.7.b(3)(a). Consequently, Ms. Button maintained that Beacon's Application is not eligible for an award of housing credits.

26. Ms. Button further advised that evidence of the "Availability of Sewer" to the property provides Florida Housing reasonable assurances that the Applicant will be prepared to proceed with its housing development if awarded funding. Conversely, the omission of the signature creates uncertainty regarding whether the Applicant can provide essential services to its housing residents. Ms. Button also commented that an actual signature on the Sewer Form is essential because the individual who signs the form personally certifies to Florida Housing that the Applicant's representation that sewer services are available to the development property is correct and

true. In addition, Ms. Button expressed that if Florida Housing were to accept Beacon's unexecuted Sewer Form, Beacon would receive a competitive advantage over other Applicants who made the effort to coordinate and obtain a signed Sewer Form certification. Finally, Ms. Button imparted that Florida Housing's acceptance of an incomplete Sewer Form would adversely impact Florida Housing's ability to fairly administer its competitive solicitation process.

27. HTG Grand presented the testimony of Rodrigo Paredes, its Vice President of Development. Among his responsibilities, Mr. Paredes prepares and reviews HTG Grand's applications for tax credits from Florida Housing.

28. Mr. Paredes supported Florida Housing's (Ms. Button's) position that Beacon's Sewer Form was not "properly completed and executed" without Mr. Breitrick's signature. Mr. Paredes explained that he understood RFP 2022-202 Section Four A.7.b(3) to give an Applicant two alternatives to use to demonstrate the availability of sewer services to its development. An Applicant could either complete Florida Housing's Sewer Form, or they could obtain a letter from a waste treatment company. Mr. Paredes relayed that HTG Grand elected to use the Sewer Form. In so doing, HTG Grand took steps to contact Mr. Breitrick with the City of Orlando, who signed the Sewer Form for its development site. HTG Grand then uploaded the completed, and digitally signed, Sewer Form with its Application.

29. Mr. Paredes relayed that HTG Grand expended time and effort to ensure that its Sewer Form was "properly completed and executed." Therefore, he maintained that an Applicant who was allowed to submit an unexecuted/unsigned Sewer Form would receive a competitive advantage.

30. At the final hearing, Beacon did not dispute that the Sewer Form it submitted with its application did not contain Mr. Breitrick's signature (actual or digital) on the signature line. Beacon insisted, however, that its

Sewer Form complied with the RFA specifications. Therefore, nothing prohibited Florida Housing from awarding Beacon housing credits under RFA 2022-202.

31. To explain its position, Beacon called Scott Culp. Mr. Culp is a principal of Atlantic Housing Partners II, LLC ("Atlantic Housing II"), the Developer of the Beacon development for which housing credits are being sought. Mr. Culp relayed that Atlantic Housing II is in the business of developing affordable housing communities.

32. Mr. Culp offered two arguments to advance that the Sewer Form Beacon presented with its application was "properly completed and executed." First, Mr. Culp pressed that its Sewer Form did bear a signature. Mr. Culp explained that Beacon chose to use Option (a) to establish its "Availability of Sewer" status and downloaded a blank template of the Sewer Form from the Florida Housing website. For the certifying signature, Beacon contacted the City of Orlando Water Reclamation Division (the "Reclamation Division"). Beacon then filled in the pertinent information regarding its development onto the Sewer Form and emailed it to the Reclamation Division. Mr. Culp testified that David Breitrack completed the document on behalf of the Reclamation Division and email it back to Beacon. Mr. Culp claimed that the Sewer Form Mr. Breitrack returned to Beacon bore a clearly visible entry on the signature line that read "David Breitrack," followed by the notation "Digitally signed by David Breitrack Date: 2022.11.11 15:33:47 - 05'00'."

33. Beacon introduced David Breitrack's (deposition) testimony during the final hearing. Mr. Breitrack is the Engineering and Mapping Manager for the Reclamation Division. Mr. Breitrack confirmed that he received and reviewed a Sewer Form from Beacon. Mr. Breitrack further corroborated Mr. Culp's representations that he affixed his digital signature to the CERTIFICATION section of the Sewer Form. He then emailed the signed document back to Beacon.

34. Mr. Culp stated that, upon receiving the signed Sewer Form from Mr. Breitricks, Beacon incorporated it, together with all the other attachments to its application, into one pdf document using Adobe Acrobat Pro as instructed in RFA 2022-202 Section Three A.2.b. Beacon then uploaded the pdf document to the Florida Housing website with its application.

35. Mr. Culp asserted that Beacon did not learn that the signature line on its Sewer Form did not bear Mr. Breitricks's signature until HTG Grand filed its Notice of Intent to Protest, which was after all applications for tax credits were due to Florida Housing.

36. As to why Mr. Breitricks's signature was not included on the pdf document that Florida Housing reviewed and scored, Mr. Culp was only able to offer his best guess based on his investigation into the matter. Mr. Culp surmised that when Beacon used Adobe Acrobat Pro to compile all the attachments together into the single All Attachments Document as RFA 2022-202 suggested, the Adobe program stripped Mr. Breitricks's digital signature off of the Sewer Form. Beacon did not catch the flaw before it unwittingly uploaded the unsigned Sewer Form as part of its application.

37. Despite the missing signature on the signature line, at the final hearing, Mr. Culp contended that Beacon's Sewer Form does, in fact, contain Mr. Breitricks's signature. Mr. Culp declared that the signature is detectable in the form of "metadata" that is embedded in the All Application Document it submitted with its application. Mr. Culp stated that if Florida Housing opens the Sewer Form in Adobe Acrobat Pro certain information about the digital data entered onto the pdf document can be seen in the "comment" sidebar. Mr. Culp represented that "clicking" on the signature line data field reveals an alphanumeric designation that reads "BRE18354," followed by the date "Nov 11, 2022." Mr. Culp asserted that this data is the personal digital identification of Mr. Breitricks and confirms that Mr. Breitricks "properly completed and executed" Beacon's Sewer Form. Therefore, Mr. Culp urged that, despite not possessing a "visible" signature,

its Sewer Form provided Florida Housing acceptable verification of its "Availability of Sewer."

38. Mr. Culp next argued that, even if its Sewer Form was not "properly completed and executed" in accordance with Option (a), the document still qualifies under Section Four A.7.b(3)(b) as "documentation from the waste treatment service provider." In other words, Beacon's Sewer Form includes each piece of information necessary to demonstrate the "Availability of Sewer" to its property. Specifically, Mr. Culp pointed to the fact that its Sewer Form lists the development's waste treatment service provider (the City of Orlando), the development's location (630 W. Amelia Street, Orlando, FL), and the number of units in the development (81). Beacon's Sewer Form is also dated within 12 months of the RFA application deadline (November 11, 2022). As such, Mr. Culp contended that the Sewer Form Beacon submitted with its application contained all the information needed to satisfy Section Four A.7.b(3). Therefore, Florida Housing correctly accepted, deemed eligible, and scored Beacon's application for housing credits.

39. Responding to Beacon/Mr. Culp's arguments, Ms. Button stated that a signature on the Sewer Form is significant in that the signature is a visible confirmation from a third-party representative that substantiates and verifies the accuracy of the information written on the document. Without a physical signature, Ms. Button expressed that Florida Housing cannot adequately discern whether an independent sewer provider has actually reviewed the Applicant's representation that sewer services are available to its development site. Ms. Button explained that accepting a form that did not bear a signature would force the Review Committee to rely upon an Applicant's uncorroborated representations.

40. Ms. Button further maintained that relying on digital metadata would not be either practical, workable, or in Florida Housing's best interests. Ms. Button stated that the Applicant, not Florida Housing, is responsible for

ensuring that all mandatory eligibility items are properly completed, executed, and uploaded to the web portal by the application deadline. Ms. Button, who confessed that she is not an expert in interpreting or understanding the substance of metadata, expressed that even after reviewing the digital notations included with Beacon's Sewer Form, she could not identify any electronic entry or information in the "comment" section that she would consider a "signature." Ms. Button added that the Review Committee does not rely on metadata or other electronic "comments" included in the applications of any RFA Applicants when accepting signatures or scoring submissions.

41. In addition, Ms. Button asserted that Beacon's argument that its Sewer Form meets Option (b) should also fail. Ms. Button conveyed that Option (b) required the Applicant to provide documentation directly from a waste treatment service provider, e.g., on their letterhead and with their signature, attesting to the information they are verifying. Ms. Button stated that Florida Housing, not a sewer provider, drafted the language of the Sewer Form. Therefore, the Sewer Form is not an acceptable substitute for a document that is generated by a provider who independently certifies (with a signature) that sewer services will be available to an Applicant's development site.

42. To conclude her testimony, Ms. Button relayed that Florida Housing has determined that, because Beacon's Sewer Form was not properly "executed" with an actual signature that is visible on the face of the document, Beacon's application did not meet the requirements of RFA 2022-202 Section Four A.7.b(3). Therefore, Beacon's development must be deemed ineligible for funding, and HTG Grand should be selected for funding as the next highest ranking development.

43. Ms. Button's explanation detailing why Beacon's application was not eligible for consideration for housing credits is credible and is credited. Ms. Button persuasively testified that Beacon failed to include with its

application certain material information verifying the availability of sewer services to its development site as required by RFA 2022-202 Section Four A.7.b(3). Specifically, to be "properly completed and executed," Beacon's Sewer Form required a signed CERTIFICATION on the Sewer Form. Failure to include such a signature on the document rendered Beacon's application ineligible under the RFA specifications. Therefore, Florida Housing's selection of Beacon for an award of housing credits was improper.

44. Conversely, Beacon's (Mr. Culp's) argument that its application complied with RFA 2022-202 Section Four A.7.b(3) falls short. Mr. Culp failed to effectively explain how Beacon's Sewer Form complied with either Option (a) or Option (b). On the contrary, the facts found in this matter establish that the Sewer Form was not "properly completed and executed" as required by Option (a). Neither did the Sewer Form provide sufficient "documentation from the waste service provider" to satisfy Option (b).

45. Accordingly, based on the evidence in the record, HTG Grand demonstrated, by a preponderance of the evidence, that Florida Housing's decision to award housing tax credits to Beacon was clearly erroneous, contrary to competition, arbitrary, or capricious. Therefore, HTG Grand met its burden of proving that Florida Housing's intended award of funding to Beacon under RFA 2022-202 was contrary to its governing statutes, rules, or policies, or the solicitation specifications. Therefore, Florida Housing must rescind the award to Beacon, and select HTG Grand for the award of housing credits under RFA 2022-202.

CONCLUSIONS OF LAW

46. DOAH has jurisdiction over the subject matter and the parties to this competitive procurement protest pursuant to sections 120.569 and 120.57(1) and (3). *See also* Fla. Admin. Code R. 67-60.009(2).

47. HTG Grand challenges Florida Housing's selection of Beacon's application for an award of housing credits under RFA 2022-202. Pursuant to

section 120.57(3)(f), the burden of proof in this matter rests on HTG Grand as the party protesting the proposed agency action. *See State Contracting & Eng'g Corp. v. Dep't of Transp.*, 709 So. 2d 607, 609 (Fla. 1st DCA 1998).

Section 120.57(3)(f) further provides that in a bid protest:

[T]he administrative law judge shall conduct a de novo proceeding to determine whether the agency's proposed action is contrary to the agency's governing statutes, the agency's rules or policies, or the solicitation specifications. The standard of proof for such proceedings shall be whether the proposed agency action was clearly erroneous, contrary to competition, arbitrary, or capricious.

48. The phrase "de novo proceeding" in section 120.57(3)(f) describes a form of intra-agency review. The purpose of the ALJ's review is to "evaluate the action taken by the agency." *J.D. v. Fla. Dep't of Child. & Fams.*, 114 So. 3d 1127, 1132 (Fla. 1st DCA 2013); and *State Contracting*, 709 So. 2d at 609. A de novo proceeding "simply means that there was an evidentiary hearing ... for administrative review purposes" and does not mean that the ALJ "sits as a substitute for the [agency] and makes a determination whether to award the bid *de novo*." *J.D.*, 114 So. 3d at 1133; *Intercontinental Props., Inc. v. Dep't of HRS*, 606 So. 2d 380, 386 (Fla. 3d DCA 1992). "The judge may receive evidence, as with any formal hearing under section 120.57(1), but the object of the proceeding is to evaluate the action taken by the agency." *State Contracting*, 709 So. 2d at 609.

49. Accordingly, HTG Grand, as the party protesting the intended award, must prove, by a preponderance of the evidence, that Florida Housing's proposed action is either: (a) contrary to its governing statutes; (b) contrary to its rules or policies; or (c) contrary to the specifications of RFA 2022-202. The standard of proof that HTG Grand must meet to establish that Florida Housing's intended award violates this statutory standard is that Florida Housing's decision was: (a) clearly erroneous; (b) contrary to competition; or

(c) arbitrary or capricious. §§ 120.57(3)(f) and 120.57(1)(j), Fla. Stat.; and *AT&T Corp. v. State, Dep't of Mgmt. Servs.*, 201 So. 3d 852, 854 (Fla. 1st DCA 2016).

50. The "clearly erroneous" standard has been defined to mean "the interpretation will be upheld if the agency's construction falls within the permissible range of interpretations." *Colbert v. Dep't of Health*, 890 So. 2d 1165, 1166 (Fla. 1st DCA 2004). A factual determination is "clearly erroneous" when the reviewer is "left with a definite and firm conviction that [the fact-finder] has made a mistake." *Tropical Jewelers Inc. v. Bank of Am., N.A.*, 19 So. 3d 424, 426 (Fla. 3d DCA 2009); *see also Holland v. Gross*, 89 So. 2d 255, 258 (Fla. 1956)(when a finding of fact by the trial court "is without support of any substantial evidence, is clearly against the weight of the evidence or ... the trial court has misapplied the law to the established facts, then the decision is 'clearly erroneous.'").

51. An agency action is "contrary to competition" if it unreasonably interferes with the purpose of competitive procurement. As described in *Wester v. Belote*, 138 So. 721, 723-24 (Fla. 1931):

[T]he object and purpose [of the bidding process] ... is to protect the public against collusive contracts; to secure fair competition upon equal terms to all bidders; to remove not only collusion but temptation for collusion and opportunity for gain at public expense; to close all avenues to favoritism and fraud in its various forms; to secure the best values ... at the lowest possible expense; and to afford an equal advantage to all desiring to do business ... , by affording an opportunity for an exact comparison of bids.

In other words, the "contrary to competition" test forbids agency actions that: (a) create the appearance and opportunity for favoritism; (b) reduce public confidence that contracts are awarded equitably and economically; (c) cause the procurement process to be genuinely unfair or unreasonably exclusive; or

(d) are abuses, i.e., dishonest, fraudulent, illegal, or unethical. See § 287.001, Fla. Stat.; and *Harry Pepper & Assoc. v. City of Cape Coral*, 352 So. 2d 1190, 1192 (Fla. 2d DCA 1977).

52. Finally, section 120.57(3)(f) requires an agency action be set aside if it is "arbitrary, or capricious." An "arbitrary" decision is one that is "not supported by facts or logic, or is despotic." *Agrico Chemical Co. v. Dep't of Env'tl. Reg.*, 365 So. 2d 759, 763 (Fla. 1st DCA 1978), *cert. denied*, 376 So. 2d 74 (Fla. 1979). A "capricious" action is one which is "taken without thought or reason or irrationally." *Id.* See also *Hadi v. Liberty Behav. Health Corp.*, 927 So. 2d 34, 40 (Fla. 1st DCA 2006).

53. To determine whether an agency acted in an "arbitrary" or "capricious" manner, consideration must be given to "whether the agency: (1) has considered all relevant factors; (2) given actual, good faith consideration to the factors; and (3) has used reason rather than whim to progress from consideration of these factors to its final decision." *Adam Smith Enter. v. Dep't of Env'tl. Reg.*, 553 So. 2d 1260, 1273 (Fla. 1st DCA 1989). The standard has also been formulated by the court in *Dravo Basic Materials Co. v. Department of Transportation*, 602 So. 2d 632, 632 n.3 (Fla. 2d DCA 1992), as follows: "If an administrative decision is justifiable under any analysis that a reasonable person would use to reach a decision of similar importance, it would seem that the decision is neither arbitrary nor capricious."

54. Florida Housing's governing statutes, rules, or policies in this matter include chapter 67-60, which Florida Housing implemented pursuant to its rulemaking authority under section 420.507(12). Florida Housing adopted chapter 67-60 to administer the competitive solicitation process. According to rule 67-60.006(1):

The failure of an Applicant to supply required information in connection with any competitive solicitation pursuant to this rule chapter shall be grounds for a determination of nonresponsiveness with respect to its Application. If a determination

of nonresponsiveness is made by [Florida Housing], the Application shall be considered ineligible.

55. The solicitation specifications pertinent to this matter include the following:

a. RFA 2022-202 Section Three F.3., which provides that, by applying, each Applicant certifies that:

Proposed Developments funded under this RFA will be subject to the requirements of the RFA, inclusive of all Exhibits, the Application requirements outlined in Rule Chapter 67-60, F.A.C., the requirements outlined in Rule Chapter 67-48, F.A.C. and the Compliance requirements of Rule Chapter 67-53, F.A.C.

b. RFA 2022-202 Section Four A.1. adds that:

During the Review Committee scoring process, the Corporation (i) may rely on the answers submitted by the Applicant in Exhibit A ... and (ii) may, but is not obligated to, review the substance of the documentation that is submitted as Attachments to the Application.

If it is determined that the Attachments do not meet the RFA requirements or the Applicant submitted materially incorrect information in the Application, [Florida Housing] may take any or all of the following actions, even if the Application was not selected for funding, was deemed ineligible, or was withdrawn: deem the Application ineligible, [and] rescind the award

c. RFA 2022-202 Section Five A.1, which provides that:

[O]nly Applications that meet all of the following Eligibility Items will be eligible for funding and considered for funding selection.

Included in the list of Eligibility Items is "Availability of Sewer demonstrated."

56. In order to establish the "Availability of Sewer," RFA 2022-202 Section Four A.7.b(3) provides that the Applicant must:

Demonstrate that as of the Application Deadline sewer capacity, package treatment or septic tank service is available to the entire proposed Development site by providing as **Attachment 9** to Exhibit A:

(a) The properly completed and executed [Sewer Form]; or

(b) Documentation from the waste treatment service provider that contains the Development location, the number of units, and is dated within 12 months of the Application Deadline. The documentation may not be signed by the Applicant, by any related parties of the Applicant, by any Principals or Financial Beneficiaries of the Applicant, or by any local elected officials.

57. Turning to the merits of HTG Grand's protest, based on the competent substantial evidence in the record, Florida Housing's decision to award housing tax credits under RFA 2022-202 to Beacon was clearly erroneous, contrary to competition, arbitrary, and capricious. The evidence and testimony presented at the final hearing demonstrates that Beacon's application did not include certain material information set forth in the RFA (a signed Sewer Form). Therefore, Beacon's application should be considered nonresponsive and ineligible to receive funding. Accordingly, Florida Housing's initial award to Beacon's housing project was contrary to its governing statutes, rules, policies, and the solicitation specifications and must be rescinded.

58. Regarding the specific objection, HTG Grand proved that the Sewer Form Beacon submitted with its application did not comply with RFA 2022-202 Section Four A.7.b(3). In particular, RFA 2022-202 Section Four A.7.b(3)(a) (Option (a)) required the Sewer Form to be "properly completed

and executed." The evidence is undisputed that Beacon's Sewer Form did not bear the signature (digital or manual) of a certifying individual. Therefore, Beacon's Sewer Form, on its face, was not "completed" or "executed" as needed to fulfill the conditions of Option (a). Consequently, Beacon's application failed to demonstrate the "Availability of Sewer" to its development site, which was a mandatory eligibility item per RFA 2022-202 Section Five A.1. As a result, as Florida Housing now acknowledges, Beacon's application was not eligible for funding. Accordingly, Florida Housing's preliminary decision to award tax credits to Beacon was clearly erroneous, contrary to competition, arbitrary, or capricious.

59. Beacon's argument that its Sewer Form did bear the certifying individual's signature in the form of metadata embedded in the pdf document is not persuasive. HTG Grand's Sewer Form establishes that Mr. Breitrick signs his name as "David Breitrick." No evidence shows that Mr. Breitrick adopted the electronic notation "BRE18354" as his certifying signature.

60. Additionally, Ms. Button rationally testified that it would be impractical, as well as confer a competitive advantage, for Florida Housing's Review Committee to examine the metadata in an Applicant's application to determine whether an unsigned attachment was "properly completed and executed." Moreover, there is no requirement in the governing statutes or rules or the RFA specifications that instruct Florida Housing to consider metadata as a substitute for a visible signature. Ms. Button and Mr. Paredes also effectively articulated how accepting a document that failed to include a signature would create an unfair benefit over competing Applicants who did produce "properly completed and executed" forms.

61. Further, Beacon's argument that Florida Housing should accept its (unsigned) Sewer Form under RFA 2022-202 Section Four A.7.b.(3)(b) (Option (b)) is not convincing. To satisfy Option (b), a party must demonstrate "Availability of Sewer" to its proposed development through documentation from a waste treatment service provider. Florida Housing, through

Ms. Button, capably explained that an Applicant cannot satisfy RFA 2022-202 Section Four A.7.b.(3)(b) by submitting the Florida Housing Sewer Form. Instead, the documentation necessary to meet Option (b) must be generated by a third-party service provider in lieu of the Sewer Form certification.

62. Finally, Beacon presses for Florida Housing to waive the missing signature on the Sewer Form as a "minor irregularity." To Beacon's point, through RFA 2022-202 Section Three C.1, Florida Housing reserved the right to treat errors in applications as "minor irregularities." Rule 67-60.008 further provides:

Minor irregularities are those irregularities in an Application, such as computation, typographical, or other errors, that do not result in the omission of any material information; do not create any uncertainty that the terms and requirements of the competitive solicitation have been met; do not provide a competitive advantage or benefit not enjoyed by other Applicants; and do not adversely impact the interests of the Corporation or the public. Minor irregularities may be waived or corrected by the Corporation.

See also *Flagship Manor, LLC v. Fla. Hous. Fin. Corp.*, 199 So. 3d 1090, 1094 (Fla. 1st DCA 2016)("Florida Housing's regulations give it discretion to ignore 'minor irregularities' in an application."); *Heritage Oaks, LLP v. Madison Pointe, LLC*, 277 So. 3d 215, 218–19 (Fla. 1st DCA 2019)(A "minor irregularity" refers to variation "'that does not provide a competitive advantage or benefit' to the applicant over other applicants. ... 'Minor irregularities' are errors 'that do not result in the omission of any material information.'"); and *Tropabest Foods, Inc. v. Fla. Dep't of Gen. Servs.*, 493 So. 2d 50, 52 (Fla. 1st DCA 1986)(A deviation in a response to an invitation to bid is "material if it gives the bidder a substantial advantage over the other bidders and thereby restricts or stifles competition.").

63. Based on credible testimony from Florida Housing (Ms. Button), the undersigned concludes that the lack of Mr. Breitrick's signature on the Sewer Form certifying the statements therein is not a "minor irregularity." Instead, Florida Housing makes the more sound argument that an unsigned, hence incomplete and uncertified, Sewer Form omits material information that is specifically required by the RFA. This omission should not be treated like a typographical error, or a responsive document that contains a signature on the wrong line or uses initials instead of a full name. A signature provides Florida Housing with direct evidence on the face of the document of the signer's intentions. In this case, the signature of Mr. Breitrick (either digitally or manually) on Beacon's Sewer Form would have presented apparent and clear evidence of his intent to certify that sewer services were available to Beacon's development site. Without this visible proof, Florida Housing did not have plain and unambiguous confirmation of Beacon's representations. On the contrary, the unsigned CERTIFICATION constituted a material deviation from the RFA requirements and should not be waived as a "minor irregularity."

64. Furthermore, RFA 2022-202 Section Four A.1 and rule 67-60.006(1) clearly establish that each Applicant is responsible for providing the required information when responding to a competitive solicitation. In this case, Mr. Culp credibly relayed the steps Beacon took to secure a certification from a service provider verifying the "Availability of Sewer" to its development property. Unfortunately, the Sewer Form Beacon ultimately uploaded with its application did not bear the signature of the certifying individual. The onus for this omission must fall on Beacon as the Applicant, not Florida Housing. And, the consequences for a nonresponsive application is ineligibility under the provisions of the RFA.

65. In sum, based on the competent substantial evidence introduced during the final hearing, HTG Grand (and Florida Housing) presented the more persuasive argument that the Sewer Form Beacon submitted with its

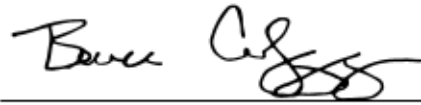
application did not satisfied the "Availability of Sewer" requirement set forth in RFA 2022-202 Section Four A.7.b(3). Ms. Button effectively explained how Beacon's Sewer Form was not "properly completed and executed" without including the actual signature of the certifying individual (Option (a)). She further cogently articulated how Beacon's Sewer Form did not meet the conditions of RFA 2022-202 Section Four A.7.b(3)(b) (Option (b)). Therefore, Beacon's Application was not eligible for an award of tax credits under RFA 2022-202.

66. Accordingly, based on the facts in the record, HTG Grand demonstrated, by a preponderance of the evidence, that Florida Housing's decision finding Beacon's application eligible for funding under RFA 2022-202 was clearly erroneous, contrary to competition, arbitrary, or capricious. Therefore, HTG Grand met its burden of proving that Florida Housing's preliminary intent to award housing tax credits to Beacon's proposed development is contrary to Florida Housing's governing statutes, rules, or policies, or the solicitation specifications. As a result, as a matter of law, Florida Housing is not entitled to proceed with the award of housing credits to Beacon under RFA 2022-202. Instead (subject to meeting the requirements of credit underwriting), the award of tax credits in Orange County should go to HTG Grand who did include a "properly completed and executed" Sewer Form with its application.

RECOMMENDATION

Based on the foregoing Findings of Fact and Conclusions of Law, it is RECOMMENDED that the Florida Housing Finance Corporation enter a final order deeming Beacon's application ineligible for funding under RFA 2022-202 and rescinding its initial award of housing tax credits to Beacon. It is further recommended that the Florida Housing Finance Corporation select HTG Grand's application as a recipient of housing credit funding in Orange County, Florida, under RFA 2022-202.

DONE AND ENTERED this 8th day of May, 2023, in Tallahassee, Leon
County, Florida.



J. BRUCE CULPEPPER
Administrative Law Judge
1230 Apalachee Parkway
Tallahassee, Florida 32399-3060
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Filed with the Clerk of the
Division of Administrative Hearings
this 8th day of May, 2023.

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Corporation Clerk
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NOTICE OF RIGHT TO SUBMIT EXCEPTIONS

All parties have the right to submit written exceptions within 10 days from the date of this Recommended Order. Any exceptions to this Recommended Order should be filed with the agency that will issue the Final Order in this case.

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

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FLORIDA HOUSING
FINANCE CORPORATION

HTG GRAND EAST, LTD

Petitioner,

v.

FHFC CASE NO. 2023-014BP

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent,

and

BEACON AT CREATIVE VILLAGE –
PHASE II PARTNERS, LTD.

Intervenor.

**BEACON AT CREATIVE VILLAGE - PHASE II PARTNERS, LTD.'S
EXCEPTIONS TO RECOMMENDED ORDER**

Pursuant to section 120.57(3)(e), Florida Statutes, (“F.S.”) and Rule 28-106.217, Florida Administrative Code (“F.A.C.”), Intervenor, Beacon at Creative Village - Phase II Partners, Ltd. (“Beacon”), hereby files its exceptions to the Recommended Order entered in this proceeding by the Administrative Law Judge (“ALJ”) on May 8, 2023, as follows:

Introduction

In this proceeding the Beacon Application, which was tentatively selected for funding as the only Orange County Application to meet the Local Government Area of Opportunity (“LGAO”) Funding Goal established by the RFA, has now been recommended to be deemed ineligible for allegedly failing to provide “properly completed and executed (i.e. signed)” Availability of Sewer documentation. In the Recommended Order the ALJ found and concluded that because a visible signature was not present on the Availability of Sewer Form signature line,

the form was not properly executed. Beacon takes exception to the identified Findings of Fact and Conclusions of Law and ultimate recommendation that confirmation of Sewer Availability was not provided and that any deviation in how the confirmation was provided was nothing more than a minor irregularity. While Beacon concedes that no visible signature appears on the signature line of the Form, there is electronic and digital information within the submitted Form that when viewed as a whole confirms the electronic signature and the availability of sewer in accordance with the requirements of the RFA. Confirmation of Sewer Availability is what the RFA requirement is designed to show. Concluding that the deviation here renders the Beacon Application ineligible is elevating form over substance and eliminating from eligibility the only Application that satisfied the LGAO Goal for Orange County.

Standard of Review

Section 120.57(1)(l), F.S., establishes the scope of an agency's authority with respect to its treatment of a recommended order. That authority is limited with respect to findings of fact, which may not be rejected or modified unless the agency first reviews the entire record and determines that a finding is not supported by competent, substantial evidence or that the proceeding itself did not comport with the essential requirements of law.

Agencies have more discretion in their treatment of conclusions law, if those conclusions fall within the areas of the law or relate to the interpretation of rules over which the agency has substantive jurisdiction. Within those areas, an agency may reject or modify conclusions of law as long as it states its reasons and finds that its substituted conclusions are at least as reasonable as those of the ALJ. As the funding agency, Florida Housing has substantive jurisdiction over the legal conclusions relating to its process for awarding funding.

Parties are required by controlling case law to raise these issues by exception, or risk waiving the issue for subsequent judicial review. When a party to an administrative proceeding does not file exceptions to a recommended order, it waives objections and those matters are not preserved for possible subsequent appellate review. *Kantor v. School Board of Monroe County*, 648 So. 2d 1266, 1267 (Fla. 3rd DCA 1995), citing *Environmental Coalition of Florida, Inc. v. Broward County*, 586 So. 2d 1212, 1213 (Fla. 1st DCA 1991).

Exception No. 1

Beacon takes exception to Findings of Fact Numbers 21, 25, 26, 39, 40-45 which in relevant part provide as follows:

- 21 Beacon included the Sewer Form under Option (a) with its application. Beacon's Sewer Form CERTIFICATION displayed the following information:

Signature: [blank]

Print or Type Name: David Breitrick, P.E.

Print or Type Title: Engineering & Mapping Manager

Date Signed: November 11, 2022

Name of Entity Providing Service: City of Orlando Water
Reclamation Division

Address (street address, city, state): 5100 L.B. McLeod Rd
Orlando, FL 32811

Telephone Number (including area code): 407-246-2213

As shown above, the signature line on Beacon's Sewer Form was empty. In other words, Beacon's Sewer Form did not bear the signature of

Mr. Breitrick, the person who Beacon represented certified that sewer services were available to its development site.

- 25 Ms. Button declared that the Review Committee's initial determination, as well as the Board's selection of Beacon's application, was a mistake. Instead, Florida Housing should have found that Beacon's Sewer Form omitted information

that was specifically required by RFA 2022-202 Section Four A.7.b(3)(a), i.e., the signature of the individual who certified that sewer services were available to the development site on behalf of a waste treatment service provider. As a result, Ms. Button asserted that Beacon's Sewer Form materially deviated from the RFA specifications because it was not "properly completed or executed" as mandated by RFA 2022-202 Section Four A.7.b(3)(a). Consequently, Ms. Button maintained that Beacon's Application is not eligible for an award of housing credits.

- 26 Ms. Button further advised that evidence of the "Availability of Sewer" to the property provides Florida Housing reasonable assurances that the Applicant will be prepared to proceed with its housing development if awarded funding. Conversely, the omission of the signature creates uncertainty regarding whether the Applicant can provide essential services to its housing residents. Ms. Button also commented that an actual signature on the Sewer Form is essential because the individual who signs the form personally certifies to Florida Housing that the Applicant's representation that sewer services are available to the development property is correct and true. In addition, Ms. Button expressed that if Florida Housing were to accept Beacon's unexecuted Sewer Form, Beacon would receive a competitive advantage over other Applicants who made the effort to coordinate and obtain a signed Sewer Form certification. Finally, Ms. Button imparted that Florida Housing's acceptance of an incomplete Sewer Form would adversely impact Florida Housing's ability to fairly administer its competitive solicitation process.
- 39 Responding to Beacon/Mr. Culp's arguments, Ms. Button stated that a signature on the Sewer Form is significant in that the signature is a visible confirmation from a third-party representative that substantiates and verifies the accuracy of the information written on the document. Without a physical signature, Ms. Button expressed that Florida Housing cannot adequately discern whether an independent sewer provider has actually reviewed the Applicant's representation that sewer services are available to its development site. Ms. Button explained that accepting a form that did not bear a signature would force the Review Committee to rely upon an Applicant's uncorroborated representations.

- 40 Ms. Button further maintained that relying on digital metadata would not be either practical, workable, or in Florida Housing's best interests. Ms. Button stated that the Applicant, not Florida Housing, is responsible for ensuring that all mandatory eligibility items are properly completed, executed, and uploaded to the web portal by the application deadline. Ms. Button, who confessed that she is not an expert in interpreting or understanding the substance of metadata, expressed that even after reviewing the digital notations included with Beacon's Sewer Form, she could not identify any electronic entry or information in the "comment" section that she would consider a "signature." Ms. Button added that the Review Committee does not rely on metadata or other electronic "comments" included in the applications of any RFA Applicants when accepting signatures or scoring submissions.
- 41 In addition, Ms. Button asserted that Beacon's argument that its Sewer Form meets Option (b) should also fail. Ms. Button conveyed that Option (b) required the Applicant to provide documentation directly from a waste treatment service provider, e.g., on their letterhead and with their signature, attesting to the information they are verifying. Ms. Button stated that Florida Housing, not a sewer provider, drafted the language of the Sewer Form. Therefore, the Sewer Form is not an acceptable substitute for a document that is generated by a provider who independently certifies (with a signature) that sewer services will be available to an Applicant's development site.
- 42 To conclude her testimony, Ms. Button relayed that Florida Housing has determined that, because Beacon's Sewer Form was not properly "executed" with an actual signature that is visible on the face of the document, Beacon's application did not meet the requirements of RFA 2022- 202 Section Four A.7.b(3). Therefore, Beacon's development must be deemed ineligible for funding, and HTG Grand should be selected for funding as the next highest ranking development.
- 43 Ms. Button's explanation detailing why Beacon's application was not eligible for consideration for housing credits is credible and is credited. Ms. Button persuasively testified that Beacon failed to include with it application certain material information verifying the availability of sewer services to its development site as required by RFA 2022-202 Section Four A.7.b(3). Specifically, to be "properly

completed and executed," Beacon's Sewer Form required a signed CERTIFICATION on the Sewer Form. Failure to include such a signature on the document rendered Beacon's application ineligible under the RFA specifications. Therefore, Florida Housing's selection of Beacon for an award of housing credits was improper.

- 44 Conversely, Beacon's (Mr. Culp's) argument that its application complied with RFA 2022-202 Section Four A.7.b(3) falls short. Mr. Culp failed to effectively explain how Beacon's Sewer Form complied with either Option (a) or Option (b). On the contrary, the facts found in this matter establish that the Sewer Form was not "properly completed and executed" as required by Option (a). Neither did the Sewer Form provide sufficient "documentation from the waste service provider" to satisfy Option (b).
- 45 Accordingly, based on the evidence in the record, HTG Grand demonstrated, by a preponderance of the evidence, that Florida Housing's decision to award housing tax credits to Beacon was clearly erroneous, contrary to competition, arbitrary, or capricious. Therefore, HTG Grand met its burden of proving that Florida Housing's intended award of funding to Beacon under RFA 2022-202 was contrary to its governing statutes, rules, or policies, or the solicitation specifications. Therefore, Florida Housing must rescind the award to Beacon, and select HTG Grand for the award of housing credits under RFA 2022-202.

In these findings the ALJ in essence finds that the Beacon Application, because there was no visible signature on the signature line of the Availability of Sewer documentation, the documentation was not properly executed and therefore uncertainty existed as to whether sewer service was available as of the Application Deadline. In reaching these findings the ALJ promotes form over substance and focuses on what appears to be missing in the documentation and ignores the information that was included in the documentation as of the Application Deadline. The ALJ also ignores the fact that to the extent a signature was visually missing it was only missing because of the use of Acrobat Adobe Pro which was required to be used by Florida Housing in responding to the RFA. (T. 30, 107, 111, 120, 135, 135; Jt. Ex. 1 at pg. 3) The competent substantial evidence

showed the Availability of Sewer documentation submitted by Beacon contained both visible information, and also contained electronically verifiable and viewable “digital information.” (T. 111-12, 115, 120; Jt. Ex. 1 at pg. 3; Jt. Ex. 7 at pg. 125; Int. Ex. 1) Additionally it was confirmed that the additional digital information existed in the Beacon Application on Florida Housing’s web portal and did exist as of the Application Deadline. (T. 30, 47; Jt. Ex. 1 at pg. 125)

In this case the evidence indicates that Mr. David Breitrack, an authorized representative of the service provider, City of Orlando Water Reclamation Division, added information to the Availability of Sewer documentation and reviewed other information including the number of units and the Development’s location. Mr. Breitrack confirmed that he executed the Availability of Sewer documentation. (Int. Ex. 2; Int. Ex. 3 at pg. 11-14) There is ample information in the Beacon Availability of Sewer documentation both visible and electronically, that when taken as a whole provides assurance that it was reviewed, edited and signed by Mr. Breitrack, thus confirming sewer availability for Beacon’s proposed Development. This fact is true even-though there is no visual information apparent on the signature line. To follow the ALJ’s argument would in essence arbitrarily ignore the existence of the electronic information which exists in the Availability of Sewer documentation. In reaching his findings the ALJ ignores this competent and substantial evidence. (T. 52-53, 68-69; Jt. Ex. 7 at pg. 125; Int. Ex. 2; Int. Ex. 3 at pg. 11-14)

Exception No. 2

Beacon next takes exception to Conclusions of Law 47-55, 57-66, which provide as follows:

Conclusion of Law

46 Turning to the merits of HTG Grand's protest, based on the competent substantial evidence in the record, Florida Housing's decision to award housing tax credits under RFA 2022-202 to Beacon was clearly erroneous, contrary to competition,

arbitrary, and capricious. The evidence and testimony presented at the final hearing demonstrates that Beacon's application did not include certain material information set forth in the RFA (a signed Sewer Form). Therefore, Beacon's application should be considered nonresponsive and ineligible to receive funding. Accordingly, Florida Housing's initial award to Beacon's housing project was contrary to its governing statutes, rules, policies, and the solicitation specifications and must be rescinded.

- 47 Regarding the specific objection, HTG Grand proved that the Sewer Form Beacon submitted with its application did not comply with RFA 2022- 202 Section Four A.7.b(3). In particular, RFA 2022-202 Section Four A.7.b(3)(a) (Option (a)) required the Sewer Form to be "properly completed and executed." The evidence is undisputed that Beacon's Sewer Form did not bear the signature (digital or manual) of a certifying individual. Therefore, Beacon's Sewer Form, on its face, was not "completed" or "executed" as needed to fulfill the conditions of Option (a). Consequently, Beacon's application failed to demonstrate the "Availability of Sewer" to its development site, which was a mandatory eligibility item per RFA 2022-202 Section Five A.1. As a result, as Florida Housing now acknowledges, Beacon's application was not eligible for funding. Accordingly, Florida Housing's preliminary decision to award tax credits to Beacon was clearly erroneous, contrary to competition, arbitrary, or capricious.
- 48 Beacon's argument that its Sewer Form did bear the certifying individual's signature in the form of metadata embedded in the pdf document is not persuasive. HTG Grand's Sewer Form establishes that Mr. Breitrick signs his name as "David Breitrick." No evidence shows that Mr. Breitrick adopted the electronic notation "BRE18354" as his certifying signature.
- 49 Additionally, Ms. Button rationally testified that it would be impractical, as well as confer a competitive advantage, for Florida Housing's Review Committee to examine the metadata in an Applicant's application to determine whether an unsigned attachment was "properly completed and executed." Moreover, there is no requirement in the governing statutes or rules or the RFA specifications that instruct Florida Housing to consider metadata as a substitute for a visible signature. Ms. Button and Mr. Paredes also effectively articulated how accepting a document that failed to include a signature would create an unfair benefit over competing Applicants who did produce

"properly completed and executed" forms.

- 50 Further, Beacon's argument that Florida Housing should accept its (unsigned) Sewer Form under RFA 2022-202 Section Four A.7.b.(3)(b) (Option (b)) is not convincing. To satisfy Option (b), a party must demonstrate "Availability of Sewer" to its proposed development through documentation from a waste treatment service provider. Florida Housing, through Ms. Button, capably explained that an Applicant cannot satisfy RFA 2022- 202 Section Four A.7.b.(3)(b) by submitting the Florida Housing Sewer Form. Instead, the documentation necessary to meet Option (b) must be generated by a third-party service provider in lieu of the Sewer Form certification.
- 51 Finally, Beacon presses for Florida Housing to waive the missing signature on the Sewer Form as a "minor irregularity." To Beacon's point, through RFA 2022-202 Section Three C.1, Florida Housing reserved the right to treat errors in applications as "minor irregularities." Rule 67-60.008 further provides:

Minor irregularities are those irregularities in an Application, such as computation, typographical, or other errors, that do not result in the omission of any material information; do not create any uncertainty that the terms and requirements of the competitive solicitation have been met; do not provide a competitive advantage or benefit not enjoyed by other Applicants; and do not adversely impact the interests of the Corporation or the public. Minor irregularities may be waived or corrected by the Corporation.

See also *Flagship Manor, LLC v. Fla. Hous. Fin. Corp.*, 199 So. 3d 1090, 1094 (Fla. 1st DCA 2016)("Florida Housing's regulations give it discretion to ignore 'minor irregularities' in an application."); *Heritage Oaks, LLP v. Madison Pointe, LLC*, 277 So. 3d 215, 218–19 (Fla. 1st DCA 2019)(A "minor irregularity" refers to variation "'that does not provide a competitive advantage or benefit' to the applicant over other applicants. ... 'Minor irregularities' are errors 'that do not result in the omission of any material information.'"); and *Tropabest Foods, Inc. v. Fla. Dep't of Gen. Servs.*, 493 So. 2d 50, 52 (Fla. 1st DCA 1986)(A deviation in a response to an invitation to bid is "material if it gives the bidder a substantial advantage over the other bidders and thereby restricts or stifles competition.").

- 52 Based on credible testimony from Florida Housing (Ms. Button), the undersigned concludes that the lack of Mr. Breitricks signature on the Sewer Form certifying the statements therein is not a "minor irregularity." Instead, Florida Housing makes the more sound argument that an unsigned, hence incomplete and uncertified, Sewer Form omits material information that is specifically required by the RFA. This omission should not be treated like a typographical error, or a responsive document that contains a signature on the wrong line or uses initials instead of a full name. A signature provides Florida Housing with direct evidence on the face of the document of the signer's intentions. In this case, the signature of Mr. Breitricks (either digitally or manually) on Beacon's Sewer Form would have presented apparent and clear evidence of his intent to certify that sewer services were available to Beacon's development site. Without this visible proof, Florida Housing did not have plain and unambiguous confirmation of Beacon's representations. On the contrary, the unsigned CERTIFICATION constituted a material deviation from the RFA requirements and should not be waived as a "minor irregularity."
- 53 Furthermore, RFA 2022-202 Section Four A.1 and rule 67-60.006(1) clearly establish that each Applicant is responsible for providing the required information when responding to a competitive solicitation. In this case, Mr. Culp credibly relayed the steps Beacon took to secure a certification from a service provider verifying the "Availability of Sewer" to its development property. Unfortunately, the Sewer Form Beacon ultimately uploaded with its application did not bear the signature of the certifying individual. The onus for this omission must fall on Beacon as the Applicant, not Florida Housing. And, the consequences for a nonresponsive application is ineligibility under the provisions of the RFA.
- 54 In sum, based on the competent substantial evidence introduced during the final hearing, HTG Grand (and Florida Housing) presented the more persuasive argument that the Sewer Form Beacon submitted with its application did not satisfied the "Availability of Sewer" requirement set forth in RFA 2022-202 Section Four A.7.b(3). Ms. Button effectively explained how Beacon's Sewer Form was not "properly completed and executed" without including the actual signature of the certifying individual (Option (a)). She further cogently articulated how Beacon's Sewer Form did not meet the conditions of RFA 2022-202 Section Four A.7.b(3)(b) (Option (b)). Therefore, Beacon's Application was not eligible for an

award of tax credits under RFA 2022-202.

- 55 Accordingly, based on the facts in the record, HTG Grand demonstrated, by a preponderance of the evidence, that Florida Housing's decision finding Beacon's application eligible for funding under RFA 2022-202 was clearly erroneous, contrary to competition, arbitrary, or capricious. Therefore, HTG Grand met its burden of proving that Florida Housing's preliminary intent to award housing tax credits to Beacon's proposed development is contrary to Florida Housing's governing statutes, rules, or policies, or the solicitation specifications. As a result, as a matter of law, Florida Housing is not entitled to proceed with the award of housing credits to Beacon under RFA 2022-202. Instead (subject to meeting the requirements of credit underwriting), the award of tax credits in Orange County should go to HTG Grand who did include a "properly completed and executed" Sewer Form with its application.
- 57 Turning to the merits of HTG Grand's protest, based on the competent substantial evidence in the record, Florida Housing's decision to award housing tax credits under RFA 2022-202 to Beacon was clearly erroneous, contrary to competition, arbitrary, and capricious. The evidence and testimony presented at the final hearing demonstrates that Beacon's application did not include certain material information set forth in the RFA (a signed Sewer Form). Therefore, Beacon's application should be considered nonresponsive and ineligible to receive funding. Accordingly, Florida Housing's initial award to Beacon's housing project was contrary to its governing statutes, rules, policies, and the solicitation specifications and must be rescinded.
- 58 Regarding the specific objection, HTG Grand proved that the Sewer Form Beacon submitted with its application did not comply with RFA 2022- 202 Section Four A.7.b(3). In particular, RFA 2022-202 Section Four A.7.b(3)(a) (Option (a)) required the Sewer Form to be "properly completed and executed." The evidence is undisputed that Beacon's Sewer Form did not bear the signature (digital or manual) of a certifying individual. Therefore, Beacon's Sewer Form, on its face, was not "completed" or "executed" as needed to fulfill the conditions of Option (a). Consequently, Beacon's application failed to demonstrate the "Availability of Sewer" to its development site, which was a mandatory eligibility item per RFA 2022-202 Section Five A.1. As a result, as Florida Housing now acknowledges, Beacon's application was not eligible for

funding. Accordingly, Florida Housing's preliminary decision to award tax credits to Beacon was clearly erroneous, contrary to competition, arbitrary, or capricious.

- 59 Beacon's argument that its Sewer Form did bear the certifying individual's signature in the form of metadata embedded in the pdf document is not persuasive. HTG Grand's Sewer Form establishes that Mr. Breitrack signs his name as "David Breitrack." No evidence shows that Mr. Breitrack adopted the electronic notation "BRE18354" as his certifying signature.
- 60 Additionally, Ms. Button rationally testified that it would be impractical, as well as confer a competitive advantage, for Florida Housing's Review Committee to examine the metadata in an Applicant's application to determine whether an unsigned attachment was "properly completed and executed." Moreover, there is no requirement in the governing statutes or rules or the RFA specifications that instruct Florida Housing to consider metadata as a substitute for a visible signature. Ms. Button and Mr. Paredes also effectively articulated how accepting a document that failed to include a signature would create an unfair benefit over competing Applicants who did produce "properly completed and executed" forms.
- 61 Further, Beacon's argument that Florida Housing should accept its (unsigned) Sewer Form under RFA 2022-202 Section Four A.7.b.(3)(b) (Option (b)) is not convincing. To satisfy Option (b), a party must demonstrate "Availability of Sewer" to its proposed development through documentation from a waste treatment service provider. Florida Housing, through Ms. Button, capably explained that an Applicant cannot satisfy RFA 2022- 202 Section Four A.7.b.(3)(b) by submitting the Florida Housing Sewer Form. Instead, the documentation necessary to meet Option (b) must be generated by a third-party service provider in lieu of the Sewer Form certification.
- 62 Finally, Beacon presses for Florida Housing to waive the missing signature on the Sewer Form as a "minor irregularity." To Beacon's point, through RFA 2022-202 Section Three C.1, Florida Housing reserved the right to treat errors in applications as "minor irregularities." Rule 67-60.008 further provides:

Minor irregularities are those irregularities in an Application, such as computation, typographical, or other errors, that do not result in the omission of any material information; do not create any uncertainty that

the terms and requirements of the competitive solicitation have been met; do not provide a competitive advantage or benefit not enjoyed by other Applicants; and do not adversely impact the interests of the Corporation or the public. Minor irregularities may be waived or corrected by the Corporation.

See also *Flagship Manor, LLC v. Fla. Hous. Fin. Corp.*, 199 So. 3d 1090, 1094 (Fla. 1st DCA 2016)("Florida Housing's regulations give it discretion to ignore 'minor irregularities' in an application."); *Heritage Oaks, LLP v. Madison Pointe, LLC*, 277 So. 3d 215, 218–19 (Fla. 1st DCA 2019)(A "minor irregularity" refers to variation "that does not provide a competitive advantage or benefit" to the applicant over other applicants. ... 'Minor irregularities' are errors 'that do not result in the omission of any material information."); and *Tropabest Foods, Inc. v. Fla. Dep't of Gen. Servs.*, 493 So. 2d 50, 52 (Fla. 1st DCA 1986)(A deviation in a response to an invitation to bid is "material if it gives the bidder a substantial advantage over the other bidders and thereby restricts or stifles competition.").

63 Based on credible testimony from Florida Housing (Ms. Button), the undersigned concludes that the lack of Mr. Breitrick's signature on the Sewer Form certifying the statements therein is not a "minor irregularity." Instead, Florida Housing makes the more sound argument that an unsigned, hence incomplete and uncertified, Sewer Form omits material information that is specifically required by the RFA. This omission should not be treated like a typographical error, or a responsive document that contains a signature on the wrong line or uses initials instead of a full name. A signature provides Florida Housing with direct evidence on the face of the document of the signer's intentions. In this case, the signature of Mr. Breitrick (either digitally or manually) on Beacon's Sewer Form would have presented apparent and clear evidence of his intent to certify that sewer services were available to Beacon's development site. Without this visible proof, Florida Housing did not have plain and unambiguous confirmation of Beacon's representations. On the contrary, the unsigned CERTIFICATION constituted a material deviation from the RFA requirements and should not be waived as a "minor irregularity."

64 Furthermore, RFA 2022-202 Section Four A.1 and rule 67-60.006(1) clearly establish that each Applicant is responsible for providing the required information when responding to a competitive solicitation. In this case, Mr. Culp credibly relayed the steps Beacon took to secure a certification from a service

provider verifying the "Availability of Sewer" to its development property. Unfortunately, the Sewer Form Beacon ultimately uploaded with its application did not bear the signature of the certifying individual. The onus for this omission must fall on Beacon as the Applicant, not Florida Housing. And, the consequences for a nonresponsive application is ineligibility under the provisions of the RFA.

- 65 In sum, based on the competent substantial evidence introduced during the final hearing, HTG Grand (and Florida Housing) presented the more persuasive argument that the Sewer Form Beacon submitted with its application did not satisfied the "Availability of Sewer" requirement set forth in RFA 2022-202 Section Four A.7.b(3). Ms. Button effectively explained how Beacon's Sewer Form was not "properly completed and executed" without including the actual signature of the certifying individual (Option (a)). She further cogently articulated how Beacon's Sewer Form did not meet the conditions of RFA 2022-202 Section Four A.7.b(3)(b) (Option (b)). Therefore, Beacon's Application was not eligible for an award of tax credits under RFA 2022-202.
- 66 Accordingly, based on the facts in the record, HTG Grand demonstrated, by a preponderance of the evidence, that Florida Housing's decision finding Beacon's application eligible for funding under RFA 2022-202 was clearly erroneous, contrary to competition, arbitrary, or capricious. Therefore, HTG Grand met its burden of proving that Florida Housing's preliminary intent to award housing tax credits to Beacon's proposed development is contrary to Florida Housing's governing statutes, rules, or policies, or the solicitation specifications. As a result, as a matter of law, Florida Housing is not entitled to proceed with the award of housing credits to Beacon under RFA 2022-202. Instead (subject to meeting the requirements of credit underwriting), the award of tax credits in Orange County should go to HTG Grand who did include a "properly completed and executed" Sewer Form with its application.

In these Conclusions of Law the ALJ in essence concludes that because no visible signature is apparent on the Availability of Sewer documentation the documentation was not properly completed and executed (i.e. signed). As argued earlier in reaching these Conclusions the ALJ ignores or minimizes the fact that the Availability of Sewer documentation was signed

electronically. As a matter of law an electronic signature is defined at Sec. 668.003, F.S. as follows:

“Electronic signature” means letter, characters, or symbols, manifested by electronic or similar means executed or adopted by a party with an intent to authenticate a writing. A writing is electronically signed if an electronic signature is locally associated with such writing.

Additionally Sec. 668.50, F.S. further defines “electronic signature” as follows:

an electronic sound, symbol or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record”

In reaching his Conclusions of Law that the Availability of Sewer documentation was not properly executed the, ALJ failed to consider what properly executed means in the electronic world Florida Housing finds itself in today. Indeed the Application itself is required to be submitted electronically. The record evidence indicates the RFA in several places suggested the use of and in other places required the use of Adobe Acrobat Pro. In fact the reason the signature is missing in the first place, the record shows, was actually the result of a security measure of the Adobe Acrobat Pro program (T. 112-15; Jt. Ex. 1 at pg. 3).

The ALJ ignored or minimized evidence presented at final hearing which showed that the Beacon Availability of Sewer documentation was an electronic document and contained information that confirmed that the information found in the documentation was from the service provider, City of Orlando Water Reclamation Division and either included, was reviewed, or considered by Mr. David Breitrick, its authorized representative. (Int. Ex. 3 at pg. 11-14; Int. Ex. 2) At a minimum the information included confirmed Mr. Breitrick’s intent to execute the Availability of Sewer documentation and that the information came from Mr. Breitrick. To hold otherwise is elevating form over substance. Here the Board has substantive jurisdiction over the

legal conclusions relating to the process for awarding funding. In this matter the Board should determine as a matter of law and policy that the Availability of Sewer documentation submitted by Beacon included information to confirm the Availability of Sewer.

CONCLUSION

Beacon requests the opportunity to address the Board and further based on these exceptions requests that a Final Order be entered which:

A. Rejects the Findings and Conclusions identified herein and the ultimate recommendation section and finds and concludes that Availability of Sewer Form submitted by Beacon satisfied the requirements of the RFA and to the extent there was a deviation it should be waived as minor irregularity.

B. Finds that Beacon's Application remains eligible for funding.

Respectfully submitted,

/s/ Michael P. Donaldson

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing has been furnished by E-Mail this -

16th day of May 2023 to:

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ATTORNEY

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STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

MAY 19, 2023 3:40 PM

HTG GRAND EAST, LTD.,

Petitioner,

Case No. 23-0067BID

v.

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent,

and

BEACON AT CREATIVE VILLAGE –
PHASE II PARTNERS, LTD.

Intervenor.

**PETITIONER HTG GRAND EAST LTD. AND RESPONDENT FLORIDA HOUSING
FINANCE CORPORATION'S JOINT RESPONSE TO
INTERVENOR'S EXCEPTIONS TO THE RECOMMENDED ORDER**

Petitioner HTG Grand East, Ltd. (“HTG”) and Respondent Florida Housing Finance Corporation (“Florida Housing”), pursuant to Section 120.57, Florida Statutes, and Rule 28-106.217, Florida Administrative Code, hereby submits this Joint Response to the Exceptions filed by Intervenor Beacon At Creative Village – Phase II Partners, Ltd. (“Beacon”) to the Recommended Order issued in this proceeding, by Administrative Law Judge Bruce Culpepper (the “ALJ”) on May 8, 2023. In opposition to the Exception, HTG and Florida Housing state:¹

¹ The Recommended Order is referred to as “RO” followed by the appropriate paragraph and/or page number. The transcript of the hearing is referred to as “T.” followed by the appropriate page number. Reference to hearing exhibits are referred to by the name of the party that introduced the exhibits followed by exhibit number and Bates page numbers.

I. Introduction

The RO was entered by the ALJ after the consideration of the evidence and arguments presented at the formal administrative hearing and review of proposed findings and conclusions submitted by all parties. Beacon's Exceptions are nothing more than an attempt to reargue its position asserted at the final hearing. Based on the competent substantial evidence in the record, the ALJ rejected Beacon's arguments and determined that Beacon's application failed to meet the mandatory submitted requirements set forth in the Request for Applications ("RFA"). Consequently, the ALJ concluded Beacon was ineligible for funding. The ALJ's findings of fact are supported by competent substantial record evidence and his conclusions of law are reasonable and consistent with Florida law and prior Florida Housing precedent. Beacon's Exceptions must be denied.

II. Standard of Review

Section 120.57, Florida Statutes, sets forth the standards the Board must apply in reviewing the recommended order and issuing a final order. The Board may adopt the recommended order in its entirety or, with certain specific requirements, it may modify or reject the findings of fact and conclusions of law as explained below. See §120.57(1)(l), Fla. Stat. A final order must include an explicit ruling on each exception. Id.

The Board may not modify or reject the ALJ's findings of fact unless the agency first determines from a review of the entire record – and states with particularity in the final order – that the findings of fact were not based on competent substantial evidence or that the proceedings on which the findings were based did not comply with the essential requirements of law. Id.; Kanter Real Estate, LLC v. Dep't of Env'tl. Pro., 267 So. 3d 483, 487-88 (Fla. 1st DCA 2019); Baptist Hosp., Inc. v. State, Dep't of Health & Rehab. Servs., 500 So. 2d 620, 623 (Fla. 1st DCA

1986) (“It is well settled that an agency may not reject a hearing officer’s factual findings on the conclusory ground that they are not supported by competent substantial evidence, without offering specific reasons for such rejection.”). “Competent” evidence is sufficiently relevant and material that a reasonable mind would accept it as adequate to support the conclusion reached. Schrimsher v. Sch. Bd. of Palm Beach Cnty., 694 So. 2d 856, 860 (Fla. 4th DCA 1997) (citing DeGroot v. Sheffield, 95 So. 2d 912, 916 (Fla. 1957)). “Substantial” evidence is that which will establish a substantial basis of fact from which the fact at issue can be reasonably inferred and which a reasonable mind would accept as adequate to support a conclusion. Id.

In other words, the Board may not reweigh the evidence, judge witnesses’ credibility, or otherwise interpret the evidence to fit a particular outcome. Id. In the same vein, the Board may not substitute its findings simply because it reached a different conclusion or would have resolved factual questions differently. Kanter, supra; F.U.S.A., FTP-NEA v. Hillsborough Cmty. Coll., 440 So.2d 593, 595-96 (Fla. 1st DCA 1983); see also Resnick v. Flagler Cnty. Sch. Bd., 46 So. 3d 1110, 1112-13 (Fla. 5th DCA 2010) (noting that an agency may not reject findings of fact supported by competent substantial evidence even if the agency’s alternate findings also are supported by competent substantial evidence); Heifetz v. Dep’t of Bus. Regulation, Div. of Alcoholic Beverages & Tobacco, 475 So. 2d 1277, 1281 (Fla. 1st DCA 1985) (“If, as is often the case, the evidence presented supports two inconsistent findings, it is the hearing officer’s role to decide the issue one way or the other.”).

The Board may modify or reject only those conclusions of law over which it has substantive jurisdiction. See §120.57(1)(l), Fla. Stat.; State Contracting & Eng’g Corp. v. Dep’t of Transp., 709 So. 2d 607 (Fla. 1st DCA 1998)(affirming final order in which the agency rejected ALJ’s interpretation of agency’s rule); see also generally Barfield v. Dep’t of Health, 805 So. 2d 1008

(Fla. 2001). If the Board decides to modify or reject a conclusion of law, it must state with particularity the reasons for such modification or rejection and must make a finding that its substituted conclusion of laws is as or more reasonable than the conclusion modified or rejected. See § 120.57(1)(l).

Labeling a legal conclusion as a “finding of fact” does not convert the conclusion into a factual finding. See Kanter, supra, at 487-88; Pillsbury v. Dep’t of Health & Rehab. Servs., 744 So. 2d 1040,1041-42 (Fla. 2d DCA 1999); see Baptist Hosp., 500 So. 2d at 623; Holmes v. Turlington, 480 So. 2d 150,153 (Fla. 1st DCA 1985). Matters that are susceptible to ordinary methods of proof – such as determining a witness’s credibility or weighing the evidence – are factual matters to be determined by the ALJ. See Baptist Hosp., 500 So. 2d at 623; Holmes, 480 So. 2d at 153.

III. Responses to Intervenor’s Exceptions

Exception No. 1 (Findings of Fact # 21, 25, 26, 39 and 40-45)

Beacon’s Exception 1 erroneously attacks several factual findings by the ALJ and amounts to nothing more than a request for the Board to reweigh the evidence to reach a contrary result. As the reviewing agency, however, the Board may not reweigh the evidence presented or attempt to resolve any conflicts therein. See, e.g., Rogers v. Dep’t of Health, 920 So. 2d 27, 30 (Fla. 1st DCA 2005); Belleau v. Dep’t of Env’tl. Prot., 695 So. 2d 1305, 1307 (Fla. 1st DCA 1997); Dunham v. Highlands Cty. Sch. Bd., 652 So. 2d 894 (Fla. 2d DCA 1995); Schrimsher v. Sch. Bd. of Palm Beach Cnty., 694 So. 2d 856, 860 (Fla. 4th DCA 1997).

Findings of Fact # 21, 25, 26, 39 and 40-45 contain ultimate conclusions which may not be rejected as they are supported by the ALJ’s rational and reasonable weighing of all the evidence presented at final hearing. See Goin v. Comm’n on Ethics, 658 So. 2d 1131, 1138 (Fla. 1st DCA

1995). In Exception No. 1, Beacon quotes several findings of fact in the RO out of context but does not specifically identify any inaccuracy or unsupported finding made by the ALJ.

Findings of fact 21, 25, 26, 39, 40, 41 and 42 are simply recitations of the evidence presented at the hearing. Beacon does not contend that any of these specific findings are incorrect. There is no basis for the Board to overturn or disregard these findings.

Rather than pointing out a misstatement or unsupported factual finding by the ALJ, Beacon, on page 7 of the Exceptions, makes a blanket, erroneous claim that: “In reaching his findings the ALJ ignores this competent and substantial evidence.” The evidence that Beacon claims the ALJ purportedly ignored relates to the electronic “meta data” that is discussed at length in the RO. Contrary to Beacon’s assertion, the ALJ did not “ignore” any evidence presented by Beacon. Findings of Fact 30 through 33 of the RO specifically address the evidence that Beacon tried to rely upon to cure the obvious defect in its Application. In Findings of Fact 37 and 38, the ALJ accurately summarizes Beacon’s contentions and in Findings of Fact 43 and 44, the ALJ explains why the positions advanced by Beacon were not persuasive. There is competent substantial evidence in the record supporting these Findings of Fact.

These detailed findings make it abundantly clear that the ALJ did not “ignore” any evidence presented by Beacon. The ALJ thoughtfully and reasonably evaluated the evidence presented in the context of the relevant RFA requirements and determined that the Beacon application did not satisfy the mandatory submittal requirements. In other words, the ALJ did not ignore any evidence, he simply did not accord that evidence the weight that Beacon advocated. Disagreement with the weight ascribed by the fact finder is not a basis to overturn a finding of fact. There is no basis for this Board to overturn the well-reasoned findings of the ALJ which are based upon competent substantial evidence.

Beacon also erroneously claims that “in essence” the ALJ found there was “uncertainty” as to whether sewer service was available to the proposed development site as of the Application Deadline. See Exceptions, p. 6. What the ALJ actually found was that Beacon failed to submit an application that complied with the RFA requirements. See RO ¶¶ 43-45. Compliance with the mandatory requirements is essential in a competitive process. This Board should reject the invitation to create an unwieldy precedent that applicants can cure defects in their application after submittal and after the evaluation process has been completed.

Beacon’s Exception No. 1 fails to address or refute the ALJ’s clear delineation of what the RFA required an applicant to include in its submittal in order to be eligible. See RO ¶¶ 43-45. The RFA explicitly required the Sewer Form to be “properly completed and executed.” See (T. 43; Jt. Stip. @ 8, ¶19; Jt. Ex. 1, p. 41). Beacon does not explain how an unsigned form can be deemed “properly completed and executed.” Beacon cites the deposition testimony of David Breitrack (which was not part of the application submitted in response to the RFA) to support its claim that sewer service was available to the site. It is improper for this Board to allow extraneous evidence presented after submission of applications in a competitive cycle to rectify failures that are undeniably attributable to the applicant. Also, it is an impermissible attempt by Beacon to amend or supplement its application after submission in violation of Section 120.57(3)(f), Florida Statutes.

Beacon also fails to address the testimony from Marisa Button of Florida Housing, which the ALJ found to be credible and a basis for his findings, that the Beacon application did not include the required “certification” from the sewer provider which the RFA required. See RO ¶¶ 43-45; (T. 31-32, 70-71, 73-74, 86, 91-92, 96-97, 130; Jt. Ex. 7 @ p. 125)

Paragraphs 44 and 45 are the ALJ's summary of his weighing of the evidence that was presented. There is no basis for the Board to reweigh the evidence. Indeed, such an effort would be contrary to well established legal principles applicable in issuing a final order. The Board is bound by the ALJ's reasonable inferences based on the competent substantial evidence in the record. See Stinson v. Winn, 938 So. 2d 554, 555 (Fla. 1st DCA 2006). The Findings of Fact in paragraphs 21, 25, 26, 39, and 40-45 are supported by the competent substantial record evidence and may not be rejected by the Board. (T. 27, 31-34, 41-43, 54, 57-58, 60, 67-68, 70, 71, 73, 74, 86, 96, 97, 130; Jt. Ex. 7 @ 125); Kanter, supra.

Beacon's Exception 1 must be denied.

Exception No. 2 (RO ¶¶47-55, and 57-66)

In Exception 2, Beacon argues that in Conclusions of Law 47-55, and 57-66, that "the ALJ ignores or minimizes the fact that the availability of sewer documentation was signed electronically." The RO, however, explains in great detail that there was no visible signature apparent on the Sewer Form and consequently it was not "properly completed and executed" as required by the RFA. (T. 27, 33-34, 41-42, 70, 71, 73, 74, 86, 96, 97)

As testified by Marisa Button, Florida Housing had no basis from the application submitted by Beacon to determine what the electronic markings within the document meant or who authored them. (T. 30-31, 77) There is nothing in Beacon's submitted application to indicate Mr. Breitrick signed the Sewer Form. (T. 31-32, 77, 91-92)

Whether the electronic data that Beacon seeks to rely upon is visible, depends on the particular viewer that is being utilized. (T. 76-79) The "metadata" is just properties on the PDF version of the document. (T. 95) Florida Housing has not previously allowed any applicant to use "metadata" to cure a defect with respect to a mandatory eligibility item. (T. 9, 30-31, 99). Creating

such a precedent would significantly complicate and prolong the scoring, ranking and award process. Moreover, such action would be in conflict with the Boards' prior practice. For example, in RFA 2020-205 Florida Housing determined during the scoring and ranking process that an application by the name of Hermosa North Fort Myers (2021-275BSN) was not eligible because the applicant submitted an unexecuted Sewer Form. (T. 38-39) There is no basis to deviate from that practice here.

Additionally, Beacon's stated exceptions to Conclusions of Law 47-55, and 57-66, essentially requests the Board to disregard the ALJ's factual finding that Beacon did not meet the requirements of the RFA to demonstrate sewer availability because the Sewer Form was not properly completed and executed and that the submitted Sewer Form did not meet the alternative means set forth in the RFA for demonstrating sewer availability. RO ¶¶43-45. The Board is not at liberty to disregard the ALJ's findings of fact as a basis for overturning a conclusion of law.

The conclusions cited by Beacon are not matters within the substantive jurisdiction of the Board. Thus, there is no basis to disregard or replace the ALJ's conclusions. Moreover, the Board should not consider extraneous material that was not in the Beacon application to correct the deficiencies in the application that was submitted after the application deadline. Beacon's request for the Board to rely on the post-submittal depositions of David Breitrack is an impermissible attempt to use material not in the application to cure a defect in the application after the application deadline. See §120.57(3)(f), Fla. Stat. (“[N]o submissions made after the bid or proposal opening which amend or supplement the bid or proposal shall be considered.”).

The Board does not have the authority and is not at liberty to reopen the record and/or to reweigh the evidence presented or attempt to resolve any conflicts therein. See, e.g., Rogers v. Dep't of Health, 920 So. 2d at 30; Schrimsher v. Sch. Bd. of Palm Beach Cnty., 694 So. 2d at 860.

Beacon's Exception 2 must be denied.

Respectfully submitted this 19th day of May 2023.

/s/ J. Stephen Menton
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served electronically on the following parties this 19th day of May 2023.

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/s/ J. Stephen Menton
Attorney

Application Number	Name of Development	County	Name of Authorized Principal Representative	Developers	Demo	Total Units	HC Funding Amount	Eligible For Funding?	Priority Level	Qualifies for the Local Government Area of Opportunity	Total Points	Per Unit Construction Funding Preference	Development Category Funding Preference	Development Category	Total Corp Funding Per Set-Aside	Leveraging Classification	Proximity Funding Preference	Florida Job Creation Preference	Lottery Number
2023-103C	Grand East Village	Orange	Matthew A. Rieger	HTG Grand East Developer, LLC	E, Non-ALF	92	\$2,700,000	Y	1	N	15	Y	Y	NC	\$243,000.00	B	Y	Y	11
2023-104C	Clearwater Gardens	Pinellas	Brett Green	Archway Clearwater Gardens Developer, LLC	F	81	\$2,241,600	Y	1	Y	15	Y	Y	NC	\$184,184.80	A	Y	Y	8
2023-107C	Madison Palms	Duval	James R. Hoover	TVC Development, Inc.	F	240	\$2,241,600	Y	1	Y	15	Y	Y	NC	\$171,856.00	A	Y	Y	5
2023-113C	Lake Bluetail	Hillsborough	Shawn Wilson	Blue LBT Developer, LLC	F	120	\$2,850,000	Y	1	Y	15	Y	Y	NC	\$158,068.13	A	Y	Y	4
2023-114C	Residences at Beverly Park	Broward	Robert Hoskins	NuRock Development Partners, Inc.; R Howell Development, LLC; R Block Development, LLC	F	115	\$3,113,400	Y	1	Y	15	Y	Y	NC	\$152,966.16	A	Y	Y	1
2023-115C	Southridge Phase I	Palm Beach	Darren Smith	SHAG Roseland Gardens Developer, LLC; Magnolia Affordable Development, Inc.	E, Non-ALF	125	\$2,850,000	Y	1	Y	15	Y	Y	NC	\$152,745.13	A	Y	Y	2

**STATE OF FLORIDA
DIVISION OF ADMINISTRATIVE HEARINGS**

QUAIL ROOST TRANSIT VILLAGE II, LTD.,

Petitioner,

vs.

Case No. 23-0674BID

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent,

and

COCO PLUM HOUSING PARTNERS, LP AND
THE ENCLAVE AT RIO, LP,

Intervenors.

_____ /

RECOMMENDED ORDER

Pursuant to notice, a final hearing was held in this case on March 22, 2023, by Zoom conference before W. David Watkins, a designated Administrative Law Judge (“ALJ”) of the Division of Administrative Hearings (“DOAH”).

APPEARANCES

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For Respondent Florida Housing Finance Corporation (“Florida Housing”):

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For Intervenor The Enclave at Rio, LP (“Enclave”):

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STATEMENT OF THE ISSUES

Whether Florida Housing’s notice of intent to award funding under Request for Applications 2022-203 Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County (the “RFA”) is contrary to governing statutes, Florida Housing rules, or the RFA specifications; and, if so, whether the award is contrary to competition, clearly erroneous, arbitrary, or capricious.

PRELIMINARY STATEMENT

On November 14, 2022, Florida Housing solicited applications for an allocation of housing credits through the RFA. Applications were due December 29, 2022. On January 27, 2023, Florida Housing issued its notice of intended decision to award funding to two applicants, including Coco Plum.

Petitioner, Quail Roost, timely filed a Notice of Protest, followed by a Petition for Formal Administrative Hearing. Intervenors Coco Plum and Enclave timely intervened. The Petition was referred to DOAH on February 20, 2023, and a telephonic status conference was held on February 27, 2023. The final hearing commenced and concluded as scheduled on March 22, 2023, via Zoom conference technology.

During hearing, all parties offered the testimony of Marisa Button. Coco Plum offered the testimony of Robbie Block. The parties offered eight exhibits jointly, all of which were admitted into evidence as Joint Exhibits 1 through 8. Quail Roost offered 15 exhibits, all of which were admitted into evidence as Quail Roost's Exhibits 1 through 15. Coco Plum offered ten exhibits, nine of which were admitted as Coco Plum's Exhibits 1, 2, 6, 9 through 11, and 13 through 15. The undersigned reserved ruling on the admissibility of Coco Plum's Exhibit 3a. In addition, the parties stipulated to a number of facts in a Joint Pre-hearing Stipulation filed on March 20, 2023.

With regard to the admissibility of Coco Plum's Exhibit 3a, authentication or identification of evidence is required as a condition precedent to its admissibility. *See* § 90.901, Fla. Stat. Coco Plum failed to authenticate the exhibit and, therefore, it is inadmissible. Coco Plum's Exhibit 3a is not accepted into evidence.

The one-volume Transcript was electronically filed with DOAH on April 10, 2023. Proposed recommended orders were due on or before April 20, 2023. Quail Roost, Florida Housing, and Coco Plum timely filed Proposed Recommended Orders, which were duly considered in preparing this Recommended Order. On April 28, 2023, Enclave filed a Notice of Joinder in the Proposed Recommended Order filed by Florida Housing, joining in Florida Housing's proposal "to the extent it finds and concludes that The

Enclave while still eligible is no longer entitled to 5 points for its Local Government Contribution.”

References to statutes are to Florida Statutes (2022).

FINDINGS OF FACT

Based upon the credibility of the witnesses and evidence presented at the final hearing, and on the entire record of this proceeding, the following Findings of Fact are made:

The Parties

1. Florida Housing is a public corporation organized pursuant to chapter 420, Part V, Florida Statutes, whose address is 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301, and for the purposes of these proceedings, is an agency of the State of Florida. Pursuant to section 420.5099, Florida Housing is designated as the housing credit agency for Florida within the meaning of section 42(h)(7)(A), Internal Revenue Code, and has the responsibility and authority to establish procedures for allocating and distributing low-income housing tax credits.

2. Quail Roost is an applicant in the RFA. Quail Roost, assigned number 2023-081C, was deemed eligible for consideration for funding but was not preliminarily selected for funding under the terms of the RFA.

3. Coco Plum is an applicant in the RFA and was assigned number 2023-076C. Coco Plum was initially deemed eligible and was preliminarily selected for funding under the terms of the RFA.

4. Enclave is an applicant in the RFA and was assigned number 2023-080C. Enclave was deemed eligible for consideration for funding but was not preliminarily selected for funding under the terms of the RFA.

The Competitive Application Process

5. The low-income housing tax credit program (commonly referred to as “tax credits” or “housing credits”) was enacted to incentivize the private market to invest in affordable rental housing. These housing credits are awarded competitively to housing developers in Florida for qualifying rental housing projects. The credits are then normally sold by developers for cash to raise capital for their projects, effectively reducing the amount that the developer will have to borrow. Because the total debt is lower, a housing credit property can—and must—offer lower, more affordable rents.

Developers also covenant to keep rents at affordable levels for periods of 30 to 50 years as consideration for receipt of the housing credits. The demand for housing credits provided by the federal government exceeds the supply.

6. Florida Housing is authorized to allocate housing credits and other funding by means of request for proposal or other competitive solicitation in section 420.507(48), and adopted Florida Administrative Code Chapter 67-60, to govern the competitive solicitation process. Chapter 67-60 provides that Florida Housing allocate its competitive funding through the bid protest provisions of section 120.57(3), Florida Statutes.

7. In their applications, applicants request a specific dollar amount of housing credits to be given to the applicant each year for a period of ten years. The amount that can be received depends upon several factors, such as a certain percentage of the projected Total Development Cost; a maximum funding amount per development, based on the county in which the development will be located; and whether the development is located within certain designated areas of some counties. This, however, is not an exhaustive list of the factors considered.

8. Housing credits are made available through a competitive application process commenced by Florida Housing issuing an RFA. An RFA is equivalent to a “request for proposal” as indicated in rule 67-60.009(4).

RFA 2022-203

9. The RFA at issue in this proceeding was published on November 14, 2022, and was further modified on November 18, 2022, November 29, 2022, and December 20, 2022. Responses to the RFA were due on December 29, 2022.

10. There were no challenges to the terms or specifications of the RFA.

11. Through the RFA, Florida Housing expects to award up to an estimated \$6,855,330 of housing credits to proposed developments in Miami-Dade County.

12. Florida Housing received 29 applications in response to the RFA. A Review Committee was appointed to review the applications and make recommendations to the Board. The RFA contemplates a structure in which the applicant is scored on eligibility items and obtains points for other items. A summary of the eligibility items is available in Section Five A.1, beginning on page 70 of the RFA. Only applications that meet all the eligibility items are eligible for funding and considered for funding selection.

13. The Review Committee preliminarily determined that 27 applications were eligible for funding and two applications were ineligible for funding.

14. Through the ranking and selection process outlined in the RFA, the Review Committee further recommended two applications for preliminary funding. The Review Committee developed spreadsheets listing its eligibility and funding recommendations to be presented to the Board.

15. On January 27, 2023, Florida Housing's Board met and considered the recommendations of the Review Committee. On the same day, all applicants in the RFA received notice that the Board had determined which applications were eligible to be considered for funding, and which eligible applicants had been preliminarily selected for a funding award (subject to satisfactory completion of the credit underwriting process). Such notice was provided by the posting of two spreadsheets on Florida Housing's website—one listing the

Board-approved scoring results in the RFA and another identifying the applications that Florida Housing proposed to fund.

16. In that January 27, 2023 posting, Florida Housing announced its preliminary decision to award funding to two applicants, including Coco Plum. Quail Roost timely filed a Notice of Protest and Petition. Coco Plum and the Enclave intervened, and the petition was referred to DOAH, giving rise to the instant proceeding.

17. Notwithstanding Florida Housing's preliminary decision to approve Coco Plum's application, at hearing (and in its Proposed Recommended Order), Florida Housing contends that its decision to award housing credits to Coco Plum is contrary to the RFA specifications, and accordingly, an award of housing credits should be made to Quail Roost under the RFA.

The Quail Roost Protest

18. Quail Roost raised challenges to applications submitted by Enclave and Coco Plum. If successful in both challenges, then according to the funding selection process outlined in the RFA, Quail Roost would be selected for funding, subject to the requirements of credit underwriting.

19. Quail Roost challenges the award of five points to Enclave for a Local Government Contribution. Based on information discovered during this litigation, Enclave, Quail Roost, and Florida Housing now agree that Enclave is not entitled to the five points for a Local Government Contribution. Without those five points, Enclave remains an eligible application, but is not in line for funding.

20. Quail Roost raises one challenge to Coco Plum's application, *to wit*, that Coco Plum failed to attain the minimum transit score and proximity points required for eligibility. If Quail Roost is successful, Coco Plum would be ineligible for funding.

21. The RFA allows applicants to earn proximity points based on the distance between the proposed development's location and the location of a qualifying community service or transit service. According to the RFA,

proximity points are used to determine whether the applicant meets the required minimum proximity eligibility requirements, and whether the applicant meets the Proximity Funding Preference. Proximity points are not applied towards the applicant's total score.

22. In order to meet eligibility requirements, applicants such as Coco Plum must achieve at least 2.0 proximity points for transit and at least 10.5 total proximity points. According to the RFA, to receive proximity points for transit services, such as a Public Bus Rapid Transit Stop, applicants are required to provide latitude and longitude coordinates for the service, and provide the distance between the Development Location Point and the service. The distance between the Development Location Point and the latitude and longitude coordinates for the service are the basis for awarding proximity points.

23. For transit services, the RFA allows applicants to select one – and only one – transit service upon which its transit service score would be based. Applicants may select from the following transit services: Private Transportation (2 points), Public Bus Stop (maximum of 6 points), Public Bus Transfer Stop (maximum of 6 points), Public Bus Rapid Transit Stop (maximum of 6 points), and Public Rail Station (maximum of 6 points).

24. The RFA contains Transit and Community Service Scoring Charts, which provide the point value based on the distance of the service from the proposed development. In its application, Coco Plum provided latitude coordinates 25.876785 and longitude coordinates -80.45639 for a Public Bus Rapid Transit Stop. Coco Plum listed the distance for that transit service as 0.49. Those coordinates correlate to Miami-Dade County Metro Bus Stop 152 ("Bus Stop 152"), which Coco Plum chose as its Public Bus Rapid Transit Stop for the purpose of Proximity Points. Bus Stop 152 is located at the Miami-Dade College North Campus and is serviced by five Miami-Dade County Metro Bus Routes: 19, 27, 32, 107, and 297. Based on the distance, Coco Plum was awarded 5.5 points for its Public Bus Rapid Transit Stop.

25. The RFA defines a Public Bus Rapid Transit Stop as:

A fixed location at which passengers may access public transportation via bus. The Public Bus Rapid Transit Stop must service at least one bus that travels at some point during the route in either a lane or corridor that is exclusively used by buses, and the Public Bus Rapid Transit Stop must service at least one route that has scheduled stops at the Public Bus Rapid Transit Stop at least every 20 minutes during the times of 7am to 9am and also during the times of 4pm to 6pm Monday through Friday, excluding holidays, on a year-round basis.

Additionally, it must have been in existence and available for use by the general public as of the Application Deadline.

26. Neither the RFA, chapter 420, chapter 67-60, or Florida Administrative Code Chapter 67-48 define the words "lane," "corridor," or "route," as those words are used in the definition of Public Bus Rapid Transit Stop.

27. There is no minimum length of time or distance that a bus must travel in a lane or corridor used exclusively for buses in order to meet the definition of Public Bus Rapid Transit Stop.

28. Coco Plum contends that the buses that travel route 27, and are serviced by Bus Stop 152, "travel at some point during the route in either a lane or corridor that is exclusively used by buses" and thus meet the definition of Public Bus Rapid Transit Stop. Bus route 27 follows Northwest 27th Avenue to Southwest 27th Avenue, stretching from the north end of Miami-Dade County to Coral Gables.

29. Bus Route 27, at various locations, has the words "BUS ONLY" in large white lettering prominently spelled out on the pavement in travel lanes that are closest to the curb on both sides of the roadway.

30. Quail Roost argues that Bus Stop 152 fails to satisfy this definition because it does not “service at least one bus that travels at some point during the route in either a lane or corridor that is exclusively used by buses.” As a result, Coco Plum is not entitled to the 5.5 transit service points claimed for a Public Bus Rapid Transit Stop.

31. Thus, whether Bus Stop 152 may be considered a Public Bus Rapid Transit Stop turns upon whether Bus Stop 152 travels through a “lane or corridor that is exclusively used by buses.”

32. Marisa Button, Florida Housing’s Director of Multifamily Allocations, testified that Florida Housing has historically considered information provided by local governments when construing RFA terms related to transit services within their jurisdictions.

33. In this case, the parties deposed Eric Zahn, the Transit Planning Section Supervisor of the Department of Transportation and Public Works (“DTPW”). DTPW is the local government department responsible for managing public transportation in Miami-Dade County. By deposition, Mr. Zahn testified that there is only one lane or corridor used exclusively by buses in Miami-Dade County—the South Dade Transitway (“Transitway”).

34. According to Mr. Zahn, the Transitway is a former railroad that has been converted into a “right-of-way” used solely by buses. The Transitway excludes mixed-use traffic and services fewer bus stops to ensure faster bus travel. The Transitway further implements a “Traffic Signal Priority” system that helps buses pass through intersections efficiently. As a result, buses “travel at a higher average speed” on the Transitway. This increased speed provides for rapid transit, allowing passengers to experience a “quicker commute.”

35. Mr. Zahn stated that none of the bus routes that service Bus Stop 152 travel at any point on the Transitway. Consequently, not one of the five routes that service Bus Stop 152 travels through a “lane or corridor that is exclusively used by buses.”

36. Coco Plum does not contend that any route serving Bus Stop 152 overlaps with the Transitway. Instead, Coco Plum disputes that the Transitway is the only lane or corridor exclusively used by buses in Miami-Dade County.

37. As support for its argument, Coco Plum introduced images of bus stops along Bus Route 27 where text on the pavement surrounding the bus stop reads “bus only.” These same images, however, were presented to Mr. Zahn in his deposition. Mr. Zahn credibly testified that the “bus only” areas depicted in the images are not exclusive bus lanes or corridors. Mr. Zahn explained that the photographs instead represent “bus bays,” which allow buses to merge out of traffic lanes in order to “serve a bus stop.” When approaching a stop, Mr. Zahn testified, a bus pulls into the bus bay to allow passengers to enter and exit the bus. Once it has serviced all passengers, the bus then merges back into traffic.

38. Bus bays are not “travel lane[s].” Rather, their purpose is simply to prevent a bus from obstructing mixed-use traffic while unloading and reloading passengers—or, if large enough, to provide both a recovery area for bus drivers and a space for a bus to turn around at the end of its route. Unlike the Transitway, there is no indication that bus bays allow for rapid transit that reduces travel times for bus passengers.

39. Coco Plum further produced images of “bus only” signs at the Miami Intermodal Station, located at the Miami International Airport. These photographs similarly failed to prove the existence of another lane or corridor used exclusively by buses. Mr. Zahn explained that the Miami Intermodal Station simply excludes mixed-use traffic from a one-way loop leading to a conglomeration of bus stops. There is a lack of any evidence proving that this arrangement allows for rapid bus travel. To the contrary, Mr. Zahn acknowledged that the “routes that serve the airport bus station have a slower average speed” than the buses “operating along the Transitway.”

40. As Ms. Button explained, the purpose of allowing applicants to get a higher level of points for submitting one bus stop as a Public Bus Rapid Transit Stop was that the travel was rapid. An area designed for buses to pull over out of the way of traffic does not constitute “rapid transit.” Therefore, the existence of bus bays on the routes served by Bus Stop 152 do not demonstrate that a bus “travels at some point during the route in either a lane or corridor that is exclusively used by buses,” as that phrase is used in the Public Bus Rapid Transit Stop definition.

41. Ms. Button further testified that—after reviewing Mr. Zahn’s testimony—Florida Housing has determined that the Transitway is the only “lane or corridor that is exclusively used by buses” in Miami-Dade County. Because the parties agree that no bus route that services Bus Stop 152 travels at any point on the Transitway, Bus Stop 152 cannot be considered a Public Bus Rapid Transit Stop.

42. As a secondary argument, Coco Plum asserts that its selection of the improper transit category should be considered a minor irregularity. Robby Block, who testified on behalf of Coco Plum, stated that Bus Stop 152 additionally satisfies the RFA’s requirements for a Public Bus Transfer Stop.

43. In relevant part, the RFA defines a Public Bus Transfer Stop as:

For purposes of proximity points, a Public Bus Transfer Stop means a fixed location at which passengers may access at least three routes of public transportation via buses. Each qualifying route must either (i) have a scheduled stop at the Public Bus Transfer Stop at least hourly during the times of 7am to 9am and also during the times of 4pm to 6pm Monday through Friday, excluding holidays, on a year-round basis; or (ii) ... Bus routes must be established or approved by a Local Government department that manages public transportation. Buses that travel between states will not be considered.

Additionally, it must have been in existence and available for use by the general public as of the Application Deadline.

44. Coco Plum argues that Routes 19, 27, and 297 meet the RFA definition of a Public Bus Transfer Stop because those three routes stop at least hourly during the times of 7 a.m. to 9 a.m. and 4 p.m. to 6 p.m. To support its contention, Coco Plum provided printouts purported to be from Miami-Dade County, of Metrobus Routes 19, 27, and 297. It is unknown what those printouts mean or how those printouts should be interpreted to demonstrate that those three routes stop at least hourly during the relevant times.

45. Mr. Block acknowledged that, to qualify under the Public Bus Transfer Stop definition, the routes must meet the timing requirements as of the application deadline of December 29, 2022. The printouts relied upon by Coco Plum were downloaded sometime after the petition was filed in this case on February 13, 2023. Mr. Block admitted that he did not have evidence regarding the arrival times of buses as of December 29, 2022. For these reasons, the unauthenticated printouts provided by Coco Plum cannot be reasonably relied upon to demonstrate that, as of the application deadline, each route had “a scheduled stop at the Public Bus Transfer Stop at least hourly during the times of 7am to 9am and also during the times of 4pm to 6pm Monday through Friday....”

46. Mr. Block further claimed that a Public Bus Transfer Stop is worth the same number of transit service points as a Public Bus Rapid Transit Stop. Through this testimony, Coco Plum suggested that its misclassification of Bus Stop 152 is immaterial, since Bus Stop 152 should remain eligible for 5.5 transit service points even if it is not a Public Bus Rapid Transit Stop.

47. Coco Plum’s attempt to now attain transit points for a Public Bus Transfer Stop fails for three reasons. One, it is an impermissible attempt to supplement or amend the Coco Plum application. *See* § 120.57(3)(f), Fla. Stat. Two, as explained above, there is no factual basis to support that Bus Stop

152 meets the RFA definition of a Public Bus Transfer Stop. Finally, there is no indication in the application that Coco Plum intended the selected bus stop to qualify as a Public Bus Transfer Stop. After application submission, applicants are statutorily prohibited from amending or supplementing applications. § 120.57(3)(f), Fla. Stat. Coco Plum's effort to insert new information into its previously submitted application must fail.

48. Coco Plum's failure to meet the definition of Public Bus Rapid Transit Stop is a material deviation from the RFA's requirements. Florida Housing will not waive a material deviation as a minor irregularity. As a result, Coco Plum is not entitled to any transit service points for Bus Stop 152.

49. When the 5.5 transit service points erroneously claimed for Bus Stop 152 are eliminated, Coco Plum is left with zero transit service points. Coco Plum therefore failed to achieve the minimum 2 transit service points necessary for eligibility. The removal of the transit service points claimed for a Public Bus Rapid Transit Stop leaves Coco Plum with only 8 total proximity points. This number falls below the minimum of 10.5 proximity points required by the RFA. For both reasons, Coco Plum is ineligible for funding.

The Enclave Application

50. Florida Housing deemed Enclave's application eligible pursuant to the terms of the RFA, but did not select Enclave for funding.

51. The RFA allows Applicants to earn 5 points for a qualifying Local Government Contribution.

52. As evidence of its Local Government Contribution, Enclave submitted the Local Government Verification of Contribution—Fee Waiver Form ("Fee Waiver Form").

53. Enclave's Fee Waiver Form was executed by Morris Copeland, CPM, Chief Community Services Officer on behalf of Miami-Dade County. The Enclave's Fee Waiver Form listed Miami-Dade County Ordinances as the authority to waive the following fees: "Roads, Fire, Police, Parks—Impact fees."

54. Clarence Brown, Interim Director for the Public Housing and Community Development Department of Miami-Dade County, testified that Miami-Dade County was withdrawing Enclave's Fee Waiver Form. Mr. Brown stated that the Development proposed by Enclave is within the Miami city limits, and Miami-Dade County does not have authority to waive fees that are instead due to the City of Miami. According to Mr. Brown, the County should have never executed Enclave's Fee Waiver Form.

55. While Enclave remains an eligible application, Enclave, Quail Roost, and Florida Housing agree that Enclave is not entitled to the 5 points for its Local Government Contribution. Without the 5 points for its Local Government Contribution, Enclave would not be in line for funding.

The Quail Roost Application

56. Florida Housing deemed the Quail Roost application eligible pursuant to the terms of the RFA, but did not select Quail Roost for funding.

57. There are no challenges to the eligibility of, or to the points awarded to, the Quail Roost Application.

58. If Coco Plum is ineligible and the Enclave loses 5 points as stipulated, then Quail Roost must be selected for funds, subject to the requirements of credit underwriting.

CONCLUSIONS OF LAW

59. DOAH has jurisdiction over the parties to and the subject matter of this proceeding. *See* §§ 120.569, 120.57(1), and 120.57(3), Fla. Stat.; *Dep't of Lottery v. Gtech Corp.*, 816 So. 2d 648, 651 (Fla. 1st DCA 2001); *see also* Fla. Admin. Code R. 67-60.009(2).

60. Quail Roost challenges Florida Housing's ranking and scoring of Coco Plum's application and Enclave's application under the RFA. Pursuant to section 120.57(3)(f), the burden of proof in this matter rests on Quail Roost as the party protesting the proposed agency action. *See State Contracting &*

Eng'g Corp. v. Dep't of Transp., 709 So. 2d 607, 609 (Fla. 1st DCA 1998).

Section 120.57(3)(f) further provides that in a bid protest:

[T]he administrative law judge shall conduct a de novo proceeding to determine whether the agency's proposed action is contrary to the agency's governing statutes, the agency's rules or policies, or the solicitation specifications. The standard of proof for such proceedings shall be whether the proposed agency action was clearly erroneous, contrary to competition, arbitrary, or capricious.

61. The phrase "de novo proceeding" in section 120.57(3)(f) describes a form of intra-agency review. The purpose of the ALJ's review is to "evaluate the action taken by the agency." *J.D. v. Fla. Dep't of Child. & Fams.*, 114 So. 3d 1127, 1132 (Fla. 1st DCA 2013); and *State Contracting*, 709 So. 2d at 609. A de novo proceeding "simply means that there was an evidentiary hearing ... for administrative review purposes" and does not mean that the ALJ "sits as a substitute for the [agency] and makes a determination whether to award the bid de novo." *J.D.*, 114 So. 3d at 1133; *Intercontinental Props., Inc. v. Dep't of HRS*, 606 So. 2d 380, 386 (Fla. 3d DCA 1992). "The judge may receive evidence, as with any formal hearing under section 120.57(1), but the object of the proceeding is to evaluate the action taken by the agency." *State Contracting*, 709 So. 2d at 609.

62. Accordingly, Quail Roost, as the party protesting the intended award, must prove, by a preponderance of the evidence, that Florida Housing's proposed action is either: (a) contrary to its governing statutes; (b) contrary to its rules or policies; or (c) contrary to the specifications of the RFA. The standard of proof that Quail Roost must meet to establish that Florida Housing's ranking and selection process violates this statutory standard of conduct is that Florida Housing's decision was: (a) clearly erroneous; (b) contrary to competition; or (c) arbitrary or capricious. §§ 120.57(3)(f) and 120.57(1)(j), Fla. Stat.; and *AT&T Corp. v. State, Dep't of Mgmt. Servs.*, 201 So. 3d 852, 854 (Fla. 1st DCA 2016).

63. The "clearly erroneous" standard has been defined to mean "the interpretation will be upheld if the agency's construction falls within the permissible range of interpretations." *Colbert v. Dep't of Health*, 890 So. 2d 1165, 1166 (Fla. 1st DCA 2004). A factual determination is "clearly erroneous" when the reviewer is "left with a definite and firm conviction that [the fact-finder] has made a mistake." *Tropical Jewelers Inc. v. Bank of Am., N.A.*, 19 So. 3d 424, 426 (Fla. 3d DCA 2009); *see also Holland v. Gross*, 89 So. 2d 255, 258 (Fla. 1956)(when a finding of fact by the trial court "is without support of any substantial evidence, is clearly against the weight of the evidence or ... the trial court has misapplied the law to the established facts, then the decision is 'clearly erroneous.'").

64. An agency action is "contrary to competition" if it unreasonably interferes with the purpose of competitive procurement. As described in *Wester v. Belote*, 138 So. 721, 723-24 (Fla. 1931):

[T]he object and purpose [of the bidding process] ... is to protect the public against collusive contracts; to secure fair competition upon equal terms to all bidders; to remove not only collusion but temptation for collusion and opportunity for gain at public expense; to close all avenues to favoritism and fraud in its various forms; to secure the best values ... at the lowest possible expense; and to afford an equal advantage to all desiring to do business ... , by affording an opportunity for an exact comparison of bids.

65. In other words, the "contrary to competition" test forbids agency actions that: (a) create the appearance and opportunity for favoritism; (b) reduce public confidence that contracts are awarded equitably and economically; (c) cause the procurement process to be genuinely unfair or unreasonably exclusive; or (d) are abuses, i.e., dishonest, fraudulent, illegal, or unethical. *See* § 287.001, Fla. Stat.; and *Harry Pepper & Assoc. v. City of Cape Coral*, 352 So. 2d 1190, 1192 (Fla. 2d DCA 1977).

66. Finally, section 120.57(3)(f) requires an agency action be set aside if it is "arbitrary or capricious." An "arbitrary" decision is one that is "not supported by facts or logic, or is despotic." *Agrico Chemical Co. v. Dep't of Env't Regul.*, 365 So. 2d 759, 763 (Fla. 1st DCA 1978), *cert. denied*, 376 So. 2d 74 (Fla. 1979). A "capricious" action is one which is "taken without thought or reason or irrationally." *Id.* See also *Hadi v. Liberty Behav. Health Corp.*, 927 So. 2d 34, 40 (Fla. 1st DCA 2006).

67. To determine whether an agency acted in an "arbitrary" or "capricious" manner, consideration must be given to "whether the agency: (1) has considered all relevant factors; (2) given actual, good faith consideration to the factors; and (3) has used reason rather than whim to progress from consideration of these factors to its final decision." *Adam Smith Enter. v. Dep't of Env't Regul.*, 553 So. 2d 1260, 1273 (Fla. 1st DCA 1989). The standard has also been formulated by the court in *Dravo Basic Materials Co. v. Department of Transportation*, 602 So. 2d 632, 632 n.3 (Fla. 2d DCA 1992), as follows: "If an administrative decision is justifiable under any analysis that a reasonable person would use to reach a decision of similar importance, it would seem that the decision is neither arbitrary nor capricious."

68. Facts are determined based upon the evidence presented at hearing. However, applicants are not permitted to submit information that should have been, but was not, included in the application submitted in response to the RFA. Section 120.57(3) expressly prohibits this type of evidence, stating, "no submissions made after the bid or proposal opening which amend or supplement the bid or proposal shall be considered." The application must stand on its own, as originally submitted, in light of determined facts. § 120.57(3), Fla. Stat.

69. Florida Housing's governing statutes, rules, or policies in this matter include chapter 67-60, which Florida Housing implemented pursuant to its rulemaking authority under section 420.507(12). Florida Housing adopted

chapter 67-60 to administer the competitive solicitation process. According to rule 67-60.006(1):

The failure of an Applicant to supply required information in connection with any competitive solicitation pursuant to this rule chapter shall be grounds for a determination of nonresponsiveness with respect to its Application. If a determination of nonresponsiveness is made by [Florida Housing], the Application shall be considered ineligible.

70. While an application containing a material deviation is unacceptable, not every deviation from a competitive solicitation is fatal. A deviation is only fatal if it is material. The deviation is “only material if it gives the bidder a substantial advantage over the other bidders and thereby restricts or stifles competition.” *Tropabest Foods, Inc. v. Fla. Dep’t of Gen. Servs.*, 493 So. 2d 50, 52 (Fla. 1st DCA 1986).

71. Rule 67-60.008 further provides:

Minor irregularities are those irregularities in an Application, such as computation, typographical, or other errors, that do not result in the omission of any material information; do not create any uncertainty that the terms and requirements of the competitive solicitation have been met; do not provide a competitive advantage or benefit not enjoyed by other Applicants; and do not adversely impact the interests of the Corporation or the public. Minor irregularities may be waived or corrected by the Corporation.

72. Turning to the merits of Quail Roost’s protest, based on the competent substantial evidence in the record, Florida Housing’s proposed action in the RFA finding Coco Plum eligible is contrary to its solicitation specifications and clearly erroneous. The evidence and testimony presented at the final hearing demonstrates that Coco Plum’s selected transit service, Bus Stop 152, did not meet the RFA definition for a Public Bus Rapid Transit Stop.

73. In *Berkeley Landing, Ltd. v. Florida Housing Finance Corporation*, No. 20-0140BID (Fla. DOAH Apr. 6, 2020), *adopted in part*, No. 2019-102BP (Fla. Hous. Fin. Corp. Apr. 17, 2020), the Beacon Place application was challenged for failing to meet the RFA definition of a Public Bus Rapid Transit Stop. *Id.* at ¶¶95-112. Specifically, the challenge related to the bus stop selected by Beacon Place failing to meet the requirement that one route have “scheduled stops at the Public Bus Rapid Transit Stop at least every 20 minutes during the times of 7am to 9am...Monday through Friday...” *Id.* at ¶¶101-103. The evidence demonstrated that there was a thirty-five (35) minute gap between the scheduled stops at 7:01 and 7:36. *Id.* at ¶107.

74. In *Berkeley Landing*, Florida Housing “rejected the idea that the failure of the identified stop to meet the definition of a Public Bus Transit Stop in the RFA should be waived as a minor irregularity.” *Id.* at ¶111. Florida Housing’s position was that “allowing one applicant to get points for a stop that did not meet the definition would give it a competitive advantage over other applicants, including some potential applicants who did not apply because they could not satisfy the terms of the definition.” *Id.* The ALJ held that “[b]ecause the bus stop listed by Beacon Place does not meet the definition of a Public Bus Rapid Transit Stop, Beacon Place is not entitled to any Transit Service Proximity Points and is thus ineligible for funding.” *Id.* at ¶112.

75. The same rationale applies to the instant case as in *Berkeley Landing*. Here, Coco Plum’s selected bus stop failed to meet the RFA definition for a Public Bus Rapid Transit Stop. Thus, Coco Plum is not entitled to any transit service proximity points and is ineligible for funding.

76. In forming its litigation position, Florida Housing relied on the testimony of the local government regarding transit. This reliance is consistent with Florida Housing’s past practice of deferring to local government in determining whether a selected bus stop qualifies within the meaning of the RFA. *See Pinnacle Heights, LLC v. Fla. Hous. Fin. Corp.*,

No. 15-3304BID, ¶13 (Fla. DOAH Aug. 31, 2015), adopted, No. 2015-025BP (Fla. Hous. Fin. Corp. Sept. 18, 2015) (“Florida Housing defers to the local government in determining whether a selected bus route is a qualifying route within the meaning of the RFA.”).

77. It is the applicant’s responsibility to comply with the requirements of the RFA and Coco Plum’s selected bus stop failed to meet the RFA definition of a Public Bus Rapid Transit Stop. *See* Fla. Admin. Code R. 67-60.006(1). Coco Plum should not receive the 5.5 transit points. Without those points, Coco Plum has zero transit points and 8 total proximity points. Those values are below the minimum required transit points and the minimum total proximity points that must be achieved to be eligible for funding in the RFA. Thus, Coco Plum is ineligible.

78. The error here, failing to meet the RFA definition of a Public Bus Rapid Transit Stop, is a material deviation and not the type of error that can be considered a Minor Irregularity because the error is the omission of material information required by the RFA. *See* Fla. Admin. Code R. 67-60.008.

79. Turning to Quail Roost’s protest of the Enclave application, based on the competent substantial evidence in the record and, as Enclave and Florida Housing now agree, Florida Housing’s scoring of Enclave under the RFA is contrary to its solicitation specifications. Enclave does not receive the 5 points for its Local Government Contribution but remains an eligible application.

80. Accordingly, as Florida Housing now agrees, Florida Housing’s scoring and ranking of Enclave and Coco Plum’s applications are clearly erroneous, contrary to competition, arbitrary, or capricious and should be overturned. Quail Roost met its burden to demonstrate that Florida Housing’s decision to award housing credits to Coco Plum is contrary to Florida Housing’s RFA specifications. Accordingly, as a matter of law, Florida Housing should proceed with an award of housing credits to Quail Roost under the RFA.

RECOMMENDATION

Based on the foregoing Findings of Fact and Conclusions of Law, it is RECOMMENDED that Florida Housing enter a final order deeming Coco Plum ineligible and finding that Enclave is not entitled to 5 points for a Local Government Contribution. It is further recommended that Florida Housing select Quail Roost's application as a recipient of housing credit funding in the RFA, subject to the requirements of credit underwriting.

DONE AND ENTERED this 10th day of May, 2023, in Tallahassee, Leon County, Florida.



W. DAVID WATKINS
Administrative Law Judge
1230 Apalachee Parkway
Tallahassee, Florida 32399-3060
(850) 488-9675
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Filed with the Clerk of the
Division of Administrative Hearings
this 10th day of May, 2023.

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Corporation Clerk
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NOTICE OF RIGHT TO SUBMIT EXCEPTIONS

All parties have the right to submit written exceptions within 10 days from the date of this Recommended Order. Any exceptions to this Recommended Order should be filed with the agency that will issue the Final Order in this case.

Application Number	Name of Development	Name of Authorized Principal Representative	Name of Developers	Demo	Total Units	HC Request Amount	Eligible For Funding?	Priority Level	Family Demo and qualifies for the Geographic Area of Opportunity / HUD-designated SADDA Funding Goal?	Urban Center?	Tier of Urban Center?	Total Points	Per Unit Construction Funding Preference	Development Category	Total Corp Funding Per Set-Aside	Leveraging Classification	Proximity Funding Preference	Florida Job Creation Preference	Lottery Number
2023-081C	Quail Roost Transit Village II	Kenneth Naylor	Quail Roost II Development, LLC	E, Non-ALF	124	\$3,458,400	Y	1	N	Y	2	15	Y	NC	\$179,072.61	A	Y	Y	3
2023-092C	Old Cutler Village Phase 2	David O. Deutch	Pinnacle Communities, LLC	F	120	\$3,458,400	Y	1	Y	N	N/A	15	Y	NC	\$191,811.51	A	Y	Y	18

**STATE OF FLORIDA
DIVISION OF ADMINISTRATIVE HEARINGS**

WOODLAND PARK II, LLC,

Petitioner,

vs.

Case No. 23-0685BID

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent,

and

ENCLAVE AT NORTHSORE,

Intervenor.

_____/

JIC PALATKA APARTMENTS, LLC,

Petitioner,

vs.

Case No. 23-0686BID

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent,

and

PARC WEST, LLC,

Intervenor.

_____/

RECOMMENDED ORDER

The final hearing in this matter was conducted before Administrative Law Judge Brittany O. Finkbeiner of the Division of Administrative Hearings (“DOAH”), on March 21, 2023, via Zoom conference.

APPEARANCES

For Petitioner, Woodland Park II, LLC (“Woodland Park”):

Sean M. Frazier, Esquire
Kristen Bond Dobson, Esquire
Parker, Hudson, Rainer & Dobbs, LLP
215 South Monroe Street, Suite 750
Tallahassee, Florida 32301

For Petitioner, JIC Palatka Apartment, LLC (“JIC Palatka”):

M. Christopher Bryant, Esquire
Oertel, Fernandez, Bryant & Atkinson, P.A.
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Tallahassee, Florida 32302-1110

For Respondent, Florida Housing Finance Corporation (“Florida Housing”):

Ethan Katz, Esquire
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301

For Intervenor, Enclave at Northshore, LP (“Enclave”):

James A. Boyd, Jr., Esquire
Royal American Development, Inc.
1022 West 23rd Street, Suite 300
Panama City, Florida 32405

For Intervenor, Parc West, LLC (“Parc West”):

Michael P. Donaldson, Esquire
Carlton Fields, P.A.
Post Office Drawer 190
Tallahassee, Florida 32302

STATEMENT OF THE ISSUE

The issue in this case is whether Florida Housing’s proposed action to deem Woodland Park ineligible for housing credit funding under Request for Applications 2022-201 Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties (“RFA”) is contrary to governing statutes, rules or policies, or the RFA specifications.¹ The standard of proof is whether Florida Housing’s proposed action is clearly erroneous, contrary to competition, arbitrary, or capricious.

PRELIMINARY STATEMENT

On November 14, 2022, Florida Housing issued the RFA to solicit applications for housing tax credits. Under the RFA, applications, and their respective application fees, were due at or before 3:00 p.m. on December 28, 2022. Fifty-two applications were received in response to the RFA, including those of Woodland Park, JIC Palatka, Enclave, and Parc West. Eight applications were preliminarily recommended for funding.

On January 27, 2023, Florida Housing posted its Notice of Intent (“Notice”) to award funding to eight applicants. In the Notice, Florida Housing also provided its initial determination regarding the eligibility or ineligibility of the applications submitted. Woodland Park’s application was deemed ineligible and not selected for funding. Although JIC Palatka was

¹ As detailed herein, Petitioner JIC Palatka and Intervenor Parc West resolved the issues in DOAH Case No. 23-0686BID, and they are no longer in dispute.

determined to be eligible, Parc West received funding on a determination that its application was higher scoring.

Petitioners timely filed Notices of Protest followed by Petitions for Formal Administrative Hearing. Intervenors timely intervened. The petitions were referred to DOAH and consolidated.

On March 17, 2023, the parties timely filed a Joint Pre-hearing Stipulation (“Stipulation”) in which they agreed to a number of material facts. Parc West stipulated to the designation of its application as ineligible for funding under the terms of the RFA. As a result, by operation of the RFA selection criteria, JIC Palatka will be selected for funding in place of Parc West. After the Stipulation, the only remaining factual issue was whether Woodland Park should be found eligible for funding, which would result in Woodland Park being selected in place of Enclave. The outcome of these proceedings will not impact any other applicants selected for funding.

At the final hearing, Joint Exhibits J-1 through J-10; Woodland Park Exhibits WP-3 through WP-13 and WP-20; and page 1 of Enclave Exhibit EN-1 were admitted into evidence. Woodland Park presented the testimony of Malcolm Kiner, Chief Operating Officer of Gainesville Housing Authority; Brian Evjen, President of Newstar Development (“Newstar”); Jean Salmonsens, Director of Multi-Family Program Allocations at Florida Housing; and Marisa Button, Managing Director of Multi-Family Programs at Florida Housing. No other party presented additional witnesses. The one-volume hearing Transcript was filed on April 21, 2023. The parties timely filed proposed recommended orders, which were duly considered in preparing this Recommended Order.

FINDINGS OF FACT

Parties and Application Process

1. Petitioners, Woodland Park and JIC Palatka, and Intervenors, Enclave and Parc West, are RFA applicants. The developers for Woodland Park's application are Newstar; Norstar Development, a partner in Newstar; and the Gainesville Housing Authority.

2. Florida Housing is a public corporation created under section 420.504, Florida Statutes. Its purpose is to promote public welfare by financing affordable housing in Florida. Pursuant to section 420.5099, Florida Housing is designated as the housing credit agency for Florida and has the authority to establish procedures for allocating and distributing low-income housing tax credits.

3. Florida Housing is authorized to allocate housing credits and other funding utilizing a request for proposal or other competitive solicitation by section 420.507(48), and adopted Florida Administrative Code Chapter 67-60 to govern the competitive solicitation process. Chapter 67-60 provides that Florida Housing allocates its competitive funding through the bid protest provisions of section 120.57(3), Florida Statutes.

4. In their applications, applicants request a specific dollar amount of housing credits to be given to the applicant each year for a period of 10 years. Applicants normally sell the rights to that future stream of income from housing credits (through the sale of almost all of the ownership interest in the applicant entity) to an investor to generate the capital needed to build the development. The amount which can be received depends upon the accomplishment of several factors, such as a certain percentage of the projected Total Development Cost; a maximum funding amount per development based on the county in which the development will be located; and whether the development is located within certain designated areas of some counties. This, however, is not an exhaustive list of the factors considered.

5. Housing credits are made available through a competitive application process commenced by issuing a Request for Applications. A Request for Applications is equivalent to a “request for proposal,” as indicated in rule 67-60.009(4).

6. The RFA was issued on November 14, 2022. The RFA deadline was 3:00 p.m. on December 28, 2022 (“Application Deadline”).

7. A review committee was appointed to review the applications and make recommendations to Florida Housing’s Board of Directors (“the Board”). The review committee found 47 applications eligible and five ineligible for funding. Through the ranking and selection process outlined in the RFA, eight applications were preliminarily recommended for funding. The review committee developed charts listing its eligibility and funding recommendations to be presented to the Board.

8. On January 27, 2023, the Board met and considered the review committee recommendations for the RFA. All applicants in the RFA (including Petitioners) received notice that the Board had adopted the review committee’s recommendations and that certain eligible applicants were preliminarily selected for funding, subject to the satisfactory completion of the credit underwriting process. Such notice was provided by posting two spreadsheets, one listing the Board approved scoring results in the RFA and one identifying the applications Florida Housing proposed to fund on the Florida Housing website, www.floridahousing.org.

9. No challenges were made to the terms of the RFA.

10. All RFA applications were received, processed, deemed eligible or ineligible, scored, and ranked, pursuant to the terms of the RFA, Florida Administrative Code Chapters 67-48 and 67-60, and applicable federal regulations.

JIC Palatka Application

11. JIC Palatka, Florida Housing, and Parc West have entered into a Settlement Stipulation, under which Parc West agrees to the designation of

its application number 2023-058C as ineligible; and Florida Housing agrees that the JIC Palatka application is the highest-ranked remaining small county application.

Woodland Park Application

12. The RFA requires, in pertinent part: “To be eligible for funding, the following submission requirements must have been met: (i) the Application must be submitted online by the Application Deadline; and (ii) the required Application fee must be submitted as of the Application Deadline.”

13. The RFA includes detailed instructions as to how and where to submit the application fee:

a. Application Fee

By the Application Deadline, provide to the Corporation the required nonrefundable \$3,000 Application fee, payable to Florida Housing Finance Corporation via check, money order, ACH, or wire transfer.

To ensure that the Application Fee is processed for the correct online Application, the following is strongly recommended: (i) provide the Application Fee at least 48 hours prior to the Application Deadline; (ii) whether paying by check, money order, ACH or wire transfer, include the Development Name, RFA number with the payment; and (iii) if paying by wire, include the Federal Reference Number, or if paying by ACH, include the Trace Number at question B.1 of Exhibit A.

Note: In the event that the online submission is not received, the payment will be refunded.

ACH Instructions:

BANK NAME: Wells Fargo
One Independent Drive, 8th Floor
Jacksonville, Florida 32202

ABA #: 121000248

ACCOUNT NAME: FHFC

ACCOUNT #: 4967822909

Wire Transfer Instructions:

BANK NAME: WELLS FARGO BANK, N.A.
420 MONTGOMERY STREET
SAN FRANCISCO 94104
United States of America (US)

ABA #: 121000248

ACCOUNT NAME: FHFC

ACCOUNT #: 4967822909

14. On December 22, 2022, Woodland Park initiated a wire transfer of \$3,000 for its application fee (“Wire Transfer”). In the instructions to its bank, Bank of America, Woodland Park identified Florida Housing as the beneficiary of the Wire Transfer but listed an incorrect beneficiary account number ending in “2209,” rather than the account number listed in the RFA, which ended in “2909.” Later that same day, Woodland Park’s application fee was returned by Wells Fargo to Woodland Park’s Bank of America account, minus \$50.

15. On December 27, 2022, Woodland Park submitted its application in response to the RFA. The application deadline was 3:00 p.m. on December 28, 2022.

16. There have been occasions, including with respect to the RFA, when Florida Housing received applications, but could not immediately locate the corresponding application fees. When this occurs, it is Florida Housing’s practice to reach out to the applicants’ representatives after the application deadline to confirm how fees were submitted. The record is clear that Florida Housing regularly makes efforts to reconcile misplaced application fees with

their respective applications if such fees were timely provided before the application deadline. However, it is a critical distinction in the present case that the record is devoid of any evidence that Florida Housing has ever accepted an application fee that was provided after the application deadline.

17. On December 29, 2022, the day after the Application Deadline, Florida Housing notified Woodland Park that Florida Housing had received Woodland Park's application but had not received Woodland Park's application fee. Woodland Park responded by providing Florida Housing with a copy of the Wire Transfer confirmation.

18. Shortly afterward, Florida Housing noted to Woodland Park that the account number on the Wire Transfer confirmation was incorrect.

19. On December 30, 2022, Woodland Park submitted a late application fee payment by wire transfer to Florida Housing's Wells Fargo account after the Application Deadline.

20. On January 3, 2023, Jean Salmonsens of Florida Housing emailed Woodland Park indicating that the December 30, 2022, payment received after the Application Deadline would be refunded.

21. On January 17, 2023, Florida Housing's review committee met and recommended that Woodland Park's application be deemed ineligible for failing to meet the submission requirements.

22. Florida Housing did not perform a minor irregularity analysis on the issue at the time that Florida Housing scored the applications. However, such an analysis was unnecessary given that it is clear, on its face, that Woodland Park's failure to timely provide its application fee to Florida Housing does not constitute a minor irregularity.

23. Wells Fargo was not presented in the RFA as being an agent of Florida Housing.

CONCLUSIONS OF LAW

24. DOAH has jurisdiction over the parties and subject matter of this case. §§ 120.569 and 120.57(1) and (3), Fla. Stat.

25. Pursuant to section 120.57(3)(f), the burden of proof rests with Petitioner, Woodland Park, as the party opposing the proposed agency action. *See State Contracting & Eng'g Corp. v. Dep't of Transp.*, 709 So. 2d 607, 609 (Fla. 1st DCA 1998). Woodland Park must sustain its burden of proof by a preponderance of the evidence. *See Fla. Dep't of Transp. v. J.W.C. Co.*, 396 So. 2d 778, 787 (Fla. 1st DCA 1981); § 120.57(1)(j), Fla. Stat.

26. In this bid protest, the following standards apply:

[T]he administrative law judge shall conduct a *de novo* proceeding to determine whether the agency's proposed action is contrary to the agency's governing statutes, the agency's rules or policies, or all solicitation specifications. The standard of proof for such proceedings shall be whether the proposed agency action was clearly erroneous, contrary to competition, arbitrary, or capricious.

§ 120.57(3)(f), Fla. Stat.

27. "In this context, the phrase '*de novo* hearing' is used to describe a form of intra-agency review. The judge may receive evidence, as with any formal hearing under section 120.57(1), but the object of the proceeding is to evaluate the action taken by the agency." *State Contracting & Eng'g Corp.*, 709 So. 2d at 609. The judge neither "sits as a substitute" for the agency nor "makes a determination whether to award the bid *de novo*." *Intercontinental Props., Inc. v. State Dep't of HRS*, 606 So. 2d 380, 386 (Fla. 3d DCA 1992).

28. Woodland Park has the burden to prove, by a preponderance of the evidence, that Florida Housing's determination was clearly erroneous, contrary to competition, arbitrary, or capricious. *AT&T Corp. v. State, Dep't of Mgmt. Servs.*, 201 So. 3d 852, 854 (Fla. 1st DCA 2016); § 120.57(3)(f), Fla. Stat.

29. An agency's award is "clearly erroneous" if it "conflicts with the plain and ordinary intent of the law." *Colbert v. Dep't of Health*, 890 So. 2d 1165, 1166 (Fla. 1st DCA 2004). However, if the award "falls within the permissible range of interpretations," it cannot be deemed clearly erroneous. *Id.*

30. The “contrary to competition” standard is not defined by statute or rule, but generally means an award that contravenes the following purposes of competitive procurement:

[T]o protect the public against collusive contracts; to secure fair competition upon equal terms to all bidders; to remove not only collusion but temptation for collusion and opportunity for gain at public expense; to close all avenues to favoritism and fraud in its various forms; to secure the best values for the [public] at the lowest possible expense; and to afford an equal advantage to all desiring to do business with the [government], by affording an opportunity for an exact comparison of bids.

Wester v. Belote, 138 So. 721, 723-24 (Fla. 1931); *AT&T Corp.*, 201 So. 3d at 855 (“Public procurement is intended to protect the public by promoting ‘fair and open competition,’ thereby reducing the appearance and opportunity for favoritism and misconduct.”).

31. “An action is arbitrary if it is not supported by logic or the necessary facts, and capricious if it is adopted without thought or reason or is irrational.” *Hadi v. Liberty Behav. Health Corp.*, 927 So. 2d 34, 38-9 (Fla. 1st DCA 2006) (internal quotations omitted). Generally, the inquiry focuses on “whether the agency: (1) has considered all relevant factors; (2) has given actual, good faith consideration to those factors; and (3) has used reason rather than whim to progress from consideration of these factors to its final decision.” *Adam Smith Enters., Inc. v. State Dep’t of Env’t Regul.*, 553 So. 2d 1260, 1273 (Fla. 1st DCA 1989). In a bid protest, deciding whether a decision is arbitrary is “generally controlled by a determination of whether the [agency] complied with its own proposal criteria.” *Emerald Corr. Mgmt. v. Bay Cnty. Bd. of Cnty. Comm’rs*, 955 So. 2d 647, 653 (Fla. 1st DCA 2007). Thus, an agency’s decision that “is justifiable under any analysis that a reasonable person would use to reach a decision of similar importance ... is

neither arbitrary nor capricious.” *Dravo Basic Materials Co. v. Dep’t of Transp.*, 602 So. 2d 632, 634 n.3 (Fla. 2d DCA 1992).

32. It is well-established that an agency “has wide discretion in soliciting and accepting bids for public improvements and its decision, when based on an honest exercise of this discretion, will not be overturned by a court even if it may appear erroneous and even if reasonable persons may disagree.” *Dep’t of Transp. v. Groves-Watkins Constructors*, 530 So. 2d 912, 913 (Fla. 1988) (quoting *Liberty Cnty. v. Baxter’s Asphalt & Concrete, Inc.*, 421 So. 2d 505, 507 (Fla. 1982)). The administrative law judge should not “second guess the members of [the] evaluation committee to determine whether he and/or other reasonable and well-informed persons might have reached a contrary result.” *Scientific Games, Inc. v. Dittler Bros.*, 586 So. 2d 1128, 1131 (Fla. 1st DCA 1991). Indeed, if an agency “makes an erroneous decision about which reasonable people may disagree,” its decision should not be overturned “absent a showing of dishonesty, illegality, fraud, oppression or misconduct.” *Sutron Corp. v. Lake Cnty. Water Auth.*, 870 So. 2d 930, 932 (Fla. 2d DCA 2004).

Parc West

33. The parties’ joint determination that Parc West’s application is ineligible was not clearly erroneous, contrary to competition, arbitrary, or capricious. Florida Housing’s action in determining JIC Palatka’s application to be the highest ranked eligible small county application was not contrary to Florida Housing’s governing statutes, rules or policies, or the RFA specifications.

Woodland Park

34. The plain and unambiguous language of the RFA requires, for an application to be eligible for funding selection, an applicant must provide its application fee to Florida Housing before the Application Deadline. *See Brownsville Manor, LP v. Redding Dev. Partners, LLC, and Fla. Hous. Fin. Corp.*, 224 So. 3d 891, 894 (Fla. 1st DCA 2017) (Florida Housing is required

to interpret the RFA consistent with its plain and unambiguous language.). In the context of the RFA, there is no ambiguity as to the meaning of the word “provide.”

35. Woodland Park did not send the application fee to the account number required by the RFA instructions. Instead, Woodland Park made a typographical error that resulted in Woodland Park’s application fee being returned to Woodland Park’s bank account. Accordingly, Florida Housing correctly determined that Woodland Park’s application was ineligible for funding.

36. Woodland Park’s argument that Florida Housing had an obligation to investigate, discover, and correct Woodland Park’s unilateral typographical error is without merit. No such obligation exists within the RFA or under Florida law. Woodland Park argues that a similar obligation rests with Wells Fargo, and repeatedly refers to Wells Fargo as the “agent” of Florida Housing without any supporting legal argument. Wells Fargo is not Florida Housing’s agent with respect to the RFA.

37. Woodland Park argues that the typographical error on its Wire Transfer should be waived as a minor irregularity.

38. Florida Housing has adopted a Right to Waive Minor Irregularities under rule 67-60.008, which states:

Minor irregularities are those irregularities *in an Application*, such as computation, typographical, or other errors, that do not result in the omission of any material information; do not create any uncertainty that the terms and requirements of the competitive solicitation have been met; do not provide a competitive advantage or benefit not enjoyed by other Applicants; and do not adversely impact the interests of the Corporation or the public. Minor irregularities may be waived or corrected by the Corporation.

(emphasis added)

39. A plain reading of rule 67-60.008 states that, to be a waived as a minor irregularity, the basis of the minor irregularity must reside within the four corners of the application.

40. Even if the typographical error at issue in this case were within the application, it still could not be considered a minor irregularity as the term is defined. Although the typographical error could not be considered a minor irregularity if even one of the enumerated rule-based factors were present, Woodland Park's typographical error fails with respect to all of the factors. Woodland Park's typographical error resulted in the omission of material information; created uncertainty that the terms and requirements of the RFA were met; if waived would have provided a competitive advantage for Woodland Park over other applicants who were required to provide timely payment to earn their eligibility for funding; and would adversely impact Florida Housing by creating a burden to correct applicants' unilateral mistakes.

41. Florida Housing's determination that Woodland Park's application was ineligible was not clearly erroneous, contrary to competition, arbitrary, or capricious. Woodland Park fails to meet its burden of proof under section 120.57(3)(f) by failing to demonstrate that Florida Housing's action was contrary to Florida Housing's governing statutes, rules or policies, or the RFA specifications.

RECOMMENDATION

Based on the foregoing Findings of Fact and Conclusions of Law, it is RECOMMENDED that Florida Housing enter a final order finding that Woodland Park II, LLC, is ineligible for funding under the RFA; and Parc West, LLC, is ineligible for funding under the RFA.

DONE AND ENTERED this 17th day of May, 2023, in Tallahassee, Leon
County, Florida.



BRITTANY O. FINKBEINER
Administrative Law Judge
1230 Apalachee Parkway
Tallahassee, Florida 32399-3060
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Filed with the Clerk of the
Division of Administrative Hearings
this 17th day of May, 2023.

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NOTICE OF RIGHT TO SUBMIT EXCEPTIONS

All parties have the right to submit written exceptions within 10 days from the date of this Recommended Order. Any exceptions to this Recommended Order should be filed with the agency that will issue the Final Order in this case.

**STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION**

WOODLAND PARK II, LLC,

Petitioner,

DOAH Case No. 23-0685BID

v.

FLORIDA HOUSING FINANCE CORPORATION,

Respondent.

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FINANCE CORPORATION

_____/

JIC PALATKA APARTMENTS, LLC,

Petitioner,

DOAH Case No. 23-0686BID

v.

FLORIDA HOUSING FINANCE CORPORATION,

Respondent,

and

PARC WEST, LLC,

Intervenor.

**WOODLAND PARK II, LLC'S
EXCEPTIONS TO RECOMMENDED ORDER**

Pursuant to section 120.57(1)(k), Florida Statutes, and Florida Administrative Code Rule 28-106.217, Woodland Park II, LLC (“Woodland Park”) files the following exceptions to the Recommended Order issued in this proceeding. This proceeding involves an application for housing tax credits filed by Woodland Park. For the reasons set forth below, Woodland Park urges

Florida Housing Finance Corporation (“Florida Housing”) to reject findings of fact in the Recommended Order that are not supported by competent, substantial evidence and that are inconsistent with other findings of fact. Woodland Park also urges Florida Housing to reject conclusions of law in the Recommended Order that are not reasonable and not supported by the record evidence. A proper application of the Agency’s own rules should result in the funding of Woodland Park’s Application.

I. BACKGROUND

This case concerns the eligibility of Woodland Park’s Application to receive funding from Florida Housing pursuant to RFA No. 2022-201. If Woodland Park was deemed eligible, it would have been scored highly enough to receive funding under the terms of the RFA. However, Florida Housing rejected Woodland Park’s Application as ineligible, asserting that Woodland Park failed to provide a required \$3,000 application fee.

There is no dispute that Woodland Park provided an application payment of \$3,000 to the bank identified in the RFA for fee payments, Wells Fargo. In fact, the application fee was provided six days in advance of the application deadline. Unfortunately, the wire transfer contained a typographical error. Though Woodland Park identified Florida Housing as the recipient and identified the RFA within the payment sent to Wells Fargo, the bank account number on the transfer was off by one digit. The wire transfer identified an account number in “2209” rather than ending in “2909,” as listed in the RFA.

After receiving the payment, and without informing anyone at Florida Housing or Woodland Park, Wells Fargo subtracted \$50 and sent \$2,950 back to the Woodland Park account that originally provided the payment. This return was not discovered until the application window

had closed. Subsequently, Florida Housing refused to accept the re-submitted application fee, citing the deadline.

In the proceeding below, Woodland Park filed a Proposed Recommended Order consisting of 37 pages and 69 proposed findings of fact. In a brief, truncated 14-page Recommended Order, the Administrative Law Judge (“ALJ”) assigned to this dispute summarily rejected Woodland Park’s protest, concluding simply that the account number error was a material defect that should not be waived as a minor irregularity. As noted in the exceptions below, the ALJ simply ignored proven facts that did not support the recommendation, and applied an incorrect, highly deferential legal standard to the proceedings. These errors require correction. Woodland Park urges Florida Housing to review the record in the proceeding below, approve these Exceptions, and fund Woodland Parks’ worthwhile affordable housing proposal.

II. STANDARD OF REVIEW

A. Standard Applicable to Exceptions

Woodland Park does not seek to have Florida Housing re-weigh the evidence presented at the final hearing, nor does it seek to substitute new findings for those factual matters decided by the administrative law judge. Woodland Park files these Exceptions with the full understanding that, at this stage of review, Florida Housing is not free to re-weigh the evidence or to reject findings of fact unless there is no competent, substantial evidence to support them. *See Health Care & Retirement Corp. v. Dep’t of Health & Rehab. Servs.*, 516 So. 2d 292, 296 (Fla. 1st DCA 1987); *Heifetz v. Dep’t of Bus. Regulation*, 475 So. 2d 1277, 1281 (Fla. 1st DCA 1985); *Schumacker v. Dep’t of Prof’l Regulation*, 611 So. 2d 75 (Fla. 4th DCA 1982). However, Woodland Park takes exception to the conclusions of law contained in the Order, including conclusions of law that have been mislabeled as findings of fact.

Florida Housing is free to reject or modify erroneous conclusions of law over which it has substantive jurisdiction. *See* § 120.57(1)(l), Fla. Stat. Florida law is clear that Florida Housing is not bound by the judge’s conclusions of law. § 120.57(1)(l), Fla. Stat.; *B.J. v. Dep’t of Children & Family Servs.*, 983 So. 2d 11 (Fla. 1st DCA 2008) (explaining that an agency may disregard an ALJ’s conclusions of law without limitation). Florida Housing is also free to interpret administrative rules over which it has substantive jurisdiction. *See id.* Additionally, Florida Housing has no duty to accept conclusions of law that have been mis-labeled as findings of fact. An agency is free to reject conclusions of law even when they are characterized as factual findings. *See Harloff v. City of Sarasota*, 575 So. 2d 1324 (Fla. 2nd DCA 1991); *McPherson v. Sch. Bd. of Monroe Cty.*, 505 So. 2d 682 (Fla. 3rd DCA 1987). The distinction between findings of fact and conclusions of law does not depend upon how such findings and conclusions are labeled in the Recommended Order. *See Kinney v. Dep’t of State, Div. of Licensing*, 501 So. 2d 129, 132 (Fla. 5th DCA 1987) (holding that erroneously labeling a factual finding as a conclusion of law does not make it so). To the extent a finding of fact is mislabeled as a conclusion of law, the finding should be considered a part of the “conclusion of law” section, and vice versa. *See Baptist Hosp., Inc. v. State, Dep’t of Health & Rehab. Servs.*, 500 So. 2d 620, 623 (Fla. 1st DCA 1986) (“The label affixed to a particular finding by the hearing officer or the agency is not necessarily determinative of its nature.”).

Frequently, an administrative agency is in a far better position than the ALJ to rule on such matters, particularly as they relate to the interpretation and intent of rules, opinions, and other written documents prepared and issued by the agency. *See State Contracting & Eng’g Corp. v. Dep’t of Transp.*, 709 So. 2d 607, 610 (Fla. 1st DCA 1998) (courts must defer to the expertise of

an agency in interpreting its own rules); *Harloff v. City of Sarasota*, 575 So. 2d 1324 (Fla. 1st DCA 1991) (court gave great weight to the agency's interpretations of the statutes).

Matters infused with overriding policy considerations are left to agency discretion. *Baptist Hosp., Inc. v. State, Dep't of Health & Rehab. Servs.*, 500 So. 2d 620, 623 (Fla. 1st DCA 1986); *Pillsbury v. State, Dep't of Health & Rehab. Servs.*, 744 So. 2d 1040 (Fla. 1st DCA 1999); *McDonald v. Dep't of Banking & Fin.*, 346 So. 2d 569, 579 (Fla. 1st DCA 1977). Though the Florida Constitution has been amended to prevent courts from deferring to Agency interpretations of law and rule, that standard does not apply here.¹ The Agency's rulings on exceptions represent the Agency's opportunity to interpret its laws and rules, and to correct errant interpretations of Agency rules, as occurred here.

Finally, an agency is required to follow its own precedent. *Gessler v. Dept. of Bus. & Prof'l Regulation*, 627 So. 2d 501 (Fla. 4th DCA 1993), *superseded on other grounds*, *Caserta v. Dep't of Bus. & Prof'l Regulation*, 686 So. 2d 5651 (Fla. 5th DCA 1996) (a principle of *stare decisis* applies to state decisions); *Plante, VMD v. Dep't of Bus. & Prof'l Regulation*, 716 So. 2d 790 (Fla. 4th DCA 1998); *Nordheim v. Dep't of Env't'l Prot.*, 719 So. 2d 1212 (Fla. 3d DCA 1998).

Section 120.57(1)(l), Florida Statutes, establishes the scope of an agency's authority with respect to its treatment of a recommended order. That authority is limited with respect to findings of fact, which may not be rejected or modified unless the agency first reviews the entire record and determines that a finding of fact is not supported by competent, substantial evidence or that the proceeding itself did not comport with the essential requirements of law.

Agencies have more discretion in their treatment of conclusions of law if those conclusions fall within the areas of the law or relate to the interpretation of rules over which the agency has

¹ See Art. V, § 21, Fla. Const.

substantive jurisdiction. Within those areas, an agency may reject or modify conclusions of law as long as it states its reasons and finds that its substituted conclusions are at least as reasonable as those of the ALJ. As the funding agency, Florida Housing has substantive jurisdiction over the legal conclusions relating to its process for awarding funding including the implementation of the RFA.

Woodland Park takes exception to the findings of fact and conclusions of law described below.

III. EXCEPTIONS TO THE RECOMMENDED ORDER

Exception No. 1

Conclusion of Law – Challenging Paragraph 32 and the Legal Standard of Review Applied

The Administrative Law Judge erred by applying an outdated, exceedingly deferential standard of review. The Recommended Order makes it clear that the judge presiding over the final hearing would never support any bid protest unless the challenger proved that Florida Housing staff acted in a fraudulent, illegal, or dishonest manner. The judge simply applied the wrong standard. Since 1999, Florida law has made it clear that the burden in a bid protest proceeding like this one is to demonstrate that an agency violated a law, rule of specification in a manner that was clearly erroneous, contrary to competition, arbitrary or capricious. In her Recommended Order, the judge applied a far more deferential standard. The judge's ruling concludes that a challenger must make a showing of "dishonesty, illegality, fraud, oppression or misconduct" That highly deferential standard doomed consideration of Woodland Park's protest from the start. It is also a standard that the legislature made inapplicable more than twenty years ago.

Case law which suggested that an agency may avoid reversal of its preliminary bid decisions by simply arguing that it provided an "honest exercise" of discretion has long been

superseded by statute. *See, e.g., Liberty Cnty. v. Baxter's Asphalt & Concrete, Inc.*, 421 So. 2d 505, 507 (Fla. 1982) (finding that an honest exercise was enough to pass scrutiny); *Wester v. Belote*, 138 So. 721, 723-24 (Fla. 1931) (“Public procurement is intended to protect the public by promoting 'fair and open competition,' thereby reducing the appearance and opportunity for favoritism and misconduct.”). In *Department of Transportation v. Groves-Watkins Constructors*, 530 So. 2d 912 (Fla. 1988), the Florida Supreme Court was asked to provide the correct standard of review for challenges to bid decisions. The Court noted the “strong judicial deference accorded to an agency’s decision in competitive bidding situations,” and recited prior rulings which held that “a public body has wide discretion in soliciting and accepting bids for public improvements and its decision, when based on an honest exercise of this discretion, will not be overturned by a court even if reasonable persons may disagree.” *Id.* at 913 (*quoting Liberty County*, 421 So. 2d at 507). The *Groves-Watkins* Court applied a highly deferential standard, finding that an agency’s “decision based upon an honest exercise of this discretion cannot be overturned absent a finding of ‘illegality, fraud, oppression or misconduct.’” *Id.* Thus, the Court clarified that the standard for administrative challenge to agency bid decisions was simply “to ascertain whether the agency acted fraudulently, arbitrarily, illegally, or dishonestly.”

However, in 1996, the Florida Legislature re-wrote Florida’s Administrative Procedure Act, and created a new standard of review for public procurements in section 120.57(3)(f). The prior *Groves-Watkins* standard which previously applied to all bid protests, was now relegated to only apply in challenges to agency decisions to reject all bids. *See* § 19, ch. 96-159, Laws of Fla., creating § 120.57(3)(f), Fla. Stat. (“In any bid-protest proceeding contesting an intended agency action to reject all bids, proposals, or replies, the standard of review by an administrative law judge shall be whether the agency’s intended action is illegal, arbitrary, dishonest, or fraudulent.”). That

remains the standard for challenging an agency rejection of all bids today. *See* § 120.57(3)(f), Fla. Stat. That highly deferential standard was *not* made applicable to protests challenging bid decisions that were not outright rejections of all bids. In the same statutory amendment, the 1996 Florida Legislature created the less deferential standard of proof for general challenges to preliminary contract awards, requiring inquiry as to whether the agency’s procurement decision was “clearly erroneous, contrary to competition, arbitrary or capricious.” *See id.* That is the standard still in place today. *See* § 120.57(3)(f).

Thus, it is incorrect to say that Florida Housing’s decision should be sustained if it was merely based upon an honest exercise of discretion. Proof of dishonesty has not been required to reverse an agency’s preliminary bid decisions since 1996. After amendment to Florida’s Constitution in 2018, it may be more proper to say that an agency’s preliminary decision, based upon interpretation of applicable statutes and rules, is entitled to no discretion at all.

In the only other bid protest decided by Administrative Law Judge Finkbeiner, the Recommended Order contained the same outdated reliance on the *Groves-Watkins* standard in a bid decision protest. In *Madison Landing II, et al. v. Florida Housing Finance Corporation*, Case No. 21-0146 et al (DOAH Mar. 29, 2021; FHFC Apr. 30, 2021), Judge Finkbeiner applied the deferential *Groves-Watkins* standard to a challenge of a Florida Housing bid decision, concluding that the position of Florida Housing should be sustained because it was grounded in an honest and reasonable exercise of discretion. *See* Rec. Ord., ¶¶ 48, 57.

Because an incorrect standard was applied in that earlier ruling, Woodland Park took pains in its Proposed Recommended Order to confirm that the *Groves-Watkins* standard was inapplicable, and had been superseded by statute for more than twenty years. Judge Finkbeiner ignored this citation to the proper standard of review, and instead repeated the *Groves-Watkins*

standard that she applied in the case below. Absent proof of fraud, dishonesty, illegality, oppression or misconduct, no protest would ever succeed, as the court would always defer to Florida Housing staff.

In Paragraph 32 of the Recommended Order, the administrative law judge found:

32. It is well-established that an agency “has wide discretion in soliciting and accepting bids for public improvements and its decision, when based on an honest exercise of this discretion, will not be overturned by a court even if it may appear erroneous and even if reasonable persons may disagree.” *Dep’t of Transp. v. Groves-Watkins Constructors*, 530 So. 2d 912, 913 (Fla. 1988) (quoting *Liberty Cnty. v. Baxter’s Asphalt & Concrete, Inc.*, 421 So. 2d 505, 507 (Fla. 1982)). The administrative law judge should not “second guess the members of [the] evaluation committee to determine whether he and/or other reasonable and well-informed persons might have reached a contrary result.” *Scientific Games, Inc. v. Dittler Bros.*, 586 So. 2d 1128, 1131 (Fla. 1st DCA 1991). Indeed, if an agency “makes an erroneous decision about which reasonable people may disagree,” its decision should not be overturned “absent a showing of dishonesty, illegality, fraud, oppression or misconduct.” *Sutron Corp. v. Lake Cnty. Water Auth.*, 870 So. 2d 930, 932 (Fla. 2d DCA 2004).

In other portions of the Recommended Order, the correct standard of section 120.57(3)(f) is repeated. However, the conscious decision to include the *Groves-Watkins* standard provides clear evidence that the judge applied that highly deferential standard, while merely reciting the correct legal standard. There can be no other explanation for why the ALJ insisted on citation to an inapplicable standard other than to conclude that the judge intentionally applied that standard.

Woodland Park respectfully suggests that the citations to the *Groves-Watkins* standard in Paragraph 32 of the Recommended Order must be stricken as they reflect a standard that was abandoned by the Florida Legislature more than twenty years ago. Because this overly deferential standard infects the entire decision, Woodland Park also urges that the Recommendation to find Woodland Park ineligible be reversed, and Woodland Park awarded funding.

Exception No. 2

Finding of Fact – Paragraph 16, containing findings of fact that are not supported by competent, substantial evidence

Paragraph 16 of the Recommended Order is labeled a Finding of Fact and provides as follows:

16. There have been occasions, including with respect to the RFA, when Florida Housing received applications, but could not immediately locate the corresponding application fees. When this occurs, it is Florida Housing’s practice to reach out to the applicants’ representatives after the application deadline to confirm how fees were submitted. The record is clear that Florida Housing regularly makes efforts to reconcile misplaced application fees with their respective applications if such fees were timely provided before the application deadline. However, it is a critical distinction in the present case that the record is devoid of any evidence that Florida Housing has ever accepted an application fee that was provided after the application deadline.

(R.O., pp. 8-9). Woodland Park takes exception to the findings in this paragraph because they are not supported by competent, substantial record evidence and ignore undisputed evidence to achieve a desired outcome.

The bulk of the final hearing in this case was spent on how Florida Housing processes application fees, including how those processes have changed in the last several years, why they changed, and how staff matches application fees to applications received. For example, the undisputed record evidence establishes that Florida Housing only recently began using an electronic submission process for its applications, requiring applications and application fees to be provided by applicants separately. (T. 90-91, Salmonsens). Prior to 2020, Florida Housing did not allow application fee payments via ACH or wire transfer. (T. 65-66, Salmonsens; WP-16). When it began allowing application fee payments via ACH or wire transfer in 2020, Florida Housing amended its RFAs to “strongly recommend” to applicants to provide the application fee at least 48 hours prior to the application deadline. (J-1, p. 4 of 155; T. 65-67, Salmonsens; Jt. Stip. ¶ 32; WP-

16). This language understandably led some applicants to believe that Florida Housing might exercise some discretion to verify whether application fees had been received in its account prior to the application deadline to avoid the kind of typographical error that occurred in this case. (T. 43-44, Evjen). Prior to the application deadline, Florida Housing sent an email to its Multifamily Programs listserv, reminding applicants of this “strong recommendation” to provide the application fee 48 hours prior to the application deadline. (WP-05; T. 40-41, Evjen). Despite this, Florida Housing witnesses admitted at the final hearing that the account number was not a required element under the RFA, but rather a “strong recommendation.” (T. 101-02, Button; T. 67, Salmonsens).

The undisputed record evidence further establishes that Florida Housing uses a bank account with Wells Fargo to receive application fee payments. (T. 68, Salmonsens). However, the evidence was clear that Florida Housing has not provided Wells Fargo any instructions as to how to process application fee payments and that Florida Housing did not even have a current contact at Wells Fargo at the time of the application deadline in this case. (T. 69, Salmonsens; WP-07). Additionally, despite the RFA’s strong recommendation to provide application fees early, Florida Housing officials admitted that neither it nor its bank made any efforts prior to the application deadline to locate a wire transfer from Woodland Park, or any applicant. (T. 103-04, Button).

The undisputed record evidence further establishes that Ms. Salmonsens, on behalf of Florida Housing, routinely contacts applicants after the application deadline to obtain additional information from applicants to track down application fee payments and to allow applicants the opportunity to demonstrate if there was an error. (T. 71-72, 92-93, Salmonsens; T. 109, 118-19, Button). As it relates to this RFA cycle, there were at least four applications submitted to Florida Housing for which Salmonsens could not readily verify payment of the application fee causing Ms.

Salmonsens to contact the applicants after the application deadline. (T. 72-74, 78, 81-82, Salmonsens; WP-6; WP-09, p. 14; WP-10, p. 58). For one of those applications, Ms. Salmonsens learned that the applicant had paid via check. (T. 72-73, Salmonsens). While working to locate the check, Ms. Salmonsens advised others that there may not be any identifying information on the check. (T. 78-79, Salmonsens). Thus, the evidence clearly established that Florida Housing accepted at least one payment which did not reflect the applicant's identification. (T. 79, Salmonsens). In other words, the record clearly established that the information that was "strongly recommended" for applicants to provide, including an account number, was not a mandatory, material requirement of the RFA. (T. 101-02, Button; T. 67, Salmonsens). Some applicants provided no identifying information with their payments and were deemed eligible, while Woodland Park's payment was deemed ineligible. The disparate treatment of similarly situated applicants demonstrated an agency action that was clearly contrary to competition.

Reading the Recommended Order in this case, one would have no idea of the undisputed facts set forth above. Indeed, the Recommended Order makes no mention of the undisputed fact that Florida Housing's acceptance of application fees via wire transfer is a new option for applicants. The Recommended likewise makes no mention of the strong recommendation language that is repeated throughout the RFA and was even sent out by Florida Housing officials in the weeks leading up to the RFA deadline as a reminder to applicants. The Recommended Order additionally makes no mention of the fact that, going forward, Florida Housing has changed its processes and will now allow applicants in future RFA cycles to upload confirmation or payment information with their respective applications to eliminate Florida Housing having to contact applicants after the application deadline. (T. 86, Salmonsens). Unless one were to read Woodland Park's Proposed Recommended Order, one would be left with the belief that there was no repeated

48-hour strong recommendation in the RFA or that Florida Housing does not require the same level of detail when application fee payments are made via check rather than wire transfer.

A cursory Recommended Order such as the one issued by the ALJ in this case violates the APA's requirement that the "presiding officer shall complete and submit to the agency and all parties a recommended order consisting of findings of fact..." § 120.57(1)(k), Fla. Stat.; *see also* Fla. Admin. Code R. 28-106.216 (requiring recommended orders to include, among other things, "statement of the issues, findings of fact and conclusions of law, separately stated..."). Implicit in these provisions is that the presiding officer must make findings of fact on the issues presented by the parties. While the Recommended Order in this case does contain findings of fact, it fails to include findings on critical, undisputed evidence presented at the final hearing and painstakingly detailed in Woodland Park's Proposed Recommended Order.² Although an ALJ does not need to rule on every single proposed finding of fact, she cannot ignore critical and undisputed facts that form the basis of the aggrieved party's challenge to the proposed agency action. Otherwise, the aggrieved party is left without the ability to meaningfully challenge what is merely a recommendation. Such a result is wholly inconsistent with the APA.

The issue of cursory recommended orders has been addressed by the Third District Court of Appeal. In *Borges v. Department of Health*, 143 So. 3d 1185 (Fla. 3d DCA 2014), the Third District concluded that an ALJ's recommended order did "not sufficiently comply with the requirement to make express findings of fact" because it relied on a purported concession that did "not constitute a sufficient factual foundation to resolve the crucial factual and legal issue" upon which the Board's preliminary decision was made. *Id.* at 1187. In reaching this conclusion, the

² A comparison of the Recommended Order and the Joint Pre-Hearing Stipulation filed by the Parties demonstrates just how cursory the Recommended Order is as the bulk of the ALJ's findings are merely recitations of the facts to which the Parties stipulated.

Third District reasoned that the “statutory and regulatory provisions’ requirement of factual findings is ultimately based on principles of due process.” *Id.* The court explained further that the deficient recommended order left the reviewing court “to guess whether the administrative law judge disbelieved all or some of the testimony or simply found the testimony irrelevant to his recommended disposition.” *Id.*; *see also A.C. v. Agency for Health Care Admin.*, 322 So. 3d 1182, 1188 (Fla. 3d DCA 2019) (concluding that the hearing officer’s final order “lack[ed] specific findings of fact to enable us to properly review the legal conclusion reached by the hearing officer”); *State v. Murciano*, 163 So. 3d 662 (Fla. 1st DCA 2015). The same is true here.

Woodland Park takes exception to the findings of fact in Paragraph 16 of the Recommended Order because they are not supported by competent, substantial record evidence and ignore critical, undisputed facts in the record. Woodland Park urges Florida Housing to reject the findings in this paragraph.

Exception No. 3

Finding of Fact – Paragraph 23, containing findings of fact that are not supported by competent, substantial evidence and

Conclusion of Law – Paragraph 36, containing conclusions of law that are not supported by competent, substantial evidence and are not reasonable

Paragraph 23 is labeled a Finding of Fact and provides as follows:

23. Wells Fargo was not presented in the RFA as being an agent of Florida Housing.

(R.O., p. 9).

Paragraph 36 is labeled a Conclusion of Law and provides as follows:

36. Woodland Park’s argument that Florida Housing had an obligation to investigate, discover, and correct Woodland Park’s unilateral typographical error is without merit. No such obligation exists within the RFA or under Florida law. Woodland Park argues that a similar obligation rests with Wells Fargo, and

repeatedly refers to Wells Fargo as the “agent” of Florida Housing without any supporting legal argument. Wells Fargo is not Florida Housing’s agent with respect to the RFA.

(R.O., p. 13). Woodland Park takes exception to these paragraphs because they are not supported by competent, substantial evidence and are not reasonable.

The record is clear that the RFA specifications identified Wells Fargo as the bank which was to receive any application fee payments transmitted by wire transfer. (J-1, p. 4). The RFA provided apparent authority for Wells Fargo to act as the agent of Florida Housing by receiving payments. Apparent authority is created when the principal, in this case Florida Housing, creates the appearance of an agency relationship. *Fla. State Oriental Med. Ass’n v. Slepín*, 971 So. 2d 141, 145 (Fla. 1st DCA 2007); *Parsley Bros. Const. Co. v. Humphrey*, 136 So. 2d 257 (Fla. 2d DCA 1962). The written pronouncement that payment of application fees could be accomplished by providing payment to Wells Fargo established that bank as Florida Housing’s agent with respect to payment of the fee.

The record clearly established that payment provided by Woodland Parks arrived at Wells Fargo and was then partially returned. The provision of payment to Florida Housing’s agent was equivalent to payment to Florida Housing itself. There is no competent substantial evidence that would support a finding, like the one in Paragraph 23, that Wells Fargo was not authorized in the RFA to accept application fee payments on behalf of Florida Housing. In addition to the express authority provided in the RFA, Florida Housing witnesses acknowledged that payments made to Wells Fargo before the application deadline were considered as timely received by Florida Housing. (T. 68, Salmonsén). Thus, there is no competent, substantial evidence which might indicate that Wells Fargo was not an agent, as the only evidence on this point confirms that Wells

Fargo was authorized by RFA specifications to receive application fee payments. When Woodland Park provided its payment to Wells Fargo, it effectively provided payment to Florida Housing. For the same reasons Woodland Park takes exception paragraph 23, it also takes exception to this conclusion of law because it is not reasonable.

Accordingly, Woodland Park urges that Paragraphs 23 and 36 be modified as follows:

23. Wells Fargo was ~~not~~ presented in the RFA as being an agent of Florida Housing.

~~36. Woodland Park's argument that Florida Housing had an obligation to investigate, discover, and correct Woodland Park's unilateral typographical error is without merit. No such obligation exists within the RFA or under Florida law. Woodland Park argues that a similar obligation rests with Wells Fargo, and repeatedly refers to Wells Fargo as the "agent" of Florida Housing without any supporting legal argument. Wells Fargo is not Florida Housing's agent with respect to the RFA. The RFA and Florida Housing witnesses made clear that application fee payments could be received by Wells Fargo and considered timely filed by Florida Housing. Thus, payments to Wells Fargo constituted payments to Florida Housing.~~

Exception No. 4

Finding of Fact – Paragraph 22, containing findings of fact that are not supported by competent, substantial evidence and

Conclusion of Law – Paragraphs 39, 40 and 41, containing mislabeled findings of fact not supported by competent, substantial evidence and conclusions of law that are not reasonable

Paragraph 22 is labeled a Finding of Fact and provides as follows:

22. Florida Housing did not perform a minor irregularity analysis on the issue at the time that Florida Housing scored the applications. However, such an analysis was unnecessary given that it is clear, on its face, that Woodland Park's failure to timely provide its application fee to Florida Housing does not constitute a minor irregularity.

(R.O., p. 9). Paragraphs 39, 40, and 41, which are related to the findings in Paragraph 22, are labeled Conclusions of Law and provide as follows:

39. A plain reading of rule 67-60.008 states that, to be a [sic] waived as a minor irregularity, the basis of the minor irregularity must reside within the four corners of the application.

40. Even if the typographical error at issue in this case were within the application, it still could not be considered a minor irregularity as the term is defined. Although the typographical error could not be considered a minor irregularity if even one of the enumerated rule-based factors were present, Woodland Park's typographical error fails with respect to all of the factors. Woodland Park's typographical error resulted in the omission of material information; created uncertainty that the terms and requirements of the RFA were met; if waived would have provided a competitive advantage for Woodland Park over other applicants who were required to provide timely payment to earn their eligibility for funding; and would adversely impact Florida Housing by creating a burden to correct applicants' unilateral mistakes.

41. Florida Housing's determination that Woodland Park's application was ineligible was not clearly erroneous, contrary to competition, arbitrary, or capricious. Woodland Park fails to meet its burden of proof under section 120.57(3)(f) by failing to demonstrate that Florida Housing's action was contrary to Florida Housing's governing statutes, rules or policies, or the RFA specifications.

(R.O., p. 14). Woodland Park takes exception to the findings of fact in the second sentence in Paragraph 22 because it is not supported by competent, substantial evidence. To the extent the second sentence in Paragraph 22 also contains conclusions of law, Woodland Park takes exception to those conclusions because they are not reasonable. Woodland Park further takes exception to the findings of fact in Paragraphs 39, 40, and 41 that are mislabeled as conclusions of law because they are not supported by competent, substantial record evidence and ignore undisputed evidence to achieve a desired outcome. Additionally, to the extent portions of these paragraphs contain conclusions of law, they are not reasonable.

The ALJ's conclusion in Paragraph 39 that Florida Housing's minor irregularity can apply only to irregularities in applications is not reasonable. As an initial matter, when Ms. Button was asked why she declined to perform a minor irregularity analysis, none of the reasons she offered had anything to do with the fact that the irregularity occurred with respect to an application fee,

and not an application. Additionally, nothing within the minor irregularity rule itself requires that the irregularity “reside within the four corners of the application.” It would be nonsensical to limit the minor irregularity rule to an application when the RFA requires, *as part of the application*, the provision of an application fee. Indeed, it was Woodland Park’s application that was rendered ineligible because of the typographical error in its application fee. Thus, Woodland Park urges Florida Housing to reject this Paragraph because it is not supported by competent, substantial evidence and is not reasonable.

In Paragraph 40, the ALJ found that, even if the minor irregularity rule applied to application fees, it would not apply in this instance because the typographical error did not satisfy the criteria in the minor irregularity rule. However, in making this finding, the ALJ offered no rationale as to why these criteria were not met. In a conclusory fashion, the ALJ simply states that Woodland Park’s typographical error fails each criterion of the rule. Such a conclusory statement violates section 120.57(1)(k) and section 120.569(2)(m), which provides that “[f]indings of fact, if set forth in a manner which is no more than mere tracking of the statutory language, must be accompanied by a concise and explicit statement of the underlying facts of record which support the findings.” § 120.57(1)(k), Fla. Stat. Under this provision, if an ALJ’s finding is based on “mere tracking of the statutory [or rule] language,” the ALJ must state “underlying facts of record” to support the findings. *Id.* Thus, this conclusory finding is not supported by competent, substantial evidence and should be rejected.

To the extent Paragraph 40 contains conclusions of law, those conclusions are not reasonable. The typographical error did not result in the omission of material information because Florida Housing witnesses testified that the account number was not a required element under the RFA, but rather a “strong recommendation.” (T. 101-02, Button; T. 67, Salmonsens). It did not

create uncertainty that the terms and requirements of the RFA were met because Woodland Park's Application included the FEDR number and Fed Wire Transfer Number associated with the wire transfer so Florida Housing could know from reviewing the Woodland Park Application that the wire transfer occurred. It would not have provided a competitive advantage over other applicants "who were required to provide timely payment" because Woodland Park initiated the wire transfer 6 days before the deadline and received confirmation that it was received. It is not as if Woodland Park was trying to evade and avoid having to pay the application fee. Lastly, it would not adversely impact Florida Housing because the highest ranked applicant would have been funded, in accordance with the RFA, furthering Florida Housing's mission. Woodland Park urges Florida Housing to reject Paragraph 40 of the Recommended Order.

In Paragraph 41, the ALJ found that Florida Housing's determination that Woodland Park's application was ineligible was not clearly erroneous, contrary to competition, arbitrary, or capricious. In its Protest, Woodland Park specifically alleged that Florida Housing's initial determination was clearly erroneous, contrary to competition, arbitrary, and capricious. At the final hearing, Woodland Park presented undisputed evidence obtained through discovery to support its allegations and recited that evidence in its detailed Proposed Recommended Order. Rather than acknowledging and rejecting the evidence, the Recommended Order wholly ignores it, making no findings as to why the decision was not contrary to competition, arbitrary, or capricious.

As with Paragraph 40, the findings of act in Paragraph 41 are conclusory findings that are not supported by any record evidence and violate sections 120.57(1)(k) and 120.569(2)(m). *See Borges*, 143 So. 3d at 1187 (concluding that a recommended order is deficient where it fails to make sufficient findings to resolve the issues raised by the challenging party). Because they are not supported by competent substantial evidence, Florida Housing should reject them.

To the extent Paragraph 41 was accurately labeled a conclusion of law, Florida Housing should reject those conclusions because they are not reasonable. As Florida Housing witnesses acknowledged at the final hearing, checks with missing identifying information are treated differently than a typographical error in a wire transfer. (T. 107-08, Button). Requiring more information of an applicant that submits the application fee via wire transfer versus a competing applicant that submits the fee via check is inherently contrary to competition because it does not allow for “fair competition upon equal terms to all bidders. *Wester v. Belote*, 138 So. 721, 723-24 (Fla. 1931). To conclude that such disparate treatment is not contrary to competition defies logic. Additionally, Florida Housing’s action was clearly contrary to Florida Housing’s minor irregularity rule for the reasons set forth above. Florida Housing should reject Paragraph 41 of the Recommended Order.

For the same reasons Paragraphs 39, 40, and 41 should be rejected, the findings of fact in the second sentence of Paragraph 22 are not supported by competent, substantial evidence and should be rejected.

Accordingly, Woodland Park urges Florida Housing to reject the second sentence of Paragraph 22 and replace it with the following:

22. Florida Housing did not perform a minor irregularity analysis on the issue at the time that Florida Housing scored the applications. However, such an analysis was unnecessary given that it is clear, on its face, that Woodland Park’s failure to timely provide its application fee to Florida Housing does not constitute a minor irregularity. For the reasons explained in the Conclusions of Law, Florida Housing should have performed a minor irregularity analysis because the typographical error in Woodland Park’s wire transfer is a waivable minor irregularity.

Additionally, as to Paragraphs 39, 40, and 41, Woodland Park urges Florida Housing modify those paragraphs as follows:

39. A plain reading of rule 67-60.008 states that, to be a [sic] waived as a minor irregularity, the basis of the minor irregularity must reside within the four corners

~~of the application. The typographical error in Woodland Park's wire transfer clearly meets the requirements of rule 67-60.008.~~

40. ~~Even if the typographical error at issue in this case were within the application, it still could not be considered a minor irregularity as the term is defined. Although the typographical error could not be considered a minor irregularity if even one of the enumerated rule-based factors were present, Woodland Park's typographical error fails with respect to all of the factors. Woodland Park's typographical error did not result in the omission of material information because Florida Housing witnesses testified that the account number was not a required element under the RFA, but rather a "strong recommendation"; did not create uncertainty that the terms and requirements of the RFA were met because Woodland Park's Application included the FEDR number and Fed Wire Transfer Number associated with the wire transfer so Florida Housing could know from reviewing the Woodland Park Application that the wire transfer occurred; if waived would not have provided a competitive advantage for Woodland Park over other applicants because Woodland Park initiated the wire transfer 6 days before the deadline and received confirmation that it was received. It is not as if Woodland Park was trying to evade and avoid having to pay the application fee who were required to provide timely payment to earn their eligibility for funding; and would not adversely impact Florida Housing because the highest ranked applicant would have been funded, in accordance with the RFA, furthering Florida Housing's mission by creating a burden to correct applicants' unilateral mistakes.~~

41. Florida Housing's determination that Woodland Park's application was ineligible was ~~not~~ clearly erroneous, contrary to competition, arbitrary, and ~~or~~ capricious. Woodland Park ~~fails to meet~~ met its burden of proof under section 120.57(3)(f) by ~~failing to demonstrate~~ demonstrating that Florida Housing's action was contrary to Florida Housing's governing statutes, rules or policies, or the RFA specifications.

IV. CONCLUSION

For these reasons, we urge Florida Housing to grant these exceptions and adopt the modified findings of fact and conclusions of law in its Final Order awarding Woodland Park funding under the RFA.

[SIGNATURE ON NEXT PAGE]

Respectfully submitted this 25th day of May, 2023.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail this 25th day of May 2023 to:

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**STATE OF FLORIDA
DIVISION OF ADMINISTRATIVE HEARINGS**

WOODLAND PARK II, LLC,

Petitioner,

DOAH Case No. 23-000685BID

v.

FLORIDA HOUSING FINANCE CORPORATION,

Respondent.

and

THE ENCLAVE AT NORTHSORE, LP

Intervenor.

_____ /

JIC PALATKA APARTMENTS, LLC,

Petitioner,

DOAH Case No. 23-000686BID

v.

FLORIDA HOUSING FINANCE CORPORATION,

Respondent,

and

PARC WEST, LLC,

Intervenor.

_____ /

**RESPONDENT FLORIDA HOUSING'S RESPONSE TO PETITIONER WOODLAND
PARK II, LLC'S EXCEPTIONS TO THE RECOMMENDED ORDER**

Respondent, Florida Housing Finance Corporation ("Florida Housing"), hereby submits its Response to Petitioner, Woodland Park II, LLC's ("Woodland Park"), exceptions to

Administrative Law Judge (“ALJ”) Brittany O. Finkbeiner’s May 17, 2023 Recommended Order, pursuant to Florida Administrative Code Rule 28-106.217.

Standard of Review

Section 120.57(1)(k), Florida Statutes, sets forth the standards by which an agency must consider exceptions filed to a Recommended Order, and in relevant part provides:

The final order shall include an explicit ruling on each exception, but an agency need not rule on an exception that does not clearly identify the disputed portion of the recommended order by page number and paragraph, that does not identify the legal basis for the exception, or that does not include appropriate and specific citations to the record.

Section 120.57(1)(l), Florida Statutes, provides, in pertinent part:

The agency may not reject or modify the findings of fact unless the agency first determines from a review of the entire record, and states with particularity in the order, that the findings of fact were not based upon competent substantial evidence or that the proceedings on which the findings were based did not comply with essential requirements of law.

It is the job of the Administrative Law Judge (“the ALJ”) to assess the weight of the evidence, and this Board cannot re-weigh the evidence absent a showing that the finding was not based on competent, substantial evidence. *Rogers v. Department of Health*, 920 So.2d 27 9Fla. 1st DCA 2005); *B.J. v. Department of Children and Family Services*, 983 So.2d 11 (Fla. 1st DCA 2008). “If there is competent, substantial evidence in the record to support the ALJ’s findings of fact, the agency may not reject them, modify them, substitute its findings, or make new findings.” *Bridlewood Grp. Home v. Agency for Persons with Disabilities*, 136 So. 3d 652 (Fla. 2d DCA 2013) “Competent substantial evidence” means: “[T]he evidence relied upon to sustain the ultimate finding should be sufficiently relevant and material that a reasonable mind would accept it as adequate to support the conclusion reached.” *Dept. of Highway Safety and Motor Vehicles v. Wiggins*, 151 So.3d 457 (Fla. 1st DCA 2014).

Section 120.57(1)(l), Florida Statutes, further provides:

The agency in its final order may reject or modify the conclusions of law over which it has substantive jurisdiction and interpretation of administrative rules over which it has substantive jurisdiction. When rejecting or modifying such conclusion of law or interpretation of administrative rule, the agency must state with particularity its reasons for rejecting or

modifying such conclusion of law or interpretation of administrative rule and must make a finding that its substituted conclusion of law or interpretation of administrative rule is as or more reasonable than that which was rejected or modified. Rejection or modification of conclusions of law may not form the basis for rejection or modification of findings of fact.

Response to Exception #1

Petitioner takes exception to paragraph 32 in the Recommended Order's conclusions of law in which the ALJ cites three cases:

32. It is well-established that an agency "has wide discretion in soliciting and accepting bids for public improvements and its decision, when based on an honest exercise of this discretion, will not be overturned by a court even if it may appear erroneous and even if reasonable persons may disagree." *Dep't of Transp. v. Groves-Watkins Constructors*, 530 So. 2d 912, 913 (Fla. 1988) (quoting *Liberty Cnty. v. Baxter's Asphalt & Concrete, Inc.*, 421 So. 2d 505, 507 (Fla. 1982)). The administrative law judge should not "second guess the members of [the] evaluation committee to determine whether he and/or other reasonable and well-informed persons might have reached a contrary result." *Scientific Games, Inc. v. Dittler Bros.*, 586 So. 2d 1128, 1131 (Fla. 1st DCA 1991). Indeed, if an agency "makes an erroneous decision about which reasonable people may disagree," its decision should not be overturned "absent a showing of dishonesty, illegality, fraud, oppression or misconduct." *Sutron Corp. v. Lake Cnty. Water Auth.*, 870 So. 2d 930, 932 (Fla. 2d DCA 2004).

Petitioner requests that this entire paragraph be stricken, alleging that the citations contain an outdated standard of review. However, as Petitioner admits in its filing, throughout the Recommended Order "the correct standard of section 120.57(3)(f) is repeated" several times. In fact, the ALJ never applies the law cited in paragraph 32 to the facts of the case. In her initial 'Statement of the Issues,' the ALJ utilizes the §120.57(3)(f), Fla. Stat., standard of review, "whether Florida Housing's proposed action is clearly erroneous, contrary to competition, arbitrary, or capricious." In paragraphs 26 and 28, the ALJ explicitly states that the §120.57(3)(f) standard of review applies to this proceeding, then describes each element of the standard in detail throughout Paragraphs 29-31. In paragraphs 33 and 41, the ALJ applies the §120.57(3)(f) standard of review to the facts of the case. The ALJ included no analysis based upon paragraph 32. The inclusion of paragraph 32 is dicta and irrelevant to the outcome of the ALJ's decision. Striking

paragraph 32 would not change the overall recommendation or reasoning for finding Petitioner's application ineligible.

Petitioner's Exception # 1 should be rejected.

Response to Exception #2

Petitioner takes exception to paragraph 16, in which the ALJ found

16. There have been occasions, including with respect to the RFA, when Florida Housing received applications, but could not immediately locate the corresponding application fees. When this occurs, it is Florida Housing's practice to reach out to the applicants' representatives after the application deadline to confirm how fees were submitted. The record is clear that Florida Housing regularly makes efforts to reconcile misplaced application fees with their respective applications if such fees were timely provided before the application deadline. However, it is a critical distinction in the present case that the record is devoid of any evidence that Florida Housing has ever accepted an application fee that was provided after the application deadline.

Petitioner takes exception to the findings in this paragraph, claiming the findings are not supported by competent, substantial record evidence and ignore undisputed evidence. In doing so, Petitioner does not directly dispute the finding of fact in paragraph 16. Instead, Petitioner argues that the ALJ should have included additional findings from the hearing testimony.

A large portion of the final hearing was devoted to testimony regarding Florida Housing's internal application fee process and the history of that process. However, the core issue case turned on whether Florida Housing's determination that Petitioner was ineligible for failing to timely provide its application fee to Florida Housing was clearly erroneous, contrary to competition, arbitrary, or capricious. Florida Housing's internal application fee process and the history of that process did not factor into the ineligible determination and were irrelevant and immaterial to the ALJ's recommendation.

Petitioner also cites testimony presenting Petitioner's confusion regarding the strong recommendations relating to application fee submission but made no challenges to the terms of

the RFA. (Recommended Order, ¶9). Testimony at hearing was clear that the strong recommendations within the RFA are not mandatory requirements for application fee submission and were not considered when determining the Petitioner's eligibility. (Transcript pages 67, 79, 93, 102, and 128). Petitioner admitted at hearing that it did not submit any questions or comments to address any confusion about the strong recommendations when this RFA was workshopped (Transcript Page 57-58). Petitioner merely offered its opinion on what it thought the strong recommendations implied about Florida Housing's processes. Since compliance with the "strong recommendations" was not considered in the eligibility determination, they were also irrelevant and immaterial to the ALJ's recommendation.

Timely providing the application fee to Florida Housing before the application deadline is a material eligibility requirement of the RFA. (Transcript, page 105). Noticeably and importantly, Petitioner does not directly address the final sentence of paragraph 16 within its exemption narrative, specifically, "the record is devoid of any evidence that Florida Housing has ever accepted an application fee that was provided after the application deadline." The ALJ finding of fact in the final sentence of paragraph 16 is consistent with the record.

The detailed findings by the ALJ, including paragraph 16, make it clear that, contrary to Petitioner's assertions, the ALJ did not ignore any evidence presented by Petitioner. The ALJ thoughtfully and reasonably evaluated the evidence presented in the context of the relevant and material RFA requirements and the appropriate standard of review. The ALJ reasonably concluded that Petitioner failed to meet the mandatory criteria for eligibility. There is no basis to overturn the well-reasoned findings of the ALJ, which are based on competent substantial evidence.

The recommended order addresses the relevant factual controversy that was the subject of the hearing. The findings of fact in paragraph 16 are supported by competent substantial evidence, and Petitioner's Exception # 2 should be rejected.

Response to Exception #3

Petitioner takes exception to finding of fact paragraph 23 and conclusion of law paragraph 36 in which the ALJ found that Wells Fargo was not acting as an agent of Florida Housing. The ALJ's conclusion of law is reasonable and consistent with the competent substantial evidence presented at hearing. The plain language of the RFA requires an applicant to provide a nonrefundable application fee to Florida Housing by the Application deadline. Applicants may choose from one of four methods to provide the fee to Florida Housing, one of which is by wire transfer to Florida Housing's account at Wells Fargo. The application goes on to provide wire transfer instructions naming the bank and account information for the wire transfer.

Several times at the hearing, Petitioner referred to Wells Fargo as Florida Housing's agent simply because "[t]hey are the holder of Florida Housing's accounts." (Transcript page 62). Ms. Button testified that Wells Fargo does not act as Florida Housing's agent for the receipt of application fees and Florida Housing has no control over Well's Fargos wire transfer routing process. (Transcript page 129). No testimony was offered from Wells Fargo. In Paragraphs 23 and 36, the ALJ weighed the evidence and reasonably concluded that Wells Fargo is not Florida Housing's agent.

In its exception, Petitioner proffers a novel legal theory that Wells Fargo possessed "apparent authority" and argues that the theory should have been considered. Petitioner failed to address this new theory in its petition, position statement, at hearing, or its proposed recommended order, bringing it up for the first time in its exceptions. Petitioner improperly seeks a second bite

at the apple after the ALJ has reasonably concluded that Wells Fargo was not Florida Housing's agent.

Regardless, Petitioner fails to lay out the elements required to establish a common law apparent authority relationship. An agency relationship based on apparent authority can only exist if a party *reasonably* believes the alleged agent has authority. *Fla. State Oriental Med. Ass'n v. Slepik*, 971 So. 2d 141, 145 (Fla. 1st DCA 2007) (emphasis added). Petitioner offers no caselaw suggesting that a Bank has *per se* apparent authority just because it holds a party's accounts; indeed, none could be found. There is no dispute that Wells Fargo returned Petitioner's application fee on the same day the fee was submitted due to Petitioner's error. There is no dispute that the Application Fee was not deposited into Florida Housing's account. (Transcript pages 61-62). Petitioner offered no evidence suggesting it *reasonably* thought the application fee did not need to be deposited into Florida Housing's account, but merely given to Wells Fargo. Petitioner only points to things that it felt Wells Fargo could or should have done to route the payment despite Petitioner's error while admitting that Wells Fargo had no obligation to do so. (Transcript page 62). An analogous example makes this a bit clearer: had Petitioner mailed a check to the wrong address (instead of wiring it to the wrong account) that was subsequently returned to Petitioner, it could not be reasonably said that postal service acted as Florida Housings agent, and the check should be considered received. So too, it is unreasonable to say that Wells Fargo is acting as Florida Housing's agent.

The finding of fact presented in paragraphs 23 and 36 are supported by competent substantial evidence and the conclusions of law are reasonable. Petitioner's Exception # 3 should be rejected.

Response to Exception #4

Petitioner takes exception to the finding of fact in the second sentence of paragraph 22, and paragraphs 39, 40, and 41 in full.

In the second sentence of paragraph 22, the ALJ found that a minor irregularity analysis was “unnecessary given that it is clear, on its face, that Woodland Park’s failure to timely provide its application fee to Florida Housing does not constitute a minor irregularity.” Relatedly, in Paragraph 39 the ALG found that “A plain reading of rule 67-60.008 states that, to be a [sic] waived as a minor irregularity, the basis of the minor irregularity must reside within the four corners of the application.”

The ALJ’s conclusions are consistent with Florida Housings Rules and hearing testimony. Florida Housing’s Minor Irregularity Rule, Florida Administrative Code Rule 67-60.008, begins with “Minor irregularities are those irregularities *in an Application...*” (emphasis added). The clear and unambiguous language of Florida Housing’s Rule states that the irregularity must reside in the application to be considered a minor irregularity. It is undisputed that Petitioner made a typographical error in the wire transfer instructions sent to its Bank and that those wire transfer instructions are not in, or part of, Petitioner’s application. At hearing, Ms. Button was questioned regarding whether Florida Housing had accepted typographical errors as minor irregularities in the past. Ms. Button’s response was consistent with Florida Housing’s Rules, “We have done so when we could see from the four corners of the application that was submitted, that information.... [when] we can derive the information that was provided within the application itself.” (Transcript page 116).

In paragraph 40, having already found that the minor irregularity rule could not be applied to Petitioner’s wire instructions, the ALJ explains in the alternative that, even if the minor

irregularity analysis were applied to these facts, the analysis would fail because the typographical error did not satisfy the criteria in the minor irregularity rule. The ALJ provides her reasoning as to why Petitioner fails to meet each factor within the analysis. Ms. Button was also asked to apply each factor of a minor irregularity analysis to the facts of this case at hearing. The ALJ's recommended order is reasonable and consistent with the competent substantial evidence presented at hearing.

In paragraph 41, the ALJ thoughtfully and reasonably evaluated the evidence presented in the context of the relevant and material RFA requirements and applied the appropriate standard of review. The ALJ reasonably concluded that Florida Housing's determination that Petitioner's application was ineligible was not clearly erroneous, contrary to competition, arbitrary, or capricious. There is no basis to overturn the ALJ's reasonable conclusions of law.

The finding of fact presented in the second sentence of paragraph 22 and paragraphs 39, 40, and 41 are supported by competent substantial evidence, and the conclusions of law are reasonable. Petitioner's Exception #4 should be rejected.

WHEREFORE, Florida Housing respectfully requests that the Board of Directors reject Petitioner's Exceptions, adopt the Findings of Fact, Conclusions of Law, and Recommendation of the Recommended Order, and issue a Final Order consistent with same.

RESPECTFULLY SUBMITTED this 31st day of May, 2023,

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing has been furnished by E-Mail this

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Counsel for Parc West, LLC

/s/ Ethan S. Katz
Ethan S. Katz
Counsel for Florida Housing Finance Corporation

**STATE OF FLORIDA
DIVISION OF ADMINISTRATIVE HEARINGS**

WOODLAND PARK II, LLC,

Petitioner,

DOAH Case No. 23-000685BID

v.

FLORIDA HOUSING FINANCE CORPORATION,

Respondent.

and

THE ENCLAVE AT NORTHSORE, LP

Intervenor.

_____ /

JIC PALATKA APARTMENTS, LLC,

Petitioner,

DOAH Case No. 23-000686BID

v.

FLORIDA HOUSING FINANCE CORPORATION,

Respondent,

and

PARC WEST, LLC,

Intervenor.

_____ /

**INTERVENOR THE ENCLAVE AT NORTHSORE, LP'S NOTICE OF
JOINDER IN FLORIDA HOUSING'S RESPONSE TO THE PETITIONER
WOODLAND PARK II, LLC'S PROPOSED EXCEPTIONS TO THE RECOMMENDED
ORDER**

The Enclave at Northshore, LP (“The Enclave”) by and through its undersigned counsel, hereby files this Notice of Joinder Florida Housing’s Response to Petitioner Woodland Park II, LLC’s Exceptions to the Recommended Order submitted by Florida Housing Finance Corporation (“Florida Housing”). The Enclave hereby adopts, joins in and incorporates by reference the Response to Exceptions to the Recommended order submitted by Florida Housing to the extent it requests that the Board of Directors reject Petitioner’s Exceptions, adopt the Findings of Fact, Conclusions of Law, and Recommendation of the Recommended Order, and issue a Final Order consistent with same.

RESPECTFULLY SUBMITTED this 1st day of June, 2023,

/S/ James A. Boyd, Jr.
James A. Boyd, Jr.
Fla. Bar No.: 994405
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Counsel for Intervenor The Enclave at Northshore, LP

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing has been furnished by E-Mail this 1st day of June, 2023 to:

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*Counsel for Parc West, LLC and
ECG Toledo Blade, LP*

/s/ James A. Boyd, Jr.
James A. Boyd, Jr.

Application Number	Name of Development	County	County Size	Name of Authorized Principal Representative	Name of Developers	Demo	Total Units	Competitive HC Request Amount	Eligible For Funding?	Priority Level	PHA Area of Opportunity	Qualifies for LGAO Goal?	LGAO/ Revitalization Plan?	LGAO/ multiple years of continuous support?	LGAO - lower preference?	Family Dev in Medium County that qualifies for the Geographic Area of Opportunity / SADDA Funding Goal?	Qualifies for the SunRail Goal?	SunRail - lower preference?	Total Points	Per Unit Construction Funding Preference	Development Category Funding Preference	Leveraging Classification	Proximity Funding Preference	Florida Job Creation Preference	Lottery Number
2023-024C	Palatka Apartments	Putnam	S	Timothy M. Morgan	JIC Florida Development, LLC	F	40	\$1,060,360	Y	1	N	N	N	N	N/A	N	N	N	10	Y	Y	A	Y	Y	16
2023-026C	The Fountains at Hidden Lake	Citrus	M	Matthew A. Rieger	HTG Hidden Lake Developer, LLC	E, Non-ALF	81	\$2,039,900	Y	1	N	Y	N	Y	N/A	N	N	N	10	Y	Y	A	N	Y	13
2023-040C	Hermosa North Fort Myers	Lee	M	Michael R. Allan	Revital Development Group, LLC; LCHA Developer, LLC	E, Non-ALF	72	\$2,040,000	Y	1	N	Y	N	Y	N/A	N	N	N	10	Y	Y	A	Y	Y	3
2023-042C	Poinciana Parc	Osceola	M	Oscar Sol	Poinciana Parc Dev, LLC	E, Non-ALF	86	\$2,040,000	Y	1	N	N	N	N	N/A	N	Y	N	10	Y	Y	A	Y	Y	9
2023-044C	The Pointe at Piney-Z	Leon	M	Joseph Chapman	Royal American Properties, LLC	F	80	\$2,019,000	Y	1	N	N	N	N	N/A	Y	N	N	10	Y	Y	A	Y	Y	8
2023-045C	The Enclave at Northshore	Bay	M	Joseph Chapman	Royal American Properties, LLC	E, Non-ALF	86	\$1,999,999	Y	1	N	Y	N	Y	N/A	N	N	N	10	Y	Y	A	Y	Y	17
2023-057C	Minnesota Ave Apartments	Volusia	M	C. Hunter Nelson	ECG Toledo Blade Developer, LLC	F	68	\$2,019,998	Y	1	N	Y	N	N	N/A	Y	N	N	10	Y	Y	A	Y	Y	26
2023-066C	New Trail Plaza	Sarasota	M	Shawn Wilson	Blue NT Developer, LLC; CASL Developer, LLC	F	96	\$2,040,000	Y	1	N	Y	Y	N	N/A	N	N	N	10	Y	Y	A	Y	Y	1

**RFA 2023-105
All Applications**

Application Number	Name of proposed Development	County	Authorized Principal Representative	Name Of Applicant	CRH or SLU?	CRH that is IB?	Proposed number of Residents	Total Units	Maximum Eligible Funding Award Amount	Eligible?	Total Points	Qualifying Financial Assistance	Florida Job Creation	Lottery Number
2023-189G*	Manning Residence	Palm Beach	Kimberly A McCarten	The Arc of Palm Beach County, Inc.	CRH	N	6	1	\$724,200	Y	110	Y	N	1

RFA 2023-105
Review Committee Recommendations

Total Grant Funding Available in RFA	\$ 4,000,000.00
Total Grant Funding Allocated	\$ 724,200.00
Total Grant Remaining	\$ 3,275,800.00

Application Number	Name of proposed Development	County	Authorized Principal Representative	Name Of Applicant	CRH or SLU?	CRH that is IIB?	Proposed number of Residents	Total Units	Maximum Eligible Funding Award Amount	Eligible?	Total Points	Qualifying Financial Assistance	Florida Job Creation	Lottery Number
2023-189G*	Manning Residence	Palm Beach	Kimberly A McCarten	The Arc of Palm Beach County, Inc.	CRH	N	6	1	\$724,200	Y	110	Y	N	1

RFA 2023-108 All Applications

HC Balance Remaining	810,000.00
RRLP Balance Remaining	-
HOME-ARP Balance Remaining	2,354,100.00

Application Number	Name of Development	County	Tier	HC Request Amount	Eligible HOME-ARP Request Amount	Eligible RRLP Base Request Amount	Eligible RRLP ELI Request Amount	Eligible RRLP Total Request Amount	Eligible For Funding?	Total Points	Operating/Managing Experience Points	Involvement in the Local Homeless Resources Network Points	Leveraging	Qualifying Financial Assistance Preference	Florida Job Creation Preference	Lottery Number
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Eligible Applications

2023-190CRA*	Blue Coral Apartments	Lee	1	\$2,040,000	\$1,753,600	\$4,200,000	\$0	4,200,000	Y	142	38	16	\$250,792.00	N	Y	1
2023-191CRA**	Brentwood Village	Volusia	1	\$2,040,000	\$596,700	\$4,024,800	\$175,200	4,200,000	Y	134	38	17	\$319,942.75	N	Y	3
2023-192CRA**	Fox Pointe	Volusia	1	\$2,040,000	\$1,392,300	\$3,964,500	\$235,500	4,200,000	Y	137	37	19	\$293,407.71	Y	Y	4
2023-193CRA**	Vincentian Villa	Charlotte	1	\$925,000	\$592,200	\$3,037,100	\$112,900	3,150,000	Y	131	37	14	\$303,140.83	N	Y	2

*HOME-ARP request amount was adjusted during scoring; Leveraging amount was adjusted during scoring.

**Leveraging amount was adjusted during scoring.

RFA 2023-108 Review Committee Recommendations

Total HC Available for RFA	4,890,000
Total HC Allocated	4,080,000
Total HC Remaining	810,000
Total RRLP Available for RFA	8,400,000
Total RRLP Allocated	8,400,000
Total RRLP Remaining	-

Total HOME-ARP Available for	5,500,000
Total HOME-ARP Allocated	3,145,900
Total HOME-ARP Remaining	2,354,100

Application Number	Name of Development	County	Tier	Demographic	Total Units	Name of Principal Representative	Name of Developers	County Size	HC Request Amount	Eligible HOME-ARP Request Amount	Eligible RRLP Total Request Amount	Eligible For Funding?	Total Points	Operating/ Managing Experience Points	Involvement in the Local Homeless Resources Network Points	Leveraging	Qualifying Financial Assistance Preference	Florida Job Creation Preference	Lottery Number
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Goal to fund one Application for a proposed Development located in Lee County

2023-190CRA*	Blue Coral Apartments	Lee	1	H less than 80%	72	Julian S. Eller	Blue BC Developer, LLC; CASL Developer, LLC	M	\$2,040,000	\$1,753,600	4,200,000	Y	142	38	16	\$250,792.00	N	Y	1
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Remaining Funding

2023-192CRA**	Fox Pointe	Volusia	1	H less than 80%	70	Rob Cramp	HTG Fox Pointe Developer, LLC; HfH Fox Pointe Developer, LLC	M	\$2,040,000	\$1,392,300	4,200,000	Y	137	37	19	\$293,407.71	Y	Y	4
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RFA 2023-211 – All Applications

App Number	Name of proposed Development	County	Applicant	Authorized Principal Representative	Dev Category	Eligible Viability Request Amount	Eligible for Funding	Job Creation Preference	Lottery
2023-231V	Griffin Lofts	Polk	Allegre Pointe, LLC	Stephanie Berman	NC	4,300,000	Y	Y	28
2023-232V	Lofts at Bahama Village	Monroe	Bahama Village Community, Ltd.	James R. Hoover	NC	4,300,000	Y	Y	23
2023-233V	Pinnacle at La Cabana	Broward	Pinnacle at La Cabana, LLLP	David O. Deutch	NC	4,300,000	Y	Y	2
2023-234V	Pinnacle at the Wesleyan	Osceola	Pinnacle at the Wesleyan, LLC	David O. Deutch	NC	4,300,000	Y	Y	6
2023-235V	Naranja Grand	Miami-Dade	Naranja Grand Senior, Ltd	Matthew A. Rieger	NC	4,300,000	Y	Y	27
2023-236V	Naranja Grand II	Miami-Dade	Naranja Grand II, LLC	Matthew A. Rieger	NC	7,600,000	Y	Y	5
2023-237V	Sandcastle Manor	Baker	Sandcastles Foundation, Inc.	Jessica L. Criss	NC	1,740,000	Y	Y	20
2023-238V	Pollywog Creek Mews	Hendry	Pollywog Creek Mews, LLC	Steven Kirk	NC	2,475,000	Y	Y	30
2023-239V	Founders Point	Pinellas	Pinellas Affordable Living, Inc.	Jack D. Humburg	NC	1,124,691	Y	Y	22
2023-240V	Everglades Village Phase 5.6	Miami-Dade	Everglades village Phase 5.6, LLC	Steven Kirk	NC	1,000,000	Y	Y	13
2023-241V	Oasis at Aventura	Miami-Dade	HTG Oasis, Ltd	Matthew A. Rieger	NC	4,300,000	Y	Y	17
2023-242V	Coleman Park Renaissance	Palm Beach	CP Renaissance, LLC	Terri Murray	NC	1,900,000	Y	Y	12
2023-243V	Cross Creek Gardens at Quincy	Gadsden	Cross Creek Gardens at Quincy, LLC	Terri Muray	NC	1,300,000	Y	Y	4
2023-244V	Princeton Crossings	Miami-Dade	Princeton Crossings LLC	Lewis V Swezy	NC	3,300,000	Y	Y	18
2023-245V	Casa di Francesco	Hillsborough	Blue St. Francis, Ltd.	Shawn Wilson	NC	4,300,000	Y	Y	16
2023-246V	Rainbow Village	Miami-Dade	RGC Phase I, LLC	Matthew A. Rieger	NC	9,000,000	Y	Y	3
2023-247V	Tranquility at Hope School Phase II	Jackson	East Lake Florida 3, LLC	Eric H. Lipp	NC	3,000,000	Y	Y	1
2023-248V	Southwick Commons	Orange	Southwick Commons, Ltd.	Jonathan L. Wolf	NC	6,310,452	Y	Y	15
2023-249V	Pembroke Tower II	Broward	SP Broward, LLC	J. David Page	NC	4,300,000	Y	Y	11
2023-250V	Bristol Manor	Volusia	Bristol Manor, Ltd.	Julie von Weller	NC	4,300,000	Y	Y	24
2023-251V	The Verandas of Punta Gorda III	Charlotte	The Verandas of Punta Gorda III, LLLP	Richard L Higgins	NC	2,090,000	Y	Y	29
2023-252V	Villages of New Augustine	Saint Johns	Ability VNA, LLC	Shannon L. Nazworth	NC	4,265,345	Y	Y	25

RFA 2023-211 – All Applications

App Number	Name of proposed Development	County	Applicant	Authorized Principal Representative	Dev Category	Eligible Viability Request Amount	Eligible for Funding	Job Creation Preference	Lottery
2023-253V	Vincentian Village	Pinellas	Ability SVdP, LLC	Shannon L. Nazworth	NC	2,549,130	Y	Y	19
2023-254V	52 at Park	Orange	Parkwood Plaza Apartments, Ltd.	Russell Condas	NC	4,300,000	Y	Y	10
2023-255V	Whispering Oaks	Orange	SP East LLC	J. David Page	NC	6,500,000	Y	Y	8
2023-256V	The Salix on Vine	Osceola	Vineland Family Apartments, Ltd.	Russell Condas	NC	4,300,000	Y	Y	14
2023-257V	Courtside Apartments Phase II	Miami-Dade	AMC HTG 2, Ltd.	Matthew A. Rieger	NC	4,300,000	Y	Y	9
2023-258V	Osprey Sound	Orange	Osprey Sound Apartments, L.P.	Jonathan Gruskin	NC	4,300,000	Y	Y	21
2023-259V	Barnett Villas	Orange	BDG Barnett Villas, LP	Scott Zimmerman	NC	2,999,999	Y	Y	26
2023-260V	Vista Breeze	Miami-Dade	Vista Breeze, Ltd.	Kenneth Naylor	NC	4,300,000	Y	Y	7

RFA 2023-211 – Review Committee Recommendations

Total Funding Available for New Construction Applications	164,300,000.00
Total Funding Allocated to New Construction Applications	117,354,617.00
Total New Construction Funding Remaining	46,945,383.00

Total Funding Available for Rehabilitation Applications	4,300,000.00
Total Funding Allocated to Rehabilitation Applications	-
Total Rehabilitation Funding Remaining	4,300,000.00

AppNumber	Name of proposed Development	County	Applicant	Authorized Principal Representative	Dev Category	Eligible Viability Request Amount	Eligible for Funding	Job Creation Preference	Lottery
2023-247V	Tranquility at Hope School Phase II	Jackson	East Lake Florida 3, LLC	Eric H. Lipp	NC	3,000,000	Y	Y	1
2023-233V	Pinnacle at La Cabana	Broward	Pinnacle at La Cabana, LLLP	David O. Deutch	NC	4,300,000	Y	Y	2
2023-246V	Rainbow Village	Miami-Dade	RGC Phase I, LLC	Matthew A. Rieger	NC	9,000,000	Y	Y	3
2023-243V	Cross Creek Gardens at Quincy	Gadsden	Cross Creek Gardens at Quincy, LLC	Terri Muray	NC	1,300,000	Y	Y	4
2023-236V	Naranja Grand II	Miami-Dade	Naranja Grand II, LLC	Matthew A. Rieger	NC	7,600,000	Y	Y	5
2023-234V	Pinnacle at the Wesleyan	Osceola	Pinnacle at the Wesleyan, LLC	David O. Deutch	NC	4,300,000	Y	Y	6
2023-260V	Vista Breeze	Miami-Dade	Vista Breeze, Ltd.	Kenneth Naylor	NC	4,300,000	Y	Y	7
2023-255V	Whispering Oaks	Orange	SP East LLC	J. David Page	NC	6,500,000	Y	Y	8
2023-257V	Courtside Apartments Phase II	Miami-Dade	AMC HTG 2, Ltd.	Matthew A. Rieger	NC	4,300,000	Y	Y	9
2023-254V	52 at Park	Orange	Parkwood Plaza Apartments, Ltd.	Russell Condas	NC	4,300,000	Y	Y	10
2023-249V	Pembroke Tower II	Broward	SP Broward, LLC	J. David Page	NC	4,300,000	Y	Y	11
2023-242V	Coleman Park Renaissance	Palm Beach	CP Renaissance, LLC	Terri Murray	NC	1,900,000	Y	Y	12
2023-240V	Everglades Village Phase 5.6	Miami-Dade	Everglades village Phase 5.6, LLC	Steven Kirk	NC	1,000,000	Y	Y	13
2023-256V	The Salix on Vine	Osceola	Vineland Family Apartments, Ltd.	Russell Condas	NC	4,300,000	Y	Y	14
2023-248V	Southwick Commons	Orange	Southwick Commons, Ltd.	Jonathan L. Wolf	NC	6,310,452	Y	Y	15
2023-245V	Casa di Francesco	Hillsborough	Blue St. Francis, Ltd.	Shawn Wilson	NC	4,300,000	Y	Y	16
2023-241V	Oasis at Aventura	Miami-Dade	HTG Oasis, Ltd	Matthew A. Rieger	NC	4,300,000	Y	Y	17
2023-244V	Princeton Crossings	Miami-Dade	Princeton Crossings LLC	Lewis V Swezy	NC	3,300,000	Y	Y	18
2023-253V	Vincentian Village	Pinellas	Ability SVdP, LLC	Shannon L. Nazworth	NC	2,549,130	Y	Y	19
2023-237V	Sandcastle Manor	Baker	Sandcastles Foundation, Inc.	Jessica L. Criss	NC	1,740,000	Y	Y	20
2023-258V	Osprey Sound	Orange	Osprey Sound Apartments, L.P.	Jonathan Gruskin	NC	4,300,000	Y	Y	21
2023-239V	Founders Point	Pinellas	Pinellas Affordable Living, Inc.	Jack D. Humburg	NC	1,124,691	Y	Y	22
2023-232V	Lofts at Bahama Village	Monroe	Bahama Village Community, Ltd.	James R. Hoover	NC	4,300,000	Y	Y	23
2023-250V	Bristol Manor	Volusia	Bristol Manor, Ltd.	Julie von Weller	NC	4,300,000	Y	Y	24

RFA 2023-211 – Review Committee Recommendations

AppNumber	Name of proposed Development	County	Applicant	Authorized Principal Representative	Dev Category	Eligible Viability Request Amount	Eligible for Funding	Job Creation Preference	Lottery
2023-252V	Villages of New Augustine	Saint Johns	Ability VNA, LLC	Shannon L. Nazworth	NC	4,265,345	Y	Y	25
2023-259V	Barnett Villas	Orange	BDG Barnett Villas, LP	Scott Zimmerman	NC	2,999,999	Y	Y	26
2023-235V	Naranja Grand	Miami-Dade	Naranja Grand Senior, Ltd	Matthew A. Rieger	NC	4,300,000	Y	Y	27
2023-231V	Griffin Lofts	Polk	Allegre Pointe, LLC	Stephanie Berman	NC	4,300,000	Y	Y	28
2023-251V	The Verandas of Punta Gorda III	Charlotte	The Verandas of Punta Gorda III, LLLP	Richard L Higgins	NC	2,090,000	Y	Y	29
2023-238V	Pollywog Creek Mews	Hendry	Pollywog Creek Mews, LLC	Steven Kirk	NC	2,475,000	Y	Y	30

RFA 2023-304 - All Applications

Application Number	Name of Development	County	County Size	Tier	Name of Authorized Principal Representative	Name of Developer	Dev Category	Development Type	Demo	Units	Total RRLP Request Amount (RRLP plus ELI)	MMRB Request Amount	Non Competitive HC Request Amount	Eligible For Funding?	Priority Level	Total Points	PHA Goal?	Corporation Funding PSAU	A/B Leveraging	Proximity Funding Preference	Florida Job Creation Preference	Lottery Number
2023-195BR	Legacy Park I	Lee	M	1	Matthew A Rieger	HTG Legacy I Developer, LLC	NC	MR 5/6	F	95	10,721,300	16,000,000	1,426,657	Y	1	10	N	88,175.64	A	Y	Y	24
2023-196BR	Town Oaks Apartments	Orange	L	1	C. Hunter Nelson	ECG Town Oaks Developer, LLC	NC	G	F	60	5,340,600	13,000,000	1,050,972	Y	1	10	N	83,582.00	A	Y	Y	16
2023-197BR	Princeton Oaks	Orange	L	1	Brett Green	Archway Princeton Oaks Developer, LLC	NC	G	F	90	9,227,900	14,500,000	1,325,042	Y	1	10	N	86,420.97	A	Y	Y	23
2023-198BR	Azalea Bloom	Osceola	M	2	Michael Ruane	CORE Azalea Bloom Developer LLC	NC	MR 5/6	F	95	9,345,400	15,500,000	1,397,998	Y	1	10	N	75,374.51	A	Y	Y	11
2023-199BR	The Nautilus	Lee	M	1	Matthew A Rieger	HTG Nautilus Developer, LLC	NC	MR 5/6	F	86	9,661,900	14,300,000	1,242,690	Y	1	10	N	88,206.87	A	Y	Y	35
2023-200BR	Fern Grove Phase Two	Orange	L	1	Scott Zimmerman	BDG Fern Grove Phase Two Developer, LLC	NC	MR 5/6	E, Non-ALF	133	10,600,000	27,000,000	2,347,564	Y	1	10	N	73,496.24	A	Y	Y	36
2023-201R	Lofts on Lemon Phase II	Sarasota	M	1	Darren Smith	Lofts II Fortis Developer, LLC; SHA Affordable Development, LLC	NC	HR	F	93	10,657,100		1,595,157	Y	1	10	Y	69,663.51	A	Y	Y	28
2023-202BR	Oak Park	Lee	M	1	Michael Ruane	CORE Oak Park Developer LLC	NC	MR 4	E, Non-ALF	144	10,721,600	17,000,000	1,490,984	Y	1	10	N	64,657.55	A	Y	Y	13
2023-203R	3611/3621 Cleveland Avenue	Lee	M	1	Vincent R Bennett	Fort Myers Developer, LLC; Southwest Florida Affordable Development, LLC	NC	G	F	92	9,846,500		1,900,628	Y	1	10	Y	92,822.29	B	Y	Y	19
2023-204BR	Enclave at Endeavor	Lee	M	1	Joseph F Chapman, IV	Royal American Properties, LLC	NC	G	F	112	11,113,600	16,000,000	1,434,330	Y	1	10	N	93,982.52	B	Y	Y	15
2023-205BR	Southward Village CNI Phase 2	Lee	M	1	Vincent R Bennett	Fort Myers Developer, LLC; Southwest Florida Affordable Development, LLC	NC	G	F	151	11,427,000	35,000,000	2,614,878	Y	1	10	N	72,172.02	A	Y	Y	29

RFA 2023-304 - All Applications

Application Number	Name of Development	County	County Size	Tier	Name of Authorized Principal Representative	Name of Developer	Dev Category	Development Type	Demo	Units	Total RRLP Request Amount (RRLP plus ELI)	MMRB Request Amount	Non Competitive HC Request Amount	Eligible For Funding?	Priority Level	Total Points	PHA Goal?	Corporation Funding PSAU	A/B Leveraging	Proximity Funding Preference	Florida Job Creation Preference	Lottery Number
2023-206BR	Lakewood Senior Housing	Volusia	M	1	Terri Murray	ACRUVA Community Developers, LLC; Neighborhood Renaissance, Inc.	NC	MR 4	E, Non-ALF	56	5,394,400	8,000,000	668,977	Y	1	5	N	77,145.70	A	Y	Y	17
2023-207BR	Arbors at The Ridge	Lee	M	1	Terri Murray	ACRUVA Community Developers, LLC; Neighborhood Renaissance, Inc.	NC	MR 4	E, Non-ALF	120	9,199,300	16,000,000	1,427,959	Y	1	5	N	58,466.72	A	Y	Y	21
2023-208BR	Cardinal Pointe	Orange	L	1	Deion R. Lowery	DDER Development, LLC	NC	G	E, Non-ALF	120	11,058,400	15,000,000	1,435,767	Y	1	10	N	76,705.00	A	Y	Y	5
2023-209BR	Casa San Juan Diego	Collier	M	2	Eric C. Miller	NDA Developer, LLC; CSJD Developer, Inc.; CCHA Developer, LLC	NC	G	F	80	8,029,600	13,200,000	1,308,737	Y	1	10	N	74,367.42	A	Y	Y	6
2023-210BR	St. Peter Claver Place II	Lee	M	1	Eric C. Miller	LCHA Developer, LLC; St. Peter Claver Developer, Inc. ; NDA Developer, LLC	NC	G	F	72	6,574,400	11,500,000	1,143,426	Y	1	10	N	74,122.60	A	Y	Y	31
2023-211R	Amaryllis Park Place III	Sarasota	M	1	Darren Smith	Amaryllis III Fortis Developer, LLC; SHA Affordable Development, LLC	NC	G	F	108	11,059,100		1,961,634	Y	1	10	Y	79,261.83	A	Y	Y	34
2023-212BR	Hermosa North Fort Myers II	Lee	M	1	Michael R. Allan	DDER Development, LLC; Revital Development Group, LLC; LCHA Developer, LLC	NC	MR 4	E, Non-ALF	88	9,981,900	14,250,000	1,324,288	Y	1	10	N	83,044.00	A	Y	Y	9
2023-213BR	Emerson Place	Hillsborough	L	2	Paula McDonald Rhodes	ADC Communities II, LLC; Invictus Development, LLC; UAD Emerson Place, LLC	NC	G	F	64	6,650,700	9,700,000	930,551	Y	1	10	N	99,187.50	B	N	Y	8

RFA 2023-304 - All Applications

Application Number	Name of Development	County	County Size	Tier	Name of Authorized Principal Representative	Name of Developer	Dev Category	Development Type	Demo	Units	Total RRLP Request Amount (RRLP plus ELI)	MMRB Request Amount	Non Competitive HC Request Amount	Eligible For Funding?	Priority Level	Total Points	PHA Goal?	Corporation Funding PSAU	A/B Leveraging	Proximity Funding Preference	Florida Job Creation Preference	Lottery Number
2023-214BR	Avid @ Coral Shores	Lee	M	1	Michael Ruane	CORE FL Developer VII LLC; 3rd Wave Affordable Developer LLC	NC	MR 4	E, Non-ALF	144	10,921,600	17,500,000	1,490,616	Y	1	10	N	66,015.19	A	Y	Y	33
2023-215BR	Twin Lakes Estates - Phase III	Polk	M	2	Matthew A. Rieger	HTG Twin Lakes III Developer, LLC; Polk County Housing Developers, Inc.	NC	MR 4	F	86	9,553,200	12,000,000	957,138	Y	2	5	N	83,002.50	A	Y	Y	20
2023-216BR	Palms Landing	Lee	M	1	J. David Page	Southport Development, Inc., a WA corporation doing business in FL as Southport Development Services, Inc.	NC	G	F	88	8,096,200	14,000,000	1,220,000	Y	1	10	N	87,044.55	A	Y	Y	10
2023-217R	Oakhurst Trace	Pinellas	L	3	J. David Page	Southport Development, Inc., a WA corporation doing business in FL as Southport Development Services, Inc.	NC	MR 4	F	224	4,000,000		2,500,000	Y	1	10	N	8,025.97	A	Y	Y	30
2023-218BR	Ellen Estates	Hillsborough	L	2	J. David Page	Southport Development, Inc., a WA corporation doing business in FL as Southport Development Services, Inc.	NC	MR 4	F	97	10,992,000	18,000,000	1,090,000	Y	2	10	N	87,628.87	A	Y	Y	27
2023-219BR	Flats on 4th	Pinellas	L	3	Brett Green	Flats on 4th Developer, LLC	NC	G	F	64	7,331,300	11,500,000	966,608	Y	1	10	N	111,090.00	B	Y	Y	1
2023-220BR	Legacy Park II	Lee	M	1	Matthew A Rieger	HTG Legacy II Developer, LLC	NC	MR 5/6	E, Non-ALF	80	8,950,600	13,000,000	1,235,458	Y	1	10	N	88,231.59	A	Y	Y	12
2023-221BR	The Enclave at Canopy Park	Orange	L	1	Brett Green	The Enclave at Canopy Park Developer, LLC	NC	G	F	104	8,952,300	17,000,000	1,453,186	Y	1	10	N	70,804.62	A	Y	Y	32

RFA 2023-304 - All Applications

Application Number	Name of Development	County	County Size	Tier	Name of Authorized Principal Representative	Name of Developer	Dev Category	Development Type	Demo	Units	Total RRLP Request Amount (RRLP plus ELI)	MMRB Request Amount	Non Competitive HC Request Amount	Eligible For Funding?	Priority Level	Total Points	PHA Goal?	Corporation Funding PSAU	A/B Leveraging	Proximity Funding Preference	Florida Job Creation Preference	Lottery Number
2023-222BR	Renaissance Hall Senior Living	Collier	M	2	Steven Kirk	Rural Neighborhoods, Incorporated	NC	MR 5/6	E, Non-ALF	100	8,000,000	21,000,000	1,310,304	Y	1	10	N	50,871.68	A	Y	Y	7
2023-223BR	EKOS on Pine	Sarasota	M	1	Christopher L. Shear	MHP Sarasota I Developer, LLC	NC	G	E, Non-ALF	100	10,837,000	16,750,000	1,062,947	Y	1	10	N	80,040.00	A	Y	Y	4
2023-224BR	Ekos on Vine	Volusia	M	1	Christopher L. Shear	MHP Volusia I Developer, LLC	NC	G	E, Non-ALF	96	10,524,000	15,000,000	901,282	Y	2	10	N	83,375.00	A	Y	Y	26
2023-225BR	Orange Grove	Lee	M	1	J. David Page	Southport Development, Inc., a WA corporation doing business in FL as Southport Development Services, Inc.	NC	G	F	60	6,582,300	14,000,000	865,000	Y	1	10	N	92,046.00	B	Y	Y	18
2023-226BR	New York Avenue Apartments	Volusia	M	1	Shawn Wilson	Blue Ian Developer, LLC	NC	MR 4	F	84	9,353,500	14,000,000	1,216,219	Y	1	10	N	89,294.63	A	Y	Y	2
2023-227BR	Residences at Barnett Park	Orange	L	1	Robert Hoskins	NuRock Development Partners, Inc.; R Howell Development, LLC; R Block Development, LLC	NC	MR 5/6	F	140	8,812,000	32,000,000	2,002,090	Y	1	10	N	45,558.48	A	Y	Y	25
2023-228R	Vesta Esperanza Village	Charlotte	M	1	Kory Geans	Middleburg Development, LLC; Newstar Development, LLC	NC	G	F	96	10,614,600		944,352	Y	1	10	N	95,833.33	B	Y	Y	3
2023-229BR	Ekos on Evans	Lee	M	1	Christopher L. Shear	MHP Lee I Developer, LLC	NC	G	F	120	11,002,500	19,500,000	1,587,787	Y	1	10	N	76,705.00	A	Y	Y	22
2023-230BR	Ekos Del Prado	Lee	M	1	Christopher L. Shear	MHP Lee II Developer, LLC	NC	G	F	96	9,606,600	15,500,000	1,225,496	Y	1	10	N	84,375.50	A	Y	Y	14

RFA 2023-304 – Review Committee Recommendations

Total RRLP Funding	81,600,000
Total RRLP Allocated	79,669,700
Total RRLP Remaining	1,930,300

Application Number	Name of Development	County	County Size	Tier	Name of Authorized Principal Representative	Name of Developer	Dev Category	Development Type	Demo	Units	Total RRLP Request Amount (RRLP plus ELI)	Eligible For Funding?	Funding Test Met?	County Award Tally	Priority Level	Total Points	PHA Goal?	A/B Leveraging	Proximity Funding Preference	Florida Job Creation Preference	Lottery Number
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goal to fund one Priority I, Tier 1 Application that qualifies for the PHA Goal

2023-201R	Lofts on Lemon Phase II	Sarasota	M	1	Darren Smith	Lofts II Fortis Developer, LLC; SHA Affordable Development, LLC	NC	HR	F	93	10,657,100	Y	Y	1	1	10	Y	A	Y	Y	28
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goal to fund three Applications in Lee County, with a preference that they be Priority I Applications

2023-212BR	Hermosa North Fort Myers II	Lee	M	1	Michael R. Allan	DDER Development, LLC; Revital Development Group, LLC; LCHA Developer, LLC	NC	MR 4	E, Non-ALF	88	9,981,900	Y	Y	1	1	10	N	A	Y	Y	9
2023-216BR	Palms Landing	Lee	M	1	J. David Page	Southport Development, Inc., a WA corporation doing business in FL as Southport Development Services, Inc.	NC	G	F	88	8,096,200	Y	Y	2	1	10	N	A	Y	Y	10
2023-220BR	Legacy Park II	Lee	M	1	Matthew A Rieger	HTG Legacy II Developer, LLC	NC	MR 5/6	E, Non-ALF	80	8,950,600	Y	Y	3	1	10	N	A	Y	Y	12

RFA 2023-304 – Review Committee Recommendations

Application Number	Name of Development	County	County Size	Tier	Name of Authorized Principal Representative	Name of Developer	Dev Category	Development Type	Demo	Units	Total RRLP Request Amount (RRLP plus ELI)	Eligible For Funding?	Funding Test Met?	County Award Tally	Priority Level	Total Points	PHA Goal?	A/B Leveraging	Proximity Funding Preference	Florida Job Creation Preference	Lottery Number
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Remaining Funding

2023-226BR	New York Avenue Apartments	Volusia	M	1	Shawn Wilson	Blue Ian Developer, LLC	NC	MR 4	F	84	9,353,500	Y	Y	1	1	10	N	A	Y	Y	2
2023-208BR	Cardinal Pointe	Orange	L	1	Deion R. Lowery	DDER Development, LLC	NC	G	E, Non-ALF	120	11,058,400	Y	Y	1	1	10	N	A	Y	Y	5
2023-223BR	EKOS on Pine	Sarasota	M	1	Christopher L. Shea	MHP Sarasota I Developer, LLC	NC	G	E, Non-ALF	100	10,837,000	Y	Y	2	1	10	N	A	Y	Y	4
2023-196BR	Town Oaks Apartments	Orange	L	1	C. Hunter Nelson	ECG Town Oaks Developer, LLC	NC	G	F	60	5,340,600	Y	Y	2	1	10	N	A	Y	Y	16
2023-206BR	Lakewood Senior Housing	Volusia	M	1	Terri Murray	ACRUVA Community Developers, LLC; Neighborhood Renaissance, Inc.	NC	MR 4	E, Non-ALF	56	5,394,400	Y	Y	2	1	5	N	A	Y	Y	17

Assigned RFA Number	Subject of RFA	2023-2024 Program Funding and <u>ESTIMATED</u> Funding Amount Available	RFA Workshop	RFA Issue Date	RFA Due Date	Review Committee (make recommendations to Board)	Request Board Approval of Recommendations (at scheduled Board Meeting - all dates are tentative)	Est. Invitation to Underwriting Date	Anticipated Closing Date
2023-TBD	SAIL Financing for Innovative Multifamily Development Opportunities Pursuant To The Live Local Act, Section 420.50871, F.S.	\$150 M - SAIL Administered through various RFAs; 70% for: Redevelopment of existing affordable housing in close proximity to an existing development to be rehabilitated, urban infill, mixed use, development near military installations. 30% for: using or leasing public lands, youth aging out of foster care, elderly persons, areas of rural opportunity	6/20/2023	TBD	TBD	TBD	TBD		

Estimated Total 2024 Competitive Housing Credit Allocation	\$62,400,000.00	
Plus Unused 2023 Competitive HC Allocation	\$2,895,972.00	
Less estimated bindings for 2024 Competitive Housing Credits	\$0.00	
Remaining Allocation available for Distribution	\$65,295,972.00	
Less a portion of the 5% high-priority affordable housing projects allocation, with the remainder subject to further categorization	(\$865,809.00)	
Less 5% for Affordable Housing Projects that Target Persons who have a disabling condition	(\$3,264,800.00)	
Remaining Allocation subject to further categorization	\$61,165,363.00	
1 Large & 1 Medium County Homeless Demo	\$0.00	
100% of Remaining set-aside for further categorization	\$61,165,363.00	
<u>Allocation Authority further categorized:</u>		
2.61% Small County Geographic Allocation Authority	\$1,596,420.00	
37.74% Medium County Geographic Allocation Authority	\$23,083,810.00	
Less 1 Homeless Demographic Award in a Medium County	(\$2,142,000.00)	
Net HC Allocation for Distribution in Medium Counties	\$20,941,810.00	
59.65% Large County Geographic Allocation Authority	\$36,485,133.00	
Less 1 Homeless Demographic Award in a Large County	(\$2,992,500.00)	
Net HC Allocation for Prorata Distribution in Large Counties	\$33,492,633.00	
County	Cost Burdened HH⁽¹⁾	Prorata Distribution
Broward	82,251	\$6,546,460.00
Duval	44,168	\$3,515,390.00
Hillsborough	62,522	\$4,976,210.00
Miami-Dade	119,126	\$9,481,390.00
Orange	61,422	\$4,888,660.00
Palm Beach	52,649	\$4,190,400.00
Pinellas	36,268	\$2,886,620.00
Total	458,406	\$36,485,130.00
Six Large County, net		\$24,011,243.00
⁽¹⁾ Estimated number of 0-60% AMI Renter Households in 2019 that have cost burdens of more than 40% per the 2019 Rental Market Study: Affordable Rental Housing Needs prepared by Shimberg Center for Housing Studies		

as of 5/22/2023

State Housing Trust Fund		\$ 109,000,000.00
Data Clearinghouse		\$ (380,000.00)
Catalyst Program		\$ (660,000.00)
Total for Appropriation		\$ 107,960,000.00
Total Program Income Added		\$ 46,245,383.00
Total Appropriation and Program Income		\$ 154,205,383.00
Total Available for Splits for SAIL Program		\$ 154,205,383.00

Demographic Splits

Farm/Fish	5.0%	\$ 7,710,269.15
Homeless	10.0%	\$ 15,420,538.30
Special Needs	11.8%	\$ 18,196,235.19
Total Elderly	29.4%	\$ 45,336,382.60
Amount of Elderly Money set-aside for Preservation	10%	\$ 4,533,638.26
Non-Preservation Elderly	90% of Elderly	\$ 40,802,744.34
Total Family	43.8%	\$ 67,541,957.75
Self-Sourced Family		\$ 33,770,978.88
Non-Self-Sourced Family		\$ 33,770,978.88

County Splits

		total for year
Small Counties	10.0%	\$ 15,420,538
Medium Counties	37.7%	\$ 58,135,429
Large Counties	52.3%	\$ 80,649,415



June 9, 2023

Information Items

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2. Fiscal
3. Guarantee Program
4. Housing Credits
5. Multifamily Programs Allocations
6. Multifamily Programs
7. Natural Disasters Recovery Update
8. Single Family Homebuyer Program

ASSET MANAGEMENT

Information

I. ASSET MANAGEMENT

A. Florida Housing Multifamily Rental Portfolio Compliance Dashboard

1. Background/Present Situation:

- a) Florida Housing's Management Review and Physical Inspection (MRPI) includes a review of records such as application for residency, tenant income certification/recertification and income verification documents, leases, rent rolls and regulatory agreements (Land Use Restriction Agreement and/or Extended Low-Income Housing Agreement). Physical Inspections include the interior/exterior of residential building and common areas, and a review of general site conditions - landscape, sidewalks, and paved areas.
- b) To arrive at the information presented below, data on all reviews conducted from 1/1/2018 through 5/15/2023 was analyzed. It is important to note, that from 4/1/2020 to 9/30/2021, physical inspections were paused pursuant to IRS Notices 2020-53 and 2021-12 and HUD Memos. Only desk-top reviews of tenant files were completed during this period.
- c) During the study period, Florida Housing conducted 3,909 MRPI Reports of 1,438 different developments. 89% of all MRPIs conducted during the study period were successfully closed. Of the 412 open reviews from the study period:
 - (1) 40% of developments and 40% of owners have unsatisfactory ratings for examination of records;
 - (2) 39% of developments and 38% of owners have unsatisfactory rating(s) regarding physical condition of the development; and
 - (3) 26% of developments have deficiencies in both the examination of record and physical inspection categories.

FISCAL
Information

I. FISCAL

A. Operating Budget Analysis for March 31, 2023.

1. Background/Present Situation

- a) The Financial Analysis for March 31, 2023, is attached as [Exhibit A](#).
- b) The Operating Budget for the period ending March 31, 2023, is attached as [Exhibit B](#).

GUARANTEE PROGRAM

Information

I. GUARANTEE PROGRAM

A. Status of the Guarantee Program portfolio

1. Background:

- a) Since the implementation of the Guarantee Program in 1993, 120 transactions facilitating the construction of over 28,000 units in Florida were guaranteed. In November 1994, the Guarantee Program entered into an agreement with HUD to participate in the Risk-Sharing Program; characterized by a 50/50 sharing of default risk in connection with the mortgage guarantee. As of 4/30/23, one (1) multifamily development remains in the Guarantee Program portfolio.
- b) Between November 2008 and April 2010, eight (8) multifamily claims were filed on the Guarantee Program portfolio, representing the total (and only) multifamily claims incurred in its 30-year history. The Guarantee Program experienced a strong 87% foreclosure recovery rate, compared to the 64% national average at that time.¹ Currently, there are no foreclosures in inventory and no developments in monetary default in the portfolio.

2. Corpus and Portfolio Risk Exposure

- a) The global liquidity crisis of 2008 collapsed the market for the variable rate bonds capitalizing the Guarantee Program corpus, ultimately leading staff to restructure the debt, paying off approximately \$89 million and refinancing the remaining \$156.2 million in variable rate bonds to a 5-year term loan with Citibank, closing on December 31, 2009.
- b) At that time, the Guarantee Program's total risk exposure was \$754.5 million. Since then, in keeping with the Board's mandate to cede risk from the portfolio, total risk exposure has been reduced over 99%, as reflected below:

Portfolio Risk Exposure

As of 4/30/23	12/31/22	12/31/21	12/31/20	12/31/19	12/31/18	12/31/17	12/31/16	12/31/15	12/31/14	12/31/13
\$4.9M	\$4.9M	\$5.0M	\$5.1M	\$5.2M	\$19.9M	\$20.4	\$30.9M	\$59.4M	\$158.9M	\$306.5M

- c) The continued low interest rate environment has prompted many Developers to refinance their properties, paying-off their guaranteed mortgages and removing them from the Guarantee Program portfolio, representing the primary driver behind the reduction in Total Commitments reflected above. Refinancing activity is reflecting in the following chart:

¹ Real Capital Analytics, April 2011

GUARANTEE PROGRAM

Information

Refinancing Activity

	As of 4/30/23	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Loans (#):	0	0	0	0	2	0	1	5	17	22	22
Risk ceded (\$):	n/a	n/a	n/a	n/a	\$14.4M	n/a	\$10.2M	\$27.6M	\$100M	\$136.8M	\$149.4M

- d) Contributing to the reduction in Total Commitments was approximately \$115 million in partial prepayments (of mortgages) from SAIL ELI proceeds, funded prior to or at the time of closing, helping facilitate refinancing activity.
- e) Furthermore, Management aggressively reduced the Guarantee Program capitalizing debt, paying off the \$156.2 million Citibank term loan on December 21, 2012, reducing the Guarantee Fund's capitalizing debt to zero (\$0).
- f) The Guarantee Fund corpus contains approximately \$145.7 million in capital invested in the Florida Treasury, Special Purpose Investment Account (SPIA) rated "AA-f" by Standard & Poor's as of March 31, 2022.

B. Current Ratings (Insurer Financial Strength)

1. Background

- a) Standard & Poor's: May 2020 A+ / Stable outlook
 - Cited strengths: "Strong state financial support...Strong asset quality...Strong Asset Management policies..."²
- b) Fitch: March 2018 A+ / Stable outlook
 - Cited strengths: "Low Risk-to-Capital Ratio...Limited State support...Minimal Multifamily Losses..."³

C. Risk-to-Capital Ratio

1. Background/Present Situation

- a) Authorized Maximum Ratio = 5:1. Peaking in 1999 at 4.95:1, subsequent management efforts resulted in a more conservative downward trend to the vastly improved ratio of 0.03:1 as of 4/30/23. Capital not needed to support the outstanding Guarantees was made available to the SAIL program for use in 2016-2019 competitive solicitations.

CI. Guarantee Program Portfolio ([Exhibit A](#))

2 Standard & Poor's, "Florida Affordable Housing Guarantee Fund", May 21, 2020, www.standardandpoors.com/ratingsdirect. Standard & Poor's 2023 surveillance was concluded on April 17, 2023 and resulted in Review – No Action of the rating.

3 Fitch Ratings, "Fitch Affirms Florida Housing Finance Corp's Guarantee Fund at 'A+'; Outlook Stable", March 28, 2018, www.fitchratings.com. Fitch Ratings 2023 surveillance was concluded on May 4, 2023 and resulted in Review-No Action of the rating.

HOUSING CREDITS

Information

I. HOUSING CREDITS

A. The developments listed below have requested changes to the Extended Use Agreement:

1. Background/Present Situation:

- a) Jernigan Gardens (2020-502C) is a 4% Housing Credit Development. The Extended Low-Income Housing Agreement (EUA) was recorded in Orange County on December 19, 2022.
- b) On May 15, 2023, staff received a letter from the Owner requesting a revision to add a HUD subordination to the EUA.
- c) Staff will amend the EUA as appropriate.

MULTIFAMILY PROGRAMS - ALLOCATIONS

Information

I. MULTIFAMILY PROGRAMS – ALLOCATIONS

A. RFA Updates

1. Background/Present Situation

- a) A workshop regarding RFA 2023-205 SAIL Financing Of Affordable Multifamily Housing Developments To Be Used In Conjunction With Tax-Exempt Bonds And Non-Competitive Housing Credits was held on June 1, 2023. If approved by the Board, staff expects to issue the RFA on July 5, 2023.
- b) A workshop regarding the Housing Credit Geographic RFAs (set forth below) was held on June 6, 2023. If approved by the Board, staff expects to issue the RFAs on July 7, 2023.
 - (1) RFA 2023-201 Housing Credit Financing For Affordable Housing Developments Located In Medium Counties
 - (2) RFA 2023-202 Housing Credit Financing For Affordable Housing Developments Located In Broward, Duval, Hillsborough, Orange, Palm Beach, And Pinellas Counties
 - (3) RFA 2023-203 Housing Credit Financing For Affordable Housing Developments Located In Miami-Dade County

B. Live Local Act Update

1. Background/Present Situation

- a) A conceptual workshop regarding the creation of Section 420.50871, F.S., is scheduled for June 20, 2023.
- b) A conceptual workshop regarding the creation of Section 420.50872, F.S., is scheduled for June 22, 2023.
- c) A workshop regarding the various tax incentives authorized by the Live Local Act is scheduled for June 28, 2023.

C. Rule Development Update

1. Background/Present Situation

- a) Rule Development hearings for Rule Chapters 67-21 and 67-48, F.A.C. and the 2023 Qualified Allocation Plan were held on May 24, 2023. Provided no Notice of Change is required, staff expects to file the rules for adoption on June 8, 2023, with an effective date of June 28, 2023.

MULTIFAMILY PROGRAMS

Information

I. MULTIFAMILY PROGRAMS

A. The Developments listed below have requested approval to allow one subcontractor/group of subcontractors that have common ownership or are Affiliates of other subcontractors to exceed the 20%/31% limitation:

1. **Background/Present Situation:**

a) On March 12, 2021, the Board delegated authority to staff to approve the 20%/31% subcontractor limitation set forth in Rule Chapters 67-48.0072(17)(g) and 67-21.026(13)(f), F.A.C. (2019) and as stated below, respectively:

(17)/(13) The General Contractor must meet the following conditions;

(g)/(f) Ensure that not more than 20 percent of the construction cost, not to include the General Contractor fee or pass-through fees paid by the General Contractor, is subcontracted to any one entity or any group of entities that have common ownership or are Affiliates of any other subcontractor, with the exception of a subcontractor (or any group of entities that have common ownership or are Affiliates of any other 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 Corporation for a specific Development. A subcontractor (or any group of entities that have common ownership or are Affiliates of any other subcontractor) contracted to deliver the building shell of a Development located in the Florida Keys Area may not have more than 31 percent of the construction cost in a subcontract, unless otherwise approved by the Corporation for a specific Development. With regard to said approval, the Corporation shall consider the facts and circumstances of each Applicant's request, inclusive of construction costs and the General Contractor's fees. For purposes of this paragraph, "Affiliate" has the meaning given in subsection 67-48.002(5)/67-21.002(5), F.A.C., except that the term "Applicant" therein shall mean "subcontractor";

b) Staff, in conjunction with review by the credit underwriters and construction consultants, and upon receipt of a positive recommendation from the credit underwriters, has approved the below requests to allow one subcontractor/group of subcontractors that have common ownership or are Affiliates of other subcontractors to exceed the 20% limitation. Because FHFC became aware of the excess through the cost certification review, after the work had been completed, no General Contractor Fee or Developer Fee will be allowed on the subcontract amounts that surpass the maximum contract amount allowed under Rule 67-48.0072(17)(g) and 67-21.026(13)(f), F.A.C. If the General Contractor Fee on this amount has already been paid to the General Contractor, it will be paid out of the Developer's profit and reflected as a subset of the Developer Fee on the Development Final Cost Certification.

Development	Application Number	Dollar Amount of Contract	Percentage of Contract
The Shores	2020-353C	\$1,893,576	23.78%
Brenton at Abbey Park	2019-052C	\$912,010	22.69%

MULTIFAMILY PROGRAMS

Information

B. The following development has requested, and staff approved, changes to the Construction Features & Amenities and/or Resident Programs.

1. Background/Present Situation

- a) Marty's Place / RFA 2018-107 / 2018-307CS: The borrower has requested to change the Green Building Feature from "Florida Yards and Neighborhoods certification on all landscaping (2 Points)" to "High Efficiency HVAC with SEER of at least 16 (2 Points)" The scoring of the application will remain unaffected.
- b) Staff will amend the Land Use Restriction Agreement for the development as appropriate.

NATURAL DISASTER UPDATES

Information

I. NATURAL DISASTER UPDATES

A. Hurricane Ian

1. Background/Present Situation:

- a) Florida Housing had 1,056 developments with 6,833 buildings comprised of 12,196 units in our portfolio located in the 26 counties declared a major disaster due to Hurricane Ian.
- b) Of the eighteen (18) developments that reported catastrophic, extensive and moderate damage, there are eleven (11) developments with work to be completed. These developments have a total of 101 displaced households as of 5/15/2023.

A summary of the status of developments within Florida Housing's portfolio that sustained damage from Hurricane Ian and have not completed all repair work is attached as [Exhibit A](#).

B. Hurricane Michael

1. Background/Present Situation:

- a) On October 10, 2018, Hurricane Michael made landfall in Northwest Florida as a Category 5 hurricane, destroying homes and businesses, and forcing families to look for new places to live and work. The Florida Legislature appropriated \$50 million to the Rental Recovery Loan Program (RRLP). RRLP Requests for Applications (RFA) 2019-111 was issued August 1, 2019 and the Board approved awards to seven (7) developments allocating over \$53 million. In addition, the Board authorized staff to issue RFA 2019-109 and approved funding for seven (7) developments allocating more than \$30 million of Home Investment Partnerships Program funding.
- b) The current status of Hurricane Michael related RFAs and developments awarded funding through those RFAs is attached as [Exhibit B](#).

C. Hurricane Eta

1. Background/Present Situation:

- a) Damage reports received indicated limited to moderate damage to roofs and windows combined with limited landscape damage. Of the 34 properties that sustained damage, 33 have completed all repair work as of December 31, 2021. Thirty (30) households were displaced due to flooding at Glorieta Gardens in Opa-Locka, Miami-Dade County. As of May 15, 2023, management reported 1 unit remained out of service. A summary of the status of developments within Florida Housing's portfolio that sustained damage from Hurricane ETA and have not completed all repair work is attached as [Exhibit C](#).

SINGLE FAMILY HOMEBUYER PROGRAMS

Information

I. SINGLE FAMILY HOMEBUYER PROGRAMS

A. Single Family Homebuyer Programs

1. Background/Present Situation:

- a) Florida Housing's Homebuyer Loan Programs provide assistance to eligible homebuyers by offering low-cost, 30-year, fixed-rate mortgages together with down payment and closing cost assistance (DPA). Currently, we have four active first mortgage programs; the Florida First Government Loan Program (Government Loan Program), the Fannie Mae HFA Preferred Conventional Loan Program (HFA Preferred), the Freddie Mac HFA Advantage Conventional Loan Program (HFA Advantage), the Florida Hometown Heroes Housing Loan Program (Hometown Heroes).
- b) The Government Loan Program offers borrowers a 30-year, fixed-rate mortgage using all approved government-insured loan types. These include Federal Housing Administration (FHA) loans, U.S. Department of Veteran Affairs (VA) loans, and U.S. Department of Agriculture-Rural Development (RD) loans. This program is funded through both traditional mortgage revenue bond sales as well as by the sale of Mortgage-Backed Securities (MBS) into the secondary markets.
- c) The HFA Preferred and HFA Advantage programs offer first mortgage loan products developed specifically for state housing finance agencies. These programs are offered both as bond financed products as well as forward delivery "To Be Announced" (TBA) products in conjunction with our TBA Program administrator, Hilltop Securities. Single Family Program Staff sets daily mortgage interest rates for the TBA loans based upon prevailing market rates and predetermined profitability goals. The conventional loans, originated by participating lenders, offer borrowers 30-year, fixed rate mortgages.
- d) Borrowers at or below 80% of the area median income (AMI) benefit from lower mortgage insurance costs on these loans when compared to other conventional mortgage products, as well as similar government-insured loans such as FHA
- e) The Hometown Heroes Loan Program (HTH), was launched June 1, 2022. The Florida Legislature appropriated \$100 million in the 2022 state budget to be used as a revolving source of funds to make homeownership more affordable by providing down payment and closing cost assistance to income-qualified, first-time homebuyers who are frontline community workers. Eligible borrowers can receive up to 5% of their first mortgage loan amount (a maximum of \$25,000) in assistance to help them purchase a primary residence in the community in which they work and serve. The 30-year, 0% interest, deferred repayment second mortgage is combined with one of Florida Housing's Homebuyer Loan Program's low interest rate first mortgage loans. This initial amount of funding has allowed us to assist over 6,000 borrowers. As of May 19, 2023, we had a pipeline of 6,225 loans totaling over \$1.84 billion in first mortgage loan volume, paired with \$92.3 million of down payment and closing cost assistance. The Live Local Act was signed into law on Wednesday, March 29th, 2023, by Governor DeSantis. It provides an additional \$100 million in funding to the HTH Loan Program. The new changes will take effect with new reservations made on or after July 1st, 2023. We have scheduled and will conduct trainings

SINGLE FAMILY HOMEBUYER PROGRAMS

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for our Lender and Real Estate Partners just as we did when the program was originally launched.

- f) Florida Housing offers qualified homebuyers DPA in the form of a second mortgage loan in conjunction with our first mortgage loan programs. Our Florida Assist loan is a 0% interest, non-amortizing, deferred payment loan in the amount of \$10,000. This second mortgage program serves homebuyers with an AMI of up to 120%, adjusted for household size. It is repayable in the event the home is sold, refinanced, deed is transferred, or the home is no longer the borrower's primary residence.
- g) The HFA Preferred PLUS and the HFA Advantage PLUS programs offer 3%, 4% and 5% of the loan amount in DPA as forgivable second mortgage loans. These loans are forgiven 20% annually over a 5-year period unless the home is sold, refinanced, deed transferred, or is no longer the borrower's primary residence. If any of these actions occur prior to the 5-year forgiveness period, any unforgiven balance becomes due and payable.
- h) We also offer an amortizing second mortgage product, the Homebuyer Loan Program (HLP) Second Mortgage. This product is offered across all our first mortgage programs and provides up to \$10,000 of assistance at a 3% fixed interest rate and is repaid in monthly payments over 15 years.
- i) Single Family Program Staff continually offers a three-hour, Department of Business and Professional Regulation (DBPR)-approved continuing education (CE) course for realtors. This course is coordinated through local realtor boards throughout the state. Realtors who attend these classes receive a general three-hour CE credit while learning about our Homebuyer Loan Programs and other affordable housing programs available to their potential homebuyers. Florida Housing has permanent approval from DBPR to offer the class via webinar (online) format. We have found this format to be highly effective in attracting more realtors to the classes while eliminating travel costs entirely. For 2023 we have changed how we offer these classes. Instead of offering individual classes to specific realtor boards as we have in the past, we are now contacting all boards and making them aware that we are offering these classes statewide twice each month. So far, we are seeing this both effective in reaching our realtor partners while freeing up staff time to devote to program support and lender management. Since our April Board Report, we have conducted two classes using this format that were attended by 200 realtors.
- j) Single Family Program Staff periodically conducts telephonic and webinar trainings for lender partners throughout the state. Lender trainings generally consist of program requirements and recent updates, system training with our compliance administrator (eHousingPlus) and first mortgage and servicer requirements and updates with our master servicer, Lakeview. Together, Florida Housing, eHousingPlus and Lakeview will provide lenders with information to better assist with the origination, delivery, and purchase of first and second mortgages originated through our Homebuyer Loan Program.

SINGLE FAMILY HOMEBUYER PROGRAMS

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- k) Additionally, we partner with other stakeholders such as mortgage insurance (MI) providers and the Government-Sponsored Enterprises (GSEs), Fannie Mae and Freddie Mac, to better educate and inform our Participating Lenders of recent industry changes.

SINGLE FAMILY HOMEBUYER PROGRAMS

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2023 TOP 10 COUNTIES FOR HOMEBUYER LOAN PROGRAMS ORIGINATIONS

	2022 HLP Program Totals	2023 HLP Program Totals	2023 HLP Government Loan Programs Totals	2023 HLP Conventional Loan Programs Totals
Average 1st Mortgage Loan Amount	\$249,693	\$273,002	\$277,371	\$263,416
Average Acquisition Price	\$259,042	\$286,296	\$286,618	\$285,589
Average Compliance Income	\$68,916	\$78,603	\$78,915	\$77,919
County Area Median Income %	70%	72%	71%	75%
Total Purchased 1st Mortgage Loan Amounts	\$1,378,488,464	\$900,606,268	\$628,584,126	\$272,022,142
Total # of Units	5,533	3,303	2,269	1,034

2023 TOP 10 COUNTIES FOR HOMEBUYER LOAN PROGRAMS ORIGINATIONS

County	Loan Count	Loan Amount	DPA
Duval	304	\$71,485,418.37	\$3,612,402.00
Hillsborough	209	\$62,419,922.38	\$2,967,035.00
Broward	180	\$61,229,658.84	\$3,001,517.00
Polk	180	\$46,523,603.02	\$2,188,683.00
Pasco	167	\$43,745,830.74	\$2,104,036.00
Lee	150	\$43,848,742.91	\$2,064,088.00
Miami-Dade	150	\$55,527,207.38	\$2,741,219.00
Volusia	148	\$39,532,130.51	\$1,899,794.00
Orange	136	\$39,390,140.09	\$1,901,659.00
Palm Beach	132	\$39,115,186.21	\$1,949,509.00

DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS

Results of Operations for the three months ending March 2023

The budget to actual analysis for the three months ending March 2023 shows a net of revenues over expenses in the amount of \$1,342,851. Variances of note compared to the budget are as follows:

REVENUES

Investment Income (Line 1) is over budget by \$320,250. The budget was based on prior year average performance and a conservative projection of current year performance. Returns have been greater than expected.

Administrative Fees (Line 3) are \$307,162 under budget primarily due to timing of activities in the CDBG and HOME programs and directly offsets variances in expenses.

Other Income (Line 4) is \$110,664 over budget due to the timing of the transfer of receipts for SF TBA late fees collected.

SALARIES & BENEFITS

Total Salaries & Benefits are favorable to the budget by \$255,543 primarily due to a vacancy rate greater than budgeted.

OPERATING EXPENSES

Capital Expenses (Line 5) are under budget by \$44,500 due to the timing of planned purchases of computer software.

Furniture, Equipment & Computer Expenses (Line 6) are under budget by \$39,875 due to the timing of renewals of various software licenses and purchases of computer equipment.

Conferences & Seminars (Line 7) are \$33,608 under budget due to the timing of planned conferences, schedule conflicts, and efforts to control operating expenses.

Legal Fees (Line 10) are \$86,115 under budget due to fewer hearings and less than anticipated use of outside counsel primarily in the Multifamily programs as well as the timing of fees incurred for closings in the HOME Rental, NHTF and CBDG-DR programs.

Professional Fees (Line 15) are \$91,868 over budget primarily due to disaster intervention activities in the Housing Locator related to Hurricane Ian that were not budgeted. These additional services were phased out by the end of March.

Program Administration (Line 16) is \$440,775 under budget primarily due to the timing of compliance monitoring fees in the CDBG-DR, Housing Credit, HOME Rental and SAIL programs and credit underwriting fees in the HOME Rental Program.

Total Operating Expenses year-to-date are favorable to the budget by \$625,254.

**FLORIDA HOUSING FINANCE CORPORATION
OPERATING BUDGET TO ACTUAL SUMMARY
PERIOD ENDING March 31, 2023**

	2023 BUDGET YTD	2023 ACTUAL YTD	2023 VARIANCE YTD	2023 APPROVED ANNUAL BUDGET
REVENUES				
1. Investment Income	957,000	1,277,250	320,250	3,828,000
2. Program Fees	4,214,320	4,218,674	4,354	16,799,285
3. Administrative Fees	2,997,147	2,689,985	(307,162)	80,000
4. Other Income	20,001	130,665	110,664	11,950,824
TOTAL REVENUES	8,188,468	8,316,573	128,105	32,658,109
EXPENSES				
SALARIES & BENEFITS				
1. Salaries & Benefits	4,460,839	4,205,296	255,543	18,385,000
TOTAL SALARIES & BENEFITS	4,460,839	4,205,296	255,543	18,385,000
OPERATING EXPENSES				
1. Advertising, Marketing & Public Outreach	17,574	12,620	4,954	96,015
2. Bank Charges & Other Fees	11,541	7,024	4,517	52,444
3. Board Meetings	25,040	19,966	5,074	79,140
4. Books & Subscriptions	25,939	15,559	10,380	67,720
5. Capital Expenses	87,000	42,500	44,500	325,000
6. Furniture, Equipment & Computer Expenses	133,850	93,975	39,875	780,750
7. Conferences & Seminars	47,324	13,716	33,608	198,358
8. Corporate Insurance	290,000	285,292	4,709	307,550
9. General & Administrative Expenses	7,431	2,494	4,937	18,274
10. Legal Fees	128,448	42,333	86,115	695,102
11. Membership Dues	11,291	4,695	6,596	85,434
12. Office Supplies	4,800	1,892	2,908	13,916
13. Postage	5,658	2,413	3,245	23,532
14. Printing & Reproduction	4,900	2,833	2,067	16,225
15. Professional Fees	282,522	374,390	(91,868)	1,996,904
16. Program Administration	1,779,099	1,338,324	440,775	7,205,192
17. Rent	205,486	205,429	57	833,638
18. Repair & Maintenance	2,260	358	1,902	7,150
19. Systems Maintenance, Support and Services	120,370	114,249	6,121	412,630
20. Telephone	22,356	22,838	(482)	90,144
21. Travel - Board Members	18,316	10,212	8,104	63,730
22. Travel - Staff to Board Meetings	8,512	13,276	(4,764)	49,251
23. Travel - Reviews/Monitoring	2,704	1,952	752	31,595
24. Travel - FHFC Workshops	2,936	553	2,383	16,589
25. Travel - Staff Development	46,899	34,399	12,500	273,202
26. Travel - Marketing/Public Outreach	3,666	47	3,619	53,204
27. Travel - Other	2,058	1,484	574	17,494
28. Workshops	95,700	103,605	(7,905)	316,250
TOTAL OPERATING EXPENSES	3,393,680	2,768,426	625,254	14,126,433
TOTAL EXPENSES	7,854,519	6,973,722	880,797	32,511,433
REVENUES OVER EXPENSES	333,949	1,342,851	1,008,902	146,676

Guarantee Program Portfolio (as of April 30, 2023)

Property Name Location	Developer	Issuer Closing Date	Total Units	1st Mortgage		HUD Risk- Share?	GF exposure of mtg guarantee	(\$) share	SAIL	SMI	SAIL ELI	Projected refinance closing date	Comments / Refi Status
				Current Bal.	Debt/Unit								
Vista Palms		Lee Cnty											
1) Lehigh Acres	Creative Choice	6/20/2001	229	\$4,846,769	\$21,165	N	\$4,846,769		\$2,000,000	\$392,788	\$3,450,000		July 2013: Initiated contact with borrower re: refinancing. Oct 2016: borrower selling property, negotiating contract, advised borrower of requisite FHFC approval for SAIL/SAIL ELI subordination, SMI pay-off, etc. Jan 2017: Borrower meeting with buyer to revise timeline. Aug 2017: appraisal and DSC issues; closing postponed. Dec 2017: closing postponed. October 2018: possibly closing 1st qtr 2019. Borrower hopes to be on the December Lee County HFA meeting to vote on bond issuance for the refinance. November 2018: Credit underwriter has been assigned. Lee County will not have bond allocation until 2019. Operating proformas and letters of interest from lender and syndicators submitted by borrowers are stale. Jan 2019: Underwriters had a status call with borrower 12/11/18 but have not received any due diligence items since that call. 3/6/19 Lee County commissioners postponed approval of the TEFRA Hearing for their bond issuance. May 2019: The borrower submitted a letter of intent for a Key Bank/Fannie Mae financing structure. The Credit Underwriter is reviewing the due diligence items that have been submitted but there remains a great deal of information still outstanding. July 2019: Some of the due diligence items have been submitted. Updated due diligence list was sent to Creative Choice on 10/16. No updated items have been received. June 2020: Borrower anticipates selling or refinancing the development within the next year. September 2020, Received a letter of intent from a potential purchaser for the property. Requested follow up information but have not received. We presume the potential purchaser is no longer interested. February 2021: Special Assets had conference call with potential purchaser, owner representative and bond counsel regarding potential purchase to take place by 3rd quarter of 2021. July 2021: The potential purchaser contacted the county for local bonds for the acquisition of Vista Palms but has not submitted an application. Sept 2021: The potential purchaser communicated that he was still interested in acquiring Vista Palms but has not taken any affirmative steps in that direction. Nov. 2021: The potential purchaser has not taken any affirmative steps towards the purchase of Vista Palms. As of 12/23/2021, the potential purchaser advised they had submitted a tax-exempt bond application to Lee County HFA for the financing of the potential acquisition. As of Feb 2022, the Lee County HFA bond application was received and reviewed. By letter dated 3/8/22, Lee County advised the potential purchaser that they are deferring any further review of the application for bond financing due to the development having matured SAIL and SMI loans, Glorieta Gardens' outstanding physical deficiencies as well as other issues. On 6/2/2022, Lee County, the underwriter and special assets had a call with the proposed purchaser and parties representing the owner. The proposed purchaser will be submitting a revised tax-exempt bond application to Lee County HFA. The potential purchaser informed FHFC that he would not be submitting an application to Lee County but would submit a non-competitive (NC) bond application to Florida Housing for the acquisition/rehabilitation of Vista Palms. A check for the application and TEFRA fees was received 10/12/2022. The NC bond application was received 10/18/2022. Nov 2022: NC bond application was under review. Jan 2023: Program staff informed the applicant of needed corrections to cure the application. Feb 2023: Staff has reviewed corrections submitted by the Applicant and relayed comments, however, more corrections are still required to cure the application. Mar 2023: Staff reviewed corrections submitted by the Applicant and relayed comments, however, more corrections are still required to cure the application and that information has been relayed to the applicant. Staff received a 3rd revised application on 4/7/2023 and relayed comments on 4/14/2023 regarding the corrections that are required. May 2023: On 5/15/2023, Staff received responses to the comments provided on 4/14/2023, however, more corrections are required to cure the application and staff relayed outstanding issues to the Applicant on 5/22/2023.
GF Total Commitments:							\$4,846,769						

Hurricane Ian Damage Assessment
as of May 15, 2023

Development	City	County	# Units	Buildings Damaged	Units Damaged	Households Displaced	Estimated Damage	Current Status	Households Displaced at 5/15/2023
Daytona Gardens	Daytona Beach	Volusia	230		4	2	Limited	As of 3/31/2023, four (4) units remained out-of-service. Unit interior work was anticipated to be completed by 4/30/2023. Work on the Leasing Office, Community Room and Laundry was complete. As of 5/15/2023, all work is completed and all units are back in service.	0
Kissimmee Homes	Kissimmee	Osceola	104		97	97	Catastrophic	The first group of 11 units was anticipated to be completed on 3/6/2023. As of 3/31/2023, 12 units were complete and awaiting fire extinguisher inspection prior to CO being issued. Inspection scheduled for 4/17/2023. Anticipated completion date for all units was 6/23/2023. As of 5/15/2023, 13 units are complete, 6 of those have been reoccupied.	91
McPines	Arcadia	Desoto	64	2	2	1	Moderate	Interior drywall and painting is complete. Ready for cabinets, doors, light fixtures and appliances. Exterior siding work worked has started. Anticipated completion date for all work was 5/31/2023. As of 5/15/2023, two (2) units continue to be out of service awaiting roof repairs.	1

Hurricane Ian Damage Assessment
as of May 15, 2023

Development	City	County	# Units	Buildings Damaged	Units Damaged	Households Displaced	Estimated Damage	Current Status	Households Displaced at 5/15/2023
Renaissance Phase II	Ft. Myers	Lee	96	15	18	6	Extensive	All units repaired and ready for occupancy. All tenants were relocated to other properties operated by the Housing Authority of the City of Ft. Myers. As of 3/31/2023, HACFM was waiting on insurance funds and/or FEMA funding to begin roof replacement. All roofs are currently tarped. Anticipated completion date was 2024. As of 5/15/2023, owner is waiting on funds from FEMA and/or insurance carrier to commence work. Anticipated completion date continues to be 2024.	0
Renaissance Phase III	Ft. Myers	Lee	88	8	11	4	Extensive	All units repaired and ready for occupancy. All tenants were relocated to other properties operated by the Housing Authority of the City of Ft. Myers. As of 3/31/2023, HACFM was waiting on insurance funds and/or FEMA funding to begin roof replacement. All roofs are currently tarped. Anticipated completion date was 2024. As of 5/15/2023, owner is waiting on funds from FEMA and/or insurance carrier to commence work. Anticipated completion date continues to be 2024.	0
Renaissance Phase IV	Ft. Myers	Lee	88	8	11	3	Extensive	All units repaired and ready for occupancy. All tenants were relocated to other properties operated by the Housing Authority of the City of Ft. Myers. As of 3/31/2023, HACFM was waiting on insurance funds and/or FEMA funding to begin roof replacement. All roofs are currently tarped. Anticipated completion date was 2024. As of 5/15/2023, owner is waiting on funds from FEMA and/or insurance carrier to commence work. Anticipated completion date continues to be 2024.	0

Hurricane Ian Damage Assessment
as of May 15, 2023

Development	City	County	# Units	Buildings Damaged	Units Damaged	Households Displaced	Estimated Damage	Current Status	Households Displaced at 5/15/2023
Valencia Gardens	Wauchula	DeSoto	104	1	16	15	Catastrophic	Sixteen (16) units destroyed by fire due to the Hurricane. No anticipated completion date. Seven (7) households were re-housed at Valencia Gardens. As of 5/15/2023, the building site is clear of all debris. Owner and insurance carrier are currently reviewing contracts for reconstruction.	9
Crossings at Cape Coral	Cape Coral	Lee	168	9	35	0	Extensive	Interior work started 2/6/2023. Roof work was anticipated to commence 3/5/2023. Anticipated completion date of all work was 4/3/2023. As of 3/31/2023, completion date is pushed out to 8/1/2023 due to vendor delays and material supply issues. As of 5/15/2023, interior unit work in five (5) buildings has been completed with 3 remaining. Three (3) buildings have been waterproofed and are awaiting permits to start shingle work. Anticipated completion date is 8/15/2023.	0
Desoto Landing	Arcadia	Desoto	48	6	10	0	Extensive	Waiting on Insurance adjuster for final scope of work. Major roof repairs and some interior work, primarily flooring replacement. No anticipated completion date at this time. As of 3/31/2023, all interior work was complete. Roof replacement contract was executed; waiting on permits to begin work. Anticipated duration of roof replacement work was 60 days. As of 5/15/2023, two (2) of (4) buildings requiring roof replacement are complete. Remaining roof on two (2) building is planned to be completed by 5/31/2023.	0

Hurricane Ian Damage Assessment
as of May 15, 2023

Development	City	County	# Units	Buildings Damaged	Units Damaged	Households Displaced	Estimated Damage	Current Status	Households Displaced at 5/15/2023
Heron Cove	Arcadia	Desoto	64	8	60	0	Extensive	As of 3/31/2023, interior flooring replacement was complete. Waiting on permits in order to begin roof replacement work. Anticipated duration of roof replacement work is 60-days. No change as of 5/15/2023.	0
Renaissance Senior	Ft. Myers	Lee	120	1	8	0	Extensive	All units repaired and ready for occupancy. All tenants were relocated to other properties operated by the Housing Authority of the City of Ft. Myers (HACFM). As of 3/31/2023, HACFM is waiting on insurance funds and/or FEMA funding to begin roof replacement. All roofs are currently tarped. Anticipated completion date is 2024. As of 3/31/2023, debris removal has started. Bids for reconstruction of the building are being reviewed. A contract should be finalized by 4/30/2023. No change as of 5/15/2023.	0
Seven Palms	Punta Gorda	Charlotte	336	42	168	0	Extensive	Roof replacement to begin 2/27/2023. Anticipated completion date was 6/30/2023. As of 3/31/2023, the anticipated completion date had been pushed out to 10/31/2023 due to permitting and inspection delays. As of 5/15/2023, roof work continues on schedule for a 10/31/2023 completion date.	0

RFA	Application Number	Name of Development		Name of Applicant	Name of Developers	County	Total Units	DeMO Commitment	Current Status	Assigned Credit Underwriter	Credit Underwriting Status, if applicable
2019-109 (HOME)	2019-401BH	Tupelo Park Apartments	4,300,000.00	Tupelo Park, LP	The Paces Foundation, Inc.	Bay	47	F	Closed June 9, 2022, is under construction, 33% completed.	AmeriNat	n/a
2019-109 (HOME)	2019-404H	Tranquility at Hope School	4,479,000.00	East Lake Florida 2, LLC	Timshel Development Partners, LLC and ELCD Development, LLC	Jackson	30	F	Closed August 7, 2020 and construction is 100% completed.	Seltzer	n/a
2019-109 (HOME)	2019-405BH	Springfield Crossings	5,000,000.00	Springfield Crossings, LLC	Springfield Crossings Developer, LLC Judd Roth Real Estate Development, Inc.	Bay	60	F	Closed July 9, 2020 and construction is 100% completed.	First Housing	n/a
2019-109 (HOME)	2019-406H	Marianna Crossings	5,000,000.00	Marianna Crossings, LLC	Marianna Crossings Developer, LLC Design Consortium Development, LLC	Jackson	30	F	Closed May 20, 2021 and is under construction, 98% completed.	First Housing	n/a
2019-109 (HOME)	2019-408H	Greys Place	4,970,890.89	Affordable Housing Solutions for Florida, Inc.	Affordable Housing Solutions for Florida, Inc. Panhandle Affordable II, LLC	Wakulla	27	F	Closed July 30, 2020 and construction is 100% completed.	AmeriNat	n/a
2019-109 (HOME)	2019-411BH	Hilltop Pointe	4,925,000.00	Hilltop Pointe, LP	Royal American Properties, LLC	Bay	50	F	Closed August 11, 2020 and construction is 100% completed.	Seltzer	n/a
2019-109 (HOME)	2019-413H	Jordan Bayou	4,998,000.00	MHP Jordan Bayou, LLC	Jordan Bayou Developer, LLC Shear Development Company, LLC Heartland Development Group, LLC	Franklin	50	F	Closed September 2, 2020 and construction is 100% completed.	First Housing	n/a
2019-111 (RRLP)	2020-068BR	The Park at Massalina fka The Park at Palo Alto	8,400,000	The Park at Palo Alto, LLC	Royal American Properties, LLC ; InVictus Development, LLC; PCHA Developer, LLC	Bay	120	F	Closed February 16, 2022, 82% completed.	First Housing	n/a
2019-111 (RRLP)	2020-069BR	Fletcher Black	6,889,900	Fletcher Black Redevelopment, LLC	Royal American Properties, LLC; InVictus Development, LLC; PCHA Developer, LLC	Bay	100	F	Closed December 15, 2022, 7% completed.	First Housing	n/a
2019-111 (RRLP)	2020-071BR	The Arbors fka Arbors at Lynn Haven Bluffs	9,660,000	SP Bluffs LLC	Southport Development, Inc. a WA corporation doing business in FL as Southport Development Services, Inc.	Bay	138	F	Closed February 9, 2022, 59% completed.	Seltzer	n/a
2019-111 (RRLP)	2020-072BR	Bridge Plaza Apartments	7,100,000	SP Bay LLC	Southport Development, Inc. a WA corporation doing business in FL as Southport Development Services, Inc.	Bay	102	F	Closed December 23, 2021, 77% completed.	Seltzer	n/a
2019-111 (RRLP)	2020-074BR	Magnolia Oaks	5,985,000	MHP Magnolia Oaks, LLC	MHP Magnolia Oaks Developer, LLC	Leon	110	F	Closed July 14, 2021, 94% completed.	AmeriNat	n/a
2019-111 (RRLP)	2020-075RN	New River Landing	4,988,724	MHP New River Landing, LLC	MHP New River Landing Developer, LLC	Franklin	30	F	The Credit Underwriting Report was approved at the October 28, 2022 Board Meeting. On January 27, 2023, the Board approved the Borrower request for a loan closing deadline extension from March 1, 2023 to May 30, 2023. Moving toward an anticipated closing in May 2023.	AmeriNat	n/a
2019-111 (RRLP)	2020-076BR	Sovereign at North Bay fka Bid-A-Wee Apartments	6,114,900	Bid-A-Wee Apartments, LLC	Bid-A-Wee Developer, LLC and N Vision Communities, Inc.	Bay	144	F	The Credit Underwriting Report was approved at the December 9, 2022 Board Meeting. Moving toward an anticipated closing in April 2023. However, at the April 28, 2023 Board meeting, the Borrower is requesting an extension of the CHIRP ITP deadlines from April 28, 2023 to June 9, 2023 in an abundance of caution.	AmeriNat	n/a

Hurricane Eta (FEMA-3551_FL) Damage Assessment
as of May 15, 2023

Development	City	County	Demographic	# Units	Damage reported	Current Status	# Displaced Households
Glorieta Gardens	Opa Locka	Miami-Dade	Family	330	Flood damage to first floor units of two (2) buildings	<p>According to property representatives, the Local government has agreed to issue permits to begin demolition work. However, commencement of work was dependent on a damaged, storm drain line that extends from the property to a city-owned canal. As of 2/15/2021, building permits were secured and all tenants had been relocated. Owners anticipated having the units back on line by 4/30/2021. As of 4/9/2021, the tenants had all been relocated to either a hotel or another unit at the development. Owner anticipated completion of interior demolition work by 5/31/2021. At that point, a local building inspection is required prior to commencement of the rehabilitation work. All units were anticipated to be back in service by June 30, 2021. As of 5/15/2021, the completion had been extended to 7/31/2021. There were 28 tenants currently displaced at 5/15/2021. As of 6/30/2021, management reported 26 tenants were still displaced. The anticipated completion date was 7/31/2021. As of 8/15/2021, the owner was still performing remediation and making additional repairs to both the exteriors and interiors. Permits were submitted to the city for review and approval on 8/24/2021. Management reported there were 43 units still out of service and 19 tenants displaced. Anticipated completion date was October 31, 2021. As of 9/30/2021, Management reported 43 units out of service and 15 households displaced. As of 11/15/2021, Management reported 43 units still out of service and 15 households still displaced. Management's anticipated completion date had been extended to 12/31/2021 due to material delays and permitting. As of 12/31/2021, 43 units are still out of service. There are now 13 tenants currently displaced. Management reported no work was completed due to supply/material shortages. Contractors have reportedly placed material and supply orders directly through the manufacturers to expedite delivery. Anticipated completion date is 03/31/2022. As of 2/15/2022, 13 households were still displaced and the anticipated completion date was 3/31/2022. As of 3/31/2022, 13 households remained displaced and management reported all units were expected to be returned to service by 5/31/2022. As of 05/31/2022, management reported 24 units were still out of service and 8 households remained displaced. Management's new anticipated completion date was June 30, 2022. As of 7/15/2022, 21 units remain out of service and 2 households remain displaced. Management reported 7 units were awaiting final building and air sampling inspection prior to being occupied. Anticipated completion date was 8/31/2022. As of 8/31/2022, 16 units remained out of service with 1 household displaced. As of 9/30/2022, management reported 16 units remained out of service with 1 household displaced. As of 2/15/2023, six (6) units remain out-of-service from flooding caused by Hurricane Eta. No households displaced. As of 3/31/2023, Management reported 1 unit remains out of service. As of 5/15/2023, management reported one (1) unit out-of-service while awaiting air quality testing and final inspection.</p>	0

Total Displaced Households

0