

STATE OF FLORIDA  
FLORIDA HOUSING FINANCE CORPORATION

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Hampton Point Preservation, Ltd.  
a Florida limited partnership,

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Petitioner,

FHFC CASE NO. 2023-002VW  
Application No. 2021-104B

FLORIDA HOUSING  
FINANCE CORPORATION

v.

FLORIDA HOUSING FINANCE  
CORPORATION,

Respondent.

**PETITION FOR WAIVER OF RULE 67-21.003(1)(b), F.A.C. (05/18/2021) AND THE  
NON-COMPETITIVE APPLICATION INSTRUCTIONS (03/2021) AND FOR BOARD  
APPROVAL PURSUANT TO RULE 67-21.003(8)(b), F.A.C. (05/18/2021)**

Hampton Point Preservation, Ltd. (the “Petitioner”) by and through its undersigned counsel, hereby petitions Respondent, Florida Housing Finance Corporation (“Florida Housing”), for a waiver of the prohibition under Rule 67-21.003(1)(b), (05/18/2021) (“Rule”), and the Non-Competitive Application (“NCA”) instructions (03/2021), of changes to an applicant’s organizational structure prior to the MMRB Loan closing (“NCA Instructions”). Because the employee members of one of Petitioner’s principals (*i.e.*, Hampton Point Employee Fund LLC) have changed, the organizational structure must be updated to remove the old employees and add the new employees as principals/members. Additionally, because a member at the second level desires to make a change that would cause it to fall out of compliance with the Rule, Petitioner seeks to replace that member with a special purpose entity (*i.e.*, Condas Lincoln Holdings FL, LLC). This change in principals must occur now, as opposed to waiting until after the MMRB Loan closing because the 2022 tax returns must reflect the ownership entity structure that will in fact operate the Development. Because the change is requested prior

to the MMRB Loan closing, Petitioner respectfully requests a waiver of the Rule and NCA Instructions. Absent the Rule waiver, Petitioner cannot complete the acquisition. Petitioner also respectfully requests Florida Housing Board approval for the developer to change its organizational structure pursuant to Rule 67-21.003(8)(b), F.A.C. (05/18/2021). 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:

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

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**B. WAIVER IS PERMANENT.**

3. The waiver being sought is permanent in nature.

**C. DEVELOPMENT BACKGROUND.**

4. On June 30, 2021, Petitioner applied for non-competitive housing credits and Corporation issued MMRB to assist in the acquisition and rehabilitation of the following development (the “Development”).

- Development Name: Hampton Point Apartments
- Development Address: 2511 Luther Rd, Punta Gorda, 33983
- County: Charlotte County
- Developer: Hampton Point Developer LLC
- Number of Units: 284
- Type: Garden Apartments (Acquisition and Rehabilitation)
- Set Asides: 40% at or below 60% AMI (MMRB); 100% at or below 60% AMI (4% HC); 12% at or below 35% AMI and 5% at or below 40% AMI (SAIL ELI)
- Demographics: Family
- Funding: \$36,300,000 (MMRB) and \$2,653,285 (4% Housing Credit annual allotment) were approved at the October 28, 2022 Florida Housing Board meeting

**D. THE RULE AND NCA INSTRUCTIONS FROM WHICH WAIVER IS REQUESTED.**

5. To change Petitioner’s principals before the MMRB loan closing, Petitioner requests a waiver of Rule 67-21.003(1)(b), F.A.C. (05/18/2021) which provides in pertinent part:

(b) If the NC Award will not be in conjunction with other Corporation funding made available through the competitive solicitation funding process outlined in rule Chapter 67-60, F.A.C., the Applicant shall utilize the Non-Competitive Application Package in effect at the time the Applicant submits the Application. The Non-Competitive Application Package or NCA (Rev. 03-2021) is adopted and incorporated herein by reference and consists of the forms and instructions available, without charge, on the Corporation’s website under the Multifamily Programs link labeled Non-Competitive Programs or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-13093>, which shall be completed and submitted to the Corporation in accordance with this rule chapter.

*Id.* Rule 67-21.003(1)(b), F.A.C. (05/18/2021) incorporates by reference the Non-Competitive Application Package (Rev. 03/2021) (“NCA”), which includes the following requirement:

The Applicant entity shall be the recipient of the Non-Competitive Housing Credits and the borrowing entity for the MMRB Loan and the ownership structure of the Applicant entity as set forth in the Principal Disclosure Form **cannot be changed in any way (materially or non-materially) until after the MMRB Loan closing.** After loan closing, (a) any material change in the ownership structure of the named Applicant will require review and approval of the Credit Underwriter, as well as Board approval prior to the change, and (b) any non-material change in the ownership structure of the named Applicant will require review and approval of the Corporation, as well as Board approval prior to the change. The Applicant must comply with Principal disclosure requirements outlined in Rule Chapter 67-21, F.A.C. for the duration of the Compliance Period. Changes to the ownership structure of the Applicant entity (material or non-material) 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. Changes prior to loan closing to the officers or directors of a Public Housing Authority, officers or directors of a Non-Profit entity, or the limited partner of an investor limited partnership or an investor member of a limited liability company owning the syndicating interest therein will not result in disqualification, however, the Corporation must be notified of the change. Changes to the officers or directors of a Non-Profit entity shall require Corporation approval.

*Id.* at Part A. 6. b. (2) (emphasis added).

**E. THE RULE PURSUANT TO WHICH PETITIONER SEEKS BOARD APPROVAL**

6. To change the Developer’s principals after being invited to credit underwriting,

Petitioner respectfully requests Florida Housing Board approval pursuant to:

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

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

directors of a non-profit entity may be changed only by written request of an Applicant to Corporation staff and approval of the Corporation after the Applicant has been invited to enter Credit Underwriting. Any allowable replacement of a Principal that was identified as the experienced Developer in a competitive solicitation must meet the experience requirements met by the original Principal;

*See* Rule 67-21.003(8)(b), F.A.C. (5/18/21).

**F. STATUTES IMPLEMENTED BY THE RULE.**

7. The Rule implements, among other sections of the Florida Housing Finance Corporation Act (the “Act”):

- Section 420.502, Legislative findings.
- Section 420.503, Definitions.
- Section 420.507, Powers of the corporation.
- Section 420.508, Special powers; multifamily and single-family projects.
- Section 420.509, Revenue bonds.
- Section 420.5099, Allocation of the low-income housing tax credit.

8. Per Section 420.5099(1),(2), 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.

**G. JUSTIFICATION FOR GRANTING WAIVER OF THE RULE AND NCA INSTRUCTIONS AND FOR BOARD APPROVAL.**

9. Petitioner submitted its Application on June 30, 2021.

10. A subsequently imposed investor requirement necessitates combining the general partner and the Hampton Point Partner entities.<sup>1</sup> As a result, LAC TC Partners Holdings LLC

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<sup>1</sup> More specifically, the equity investor desired a more traditional GP/LP partnership structure and Petitioner made the change to secure KeyBank as an investor. Additionally, the proposed traditional GP/LP partnership structure gives Petitioner the flexibility to make the seller note non-recourse if necessary to avoid capital account issues.

(99.99% Investor Limited Partner entity) and Hampton Point Partner LLC (0.05% Non-Investor Limited Partner entity) must be removed from the first principal disclosure level and replaced with a to-be formed affiliate of Key Community Development Corporation as the 99.99% Limited Partner at the first level.<sup>2</sup> After Hampton Point Partner LLC is removed from the structure, its members must be reassigned to Hampton Point GP LLC (0.01% General Partner) to capture their interests in the partnership.<sup>3</sup> Unrelatedly, several member employees left the Hampton Point Employee Fund LLC, and replacements were added, resulting in changes to the LLC's members (see paragraph 11, below, for a description of the members that left and that were added, and the changed percentages related to same).

11. If the Petition is granted, the foregoing changes would have a ripple effect that would cause several entities to be removed and other entities to be added. *See* Current Applicant Organizational Structure, attached as Exhibit A; and Proposed Applicant Organizational Structure, attached as Exhibit B. While new names would appear on the chart, the natural person principals disclosed in the Proposed Organizational Structure are the same natural persons, or family members of the same natural persons, disclosed in the application (*i.e.*, Bronfman and Condas family members) and/or member employees of the Hampton Point Employee Fund LLC. Specifically, the following entities would be removed from the Current Applicant Organizational Structure:

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<sup>2</sup> Pursuant to the NCA Instructions, "Changes prior to loan closing to the officers or directors of a Public Housing Authority, officers or directors of a Non-Profit entity, or the **limited partner of an investor limited partnership** or an investor member of a limited liability company owning the syndicating interest therein will not result in disqualification, however, the Corporation must be notified of the change." *See* NCA Instruction, Part A. 6. b. (2) (emphasis added). Accordingly, Petitioner hereby advises Florida Housing of the change from LAC TC Partners Holdings LLC to a to-be formed affiliate of Key Community Development Corporation.

<sup>3</sup> If the Petition is granted, Hampton Point GP LLC would remain a general partner at the first level, but its interest would change from 0.05% to 0.001%.

- At the first level: LAC TC Partners Holdings LLC (99.99% Investor LP) and Hampton Point Partner LLC (0.05% Non-Investor LP)
- At the second level: SJB Management LLC will no longer be the sole (100%) member of Hampton Point GP LLC. Additionally, several members of Hampton Point Partner LLC, will be removed from the organizational structure, *i.e.*, SJB Management LLC (33.3293% managing member), ENB Family LLC (22.2232% member); Schore Lincoln Holdings, LLC (8.2485% member); and the Russell C. Condas Revocable Trust dated October 26, 2020 (5% member). While Hampton Point Employee Fund LLC will no longer be a 31.1990% member of Hampton Point Partner LLC (since that entity is being removed from the first level), it will remain at the second level as a 40.5555% member of Hampton Point GP LLC.
- At the third level: the sole member of Schore Lincoln Holdings, LLC (*i.e.*, Neal Schore) and several members of the Hampton Point Employee Fund LLC, *i.e.*, Brett Buss (4.562%), Andrew Cribbs (11.71%), Andrew Mika (7.15%), Graham Meharg (8.312%), Mike Martin (7.15%), and Oren Gabriel (9.2%), as well as Hampton Point Employee Fund LLC's manager (Almog Geva), will be removed. The remaining principals will remain at the third level, but the entities they are members of (and their percentages) will change, as set forth below.<sup>4</sup>

If the Petition is granted, the following entities would be added to the Proposed Applicant Organizational Structure:

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<sup>4</sup> For example, Jeremy Bronfman is currently the sole member of SJB Management LLC and would be the sole trustee and beneficiary of Jeremy Bronfman 2014 Revocable Trust, a California trust. Eli M. Bronfman is presently the 100% member of ENB Family LLC and would be the sole trustee and beneficiary of the EB 2022 Revocable Trust, a New York trust. Russell Condas is presently the sole trustee of the Russell C. Condas Revocable Trust October 26, 2020 and would be the sole member of Condas Lincoln Holdings FL, LLC.

- At the first level: a to-be formed affiliate of Key Community Development Corporation (the placeholder prior to closing will be LAC TC Partners Holdings LLC) (99.99% Limited Partner).
- At the second level, the principals of Hampton Point GP LLC would be: Jeremy Bronfman 2014 Revocable Trust (32.6667% member); EB 2022 Revocable Trust (21.7778% member); Hampton Point Employee Fund LLC (40.5555% member, Condas Lincoln Holdings FL, LLC (5% member, a recently formed Delaware limited liability company), and Jeremy Bronfman (0% manager).
- At the third level: (1) the sole trustee and beneficiary of the Jeremy Bronfman 2014 Revocable Trust would be Jeremy S. Bronfman; (2) the sole trustee and beneficiary of the EB 2022 Revocable Trust would be Eli M. Bronfman; (3) several members of the Hampton Point Employee Fund LLC would be added, *i.e.*, Thom Amdur (3.086); Brandon Hodge (6.172%); James Riley (6.172%); Brandon Sand (9.2581%); Stacy Kaplowitz (3.086%); Michele Lindahl (3.086%); Rebecca Schulz (3.0860%); and Drew Sullivan (3.086%); and the manger would be Hanna Jamar (20.9893%);<sup>5</sup> and (4) the sole member of Condas Lincoln Holdings FL, LLC would be Russell Condas.

12. Since the MMRB loan has not closed, Petitioner is in need of a waiver of the NCA Instructions to make the foregoing proposed change to Petitioner's organizational structure.

13. If the Rule and NCA Instructions are imposed, Petitioner will be prevented from complying with an investor requirement, jeopardizing Petitioner's ability to acquire the property.

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<sup>5</sup> The following members of the Hampton Point Employee Fund LLC would remain, but their percentages would change: Hanna Jamar (from 8.312% to 20.9893%); Tyler Conger (8.312% to 20.9893%); and Russell Condas (35.292% to 20.9893%).



Petitioner's principal, Hampton Point Employee Fund LLC, would likewise be unable to disassociate itself with employees that no longer work there, nor to name new employees as members. Thus, the denial would cause a substantial and unnecessary operational hardship. Granting the requested waiver will prevent a substantial and unfair hardship from being imposed on Petitioner while still achieving the underlying purpose of the Rule. Upon information and belief, the purpose of the NCA Instructions prohibiting changes to Petitioner's structure prior to the MMRB loan closing is to ensure full and fair consideration by Florida Housing of all persons that might exert control over the Development. Here, the natural persons exerting control over the Development were disclosed in the application.<sup>6</sup> The changes sought are only to: the names of the entities through which those persons will act; the family member beneficiaries of the trusts; and the member employees of Hampton Point Employee Fund LLC. The requested waiver should not, therefore, cause concern for Florida Housing. Since the same natural person principals disclosed in the Application will exert control over the Development, Florida Housing should have the same degree of comfort as if the structure were not changed. Accordingly, granting the Petition should not impact Florida Housing's confidence in the Development, Petitioner, or its principals.

14. 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

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<sup>6</sup> Jeremy Bronfman, Eli Bronfman, Russell Condas, and many of the member employees of Hampton Point Employee Fund LLC, as well as the principals of the new trusts, were named in the application. The only natural persons that were not named in the application are new member employees of Hampton Point Employee Fund LLC or principals of the new trusts.

application of the rule would: (1) create a substantial hardship or, violate principles of fairness,<sup>7</sup> 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.

15. For the reasons set forth above, granting the requested waiver will prevent a substantial and unfair hardship from being imposed on Petitioner while still achieving the underlying purpose of the Rule.

16. The requested waiver will not adversely impact the Development or Florida Housing.

17. Petitioner also seeks Board approval pursuant to Rule 67-21.003(8)(b), F.A.C. (5/18/2021) to change the Developer’s principals. If granted, the following changes would occur:

- Hampton Point Developer Manager LLC, Schore Lincoln Holdings, LLC, Hampton Point Developer Employee LLC, and these entities’ members, would be removed from the Developer’s organizational structure.
- The following entities would be added to the Developer’s organizational structure:
  - First Level: Hampton Point Developer CF Member LLC (50% member), Hampton Point Developer DDF Member LLC (50% member), and Jeremy Bronfman (manager)
  - Second Level:

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<sup>7</sup> “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.

- The principals of Hampton Point Developer CF Member LLC:  
Jeremy Bronfman (manager); Hampton Point Developer CF Associates LLC (member), JEB Developer LLC (member), Condas Lincoln Holdings, LLC (member),
- The principals of Hampton Point Developer DDF Member LLC:  
Jeremy Bronfman (manager); JEB Developer LLC (member), Condas Lincoln Holdings, LLC (member), Hampton Point Developer Employee LLC (member), and LAC Guarantor Holdings LLC (member).

*Compare* Developer’s Current Organizational Structure, attached as Exhibit C; and Developer’s Proposed Organizational Structure, attached as Exhibit D.

**H. ACTION REQUESTED.**

18. For the reasons set forth herein, Petitioner respectfully requests: (i) that Florida Housing grant the requested permanent waiver to allow Petitioner to change its organizational structure prior to MMRB loan closing; (ii) that the Florida Housing Board approve the requested change to the developer’s organizational structure pursuant to Rule 67-21.003(8)(b), F.A.C. (05/18/2021); (iii) that Florida Housing grant this Petition and all of the relief requested herein; and (iv) that Florida Housing grant such further relief as it may deem appropriate.

Respectfully submitted,

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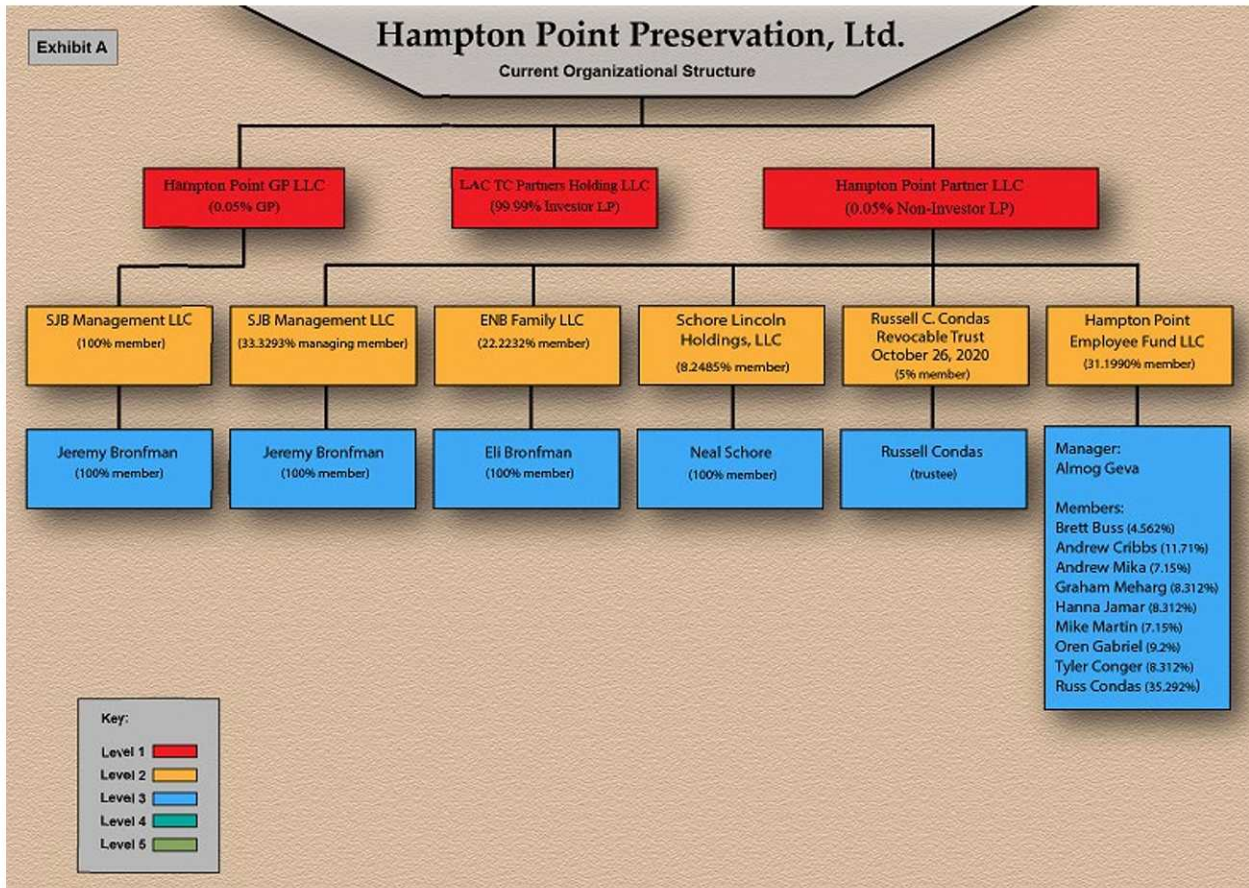
By: /s/ Brian J. McDonough  
BRIAN J. MCDONOUGH, ESQ.

**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 11th day of January, 2023.

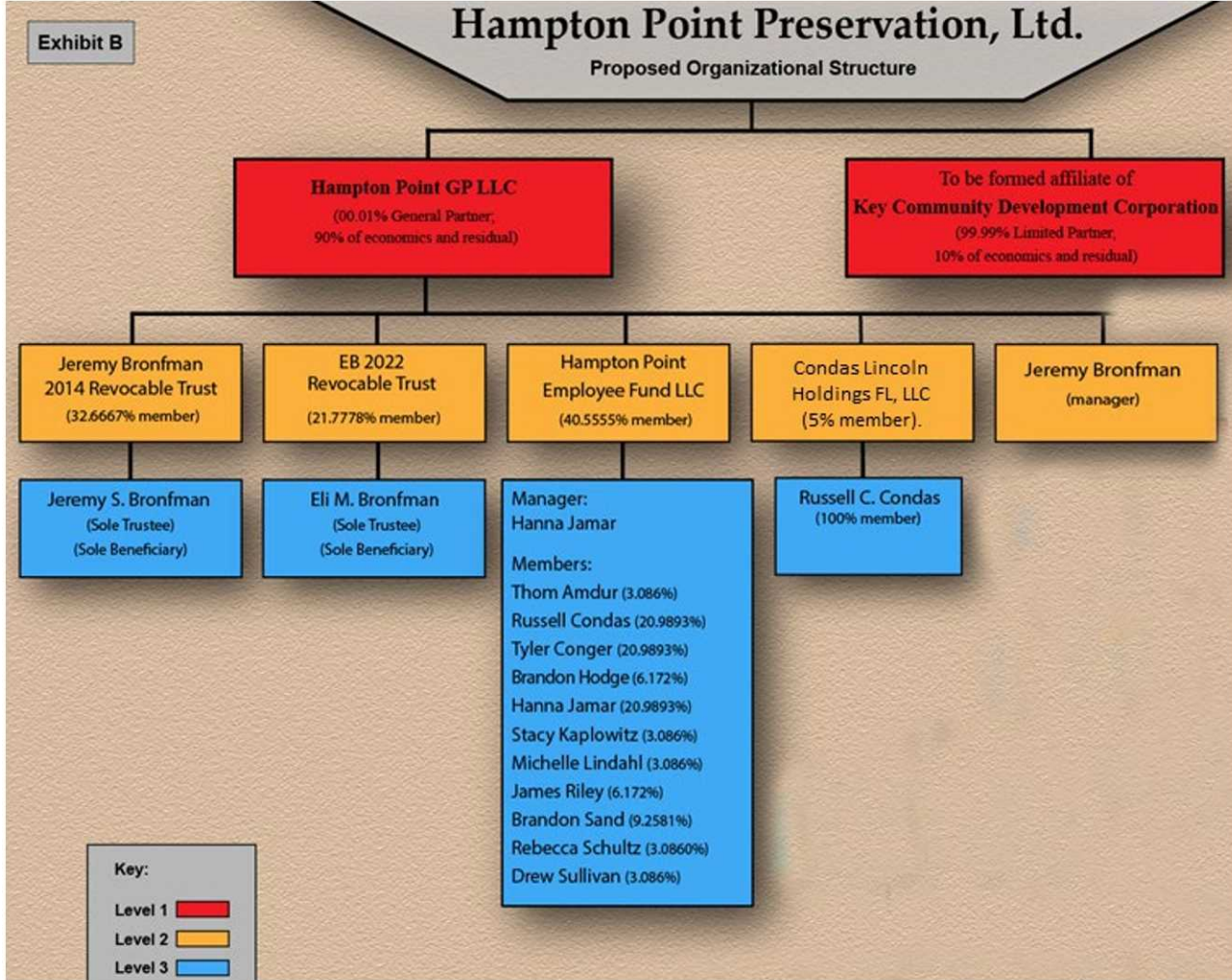
By: /s/ Brian J. McDonough  
Brian J. McDonough, Esq.

## Exhibit A – Current Applicant Organizational Structure

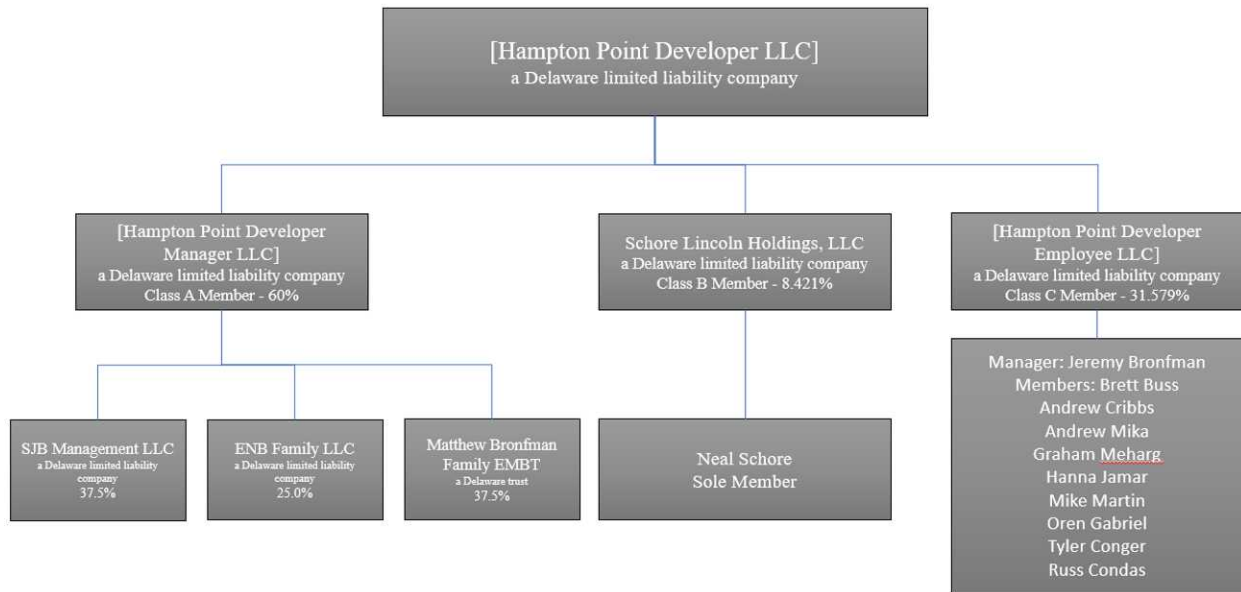


**Exhibit B – Proposed Applicant Organizational Structure**

*\*\*The difference at the first level between Exhibits A and B reflects the combination of the general partner and Hampton Point Partner LLC. Although the ownership percentage is different, the earnings were not changed for each member.*



### Exhibit C – Current Developer Organizational Structure



### Exhibit D – Proposed Developer Organizational Structure

