

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
June 21, 2013
Consent Items



HOUSING CREDITS

Consent

I. HOUSING CREDITS

A. Request Approval to Change Ownership Structure for St. Martin's Place / 2011-069CH/2013-021CH

| | |
|--|---|
| DEVELOPMENT NAME ("Development"): | St. Martin's Place |
| DEVELOPER/PRINCIPAL("Developer"): | St. Martin's Place Developers, LLC |
| APPLICANT: ("Owner") | St. Martins Pl, Ltd. |
| NUMBER OF UNITS: | 94 |
| LOCATION ("County"): | Miami-Dade County |
| TYPE: | New Construction |
| SET ASIDE: | 10% @ 28% AMI & 90% @ 60% AMI |
| ALLOCATED AMOUNT: | \$2,561,000.00 |
| DEMOGRAPHIC COMMITMENT: | Homeless |

1. Background/Present Situation

- a) St. Martin's Place is a Competitive Housing Credit, New Construction Development providing 94 set-aside units in Miami-Dade County, Florida with a Homeless demographic. St. Martin's Place was invited to enter credit underwriting at their own risk on April 10, 2012. Florida Housing issued an allocation of \$2,561,000 in Housing Credits in May of 2013.
- b) Florida Housing received a request from the Owner on May 22, 2013 to change the entity of the Applicant, Developer, and identity of their managing entities ([Exhibit A](#)). Exhibit A, page 2 shows the new legal and ownership structure of both the Applicant and the Developer. The original ownership structure from Application is attached ([Exhibit B](#)). The identity of the Applicant entity has changed from St. Martins Pl, Ltd. to BHG St. Martins Pl, Ltd. The identity of the Developer entity has changed from St. Martin's Place Developers, LLC to BHG St. Martin's Place Developers, LLC.

2. Recommendation

Approve the requested changes reflected above subject to a positive credit underwriting report.

HOUSING CREDITS

Consent

B. Request Approval to Minimally Exceed Subcontractor Cost Limit for Evernia Place / #2011-165C/2013-018C

| | |
|-----------------------------|---|
| Development Name: | Evernia Place |
| Developer/Principal: | Eastwind Development, LLC and HPI Development, LLC |
| Number of Units: | 84 |
| Location : | Palm Beach County |
| Type/Demographic: | Elderly |
| Set-Aside: | 10% @ 28% AMI and 90% @ 60% AMI |
| Allocated Amount: | \$2,034,739.00 |

1. Background/Present Situation

- a) Evernia Place (#2011-165C/2013-018C) is a Competitive Housing Credit, New Construction Development providing 84 set-aside units in Palm Beach County, Florida. Evernia Place was invited to enter credit underwriting at risk on November 7, 2012. Florida Housing issued an allocation of \$2,034,739 in Housing Credits in February of 2013.
- b) The Development has requested Board approval, required by Rule 67-48.0072(17)(f), to allow one subcontractor to receive more than 20% of construction cost.
- c) First Housing Development Corporation engaged GLE Facilities and Environmental Consultants (“GLE” or “Construction Consultant”) to perform a Plan & Cost Analysis (“PCA”) of the Development. GLE issued a preliminary that indicates the building shell subcontractor is to receive 30% of the total contract price. GLE opines that this is not uncommon for a high-rise project.
- d) Given the above opinion, First Housing has provided a positive recommendation to this request as long as satisfactory insurance and bonding protection is provided from the general contractor, attached as [Exhibit C](#).

2. Recommendation

Approve the request to allow the 20% subcontractor limit to be exceeded as referenced above.

HOME RENTAL

Consent

II. HOME RENTAL

A. Request Approval of HOME Credit Underwriting Report for St. Martin's Place (2011-069CH)

| | |
|---|---|
| Development Name: St. Martin's Place ("Development") | Location: Miami-Dade County |
| Developer: BHG St. Martin's Place Developers, LLC, (Developer) | Set-Aside: 20% @ 50% AMI 80% @ 60% AMI 94 HOME Units |
| Type: New Construction/High Rise | HOME: \$4,700,000 Housing Credits: \$2,561,000 |
| Total Number of Units: 94 | Demographics: Homeless |

1. Background/Present Situation

- a) The Applicant applied for funding during the 2011 Universal Application Cycle, seeking an allocation of Low Income Housing Tax Credits and HOME Program funds. The Applicant was notified by Florida Housing Finance Corporation ("Florida Housing") of its final ranking on or about June 8, 2012 that the Development was not funded as Florida Housing deemed the St. Martins Place Application ineligible.
- b) On December 7, 2012, the Board adopted the Findings of Fact and Conclusions of Law of the Recommended Order, and St. Martins Written Argument to modify the Hearing Officer's recommendation to include that St. Martins will receive an allocation of HOME Program funds from its next available allocation, and issued a Final Order accordingly. Staff proceeded with all necessary credit underwriting activities. On December 11, 2012, St. Martin's Place was issued a notice of their funding eligibility as they were determined to be in the funding range.
- c) Rule Chapter 67-48.0072(4)(c), F.A.C. states the loan must close within 12 months of the date of the letter of invitation to enter credit underwriting. Applicants may request one (1) extension of up to 12 months.
- d) On June 6, 2013, staff received a final credit underwriting report with a positive recommendation for a HOME loan in the amount of \$4,700,000 ([Exhibit A](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of Rule Chapter 67-48, F.A.C.

2. Recommendation

Approve the final credit underwriting report and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

HOME RENTAL

Consent

B. Request Approval of Credit Underwriting Update Letter for Solabella Apartments (RFP 2009-06-11/2010A-217B/2011-514C)

| | |
|---|--|
| Development Name: Solabella ("Development") | Location: Miami-Dade County |
| Developer: CSG Development Services, LLC (Developer) | Set-Aside: 20% @ 50% AMI 80% @ 60% AMI 92 HOME Units |
| Type: New Construction/Townhouse | HOME: \$1,600,000 MMRB: 2011 Series H-1 3,550,000 and Series H-2 \$4,450,000 Housing Credits: \$605,069 |
| Total Number of Units: 92 | Demographics: Family |

1. Background/Present Situation

- a) On December 22, 2011, the HOME loan in the amount of \$1,600,000 closed for this 92 unit family development in Miami-Dade County. In 2012 the notes were issued for the Multifamily Mortgage Revenue Bonds (MMRB).
- b) On May 23, 2013, staff received a letter from the Borrower requesting approval to change the first mortgage lender and subordinate the HOME Loan to the new first mortgage ([Exhibit B](#)).
- c) On June 3, 2013, staff received a credit underwriting update letter with a positive recommendation for a change in the first mortgage lender from MMRB to Fannie Mae and to subordinate the HOME loan to the new first mortgage (Exhibit C). Staff has reviewed this letter and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2009-06.

2. Recommendation

Approve the credit underwriting update letter subject to the conditions outlined in the letter and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities.

LEGAL

Consent

III. LEGAL

A. In Re: St. Martin Pl, LTD. – FHFC Case No. 2013-011VW

| | |
|--|--|
| Development Name: (“Development”): | St. Martin’s Place Application No. 2011-069CH |
| Developer/Principal: (“Developer”): | St. Martin’s Place Developers, LLC |
| Number of Units: 94 | Location: Miami-Dade County |
| Type: High Rise | Set Asides: RRLP: 10% @ 28% AMI 90% @ 60% AMI |
| Demographics: Homeless | HC: \$2,561,000.00 HOME: \$4,700,000 |

1. Background

- a) During the 2011 Universal Cycle, St. Martin’s PL, Ltd. (“Petitioner”) applied for and was awarded an allocation of tax credits and HOME funds to finance the construction of a homeless development known as St. Martin’s Place (the “Development”) located in Miami-Dade County, Florida.
- b) On May 23, 2013, Florida Housing received an “Petition for Waiver of Part II.A.2.c.(2) of the 2011 Universal Application Instructions, UA1016(Rev. 2-11) and Rule 67-48.004, F.A.C., to Allow Change of Applicant Entity Prior to Home Loan Closing” (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit A](#).

2. Present Situation

- a) Rule 67-48.004(1)(a) Fla. Admin. Code (2011) provides, in pertinent part:
 - (a) The Universal Application Package or UA1016 (Rev. 2-11) is adopted and incorporated herein by reference and consists of the forms and instructions available, without charge, on the Corporation’s Website under the 2011 Universal Application link labeled Instructions and Application, or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-00703>, which shall be completed and submitted to the Corporation in accordance with this rule chapter in order to apply for the HOME and HC Program(s).
- b) Part II.A.2.c. (2). of the Instructions provides in pertinent part:

If applying for MMRB or HOME, the Applicant entity shall be the borrowing entity and cannot be changed until after loan closing. Replacement of the Applicant or a material change (33.3 percent or more of the Applicant, a General Partner of the Applicant, or a member of the Applicant) in the ownership structure of the named Applicant prior to loan closing shall result in disqualification from receiving funding and shall be deemed a material misrepresentation. Changes after loan closing require Board approval.

LEGAL

Consent

- c) Petitioner requested a waiver of the above Rules to allow it to replace the Applicant entity provided at the Application Deadline, prior to the HOME Loan Closing. As justification, Petitioner states that after being invited into credit underwriting, a dispute between the principals of Biscayne Housing Group, LLC (“Biscayne”), the owner of the General Partner of the Applicant, resulted in an arbitration proceeding. The Order from this proceeding required that Michael Cox, who co-owned Biscayne with Gonzalo De Ramon be removed from the Development and that Mr. De Ramon was to proceed independently with the construction of the Development as the Applicant and the Developer.¹ Petitioner submitted a revised Exhibit 9 to its Application as Exhibit C to its Petition. This revised Exhibit 9 sets out the revised Applicant entity, BHG St. Martin’s PL, Ltd, which demonstrates that Mr. Cox would no longer participate in the Development as the Applicant.
- d) The requested change would neither affect the scoring of Petitioner’s application nor allow Petitioner to gain an unfair advantage over other applicants.
- e) On May 28, 2013, the Notice of Petition was published in the Florida Administrative Register in Volume 39, Number 103. To date, Florida Housing has received no comments concerning the Petition.
- f) Section 120.542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- g) Petitioner demonstrated that strict application of the above Rule under these circumstances would result in a substantial hardship. Petitioner established the need to move expeditiously. Further, Mr. De Ramon has the requisite experience and can complete the Development as the Applicant. A denial of the requested waiver would result in a substantial hardship due to a delay in the construction where a substantial investment in the Development has been made; resulting in delaying much needed homeless housing in Miami-Dade County.

3. Recommendation

Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Part II.A.2.c.(2) of the Instructions, to allow Petitioner to change the identity of the Applicant from St. Martin’s PL Ltd., to BHG St. Martin’s PL, Ltd.

¹ Mr. Cox was the sole limited partner of the Applicant and co-owner of the Managing Member of the Developer of the Applicant entity. There is a separate request to remove Mr. Cox from the Developer entity.

LEGAL

Consent

B. In Re: Dante Fascell Preservation – FHFC Case No. 2013-006VW

| | |
|--|---|
| Development Name: (“Development”): | Dante Fascell Preservation Application No. 2011-048C |
| Developer/Principal: (“Developer”): | Dante Fascell Preservation, LLC |
| Number of Units: 151 | Location: Miami-Dade |
| Type: Mid-Rise with Elevator | Set Asides: RRLP: 20% @ 28% AMI 80% @ 60% AMI |
| Demographics: Elderly | HC: \$1,500,528.00 |

1. Background

- a) During the 2011 Universal Cycle, Dante Fascell Preservation, LLC (“Petitioner”) applied for and was awarded an allocation of tax credits to finance the rehabilitation of an elderly development known as Stirrup Plaza Preservation Phase One (the “Development”) located in Miami-Dade County, Florida.
- b) On May 14, 2013, Florida Housing received a “Petition for Waiver of Section III (B) (1) (b) of Instructions and Chapter 67-48” (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit B](#).

2. Present Situation

- a) Rule 67-48.004(1)(a) Fla. Admin. Code (2011) provides, in pertinent part:
 - (a) The Universal Application Package or UA1016 (Rev. 2-11) is adopted and incorporated herein by reference and consists of the forms and instructions available, without charge, on the Corporation’s Website under the 2011 Universal Application link labeled Instructions and Application, or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-00703>, which shall be completed and submitted to the Corporation in accordance with this rule chapter in order to apply for the HOME and HC Program(s).
- b) Part III of the Instructions provides in pertinent part:
 - Part III. Proposed Development...
 - B. Construction Features and Amenities...
 - 1. Required General Features and Amenities for All Developments (Threshold)...
 - b. All Units in All Developments Except SRO:..
 - Full-size range, oven and Energy Star qualified refrigerator in all units.

LEGAL

Consent

- c) Petitioner requested a waiver of the above Rule to allow it to install 20” ranges, instead of installing full-sized ranges in the units in the Development. As justification, Petitioner states that full-sized ranges would deprive residents of counter space and drawer space in kitchens already of limited size and would cause unneeded expense to the Petitioner by requiring Petitioner to upgrade the electrical panel which Petitioner claims is “not feasible or necessary.”
- d) The requested change would neither affect the scoring of Petitioner’s application nor allow Petitioner to gain an unfair advantage over other applicants.
- e) On May 15, 2013, the Notice of Petition was published in the Florida Administrative Register in Volume 39, Number 95. To date, Florida Housing has received no comments concerning the Petition.
- f) Section 120.542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- g) Petitioner demonstrated that strict application of the above Rule under these circumstances would cause undue hardship. Petitioner established that requiring the Developer to place full-sized ranges in each rehabilitating unit would require a drastic redesign of the kitchen layout and would require upgrading the electric panel by as much as 10%. This expense is unnecessary as 20” ranges are adequate to meet the needs of the intended residents, that being no more than two elderly residents per unit. Furthermore, the redesign necessary to accommodate full-sized ranges would leave residents with much reduced counter and drawer space.

3. Recommendation

Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Part III.B.1.b. of the Instructions, to allow Petitioner to install a 20” range, instead of a full-sized range in every the unit in the Development.

LEGAL

Consent

C. In Re: Stirrup Plaza Preservation Phase One – FHFC Case No. 2013-007VW

| | |
|--|---|
| Development Name: (“Development”): | Stirrup Plaza Preservation Phase One Application No. 2011-048C |
| Developer/Principal: (“Developer”): | Stirrup Plaza Preservation Phase One, LLC |
| Number of Units: 100 | Location: Miami-Dade |
| Type: Mid-Rise with Elevator | Set Asides: RRLP: 20% @ 28% AMI 80% @ 60% AMI |
| Demographics: Elderly | HC: \$1,079,893.00 |

1. Background

- a) During the 2011 Universal Cycle, Stirrup Plaza Preservation Phase One, LLC (“Petitioner”) applied for and was awarded an allocation of tax credits to finance the rehabilitation of an elderly development known as Stirrup Plaza Preservation Phase One (the “Development”) located in Miami-Dade County, Florida.
- b) On May 14, 2013, Florida Housing received a “Petition for Waiver of Section III (B) (1) (b) of Instructions and Chapter 67-48” (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit C](#).

2. Present Situation

- a) Rule 67-48.004(1)(a) Fla. Admin. Code (2011) provides, in pertinent part:
 - (a) The Universal Application Package or UA1016 (Rev. 2-11) is adopted and incorporated herein by reference and consists of the forms and instructions available, without charge, on the Corporation’s Website under the 2011 Universal Application link labeled Instructions and Application, or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-00703>, which shall be completed and submitted to the Corporation in accordance with this rule chapter in order to apply for the HOME and HC Program(s).
- b) Part III of the Instructions provides in pertinent part:

Part III. Proposed Development...

 1. Required General Features and Amenities for All Developments (Threshold)...
 - b. All Units in All Developments Except SRO:..
 - Full-size range, oven and Energy Star qualified refrigerator in all units.

LEGAL

Consent

- c) Petitioner requested a waiver of the above Rule to allow it to install 20” ranges, instead of installing full-sized ranges in the units in the Development. As justification, Petitioner states that full-sized ranges would deprive residents of counter space and drawer space in kitchens already of limited size and would cause unneeded expense to the Petitioner by requiring Petitioner to upgrade the electrical panel which Petitioner claims is “not feasible or necessary.”
- d) The requested change would neither affect the scoring of Petitioner’s application nor allow Petitioner to gain an unfair advantage over other applicants.
- e) On May 15, 2013, the Notice of Petition was published in the Florida Administrative Register in Volume 39, Number 95. To date, Florida Housing has received no comments concerning the Petition.
- f) Section 120.542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- g) Petitioner demonstrated that strict application of the above Rule under these circumstances would cause undue hardship. Petitioner established that requiring the Developer to place full-sized ranges in each rehabilitating unit would require a drastic redesign of the kitchen layout and would require upgrading the electric panel by as much as 10%. This expense is unnecessary as 20” ranges are adequate to meet the needs of the intended residents, that being no more than two elderly residents per unit. Furthermore, the redesign necessary to accommodate full-sized ranges would leave residents with much reduced counter and drawer space.

3. Recommendation

Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Part III.B.1.b. of the Instructions, to allow Petitioner to install a 20” range, instead of a full-sized range in every the unit in the Development.

LEGAL

Consent

D. In Re: South Miami Plaza Preservation – FHFC Case No. 2013-008VW

| | |
|--|---|
| Development Name: (“Development”): | South Miami Plaza Preservation Application No. 2011-049C |
| Developer/Principal: (“Developer”): | South Miami Plaza Preservation, LLC |
| Number of Units: 97 | Location: Miami-Dade |
| Type: Mid-Rise with Elevator | Set Asides: RRLP: 20% @ 28% AMI 80% @ 60% AMI |
| Demographics: Elderly | HC: \$1,065,544.00 |

1. Background

- a) During the 2011 Universal Cycle, South Miami Plaza Preservation, LLC (“Petitioner”) applied for and was awarded an allocation of tax credits to finance the rehabilitation of an elderly development known as South Miami Plaza Preservation (the “Development”) located in Miami-Dade County, Florida.
- b) On May 14, 2013, Florida Housing received a “Petition for Waiver of Section III (B) (1) (b) of Instructions and Chapter 67-48” (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit D](#).

2. Present Situation

- a) Rule 67-48.004(1)(a) Fla. Admin. Code (2011) provides, in pertinent part:
 - (a) The Universal Application Package or UA1016 (Rev. 2-11) is adopted and incorporated herein by reference and consists of the forms and instructions available, without charge, on the Corporation’s Website under the 2011 Universal Application link labeled Instructions and Application, or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-00703>, which shall be completed and submitted to the Corporation in accordance with this rule chapter in order to apply for the HOME and HC Program(s).
- b) Part III of the Instructions provides in pertinent part:
 - B. Construction Features and Amenities...
 - 1. Required General Features and Amenities for All Developments (Threshold)...
 - b. All Units in All Developments Except SRO:..
 - Full-size range, oven and Energy Star qualified refrigerator in all units.

LEGAL

Consent

- c) Petitioner requested a waiver of the above Rule to allow it to install 20” ranges, instead of installing full-sized ranges in the units in the Development. As justification, Petitioner states that full-sized ranges would deprive residents of counter space and drawer space in kitchens already of limited size and would cause unneeded expense to the Petitioner by requiring Petitioner to upgrade the electrical panel which Petitioner claims is “not feasible or necessary.”
- d) The requested change would neither affect the scoring of Petitioner’s application nor allow Petitioner to gain an unfair advantage over other applicants.
- e) On May 15, 2013, the Notice of Petition was published in the Florida Administrative Register in Volume 39, Number 95. To date, Florida Housing has received no comments concerning the Petition.
- f) Section 120.542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- g) Petitioner demonstrated that strict application of the above Rule under these circumstances would cause undue hardship. Petitioner established that requiring the Developer to place full-sized ranges in each rehabilitating unit would require a drastic redesign of the kitchen layout and would require upgrading the electric panel by as much as 10%. This expense is unnecessary as 20” ranges are adequate to meet the needs of the intended residents, that being no more than two elderly residents per unit. Furthermore, the redesign necessary to accommodate full-sized ranges would leave residents with much reduced counter and drawer space.

3. Recommendation

Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Part III.B.1.b. of the Instructions, to allow Petitioner to install a 20” range, instead of a full-sized range in every the unit in the Development.

MULTIFAMILY BONDS

Consent

IV. MULTIFAMILY BONDS

A. Request Approval for Transfer of Ownership of the Development in Connection with Redemption of the Bonds and Assumption and Subordination of the Land Use Restriction Agreement (LURA)

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|---|--|
| Development Name: Iona Lakes | Location: Lee |
| Developer/Owner: Agape Iona Lakes, Inc. | Set-Asides: 30% @ 80% AMI 60% @ 150 AMI |
| Funding Source: Multifamily Housing Revenue Bonds (MMRB) | Amount: \$17,155,000 Tax Exempt Bonds |
| Number of Units: 350 | Type: Rental |

1. Background

Florida Housing issued bonds for Iona Lakes Apartments in 1985 in the amount of \$17,400,000 designated as 1985 Series Y. The bonds were refunded in 1989 (1989 Series D) in the amount of \$17,155,000 and again in 2000 (2000 Series B) in the amount of \$17,155,000.

2. Present Situation

The current owner, Agape Iona Lakes, Inc., in their letter dated May 20, 2013, attached as [Exhibit A](#), is advising that they have entered into a purchase and sale agreement with Northland Investment Corporation. Florida Housing's approval is requested for this transfer of ownership in connection with the redemption of the entire outstanding balance of the Bonds and for the purchaser's assumption of the LURA. In addition, approval is requested for subordination of the LURA to the new first mortgage.

3. Recommendation

That the Board approve the transfer of ownership, the assumption and subordination of the LURA subject to approval by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

B. Request Approval to Merge Northbridge Apartments Phases I and II and Consolidate their Operations and Ownership

| | |
|--|---|
| Development Name: Northbridge Apartments I and Northbridge Apartments II | Location: Orange |
| Developer/Owner: Northbridge at Millenia Partners, Ltd. Northbridge at Millenia II, Ltd. CED Capital Holdings 2002 RR, L.L.C. CED Capital Holdings 2003 E, L.L.C. | Set-Asides: 20% @50% AMI (MMRB and SAIL) |
| Funding Sources: Multifamily Mortgage Revenue Bonds and SAIL | Amount: \$48,500,000 Tax Exempt Bonds; \$21,500 Taxable Bonds; and \$ 2,000,000 SAIL (Phase I) |
| Number of Units: 396 Phase I; 211 Phase II | Type: Rental |

1. Background

Florida Housing issued bonds for the construction of Northbridge at Millenia Apartments (Phase I) in 2003 in the amount of \$30,020,000 in Tax Exempt Bonds designated as 2003 Series V-1 and \$3,300,000 in Taxable Bonds designated as 2003 Series V-2. A SAIL loan in the amount of \$2,000,000 also closed in 2003. In 2007, Florida Housing issued \$48,500,000 in Tax Exempt Bonds designated as 2007 Series G-1 and \$21,500,000 in Taxable Bonds designated as 2007 Series G-2 to refinance the Developments (Northbridge Phase I and Northbridge Phase II) and refund prior bonds.

2. Present Situation

The Borrowers in their letter dated April 5, 2013, attached as [Exhibit B](#) are requesting that Northbridge at Millenia Partners II, Ltd. (the owner of the Northbridge Phase II development) be merged into the Northbridge at Millenia Partners, Ltd. (the owner of the Northbridge at Millenia Phase I development). The Phase I owner would thereafter own both developments and, through the merger, be liable for all obligations of both the Phase I and Phase II owners. In 2012 the Bond documents for the two phases were modified through a restructuring of the credit enhancement in preparation for such a merger.

3. Recommendation

That the Board approve the merger of the ownership of Northbridge Phase II into Northbridge Phase I subject to approval by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

C. Request Approval for Assumption of Land Use Restriction Agreement (LURA) Obligations of The Olive Tree Apartments

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|--|--|
| Development Name: The Olive Tree Apartments | Location: Broward |
| Owner: Olive Tree Group and Associates, LLC | Set-Asides: 20% @ 50% AMI 60% @ 80% AMI |
| Funding Source: Multifamily Housing Revenue Bonds | Amount: \$0 Tax Exempt Bonds |
| Number of Units: 86 | Type: Rental |

1. Background

In 1999, Florida Housing financed the acquisition and rehabilitation of the Development with \$4,100,000 in Tax-Exempt Bonds designated as 1999 Series K-1, K-2, and K-3. Subsequently in July, 2005, the bonds were redeemed.

2. Present Situation

- a) The current Borrower, Olive Tree Group and Associates, LLC, and FM Properties, LLC and/or its Assigns have entered into a Contract for Sale and the Borrower is requesting approval for the purchaser to assume the obligations of the LURA at the time of the sale.
- b) The Credit Underwriter has reviewed this request and in a letter dated June 4, 2013, attached as [Exhibit C](#), recommends Florida Housing's approval of the request.

3. Recommendation

That the Board approve the Assumption of LURA Obligations of the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

D. Request for Approval of the Transfer of the Managing General Partner's Interest in The Villas at Carver Park and Assumption of the Land Use Restriction Agreement (LURA)

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|--|---|
| Development Name: The Villas at Carver Park | Location: Orange |
| Developer/Owner: Finlay Development/Orlando Housing Authority | Set-Asides: 85% @ 60% AMI (MMRB) 100% @ 60% AMI (HC) |
| Funding Source: Multifamily Housing Revenue Bonds (MMRB); Low Income Housing Credits (HC) | Amounts: MMRB \$0; HC \$511,016 |
| Number of Units: 64 | Type: Rental |

1. Background

Florida Housing issued bonds for The Villas at Carver Park in 2008 in the amount of \$6,700,000 designated as 2008 Series F. Subsequently, in August of 2009 the bonds were redeemed.

2. Present Situation

- a) The Villas at Carver Park GP, LLC (the original Managing General Partner) of the Villas at Carver Park, LLP (the Borrower), is requesting Florida Housing's approval of the transfer of its interest in the Borrower/Development to Villas at Carver Park – Orlando, an affiliate of the Orlando Housing Authority. This transfer took place June 6, 2012, in accordance with the terms of the partnership agreement and as required by the Land Use Restriction Agreement this transfer must also be approved by Florida Housing.
- b) The Credit Underwriter has reviewed this request and in a letter dated June 5, 2013, attached as [Exhibit D](#), recommends Florida Housing's approval of this request.

3. Recommendation

That the Board approve the transfer of the Managing General Partner's interest in the Development and assumption of the LURA, subject to further approval and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and appropriate Florida Housing staff.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

V. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Approval of Credit Underwriting Report for Promise in Brevard, LLC, a Not-for-Profit Entity, for Promise in Brevard (2012-003P-09)

| | |
|---|---|
| DEVELOPMENT NAME (“Development”): | Promise in Brevard |
| APPLICANT/DEVELOPER (“Developer”): | Promise in Brevard, LLC |
| CO-DEVELOPER: | Royal American Development, Inc. |
| NUMBER OF UNITS: | 50 |
| LOCATION (“County”): | Brevard County |
| TYPE: | Rental for Persons with Disabilities |
| MINIMUM SET ASIDE: | 20% at or below 50% AMI |
| PLP LOAN AMOUNT: | \$750,000 |
| ADDITIONAL COMMENTS: If approved, the new applicant name will be Promise in Brevard, LLC | |

1. Background

- a) On November 2, 2012, the Board approved a PLP loan to Promise, Inc. in the amount of \$750,000. Of this loan amount, \$500,000 was requested for the acquisition of the subject property and was, by program rule, subject to review and a positive recommendation from an assigned credit underwriter.
- b) To date, the developer has drawn \$24,663 of the non-acquisition funds that were not subject to credit underwriting.

2. Present Situation

- a) On May 23, 2013, staff received a credit underwriting report from Seltzer Management Group ([Exhibit A](#)) recommending the PLP funding for the acquisition portion of the PLP loan. However, due to the appraisal on the property resulting in a value of \$460,000, the credit underwriter is recommending a reduction in the acquisition funds to an amount of \$460,000 for the acquisition of the property. This reduction will reduce the total PLP loan amount to \$710,000.
- b) Additionally, the credit underwriter is recommending that the Applicant name be changed from Promise, Inc. to Promise in Brevard, LLC as the borrowing entity under the PLP loan and the entity that will pursue funding under the low income housing tax credit program.
- c) Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

3. Recommendation

- a) Approve the applicant entity name change from Promise, Inc. to Promise in Brevard, LLC; and
- b) Approve the acquisition portion of the PLP Loan in the amount of \$460,000 to Promise in Brevard, LLC as recommended by the credit underwriter, and allow staff to issue the Commitment Letter and commence with loan closing proceedings on the site- acquisition portion of the loan in the amount of \$460,000, reducing the total PLP loan amount to \$710,000.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Request Approval of Maturity Extension of PLP Loan for Greater Grace Outreach, LLC, a Not-for-Profit Entity, for Grace Manor Apartments (07-142)

| | |
|---|---|
| DEVELOPMENT NAME (“Development”): | Grace Manor Apartments |
| APPLICANT/DEVELOPER (“Developer”): | Greater Grace Outreach, LLC, a not-for-profit entity |
| CO-DEVELOPER (“Co-Developer”) | N/A |
| NUMBER OF UNITS: | 80 |
| LOCATION (“County”): | Duval County |
| TYPE: | Rental, Family |
| SET ASIDE: | 60% at or below 60% AMI |
| PLP LOAN AMOUNT: | \$750,000 |
| ADDITIONAL COMMENTS: | |

1. Background

- a) On June 19, 2009, the Developer closed on a PLP Loan in the amount of \$750,000 for the Applicant for Grace Manor Apartments.
- b) On June 8, 2012, the Board approved a one-year extension to the loan maturity date from June 19, 2012 to June 19, 2013.
- c) To date, the Developer has drawn \$649,989.40 on the loan.

2. Present Situation

- a) On May 23, 2013, staff received a letter from the developer ([Exhibit B](#)) requesting a second one-year extension to the loan maturity date from June 19, 2013 to June 19, 2014.
- b) The Developer intends to apply for Low Income Housing Tax Credits since the development is no longer in a Limited Development Area, which prevented the development from being eligible under previous funding cycles.
- c) The technical assistance provider (TAP) has recommended approval of the loan maturity extension and provided an updated development plan ([Exhibit C](#)).
- d) Staff believes that granting the Developer a second one year extension will allow them time to pursue financing options and will not affect Florida Housing’s security interest in the loan.

3. Recommendation

Approve the loan maturity extension for the PLP loan for Grace Manor Apartments from June 19, 2013, to June 19, 2014, and allow staff to begin execution of amended loan documents.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

C. Request Approval of PLP Loan for Northwest Jacksonville CDC, a Not-for-Profit Entity, for Mary A. Eaves Senior Living Facility (2012-005P-09)

| | |
|---|---|
| DEVELOPMENT NAME (“Development”): | Mary A. Eaves Senior Living Facility |
| APPLICANT/DEVELOPER (“Developer”): | Northwest Jacksonville CDC |
| NUMBER OF UNITS: | 76 |
| LOCATION (“County”): | Duval County |
| TYPE: | Rental, Elderly |
| MINIMUM SET ASIDE: | 20% @ or below 50% AMI |
| PLP LOAN AMOUNT: | \$365,908 |

1. Background

- a) On November 26, 2012, Florida Housing received a PLP Application from the Applicant for Mary A. Eaves Senior Living Facility, a mixed use property that is proposed for development in Duval County and will include 76 units of rental housing.
- b) On December 5, 2012, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

2. Present Situation

The Technical Assistance Provider (TAP) has submitted a Development Plan and recommended a loan amount of \$365,908 for PLP eligible activities ([Exhibit D](#)). Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.

3. Recommendation

Approve the PLP Loan in the amount of \$365,908 to Northwest Jacksonville CDC, a not-for-profit entity, for Mary A. Eaves Senior Living Facility for eligible predevelopment expenses as recommended by the TAP, and allow staff to issue the Commitment Letter and commence with loan closing proceedings.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

VI. PROFESSIONAL SERVICES SELECTION (PSS)

A. Request Approval to Renew Existing Contracts for Investment Banker Services

1. Background

- a) At its August 8, 2008, meeting, the Board of Directors of Florida Housing directed staff to issue a Request for Qualifications for investment banker services for the Guarantee, Single-family and Multi-family programs. The initial term of the contract was three (3) years. The initial contracts expired in August and September of 2012. The contracts were renewable for two (2) additional one-year periods.
- b) RFQ 2009-02 was issued on Friday, March 27, 2009, to initiate the competitive selection process.
- c) Florida Housing entered into contracts in August and September 2009, with the following firms to act as Investment Banker for Guarantee, Single-family and Multifamily programs. The initial contracts expired in August and September of 2012. The contracts were renewable for two (2) additional one-year periods.:
 - (1) Citiglobal Markets, Inc.
 - (2) Edward Jones
 - (3) George K. Baum & Company
 - (4) Janney Montgomery Scott LLC
 - (5) Bank of America
 - (6) Merchant Capital, L.L.C.
 - (7) Morgan Stanley & Company Incorporated
 - (8) RBC Capital Markets Corporation
 - (9) Raymond James & Associates, Inc.
 - (10) Red Capital Markets, Inc.
 - (11) Stern Brothers & Co.
 - (12) Wachovia Securities

2. Present Situation

At its July 20, 2012, meeting, the Board of Directors directed staff to proceed with the contract renewal for the initial one-year period.

3. Recommendation

Florida Housing requires the services of investment bankers for Guarantee, Single-family and Multi-family transactions. Staff recommends that the Board of Directors direct staff to renew the contracts for the final one-year renewal period.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

VII. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Credit Underwriting Letter for Mariner's Cove (RFP 2011-05-15)

| | |
|---|--|
| Development Name: | Mariner's Cove |
| Developer/Principal: | Cornerstone Group Development, LLC |
| Number of Units: | 208 |
| Location: | Hillsborough County |
| Type/Demographic: | Rental/Family (HC and SAIL) |
| Set-Aside: | 100% @ 60% AMI (HC) 11% @ 50% AMI & 89% @ 60% (SAIL) |
| Allocated Funding Amount: | \$11,715,000 Housing Finance Authority of Hillsborough County Bonds \$512,322 Housing Credits \$2,000,000 SAIL \$2,475,000 SAIL ELI (RFP 2012-04) |
| SAIL ELI Funding under RFP 2011-005: | \$900,000 |

1. Background/Present Situation

- a) On October 21, 2011, Florida Housing staff issued Request for Proposal (RFP) 2011-05 to award State Apartment Incentive Loan (SAIL) Extremely Low Income (ELI) funding to Applicants where the Applicant's development had a mortgage note guaranteed by the Florida Affordable Housing Guarantee Program which closed by September 30, 2003, and the Applicant committed to provide additional ELI set-aside units. The deadline for receipt of Responses was Wednesday, November 9, 2011.
- b) On December 9, 2011, the Board approved the award list of RFP 2011-05 and directed staff to proceed with all necessary credit underwriting activities. Mariner's Cove did not yet qualify to receive a preliminary commitment and invitation to credit underwriting.
- c) On February 1, 2013, the Board de-obligated funding to an awardee that had been issued a preliminary commitment and invitation to credit underwriting. The returned award was re-allocated in accordance with the guidelines of RFP 2011-05.
- d) On March 19, 2013, staff issued a preliminary commitment and an invitation to enter credit underwriting to Mariner's Cove for SAIL ELI Funding under RFP 2011-05 for units set-aside for ELI Households for \$900,000 in partial funding.
- e) On May 29, 2013, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI loan in the amount of \$900,000 ([Exhibit A](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2011-05.

2. Recommendation

Approve the credit underwriting letter and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval of Credit Underwriting Letter for Wilmington (RFP 2012-04-18)

| | |
|--|---|
| Development Name: | Wilmington |
| Developer/Principal: | TWC Twenty-Five, Ltd./The Wilson Company |
| Number of Units: | 200 |
| Location: | Polk County |
| Type/Demographic: | Rental/Family (SAIL, Guarantee/HUD-RISK, and HC) |
| Set-Aside: | 5% @ 30% AMI & 95% @ 60% (SAIL) 100% @ 60% AMI (HC) |
| Allocated Funding Amount: | \$10,800,000 Housing Finance Authority of Polk County Bonds \$1,500,000 SAIL \$505,319 Housing Credits |
| SAIL ELI Funding under RFP 2012-04: | \$2,475,000 |

1. Background/Present Situation

- a) On September 27, 2012, Florida Housing staff issued Request for Proposal (RFP) 2012-04 to award State Apartment Incentive Loan (SAIL) Extremely Low Income (ELI) funding to Applicants where the Applicant's development had a mortgage note guaranteed by the Florida Affordable Housing Guarantee Program which closed by September 30, 2003, and the Applicant committed to provide additional ELI set-aside units. The deadline for receipt of Responses was Friday, October 12, 2012.
- b) On November 2, 2012, the Board approved the award list of RFP 2012-04 and directed staff to proceed with all necessary credit underwriting activities.
- c) On November 5, 2012, staff issued a preliminary commitment and an invitation to enter credit underwriting for SAIL ELI Funding under RFP 2012-04 for units set-aside for ELI Households. Wilmington did not yet qualify to receive a preliminary commitment and invitation to credit underwriting.
- d) On March 15, 2013, the Board approved staff's recommendation to re-allocate any returned SAIL ELI funding and any remaining available SAIL ELI funds to the next eligible Proposal(s) on the Priority/Ranking Chart for RFP 2012-04 in order to fund the total \$20,000,000 of uncommitted SAIL monies.
- e) On May 24, 2013, an awardee who had been issued a preliminary commitment and invitation to credit underwriting for re-allocated SAIL ELI funds, returned their award.
- f) On May 28, 2013, staff issued a preliminary commitment and an invitation to enter credit underwriting to Wilmington for SAIL ELI Funding under RFP 2012-04 for units set-aside for ELI Households.
- g) On June 5, 2013, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI loan in the amount of \$2,475,000 ([Exhibit B](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2012-04.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

2. **Recommendation**

Approve the credit underwriting letter and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

C. Request Approval of Credit Underwriting Letter for Walden Park (RFP 2012-04-22)

| | |
|--|---|
| Development Name: | Walden Park |
| Developer/Principal: | TWC Sixty-Four, Ltd./The Wilson Company |
| Number of Units: | 300 |
| Location: | Osceola County |
| Type/Demographic: | Rental/Family (MMRB, Guarantee/HUD-RISK, and HC) |
| Set-Aside: | 40% @ 60% AMI (MMRB) 100% @ 60% AMI (HC) |
| Allocated Funding Amount: | MMRB 2001 Series F1 & F2 \$15,520,000 Tax-Exempt Bonds and \$3,175,000 Taxable Bonds \$773,275 Housing Credits |
| SAIL ELI Funding under RFP 2012-04: | \$535,000 |

1. Background/Present Situation

- a) On September 27, 2012, Florida Housing staff issued Request for Proposal (RFP) 2012-04 to award State Apartment Incentive Loan (SAIL) Extremely Low Income (ELI) funding to Applicants where the Applicant's development had a mortgage note guaranteed by the Florida Affordable Housing Guarantee Program which closed by September 30, 2003, and the Applicant committed to provide additional ELI set-aside units. The deadline for receipt of Responses was Friday, October 12, 2012.
- b) On November 2, 2012, the Board approved the award list of RFP 2012-04 and directed staff to proceed with all necessary credit underwriting activities.
- c) On November 5, 2012, staff issued a preliminary commitment and an invitation to enter credit underwriting for SAIL ELI Funding under RFP 2012-04 for units set-aside for ELI Households. Walden Park did not yet qualify to receive a preliminary commitment and invitation to credit underwriting.
- d) On March 15, 2013, the Board approved staff's recommendation to re-allocate any returned SAIL ELI funding and any remaining available SAIL ELI funds to the next eligible Proposal(s) on the Priority/Ranking Chart for RFP 2012-04 in order to fund the total \$20,000,000 of uncommitted SAIL monies.
- e) On March 18, 2013, staff issued a preliminary commitment and an invitation to enter credit underwriting to Walden Park for SAIL ELI Funding under RFP 2012-04 for units set-aside for ELI Households for \$535,000 in partial funding.
- f) On June 3, 2013, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI loan in the amount of \$535,000 ([Exhibit C](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2012-04.

2. Recommendation

Approve the credit underwriting letter and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

SPECIAL ASSETS

Consent

VIII. SPECIAL ASSETS

A. Request Approval of SAIL Loan Modification for Creative Choice Management, Inc., a Florida Corporation, for Douglass Square (89S-084/89-084C/1990-AHP)

| | |
|--|--|
| Development Name: Douglass Square (“Development”) | Location: Monroe County |
| Developer/Principal: Creative Choice (“Developer”); Creative Choice Management, Inc. (“Borrower”) | Set-Aside: SAIL 34% @ 50% AMI; HC Expired; AHP 4.65% @ 50% AMI & 4.65% @ 80% AMI & 50% @ 120% AMI SAIL LURA & EUA: 15 years |
| Number of Units: 42 | Allocated Amount: SAIL - \$1,290,000, HC - \$38,061, AHP - \$440,000 |
| Demographics: Family | Servicer: First Housing Development Corporation |

1. Background

During the 1988/1989 State Apartment Incentive Loan (“SAIL”) Cycle I, Florida Housing awarded a \$1,290,000 construction/permanent loan to Creative Choice Management, Inc., a Florida limited partnership (“Borrower”), for the construction of a 42-unit development in Monroe County. The SAIL loan closed on February 28, 1990, and will mature on February 28, 2015. The Development also received a 1989 allocation of low-income housing tax credits of \$38,061 and a 1990 Affordable Housing Program (“AHP”) loan which closed on February 28, 1990 and will mature on February 28, 2015.

2. Present Situation

- a) The Borrower has requested that the SAIL loan interest rate be modified from a 9% interest rate to a 3% interest rate in accordance with Senate Bill 1996 passed by the legislature in 2012 and as stated in the proposed Rule 67-48 as follows:

Any SAIL Applicant from SAIL Application cycles with non-amortizing loans at 9 percent simple interest per annum with payments based on Development Cash Flow pursuant to the applicable cycle rule, may submit a written renegotiation request to the Corporation to modify their SAIL loan interest rate going forward from 9 percent simple interest per annum to 3 percent simple interest per annum with payments based on Development Cash Flow pursuant to subsections 67-48.010 (5)- (10), F.A.C., in exchange for providing a payment to the Corporation of the deferred interest based on an accrual rate of 3 percent simple interest per annum in no more than five (5) equal annual installments but in no event shall it be later than the maturity date of the loan. Payments made from Development Cash Flow, shall be included as Development Expenses as stated in paragraph 67-48.010 (6) (b), F.A.C. All loan renegotiation requests must be submitted in writing to the Director of Special Assets. In addition to any related professional fees, the Corporation shall charge a non-refundable renegotiation fee as outlined in the Universal Application instructions. The Corporation shall not proceed with the request until the Applicant or Developer has satisfied any financial obligations for which the Applicant or Developer, or Principal, Affiliate or Financial Beneficiary of the

SPECIAL ASSETS

Consent

Applicant or Developer is in arrears to the Corporation or any agent or assignee of the Corporation.

- b) The Borrower has agreed to pay all accrued and outstanding 3% interest on the current SAIL note in order for the loan to be modified to the 3% interest rate.

3. **Recommendation**

Approve the modification of the loan terms from a 9% cash flow note to a 3% cash flow note for the remaining term of the loan after payment of all accrued 3% base interest and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

B. Request Approval of SAIL Loan Modification for Villa Biscayne of South Dade, Ltd., a Florida Limited Partnership, for Villa Biscayne Apartments (93HRR-019/95L-003)

| | |
|---|--|
| Development Name: Villa Biscayne (“Development”) | Location: Miami-Dade County |
| Developer/Principal: Royal American Development, Inc. (“Developer”); Villa Biscayne of South Dade, Ltd. (“Borrower”) | Set-Aside: SAIL & HC 20% @ 45% AMI, 15% @ 50% AMI and 65% @ 60% AMI LURA: 52 years; EUA: 50 years |
| Number of Units: 180 | Allocated Amount: SAIL - \$2,900,000, HC \$987,597 |
| Demographics: Family | Servicer: First Housing Development Corporation |

1. Background

During the 1993 State Apartment Incentive Loan/Hurricane Andrew Recovery and Rebuilding Program (“SAIL/HRR”) Cycle, Florida Housing awarded a \$2,900,000 construction/permanent loan to Villa Biscayne of South Dade, Ltd., a Florida limited partnership (“Borrower”), for the development of a 180-unit apartment complex in Miami-Dade County. The SAIL loan closed on September 9, 1994, and originally matured on March 15, 2011. The Development also received a 1995 allocation of low-income housing tax credits of \$987,597. The Development was placed in service in August 1995. The Borrower has previously requested and was approved by the Board for loan extensions to June 1, 2014 to allow time for refinancing of the Development.

2. Present Situation

- a) The Borrower has requested that the SAIL loan interest rate be modified from a 9% interest rate to a 3% interest rate in accordance with Senate Bill 1996 passed by the legislature in 2012 and as stated in the proposed Rule 67-48 as follows:

Any SAIL Applicant from SAIL Application cycles with non-amortizing loans at 9 percent simple interest per annum with payments based on Development Cash Flow pursuant to the applicable cycle rule, may submit a written renegotiation request to the Corporation to modify their SAIL loan interest rate going forward from 9 percent simple interest per annum to 3 percent simple interest per annum with payments based on Development Cash Flow pursuant to subsections 67-48.010 (5)- (10), F.A.C., in exchange for providing a payment to the Corporation of the deferred interest based on an accrual rate of 3 percent simple interest per annum in no more than five (5) equal annual installments but in no event shall it be later than the maturity date of the loan. Payments made from Development Cash Flow, shall be included as Development Expenses as stated in paragraph 67-48.010 (6) (b), F.A.C. All loan renegotiation requests must be submitted in writing to the Director of Special Assets. In addition to any related professional fees, the Corporation shall charge a non-refundable renegotiation fee as outlined in the Universal Application instructions. The Corporation shall not proceed with the request until the Applicant or Developer has satisfied any financial obligations for which the Applicant or Developer, or Principal, Affiliate or Financial Beneficiary of the

SPECIAL ASSETS

Consent

Applicant or Developer is in arrears to the Corporation or any agent or assignee of the Corporation.

- b) The Borrower has agreed to pay all accrued and outstanding 3% interest on the current SAIL note in order for the loan to be modified to the 3% interest rate.

3. **Recommendation**

Approve the modification of the loan terms from a 9% cash flow note to a 3% cash flow note for the remaining term of the loan after payment of all accrued 3% base interest and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

C. Request Approval of SAIL Loan Modification for Walden Pond, Ltd., a Florida Limited Partnership for The Hamlet at Walden Pond (93HRR-002/95L-002)

| | |
|--|---|
| Development Name: The Hamlet at Walden Pond (“Development”) | Location: Miami-Dade County |
| Developer/Principal: Florida Affordable Housing, Inc. (“Developer”); Walden Pond, Ltd. (“Borrower”) | Set-Aside: SAIL & HC 20% @ 40% & 80% @ 60% AMI; LURA & EUA: 50 years |
| Number of Units: 312 | Allocated Amount: SAIL \$3,740,200; HC \$1,743,523 |
| Demographics: Elderly | Servicer: Seltzer Management Group |

1. Background

During the 1993 State Apartment Incentive Loan/Hurricane Andrew Recovery and Rebuilding Program (“SAIL/HRR”) Cycle, Florida Housing awarded a \$3,740,200 construction/permanent loan to Walden Pond, Ltd., a Florida limited partnership (“Borrower”), for the development of a 312-unit development in Miami-Dade County. The SAIL loan closed on March 20, 1995. The Development also received a 1995 allocation of low-income housing tax credits of \$1,743,523. The SAIL loan matured on February 20, 2012. The Board approved a one year extension for the SAIL loan at its January 27, 2012 meeting and an additional one year extension to February 20, 2014 was approved at the April 26, 2013 meeting to allow time for the refinancing of the Development.

2. Present Situation

- a) The Borrower has requested that the SAIL loan interest rate be modified from a 9% interest rate to a 3% interest rate in accordance with Senate Bill 1996 passed by the legislature in 2012 and as stated in the proposed Rule 67-48 as follows:

Any SAIL Applicant from SAIL Application cycles with non-amortizing loans at 9 percent simple interest per annum with payments based on Development Cash Flow pursuant to the applicable cycle rule, may submit a written renegotiation request to the Corporation to modify their SAIL loan interest rate going forward from 9 percent simple interest per annum to 3 percent simple interest per annum with payments based on Development Cash Flow pursuant to subsections 67-48.010 (5)- (10), F.A.C., in exchange for providing a payment to the Corporation of the deferred interest based on an accrual rate of 3 percent simple interest per annum in no more than five (5) equal annual installments but in no event shall it be later than the maturity date of the loan. Payments made from Development Cash Flow, shall be included as Development Expenses as stated in paragraph 67-48.010 (6) (b), F.A.C. All loan renegotiation requests must be submitted in writing to the Director of Special Assets. In addition to any related professional fees, the Corporation shall charge a non-refundable renegotiation fee as outlined in the Universal Application instructions. The Corporation shall not proceed with the request until the Applicant or Developer has satisfied any financial obligations for which the Applicant or Developer, or Principal, Affiliate or Financial Beneficiary of the Applicant or Developer is in arrears to the Corporation or any agent or assignee of the Corporation.

SPECIAL ASSETS

Consent

- b) The Borrower has agreed to pay all accrued and outstanding 3% interest on the current SAIL note in order for the loan to be modified to the 3% interest rate.

3. **Recommendation**

Approve the modification of the loan terms from a 9% cash flow note to a 3% cash flow note for the remaining term of the loan after payment of all accrued 3% base interest and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

D. Request Approval of the Extension of the SAIL Loan for Steeplechase Apartments, Ltd., a Florida Limited Partnership for Steeplechase Apartments (95-020S/96L-004)

| | |
|---|---|
| Development Name: Steeplechase I (“Development”) | Location: Marion County |
| Developer/Principal: Maint-Co Services, Inc. (“Developer”); Steeplechase Apartments, Ltd. (“Borrower”) | Set-Aside: SAIL & HC 20% @ 40% AMI, and 80% @ 60% AMI LURA & EUA: 50 years |
| Number of Units: 161 | Allocated Amount: SAIL - \$1,800,000, HC \$1,372,997 |
| Demographics: Family | Servicer: First Housing Development Corporation |

1. Background

During the 1994-95 State Apartment Incentive Loan (“SAIL”) Cycle VII, Florida Housing awarded a \$1,800,000 construction/permanent loan to Steeplechase Apartments, Ltd., a Florida limited partnership (“Borrower”), for the development of a 161-unit apartment complex in Marion County. The SAIL loan closed on November 20, 1995, and matured on May 20, 2012. The Development also received a 1996 allocation of low-income housing tax credits of \$1,372,997.

2. Present Situation

The first mortgage with Compass Bank matured on June 1, 2012. Compass Bank filed a notice of Lis Pendens on May 9, 2012. Borrower and Compass Bank entered into negotiations and Borrower has negotiated a settlement with Compass Bank which will allow for restructure of the Compass Bank loan with a three year extension provided the SAIL loan is also extended for three years. The Borrower has requested that the SAIL loan be extended to May 20, 2015. The Borrower has agreed to a three year extension of the SAIL Land Use Restriction Agreement (“LURA”).

3. Recommendation

Subject to dismissal of the current foreclosure action by Compass Bank, approve the extension of the SAIL loan, at its current terms, to May 20, 2015, extend the LURA for an additional three years, and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

E. Request Approval of Transfer of General Partner Interest and of Replacement of Guarantors for East Village fka Ehlinger Apartments (Tax Credit Exchange Program/RFP 2010-04 and 2010-14/2010-045CX/2009-146C)

| | |
|--|--|
| Development Name: East Village fka Ehlinger Apartments (“Development”) | Location: Broward County |
| Developer/Principal: Carlisle (“Developer”)/Ehlinger Apartments Ltd. (“Borrower”) | Set-Aside: TCEP: 10% @ 28%, 90% @ 60%; HC 10% @ 28%; 90% @ 60% AMI TCEP: 15 years; EUA 50 years |
| Number of Units: 155 | Allocated Amount: TCEP \$6,275,000 ; HC \$2,526,000 |
| Demographics: Family | Servicer: Seltzer Management Group |

1. Background

During the 2010 funding cycle, Florida Housing Finance Corporation (“Florida Housing”) awarded funds under the Tax Credit Exchange Program (“TCEP”) in the aggregate principal amount of \$6,275,000, consisting of an Exchange Loan in the principal amount of \$5,000,000 and a Supplemental ELI Exchange Loan in the principal amount of \$1,275,000 to Ehlinger Apartments Ltd., a Florida limited partnership (“Borrower”), for the development of a 155-unit property in Broward County, Florida. The loan was closed on December 1, 2010, and will mature on December 1, 2025. The Development also received a 2009 allocation of low-income housing tax credits of \$2,526,000.

2. Present Situation

- a) The Borrower requests approval to transfer and assign the 0.49% minority general partner interest from CDG Ehlinger Apartments, L.L.C., a Carlisle affiliate, to the current 0.51% majority general partner, BBC-Ehlinger Apartments, Inc. that is wholly-owned by Building Better Communities, Inc. BBC-Ehlinger Apartments, Inc. will then own the 0.01% general partner interest in the Borrower.
- b) The Borrower also requests the release of the current guarantors, Carlisle Development Group (“CDG”), 1754 MM, Inc., Ehlinger Apartments Development, LLC, 1754 Development, LLC, 1754, LLC, Matthew Greer, and Carlisle Development Group, LLC, all CDG affiliates, to be replaced with Guaranty, LLC, of which Building Better Communities, Inc. is the sole member.
- c) Florida Housing received a positive recommendation from the credit underwriter ([Exhibit A](#)).

3. Recommendation

Staff recommends that the Board approve the transfer of interests in the general partner entity, and replacement of guarantors, subject to the conditions provided in the credit underwriting report and direct staff to proceed with loan document modification activities as needed.

SPECIAL ASSETS

Consent

F. Request Approval of Change in Ownership Interest for Timber Ridge Apartments (94S-003/94L-038)

| | |
|--|---|
| Development Name: Timber Ridge Apartments (“Development”) | Location: Collier County |
| Developer/Principal: Immokalee Non-Profit Housing, Inc. (“Developer”)/Timber Ridge of Immokalee, LP. (“Borrower”) | Set-Aside: SAIL 80% @ 50%; HC 100% @ 50% AMI LURA 50 years; EUA 50 years |
| Number of Units: 34 | Allocated Amount: SAIL \$500,000 ; HC \$247,116 |
| Demographics: Farmworker | Servicer: First Housing Development Corporation |

1. Background

During the 1994 funding cycle, Florida Housing Finance Corporation (“Florida Housing”) awarded a State Apartment Incentive Loan (“SAIL”) in the amount of \$500,000 to Timber Ridge of Immokalee, L.P., a Florida limited partnership (“Borrower”), for the development of a 34-unit property in Collier County, Florida. The loan was closed on April 10, 1995, and will mature on February 10, 2021. The Development also received a 1994 allocation of low-income housing tax credits of \$247,116.

2. Present Situation

- a) The Borrower requests approval of a change in ownership of the Development from its current entity, Timber Ridge of Immokalee, L.P. (“TRLP”) to Florida Non-Profit Services, Inc. to become the sole owner of the Development as the result of a merger.
- b) Immokalee Non-Profit Housing, Inc. (“INPH”) is the general partner with a 0.1% partnership interest, and Florida Non-Profit Services, Inc. (“FNPS”) is the limited partner with 99.9% interest. INPH and FNPS will be merged with FNPS becoming the surviving corporation thereby assuming all obligations of INPH, including those related to the SAIL loan. Also, through the merger, FNPS will become the new general partner, replacing INPH. FNPS will then become the sole owner of the Development resulting in the dissolution of the partnership, TRLP, and will also become the new borrower entity.
- c) Florida Housing received a positive recommendation from the credit underwriter ([Exhibit B](#)).

3. Recommendation

Staff recommends that the Board approve the change in ownership interest in the borrower entity subject to the conditions provided in the credit underwriting report and direct staff to proceed with loan document modification activities as needed.

SPECIAL ASSETS

Consent

- G. **Request Approval to Refinance the First Mortgage for Park Springs Apartments, Ltd., a Florida Limited Partnership for Park Springs aka Lakeside Apartments (1999-077S/2000-503C)**

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|--|---|
| Development Name: Park Springs aka Lakeside Apartments (“Development”) | Location: Hillsborough County |
| Developer/Principal: Park Richey Development, Inc./ Woodcreek Apartments, Ltd. (“Borrower”) | Set-Aside: SAIL 99% @ 60%; HC 100% @ 60% AMI LURA: 50 years; EUA: 30 years |
| Number of Units: 200 | Allocated Amount: SAIL \$ 2,375,578; HC \$499,158.25 |
| Demographics: Family | Servicer: Seltzer Management Group |

1. **Background**

During the 1999 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a State Apartment Incentive Loan (“SAIL”) in the original amount of \$2,375,578 to Woodcreek Apartments, Ltd., a Florida limited partnership (“Borrower”), for the development of a 200-unit apartment complex in Hillsborough County, Florida. The SAIL loan closed on March 13, 2000, and will mature on July 1, 2039. The Development also received a 2000 allocation of low-income housing tax credits of \$499,158.25.

2. **Present Situation**

- a) The Borrower requests consent from the Board to refinance the existing first mortgage. The Borrower intends to obtain a HUD insured 223(f) program first mortgage loan originated by First Housing Development Corporation, the proceeds of which will be used to satisfy the existing first mortgage from Housing Finance Authority of Hillsborough County.
- b) The Borrower also requests that the term of the SAIL loan be extended to be coterminous with the new first mortgage and the SAIL Land Use Restriction Agreement (“LURA”) would be extended by an equal amount of time. The SAIL loan, the SAIL LURA, and the Low Income Housing Tax Credit Extended Use Agreement (“EUA”) will be subordinated to the new first mortgage.
- c) Staff has received a credit underwriting report ([Exhibit C](#)) providing a positive recommendation for approval for the new financing, subordination of the SAIL loan, LURA, and EUA to the new first mortgage, and extension of the SAIL loan term and SAIL LURA.

3. **Recommendation**

Approve the refinancing of the first mortgage loan, extension of the SAIL loan and SAIL LURA by an equal amount of time, and subordination of the SAIL loan, SAIL LURA, and HC EUA subject to the conditions outlined in the credit underwriter’s report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

H. Request Approval to Refinance the First Mortgage for San Marco Associates, Ltd., a Florida Limited Partnership for San Marco Apartments (GUAR #39/RISK/2002-532C/RFP 2011-05-14/SMI #10)

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| Development Name: San Marco Apartments (“Development”) | Location: Volusia County |
| Developer/Principal: Cornerstone/San Marco Associates, Ltd. (“Borrower”) | Set-Aside: ELI 10.7% @40%; HC 90% @60% AMI ELI: 30 years; EUA: 50 years |
| Number of Units: 260 | Allocated Amount: SMI \$501,335.70; ELI \$2,100,000; HC \$590,799 |
| Demographics: Family | Servicer: Seltzer Management Group |

1. Background

- a) Florida Housing Finance Corporation (“FHFC”) awarded a State Apartment Incentive Loan Extremely Low Income (“SAIL ELI”) loan in the original amount of \$2,100,000 to San Marco Associates, Ltd., a Florida limited partnership (“Borrower”), for the development of a 260-unit apartment complex in Volusia County, Florida. The SAIL ELI loan closed on May 29, 2012, and will mature on May 29, 2027. The Development also received a 2002 allocation of low-income housing tax credits of \$590,799.
- b) The Borrower received a Subordinate Mortgage Initiative (“SMI”) loan of \$501,335.70. The SMI loan closed on October 28, 2009, and matures on November 15, 2019. The Development is HUD risk sharing with Florida Housing’s Guarantee Program (“Guarantee Program”).

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage. The Borrower intends to obtain a HUD insured 223(f) program first mortgage loan originated by First Housing Development Corporation, the proceeds of which will be utilized to satisfy the existing first mortgage from Housing Finance Authority of Volusia County, redeeming the underlying bonds and effectively terminating the mortgage guaranty issued by the Guarantee Program and its associated financial risk to FHFC.
- b) The Borrower also requests that the term of the SAIL ELI loan be extended. The SAIL ELI loan, the SAIL ELI loan documents, and the Low Income Housing Tax Credit Extended Use Agreement (“EUA”) will be subordinated to the new first mortgage.
- c) Staff has received a credit underwriting report ([Exhibit D](#)) providing a positive recommendation for approval for the new financing, subordination of the SAIL ELI loan, and EUA to the new first mortgage, and extension of the SAIL ELI loan term. The SMI loan will also be repaid.

SPECIAL ASSETS

Consent

3. **Recommendation**

Approve the refinancing of the first mortgage loan, extension of the SAIL ELI loan, and subordination of the SAIL ELI loan, SAIL ELI loan documents, and HC EUA subject to the conditions outlined in the credit underwriter's report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

I. Request Approval of Refinancing of the First Mortgage and Extension and Modification of the SAIL Loan for Little Haiti Gateway, Inc., a Florida Limited Partnership for Little Haiti Gateway Apartments (2000-021S)

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| Development Name: Little Haiti Gateway Apartments (“Development”) | Location: Miami-Dade County |
| Developer/Principal: Carrfour/Little Haiti Gateway, Inc. (“Borrower”) | Set-Aside: SAIL 15% @ 33%; 56.25% @ 50% AMI LURA: 50 years |
| Number of Units: 80 | Allocated Amount: SAIL \$495,000 |
| Demographics: Family | Servicer: Seltzer Management Group |

1. Background

During the 2000 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a State Apartment Incentive Loan (“SAIL”) in the original amount of \$495,000 to Little Haiti Gateway, Inc., a Florida limited partnership (“Borrower”), for the development of a 80-unit apartment complex in Miami-Dade County, Florida. The SAIL loan closed on May 10, 2002, and will mature on May 1, 2018.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage, subordinate the SAIL loan, and extend the SAIL loan to be co-terminus with the new first mortgage. The Borrower has agreed to an extension of the Land Use Restriction Agreement (“LURA”) term for additional years equal to the loan extension.
- b) The Borrower has also requested that the SAIL loan interest rate be modified from a 9% interest rate to a 3% interest rate in accordance with Senate Bill 1996 passed by the legislature in 2012 and stated in the proposed Rule 67-48 as follows:

Any SAIL Applicant from SAIL Application cycles with non-amortizing loans at 9 percent simple interest per annum with payments based on Development Cash Flow pursuant to the applicable cycle rule, may submit a written renegotiation request to the Corporation to modify their SAIL loan interest rate going forward from 9 percent simple interest per annum to 3 percent simple interest per annum with payments based on Development Cash Flow pursuant to subsections 67-48.010 (5)- (10), F.A.C., in exchange for providing a payment to the Corporation of the deferred interest based on an accrual rate of 3 percent simple interest per annum in no more than five (5) equal annual installments but in no event shall it be later than the maturity date of the loan. Payments made from Development Cash Flow, shall be included as Development Expenses as stated in paragraph 67-48.010 (6)(b), F.A.C. All loan renegotiation requests must be submitted in writing to the Director of Special Assets. In addition to any related professional fees, the Corporation shall charge a non-refundable renegotiation fee as outlined in the Universal Application instructions. The Corporation shall not proceed with the request until the Applicant or Developer has satisfied any financial obligations for which the Applicant or

SPECIAL ASSETS

Consent

Developer, or Principal, Affiliate or Financial Beneficiary of the Applicant or Developer is in arrears to the Corporation or any agent or assignee of the Corporation.

- c) The Borrower has agreed to pay all accrued and outstanding 3% interest on the current SAIL note in order for the loan to be modified to the 3% interest rate.
- d) Staff has received a credit underwriting report ([Exhibit E](#)) from Seltzer Management Group providing a positive recommendation for approval for the new financing and subordination of the SAIL loan to the new first mortgage, modification of the SAIL loan terms, an extension of the SAIL loan to be co-terminus with the new first mortgage, and extension of the LURA term equal to the loan extension.

3. **Recommendation**

Approve the refinancing of the first mortgage, modification of the SAIL loan terms, extension of the SAIL loan and the SAIL LURA by an equal amount of time, subordination of the SAIL loan and SAIL LURA to the new first mortgage, subject to the conditions outlined in the credit underwriter's report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

J. Request Approval of Refinancing of the First Mortgage and Extension and Modification of the SAIL Loan for TWC Ninety-Six, Ltd., a Florida Limited Partnership for Woodcrest Apartments (97S-032/96L-041)

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| Development Name: Woodcrest (“Development”) | Location: St. Johns County |
| Developer/Principal: The Wilson Company (“Developer”); TWC Ninety-Six, Ltd. (“Borrower”) | Set-Aside: SAIL 100% @ 60%; HC 15% @ 35%, 85% @ 60% AMI; LURA & EUA: 50 years |
| Number of Units: 90 | Allocated Amount: SAIL \$1,061,605; HC \$468,587 |
| Demographics: Family | Servicer: First Housing Development Corporation |

1. Background

During the 1997 State Apartment Incentive Loan (“SAIL”) Cycle IX, Florida Housing awarded a \$1,061,605 construction/permanent loan to TWC Ninety-Six, Ltd., a Florida limited partnership (“Borrower”), for the development of a 90-unit development in St. Johns County. The SAIL loan closed on October 30, 1996, and matured on February 11, 2013. The Development also received a 1996 allocation of low-income housing tax credits of \$468,587. The Borrower requested and was approved for a one year extension of the SAIL loan to February 11, 2014 at the December 2012 FHFC Board meeting.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage, subordinate the SAIL loan documents and the Extended Low-Income Housing Agreement (“ELIHA”), and extend the SAIL loan to be co-terminus with the new first mortgage. The Borrower has agreed to an extension of the Land Use Restriction Agreement (“LURA”) term.
- b) Staff has received a credit underwriting report ([Exhibit F](#)) from AmeriNational Community Services providing a positive recommendation for approval for the new financing and subordination of the SAIL loan and the ELIHA to the new first mortgage, modification of the SAIL loan terms, an extension of the SAIL loan to be co-terminus with the new first mortgage, and extension of the LURA term.

3. Recommendation

Approve the refinancing of the first mortgage, modification of the SAIL loan terms, extension of the SAIL loan and extension of the SAIL LURA, subordination of the SAIL loan and the ELIHA to the new first mortgage, subject to the conditions outlined in the credit underwriter’s report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities.