

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
October 30, 2014
Consent Items



9% HOUSING CREDITS

Consent

I. 9% HOUSING CREDITS

A. Request Approval to Minimally Exceed Subcontractor Cost Limit for The Pearl (2011-158C/2014-002C)

Development Name:	The Pearl
Developer/Principal:	The Gatehouse Group, Inc.
Number of Units	100
Location :	Miami-Dade County
Type/Demographic:	Elderly
Set-Aside:	10% @ 28% AMI and 90% @ 60% AMI
Allocated Amount:	\$2,225,348.00

1. Background/Present Situation

- a) The Pearl (2011-158C/2014-002C) is a Competitive Housing Credit, New Construction Development providing 100 set-aside units in Miami-Dade County, Florida. The Pearl was invited to enter credit underwriting on May 14, 2013. Subsequently, Florida Housing issued an allocation of \$2,225,348 in Housing Credits to The Pearl in February of 2014.
- b) The Developer has requested Board approval, required by Rule 67-48.0072(17)(f), to allow one subcontractor (Net Construction, Inc.) to receive more than 20% of construction cost ([Exhibit A](#)).
- c) AmeriNational Community Services, Inc. (“AmeriNational”) engaged Varian Associates, PA (“Varian” or “Construction Consultant”) to perform site inspections for the Development. Varian issued an inspection indicating construction was approximately 20% complete and that indicates the building shell subcontractor is to receive 30% of the total contract price. Varian opines that this poses no significant risk to the completion of the Development as the subcontractor is a capable contractor that is able to successfully complete the scope of work assigned and the presence of a Payment and Performance Bond significantly mitigates any risk to the completion of the project.
- d) Given the above opinion, AmeriNational has provided a positive recommendation to this request, attached as [Exhibit B](#).

2. Recommendation

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

9% HOUSING CREDITS

Consent

B. Request Approval to Change a Principal of the Applicant for Forest Ridge (2014-038C)

DEVELOPMENT NAME (“Development”):	Forest Ridge
DEVELOPER: (“Developer”):	Forest Ridge SD GM Dev, LLC
APPLICANT: (“Owner”)	Forest Ridge at Beverly Hills, Ltd.
NUMBER OF UNITS:	119
LOCATION (“County”):	Citrus County
TYPE:	New Construction
SET ASIDE:	10% @ 45% AMI 90% @ 60% AMI
ALLOCATED AMOUNT:	\$1,510,000 Housing Credits

1. Background/Present Situation

- a) Forest Ridge is a new construction Development providing 119 set-aside units in Citrus County, Florida. Florida Housing issued an invitation to enter credit underwriting in June 2014.
- b) Florida Housing received a request from the Owner on October 9, 2014 asking for approval to change a Principal of the Applicant ([Exhibit C](#)). In their Application, the Applicant identified the member of the Applicant, Strategic Development & Construction Group of South Florida LLC (50% ownership), who is being replaced by Royal American Development, Inc. (“Royal American”) The managing member of the Applicant, Green Mills Holding, LLC, (“Green Mills”) originally held 50% ownership in the Applicant. With this change, Green Mills will hold 99% ownership and Royal American will hold 1% ownership in the Applicant. Exhibit C, Page 2, shows the original ownership structure of the Applicant. The new ownership structure is shown on [Exhibit D](#). The other Principals of the Applicant remain the same.

2. Recommendation

Approve the requested changes reflected above.

MULTIFAMILY BONDS

Consent

II. MULTIFAMILY BONDS

A. Request Approval of Additional Subordination Debt for Hilltop Landings Apartments fka Dade Oaks (2014-108B / 2014-295H)

Development Name: Hilltop Landings Apartments fka Dade Oaks	Location: Pasco County
Developer/Principal (“Applicant”): Gorman & Company, Inc.	Set-Asides: 20% @ 50% AMI (MMRB & 4% Housing Credits) 80% @ 60% (MMRB & 4% Housing Credits) 20% @ 50% (HOME) 80% @ 60% (HOME)
Funding Source: Multi-Family Mortgage Revenue Bonds (MMRB), HOME Investment Partnerships (HOME), and 4% Housing Tax Credits (Housing Credits)	Amount: \$7,500,000 MMRB \$3,300,000 HOME \$597,081 Housing Credits
Number of Units: 69	Type: Family

1. Background

- a) On November 22, 2013, Florida Housing issued RFA 2013-010 Financing of Affordable Multifamily Housing Developments with HOME Funding to be used in Conjunction with Florida Housing-Issued Multifamily Mortgage Revenue Bond Financing and Non-Competitive Housing Credits. The Review Committee met on January 22, 2014 to give their scores and submit a recommendation to the Board. Dade Oaks was among the Developments recommended for this funding. The Board approved the recommendation on January 31, 2014.
- b) The Applicant also submitted an Application (“Application”) on behalf of the proposed Development using the Non-Competitive Application package requesting Multi-Family Mortgage Revenue Bonds in the amount of \$7,500,000 and non-competitive Housing Credits in the amount of \$534,763 in order to construct the Development.
- c) The final Credit Underwriting Report dated June 2, 2014 and prepared by AmeriNational Community Services, Inc. was approved June 13, 2014 by the Board.

2. Present Situation

Dade Oaks, LLC requested Florida Housing’s consent to update the Credit Underwriting Report to reflect additional subsidy in an amount up to \$1,000,000 from Pasco County in the form of a Bridge Loan. AmeriNational Community Services, Inc. has reviewed this request and provided a recommendation ([Exhibit A](#)). The final Credit Underwriting Report contemplated using Housing Credit equity to help fully cash collateralize the bonds during construction. Subsequently, it has been determined that equity cannot be used for that purpose. Therefore, the additional subsidy from a bridge loan is necessary to fully cash collateralize the bonds.

MULTIFAMILY BONDS

Consent

3. **Recommendation**

That the Board approve the additional subordinate debt, subject to the conditions in the credit underwriting report update letter, with further approval by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

B. Request Approval for Change in Ownership Structure for Pelican Cove (2014-109B / 2014-299H)

Development Name: Pelican Cove	Location: Miami-Dade County
Developer/Principal (“Applicant”): CSG Development Services II, LLC and Tacolcy Economic Development Corporation	Set-Asides: 85% @ 60% AMI (MMRB) 100% @ 60% (4% Housing Credits) 20% @ 50% (HOME) 80% @ 60% (HOME)
Funding Source: Multi-Family Mortgage Revenue Bonds (MMRB), HOME Investment Partnerships (HOME), and 4% Housing Tax Credits (Housing Credits)	Amount: \$11,900,000 MMRB \$2,450,000 HOME \$910,332 Housing Credits
Number of Units: 112	Type: Family

1. Background

- a) On November 22, 2013, Florida Housing issued RFA 2013-010 Financing of Affordable Multifamily Housing Developments with HOME Funding to be used in Conjunction with Florida Housing-Issued Multifamily Mortgage Revenue Bond Financing and Non-Competitive Housing Credits. The Review Committee met on January 22, 2014 to give their scores and submit a recommendation to the Board. Pelican Cove was among the Developments recommended for this funding. The Board approved the recommendation on January 31, 2014.
- b) The Applicant also submitted an Application (“Application”) on behalf of the proposed Development using the Non-Competitive Application package requesting Multi-Family Mortgage Revenue Bonds in the amount of \$10,500,000 and non-competitive Housing Credits in the amount of \$721,472 in order to construct the Development.

2. Present Situation

The Final Credit Underwriting Report, approved by the Board on June 13, 2014, consists of Cornerstone Pelican Cove, L.L.C. as the sole General Partner with 0.01% ownership interest. The Borrower requests Tacolcy Pelican Cove, LLC be admitted as a co-General Partner. This will reduce Cornerstone Pelican Cove, L.L.C.’s ownership interest from 0.01% to 0.0049% with Tacolcy Pelican Cove, LLC having an ownership interest in the amount of 0.0051%. AmeriNational Community Services, Inc. has reviewed this request and provided a recommendation ([Exhibit B](#)).

3. Recommendation

That the Board approve the addition of a co-General Partner, subject to the conditions in the credit underwriting report update letter, with further approval by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

- C. **Request Approval to Refinance the First Mortgage, Transfer the General Partnership Interest, and Subordination of the Land Use Restriction Agreement (LURA) and Extended Use Agreement (EUA) for San Marco Villas (2002 Series D1 & D2/2002-504C/Guarantee/HUD Risk Sharing/SMI)**

Development Name: San Marco Villas fka Westlake I Apartments and Venetian Isles I	Location: Palm Beach County
Developer/Principal (“Applicant”): Trust Lake Park, Ltd.	Set-Asides: 50% @ 60% AMI (MMRB) 100% @ 60% (4% Housing Credits)
Funding Source: Multi-Family Mortgage Revenue Bonds (MMRB), Guarantee Program/HUD Risk Share/SMI, and 4% Housing Tax Credits (Housing Credits).	Amount: \$18,740,000 MMRB \$1,220,381 Housing Credits \$900,930 SMI
Number of Units: 288	Type: Family

1. **Background**

Florida Housing financed the construction of the above referenced Development in 2002 with \$14,665,000 in tax exempt bonds designated as 2002 Series D-1 and \$4,075,000 in taxable bonds designated as 2002 Series D-2. In addition, \$1,220,381 in Housing Credits and \$900,930 Subordinated Mortgage Initiative (SMI) was allocated to this Development.

2. **Present Situation**

- a) The Borrower requests consent from the Board to refinance the existing first mortgage loan. The Borrower intends to obtain funding from Oak Grove Capital, the proceeds of which will be utilized to satisfy the existing first mortgage, redeem the underlying bonds and effectively terminate the mortgage loan guaranty issued by the Guarantee Program and its associated financial risk to FHFC. In addition, the Borrower intends to prepay the existing Subordinate Mortgage Initiative loan.
- b) The Borrower also requests that the Low Income Housing Tax Credit Extended Use Agreement (“EUA”) and the MMRB Land Use Restriction Agreement (“LURA”) be subordinated to the new first mortgage.
- c) The Borrower further requests approval to transfer the current General Partner BFIM Westlake I GP, Inc.’s 0.1% of the Borrower to SP San Marco GP LLC. The proposed General Partner is an affiliate of Southport Financial Services, Inc.
- d) Staff received a credit underwriting report ([Exhibit C](#)) from First Housing Development Corporation recommending approval for the new financing, subordination of the MMRB LURA, and Housing Credits EUA to the new first mortgage, and transfer of general partner interest.

MULTIFAMILY BONDS

Consent

3. **Recommendation**

Approve the refinancing of the first mortgage, subordination of the MMRB LURA and Housing Credits EUA to the new first mortgage, and transfer of the general partnership interest contingent upon the refinancing of the first mortgage and termination of the Guarantee Program commitment thereon, subject to the conditions outlined in the credit underwriter's report, further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities.

MULTIFAMILY BONDS

Consent

D. Request Approval of the Transfer of Ownership Interest for Palmetto Ridge Estates (2007 Series A/2007-507C/2005-321HR)

Development Name: Palmetto Ridge Estates	Location: Brevard County
Development Owner: Palmetto Ridge Estates Development, LP	Set-Asides: 85% @ 60% AMI MMRB 25% @ 30% AMI Housing Credits & RRLP 75% @ 60% AMI Housing Credits & RRLP
Funding Source: Multi-Family Mortgage Revenue Bonds (MMRB), Rental Recovery Loan Program (RRLP), and 4% Housing Tax Credits (Housing Credits)	Amount: \$11,500,000 MMRB \$954,728 Housing Credits \$7,400,000 RRLP
Number of Units: 192	Type: Family

1. Background

Florida Housing financed the construction of the above referenced Development in 1997 with \$11,500,000 in tax exempt MMRB designated as 2007 Series A. In addition, \$954,728 in Housing Credits and \$7,400,000 RRLP funds was allocated to this Development.

2. Present Situation

In a letter dated September 10, 2014, Palmetto Ridge Estates Development, LP has requested Florida Housing's consent to transfer the general partner ownership interest of Palmetto Ridge Estates Development, LLC to AH SubGP 1470 Palmetto, LLC ([Exhibit D](#)). AmeriNational Community Services, Inc. has reviewed this request and provided a recommendation ([Exhibit E](#)).

3. Recommendation

That the Board approve the general partner transfer, subject to the conditions in the credit underwriting report, with further approval by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff and direct staff to proceed with loan document modification activities as needed.

MULTIFAMILY BONDS

Consent

E. Request Approval of the Final Credit Underwriting Report for Crossings at Indian Run (2014-131B / 97S-003 / 97L-508)

Development Name: Crossings at Indian Run	Location: Martin County
Developer/Principal (“Applicant”): Southport Development, Inc.	Set-Asides: 100% @ 60% AMI (MMRB, 4% Housing Credits, and SAIL)
Funding Source: Multi-Family Mortgage Revenue Bonds (MMRB), 4% Housing Tax Credits (Housing Credits), and State Apartment Incentive Loan (SAIL)	Amount: \$24,000,000 MMRB \$1,680,529 Housing Credits \$4,947,342 SAIL
Number of Units: 344	Type: Family

1. Background

- a) Applicant submitted an Application (“Application”) on behalf of the proposed Development using the 2013 Non-Competitive Application package. Applicant applied for Multi-Family Mortgage Revenue Bonds (MMRB) in the amount of \$24,000,000 and non-competitive Housing Credits in the amount of \$1,510,000 in order to acquire and rehabilitate the Development.
- b) This development previously received a SAIL loan of \$4,947,342 and 4% Housing Credits in the amount of \$989,698.56 in 1996. In addition, \$13,175,000 MMRB was issued in 2006 that was subsequently redeemed in 2007. A SAIL Land Use Restriction Agreement (LURA) and Extended Low Income Housing Agreement (ELIHA) exist on this development. The LURA set-asides are 100% @ 60% for 50 years and the ELIHA set-asides are 100% @ 60% for 30 years.

2. Present Situation

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to notify it of any such changes.
- b) The Applicant originally applied for a \$17,000,000 Florida Housing Finance Corporation tax-exempt Note. However, the Applicant has increased the amount of the request to \$24,000,000 and changed the structure from a Note to cash collateralized, short-term bonds. Development costs have increased from \$43,390,960 to \$46,445,200 primarily due to increases in rehabilitation costs, addition of an Operating Deficit Reserve Account and Debt Service Coverage Reserve, addition of FHFC Compliance fees not originally included, and a soft cost contingency. The Applicant submitted a Housing Credits equity letter of interest from Raymond James Tax Credit Fund, Inc. However, subsequently, Boston Financial Investment Management, LP has replaced Raymond James Tax Credit Fund, Inc. as the syndicator.
- c) A Final Credit Underwriting Report dated October 21, 2014, is attached as [Exhibit F](#).

MULTIFAMILY BONDS

Consent

3. **Recommendation**

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report recommending and allocating \$24,000,000 in tax exempt Multi-Family Mortgage Revenue Bonds and the assignment, assumption, and subordination of the existing ELIHA for the acquisition and rehabilitation of the Development subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

F. Assignment of Bond Underwriter and Recommended Method of Sale

1. Background

- a) Pursuant to staff's request for approval to issue bonds to finance the acquisition and rehabilitation of the proposed Development referenced below, the Final Credit Underwriting Report is being presented to the Board for approval simultaneously with this request to assign the appropriate professionals to each transaction and approval of the recommended method of sale. A brief description of the Development is detailed below along with the Staff's recommendation.
- b) Pursuant to Rule 67-21.0045, F.A.C., staff has requested a review of the proposed bond structure by the Independent Registered Municipal Advisor (IRMA) in order to make a recommendation to the Board for the method of bond sale. Caine Mitter and Associates Incorporated has prepared an analysis and recommendation for the method of bond sale for the Development. The recommendation letter is attached as [Exhibit G](#).

2. Present Situation

The Credit Underwriter, the IRMA, and Florida Housing staff has reviewed the financial structure for the proposed Development.

3. Recommendation

That the Board approve the assignment of the recommended professionals and the independent Registered Municipal Advisor's recommendation for the method of bond sale, as shown in the chart below, for the proposed Development.

Development Name	Location of Development	Number of Units	Method of Bond Sale	Recommended Professional	Exhibit
Crossings at Indian Run	Martin County	344	Negotiated Public Offering	RBC Capital Markets, LLC	Exhibit G

MULTIFAMILY PROGRAMS

Consent

III. MULTIFAMILY PROGRAMS

A. Request Approval of Credit Underwriting Report for Village on Wiley (2014-345P)

Development Name:	Village on Wiley
Applicant/Principal:	Ability Wiley, LLC
Location :	Duval County
Demographic:	Homeless
Number of Units/Type:	43 Garden Apartments
Set-Aside:	30% @ 33% AMI & 70% @ 50% AMI
Allocated Amount:	\$5,000,000.00 Base Loan & \$975,000.00 ELI Loan

1. Background/Present Situation

- a) On January 17, 2014, Florida Housing Finance Corporation issued a request for proposals (RFP) 2014-102 for financing to develop permanent supportive housing for high needs/high cost individuals who are chronically homeless.
- b) On March 14, 2014, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On April 1, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Ability Wiley, LLC.
- d) On October 16, 2014, staff received a positive recommendation for a base loan in the amount of \$5,000,000.00 and an ELI loan in the amount \$975,000.00 ([Exhibit A](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFP 2014-102.

2. Recommendation

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

MULTIFAMILY PROGRAMS

Consent

B. Request Approval of Credit Underwriting Report for Pinellas Hope IV (2014-156G)

Development Name:	Pinellas Hope IV
Applicant/Principal:	Catholic Charities Housing, Inc.
Location :	Pinellas County
Demographic:	Homeless
Number of Units/Type:	15 Garden Apartments
Set-Aside:	50% @ 40% AMI & 50% @ 60% AMI
Allocated Amount:	\$1,470,622.00

1. Background/Present Situation

- a) On October 11, 2013, Florida Housing Finance Corporation issued a request for applications (RFA) 2013-006 for financing to build permanent supportive housing for homeless persons and families. The funding must be used to purchase and renovate existing housing or to construct or purchase and renovate small specialty housing of 15 units or less.
- b) On December 13, 2013, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 19, 2013, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Catholic Charities Housing, Inc.
- d) On October 16, 2014, staff received a positive recommendation for a reduced grant in the amount of \$1,348,218.00 ([Exhibit B](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2013-006.

2. Recommendation

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

MULTIFAMILY PROGRAMS

Consent

C. Request Approval of Credit Underwriting Report for Pacetti Group Home (2014-393G)

Development Name:	Pacetti Group Home
Applicant/Principal:	The Arc of the St. Johns, Inc.
Location :	St. Johns County
Type/Demographic:	Persons with Developmental Disabilities
Set-Aside:	2 residents @ 33% AMI; 4 residents @ 60% AMI
Allocated Amount:	\$325,000

1. Background/Present Situation

- a) On February 28, 2014, Florida Housing issued RFA 2014-105 Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities. The funding must be used for new construction or renovation of existing housing Units, including Community Residential Homes.
- b) On April 25, 2014, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 2, 2014, staff issued an invitation to enter credit underwriting to The Arc of Alachua County, Inc.
- d) On October 3, 2014, staff received a positive recommendation for a grant amount of \$325,000 be allocated to the Development ([Exhibit C](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2014-105.

2. Recommendation

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

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

IV. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Approval of PLP Loan for Community Land Trust of Palm Beach County, Inc., a Not-for-Profit Entity, for Davis Landings West (2014-007P-09)

DEVELOPMENT NAME (“Development”):	Davis Landings West
APPLICANT/DEVELOPER (“Developer”):	CLT of Palm Beach County, Inc.
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	24
LOCATION (“County”):	Palm Beach County
TYPE:	Family, Homeownership
MINIMUM SET ASIDE:	50% @80% AMI, 50% @120% AMI
PLP LOAN AMOUNT:	\$500,000
ADDITIONAL COMMENTS: This development will be newly constructed homes for purchase under a community land trust agreement.	

1. Background

- a) On July 14, 2014, Florida Housing received a PLP Application from the Developer for the Davis Landings West. Additional information requested from the applicant was received on August 5, 2014 via email.
- b) On August 7, 2014, 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 \$500,000 for PLP eligible activities ([Exhibit A](#)). 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 \$500,000 to Community Land Trust of Palm Beach County, Inc. for Davis Landings West, as recommended by the TAP, and allow staff to issue a Commitment Letter and commence with loan closing.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Request Approval of PLP Loan Budget Revision for Promise in Brevard (2012-003P-09)

DEVELOPMENT NAME (“Development”):	Promise in Brevard
APPLICANT/DEVELOPER (“Developer”):	Promise in Brevard, Inc.
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	50
LOCATION (“County”):	Brevard County
TYPE:	Rental for Persons with Developmental Disabilities
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$710,000

1. Background

On February 26, 2013, the Developer closed on a PLP loan in the amount of \$710,000 for a development to be called Promise in Brevard to provide housing units for persons with developmental disabilities. To date, the Developer has drawn \$546,566 in PLP funds.

2. Present Situation

- a) The Developer intends to apply for funding under Florida Housing’s RFA 2014-113 for financing to build larger permanent supportive housing properties for persons with developmental disabilities.
- b) In order to pursue this funding source, it is necessary for the Developer to move funds under the PLP loan from line items as approved in the development plan by the Board to other line items that have increased or become necessary due to the pursuit of the RFA funding. This does not affect the overall loan amount as approved by the Board. The PLP rule requires that any budget revisions totaling 10% or more of the overall non-site acquisition loan amount be approved by the Board. The revisions are detailed in the chart on [Exhibit B](#).
- c) The Technical Assistance Provider has provided guidance to the Developer in revising the budget and has recommended the changes for approval. Staff has reviewed the proposed budget line item changes and find that they are reasonable and necessary in order for the Developer to pursue the RFA funding.

3. Recommendation

Approve the changes to the PLP loan budget for Promise in Brevard and allow staff to amend loan documents as required.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

V. PROFESSIONAL SERVICES SELECTION (PSS)

A. Contract Renewals – Public Relations, Media Planning and Buying Services

1. Background

- a) At the January 2011 meeting, the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with selected respondents of RFQ 2010-11 to provide Public Relations, Media Planning and Buying Services.
- b) The following contracts have completed an initial three (3) year term and an optional one (1) year renewal term is nearing completion:

Contract Number	Vendor	Initial Term Expiration Date	First Renewal Term Expiration Date
2010-11-02-001	Kidd & Company, Inc.	3/23/2014	3/23/2015
2010-11-02-003	Evok Advertising & Design, Inc.	3/23/2014	3/23/2015

2. Present Situation

- a) Florida Housing continues to utilize these vendors and both have complied with the terms and conditions of these contracts to the satisfaction of Florida Housing.
- b) Florida Housing staff supports a second and final one (1) year renewal term for the contracts listed above.

3. Recommendation

Staff believes that it is in the best interests of Florida Housing to continue to retain these vendors and recommends that the Board direct staff to proceed with the contracts' renewals.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

B. Contract Renewals – Special Counsel Services

1. Background

- a) At the October 2010 meeting, the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with selected respondents of RFQ 2010-10 to provide Special Counsel Services.
- b) The following contracts have completed an initial three (3) year term and an optional one (1) year renewal term is nearing completion:

Contract Number	Vendor	Initial Term Expiration Date	First Renewal Term Expiration Date
2010-10-02-001	Nabors, Giblin & Nickerson, P.A.	2/20/2014	2/20/2015
2010-10-02-002	Latham, Shuker, Eden & Beaudine, LLP	1/26/2014	1/26/2015
2010-10-02-003	Weiss Serota Helfman Pastoriza Cole & Boniske, P.L.	1/30/2014	1/30/2015
2010-10-02-004	Bryant Miller Olive P.A.	2/10/2014	2/10/2015

2. Present Situation

- a) Florida Housing continues to utilize special counsel services and all four (4) firms have complied with the terms and conditions of these contracts to the satisfaction of Florida Housing.
- b) Florida Housing staff supports a second and final one (1) year renewal term for each of the agreements listed above.

3. Recommendation

Staff believes that it is in the best interests of Florida Housing to continue to retain special counsel and recommends that the Board direct staff to proceed with the contracts' renewals.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

C. **Contract Renewal – Technical Assistance Provider for the Predevelopment Loan and Demonstration Loan Program**

1. **Background**

- a) At the December 2010 meeting, the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with the Florida Housing Coalition to provide technical assistance to non-profits, Public Housing Authorities and other community-based organizations that are eligible for loans under the Predevelopment Loan Program.
- b) The initial three (3) year term of this contract began on January 7, 2011. Contingent upon the Provider satisfactorily performing its obligations under the contract as determined by Florida Housing, the contracts may be renewed twice. The provider continues to perform to Florida Housing's satisfaction and is nearing the end of the first renewal term. There is one (1) renewal option remaining.

2. **Present Situation**

Staff believes that it is in the best interests of Florida Housing to continue to retain the Florida Housing Coalition as a Technical Assistance Provider pursuant to the existing contract and supports a final one (1) year renewal term.

3. **Recommendation**

Staff recommends the Board direct staff to proceed with the final one (1) year renewal option.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

VI. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Co-Developer Change for Brookestone I (2014-310S)

Development Name:	Brookestone I
Applicant/Principal:	Brookestone I, LP
Location:	Leon County
Demographic:	Elderly
Number of Units / Type:	108 / Garden Apartments
Set-Aside:	10% @ 33% AMI & 90% @ 60% AMI
Requested Amounts:	\$3,050,000 – SAIL Loan \$750,000 – ELI Gap Loan \$4,300,000 – MMRB \$4,369,563 – 4% Housing Credit

1. Background/Present Situation

- a) On January 10, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-103 for financing of affordable multifamily housing developments with SAIL funding to be used in conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits.
- b) On August 8, 2014, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On August 14, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Brookestone I, LP.
- d) On September 11, 2014, staff received a letter from the Applicant requesting a change in the co-Developer from H&H Residential Development, LLC to Southport Development, Inc. ([Exhibit A](#)). Per the RFA, the Principals of each Developer identified in the Application, including all co-Developers, may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. In addition, any allowable replacement of an experienced Principal of a Developer entity must meet the experience requirements that were met by the original Principal. Staff has reviewed the request and finds that the development meets all of the requirements of the RFA.

2. Recommendation

Approve the request for the co-Developer change from H&H Residential Development, LLC to Southport Development, Inc.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval of Credit Underwriting Letter for Tuscan Isle f/k/a Heron Cove (RFA 2014-108-1)

Development Name:	Tuscan Isle f/k/a Heron Cove
Developer/Principal:	Creative Choice Homes XIV, Ltd.
Number of Units:	298
Location :	Collier County
Type/Demographic:	Rental/Family (MMRB, Guarantee/HUD-RISK, SMI and HC)
Set-Aside:	3% @ 35%, 18% @ 50%, & 79% @ 60% AMI (HC) 80% @ 60% (MMRB)
Allocated Funding Amount:	\$18,550,000 MMRB 2002 Series O1 & O2 \$892,357 Subordinate Mortgage Initiative (SMI) \$784,257 Housing Credit Allocation
SAIL ELI Funding under RFA 2014-108:	\$3,975,000

1. Background/Present Situation

- a) On August 18, 2014, Florida Housing staff issued RFA 2014-108 to award SAIL ELI funding to Applicants where the Applicant’s development has a mortgage note guaranteed by the Florida Affordable Housing Guarantee Program which closed by June 30, 2004, and the Applicant commits to provide ELI set-aside units. The deadline for receipt of Applications was September 2, 2014.
- b) On September 19, 2014, the Board approved the award list of RFA 2014-108 and directed staff to proceed with all necessary credit underwriting activities.
- c) On September 25, 2014, staff issued a preliminary commitment and an invitation to enter credit underwriting to Tuscan Isle f/k/a Heron Cove for SAIL ELI Funding under RFP 2014-108 for units set-aside for ELI Households for an amount up to \$3,975,000.
- d) On October 16, 2014, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI loan in the amount of \$3,975,000 ([Exhibit B](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2014-108.

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

VII. SPECIAL ASSETS

- A. **Request Approval to Refinance the First Mortgage, Transfer Ownership Interest, and Renegotiate the SAIL ELI Loan Terms for Sundance Pointe Associates, Ltd., a Florida Limited Partnership, for Sundance Pointe Apartments (MR2000N1&2/GUAR/HUD Risk/SMI#11/2000-541C/SAIL ELI 2010-16-08/SAIL ELI 2012-04-12)**

Development Name: Sundance Pointe Apartments (“Development”)	Location: Duval County
Developer/Principal: Cornerstone (“Developer”)/ Sundance Pointe Associates, Ltd. (“Borrower”)	Set-Aside: MMRB 50% @ 60%; HC 100% @ 60%; ELI 19.4% @ 30%; ELI 29% @ 30% AMI LURA: 50 years; ELIs: 15 years; EUA: 30 years
Number of Units: 288	Allocated Amount: MMRB \$10,010,000; \$6,275,000; SMI \$859,713.55; ELIs \$4,200,000, \$2,100,000; HC \$676,819
Demographics: Family	Servicer: Seltzer Management Group

1. Background

- a) During the 2000 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a first mortgage of FHFC issued tax-exempt bonds in the original amount of \$10,010,000 and taxable bonds in the original amount of \$6,275,000 to Sundance Pointe Associates, Ltd., a Florida limited partnership (“Borrower”), for the development of a 288-unit apartment complex in Duval County, Florida. The Multifamily Revenue Bonds (“MMRB”) loan closed on December 12, 2000, and matures on January 1, 2041. The Development received a 2000 allocation of low-income housing tax credits of \$676,819.
- b) The Development also received a loan under the Subordinate Mortgage Initiative (“SMI”) in the original amount of \$859,713.55 which closed on July 22, 2009, and matures on August 1, 2019. Additional funds were provided to the Development through two (2) State Apartment Incentive Loan Extremely Low Income (“SAIL ELI”) loans in the amounts of \$4,200,000 and \$2,100,000. The first SAIL ELI loan closed on March 28, 2011, and matures on March 28, 2026. The second SAIL ELI loan closed on February 27, 2013, and matures on February 27, 2028. 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 proceeds of which will be used to satisfy the existing first mortgage, redeeming the underlying bonds and effectively terminating the mortgage guaranty issued by the Guarantee Program and its associated financial risk to FHFC. The SMI loan will also be repaid. The Borrower also requests that the SAIL ELI loan documents be subordinated to the first mortgage. The MMRB Land Use Restriction Agreement (“LURA”) and Housing Credit Extended Use Agreement (“HC EUA”) will also need to be subordinated to the new first mortgage.

SPECIAL ASSETS

Consent

- b) The Borrower requests approval to transfer the ownership interest from Sundance Pointe Associated, Ltd. to Sundance Harmony Housing, LLC, and to convert the first SAIL ELI loan to a forgivable loan as initially allowed in the funding RFP 2010-16.
- c) Staff has received a credit underwriting report ([Exhibit A](#)) with a positive recommendation for approval of the new financing, subordination of the SAIL ELI loan documents, MMRB LURA, and the HC EUA to the new first mortgage, the transfer of ownership, and the renegotiation of the SAIL ELI loan terms for RFP 2010-16.

3. **Recommendation**

Approve the transfer of ownership contingent upon the refinancing of the first mortgage and termination of the Guarantee Program commitment thereon, renegotiation of the SAIL ELI loan terms, the refinancing of the first mortgage and subordination of the SAIL ELI loan documents, MMRB LURA, HC EUA, and modifications to any other loan documents deemed necessary by FHFC counsel, 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

B. Request Approval to Refinance the First Mortgage and Renegotiate the SAIL Loan Terms for Clipper Bay Associates, Ltd., a Florida Limited Partnership, for Clipper Bay Apartments (MR2004D/GUAR/HUD Risk/2003-047BS/2003-535C/SAIL ELI 2011-05-18)

Development Name: Clipper Bay Apartments (“Development”)	Location: Hillsborough County
Developer/Principal: Cornerstone (“Developer”)/ Clipper Bay Associates, Ltd. (“Borrower”)	Set-Aside: MMRB & SAIL 17% @ 50%, 68% @ 60%; HC 97.8% @ 60%; ELI 5% @ 35% AMI LURA: 50 years; ELI: 15 years; EUA: 50 years
Number of Units: 276	Allocated Amount: MMRB \$12,680,000; SAIL \$2,000,000; ELI \$1,050,000; HC \$691,585
Demographics: Family	Servicer: Seltzer Management Group

1. Background

- a) During the 2004 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a first mortgage of FHFC issued tax-exempt bonds in the original amount of \$12,680,000 to Clipper Bay Associates, Ltd., a Florida limited partnership (“Borrower”), for the development of a 276-unit apartment complex in Hillsborough County, Florida. The Multifamily Revenue Bonds (“MMRB”) loan closed on February 24, 2004, and matures on August 15, 2045. The Development received a 2003 allocation of low-income housing tax credits of \$691,585.
- b) The Development also received a second mortgage under the State Apartment Incentive Loan (“SAIL”) program in the original amount of \$2,000,000 which closed on February 24, 2004 and matures on August 15, 2045. Additional funds were provided to the Development through a State Apartment Incentive Loan Extremely Low Income (“SAIL ELI”) loan in the amount of \$1,050,000 that closed on June 10, 2014, and matures on June 10, 2029. 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 proceeds of which will be used to satisfy the existing first mortgage, redeeming the underlying bonds and effectively terminating the mortgage guaranty issued by the Guarantee Program and its associated financial risk to FHFC. The Borrower also requests that the SAIL and SAIL ELI loans be extended to be co-terminus with the new first mortgage. The SAIL Land Use Restriction Agreement (“LURA”) will be extended by an equal amount of time. The SAIL and SAIL ELI loan documents, the MMRB LURA, SAIL LURA, and Housing Credit Extended Use Agreement (“HC EUA”) will also need to be subordinated to the new first mortgage.
- b) The Borrower also requests that the annual SAIL loan interest payments not exceed 75% of surplus cash as required by the new first mortgage lender.

SPECIAL ASSETS

Consent

- c) Staff has received a credit underwriting report ([Exhibit B](#)) with a positive recommendation for approval of the new financing, extension of the SAIL and SAIL ELI loans, and SAIL LURA by an equal amount of time, subordination of the SAIL and SAIL ELI loan documents, MMRB and SAIL LURAs, and the HC EUA to the new first mortgage, and renegotiation of the SAIL loan terms.

3. **Recommendation**

Approve the renegotiation of the SAIL loan terms, the refinancing of the first mortgage, extension of the SAIL and SAIL ELI loans, and SAIL LURA by an equal amount of time, and subordination of the SAIL and SAIL ELI loan documents, MMRB and SAIL LURAs, HC EUA, and modification to any other loan documents deemed necessary by FHFC counsel, 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

- C. **Request Approval to Refinance the First Mortgage, Transfer General Partner Interests, and Renegotiate SAIL Loan Terms for Trust Lake Park Two, Ltd., a Florida Limited Partnership, for San Marco Villas II (fka Westlake II and Venetian Isles II) Apartments (GUAR/HUD Risk/2002-007S/2003-519C/SMI#16)**

Development Name: San Marco Villas II Apartments (“Development”)	Location: Palm Beach County
Developer/Principal: Housing Trust Group/Trust Lake Park Two, Ltd. (“Borrower”)	Set-Aside: SAIL & HC 100% @60% AMI LURA: 50 years; EUA: 30 years
Number of Units: 112	Allocated Amount: SAIL \$905,350; HC \$598,716; SMI \$384,522.32
Demographics: Family	Servicer: First Housing Development Corporation

1. **Background**

- a) During the 2002 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a State Apartment Incentive Loan (“SAIL”) in the original amount of \$905,350.00 to Trust Lake Park Two, Ltd., a Florida limited partnership (“Borrower”), for the development of a 112-unit apartment complex in Palm Beach County, Florida. The SAIL loan closed on March 28, 2003, and matures on December 15, 2043. The Development also received a 2003 allocation of low-income housing tax credits of \$598,716. The Development is HUD risk sharing with Florida Housing’s Guarantee Program (“Guarantee Program”).
- b) The Development also received a loan under the Subordinate Mortgage Initiative (“SMI”) in the original amount of \$384,522.32 which closed on October 8, 2009, and matures on October 15, 2019.

2. **Present Situation**

- a) The Borrower requests consent from the Board to refinance the existing first mortgage, the proceeds of which will be used to satisfy the existing first mortgage, redeeming the underlying bonds and effectively terminating the mortgage guaranty issued by the Guarantee Program and its associated financial risk to FHFC. The SMI loan will also be repaid. The SAIL loan, the SAIL Land Use Restriction Agreement (“LURA”), and Housing Credit Extended Use Agreement (“HC EUA”) will also need to be subordinated to the new first mortgage.
- b) The Borrower requests that the annual SAIL loan interest payments not exceed 75% of surplus cash as required by the new first mortgage lender.
- c) The Borrower also requests approval to transfer the general partner interest from BFIM Westlake II GP, Inc. to SP San Marco GP, LLC, an affiliate of Southport Financial Services, Inc.
- d) Staff has received a credit underwriting report ([Exhibit C](#)) with a positive recommendation for approval of the transfer of general partner interests, the renegotiation of the SAIL loan terms, and the new financing, and subordination of the SAIL loan, SAIL LURA, and HC EUA to the new first mortgage.

SPECIAL ASSETS

Consent

3. **Recommendation**

Approve the transfer of general partner interests contingent upon the refinancing of the first mortgage and termination of the Guarantee Program commitment thereon, the renegotiation of SAIL loan terms, the refinancing of the first mortgage loan, 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 as needed.

SPECIAL ASSETS

Consent

- D. Request Approval to Refinance the First Mortgage, Renegotiate the SAIL ELI Loan Terms, and Release Collateral for Creative Choice Homes XX, Ltd., a Florida Limited Partnership, for Peacock Run Apartments (MR2002H1&2/GUAR/HUD Risk/2002-522C/RFP 2010-16-19/SMI#24)**

Development Name: Peacock Run Apartments (“Development”)	Location: Saint Lucie County
Developer/Principal: Creative Choice (“Developer”)/ Creative Choice Homes XX, Ltd. (“Borrower”)	Set-Aside: MMRB 40% @ 60%; HC 100% @ 60%; ELI 5% @ 33% AMI ELI: 15 years; EUA: 30 years
Number of Units: 264	Allocated Amount: MMRB \$9,690,000; \$3,090,000; SMI \$605,345.52; ELI \$1,050,000; HC \$674,643
Demographics: Family	Servicer: First Housing Development Corporation

1. Background

- a) During the 2002 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a first mortgage of FHFC issued tax-exempt bonds in the original amount of \$9,690,000 and taxable bonds in the original amount of \$3,090,000 to Creative Choice Homes XX, Ltd., a Florida limited partnership (“Borrower”), for the development of a 264-unit apartment complex in Saint Lucie County, Florida. The Multifamily Revenue Bonds (“MMRB”) loan closed on July 31, 2002, and matures on July 15, 2042. The Development received a 2002 allocation of low-income housing tax credits of \$674,643.
- b) The Development also received a loan under the Subordinate Mortgage Initiative (“SMI”) in the original amount of \$605,345.52, but only \$454,009.14 was disbursed, which closed on July 14, 2010, and matures on August 15, 2020. Additional funds were provided to the Development through a State Apartment Incentive Loan Extremely Low Income (“SAIL ELI”) loan in the amount of \$1,050,000. The loan closed on March 28, 2011, and matures on March 28, 2026. 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 proceeds of which will be used to satisfy the existing first mortgage, redeeming the underlying bonds and effectively terminating the mortgage guaranty issued by the Guarantee Program and its associated financial risk to FHFC. The SMI loan will also be repaid. The Borrower also requests that the SAIL ELI loan documents be subordinated to the first mortgage. The MMRB Land Use Restriction Agreement (“LURA”) and Housing Credit Extended Use Agreement (“HC EUA”) will also need to be subordinated to the new first mortgage.
- b) The Borrower requests approval to convert the SAIL ELI loan to a forgivable loan as initially allowed in the funding RFP 2010-16. The Borrower further

SPECIAL ASSETS

Consent

requests that 12 acres of vacant encumbered land at the development site be released as part of the loan collateral.

- c) Staff has received a credit underwriting report ([Exhibit D](#)) with a positive recommendation for approval of the new financing, subordination of the SAIL ELI loan documents, MMRB LURA, and the HC EUA to the new first mortgage, the renegotiation of the SAIL ELI loan terms, and release of the 12 acres of vacant land as collateral.

3. **Recommendation**

Approve the renegotiation of the SAIL ELI loan terms, the release of collateral, the refinancing of the first mortgage and subordination of the SAIL ELI loan documents, MMRB LURA, HC EUA, and modifications to any other loan documents deemed necessary by FHFC counsel, 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

- E. **Request Approval to Refinance the First Mortgage and Change Ownership Structure for Creative Choice Homes XIV, Ltd., a Florida Limited Partnership, for Tuscan Isle (fka Heron Cove) Apartments (MR 2002O1&2/GUAR/HUD Risk/2002-534C/SMI#26/SAIL ELI 2014-108-1)**

Development Name: Tuscan Isle (fka Heron Cove) Apartments (“Development”)	Location: Collier County
Developer/Principal: Creative Choice (“Developer”)/ Creative Choice Homes XIV, Ltd. (“Borrower”)	Set-Aside: MMRB 40% @60%; HC 3% @35%, 18% @50%, 79% @60% AMI EUA: 30 years
Number of Units: 298	Allocated Amount: MMRB \$15,900,000; \$2,650,000; SMI \$892,357.00; HC \$784,257
Demographics: Family	Servicer: First Housing Development Corporation

1. **Background**

- a) During the 2002 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a first mortgage of FHFC issued tax-exempt bonds in the original amount of \$15,900,000 and taxable bonds in the original amount of \$2,650,000 to Creative Choice Homes XIV, Ltd., a Florida limited partnership (“Borrower”), for the development of a 298-unit apartment complex in Collier County, Florida. The Multifamily Revenue Bonds (“MMRB”) loan closed on December 1, 2002, and matures on October 15, 2042. The Development received a 2002 allocation of low-income housing tax credits of \$784,257.
- b) The Development also received a loan under the Subordinate Mortgage Initiative (“SMI”) in the original amount of \$892,357.00, but only \$558,060.00 was disbursed, which closed on September 27, 2010, and matures on October 15, 2020. The Development is HUD risk sharing with Florida Housing’s Guarantee Program (“Guarantee Program”).
- c) On September 19, 2014, the Board approved the award list of RFA 2014-108 and on September 25, 2014, staff issued a preliminary commitment and an invitation to enter credit underwriting to Tuscan Isle f/k/a Heron Cove for SAIL ELI Funding under RFP 2014-108 for an amount up to \$3,975,000.

2. **Present Situation**

- a) The Borrower requests consent from the Board to refinance the existing first mortgage, the proceeds of which will be used to satisfy the existing first mortgage, redeeming the underlying bonds and effectively terminating the mortgage guaranty issued by the Guarantee Program and its associated financial risk to FHFC. The SMI loan was repaid on September 15, 2014. The Borrower also requests that the SAIL ELI loan documents be subordinated to the first mortgage. The MMRB Land Use Restriction Agreement (“LURA”) and Housing Credit Extended Use Agreement (“HC EUA”) will also need to be subordinated to the new first mortgage.

SPECIAL ASSETS

Consent

- b) The Borrower requests approval to change the ownership structure of Creative Choice Homes XIV, Ltd. The general partner interests will be transferred from Creative Choice Homes XIV, Inc. (0.01%) to Tuscan Isle GP, LLC (0.01%). The limited partnership and special limited partner interests will be transferred from Amtax Holdings 262, LLC, investor limited partner (99.98%) and TCH II Pledge Pool, LLC, special limited partner (0.01%) to Tuscan Isle ILP, LLC, limited partner (99.99%). The proposed new entities are affiliates of The Vestcor Companies, Inc.
- c) Staff has received a credit underwriting report with a positive recommendation for approval of the new financing, subordination of the SAIL ELI loan documents, MMRB LURA, and the HC EUA to the new first mortgage, and the change in ownership structure.
- d) This submission is made in conjunction with the SAIL Consent item seeking approval for the award of SAIL ELI funding to which the credit underwriting report is attached.

3. Recommendation

Approve the change in ownership structure contingent upon the refinancing of the first mortgage and termination of the Guarantee Program commitment thereon, the refinancing of the first mortgage and subordination of the SAIL ELI loan documents, MMRB LURA, HC EUA, and modifications to any other loan documents deemed necessary by FHFC counsel, 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

F. Request Approval of Loan Workout for Community Housing Initiative Inc., a Florida Not-For-Profit Corporation, for Willow Brook Village Apartments (96-003S)

Development Name: Willow Brook Village (“Development”)	Location: Brevard County
Developer/Principal: Community Housing Initiative, Inc. (“Developer”); (“Borrower”)	Set-Aside: SAIL 43% @ 40% & 57% @ 60% AMI; LURA: 50 years
Number of Units: 56	Allocated Amount: SAIL - \$4,348,848
Demographics: Family	Servicer: AmeriNational Community Services

1. Background

During the 1995-96 State Apartment Incentive Loan (“SAIL”) Cycle VIII, Florida Housing awarded a \$4,348,848 construction/permanent loan to Community Housing Initiative, Inc. (“Borrower”), a Florida not-for-profit corporation, for the development of a 56-unit development in Brevard County. The SAIL loan closed on February 13, 1996, and matured on April 13, 2012.

2. Present Situation

- a) The Borrower has requested that the SAIL loan interest rate be modified from a 9% interest rate to 3% interest rate in accordance with section 420.5087, FS and as stated in Rule 67-48. 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.
- b) Also, the Borrower has requested that the SAIL loan be restructured as an amortizing loan with monthly payments at 1% interest rate until the balance is repaid over a term recommended by the underwriter. The Borrower has also agreed to an extension of the LURA’s affordability term to 50 years from the date of closing of the modification.
- c) Staff received a credit underwriting report ([Exhibit E](#)) from AmeriNational Community Services with a positive recommendation.

3. Recommendation

Staff recommends that the Board approve the approve the modification of the loan terms from a 9% cash flow note to a 3% cash flow note after payment of all accrued 3% base interest and the workout proposal to modify and extend the principal at 1% interest over a term recommended by the underwriter and the extension of the LURA affordability period, all with the conditions provided in the credit underwriting report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities as needed.

SPECIAL ASSETS

Consent

G. Request Approval of the Extension of the SAIL Loan for Affordable/Citrus Glen, Ltd., a Florida Limited Partnership, for Citrus Glen Apartments (93S-013/94L-006)

Development Name: Citrus Glen (“Development”)	Location: Orange County
Developer/Principal: Kenneth G. Dixon/Leland Enterprises, Inc. (“Developer”); Affordable/Citrus Glen, Ltd. (“Borrower”)	Set-Aside: SAIL & HC 100% @ 60% AMI; LURA: 51 years, EUA: 50 years
Number of Units: 176	Allocated Amount: SAIL - \$1,670,000; HC: \$848,250
Demographics: Family	Servicer: First Housing Development Corporation

1. Background

During the 1992-93 State Apartment Incentive Loan (“SAIL”) Cycle V, Florida Housing awarded a \$1,670,000 construction/permanent loan to Affordable/Citrus Glen, Ltd. (“Borrower”), a Florida limited partnership, for the development of a 176-unit development in Orange County. The SAIL loan closed on December 28, 1993, and originally matured on June 28, 2009. The Board previously approved a loan extension to June 28, 2010. The Development also received a 1994 allocation of low-income housing tax credits of \$848,250.

2. Present Situation

The Borrower requests an extension of the SAIL loan, at current terms to June 28, 2015. The Borrower has been unable to refinance the Development and needs the additional time to allow for refinancing conditions to improve. The extension will also provide time for staff to workout financing terms to keep the development affordable. The Borrower has agreed to pay the FHFC loan extension fee and to extend the SAIL Land Use Restriction Agreement (“LURA”) term for an additional amount of time equal to the loan extension.

3. Recommendation

Approve the loan extension of the SAIL loan, at its current terms, to June 28, 2015, extend the LURA for an equal amount of time, and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

H. Request Approval of Loan Workout for Affordable/Citrus Glen II, Ltd., a Florida Limited Partnership, for Citrus Glen II Apartments (97S-005/96L-027)

Development Name: Citrus Glen II (“Development”)	Location: Orange County
Developer/Principal: Kenneth G. Dixon/Leland Enterprises, Inc. (“Developer”); Affordable/Citrus Glen II, Ltd. (“Borrower”)	Set-Aside: SAIL 100% @ 60% AMI, HC 15% @ 35% & 85% @ 60% AMI; LURA: 50 years, EUA: 50 years
Number of Units: 96	Allocated Amount: SAIL - \$684,400; HC: \$497,393
Demographics: Family	Servicer: First Housing Development Corporation

1. Background

During the 1996-97 State Apartment Incentive Loan (“SAIL”) Cycle IX, Florida Housing awarded a \$684,400 construction/permanent loan to Affordable/Citrus Glen II, Ltd. (“Borrower”), a Florida limited partnership, for the development of a 96-unit development in Orange County. The SAIL loan closed on January 31, 1997, and matured on July 1, 2014. The Development also received a 1997 allocation of low-income housing tax credits of \$497,393.

2. Present Situation

- a) The Borrower has requested that the SAIL loan interest rate be modified from a 9% to a 3% interest rate in accordance with section 420.5087, FS and as stated in Rule 67-48. 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.
- b) Also, the Borrower has requested that the SAIL loan be restructured as an amortizing loan with monthly payments at 1% interest rate until the balance is repaid over a term of 9 years. The Borrower has also agreed to extend the LURA’s affordability term for an additional 9 years beyond the current 50 years.
- c) Staff received a credit underwriting report ([Exhibit F](#)) from First Housing Development Corporation with a positive recommendation.

3. Recommendation

Staff recommends that the Board approve the modification of the loan terms from a 9% cashflow note to a 3% cashflow note after payment of all accrued 3% base interest and the workout proposal to modify and extend the loan at 1% interest for 9 years, with monthly amortization of principal and interest and extension of the LURA for an additional 9 years, all with the conditions provided in the credit underwriting report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities as needed.

SPECIAL ASSETS

Consent

I. Request Approval of Loan Workout for Timber Sound, Ltd., a Florida Limited Partnership, for Timber Sound Apartments (97-026S/96L-026)

Development Name: Timber Sound (“Development”)	Location: Orange County
Developer/Principal: Kenneth G. Dixon/Leland Enterprises, Inc. (“Developer”); Timber Sound, Ltd. (“Borrower”)	Set-Aside: SAIL 100% @ 60% AMI, HC 15% @ 35% & 85% @ 60% AMI; LURA: 50 years, EUA: 50 years
Number of Units: 80	Allocated Amount: SAIL - \$570,000; HC: \$500,000
Demographics: Family	Servicer: Seltzer Management Group

1. Background

During the 1996-97 State Apartment Incentive Loan (“SAIL”) Cycle IX, Florida Housing awarded a \$570,000 construction/permanent loan to Timber Sound, Ltd. (“Borrower”), a Florida limited partnership, for the development of an 80-unit development in Orange County. The SAIL loan closed on March 5, 1998, and matured on December 12, 2012. The Development also received a 1996 allocation of low-income housing tax credits of \$500,000.

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 section 420.5087, FS and as stated in Rule 67-48. 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.
- b) Also, the Borrower has requested that the SAIL loan be restructured as an amortizing loan with monthly payments at a 1% interest rate until the balance is repaid over a term of 14 years. The Borrower has also agreed to extend the LURA’s affordability term for an additional 14 years beyond the current 50 years.
- c) Staff received a credit underwriting report ([Exhibit G](#)) from Seltzer Management Group providing a positive recommendation.

3. Recommendation

Staff recommends that the Board approve the modification of the loan terms from a 9% cashflow note to a 3% cashflow note after payment of all accrued 3% base interest and the workout proposal to modify and extend the principal at 1% interest for 14 years, with monthly amortization of principal and interest and extension of the LURA for an additional 14 years, all with the conditions provided in the credit underwriting report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities as needed.

SPECIAL ASSETS

Consent

J. Request Approval of the Refinancing and Transfer of the Development, and the Assumption, Renegotiation, and Subordination of the SAIL Loan for Crossings at Indian Run Apartments, Ltd., a Florida limited partnership for Crossings at Indian Run (97S-003, 97L-508)

Development Name: Crossings at Indian Run (“Development”)	Location: Martin County
Developer/Principal: Gatehouse Group (“Developer”)	Set-Aside: SAIL & HC: 100% @ 60% AMI; LURA 50 years; EUA 30 years
Number of Units: 344	Allocated Amount: SAIL \$4,947,342 Housing Credits: \$989,698.56
Demographics: Family	Servicer: Seltzer Management Group

1. Background

During the 1996 State Apartment Incentive Loan (“SAIL”) Cycle IX, Florida Housing awarded a \$4,947,342 construction/permanent loan to Crossings at Indian Run Apartments Ltd., a Florida limited partnership (“Borrower”), for the development of a 344-unit apartment complex in Martin County. The SAIL loan closed on December 17, 1996, and matures on June 30, 2026. The Development also received an allocation of low-income housing tax credits of \$989,698.56.

2. Present Situation

- a) The Borrower requests approval for the refinancing of the first mortgage using FHFC tax-exempt bonds, transfer of ownership of the Development, assumption and renegotiation of the terms of the SAIL loan, and subordination of the SAIL loan to the new first mortgage. The Borrower requests the SAIL loan term be extended to be co-terminus with the new first plus six months with a 3% interest rate and payments based on cash flow. FHFC will require payment of all accrued base interest on the existing note at closing. The affordability period in the Land Use Restriction Agreement (“LURA”) will be extended for an equal number of years. The SAIL LURA will also need to be subordinated to the new first mortgage.
- b) Staff received a credit underwriting report providing a positive recommendation. The credit underwriting report is further addressed in the MMRB section.

3. Recommendation

Approve the refinancing and transfer of the Development, the assumption, renegotiation, and subordination of the SAIL loan with the new terms, the extension of the LURA affordability period, and subordination of the SAIL LURA, all with the conditions provided in the credit underwriting report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities as needed.

SPECIAL ASSETS

Consent

- K. Request Approval of the Extension of the SAIL Loan for Presbyterian Homes of Pasco NPR Limited Partnership, a Florida limited partnership for The Landings of St. Andrew (aka Presbyterian Homes of Pasco County) (94S-034/93L-026)**

Development Name: The Landings of St. Andrew (aka Presbyterian Homes of Pasco County) (“Development”)	Location: Pasco County
Developer/Principal: National Church Residences Corporation (“Developer”); Presbyterian Homes of Pasco NPR Limited Partnership (“Borrower”)	Set-Aside: SAIL 4.5% @ 50% & 90% @ 60% AMI; HC 5.1% @ 50% & 90.3% @ 60% AMI LURA 53 years; EUA: 50 years
Number of Units: 196	Allocated Amount: SAIL - \$1,990,000; HC \$921,574
Demographics: Elderly	Servicer: First Housing

1. Background

During the 1993-94 State Apartment Incentive Loan (“SAIL”) Cycle VI, Florida Housing awarded a \$1,990,000 construction/permanent loan to Presbyterian Homes of Pasco NPR Limited Partnership, a Florida limited partnership (“Borrower”), for the development of a 196-unit development in Pasco County. The SAIL loan closed on December 21, 1994, and matured on December 21, 2011. The Development also received a 1993 allocation of low-income housing tax credits of \$921,574. At the January 27, 2012 Board meeting the borrower’s request for approval of first mortgage refinancing and extension of the SAIL loan for three years to be co-terminus with the new first mortgage was approved.

2. Present Situation

The Borrower requests approval for an additional one-year extension of the SAIL loan, at its current terms, to December 1, 2015. The Borrower is applying for funding in upcoming RFAs being administered by Florida Housing. If the Borrower does not receive an award for funding this year which enables the development to restructure the SAIL loan then borrower has agreed to move forward with previously discussed restructuring options which may include repayment of accrued interest and conversion of the SAIL loan to a fully amortizing loan or some other agreed upon restructure which results in repayment of the SAIL loan principal and interest. The Borrower needs the additional time to complete the refinancing of the Development. The Borrower has agreed to an extension of the affordability period under the Land Use Restriction Agreement (“LURA”) to be equal to the loan extension (adding one year to the current 53 years) and to pay the FHFC loan extension fee.

SPECIAL ASSETS

Consent

3. **Recommendation**

Approve the extension of the SAIL loan, at its current terms, to December 1, 2015, extension of the LURA for an additional one year, with the condition that if the Borrower does not receive an award for funding this year which enables the development to restructure the SAIL loan then borrower has agreed to move forward with previously discussed restructuring options which may include repayment of accrued interest and conversion of the SAIL loan to a fully amortizing loan or some other agreed upon restructure which results in repayment of the SAIL loan principal and interest, and direct staff to proceed with loan document modification activities as needed.

SPECIAL ASSETS

Consent

L. Request Approval of the Extension of the SAIL Loan for Del Prado Gardens, Ltd., a Florida Limited Partnership, for Del Prado Gardens (98S-009/97L-029)

Development Name: Del Prado Gardens (“Development”)	Location: Miami-Dade County
Developer/Principal: Carrfour Supportive Housing, Inc. (“Developer”); Del Prado Gardens, Ltd., (“Borrower”)	Set-Aside: SAIL 50% @ 50% & 40% @ 60% AMI; HC 15% @ 35%, 35% @ 50% and 50% @ 60% AMI; LURA: 50 years; EUA: 50 years
Number of Units: 32	Allocated Amount: SAIL - \$332,592 Housing Credits: \$168,577
Demographics: Family	Servicer – Seltzer Management Group

1. Background

- a) During the 1996-97 State Apartment Incentive Loan (“SAIL”) Cycle X(a), Florida Housing awarded a \$332,592 construction/permanent loan to Del Prado Gardens, Ltd., a Florida limited partnership, (“Borrower”) for the development of a 32-unit development in Miami-Dade County. The SAIL loan closed on November 24, 1998, and will mature on November 23, 2014. The Development also received a 1997 allocation of low-income housing tax credits of \$168,577.
- b) At the December 13, 2013 Board meeting, the Borrower’s request for transfer of the GP and LP interests in the Borrower to Del Prado Acquisition, LLC, a wholly owned subsidiary of Carrfour Supportive Housing, Inc., was approved.

2. Present Situation

The Borrower has requested a one year extension of the SAIL loan, at current terms, to allow time for refinancing of the Development. The Borrower has agreed to an additional one year extension of the SAIL Land Use Restriction Agreement (“LURA”) term and payment of the FHFC loan extension fee at closing.

3. Recommendation

Approve the extension of the SAIL loan, at its current terms, to November 23, 2015, extend the LURA for an additional year, and direct staff to proceed with loan document modification activities as needed.

SPECIAL ASSETS

Consent

M. Request Approval of the Extension of the SAIL Loan for Richmond Pine Limited Partnership, a Florida Limited Partnership, for Richmond Pine (93HRR-003/93L-100)

Development Name: Richmond Pine (“Development”)	Location: Miami-Dade County
Developer/Principal: Enterprise Community Investment, Inc. (“Developer”); Richmond Pine Limited Partnership (“Borrower”)	Set-Aside: SAIL & HC 20% @ 40% AMI, 80% @ 60% AMI LURA: 53 years; EUA: 50 years
Number of Units: 80	Allocated Amount: SAIL - \$2,800,000
Demographics: Family	Housing Credits: \$461,452

1. Background

- a) During the 1993 State Apartment Incentive Loan/Hurricane Andrew Recovery and Rebuilding Program (“SAIL”) Cycle, Florida Housing awarded a \$2,800,000 construction/permanent loan to Richmond Pine Limited Partnership, a Florida limited partnership, (“Borrower”) for the development of an 80-unit development in Miami-Dade County. The SAIL loan closed on October 6, 1994, and matured on October 31, 2013. The Development also received a 1993 allocation of low-income housing tax credits of \$461,452.
- b) The Borrower previously requested and was approved for extensions of the SAIL loan, at current terms to October 31, 2014 to allow time for the sale and transfer of the Development.

2. Present Situation

The Borrower has requested an additional one year extension of the SAIL loan, at current terms, to allow time for the sale and transfer to be completed. The Borrower is in negotiations with a potential buyer and needs the additional time to secure a purchase contract. The SAIL loan will be paid with proceeds from the sale. The Borrower has agreed to an additional one year extension of the SAIL Land Use Restriction Agreement (“LURA”) term.

3. Recommendation

Approve the extension of the SAIL loan, at its current terms, to October 31, 2015, extend the LURA for an additional year, and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

N. Request Approval of SAIL Loan Modification for Ashley Place, Ltd., a Florida Limited Partnership, for Ashley Place (1989S-004/1989L-037)

Development Name: Ashley Place (“Development”)	Location: Orange County
Developer/Principal: Kenneth G. Dixon/Leland Enterprises, Inc. (“Developer”); Ashley Place, Ltd. (“Borrower”)	Set-Aside: SAIL 40% @ 60% AMI; LURA: 40 years; HC 15 years (Expired)
Number of Units: 96	Allocated Amount: SAIL - \$1,100,000; HC - \$411,426
Demographics: Family	Servicer: First Housing Development Corporation

1. Background

During the 1988-89 State Apartment Incentive Loan (“SAIL”) Cycle I, Florida Housing awarded a \$1,100,000 construction/permanent loan to Ashley Place, Ltd., a Florida limited partnership (“Borrower”), for the construction of a 96-unit development in Orange County. The SAIL loan closed on June 14, 1989, and will mature on July 1, 2029. The Development also received a 1989 allocation of low-income housing tax credits of \$411,426.

2. Present Situation

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 section 420.5087, FS and as stated in Rule 67-48. 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.

3. Recommendation

Approve the modification of the loan terms from a 9% cashflow note to a 3% cashflow 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.