

**FLORIDA HOUSING FINANCE CORPORATION**  
**Board Meeting**  
**December 13, 2019**  
**Action Items**



# FISCAL

## *Action*

### I. FISCAL

#### A. 2020 Proposed Operating Budget

##### 1. Background

- a) The Florida Housing Operating Budget is created with a conservative approach to both revenue and expenses.
- b) The 2020 budget was created using the following approach, as applicable:
  - a projection of fee revenue based on the current loan portfolio. Seventeen new multifamily bond transactions were projected for 2020;
  - a projection of revenue from the administration of federal programs;
  - a projection of investment earnings based on input from investment managers;
  - a zero-based budget model for operating expenses, exclusive of salaries and benefits; the 2020 projected work plan for operational units determines the initial expense budget request from each work unit;
  - employee benefits information based on final quotes for insurance.
- c) Upon implementation of the 2020 Operating Budget, Florida Housing will closely monitor all revenues and expenses. Florida Housing will pay special attention to discretionary line items, such as staff development travel and outreach travel, which will be controlled at the executive level. With these measures in place to control expenditures, Florida Housing expects to maintain a positive trend of revenues exceeding expenses.

##### 2. Present Situation

- a) The recommended Proposed Operating Budget for 2020 is provided to the Board.
- b) An Account Guide describing the budget categories is included with the Proposed 2020 Operating Budget.

##### 3. Recommendation

- a) Staff recommends approval of the Proposed 2020 Operating Budget as the 2020 Operating Budget.

## LEGAL

### *Action*

## II. LEGAL

### A. **Amelia Court at Creative Village Phase II Partners, Ltd. v. Florida Housing Finance Corporation, Durham Place, Ltd., Durham Place Developer, LLC, Hawthorne Park, Ltd, and Hawthorne Park Developer, LLC, Appellate Case No. 5D19-1934, FHFC Case No. 2019-19BP**

#### 1. **Background**

- a) Florida Housing issued RFA 2018-112 in September 2018. Hawthorne Park and Amelia Court each filed applications for funding under this RFA for proposed developments in Orange County, Florida. On February 1, 2019, Florida Housing's Board of Directors found that while both Applicants were eligible for funding, Hawthorne Park would be selected for funding based on the criteria in the RFA.
- b) Amelia Court timely challenged Florida Housing's selection of Hawthorne Park for funding by filing a Notice of Protest and a Formal Written Protest and Petition for Formal Administrative Proceedings. The Petition was referred to the Division of Administrative Hearings ("DOAH") and assigned to an Administrative Law Judge ("ALJ"). Hawthorne Park intervened in the proceeding.
- c) Amelia Court alleged that the application of Hawthorne Park should have been found ineligible because the Local Government Area of Opportunity (LGAO) funding committed to by Orange County was invalid. In a separate proceeding in the Circuit Court of the Ninth Judicial Circuit in Orange County (Case No. 2018-CA-12227-O), Amelia Court challenged the process by which Orange County had awarded LGAO funding to Hawthorne Park. The Circuit Court in that case issued a temporary injunction which included a preliminary finding that Orange County had illegally awarded State Housing Initiative Partnership (SHIP) funds to Hawthorne Park, and enjoined Orange County from awarding such funds. Orange County and Hawthorne Park appealed that temporary injunction to the Fifth District Court of Appeal (Case No. 5D19-1934). To date, neither the Circuit Court case nor the Appellate case have reached a final resolution.
- d) The ALJ in the DOAH case conducted an evidentiary hearing on April 15, 2019. In his Recommended Order, issued on June 7, 2019, the ALJ found that the central issue in Amelia Court's challenge was the impact of the temporary injunction. He concluded that the temporary injunction did not constitute a binding or final ruling that the LGAO contribution from Orange County was invalid, and recommended that Florida Housing enter a final order dismissing Amelia Court's petition and awarding funding to Hawthorne Park. Florida Housing's Board of Directors adopted the Recommended Order as its Final Order on June 21, 2019.
- e) Amelia Court appealed this Final Order to the Fifth District Court of Appeal (Case No. 5D19-1934). To date, that case remains pending.

## LEGAL

### *Action*

#### 2. **Present Situation**

- a) On November 19, 2019, counsel for Amelia Court and for Florida Housing, with the advice and consent of their respective clients, signed a Settlement Agreement. Florida Housing agreed to award funding under RFA 2018-112 to Amelia Court, and Amelia Court agreed in return to dismiss all pending litigation, including both the circuit court case and the appeal of Florida Housing's Final Order. A copy of the Settlement Agreement is attached as [Exhibit A](#).
- b) The only issue in the appeal of Florida Housing's Final Order is whether or not the findings in a temporary injunction should be considered binding on Florida Housing when determining the eligibility of an application. This is a question of law outside of Florida Housing's substantive jurisdiction, and as such the agency had no discretion to interpret the law differently than the ALJ did. The ultimate resolution by the appellate court therefore is unpredictable, and a resolution of this matter through the Settlement Agreement would avoid the time, expense, and uncertainty of further litigation. Since this case does not involve the interpretation of any Florida Housing rules, policies, or RFA specifications, settlement of this matter is unlikely to have any precedential impact on future determinations by Florida Housing. Settlement will also have no impact on any other applicants awarded funding under RFA 2018-112.

#### 3. **Recommendation**

- a) Staff recommends that the Board adopt a Final Order approving and incorporating the Settlement Agreement and awarding funding under RFA 2018-112 to Amelia Court at Creative Village Phase II Partners, Ltd.

## MULTIFAMILY PROGRAMS – ALLOCATIONS

### *Action*

### III. MULTIFAMILY PROGRAMS – ALLOCATIONS

#### A. Request for Applications (RFA) 2019-102 Community Development Block Grant-Disaster Recovery (CDBG-DR) To Be Used In Conjunction With Tax-Exempt MMRB And Non-Competitive Housing Credits In Counties Deemed Hurricane Recovery Priorities

##### 1. Background

- a) On July 30, 2019, Florida Housing Finance Corporation (Florida Housing) issued RFA 2019-102 offering \$66,000,000 of CDBG-DR Program funding for the construction of Workforce Housing (Development Funding), plus an additional \$10 million in CDBG-DR Funding for acquiring land for those Developments located in counties deemed Hurricane Recovery Priorities (Land Acquisition Program Funding).
- b) The deadline for receipt of Applications was 3:00 p.m., Eastern Time, September 24, 2019.

##### 2. Present Situation

- a) Florida Housing received 44 Applications in response to this RFA of which 2 Applications were later withdrawn. The Review Committee members, designated by the Executive Director, were Rachael Grice, Multifamily Programs Coordinator (Chair), Matt Jugenheimer, HHF Compliance Officer, and Heather Strickland, Multifamily Programs Coordinator. Each member of the Review Committee independently evaluated and scored their assigned portions of the submitted Applications, consulting with non-committee staff and legal counsel as necessary and appropriate.
- b) At its November 13, 2019 Review Committee meeting, the individual committee members presented their scores and the Committee carried out the funding selection process in accordance with Section Five, B. of the RFA.
- c) The 2019-102 All Applications chart (provided as [Exhibit A](#)) lists the eligible and ineligible Applications. The eligible Applications (i.e., Applications that met all criteria to be eligible to be considered for funding) and the ineligible Applications are listed in assigned Application Number order.
- d) The Review Committee considered the following motions:
  - (1) A motion for the Review Committee to approve the scoring results and recommendations for funding as set out on [Exhibit B](#);
  - (2) A motion to recommend to the Board that the Board approve the scoring results and recommendations for funding, as set out on Exhibit B.
- e) The motions passed unanimously.

## MULTIFAMILY PROGRAMS – ALLOCATIONS

### *Action*

- f) As outlined in the RFA, at the completion of all litigation and approval by the Board of all Recommended Orders with regard to this RFA, Florida Housing shall offer all Applicants within the funding range an invitation to enter credit underwriting.

### **3. Recommendation**

- a) Approve the Committee's recommendations that the Board adopt the scoring results of the 44 Applications (set out on Exhibit A) and authorize the tentative selection of the 12 Applications (set out on Exhibit B) for funding.
- b) There is an unallocated balance of \$751,792 in Development funding remaining. As provided in Section Five, B. of the RFA, any remaining funding will be distributed as approved by the Board.
- c) If no notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., staff will proceed to issue an invitation to enter credit underwriting to the Applications set out on Exhibit B.
- d) If a notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., then at the completion of all litigation, staff will present all Recommended Orders for Board approval prior to issuing invitations to enter credit underwriting to those Applicants in the funding range.

## MULTIFAMILY PROGRAMS – ALLOCATIONS

### *Action*

#### **B. Request for Applications (RFA) 2019-103 Community Development Block Grant-Disaster Recovery (CDBG-DR) For Small Developments In Areas Deemed Hurricane Recovery Priorities**

##### **1. Background**

- a) On July 30, 2019, Florida Housing Finance Corporation (Florida Housing) issued RFA 2019-103 offering \$20,000,000 of CDBG-DR Program funding for the construction of Workforce Housing (Development Funding), for those Developments located in small counties deemed Hurricane Recovery Priorities.
- b) The deadline for receipt of Applications was 3:00 p.m., Eastern Time, August 29, 2019.

##### **2. Present Situation**

- a) Florida Housing received 12 Applications in response to this RFA. The Review Committee members, designated by the Executive Director, were Ryan McKinless, Multifamily Programs Senior Analyst (Chair), Sofia Miles, Multifamily Programs Manager, and David Woodward, Federal Loan Program Manager. Each member of the Review Committee independently evaluated and scored their assigned portions of the submitted Applications, consulting with non-committee staff and legal counsel as necessary and appropriate.
- b) At its November 13, 2019 Review Committee meeting, the individual committee members presented their scores and the Committee carried out the funding selection process in accordance with Section Five, B. of the RFA.
- c) The 2019-103 All Applications chart (provided as [Exhibit C](#)) lists the eligible and ineligible Applications. The eligible Applications (i.e., Applications that met all criteria to be eligible to be considered for funding) and the ineligible Applications are listed in assigned Application Number order.
- d) The Review Committee considered the following motions:
  - (1) A motion for the Review Committee to approve the scoring results and recommendations for funding as set out on [Exhibit D](#);
  - (2) A motion to recommend to the Board that the Board approve the scoring results and recommendations for funding, as set out on Exhibit D.
- e) The motions passed unanimously.
- f) As outlined in the RFA, at the completion of all litigation and approval by the Board of all Recommended Orders with regard to this RFA, Florida Housing shall offer all Applicants within the funding range an invitation to enter credit underwriting.

## MULTIFAMILY PROGRAMS – ALLOCATIONS

### *Action*

#### 3. **Recommendation**

- a) Approve the Committee’s recommendations that the Board adopt the scoring results of the 12 Applications (set out on Exhibit C) and authorize the tentative selection of the 4 Applications (set out on Exhibit D) for funding.
- b) There is an unallocated balance of \$1,142,800 in Development funding remaining. As provided in Section Five, B. of the RFA, any remaining funding will be distributed as approved by the Board.
- c) If no notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., staff will proceed to issue an invitation to enter credit underwriting to the Applications set out on Exhibit D.
- d) If a notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., then at the completion of all litigation, staff will present all Recommended Orders for Board approval prior to issuing invitations to enter credit underwriting to those Applicants in the funding range.

## MULTIFAMILY PROGRAMS – ALLOCATIONS

### *Action*

#### C. **Request for Applications (RFA) 2019-111 Rental Recovery Loan Program (RRLP) Financing to be Used for Rental Developments in Hurricane Michael Impacted Counties**

##### 1. **Background**

- a) On August 1, 2019, Florida Housing Finance Corporation (Florida Housing) issued RFA 2019-111 offering \$50,000,000 of RRLP Program funding for the construction of Affordable housing in Hurricane Michael impacted counties.
- b) The deadline for receipt of Applications was 3:00 p.m., Eastern Time, October 9, 2019.

##### 2. **Present Situation**

- a) Florida Housing received 9 Applications in response to this RFA. The Review Committee members, designated by the Executive Director, were Tracy Willis, Quality Assurance Credit Underwriter Administrator (Chair), Tammy Bearden, Loan Closing Manager, and Heather Strickland, Multifamily Programs Coordinator. Each member of the Review Committee independently evaluated and scored their assigned portions of the submitted Applications, consulting with non-committee staff and legal counsel as necessary and appropriate.
- b) At its November 20, 2019 Review Committee meeting, the individual committee members presented their scores and the Committee carried out the funding selection process in accordance with Section Five, B. of the RFA.
- c) The 2019-111 All Applications chart (provided as [Exhibit E](#)) lists the eligible and ineligible Applications. The eligible Applications (i.e., Applications that met all criteria to be eligible to be considered for funding) and the ineligible Applications are listed in assigned Application Number order.
- d) The Review Committee considered the following motions:
  - (1) A motion for the Review Committee to approve the scoring results and recommendations for funding as set out on [Exhibit F](#);
  - (2) A motion to recommend to the Board that the Board approve the scoring results and recommendations for funding, as set out on Exhibit F.
- e) The motions passed unanimously.
- f) As outlined in the RFA, at the completion of all litigation and approval by the Board of all Recommended Orders with regard to this RFA, Florida Housing shall offer all Applicants within the funding range an invitation to enter credit underwriting.

## MULTIFAMILY PROGRAMS – ALLOCATIONS

### *Action*

#### 3. **Recommendation**

- a) Approve the Committee’s recommendations that the Board adopt the scoring results of the 9 Applications (set out on Exhibit E) and authorize the tentative selection of the 5 Applications (set out on Exhibit F) for funding.
- b) There is an unallocated balance of \$14,566,676 in Development funding remaining. As provided in Section Five, B. of the RFA, any remaining funding will be distributed as approved by the Board. Staff recommends the Board approve the tentative selection of the next highest ranking Application in Bay County, Bridge Plaza Apartments, with a total RRLP Request Amount of \$7,863,600. Approval of this Development will bring the total unallocated RRLP funding balance to \$6,703,076.
- c) If no notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., staff will proceed to issue an invitation to enter credit underwriting to the Applications set out on Exhibit F.
- d) If a notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., then at the completion of all litigation, staff will present all Recommended Orders for Board approval prior to issuing invitations to enter credit underwriting to those Applicants in the funding range.

## MULTIFAMILY PROGRAMS – ALLOCATIONS

### *Action*

#### **D. Request for Applications (RFA) 2019-117 Financing To Build Smaller Permanent Supportive Housing Properties For Persons With Developmental Disabilities**

##### **1. Background**

- a) On August 30, 2019, Florida Housing Finance Corporation (Florida Housing) issued RFA 2019-117 offering \$3,000,000 of grant funding for the construction of small Permanent Supportive Housing Developments for Persons with Developmental Disabilities.
- b) The deadline for receipt of Applications was 3:00 p.m., Eastern Time, October 3, 2019.

##### **2. Present Situation**

- a) Florida Housing received 6 Applications in response to this RFA. The Review Committee members, designated by the Executive Director, were Lisa Nickerson, Multifamily Programs Administrator (Chair), Tracy Banner, Policy Administrator, Diana Fields, Policy Administrator, Sofia Miles, Multifamily Programs Manager, and Elaine Roberts, Senior Supportive Housing Analyst. Each member of the Review Committee independently evaluated and scored their assigned portions of the submitted Applications, consulting with non-committee staff and legal counsel as necessary and appropriate.
- b) At its November 14, 2019 Review Committee meeting, the individual committee members presented their scores and the Committee carried out the funding selection process in accordance with Section Five, B. of the RFA.
- c) The 2019-117 All Applications chart (provided as [Exhibit G](#)) lists the eligible and ineligible Applications. The eligible Applications (i.e., Applications that met all criteria to be eligible to be considered for funding) and the ineligible Applications are listed in assigned Application Number order.
- d) The Review Committee considered the following motions:
  - (1) A motion for the Review Committee to approve the scoring results and recommendations for funding as set out on [Exhibit H](#);
  - (2) A motion to recommend to the Board that the Board approve the scoring results and recommendations for funding, as set out on Exhibit H.
- e) The motions passed unanimously.
- f) As outlined in the RFA, at the completion of all litigation and approval by the Board of all Recommended Orders with regard to this RFA, Florida Housing shall offer all Applicants within the funding range an invitation to enter credit underwriting.

## MULTIFAMILY PROGRAMS – ALLOCATIONS

### *Action*

#### 3. **Recommendation**

- a) Approve the Committee’s recommendations that the Board adopt the scoring results of the six Applications (set out on Exhibit G) and authorize the tentative selection of the five Applications (set out on Exhibit H) for funding.
- b) There is an unallocated balance of \$450,000 in Development funding remaining. As provided in Section Five, B. of the RFA, any remaining funding will be distributed as approved by the Board.
- c) If no notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., staff will proceed to issue an invitation to enter credit underwriting to the Applications set out on Exhibit H.
- d) If a notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., then at the completion of all litigation, staff will present all Recommended Orders for Board approval prior to issuing invitations to enter credit underwriting to those Applicants in the funding range.

## MULTIFAMILY PROGRAMS – ALLOCATIONS

### *Action*

#### **E. 2020 Rule Development**

##### **1. Background/Present Situation**

- a) Staff would like to begin the rule development process by scheduling a rule development workshop to solicit comments concerning Rule Chapters 67-21 and 67-48, F.A.C., and the Qualified Allocation Plan (QAP) which is incorporated by reference in Rule Chapter 67-48.

##### **2. Recommendation**

- a) Authorize staff to proceed with the 2020 rule development process.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Action*

#### IV. PROFESSIONAL SERVICES SELECTION (PSS)

##### A. Request Approval of Rule (67-49, F.A.C.) and Submission of Notice of Proposed Rule

###### 1. Background

- a) The Procurement of Commodities or Contractual Services rule was enacted on January 31, 1999. The purpose of this rule is to establish the procedure by which the corporation shall procure commodities or contract for services, and it falls under the power of s.420.507(27), Fla. Stat. which states that “notwithstanding the provisions of chapter 282 and part 1 of chapter 287, to establish guidelines for and to implement the purchase and procurement of materials and services for use by corporation.” The rule was last amended on February 28, 2018.

###### 2. Present Situation

- a) On October 31, the Board authorized staff to proceed with rulemaking.
- b) A Notice of Proposed Rule Development was posted in the November 19, 2019 issue of the Florida Administrative Register, Vol. 45/225.
- c) The proposed changes are to clarify that procurements relating to lodging, insurance, and benefits are not subject to competitive sealed response requirements. A copy of the draft Notice of Proposed Rule is attached as [Exhibit A](#).
- d) To date, there have been no comments from the Joint Administrative Procedures Committee, nor a request for a workshop.

###### 3. Recommendation

- a) Authorize staff to proceed with filing the Notice of Proposed Rule for Rule 67-49, Florida Administrative Code.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Action*

#### **B. Request for Proposals (RFP) 2019-14, 2019 Injured Veterans Housing Pilot Program Award**

##### **1. Background**

- a) As part of the FY 2019-2020 budget, \$1,000,000 was appropriated to Florida Housing “to provide grants to nonprofit organizations that build, modify, maintain, transfer, and enhance homes to and for Florida veterans. Eligible organizations must agree to provide a minimum of 15 homes to injured veterans, the family members of injured veterans, and Gold Star families. Homes may be modified, renovated, or new construction.”
- b) At the August 2, 2019 meeting, the Board authorized Florida Housing staff to issue a competitive solicitation to procure one or more qualified firms to award these funds.
- c) Staff held two different workshops to publicize the availability of these funds and explain how Florida Housing intends to administer the program. The first workshop was held on July 17, 2019 and the second, which workshopped a draft of the RFP, was held on September 4, 2019.

##### **2. Present Situation**

- a) RFP 2019-14 was issued on October 14, 2019. The deadline for receipt of responses was 2:00 p.m., November 6, 2019. A copy of the RFQ is provided as [Exhibit B](#).
- b) One response was received from Building Homes for Heroes, Inc.
- c) Members of the committee were Bill Aldinger, Director of Policy and Special Programs (Chairperson); Nicole Gibson, Assistant Director of Homeownership Programs; and Amanda Franklin, HHF Manager (“Review Committee”).
- d) Each member of the Review Committee individually reviewed the proposals submitted prior to convening for the Review Committee meeting which was held at 10:00 a.m., November 20, 2019.
- e) At the November 20<sup>th</sup> meeting, the Review Committee members provided their final scores for the responses received. The score sheet is provided as [Exhibit C](#).

##### **3. Recommendation**

- a) The Review Committee recommends that the Board authorize Florida Housing to enter into contract negotiations with Building Homes for Heroes, Inc.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Action*

#### C. **Competitive Solicitation to provide To Be Announced (TBA) services for the Homebuyer Loan Program (HLP)**

##### 1. **Background**

- a) Florida Housing maintains a continuous lending program through the use of alternative practices to sell Single Family loans when it is not prudent to sell bonds, including the sale of mortgage-backed securities (MBS) through the TBA market. At the August 8, 2014, Board Meeting, Florida Housing's Board of Directors authorized staff to enter into contract negotiations with Raymond James & Associates, Inc. to provide these services, which included pipeline management, hedging and the sale of MBS. The original term of the resulting contracts was three years and provided for three separate one-year renewal options.

##### 2. **Present Situation**

- a) On August 12, 2020, the term for Florida Housing's current contract with Raymond James & Associates, Inc., including all extensions, will expire and there is a continuing need to retain a firm to provide these services.

##### 3. **Recommendation**

- a) Staff requests authorization to issue a competitive solicitation to procure a firm that will provide TBA services for the HLP Program.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Action*

#### D. Competitive Solicitation for Investment Banking Services

##### 1. Background

- a) At the August 8, 2014, Board Meeting, Florida Housing's Board of Directors authorized staff to enter into contract negotiations with several firms to provide Investment Banking services. The original term of the resulting contracts was three years and provided for three separate one-year renewal options.

##### 2. Present Situation

- a) Current contract information is as follows.

Contract No.	Contractor	Term Begin	Term End
2014-03-025-Q-001	Raymond James & Associates, Inc.	8/13/2014	8/12/2020
2014-03-025-Q-007	Morgan Stanley & Co. LLC.	8/15/2014	8/14/2020
2014-03-025-Q-002	BoFA Securities, Inc. as successor to Merrill Lynch, Fenner & Smith Incorporated	8/19/2014	8/18/2020
2014-03-025-Q-009	Stern Brothers & Co.	8/26/2014	8/25/2020
2014-03-025-Q-005	Janney Montgomery Scott, LLC.	9/1/2014	8/31/2020
2014-03-025-Q-008	RBC Capital Markets, LLC	9/3/2014	9/2/2020
2014-03-025-Q-003	Citigroup Global Markets, Inc.	9/16/2014	9/15/2020
2014-03-025-Q-010	Wells Fargo Bank, N.A.	9/16/2014	9/15/2020

- b) Florida Housing has a continuing need for qualified investment bankers to provide services to Florida Housing regarding bond issues and related matters.

##### 3. Recommendation

- a) Authorize staff to begin the competitive solicitation process to select a pool of qualified firms to provide investment banking services.

## SPECIAL ASSETS

### *Action*

#### V. SPECIAL ASSETS

##### A. Request Approval of the Extension of the PLP Loan for Cypress Senior Village, LLC., a Florida limited liability company, for Cypress Senior Village (PLP 05-075)

<b>Development Name: Cypress Senior Village (“Development”)</b>	<b>Location: DeSoto County</b>
<b>Developer/Principal: Cypress Senior Village, LLC. (“Developer” and “Borrower”)</b>	<b>Set-Aside: PLP 60% @ 60% AMI; LURA: 15 Years</b>
<b>Number of Units: 50</b>	<b>Allocated Amount: PLP \$325,117.63</b>
<b>Demographics: Family</b>	<b>Servicer: NA</b>

#### 1. Background

- a) Cypress Senior Village, LLC., applied for Pre-Development Loan Program (PLP) funds in 2005 and was awarded a PLP loan in the amount of \$350,000 for predevelopment expenses for a 50-unit elderly development in DeSoto County. The PLP loan closed on September 12, 2006 and originally matured on September 12, 2009. The Board previously approved extensions to December 31, 2018. The Borrower drew \$325,117.63 of PLP funds but was unable to complete the Development due to lack of additional funding sources.
- b) At the October 31, 2019 Board meeting, the Board voted on a request to extend the loan to December 31, 2019 (a transcript of the discussion is attached - [Exhibit A](#)). Although a majority voted to extend, the required quorum for an affirmative action by the Board was not achieved so the request is being brought back for a new vote.

#### 2. Present Situation

- a) The Borrower request approval to extend the PLP loan term, at its current balance of \$325,117.63, to December 31, 2021, which will allow the necessary time to develop the property as an affordable housing development and repay the PLP loan. The Borrower has agreed to provide regular status reports on their refinancing efforts to be presented at six-month intervals to the Board.

#### 3. Recommendation

- a) Approve the extension of the PLP loan term, at its current balance of \$325,117.63, to December 31, 2021, with the Borrower providing regular status reports on their refinancing efforts to be reported to the Board every six-months and direct staff to proceed with loan document modification activities, as needed.