

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
March 22, 2019
Consent Items



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I. LEGAL

A. In Re: Rosemary Village Apartments, LLLP - FHFC Case No. 2019-023VW

Development Name: (“Development”):	Heritage Park at Crane Creek
Developer/Principal: (“Developer”):	Carrfour Supportive Housing, Inc. Stephanie Berman
Number of Units: 80	Location: Brevard County
Type: New Garden	Set Asides: 15% at 35% AMI 85% at 60% AMI
Demographics: Homeless/Special Needs	SAIL: \$4,228,900 ELI: \$240,600 9% HC: \$1,510,000

1. Background

- a) Petitioner was selected to receive SAIL funding and 9% housing credits (HC) under RFA 2018-103 to assist in the construction of a development serving homeless individuals and families and persons with special needs in Melbourne, Florida. On March 4, 2019, Florida Housing received a Petition for Waiver of Rule 67-48.004(3)(j), F.A.C., to change the total set-aside percentage. A copy of the amended Petition is attached as [Exhibit A](#).

2. Present Situation

- a) Rule 67-48.004(3)(j), Fla. Admin. Code, provides:

(3) For the SAIL, HOME and Housing Credit Programs, notwithstanding any other provision of these rules, the following items as identified by the Applicant in the Application must be maintained and cannot be changed by the Applicant after the applicable submission, unless provided otherwise below:

(i) Total number of units; notwithstanding the foregoing, the total number of units may be increased after the Applicant has been invited to enter credit underwriting, subject to written request of an Applicant to Corporation staff and approval of the Corporation. With regard to said approval, the Corporation shall consider the facts and circumstances, inclusive of each Applicant’s request, in evaluating whether the changes made are prejudicial to the Development or to the market to be served by the Development, as well as review of 24 CFR Part 92 to ensure continued compliance for the HOME Program;

(j) For the SAIL and HC Programs, the Total Set-Aside Percentage as stated in the last row of the total set-aside breakdown chart for the program(s) applied for in the Set-Aside Commitment section of the Application.

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- b) Petitioner has requested approval from the Corporation to increase the total number of units from 80 to 108, pursuant to Rule 67-48.004(3)(i). Petitioner now seeks a waiver from Rule 67-48.004(3)(j) to reduce the Total Set-Aside Percentage from 100% to 74.1%. This would have the effect of allowing the development of 28 additional units and for these units to be rented at market rate. Without this waiver, these additional units would also have to be limited to low-income tenants, which the Petitioner asserts would negatively affect the financial viability of this Development. Petitioner has committed to provide an additional 5 ELI units (limited to tenants with income at or below 35% AMI) out of the total 80 set-aside units so that it will meet the 15% ELI set aside requirement.
- c) On March 6, 2019, Notice of the Petition was published in the Florida Administrative Register in Volume 45, Number 45. To date, Florida Housing has received no comments concerning the Petition.
- d) Section 120. 542(2), Florida Statutes provides in pertinent part:

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

- e) Granting the requested waiver would not have any impact on other participants in funding programs administered by Florida Housing, nor would it have a detrimental impact on Florida Housing. Petitioner has demonstrated that it would suffer a substantial hardship if the waiver is not granted. Petitioner has also demonstrated that the purpose of the underlying statute, which is to “encourage development of low-income housing in the state” (§420.5099, Fla. Stat.), would still be achieved if the waiver is granted.
- f) Additionally, Petitioner is seeking a waiver of Section Four A.2.a.(1) of RFA 2018-103, which states:

(1) Demographic Commitment

Applicants that commit to serve the Homeless demographic commitment will be required to make the following set-aside commitments for a minimum of 50 years:

At least 70 percent of the total units for Homeless individuals and families as defined in Section 420.621(5), F.S.;

AND

At least 20 percent of the total units for Persons with Special Needs as defined in Section 420.0004(13), F.S., (which may be the same units set aside for Homeless individuals and families).

- g) Petitioner is also seeking a waiver of Section Four A.6.d.(2)(a) of RFA 2018-103, which states:

(a) Total Income Set-Aside Commitment

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The Applicant must set aside a total of at least 80 percent of the Development's total units at 60 percent AMI or less.

3. Recommendation

- a) Staff recommends the Board **GRANT** Petitioner's request to increase the total number of units from 80 to 108, to **GRANT** Petitioner's request for a waiver of Rule 67-48.004(3)(j), Fla. Admin. Code, and to **GRANT** Petitioner's request for a waiver of Sections Four A.2.a.(1) and Four A.6.d.(2)(a) of RFA 2018-103, so that Petitioner will be able to reduce its Total Set-Aside Percentage from 100% to 74.1% and add 28 additional units at market rate. As a condition of this waiver, Petitioner must provide five additional ELI units. This waiver will not decrease the total number of units set aside for low-income tenants, for homeless individuals or families, or for persons with special needs.

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B. In Re: Woodland Park Redevelopment I, LLC - FHFC Case No. 2019-022VW (2015-106/2016-008CS)

Development Name: (“Development”):	Woodland Park Phase I
Developer/Principal: (“Developer”):	Pinnacle Housing Group LLC GHA Development, LLC
Number of Units: 96	Location: Alachua County
Type: Garden	Set Asides: 30% at 33% AMI 70% at 60% AMI
Demographics: Family, Link	9% HC: \$1,155,000 SAIL: \$3,840,000 Viability: \$1,250,000

1. Background

- a) Petitioner was selected to receive competitive housing credits and State Apartment Incentive Loan (“SAIL”) and 9% Housing Credit financing under RFA 2015-106, as well as a Viability loan, to assist in the construction of Woodland Park I (the “Development”), serving low-income residents in Alachua County, Florida.
- b) On March 1, 2019, Florida Housing received a Petition for Waiver of Rule 67-48.0072(4)(c), to extend the SAIL loan closing date, a copy of which is attached as [Exhibit B](#).

2. Present Situation

- a) Rule 67-48.0072(4)(c), Fla. Admin. Code, provides:
 - (c) For SAIL, EHCL, and HOME Applicants, the loan must close within 12 months of the date of the invitation to enter credit underwriting. Applicants may request one (1) extension of up to 12 months. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting an extension and shall detail the time frame to close the loan. ... In the event the loan does not close by the end of the 12 month extension period, the preliminary commitment or firm commitment, as applicable, will be deemed void and the funds will be de-obligated.
- b) Petitioner was invited to credit underwriting on May 6, 2016 and received a 12-month extension to close the loan until May 6, 2018. Florida Housing granted Petitioner’s request to exchange its allocation of 2016 housing credits, and has granted previous extensions of the SAIL closing date to November 6, 2018 and again to May 1, 2019.
- c) Petitioner now requests a waiver of the above Rule to extend the SAIL closing date to September 4, 2019. Petitioner asserts that it has proceeded towards closing, has obtained building permits, commenced demolition and finalized its closing documentation. Unfortunately, these documents must be submitted to the U.S. Department of Housing and Urban Development (HUD) by March 15, 2019, for its review due to the existence of an Annual Contributions Contract (ACC) on the Development, which was formerly public housing. A typical approval process involving HUD under these circumstances can take up to 45 days to complete, but due to the shutdown of the Federal government in

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December 2018 – January 2019, HUD has advised Petitioner that the approval process may be significantly delayed and it is unlikely to occur prior to the May 1, 2019 SAIL closing deadline. As the next available Board meeting is scheduled for May 10, 2019, Petitioner cannot wait for HUD approval, and thus requests this extension of the SAIL closing deadline to September 4, 2019 – a date coterminous with the loan closing date in the Firm Loan Commitment from the Corporation dated February 4, 2019 (including a 90-day extension as of right). Petitioner also requests the waiver of any applicable extension fee, given that the HUD approval process is wholly beyond their control.

- d) On March 5, 2019, Notice of the Petition was published in the Florida Administrative Register in Volume 45, Number 44. To date, Florida Housing has received no comments concerning the Petition.
- e) Section 120.542(2), Florida Statutes provides in pertinent part:

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

3. Recommendation

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rule 67-48.0072(4)(c), Fla. Admin. Code, so that the SAIL loan closing deadline may be extended from May 1, 2019, until September 4, 2019, and waiving any applicable extension fee.

MULTIFAMILY BONDS

Consent

II. MULTIFAMILY BONDS

A. Request Approval of Credit Underwriting Report for Osprey Pointe (2018-050BS)

Development Name: Osprey Pointe	Location: Pasco County
Applicant/Borrower: HTG Osprey Pointe, LLC	Set Aside(s): 100% @ 60% AMI (MMRB & 4% HC) 10% @ 40% AMI (SAIL & ELI) 90% @ 60% AMI (SAIL & ELI)
Developer/Principal: HTG Osprey Pointe Developer, LLC / Matthew Rieger	Demographic/Number of units: Family / 110
Requested Amounts: \$11,050,000 Multifamily Mortgage Revenue Note (MMRN) \$6,000,000 State Apartment Incentive Loan (SAIL) \$556,900 Extremely Low Income (ELI) \$844,098 Housing Credits (4% HC)	Development Category/Type: New Construction / Garden Apartments

1. Background/Present Situation

- a) On August 31, 2017, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2017-108 for SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On December 8, 2017, the Board approved the final scores and recommendations for RFA 2017-108 and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 4, 2018, the Board approved the Final Order allowing staff to proceed with invitations to credit underwriting and closing activities.
- d) On May 10, 2018, staff issued an invitation to enter credit underwriting to the Applicant.
- e) On March 7, 2019, staff received a final credit underwriting report with a positive recommendation for MMRN, SAIL and ELI funding ([Exhibit A](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2017-108.

2. Recommendation

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

MULTIFAMILY BONDS

Consent

B. Request Approval of the Method of Sale Recommendation from Florida Housing's Independent Registered Municipal Advisor and Assignment of a Recommended Professional

1. Background

- a) Pursuant to staff's request for approval to issue notes to finance the construction of the proposed Development referenced below, the final credit underwriting report is being presented to the Board for approval simultaneously with this request to assign the appropriate professional for the transaction and approval of the recommended method of sale. A brief description of the Development is detailed below, along with staff's recommendation.
- b) Pursuant to Rule 67-21.0045, F.A.C., staff has requested a review of the proposed financing structure by the Independent Registered Municipal Advisor (IRMA) in order to make a recommendation to the Board for the method of note sale for the development. Caine Mitter and Associates Incorporated has prepared an analysis and recommendation for the method of note sale for the Development. The recommendation letter is attached as [Exhibit B](#).

2. Present Situation

- a) Florida Housing staff, the Credit Underwriter, and the IRMA have reviewed the financial structure for the proposed Development.

3. Recommendation

- a) Approve the assignment of the recommended professional and the Independent Registered Municipal Advisor's recommendation for the method of note sale, as shown in the chart below, for the proposed Development.

Development Name	Location of Development	Number of Units	Method of Bond Sale	Recommended Professional	Exhibit
Osprey Pointe	Pasco County	110	Negotiated Private Placement	RBC Capital Markets, LLC	Exhibit B

MULTIFAMILY BONDS

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C. **Request Approval for Subordination of the LURA and ELIHA and Extension of the ELIHA for Tuscany Lakes (2002 Series K / 2000-524C)**

Development Name: Tuscany Lakes	Location: Manatee County
Applicant/Borrower: Tuscany Lakes, Ltd	Set Aside(s): 40% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)
Developer/Principal: Lincoln Avenue Capital / Johnathan A. Gruskin	Demographic/Number of units: Family / 348 units
Funded Amounts: \$16,700,000 Multifamily Mortgage Revenue Bond (MMRB) \$834,748 Non-Competitive Housing Credits (HC)	Development Category/Type: New Construction / Garden Apartments

1. **Background/Present Situation**

- a) Florida Housing financed the above referenced Development in 2002 with \$14,000,000 in tax exempt MMRB designated as 2002 Series K-1 and \$2,700,000 in taxable bonds designated as 2002 Series K-2. In addition, \$834,748 in Housing Credits was allocated to this Development.
- b) Tuscany Lakes, Ltd (“Owner”) is refinancing the Development with a loan from SunTrust Bank to be insured by the U.S. Department of Housing and Urban Development and requests Florida Housing’s consent to subordinate the MMRB Land Use Restriction Agreement “LURA” and the Housing Credits Extended Low-Income Housing Agreement “ELIHA” to the new first mortgage. The Owner also requests Florida Housing’s consent to extend the ELIHA extended use period to December 1, 2054. The ELIHA’s extended use period currently terminates on or about December 31, 2035.

2. **Recommendation**

- a) Approve the subordination of the LURA and ELIHA, along with the extension of the ELIHA’s extended use period, with further approval by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

MULTIFAMILY PROGRAMS

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III. MULTIFAMILY PROGRAMS

A. Request Approval of Affiliated Subcontractor for Sulzbacher Village f/k/a Sulzbacher Center for Women and Children (RFA 2014-115/2015-149CS/2016-423CS)

Development Name: Sulzbacher Village	Location: Duval County
Applicant/Borrower: Sulzbacher Center for Women and Children, Ltd.	Set Aside(s): 15% @ 33% AMI 85% @ 60% AMI
Developer/Principal: Sulzbacher Village Developer, LLC; TVC Development, Inc./Cindy Funkhouser/John D. Rood	Demographic/Number of units: Homeless/70 Units
Requested Amounts: SAIL: \$3,500,000 9% HC: \$922,492	Development Category/Type: New Construction/Garden

1. Background/Present Situation

- a) Sulzbacher Center for Women and Children, Ltd. ("Applicant") applied for and was awarded funding from Request for Applications (RFA) 2014-115 for Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties. The funds are being utilized to finance the construction of a 70-unit Homeless development in Duval County. On November 2, 2015, staff issued an at-risk invitation to the Applicant to enter credit underwriting, and subsequently issued a Carryover Allocation Agreement on December 29, 2016.
- b) The Applicant is seeking Florida Housing Finance Corporation's ("Florida Housing") Board of Directors ("Board") approval to allow construction costs to be subcontracted to an affiliate of the general contractor per Rule Chapter 67-48.0072(17)(g), F.A.C. See [Exhibit A](#) for Applicant's request.
- c) Pursuant to Rule Chapter 67-48.0072(17)(g), F.A.C., the General Contractor must meet the following conditions:

Ensure that no construction cost is subcontracted to any entity that has common ownership or is affiliated with the General Contractor unless otherwise approved by the Board for a specific Development. With regard to said approval, the Board shall consider the facts and circumstances of each Applicant's request, inclusive of construction costs and ownership interests in the Development.
- d) At the request of Florida Housing staff, Seltzer Management Group, Inc. reviewed the Applicant's request, Rule Chapter 67-48, explanation letters, and subcontractor proposals/bids received. After review and analysis, Seltzer, in conjunction with the Construction Consultant, On Solid Ground, LLC, found the proposed transaction to be appropriate for the proposed scope of work. Seltzer recommends that Florida Housing approve the General Contractor's use of a subcontractor which is an affiliate. See [Exhibit B](#) for Seltzer's recommendation.

MULTIFAMILY PROGRAMS

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- e) Since this information was discovered by FHFC during review of the General Contractor's Cost Certification after the construction work had already been completed, staff proposes the following workout scenario: no General Contractor Fee or Developer Fee will be allowed on the subcontracted amount to the related entity. If the General Contractor Fee on this amount has already been paid to the General Contractor, it will be paid out of the Developer's Profit and reflected as a subset of the Developer Fee on the Developer's Final Cost Certification.

2. **Recommendation**

- a) Approve the request for the General Contractor's use of an affiliated subcontractor, subject to the workout scenario outlined above.

MULTIFAMILY PROGRAMS

Consent

B. Request Approval of Credit Underwriting Report for The Eagles Nest 2018-011G

Development Name: The Eagles Nest	Location: Lake County
Applicant/Borrower: The ARC Sunrise of Central Florida aka SunriseArc, Inc./John Riem	Set Aside(s): 33% @ 40% AMI and 67% at 60% AMI
Developer/Principal: N/A	Demographic/Number of Residents: Persons with Developmental Disabilities / 6 Residents
Requested Amounts: \$417,000 Grant Funding	Development Category/Type: New Construction/CRH

1. Background/Present Situation

- a) On August 2, 2017, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2017-106 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On October 27, 2017, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On November 6, 2017, staff issued a Letter of Preliminary Award and subsequently, on February 7, 2018, staff issued an invitation to enter credit underwriting to The ARC Sunrise of Central Florida aka SunriseArc, Inc.
- d) On September 19, 2018, staff granted a credit underwriting extension and a closing extension as the Applicant required additional time to obtain sufficient bids for extensive clearing, a tree survey, installation of a well and septic tank. An additional extension was approved on November 11, 2018 to allow the Applicant time to obtain a final price for the septic system and finalize the contract with the builder.
- e) On February 25, 2019, staff received a positive recommendation for a grant amount of \$417,000 to be allocated to the Development ([Exhibit C](#)).

2. Recommendation

- a) Staff recommends that the Board 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 General Partner and Developer Principal Change for The Residences at Equality Park (RFA 2016-103/2016-332CL/2017-282C & RFA 2017-109/2017-291V)

Development Name: The Residences at Equality Park	Location: Broward County
Applicant/Borrower: Equality Park, Ltd.	Set-Asides: 10% @ 33% AMI and 90% @ 60% AMI
Developers/Principals: Carrfour Supportive Housing, Inc./Stephanie Berman	Demographic/Number of Units: Disabling Condition/48
Requested Amounts: \$1,092,894.00 Housing Credits (HC); \$550,000.00 Loan Funding; \$862,734.00 Development Viability Loan Funding	Development Category/Type: New Construction/Mid-Rise, 4 stories

1. Background/Present Situation

- a) Equality Park, Ltd. (“Applicant”) applied for and was awarded funding from Request for Applications (RFA) 2016-103 for Housing Credit and Gap Financing for Permanent Supportive Housing Developments for Persons with a Disabling Condition. The funds are being utilized to finance the construction of a 48-unit Disabling Condition development in Broward County.
- b) On July 1, 2016, staff issued an invitation to the Applicant to enter credit underwriting which states that the loan must close within 9 months of the date of the executed Housing Credit Carryover Allocation Agreement. On December 8, 2016, staff issued a Preliminary Allocation for \$1,092,894 in Housing Credits and on December 15, 2016, the Carryover Allocation Agreement was fully executed. On June 16, 2017, the Board granted the Applicant’s request to exchange its 2016 credits for 2017 credits and a new Preliminary Allocation and Carryover Allocation Agreement was issued on July 7, 2017, giving them a loan closing deadline of April 9, 2018. Applicants may request one (1) extension of up to 12 months related to the loan closing..
- c) On March 16, 2018, the Board approved the request from the Applicant to extend the April 9, 2018 loan closing deadline to April 9, 2019.
- d) On July 20, 2017, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2017-109 for Development Viability Loan Funding (Viability Loan) for Developments experiencing a reduction in equity funding for their Active Award. On September 22, 2017, the Board approved the final scores and recommendations for RFA 2017-109, and directed staff to proceed with all necessary credit underwriting activities. Staff issued a notice of preliminary award to the Applicant on October 3, 2017.
- e) On February 25, 2019, staff received a request from the Applicant to change replace the General Partner of the Applicant (C4 Equality, LLC) with Carrfour Supportive Housing, Inc. who was the 100% Member of C4 Equality, LLC. Carrfour Supportive Housing, Inc. also serves as the Developer on this transaction. It should also be noted that multiple board members/officers of the non-profit General Partner and Developer will be replaced (as illustrated in the organizational charts). Stephanie Berman will continue to provide the

MULTIFAMILY PROGRAMS

Consent

Developer experience. Current and proposed organizational charts are provided as Exhibits [D](#) and [E](#).

- f) This change will enable the Applicant to be eligible to avail itself of the provision of Section 196.1975, Florida Statutes, which allows for an exemption from real estate taxes in favor of affordable housing communities which are restricted to occupancy by income-limited persons who are disabled or age 62 and older and which have a 501(c)(3) corporation as the sole general partner.
- g) Per the RFA, the Applicant entity shall be the recipient of the Housing Credits and the borrowing entity for the loan and cannot be changed in any way until after the loan closing. After loan closing, any material change will require review and approval of the Credit Underwriter, as well as approval of the Board. Additionally, 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.

2. **Recommendation**

- a) Approve the request to allow for the General Partner and Developer Principal change as referenced above.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

IV. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Approval of Revised Development Plan and Budget for Casa Familia Inc., a not-for-profit entity, for Casa Familia (2017-011P-09)

DEVELOPMENT NAME (“Development”):	Casa Familia
APPLICANT/DEVELOPER (“Developer”):	Casa Familia, Inc.
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	50 Rental
LOCATION (“County”):	Miami-Dade
TYPE:	Persons with Developmental Disabilities
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$500,000
ADDITIONAL COMMENTS: Original PLP loan approval was for \$750,000. The loan amount has been reduced to remove cost of land acquisition.	

1. Background

- a) To access PLP funding and upon receipt of an organization’s basic information to Florida Housing, the organization is invited to participate in the program. Florida Housing staff then assigns a technical assistance provider from a pool of providers under contract with Florida Housing to assist the applicant to create a development plan and budget, which is brought to the Board as part of a request for approval of a PLP loan.
- b) On January 26, 2018, the Board approved a loan to the Developer in the amount of \$750,000. Of this amount, \$250,000 was designated for land acquisition of the subject property and was subject to credit underwriting.
- c) On November 15, 2018, the Applicant closed on the non-site portion of the loan in the amount of \$500,000. Subsequent to closing, the developer negotiated a long-term lease on a property for the development site. Therefore, the funds for site acquisition are no longer necessary.

2. Present Situation

- a) On February 15, 2019, staff received a revised development plan ([Exhibit A](#)) from the TAP recommending the reduction in the PLP loan from \$750,000 to \$500,000.

3. Recommendation

- a) Approve the recommendation to reduce the PLP loan amount for Casa Familia from \$750,000 to \$500,000 and allow staff to proceed with amending closing documents.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Request Approval of Revised PLP Loan for St. Johns Housing Partnership Housing, Inc., a not-for-profit entity, for Cervantes (2016-005P-09)

DEVELOPMENT NAME (“Development”):	Cervantes
APPLICANT/DEVELOPER (“Developer”):	St. Johns Housing Partnership, Inc.
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	30 homeownership units
LOCATION (“County”):	St. Johns County
TYPE:	Family
MINIMUM SET ASIDE:	50% @ 80% AMI, 50% @ 120% AMI
PLP LOAN AMOUNT:	\$500,000
ADDITIONAL COMMENTS: Originally approved loan was for 16 units and an amount of \$522,293 including \$400,000 for site acquisition.	

1. Background

- a) On June 24, 2016, the Board approved a PLP loan in the amount of \$522,293 to the Developer. Of this amount, \$400,000 was for the acquisition of 16 lots for the homes. The subject lots were subsequently purchased by another developer. Due to the loss of this land, staff approved an extension to the closing deadline so that the Developer could pursue other land options for the development.

2. Present Situation

- a) On February 21, 2019, staff received a revised development plan ([Exhibit B](#)) from our technical assistance provider (TAP) recommending approval of a revised PLP Loan in the amount of \$500,000. This loan amount is for the development of 30 affordable homes for sale to income qualified buyers.
- b) Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.

3. Recommendation

- a) Approve the revised PLP Loan in the amount of \$500,000 to St. Johns Housing Partnership, Inc., for the Cervantes homeownership development and allow staff to commence with the loan closing process.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

C. Request Approval of Credit Underwriting Report for Hannibal Square Community Land Trust, Inc., a not-for-profit entity, for 350 East Sixth (2018-005P-09)

DEVELOPMENT NAME (“Development”):	350 East Sixth
APPLICANT/DEVELOPER (“Developer”):	Hannibal Square Community Land Trust, Inc.
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	24 Homeownership
LOCATION (“County”):	Orange County
TYPE:	Family
MINIMUM SET ASIDE:	50% @ 80% AMI, 80% @ 120% AMI
PLP LOAN AMOUNT:	\$614,000
ADDITIONAL COMMENTS:	

1. Background

- a) On November 2, 2018, the Board approved a PLP loan in the amount of \$614,000 for 350 East Sixth in Orange County. Of this loan amount, \$450,000 is requested for the acquisition of the property. The funds requested for acquisition are subject to review and a positive recommendation from a credit underwriter.

2. Present Situation

- a) On February 22, 2019, staff received a credit underwriting report ([Exhibit C](#)) from the assigned credit underwriter with a positive recommendation of the loan in the amount of \$614,000 which includes the site acquisition costs of \$450,000.

3. Recommendation

- a) Approve the credit underwriting report for the PLP Loan in the amount of \$614,000 including \$450,000 for site acquisition to Hannibal Square Community Land Trust, Inc., for 350 East Sixth and allow staff to commence with the loan closing process.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

V. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Update to Final Credit Underwriting Report for Warley Park (2017-258CSN/2018-359CSN)

Development Name: Warley Park	Location: Seminole County
Applicant/Borrower: Warley Park, Ltd.	Set-Aside(s): 10% @ 40% AMI & 90% @ 60% AMI (SAIL/HC), 10% @ 22% AMI (NHTF)
Developer/Principal: Warley Park Developer, LLC; Step Up Developer, LLC / Jonathan L. Wolf	Demographic/Number of Units: Homeless/Persons with Disabling Condition/85
Requested Amounts: SAIL \$2,825,000; NHTF \$1,307,714.48 Annual 9% HC \$1,510,000	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation

- a) On March 22, 2017, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2017-103 for Housing Credit and SAIL Financing to Develop Housing in Medium and Large Counties for Homeless Households and Persons with a Disabling Condition. National Housing Trust Fund (NHTF) funding was also awarded to the proposed Developments selected for funding.
- b) On June 16, 2017, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting at risk to the Applicant on October 30, 2017, which states that the SAIL and NHTF loans must close within 12 months of the date of the invitation to enter credit underwriting, giving them a closing dealing of October 30, 2018. On December 8, 2017, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities.
- c) On March 16, 2018, the Board approved an RFA waiver exempting the non-profit board members from having to submit the IRS form 8821. On November 2, 2018, the Board approved a request to extend the loan closing deadline from October 30, 2018 to April 30, 2019.
- d) On December 14, 2018, the Board approved the final credit underwriting report and directed staff to proceed with issuance of a firm commitment and closing activities. The approval was also granted for the RFA waiver, exempting the non-profit board members/officers from having to submit the IRS Form 8821, provided each board member/officer submit an Affidavit certifying that they have not, nor will they receive any direct or indirect financial benefit from the Development in any way.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

- e) On December 6, 2018, staff received a request from the Borrower to decrease the total number of units from 85 to 81 ([Exhibit A](#)). The Borrower requested the reduction of units due to the Mayor of The City of Sanford has requested that the design of one of the buildings be modified to better serve the site and surrounding area. The change in total number of units required an update to the previously approved Credit Underwriting Report. On February 7, 2019, staff received an update to the final credit underwriting report with a positive recommendation. ([Exhibit B](#)). Staff has reviewed this report and finds that it meets all requirements of the RFA.

2. **Recommendation**

- a) Approve the update to the final credit underwriting report and direct staff to proceed with closing activities.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval of Credit Underwriting Report and Loan Closing Extension for The Residences at Equality Park (2016-332CL/2017-282C & RFA 2017-109/2017-291V)

Development Name: The Residences at Equality Park	Location: Broward County
Applicant/Borrower: Equality Park, Ltd.	Set-Aside(s): 10% @ 33% AMI & 90% @ 60% AMI
Developer/Principal: Carrfour Supportive Housing, Inc. / Stephanie Berman	Demographic/Number of Units: Persons with a Disabling Condition/48
Requested Amounts: Loan Funding (FAF) \$550,000 Viability Loan \$862,734 Annual 9% HC \$1,092,894	Development Category/Type: New Construction/Mid-Rise (4 stories)

1. Background/Present Situation

- a) On March 4, 2016, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2016-103 for Competitive Housing Credit and Gap Financing for Permanent Supportive Housing Developments for Persons with a Disabling Condition. On June 24, 2016, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities. On July 1, 2016, staff issued an invitation to enter credit underwriting to the Applicant, which states that the loan must close within 9 months of the date of the executed Housing Credit Carryover Allocation Agreement. On December 8, 2016, staff issued a Preliminary Allocation for \$1,092,894 in Housing Credits and on December 15, 2016, the Carryover Allocation Agreement was fully executed. On June 16, 2017, the Board granted the Applicant’s request to exchange its 2016 credits for 2017 credits and a new Preliminary Allocation and Carryover Allocation Agreement was issued on July 7, 2017, giving them a loan closing deadline of April 9, 2018. Applicants may request one (1) extension of up to 12 months related to the loan closing. On March 16, 2018, the Board approved the request from the Applicant to extend the April 9, 2018 loan closing deadline to April 9, 2019.
- b) On July 20, 2017, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2017-109 for Development Viability Loan Funding (Viability Loan) for Developments experiencing a reduction in equity funding for their Active Award. On September 22, 2017, the Board approved the final scores and recommendations for RFA 2017-109, and directed staff to proceed with all necessary credit underwriting activities. Staff issued a notice of preliminary award to the Applicant on October 3, 2017.
- c) On February 22, 2019, staff received a request from the Applicant for an additional extension of 6 months which will extend the closing deadline from April 9, 2019 to October 9, 2019 ([Exhibit C](#)). An RFA waiver is needed as the RFA permits only one closing deadline extension. This additional extension will allow time to resolve neighborhood opposition and to facilitate the implementation of the recently awarded \$1,600,000 in grant funds from the

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

Harry and Jeanette Weinberg Foundation. Staff has reviewed this request and finds that it meets all requirements of the RFA.

- d) On March 8, 2019, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit D](#)). Staff has reviewed this report and finds that the development meets all requirements of the RFA.

2. **Recommendation**

- a) Approve the final credit underwriting report and RFA waiver request to extend the loan closing deadline from April 9, 2019 to October 9, 2019, and direct staff to proceed with issuance of a firm commitment and closing activities.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

C. Request Approval of RFA Waiver to Return the NHTF Funding for Parrish Oaks (2018-041BS)

Development Name: Parrish Oaks	Location: Manatee County
Applicant/Borrower: SP Oaks LLC	Set-Aside(s): 10% @ 33% AMI & 90% @ 60% AMI (SAIL), 100% @ 60% AMI (MMRB & HC), 2.5% @ 22% AMI (NHTF)
Developer/Principal: Southport Development Services, Inc. / J. David Page	Demographic/Number of Units: Family/120
Requested Amounts: SAIL \$6,000,000, ELI \$600,000 MMRB 12,500,000, NHTF, \$545,783.36, Annual 4% HC \$760,000	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation

- a) On August 31, 2017, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2017-108 for SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits. National Housing Trust Fund (NHTF) funding was also awarded to the proposed Developments selected for funding.
- b) On December 8, 2017, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 4, 2018, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting to the Applicant on May 9, 2018, which states that the firm loan commitment must be issued within 9 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on May 14, 2018, giving them a firm loan commitment issuance deadline of February 14, 2019. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On February 1, 2019, the Board approved the request from the Applicant to extend the February 14, 2019 firm loan commitment issuance deadline to August 14, 2019.
- e) On October 31, 2018, staff received a request from the Borrower requesting an RFA waiver due to the inability of the Development to use the National Housing Trust Fund (NHTF) monies, which were awarded in conjunction with the SAIL, ELI, MMRB and 4% HC. The NHTF funds were awarded to proposed developments, which met one of the eight medium and large county new construction goals as outlined in the RFA. Parrish Oaks was preliminarily awarded \$545,783.36 from the NHTF pool to fund three deep targeted units for persons with special needs at 22% AMI. As part of the credit underwriting process an environmental analysis of the site was conducted which determined that wetland mitigation will be required. The NHTF funding does not allow for wetland impacts on any portion of the development site, and as such, NHTF

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

monies cannot be used without a waiver from HUD. Staff requested a waiver but HUD did not grant the waiver. The Borrower proposed returning the award of NHTF funds along with the requirement for three units at 22% AMI in exchange for providing three ELI units at 33% AMI with a 30 year compliance period instead of 15 years. The Borrower is prepared to move ahead with the credit underwriting and loan closing pending the resolution of this one item. Further delays will result in substantial hardship to the Borrower due to rising interest rates, construction material and labor cost since submission of the application in 2017.

2. **Recommendation**

- a) Approve the RFA Waiver to return the NHTF funding award and units in exchange for providing three ELI units at 33% AMI with a 30 year compliance period instead of 15 years, allowing the Development to proceed with credit underwriting.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

D. Request Approval of Credit Underwriting Report for Residences at Marathon Key (2018-305CS)

Development Name: Residences at Marathon Key	Location: Monroe
Applicant/Borrower: Marathon Key Housing Partners, LP	Set-Aside(s): 10% @ 25% AMI & 90% @ 60% AMI
Developer/Principal: Nurock Development Partners, Inc./Robert G. Hoskins	Demographic/Number of Units: Family/55
Requested Amounts: SAIL \$5,400,000 Annual 9% HC \$1,300,000	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation

- a) On January 17, 2018, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2018-107 for Housing Credit and SAIL Financing for Affordable Housing for Hurricane Recovery in Monroe County.
- b) On March 16, 2018, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities.
- c) On March 28, 2018, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 9 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on March 29, 2018, giving them a firm loan commitment issuance deadline of December 31, 2018. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On July 27, 2018, the Board approved a Rule waiver to change Development Type from Townhouses to Garden Apartments.
- e) On December 14, 2018, the Board approved extending the firm loan commitment issuance deadline from December 31, 2018 to June 30, 2019.
- f) On March 8, 2019, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit E](#)). Staff has reviewed this report and finds that it meets all requirements of the RFA.

Recommendation

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

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

E. Request Approval of Credit Underwriting Report for Residences at Crystal Cove (2018-306CS)

Development Name: Residences at Crystal Cove	Location: Monroe
Applicant/Borrower: Crystal Cove Housing Partners, LP	Set-Aside(s): 10% @ 25% AMI and 90% @ 60% AMI
Developer/Principal: Nurock Development Partners, Inc./Robert G. Hoskins	Demographic/Number of Units: Family/46
Requested Amounts: SAIL \$4,600,000 Annual 9% HC \$1,300,000	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation

- a) On January 17, 2018, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2018-107 for Housing Credit and SAIL Financing for Affordable Housing for Hurricane Recovery in Monroe County.
- b) On March 16, 2018, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities.
- c) On March 28, 2018, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 9 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on March 29, 2018, giving them a firm loan commitment issuance deadline of December 31, 2018. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On December 14, 2018, the Board approved extending the firm loan commitment issuance deadline from December 31, 2018 to June 30, 2019.
- e) On March 8, 2019, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit F](#)). Staff has reviewed this report and finds that it meets all requirements of the RFA.

2. Recommendation

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

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

F. Request Approval to Exceed 20% Subcontractor Limitation and Approval of Credit Underwriting Report for Marty’s Place (2018-307CS)

Development Name: Marty’s Place	Location: Monroe County
Applicant/Borrower: Marty’s Place Associates, Ltd.	Set-Asides: 10% @ 25% AMI and 90% @ 60% AMI
Developers/Principals: AH Housing Services, LLC/Ambar3, LLC - John D. Rood	Demographic/Number of Units: Family/47
Requested Amounts: SAIL \$2,200,000; Annual 9% HC \$1,280,328	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation

- a) On January 17, 2018, Florida Housing Finance Corporation issued a Request for Application (RFA) 2018-107 for Housing Credit and SAIL Financing for Affordable Housing for Hurricane Recovery in Monroe County.
- b) On March 16, 2018, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities. On March 28, 2018, staff issued an invitation to enter credit underwriting to the Applicant which states that the firm loan commitment must be issued within 9 months from the date of acceptance into credit underwriting. The acceptance was acknowledged on April 9, 2018, giving them a closing deadline of January 4, 2019. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- c) On June 15, 2018, Florida Housing Board of Directors approved an RFA waiver requiring that all natural person principals disclosed on the Principals of the Applicant and Developer Disclosure Form provide an IRS Form 8821.
- d) On December 14, 2018, Florida Housing Board of Directors approved a request to extend the firm loan commitment deadline six months from January 4, 2019 to July 4, 2019.
- e) On February 7, 2019, staff received a request from borrower to allow one subcontractor to exceed the 20% limitation in Rule chapters 67-48 due to increased costs ([Exhibit G](#)). Rule Chapter 67-48.0072(17) (“Rule”) requires that not more than 20 percent of the construction cost is subcontracted to any one entity, with the exception of a subcontractor contracted to deliver the building shell of a building of at least five (5) stories which may not have more than 31 percent of the construction cost in a subcontract, unless otherwise approved by the Board for a specific development. Staff received a letter from the credit underwriter recommending approval to allow a single subcontractor entity to work in excess of 20% of total construction cost ([Exhibit H](#)).
- f) On March 6, 2019, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit I](#)). Staff has reviewed this report and finds that it meets all requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

2. Recommendation

- a) Approval to permit a single subcontractor entity to work in excess of 20% of the total construction cost as well as approve the final credit underwriting report and direct staff to proceed with issuance of a firm commitment and closing activities.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

G. Request Approval of Firm Loan Commitment Issuance Extension for Casa Juarez (2018-328S)

Development Name: Casa Juarez	Location: Miami-Dade County
Applicant/Borrower: Casa Juarez, LLC	Set-Aside(s): 5% @ 50% AMI, 15% @ 28% AMI, 80% @ 60% AMI
Developer/Principal: Rural Neighborhoods, Inc. / Steven C. Kirk	Demographic/Number of Units: Unaccompanied Farmworker/32
Requested Amounts: SAIL \$5,992,000, ELI \$508,000	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation

- a) On March 13, 2018, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2018-104 for SAIL Funding for Unaccompanied Farmworker and Commercial Fishing Worker Housing.
- b) On June 15, 2018, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities.
- c) On June 27, 2018, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 9 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on June 29, 2018, giving them a firm loan commitment issuance deadline of March 28, 2019. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On February 9, 2019, staff received a request from the Applicant to extend the March 28, 2019 firm loan commitment issuance deadline to September 28, 2019 ([Exhibit J](#)), due to progress being hindered by the Federal government shutdown which slowed the Seller’s garnering of a USDA Rural Development mortgage release price for the subject property. Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. Recommendation

- a) Approve the request to extend the firm loan commitment issuance deadline from March 28, 2019 to September 28, 2019, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

H. Request Approval of Firm Loan Commitment Issuance Extension for Northside Commons (2018-348CS)

Development Name: Northside Commons	Location: Miami-Dade County
Applicant/Borrower: Northside Commons Residential, LLC	Set-Asides: 15% @ 28% AMI and 75% @ 60% AMI
Developers/Principals: Carrfour Supportive Housing, Inc./ Stephanie Berman & GM Northside Commons Dev, LLC / Oscar Sol	Demographic/Number of Units: Persons with Disabling Condition/Homeless/80
Requested Amounts: SAIL \$3,638,600, ELI \$361,400 Annual 9% HC \$2,465,000	Development Category/Type: New Construction/High Rise Apartments

1. Background/Present Situation

- a) On March 21, 2018, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2018-108 for Financing for the Development of Housing for Persons with a Disabling Condition or Developmental Disabilities.
- b) On June 15, 2018, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities.
- c) On June 27, 2018, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 9 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 2, 2018, giving them a firm loan commitment issuance deadline of April 2, 2019. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On September 14, 2018, Florida Housing Board of Directors approved an RFA waiver exempting the non-profit board members/officers from having to submit the IRS Form 8821, provided each board member/officer submit an Affidavit certifying that they have not, nor will they receive any direct or indirect financial benefit from the Development in any way.
- e) On February 16, 2019, staff received a request from the Applicant to extend the April 2, 2019 firm loan commitment issuance deadline to October 2, 2019 ([Exhibit K](#)), which will allow additional time for completing the extensive Administrative Site Plan Review process with Miami-Dade County. Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. Recommendation

- a) Approve the request to extend the firm loan commitment issuance deadline from April 2, 2019 to October 2, 2019, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

I. Request Approval of Credit Underwriting Report for The Heights at Gracepoint (2018-350CS)

Development Name: The Heights at Gracepoint	Location: Hillsborough County
Applicant/Borrower: Gracepoint Heights, LLC	Set Aside(s): 15% @ 40% AMI and 85% at 60% AMI
Developer/Principal: DDA Development, LLC / Bowen A. Arnold	Demographic/Number of Units: Homeless/Persons with Disabling Conditions /64
Requested Amounts: SAIL \$3,243,000 ELI \$135,000 Annual 9% HC \$1,260,000	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation

- a) On March 21, 2018, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2018-108 for Financing for the Development of Housing for Persons with a Disabling Condition or Developmental Disabilities.
- b) On June 15, 2018, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On June 27, 2018, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 9 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on June 28, 2018, giving them a firm loan commitment issuance deadline of March 28, 2019.
- d) On March 6, 2019, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit L](#)). Staff has reviewed this report and finds that it meets all requirements of the RFA.

2. Recommendation

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

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

J. Request Approval of Credit Underwriting Report for Osprey Pointe f/k/a Shull Manor Apartments (2017-191C/2018-356C) & (2018-332V)

Development Name: Osprey Pointe f/k/a Shull Manor Apartments	Location: Brevard County
Applicant/Borrower: Shull Manor REH, Ltd.	Set Aside(s): 20% @ 40% AMI and 80% at 60% AMI
Developer/Principal: DDER Development, LLC / Deion R. Lowery	Demographic/Number of Units: Family/Persons with Specials Needs/65
Requested Amounts: Viability Loan - \$803,833 Annual 9% HC \$645,000	Development Category/Type: Acquisition & Preservation/Garden Apartments

1. Background/Present Situation

- a) On December 16, 2016, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2016-116 for Housing Credit Financing for the Preservation of Existing Affordable Multifamily Housing Developments.
- b) On May 5, 2017, the Board approved the final scores and recommendations for RFA 2016-116, and directed staff to proceed with all necessary credit underwriting activities. The Applicant was issued an invitation to enter credit underwriting on June 19, 2017.
- c) On March 29, 2018, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2018-109 for Development Viability Loan Funding (Viability Loan) for developments experiencing a reduction in equity funding for their Active Award, recognizing a funding need based on changes in market pricing, which have been exacerbated by increased construction costs due to hurricane impact and construction market changes.
- d) On May 4, 2018, the Board approved the final scores and recommendations for RFA 2018-109 and directed staff to proceed with all necessary credit underwriting activities. Staff issued a notice of preliminary award to the Applicant on June 7, 2018.
- e) On March 8, 2019, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit M](#)). Staff has reviewed this report and finds that it meets all requirements of RFA 2016-116 and RFA 2018-109.

2. Recommendation

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

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

K. Request Approval of Credit Underwriting Report for Ozanam Village II (2016-274S)

Development Name: Ozanam Village II	Location: Pasco County
Applicant/Borrower: St. Vincent de Paul South Pinellas, Inc.	Set Aside(s): 25% @ 40% AMI and 75% at 60% AMI
Developer/Principal: St. Vincent de Paul South Pinellas, Inc./ Michael Raposa & Ability Housing, Inc./Shannon Nazworth	Demographic/Number of Units: Persons with Special Needs/30
Requested Amounts: SAIL -\$4,900,000, ELI- \$100,000	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation

- a) On September 8, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-109 for SAIL Financing for Smaller Permanent Supportive Housing Developments for Person with Special Needs.
- b) On January 29, 2016, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities. On February 8, 2016, staff issued an invitation to enter credit underwriting to the Applicant, with a 12-month closing deadline of February 8, 2017. Per the RFA, Applicants may request one (1) extension of up to 12 months related to the loan closing. On December 9, 2016, the Board approved a loan closing deadline extension from February 8, 2017 to February 8, 2018.
- c) On January 26, 2018, the Board approved a request from the Applicant to change the Co-Developer, GHD Construction Services, Inc. to Ability Housing, Inc. The Board also approved a Rule waiver to allow a 6-month extension of the loan closing deadline, extending it from February 8, 2018 to August 8, 2018.
- d) On July 27, 2018, the Board approved a Rule waiver to allow a 12-month extension of the loan closing deadline, extending it from August 8, 2018 to August 8, 2019. The Board also approved a Rule waiver to allow the Applicant to change its Demographic Commitment to the additional demographic population of “Adult persons requiring independent living services in order to maintain housing or develop independent living skills and who have a Disabling Condition that neither currently impairs nor is likely to impair their physical mobility, such as person with a mental illness.”
- e) On March 6, 2019, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit N](#)). Staff has reviewed this report and finds that it meets all requirements of the RFA.

2. Recommendation

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

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

L. Request Approval of RFA Waiver for Applicant Entity Change for Edison Gardens (2018-054S)

Development Name: Edison Gardens	Location: Miami-Dade County
Applicant/Borrower: Tacolcy Edison Gardens, LLC	Set Aside(s): 5% @ 28% AMI & 40% @ 60% AMI, 55% @ 80% AMI
Developer/Principal: Tacolcy Economic Development Corporation, Inc./ Carol Gardner & SHAG Edison Gardens, LLC. / Darren Smith	Demographic/Number of units: Family / 200
Requested Amounts: SAIL \$8,500,000 Annual 4% HC \$722,479	Development Category/Type: New Construction/ High Rise

1. Background/Present Situation

- a) On August 22, 2017, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2017-107 for SAIL Financing for the Construction of Workforce Housing. On December 8, 2017, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- b) On March 21, 2018, staff issued an invitation to enter credit underwriting to the Applicant giving them a firm loan commitment issuance deadline of December 23, 2018. On December 14, 2018, the Board approved the request to extend the firm loan commitment issuance deadline from December 23, 2018 to June 23, 2019.
- c) On February 27, 2019, staff received a request from the Borrower to make a change to the Applicant Entity, Tacolcy Edison Gardens, LLC ([Exhibit O](#)). The structure of the debt financing will cause a negative impact on the overall financing therefore, the equity investor requests the change to the Applicant Entity in order to move forward with the development. Per the RFA, the Applicant entity shall be the recipient of the 9% or 4% Housing Credits, as applicable, and the borrowing entity for the SAIL loan(s) and, if applicable, the MMRB loan, and cannot be changed in any way until after the closing of the loan(s). Therefore, the change of the Applicant Entity will require an RFA waiver. Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. Recommendation

- a) Approve the RFA waiver request to change the Applicant Entity.

SPECIAL ASSETS

Consent

VI. SPECIAL ASSETS

A. Request Approval to Refinance the First Mortgage for POAH Cutler Manor, LLC, a Florida limited liability company, for Cutler Manor Apartments (2001-036S)

Development Name: Cutler Manor Apartments (“Development”)	Location: Miami-Dade County
Developer/Principal: Preservation of Affordable Housing (“Developer”)/ POAH Cutler Manor, LLC (“Borrower”)	Set-Aside: SAIL 15.5% @ 33%, 5% @ 50%, 79.5% @ 60% LURA: 50 years
Number of Units: 219	Allocated Amount: SAIL \$2,661,095
Demographics: Family	Servicer: Seltzer Management Group

1. Background

- a) During the 2001 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a State Apartment Incentive Loan (“SAIL”) in the original amount of \$1,900,000, to Cutler Manor, LLC, a Florida Limited Liability Company, for the development of a 219-unit apartment complex in Miami-Dade County, Florida. On June 13, 2008, FHFC’s Board approved the transfer of this Development from Greater Miami Neighborhoods (GMN) to Preservation of Affordable Housing (POAH) and on December 23, 2008 POAH acquired the Development with recapitalized SAIL debt of \$2,661,095.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage and subordinate the SAIL loan and SAIL documents to the new first mortgage.
- b) Staff has received a credit underwriting report ([Exhibit A](#)) from Seltzer Management Group with a positive recommendation for approval of the refinancing of the first mortgage and subordination of the SAIL loan and SAIL documents to the new first mortgage.

3. Recommendation

- a) Approve the refinancing of the first mortgage loan and subordination of the SAIL loan and SAIL documents to the new first mortgage, subject to the conditions provided 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, as needed.

SPECIAL ASSETS

Consent

- B. Request Approval to Refinance the First Mortgage for Blue Angel Limited Partnership, a Florida limited partnership, for Stoddert Place Apartments (96DHR-007/1996 Series O/1998-515C/Guarantee 18)**

Development Name: Stoddert Place Apartments (“Development”)	Location: Escambia County
Developer/Principal: The Richman Group (“Developer”)/ Blue Angel Limited Partnership (“Borrower”)	Set-Aside: HOME 73% @ 60%, 27% @ 80%; HC 78.75% @ 60% MMRB 40% @ 60% LURA: 50 years; ELIHA: 30 years
Number of Units: 320	Allocated Amount: HOME \$2,200,000; MMRB \$11,930,000; HC \$538,840
Demographics: Family	Servicer: First Housing Development Corp.

1. Background

- a) During the 1996 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a Home Investment Partnership Program Loan (“HOME”) in the original amount of \$2,200,000, and a Multifamily Mortgage Revenue Bond Loan (“MMRB”) in the original amount of \$11,930,000 to Blue Angel Limited Partnership, a Florida limited partnership, for the development of a 320-unit apartment complex in Escambia County, Florida. The MMRB mortgage was credit-enhanced by the Florida Affordable Housing Guarantee Program with HUD Risk Sharing. The Development also received a 1998 allocation of low-income housing tax credits (“HC”) of \$538,840.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage, subordinate the HOME loan, HOME documents and ELIHA to the new first mortgage, and transfer ownership interests. The proceeds of the new first mortgage 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.
- b) Staff has received a credit underwriting report ([Exhibit B](#)) from First Housing Development Corporation with a positive recommendation for approval of the refinancing of the first mortgage, subordination of the HOME loan, HOME documents and ELIHA to the new first mortgage, and transfer ownership interests.

3. Recommendation

- a) Approve the refinancing of the first mortgage loan, subordination of the ELIHA, HOME loan and HOME documents to the new first mortgage, and transfer of ownership interests, subject to the conditions provided 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, as needed.

SPECIAL ASSETS

Consent

- C. **Request Approval of Transfer of Ownership, Refinance of the First Mortgage, Assumption of HOME and ELIHA Documents, and Renegotiation of the HOME loan for Tradewinds Hammocks, Ltd., a Florida Limited Partnership, for Tradewinds Hammocks Apartments (2000-075C/00HR-075)**

Development Name: Tradewinds Hammocks Apartments (“Development”)	Location: Monroe County
Developer/Principal: Heritage Partners Group (“Developer”); Tradewinds Hammocks, Ltd. (“Borrower”)	Set-Aside: HOME: 20% @ 50%, 80% @ 60% AMI; HC: 16.67% @ 28%, 4.55% @ 50%, 78.79% @ 60% HOME & ELIHA: 50 years
Number of Units: 66	Allocated Amount: HOME \$2,900,000; HC \$169,232
Demographics: Family	Servicer: First Housing Development Corp.

1. **Background**

- a) During the 2000 funding cycle, Florida Housing Finance Corporation (“Florida Housing”) awarded a \$2,900,000 Home Investment Partnership Program Loan (“HOME”) to Tradewinds Hammocks, Ltd., a Florida limited partnership (“Borrower”), for the construction of a 66-unit development in Monroe County, Florida. The HOME loan closed on December 27, 2001 and matures on December 1, 2033. The Development also received a 2000 allocation of low-income housing tax credits (“HC”) of \$169,232.

2. **Present Situation**

- a) The Borrower requests approval to transfer the ownership of the Development from Tradewinds Hammocks, Ltd. to Rural Neighborhoods, Incorporated, a Florida non-profit Corporation (“RN”), or an affiliate of RN (“Buyer”).
- b) The Buyer requests consent from the Board to refinance the existing first mortgage, assume and subordinate the HOME documents and the Extended Low-Income Housing Agreement (“ELIHA”) to the new first mortgage, and renegotiate the HOME loan.
- c) Staff received a credit underwriting report ([Exhibit C](#)) from First Housing Development Corporation with a positive recommendation for approval of the transfer of ownership, refinance of the first mortgage, assumption and subordination of the HOME documents and ELIHA, and renegotiation of the HOME loan.

3. **Recommendation**

- a) Approve the transfer of ownership, refinance of the first mortgage, assumption and subordination of the HOME documents and ELIHA to the new first mortgage, and renegotiation of the HOME loan, subject to the conditions provided 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, as needed