

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
October 31, 2019
Consent Items



HOUSING CREDITS

Consent

I. HOUSING CREDITS

A. Request Approval of Legal Description Change for Village Square Elderly, Ltd., a Florida Limited Partnership for The Courts at Village Square (2013-509C)

Development Name: The Courts at Village Square	Location: Palm Beach County
Applicant/Borrower: Village Square Elderly, Ltd.	Set Aside(s): 100% @ 60% AMI
Developer/Principal: Roundstone Development, LLC/Clifton Phillips	Demographic/Number of units: Elderly Non-ALF/84 Units
Final Allocation: 4% HC: \$546,337	Development Category/Type: New Construction/Garden

1. Background/Present Situation

- a) During the 2014 funding cycle, Florida Housing Finance Corporation (“Florida Housing”) received an application for non-competitive, low-income housing tax credits in the amount of \$508,072 from Village Square Elderly, Ltd. a Florida limited partnership (“Applicant”), for the construction of an 84-unit apartment complex in Palm Beach County, Florida. The Applicant has completed all program requirements and received their Final Allocation Certificate and Form 8609 on June 10, 2019, with a final allocation amount of \$546,337.
- b) The Extended Low-Income Housing Agreement (EUA) was recorded in Palm Beach County on June 12, 2018. On January 4, 2019, staff received a letter from the Owner ([Exhibit A](#)) requesting a modification to the legal description provided within the EUA. There was a scrivener’s error in the surveyor’s legal description at the time of the original closing of the financing for the Development, which was then included in the EUA. The letter also requested a change in the unit mix, which was presented to the board as an Informational item at the September 20, 2019 board meeting.
- c) On July 31, 2019, staff received a surveyor’s affidavit ([Exhibit B](#)) regarding the new legal description. The affidavit affirmed the development location point has not moved since application and the change to the development site has not affected any zoning requirements.
- d) On October 4, 2019, staff received a credit underwriter recommendation ([Exhibit C](#)) from AmeriNat with a positive recommendation to correct the scrivener’s error and update the legal description as illustrated in the recommendation.

2. Recommendation

- a) Approve a correction to the scrivener’s error and update the legal description, subject to the conditions provided in the credit underwriter’s recommendation and direct staff to proceed with Extended Low-Income Housing Agreement (EUA) modification activities, as needed.

HOUSING CREDITS

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B. Request Approval of Developer Principal Change for Oasis at Renaissance Preserve - (RFA 2018-110/2019-197C)

Development Name: Oasis at Renaissance Preserve	Location: Lee County
Applicant/Borrower: Oasis at Renaissance Preserve I LP	Set Aside(s): 22 units @ 30% AMI; 54 units @ 60% AMI; 30 units @ 80% AMI; and 18 Market Rate Units
Developer/Principal: Integral Development, LLC & Housing for Urban Communities, LLC / Egbert Perry	Demographic/Number of units: Elderly ALF /124
Requested Amounts: \$1,700,000 Housing Credits	Development Category/Type: New Construction / Garden

1. Background/Present Situation

- a) Oasis at Renaissance Preserve I LP (“Applicant”) applied for and was awarded funding from Request for Applications (RFA) 2018-110 for Housing Credit Financing for Affordable Housing Developments Located in Medium Counties. The funds are being utilized to finance the construction of a 124-unit Elderly Assisted Living Facility in Lee County. On August 6, 2019, the Applicant was invited to enter credit underwriting.
- b) On October 4, 2019, staff received a request from the Applicant for a change to the Manager and Board Member of the Co-Developer Entity, Housing for Urban Communities, LLC (the instrumentality of the City of Fort Myers’ PHA). Housing for Urban Communities, LLC proposes to replace Sherri Campanale with Marcia Davis as a Manager. Additionally, they propose to replace Peter Routsis Arroyo with Richard Fain as a Board Member. The request letter from the Developer and current and proposed organizational structures are provided as Exhibits [D](#) and [E](#).
- c) According to RFA 2018-110, 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.
- d) In the original Application, the Principal with the required Developer experience was Egbert Perry, who remains as a Principal of the Co-Developer, Integral Development, LLC.
- e) Staff has reviewed this request and finds that the Development meets all of the requirements of RFA 2018-110.

2. Recommendation

- a) Approve the request to allow for a change of the Developer entity members as referenced above.

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II. LEGAL

A. In Re: Cathedral Townhouse, Ltd - FHFC Case No. 2019-083VW

Development Name: (“Development”):	Cathedral Townhouse
Developer/Principal: (“Developer”):	Cathedral Townhouse Redevelopment Associates, LLC Blue Sky Communities III, LLC Shawn Wilson
Number of Units: 177	Location: Duval County
Type: High-rise, acquisition and preservation	Set Asides: 20% @ 33% AMI 76% @ 60% AMI 4% @ market rate
Demographics: Elderly non-ALF	Funding: 9% Credits \$1,660,000

1. Background

- a) Cathedral Townhouse, Ltd (“Petitioner”) successfully applied for an award of competitive Housing Credits under Request for Applications 2017-114 (the “RFA”) to assist in the acquisition and preservation of 177 high-rise units for elderly persons in Duval County.
- b) On September 20, 2019, Florida Housing received a Petition for Waiver of the Qualified Allocation Plan’s Requirement for Returning Housing Credit Allocations and Rule 67-48.002(95), Fla. Admin. Code, from Petitioner. A copy of the Petition is attached as [Exhibit A](#).

2. Present Situation

- a) Rule 67-48.002(95), Fla. Admin. Code, defines and incorporates by reference the following provision of the 2016 QAP at Section II.2:

K. ...where a Development has not been placed in service by the date required or it is apparent that a Development will not be placed in service by the date required, and such failure is due to circumstances beyond the Applicant’s control, **and the Applicant has returned its Housing Credit Allocation in the last calendar quarter of the year in which it was otherwise required to be placed in service**, the Corporation may reserve allocation in an amount not to exceed the amount of Housing Credits returned, and may allocate such Housing Credits to the Application for the year after the year in which the Development was otherwise required to be placed in service...
- b) Petitioner received an award of 2018 tax credits and signed its carryover agreement in December of 2018. Under the terms of the agreement and federal regulations, Petitioner is required to meet the “10% test” by December 10, 2019, and to place the development in service by December 31, 2020. Petitioner requests a waiver of the above Rule and bolded selection of the QAP provision above to permit it to exchange its tax credits now rather than in the last calendar quarter of 2020. Petitioner asserts that because of unforeseen delays in obtaining all necessary approvals from HUD, which are described in detail in the Petition, it may be unable to complete all requirements for closing by

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December 10, 2019. If Petitioner is unable to close on the acquisition of the Development before December 10, 2019, it will not be able to satisfy the 10% test and will not meet the requirements of Florida Housing or federal law. Petitioner therefore requests a waiver of the timing requirements found in the 2016 QAP to permit Florida Housing to approve a tax credit exchange on December 2, 2019, if Petitioner has not closed on the acquisition by that date and to allow the allocation of 2019 tax credits pursuant to that exchange.

c) On October 1, 2019, the Notice of Petition was published in the Florida Administrative Register in Volume 45, Number 191. 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 or the Development. Petitioner has demonstrated that strict application of the above Rules under these circumstances would constitute a substantial hardship. 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 the above Rule and 2016 QAP provision to permit Petitioner to exchange its 2018 credits for an allocation of 2019 credits if Petitioner has not closed on the acquisition by December 2, 2019.

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B. In Re: WRDG T3A, LP - FHFC Case No. 2019-086VW

Development Name: (“Development”):	The Boulevard at West River
Developer/Principal: (“Developer”):	WRDG T3A Developer, LLC Alberto Milo
Number of Units: 118	Location: Hillsborough County
Type: High-rise, new construction	Set Asides: 10% @ 40% AMI 70% @ 60% AMI 20% @ market rate
Demographics: Family	Funding: 9% Credits \$2,110,000

1. Background

- a) WRDG T3A, LP (“Petitioner”) successfully applied for an award of competitive Housing Credits under Request for Applications 2017-113 (the “RFA”) to assist in the construction of 118 high-rise units with 95 units set aside for low income families in Hillsborough County.
- b) On October 8, 2019, Florida Housing received a Petition for Waiver of the Qualified Allocation Plan’s Requirement for Returning Housing Credit Allocations and Rule 67-48.002(95), Fla. Admin. Code, from Petitioner. A copy of the Petition is attached as [Exhibit B](#).

2. Present Situation

- a) Rule 67-48.002(95), Fla. Admin. Code, defines and incorporates by reference the following provision of the 2016 QAP at Section II.2:

K. ...where a Development has not been placed in service by the date required or it is apparent that a Development will not be placed in service by the date required, and such failure is due to circumstances beyond the Applicant’s control, **and the Applicant has returned its Housing Credit Allocation in the last calendar quarter of the year in which it was otherwise required to be placed in service**, the Corporation may reserve allocation in an amount not to exceed the amount of Housing Credits returned, and may allocate such Housing Credits to the Application for the year after the year in which the Development was otherwise required to be placed in service...
- b) Petitioner received an award of 2018 tax credits and signed its carryover agreement in December of 2018. Under the terms of the agreement and federal regulations, Petitioner is required to meet the “10% test” by December 10, 2019, and to place the development in service by December 31, 2020. Petitioner requests a waiver of the above Rule and bolded selection of the QAP provision above to permit it to exchange its tax credits now rather than in the last calendar quarter of 2020. Petitioner asserts that because of unforeseen delays in obtaining all necessary approvals from HUD, which are described in detail in the Petition, it will be unable to complete all requirements for closing by December 10, 2019. If Petitioner is unable to close on the acquisition of the Development before December 10, 2019, it will not be able to satisfy the 10% test and will not meet the requirements of Florida Housing or federal law. Petitioner therefore requests a waiver of the timing requirements found in the 2016 QAP to permit Florida Housing to approve a tax credit exchange now and

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to allow the allocation of 2019 tax credits pursuant to that exchange. Petitioner notes that full HUD approval and closing is currently projected for February 1, 2020.

c) On October 10, 2019, the Notice of Petition was published in the Florida Administrative Register in Volume 45, Number 198. To date, Florida Housing has received no comments concerning the Petition.

d) Section 120.542(2), Florida Statutes provides in pertinent part:

Variations 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 or the Development. Petitioner has demonstrated that strict application of the above Rules under these circumstances would constitute a substantial hardship. 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 the above Rule and 2016 QAP provision to permit Petitioner to exchange its 2018 credits for an allocation of 2019 credits.

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C. In Re: Blue Pinellas, LLC - FHFC Case No. 2019-081VW

Development Name: (“Development”):	Avery Commons
Developer/Principal: (“Developer”):	Blue Sky Communities, LLC Shawn Wilson
Number of Units: 65	Location: Pinellas County
Type: New Construction, Mid-rise 5-6 stories	Set Asides: 10 units at 30% AMI 42 units at 60% AMI 13 units at 80% AMI
Demographics: Family	9% HC \$1,375,000

1. Background

- a) Petitioner was selected to receive 9% housing tax credits under Request for Applications (RFA) 2018-112, to assist in the construction of a Development serving low-income families in Pinellas County, Florida. On September 27, 2019, Florida Housing received a petition for waiver of Rule 67-48.004(3)(g) (the “Petition”) requesting to change the Development Type in its Application. On October 4, 2019, Petitioner submitted an Amended Petition. A copy of the Amended Petition is attached as [Exhibit C](#).

2. Present Situation

- a) Rule 67-48.004(3)(g), 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:

(g) Development Type. . . .

- b) In its Application for funding under the RFA, Petitioner selected the Development Type of “Mid-Rise, 5-6 stories.” Petitioner originally intended to construct one 5-story building and a detached parking structure on two separate scattered sites. Because of local regulations requiring that parking and dwellings be located on a contiguous site, Petitioner has determined that the most practical way to meet this requirement is to construct two four-story buildings with on-site parking. The Application’s scoring, ranking, and funding would not have been affected had Petitioner selected Mid-Rise 4 stories in its Application, nor would the Total Development Cost per unit have changed.
- c) On, September 30, 2019, Notice of the Petition was published in the Florida Administrative Register in Volume 45, Number 190. To date, Florida Housing has received no comments concerning the Petition.

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- 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 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 67-48.004(3)(g), Fla. Admin. Code, so that the Development Type may be changed from Mid-Rise 5-6 stories, to Mid-Rise 4 stories.

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D. In Re: Arbours at Hester Lake, LLC - FHFC Case No. 2019-085VW (RFA 2017-111/2018-197C)

Development Name: (“Development”):	Arbours at Hester Lake
Developer/Principal: (“Developer”):	Arbour Valley Development, LLC Sam Johnston
Number of Units: 80	Location: Pasco County
Type: New Construction / Garden Style	Set Asides: 15% at 30% AMI 62.5% at 60% AMI 22.5% at 80% AMI
Demographics: Family	9% HC: \$1,447,900

1. Background

- a) Petitioner was selected to receive competitive housing credits under RFA 2017-111 to assist in the development of Arbours at Hester Lake, an 80-unit family housing development in Dade City, Florida. On October 8, 2019, Florida Housing received a Petition for Waiver of Rule 67-48.0072(17)(h) Florida Administrative Code. A copy of the Petition is attached as [Exhibit D](#).

2. Present Situation

- a) Rule 67-48.0072, Fla. Admin. Code, provides in relevant part:

(17) The General Contractor must meet the following conditions:

(h) Ensure that no construction cost is subcontracted to any entity that has common ownership or is an Affiliate of the General Contractor or the Developer. For purposes of this paragraph, “Affiliate” has the meaning given it in subsection 67-48.002(5), F.A.C., except that the term “Applicant” therein shall mean “General Contractor.”

- b) On May 4, 2018, Petitioner was preliminarily selected for funding under RFA 2017-111. Petitioner was subsequently invited to enter credit underwriting and accepted the invitation. Petitioner asserts that it requested bids from five companies to serve as General Contractor for its proposed Development. Petitioner states that three companies declined to bid. Two companies submitted bids, Arlington Construction Services, LLC (“Arlington”) and Winter Park Construction Co (“WPC”). According to Petitioner, Arlington’s bid was \$2.3 million lower than the bid by WPC. Petitioner asserts that Arlington’s long existing business structure is to subcontract aspects of its construction responsibilities to two Affiliates, Professional Building Services, LLC (“PBS”) and CW Construction Services, LLC (“CW”). Petitioner states that through the use of those Affiliates, Arlington is able to control performance, obtain better pricing, and mitigate its insurance risks. According to Petitioner, Arlington’s bid to serve as General Contractor for Arbours at Hester Lake is contingent on Arlington’s use of its established business structure, including use of the Affiliated subcontractors.

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- c) Application of Rule 67-48.0072(17)(h), Fla. Admin. Code, would prohibit Petitioner from using Arlington as its General Contractor. Petitioner asserts that it understands and will comply with the purpose of the rule, which is to ensure that neither the Developer nor the General Contractor exceeds permissible limits on profits through the use of affiliated entities. Petitioner provided a sworn affidavit from the President of Arlington that confirms that all labor and all materials provided by the Affiliated entities will be at cost with no profit built into those items. Further, Petitioner asserts that it is agreeable to have the construction activities monitored by Florida Housing's independent credit underwriters and to auditing by an independent Certified Public Accountant ("CPA") of all payments to the Affiliates. Additionally, Petitioner commits that the CPA will confirm and/or verify no less than forty percent (40%) of the Development's costs, per the Final Cost Certification Application Package, in addition to the confirmation and verification of one hundred percent (100%) of the work performed by the Affiliates. Finally, Petitioner asserts that it is willing to limit the General Contractor's fee to 12.36 percent of actual construction cost, which is less than the maximum of 14 percent permitted by Rule.
- d) On October 9, 2019, Notice of the Petition was published in the Florida Administrative Register in Volume 45, Number 197. 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 impact other participants in funding programs administered by Florida Housing, nor would it detrimentally impact 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.

3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-48.0072(17)(h) F.A.C., to allow Petitioner's General Contractor, Arlington, to use Affiliated subcontractors, PBS and CW, provided that: 1) the General Contractor fee is limited to 12.36%, 2) all labor and all materials provided by the Affiliated entities will be at cost with no profit built into those items, 3) the credit underwriter will monitor the construction activities, 4) an independent CPA will confirm/audit all payments to the Affiliates and verify one hundred percent of the work performed by the Affiliates, 5) in addition to confirming/auditing all payments to the Affiliates, an independent CPA will confirm and/or verify an additional forty percent of the Development's costs per the Final Cost Certification Application Package.

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E. In Re: HTG Valencia II, Ltd. - FHFC Case No. 2019-076VW (RFA 2018-116/2019-165BSN)

Development Name: (“Development”):	Valencia Grove II
Developer/Principal: (“Developer”):	HTG Valencia II Developer, LLC Matthew A. Rieger Randy E. Rieger
Number of Units: 110	Location: Lake County
Type: Mid-Rise, 4-stories	Set Asides: 10% at 35% AMI (SAIL-ELI) 90% at 60% AMI (SAIL) 100% at 60% AMI (MMRB, 4%HC)
Demographics: Elderly, Non-ALF/Persons with Special Needs	SAIL: \$5,750,000 ELI: \$600,000 4% HC: \$730,000 MMRB: \$10,000,000 NHTF: \$872,000

1. Background

- a) Petitioner was selected to receive State Apartment Incentive Loan (“SAIL”) financing, Multifamily Mortgage Revenue Bonds (“MMRB”), National Housing Trust Funds (“NHTF”), 4% housing credits, and an Extremely Low Income (“ELI”) loan under RFA 2018-116 to assist in the development of Valencia Grove II, a 110-unit elderly housing development in Eustis, Florida. On September 9, 2019, Florida Housing received a Petition for Waiver of Rule 67-21.003(8)(g), F.A.C., to change the development type. On October 3, 2019, Florida Housing received an Amended Petition for Waiver of Rules 67-48.004(3)(g) and 67-21.003(8)(g), F.A.C. (July 8, 2018). Copies of the Petition and Amended Petition are attached as Exhibits [E](#) and [F](#) respectively.

2. Present Situation

- a) Rule 67-48.004, Fla. Admin. Code, (2018) provides in relevant part:

(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:

(g) Development Type;

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- b) Rule 67-21.003, Fla. Admin. Code, (2018) provides in relevant part:

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

(g) Development Type;

- c) Petitioner submitted its application in November 2018 and selected “Mid-Rise, 4 Stories” as its Development Type. Petitioner asserts that it chose Mid-Rise, 4 Stories because at the time of application, the site plan required a large retention pond that encompassed a large portion of the site. The original plan was designed as Mid-Rise, 4 Stories to ensure the correct amount of units and limit the building footprint. However, after receiving board approval and working through the schematic design, the required retention pond is smaller than originally planned. Accordingly, Petitioner requests to change its Development Type to a more cost-effective design, Garden Style Apartments, 3-Stories. Petitioner asserts that if the waiver were denied, Petitioner would be required to proceed with the more expensive building design.
- d) On September 11, 2019, Notice of the Petition was published in the Florida Administrative Register in Volume 45, Number 132. On October 9, 2019, the Notice of Amended Petition was published in the Florida Administrative Register in Volume 43, Number 197. 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 impact other participants in funding programs administered by Florida Housing, nor would it detrimentally impact 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.

3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rules 67-48.004(3)(g) and 67-21.003(8)(g), F.A.C. (2018), to change Petitioner’s development type from Mid-Rise, 4-Stories to Garden Style Apartments, 3-Stories.

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**F. In Re: Cannery Row at Redlands Crossing, LLLP - FHFC Case No. 2019-073VW
(Application No. 2019-058C)**

Development Name: (“Development”):	Cannery Row at Redlands Crossing
Developer/Principal: (“Developer”):	Rural Neighborhoods, Inc. / Steven Kirk & Pinnacle Communities, LLC / David Deutch
Number of Units: 112	Location: Miami-Dade County
Type: New Construction, Mid-Rise 4-Stories	Set Asides: 10% @ 28% AMI 90% @ 60% AMI
Demographics: Elderly Non-Assisted Living Facility (non-ALF)	Funding: 9% HC: \$2,270,000

1. Background

- a) Cannery Row at Redlands Crossing, LLLP, (“Petitioner”) successfully applied for an award of competitive 9% Housing Credits under Request for Application 2018-111 (the “RFA”) to assist with funding and constructing Cannery Row at Redlands Crossing (“Development”).
- b) On August 30, 2019, Petitioner filed its initial “Petition for Waiver of Rule 67-48.004(3)(g) for a Change in Development Type” (“Initial Petition”). On October 10, 2019, Florida Housing received an “Amended and Restated Petition for Waiver of Rule 67-48.004(3)(g) for a Change in Development Type” (“Amended Petition”) from Petitioner in order to change the Development Type from “Mid-Rise 4 Stories” to “High-Rise.” A copy of the Petition is attached as [Exhibit G](#).

2. Present Situation

- a) Rule 67-48.004(3)(g), Fla. Admin. Code, provides, in pertinent part:

(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:

....

(g) Development Type; ...

- b) Petitioner requests a waiver of the above Rule to allow it to change Development Type from “Mid-Rise 4 Stories” to “High-Rise.” Petitioner has discovered that Miami-Dade County (“County”) prefers and strongly urges that it build a “High-Rise” structure rather than a “Mid-Rise 4 Stories” structure because it is more consistent with the County’s planning and zoning goals. Allowing the change in Development Type also allows for a more efficient design and footprint which provides additional benefits including, reducing the distance between the structure and parking and increasing the area available for parking, thereby improving accessibility; increasing the area available for green space and related amenities; and shortening the walking distance for the elderly tenants.

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- c) On September 9, 2019, the Notice of Petition of the Initial Petition was published in the Florida Administrative Register in Volume 45, Number 172. No additional notice was required upon Petitioner's filing of the Amended Petition. To date, Florida Housing has received no comments concerning the Petitions.
- 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 or the Development. Petitioner has demonstrated that strict application of the above Rules under these circumstances would constitute a substantial hardship and violate the principles of fairness. Petitioner has also demonstrated that the purpose of the underlying statute, Section 420.5099, Fla. Stat., to "encourage development of low-income housing in the state" would still be achieved if the waiver is granted.

3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner's request for a waiver of the Rule 67-48.004(3)(g), F.A.C. to permit Petitioner to change its Development Type from "Mid-Rise 4 Stories" to "High-Rise" and to allow Petitioner to use the Total Development Cost Per Unit limitation for the Development of "High-Rise" excluding the portion allocated to the maximum developer fee which shall stay at the "Mid-Rise 4 Stories" limit.

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G. In Re: Rosemary Village Apartments, LLLP - FHFC Case No. 2019-074VW

Development Name: (“Development”):	Heritage Park at Crane Creek
Developer/Principal: (“Developer”):	Carrfour Supportive Housing, Inc. Stephanie Berman
Number of Units: 108	Location: Brevard County
Type: New Construction, Garden Apartments	Set Asides: 15% at 35% AMI 59.1% at 60% AMI 25.9% at Market
Demographics: Homeless/Special Needs	9% HC \$1,510,000 SAIL \$4,228,900 ELI \$240,600

1. Background

- a) Petitioner was selected to receive SAIL funding and 9% housing tax credits under Request for Applications (RFA) 2018-103, to assist in the construction of a Development serving homeless households and persons with special needs in Brevard County, Florida. On August 30, 2019, Florida Housing received a petition for waiver of Rule 67-48.004(3)(g) (the “Petition”) requesting to change the Development Type in its Application. On October 10, 2019, Petitioner submitted an Amended Petition. A copy of the Amended Petition is attached as [Exhibit H](#).

2. Present Situation

- a) Rule 67-48.004(3)(g), 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:

(g) Development Type. . . .

- b) In its Application for funding under the RFA, Petitioner selected the Development Type of “Garden Apartments.” Petitioner originally intended to construct two garden style apartment buildings housing 80 units. In March of 2019, the Board approved a waiver to allow the construction of an additional 28 units at market rate. Petitioner now alleges that recent soil studies at the Development site indicate some pockets of unsuitable soils will necessitate reducing the total footprint of the residential buildings. Petitioner has determined that the most practical way to address this issue is to construct a single Mid-Rise 4 story building rather than two garden style buildings. The Application’s scoring, ranking, and funding would not have been affected had Petitioner selected Mid-Rise 4 stories in its Application.

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c) On, September 4, 2019, Notice of the Petition was published in the Florida Administrative Register in Volume 45, Number 172. 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 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 67-48.004(3)(g), Fla. Admin. Code, so that the Development Type may be changed from “Garden Apartments” to “Mid-Rise 4 stories” and to allow Petitioner to use the Total Development Cost Per Unit limitation for the Development of “Mid-Rise 4 stories” excluding the portion allocated to the maximum developer fee which shall stay at the “Garden Apartments” limit.

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H. In Re: Fairfield Abbey Park, LP - FHFC Case No. 2019-089VW (App. No. 2019-502C)

Development Name: (“Development”):	Brenton at Abbey Park
Developer/Principal: (“Developer”):	Fairfield Affordable Housing Tranche II, LLC / Gregory Pinkalla
Number of Units: 160	Location: Palm Beach County
Type: Acq Rehab / Garden	Set Asides: 100% @ 60% AMI
Demographics: Family	Funding: 4% HC \$844,332

1. Background

- a) Petitioner has applied for non-competitive 4% housing credits to assist in the acquisition and rehabilitation of Brenton at Abbey Park, a 160-unit multifamily housing development in West Palm Beach, Florida (the “Development”). On October 11, 2019, Florida Housing received a Petition for Waiver of Rule 67-21.0025(7)(c) and 67-21.003(1)(b), to waive the requirement that a natural person Principal is disclosed by the third Principal disclosure level. A copy of the Petition is attached as [Exhibit I](#).

2. Present Situation

- a) Rule 21.0025(7), Fla. Admin. Code, provides in relevant part:

(7) Disclosure of the Principals of the Applicant must comply with the following:

(c) The Applicant must disclose all of the Principals of all of the entities identified in paragraph (b) above (third principal disclosure level). Unless the entity is a trust, all of the Principals must be natural persons; and

- b) Rule 67-21.003(1)(b), Fla. Admin. Code, provides in relevant part:

(b) If the NC Award will not be in conjunction with other Corporation funding made available through the competitive solicitation funding process outlined in rule chapter 67-60, F.A.C., the Applicant shall utilize the Non-Competitive Application Package in effect at the time the Applicant submits the Application. **The Non-Competitive Application Package or NCA (Rev. 04-2019) is adopted and incorporated herein by reference...**

(emphasis added).

- c) Section A.6.a of the Non-Competitive Application Package provides, in relevant part:

6. Principals Disclosure of the Applicant and for each Developer

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Provide the Principals of the Applicant and Developer(s) Disclosure Form (Rev. 05-2019) (“Principal Disclosure Form”), as “Exhibit 3” to the Application form. The Principals Disclosure Form is available on the Website at <https://www.floridahousing.org/programs/developers-multifamily-programs/non-competitive>.

The Principal Disclosure Form must identify, pursuant to subsection 67-21.002(86), the Principals of the Applicant and Developer(s). For Housing Credits, the investor limited partner of an Applicant limited partnership or the investor member of an Applicant limited liability company must be identified. **A Principals Disclosure Form should not include, for any organizational structure, any type of entity that is not specifically included in the Rule definition of Principals.**

(emphasis added).

- d) Petitioner previously submitted an application to the Housing Finance Authority of Palm Beach County, Florida (the “HFA”) for an issuance of a multifamily housing revenue note to be used for the acquisition and rehabilitation of Brenton at Abbey Park. Petitioner asserts it is in the process of closing with the HFA, which is scheduled to occur around November 21, 2019. Petitioner has recently applied to Florida Housing for an allocation of non-competitive, 4% housing credits for the Development. Petitioner requests a waiver of the above cited Rules and Non-Competitive Application Package requirements which require Petitioner to disclose a natural person principal by the third principal disclosure level when submitting the Principal Disclosure Form in connection with the Non-Competitive Application Package.
- e) Petitioner asserts that it is unable to meet the requirements to have a natural person principal by the third principal disclosure level for the following reasons: A) Petitioner is majority owned and controlled by the California State Teachers’ Retirement System (CalSTRS) pension fund. Petitioner’s structure has various corporate layers to accommodate the fact that it is majority owned and controlled by CalSTRS, a public pension fund. The participants of the CalSTRS pension fund are continually changing and currently number in excess of 940,000, and therefore, it is not practical or feasible to include all in the Principal Disclosure Form. B) Further, the ultimate participants in the pension plan have no ability to control the investments and may change on a regular basis making it impossible to have a Principal Disclosure Form which is submitted and does not change during the application process.
- f) The waiver of the above cited Rules and Non-Competitive Application Package requirement will permit Petitioner to apply for non-competitive housing credits to finance a portion of the rehabilitation of the Development. Petitioner asserts that without this additional source of investor equity, the Petitioner will not have sufficient funds to preserve and rehabilitate the much needed 160 units of affordable housing. Petitioner states that it has already invested its own funds by acquiring the Development and that the Development is currently encumbered by a SAIL Land Use Restriction Agreement until 2058, and the re-

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syndication of the Development will extend the rent restrictions for an additional 30 years.

g) On October 14, 2019, Notice of the Petition was published in the Florida Administrative Register in Volume 45, Number 100. To date, Florida Housing has received no comments concerning the Petition.

h) Section 120.542(2), Florida Statutes provides in pertinent part:

Variations 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.

i) Granting the requested waiver would not impact other participants in funding programs administered by Florida Housing, nor would it detrimentally impact 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.

3. **Recommendation**

a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rules 67-21.0025(7)(c) and 67-21.003(1)(b), F.A.C. and Section A.6.a of the Non-Competitive Application Package, to allow to have a public pension fund in its corporate structure without the requirement to disclose all natural person Principals by the third principal disclosure level on the Principal Disclosure Form.

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I. In Re: Jordan Park, LLC - FHFC Case No. 2019-088VW

Development Name: (“Development”):	Jordan Park
Developer/Principal: (“Developer”):	Norstar Development USA, LP Housing Authority of the City of St. Petersburg Brian Evjen
Number of Units: 266	Location: Pinellas County
Type: Garden, Acquisition and Rehabilitation	Set Asides: 15% at 30% AMI 85% at 60% AMI 40% at 60% AMI (MMRN)
Demographics: Family	4% HC \$1,941,910 MMRN \$27,400,000

1. Background

- a) Petitioner successfully applied for non-competitive housing tax credits in conjunction with Multifamily Mortgage Revenue Notes (MMRN) to assist in the acquisition and rehabilitation of a Development serving low-income families in Pinellas County, Florida. On October 9, 2019, Florida Housing received a petition for waiver of Rule 67-21.003(1)(b) (the “Petition”) requesting to change some of the principals of the Applicant. The petition also included a request for Board approval to change some of the principals of the Developer. An Amended Petition was filed on October 15. A copy of the Amended Petition is attached as [Exhibit J](#).

2. Present Situation

- a) Rule 67-21.003(1)(b), Fla. Admin. Code (2018) incorporates by reference the Non-Competitive Application Package (NCA). The NCA includes the following requirement:
- b) (2) For Applicants requesting MMRB, with or without Non-Competitive Housing Credits:

The Applicant entity shall be the recipient of the Non-Competitive Housing Credits and the borrowing entity for the MMRB Loan and cannot be changed in any way (materially or non-materially) until after the MMRB Loan closing. After loan closing, any change (materially or non-materially) will require Board approval prior to the change. Changes to the Applicant entity prior to the loan closing or without Board approval after the loan closing shall result in disqualification from receiving funding and shall be deemed a material misrepresentation. Changes to the limited partner of an investor limited partnership or an investor member of a limited liability company owning the syndicating interest therein will not result in disqualification.

- c) Rule 67-21.003(8)(b), Fla. Admin. Code (2018), provides:

(8) Notwithstanding any other provision of these rules, there are certain items that must be included in the Application and cannot be

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revised, corrected or supplemented after the Application is deemed complete. Those items are as follows:

- (b) Principals of each Developer, including all co-Developers; notwithstanding the foregoing, the Principals of the Developer(s) may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter Credit Underwriting. With regard to said approval, the Board shall consider the facts and circumstances of each Applicant's request, inclusive of validity and consistency of Application documentation;
- d) Petitioner's non-competitive application package was approved by Florida Housing on April 26, 2019. Florida Housing's Board approved the final credit underwriting report on August 2, 2019. The Applicant was listed as Jordan Park, LLC, and its managing member was RISE Jordan Park, LLC, an entity controlled by the Housing Authority of the City of St. Petersburg. The Housing Authority was also listed as a co-Developer in the Application. On or around August 30, 2019, several officers and directors of the Housing Authority were replaced by the Mayor of the City of St. Petersburg; this action also had the effect of replacing the same officers and directors of RISE Jordan Park, LLC. As a result, some of the Principals of the Applicant and of the Developer listed in the Application are no longer accurate.
- e) On, October 11, 2019, Notice of the Petition was published in the Florida Administrative Register in Volume 45, Number 199. To date, Florida Housing has received no comments concerning the Petition.
- f) Section 120.542(2), Florida Statutes provides in pertinent part:
- Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- g) 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.

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3. Recommendation

- a) Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-21.003(1)(b), Fla. Admin. Code, so that several Principals of the Applicant may be changed before the MMRN loan closing. Staff also recommends the Board **GRANT** Petitioner's request to change several Principals of the Developer pursuant to Rule 67-21.003(8)(b), Fla. Admin. Code.

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J. In Re: Suncrest Court Redevelopment, LLC - FHFC Case No. 2019-090VW

Development Name: (“Development”):	Suncrest Court
Developer/Principal: (“Developer”):	HEF Development, LLC Tam A. English
Number of Units: 116	Location: Broward County
Type: New garden apartments	Set Asides: HOME: 10% @ 30% AMI 90% @ 60% AMI Persons with a Disabling Condition: 6 units
Demographics: family	Funding: 4% HC: \$1,306,766 MMRB: \$16,000,000 SAIL: \$6,500,000 ELI: \$600,000

1. Background

- a) Suncrest Court Redevelopment, LLC (“Petitioner”) was selected to receive SAIL funding to be used in conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits under Request for Applications 2016-109 (the “RFA”) to assist in the construction of a development serving low-income families in Broward County. On October 14, 2019, Florida Housing received a Petition for Waiver of Rule 67-48.0072(26), Fla. Admin. Code, to extend the closing date for the SAIL loan. A copy of the amended Petition is attached as [Exhibit K](#).

2. Present Situation

- a) The relevant portion of Rule 67-48.0072(26), Fla. Admin. Code (2016) provides as follows:

For SAIL, EHCL, and HOME, that is not in conjunction with Competitive HC, these Corporation loans and other mortgage loans related to the Development must close within 120 Calendar Days of the date of the firm loan commitment(s), unless the Development is a Tax-Exempt Bond-Financed Development which then the closing must occur within 180 Calendar Days of the firm loan commitment(s). Unless an extension is approved by the Board, failure to close the loan(s) by the specified deadline outlined above shall result in the firm loan commitment(s) being deemed void and the funds shall be de-obligated. Applicants may request one (1) extension of the loan closing deadline outlined above for a term of up to 90 Calendar Days.... In the event the Corporation loan(s) does not close by the end of the extension period, the firm loan commitment(s) shall be deemed void and the funds shall be de-obligated.

- b) Petitioner requests a waiver of the above Rule to allow a further extension of the SAIL closing deadline. Petitioner was previously granted one 90-day extension of the SAIL loan closing deadline pursuant to rule, from August 5, 2019 to

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November 3, 2019. Petitioner is requesting a further extension of the SAIL loan closing date from November 3, 2019 to December 31, 2019. Petitioner is currently scheduled to close on the SAIL loan on October 30, 2019. Because the scheduled closing date is so close to the mandatory deadline for closing, Petition is seeking this waiver in an abundance of caution in case the closing is delayed for any reason.

c) On October 15, 2019, Notice of the Petition was published in the Florida Administrative Register in Volume 45, Number 201. To date, Florida Housing has received no comments concerning the Petition.

d) Section 120. 542(2), Fla. Stat., 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.

3. **Recommendation**

a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rule 67-48.0072(26), Fla. Admin. Code (2016), to allow an extension of the SAIL loan closing date to December 31, 2019.

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K. In Re: Edison Terraces, LLC - FHFC Case No. 2019-072VW (Application No. 2015-518C)

Development Name: (“Development”):	Edison Terraces Apartments
Developer/Principal: (“Developer”):	Tacolcy Economic Development Corporation/Carol Gardner Stone Soup Development, Inc./Doug Mayer
Number of Units: 120	Location: Miami-Dade County
Type: Acquisition and Rehabilitation, Mid-Rise, 5 to 6 Stories	Set Asides: 20% @ 50% AMI 80% @ 60% AMI
Demographics: Family	Funding: 4% HC: \$659,946

1. Background

- a) Edison Terraces, LLC (“Petitioner”) successfully applied for an award of non-competitive 4% Housing Credits under the 2014 Application to assist with acquisition and rehabilitation of Edison Terraces Apartments (“Development”).
- b) On August 30, 2019, Petitioner filed its initial “Petition for Waiver of Rule 67-21.027(6)” (“Initial Petition”). On October 15, 2019, Florida Housing received an “Amended and Restated Petition for Waiver of Rule 67-21.027(6)” (“Amended Petition”) from Petitioner requesting that it be allowed to submit its Final Cost Certification Application Package (“FCCAP”) without the General Contractor Certification (“GC Certification”) being executed by the general contractor and with a qualified opinion letter with disclaimers and draft audit report for the General Contractor Cost Certification (“GCCC”), both from a certified public accountant (“CPA”). A copy of the Amended Petition is attached as [Exhibit L](#).

2. Present Situation

- a) Rule 67-21.027(6), Fla. Admin. Code (2015), provides, in pertinent part:

The Final Cost Certification Application Package (Form FCCAP) shall be used by an Applicant to itemize all expenses incurred in association with construction or Rehabilitation of a Housing Credit Development, including Developer’s and General Contractor’s fees as described in Rule 67-21.026, F.A.C. Such form package shall be completed, executed and submitted to the Corporation in both hard copy format and electronic files of the Microsoft Excel spreadsheets for the HC Development Final Cost Certification (DFCC) and the General Contractor Cost Certification (GCCC) included in the form package, along with the executed Extended Use Agreement and appropriate recording fees, IRS Tax Information Authorization Form 8821 for all Financial Beneficiaries, a copy of the syndication agreement disclosing the rate and all terms, *the required certified public accountant opinion letter for both the DFCC and GCCC, an unqualified audit report prepared by an independent certified public accountant for both the DFCC and GCCC*, photographs of the completed Development, the monitoring fee, and documentation of the placed-in-service date as specified in the Form FCCAP instructions. The Final Housing Credit Allocation will not be issued until such time as all required items are received and processed by the Corporation. The Final Cost

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Certification Application Package (Form FCCAP) is adopted and incorporated herein by reference, effective October 2014... (emphasis added)

- b) Petitioner requests a waiver of the above Rule to allow it to submit its FCCAP with a GC Certification that is not executed by the general contractor and with a qualified, rather than unqualified, CPA opinion letter and audit report for the GCCC. Petitioner quotes the 2019 Rule in its Petition but the Petition otherwise references and requests a waiver from the language that is used in the 2015 Rule, thus, the Petition is being considered as a waiver from the applicable 2015 Rule. The Petitioner is currently in litigation with the general contractor regarding disputes over amounts owed under the construction contract. The general contractor has refused to execute the GC Certification and additional documentation needed by the CPA and has not allowed Petitioner access to the general contractor's records since April 2018. The CPA has completed the majority of the accounting work necessary for the FCCAP and has determined the remaining that any differences noted as a result of its audit are immaterial and would not change the results of the report. In addition, the Petitioner will either be excluding the disputed costs completely or including them as ineligible costs, which will result in the Petitioner foregoing any additional credits that may have been allocated based on any costs awarded to the Petitioner at the conclusion of litigation in order to expedite the final cost certification process and receive the IRS Low-Income Housing Credit Allocation and Certification Forms 8609 ("Forms 8609").
- c) On September 9, 2019, the Notice of Petition of the Initial Petition was published in the Florida Administrative Register in Volume 45, Number 172. No additional notice was required upon Petitioner's filing of the Amended Petition. To date, Florida Housing has received no comments concerning the Petitions.
- 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 or the Development. Petitioner has demonstrated that strict application of the above Rules under these circumstances would constitute a substantial hardship and violate the principles of fairness. Petitioner has also demonstrated that the purpose of the underlying statute, Section 420.5099, Fla. Stat., to "encourage development of low-income housing in the state" would still be achieved if the waiver is granted.

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3. Recommendation

- a) Staff recommends the Board **GRANT** Petitioner's request for a waiver of the Rule 67-21.027(6), F.A.C. (2015), to allow Petitioner to submit its FCCAP without the GC Certification being executed by the general contractor and with a qualified opinion letter with disclaimers and draft audit report of the GCCC, both from a CPA.

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- L. **In Re: Pinellas Affordable Living, Inc. - FHFC Case No. 2019-082VW (RFA 2019-104/2019-396S)**

Development Name: (“Development”):	Butterfly Grove Apartments
Developer/Principal: (“Developer”):	Boley Centers, Inc. Pinellas Affordable Living, Inc. Jack Humburg
Number of Units: 22	Location: Pinellas County
Type: Garden Apartments	Set Asides: 100% at 60% AMI
Demographics: Persons with Special Needs	SAIL: \$4,639,841 ELI: \$287,000

1. **Background**

- a) Petitioner was selected to receive State Apartment Incentive Loan (“SAIL”) and an Extremely Low Income (“ELI”) loan under RFA 2019-104 to assist in the construction of Butterfly Grove, a 22-unit housing development for Persons with Special Needs in St. Petersburg, Florida. On September 27, 2019, Florida Housing received a Petition for Waiver of Rule 67-48.004(3)(i) for a Change in Development Type. On September 29, 2019, Florida Housing received an Amended Petition for Waiver of Rule 67-48.004(3)(i) for a Change in Number of Units. The petition was amended as to the title only. On October 14, 2019, Florida Housing received a Second Amended Petition for Waiver of Rule 67-48.004(3)(i) for a Change in Number of Units. On October 16, 2019, Florida Housing received a Third Amended Petition to correct scrivener’s errors. Copies of the Petition, Amended Petition, Second Amended Petition and Third Amended Petition are attached as Exhibits [M](#), [N](#), [O](#), and [P](#), respectively.

2. **Present Situation**

- a) Rule 67-48.004(3), Fla. Admin. Code, (2017) provides in relevant part:

(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...
- b) In its application, Petitioner indicated that the total number of Garden Apartments in its proposed development was 22 units. At the time of application, Petitioner asserts that it intended to replace the existing 22 units with 22 new construction Garden Apartments. Petitioner now seeks this waiver to allow it to reduce its number of units from 22 to 20. 100% of the units will remain set-aside as affordable units.
- c) According to Petitioner, the number of units indicated in its application was based on a review of the City of St. Petersburg (the “City”) land development regulations and preliminary discussions with planning staff. Petitioner asserts that those initial discussions culminated in the execution of Florida Housing’s

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Local Government Verification that Development is Consistent with Zoning and Land Use Regulations confirming 22 units on the proposed Development site. However, on September 4, 2019, the City approved Petitioner's development plan application to allow only 20-units to replace the existing 22-unit development. According to Petitioner, it initially requested 22 units, but only 20 units were approved based on the Floor Area Ratio Calculation conducted by the City based on the gross building square footage of the proposed development.

- d) Petitioner asserts that it attempted to work with the City to obtain the 22 units as applied for, however, it would have eliminated much of the space needed for the necessary amenities including lobbies, meeting room, office, library, laundry room, and restroom. According to Petitioner, the reduction in the number of units is the only viable option. Petitioner asserts that the scoring and ranking of its application would not have been affected had it initially selected 20 units. Petitioner states that it was the lone eligible application selected for funding in the RFA and it did not request the maximum amount per unit.
- e) Petitioner requests that no funding reduction occur with the reduction of units. In the alternative if any reduction is required, Petitioner requests that it receive the maximum SAIL request amount of \$224,000 for its approved 20 units or \$4,480,000 in SAIL funding and \$57,400 for its 4 ELI units or \$229,600 for the total request amount of \$4,709,600. With this amount of funding Petitioner asserts that it will be able to construct its proposed Development consistent with the requirements and purpose of the RFA.
- f) On October 1, 2019, Notice of the Petition was published in the Florida Administrative Register in Volume 45, Number 191. To date, Florida Housing has received no comments concerning the Petition.
- g) 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.
- h) Granting the requested waiver would not impact other participants in funding programs administered by Florida Housing, nor would it detrimentally impact 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.

3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-48.004(3)(i) to reduce the total number of units from 22 to 20 and to reduce the funding amount to \$4,480,000 in SAIL funding and \$229,600 in ELI funding for a total amount of \$4,709,600.

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M. In Re: Amaryllis Park Place Development Partners, LLC - FHFC Case No. 2019-091VW

Development Name: (“Development”):	Amaryllis Park Place
Developer/Principal: (“Developer”):	Gardner Capital Development FL, LLC SHA Affordable Development, LLC DB Development Florida, LLC Joseph Chambers
Number of Units: 84	Location: Sarasota County
Type: Garden, new construction	Set Asides: 10% @ 35% AMI 90% @ 60% AMI
Demographics: Elderly non-ALF	Funding: 9% Credits \$1,510,000

1. Background

- a) Amaryllis Park Place Development Partners, LLC (“Petitioner”) successfully applied for an award of competitive Housing Credits under Request for Applications 2016-110 (the “RFA”) to assist in the construction of 84 garden style apartments for elderly persons in Sarasota County.
- b) On October 15, 2019, Florida Housing received a Petition for Waiver of the Qualified Allocation Plan’s Requirement for Returning Housing Credit Allocations and Rule 67-48.002(95), Fla. Admin. Code, from Petitioner. A copy of the Petition is attached as [Exhibit Q](#). Florida Housing also received a letter from Petitioner on October 15, 2019 requesting Board approval to remove and replace two co-Developers and associated Principals and to change the name of the Applicant entity and replace certain Principals of the Applicant entity members.

2. Present Situation

- a) Rule 67-48.002(95), Fla. Admin. Code (2016), defines and incorporates by reference the following provision of the 2016 QAP at Section II.2:

K. ...where a Development has not been placed in service by the date required or it is apparent that a Development will not be placed in service by the date required, and such failure is due to circumstances beyond the Applicant’s control, **and the Applicant has returned its Housing Credit Allocation in the last calendar quarter of the year in which it was otherwise required to be placed in service**, the Corporation may reserve allocation in an amount not to exceed the amount of Housing Credits returned, and may allocate such Housing Credits to the Applicant for the year after the year in which the Development was otherwise required to be placed in service...
- b) Petitioner originally received an award of 2017 tax credits. On November 2, 2018, the Board approved a credit swap and allowed Petitioner to exchange its 2017 tax credits for 2018 tax credits. Petitioner was issued its new carryover agreement on November 13, 2018. Under the terms of the agreement and federal regulations, Petitioner is required to meet the “10% test” by November 13, 2019, and to place the development in service by November 30, 2020. Petitioner requests a waiver of the above Rule and bolded selection of the QAP provision above to permit it to exchange its tax credits now rather than in the last calendar quarter of 2020. Petitioner has encountered substantial delay due

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to issues, which have arisen between the co-Developers and the public housing authority, including the resignation of a key member of the co-Developer's team. The public housing authority is proposing to replace these entities with a new co-Developer in addition to the replacement of certain applicant entity principals. With the replacements, the Development team will need time to re-underwrite the development, obtain approvals from the Development's lender and tax credit investor, and close on the financing. The time needed to meet these benchmarks will not allow the Development to satisfy the 10% test by November 13, 2019 or place the Development in service by November 30, 2020. Petitioner therefore requests a waiver of the timing requirements found in the 2016 QAP to permit Florida Housing to approve a tax credit exchange now and to allow the allocation of 2019 tax credits pursuant to that exchange.

c) On October 17, 2019, the Notice of Petition was published in the Florida Administrative Register in Volume 45, Number 203. 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 or the Development. Petitioner has demonstrated that strict application of the above Rules under these circumstances would constitute a substantial hardship. 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) Rule 67-48.004(3)(b), Fla. Admin. Code (2016), 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:

(b) Principals of each Developer, including all co-Developers; notwithstanding the foregoing, the Principals of the Developer(s) may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. With regard to said approval, the Board shall consider the facts and circumstances of each Applicant's request, inclusive of validity and consistency of Application documentation;

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- g) Section 2 of Exhibit C of the RFA provides:

The Applicant entity shall be the recipient of the Housing Credits and cannot be changed in any way (materially or non-materially) until after the Carryover Allocation Agreement is in effect. Once the Carryover Allocation Agreement has been executed by all parties, (i) replacement of the Applicant or a material change in the ownership structure of the named Applicant will require Board approval prior to the change, and (ii) any non-material change in the ownership structure of the named Applicant will require Corporation approval prior to the change.

- h) Petitioner's Application package listed Amaryllis Park Place Development Partners, LLC as the Applicant with Amaryllis Park Place GP, LLC as the 46% member, Amaryllis Park Place SHA, LLC as the 34% member and DB Amaryllis I GP, LLC as the 20% member. The Application listed Gardner Capital Development Florida, LLC, SHA Affordable Development, LLC, and DB Development Florida, LLC as the co-Developers. Petitioner requests permission to change the Applicant to a limited partnership, tentatively called Amaryllis Park Place, LLLP, and to replace all members of the Applicant entity, including all natural person Principals except for Joseph Chambers and the Directors of the Sarasota Housing Authority. The members of the new Applicant Entity will be Sarasota Housing Opportunities Corporation, an instrumentality of the PHA and Amaryllis Fortis Development, LLC, whose managing members will consist of Darren Smith, Timothy Henzy and Joseph Chambers. The changes in the Developer entities will include removal of Gardner Capital Development Florida, LLC and DB Development Florida, LLC as co-Developers and the addition of Amaryllis Fortis Development, LLC as a co-Developer. Organizational charts of the current and proposed Applicant and co-Developers are attached as [Exhibit R](#). Petitioner's termination of two of the original co-Developers and inclusion of a new co-Developer is supported by Florida Housing staff.

3. Recommendation

- a) Given the fact that the Development is bringing in an experienced Developer, staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-48.002(95), Fla. Admin. Code (2016) and the incorporated 2016 QAP provision to permit Petitioner to exchange its 2018 credits for an allocation of 2019 credits on the condition that the Development begin construction within six months of the new Carryover;
- b) Staff recommends the Board **GRANT** Petitioner's request to change the Principals of the Developers pursuant to Rule 67-48.004(3)(b), Fla. Admin. Code (2016); and
- c) Staff recommends the Board **GRANT** Petitioner's request to waive the requirements of Section 2 of Exhibit C of RFA 2016-110 to allow it to change the name and Principals of the Applicant.

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N. In Re: Lofts on Lemon Development Partners, LLC - FHFC Case No. 2019-092VW

Development Name: (“Development”):	Lofts on Lemon
Developer/Principal: (“Developer”):	Gardner Capital Development Fl., LLC SHA Affordable Development, LLC DB Development Florida, LLC Joseph Chambers
Number of Units: 76	Location: Sarasota County
Type: Mid-rise 5-6 stories, new construction	Set Asides: 10% @ 33% AMI 90% @ 60% AMI
Demographics: Family	Funding: 9% Credits \$1,510,000

1. Background

- a) Lofts on Lemon Development Partners, LLC (“Petitioner”) successfully applied for an award of competitive Housing Credits under Request for Applications 2017-111 (the “RFA”) to assist in the construction of 76 Mid-rise apartments for low-income families in Sarasota County.
- b) On October 15, 2019, Florida Housing received a Petition for Waiver of the Qualified Allocation Plan’s Requirement for Returning Housing Credit Allocations and Rule 67-48.002(95), Fla. Admin. Code, from Petitioner. A copy of the Petition is attached as [Exhibit S](#). Florida Housing also received a letter from Petitioner on October 15, 2019 requesting Board approval to remove and replace two co-Developers and associated Principals and to replace certain Principals of the Applicant entity members.

2. Present Situation

- a) Rule 67-48.002(95), Fla. Admin. Code (2017), defines and incorporates by reference the following provision of the 2016 QAP at Section II.2:

K. ...where a Development has not been placed in service by the date required or it is apparent that a Development will not be placed in service by the date required, and such failure is due to circumstances beyond the Applicant’s control, **and the Applicant has returned its Housing Credit Allocation in the last calendar quarter of the year in which it was otherwise required to be placed in service**, the Corporation may reserve allocation in an amount not to exceed the amount of Housing Credits returned, and may allocate such Housing Credits to the Application for the year after the year in which the Development was otherwise required to be placed in service...
- b) Petitioner was awarded 2018 tax credits and was issued its carryover agreement on December 27, 2018. Under the terms of the agreement and federal regulations, Petitioner is required to meet the “10% test” by December 27, 2019, and to place the development in service by December 31, 2020. Petitioner requests a waiver of the above Rule and bolded selection of the QAP provision above to permit it to exchange its tax credits now rather than in the last calendar quarter of 2020. Petitioner has encountered substantial delay due to issues which have arisen between the co-Developers and the public housing authority, including the resignation of a key member of the co-Developer’s team. The public housing authority is proposing to replace these entities with a new co-

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Developer in addition to the replacement of certain Applicant entity Principals. With the replacements, the Development team will need time to underwrite the development, obtain approvals from the Development's lender and tax credit investor, and close on the financing. The time needed to meet these benchmarks will not allow the Development to satisfy the 10% test by December 27, 2019 and Petitioner will be unable to place the Development in service by December 31, 2020. Petitioner therefore requests a waiver of the timing requirements found in the 2016 QAP to permit Florida Housing to approve a tax credit exchange now and to allow the allocation of 2019 tax credits pursuant to that exchange.

c) On October 17, 2019, the Notice of Petition was published in the Florida Administrative Register in Volume 45, Number 203. 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 or the Development. Petitioner has demonstrated that strict application of the above Rules under these circumstances would constitute a substantial hardship. 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) Rule 67-48.004(3)(b), Fla. Admin. Code (2017), 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:

(b) Principals of each Developer, including all co-Developers; notwithstanding the foregoing, the Principals of the Developer(s) may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. With regard to said approval, the Board shall consider the facts and circumstances of each Applicant's request, inclusive of validity and consistency of Application documentation;

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Consent

- g) Section Four 3.d.(3) of the RFA provides:

The Applicant entity shall be the recipient of the Housing Credits and cannot be changed in any way (materially or non-materially) until after the Carryover Allocation Agreement is in effect. Once the Carryover Allocation Agreement has been executed by all parties, (a) replacement of the Applicant or a material change in the ownership structure of the named Applicant will require Board approval prior to the change, and (b) any non-material change in the ownership structure of the named Applicant will require Corporation approval prior to the change.

- h) Petitioner's Application package listed Lofts on Lemon Development Partners, LLC as the Applicant with Lofts on Lemon GP, LLC as the 46% member, Lofts on Lemon SHA, LLC as the 34% member and DB GP Anders Development, LLC as the 20% member. The Application listed Gardner Capital Development Florida, LLC, SHA Affordable Development, LLC, and DB Development Florida, LLC as the co-Developers. Petitioner requests permission to change the Principals of the Applicant, which would replace all members of the Applicant entity except for Lofts on Lemon SHA, LLC (an instrumentality of the Sarasota Housing Authority). This change would also remove all natural person principals of the exiting members except for Joseph Chambers. The members of the new Applicant entity will be Lofts on Lemon SHA, LLC and Lemon I Fortis Development, LLC. The managing members of Lemon I Fortis Development, LLC will be Darren Smith, Timothy Henzy, and Joseph Chambers. The changes in the Developer entities will include the removal of Gardener Capital Development Florida, LLC and DB Development Florida, LLC as co-Developers and the addition of Lemon I Fortis Development, LLC as co-Developer. Additionally, one of the Board members of the Sarasota Housing Authority is being replaced. Organizational charts of the current and proposed Applicant and co-Developers are attached as [Exhibit T](#). Petitioner's termination of two of the original co-Developers and inclusion of a new co-Developer is supported by Florida Housing staff.

3. Recommendation

- a) Given the fact that the Development is bringing in an experienced Developer, staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-48.002(95), Fla. Admin. Code (2017) and the incorporated 2016 QAP provision to permit Petitioner to exchange its 2018 credits for an allocation of 2019 credits;
- b) Staff recommends the Board **GRANT** Petitioner's request to change the Principals of the Developers pursuant to Rule 67-48.004(3)(b), Fla. Admin. Code (2017); and
- c) Staff recommends the Board **GRANT** Petitioner's request to waive the requirements of Section Four 3.d.(3) of RFA 2017-111 to allow it to change the Principals of the Applicant.

MULTIFAMILY BONDS

Consent

III. MULTIFAMILY BONDS

A. Request Approval of Credit Underwriting Report and to Exceed 20% Subcontractor Limitation for Woodland Grove (2018-044BSN)

Development Name: Woodland Grove	Location: Miami-Dade County
Applicant/Borrower: Woodland Grove Apartments, LLC	Set Aside(s): 40% @ 60% AMI (MMRB, SAIL & 4% HC) 18.421% @ 30% AMI (SAIL, ELI, & 4% HC) 27.895% @ 70% AMI (SAIL & 4% HC) 13.684% @ 80 % AMI (SAIL & 4% HC) 3.15% @ 22% AMI (NHTF)
Developer/Principal: RS Development Corp / Louis Swezy	Demographic/Number of units: Family / 190
Requested Amounts: \$20,000,000 Multifamily Mortgage Revenue Bonds (MMRB) \$7,000,000 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$1,047,895.88 National Housing Trust Fund (NHTF) \$1,437,399 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. National Housing Trust Funds were also awarded to the proposed Development for funding.
- 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 4, 2018, staff issued an invitation to enter credit underwriting to the Applicant.
- e) On December 14, 2018, the Board approved to extend the Firm Loan Commitment deadline from February 9, 2019 to August 9, 2019.
- f) On May 10, 2019, the Board approved a Rule Waiver to extend the Firm Loan Commitment deadline from August 9, 2019 to December 31, 2019.

MULTIFAMILY BONDS

Consent

- g) On August 2, 2019, the Borrower requested to allow the shell contract to exceed 20% of the general contractor contract. Rule Chapters 67-48.0072(17)(g), 67-21.014(2)(r) and 67-21.026(13)(f) (“Rule”) requires that not more than 20 percent of the construction cost is subcontracted to any one entity. According to GLE Associates, Inc., the construction consultant that preformed the Plan and Cost Review for the Development, reports that while negotiating subcontractor agreements, the buildings shell subcontractor is to receive 23% of the total construction cost due to increased labor and steel costs.
- h) Staff reviewed the Credit Underwriters recommendation for the approval in the final credit underwriting report allowing a single subcontractor entity to work in excess of 20% of total construction cost ([Exhibit A](#)).
- i) On September 20, 2019, the Board approved a Rule Waiver to allow for the calculation of the minimum set aside percentage based on income averaging. The Borrower’s request was granted allowing a change in the total set-aside commitment stated in the application for MMRB and 4% HC from 100% @ 60% AMI to 40% @ 60% AMI. In addition, the provision of the RFA requiring that applicants set aside at least 80% of the development’s total units at 60% AMI and to set-aside at least 10% of the total units at 28% AMI was waived.
- j) On October 17, 2019, staff received a final credit underwriting report with a positive recommendation for MMRB, SAIL, ELI and NHTF 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 including the request to exceed the 20% subcontractor limitation 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 Credit Underwriting Report for WRDG T3C (2019-019BS)

Development Name: WRDG T3C	Location: Hillsborough County
Applicant/Borrower: WRDG T3C, LP	Set Aside(s): 40% @ 60% AMI (MMRN) 36.975% @ 30% AMI (SAIL, ELI & 4% HC) 21.008% @ 60% AMI (SAIL & 4% HC) 42.017% @ 80% AMI (SAIL Workforce & 4% HC)
Developer/Principal: WRDG T3C Developer, LLC / Alberto Milo, Jr.	Demographic/Number of units: Family / 119
Requested Amounts: \$25,500,000 Multifamily Mortgage Revenue Note (MMRN) \$4,720,000 State Apartment Incentive Loan (SAIL) \$1,705,788 Housing Credits (4% HC)	Development Category/Type: New Construction / High Rise

1. Background/Present Situation

- a) On October 8, 2018, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2018-114 for SAIL Financing for the Construction of Workforce Housing.
- b) On December 14, 2018, the Board approved the final scores and recommendations for RFA 2018-114 and directed staff to proceed with all necessary credit underwriting activities.
- c) On January 4, 2019, staff issued an invitation to enter credit underwriting to the Applicant.
- d) On October 17, 2019, staff received a final credit underwriting report with a positive recommendation for MMRN and SAIL funding ([Exhibit B](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2018-114.

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, Note Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

C. Request Approval of Credit Underwriting Report for Lake Wales Gardens (2019-151BS)

Development Name: Lake Wales Gardens	Location: Polk County
Applicant/Borrower: SP Lake LLC	Set-Asides: 100% @ 60% AMI (MMRN & 4% HC) 10% @ 40% AMI (SAIL & ELI) 90% @ 60% AMI (SAIL)
Developers/Principals: Southport Development, Inc. / J David Page	Demographic/Number of Units: Family / 96
Requested Amounts: \$7,500,000 Multifamily Mortgage Revenue Note (MMRN) \$3,860,000 State Apartments Incentive Loan (SAIL) \$436,100 Extremely Low Income (ELI) \$553,353 Housing Credits (4% HC)	Development Category/Type: Acquisition and Rehabilitation / Garden Apartments

1. Background/Present Situation

- a) On October 19, 2018, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2018-116 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 March 22, 2019, the Board approved the final scores and recommendations for RFA 2018-116, and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 10, 2019, the Board approved the Final Order resolving all pending litigation pertaining to the RFA 2018-116, allowing staff to proceed with all necessary credit underwriting activities.
- d) On May 13, 2019, staff issued an invitation to enter credit underwriting to the Applicant.
- e) On October 17, 2019, staff received a final credit underwriting report with a positive recommendation for MMRN, SAIL, and ELI funding ([Exhibit C](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFA 2018-116.

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, Note Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

D. 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 bonds/notes to finance the construction/rehabilitation of the proposed Developments referenced below, the final credit underwriting reports are being presented to the Board for approval simultaneously with this request to assign the appropriate professionals for the transactions and approval of the recommended methods of sale. Brief descriptions of the Developments are detailed below, along with staff's recommendations.
- 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 methods of bond/note sale for the developments. Caine Mitter and Associates Incorporated has prepared an analysis and recommendation for the methods of bond/note sale for the Developments. The recommendation letters are attached as Exhibit D through F.

2. Present Situation

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

3. Recommendation

- a) Approve the assignment of the recommended professionals and the Independent Registered Municipal Advisor's recommendations for the methods of bond/note sale, as shown in the chart below, for the proposed Developments.

Development Name	Location of Development	Number of Units	Method of Bond Sale	Recommended Professional	Exhibit
Woodland Grove	Miami-Dade County	190	Negotiated Private Placement	RBC Capital Markets, LLC	Exhibit D
WRDG T3C	Hillsborough County	119	Negotiated Private Placement	RBC Capital Markets, LLC	Exhibit E
Lake Wales Gardens	Polk County	96	Negotiated Private Placement	RBC Capital Markets, LLC	Exhibit F

MULTIFAMILY BONDS

Consent

E. Request Approval of the Transfer of Ownership for Seminole Ridge (1999 Series O-1 and O-2/2000-528C)

Development Name: Seminole Ridge	Location: Orange County
Applicant/Borrower: Seminole Ridge – Orlando LLC	Set-Asides: 50% @ 60% AMI (MMRB) 100% @ 60% (4% HC)
Developers/Principals: Anthony Todd Emerson	Demographic/Number of Units: Family / 240
Requested Amounts: \$10,835,000 Multifamily Mortgage Revenue Bond (MMRB) \$811,200 Housing Credits (4% HC)	Development Category/Type: Acquisition and Construction / Garden Apartments

1. Background

- a) Florida Housing financed the acquisition and construction of the above referenced Development in 1999 with \$9,000,000 in tax exempt MMRB designated as 1999 Series O-1 and \$1,835,000 subordinate taxable bonds designated as 1999 Series O-2. The 1999 Series O-1 and O-2 bonds were redeemed in 2010.

2. Present Situation

- a) The Borrower has requested Florida Housing's approval to transfer the Development to Kimpact Evergreen Real Estate Investment Fund, LP, an affiliate of Kairos Real Estate Partners. First Housing Development Corporation has reviewed this request and provided a positive recommendation for the transfer and the assignment and assumption of the Land Use Restriction Agreement (LURA) and the Extended Low-Income Housing Agreement (ELIHA), ([Exhibit G](#)).

3. Recommendation

- a) Approve the transfer of ownership and the assignment and assumption of the LURA and ELIHA subject to the conditions in the credit underwriting report and further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

MULTIFAMILY PROGRAMS

Consent

IV. MULTIFAMILY PROGRAMS

- A. Request Approval for an RFA Waiver to Temporarily Increase the Number of Residents for Sunset Group Home for the Ridge Area Arc, Inc. f/k/a Ridge Area Association for Retarded Citizens, Inc., a Florida Not-For-Profit Corporation (2017-279G)

Development Name: Sunset Group Home	Location: Highlands County
Applicant/Borrower: Ridge Area Arc, Inc. f/k/a Ridge Area Association for Retarded Citizens, Inc.	Set Aside(s): 33% @ 45% AMI 67% @ 60% AMI
Developer/Principal: N/A	Demographic/Number of units: Persons with Developmental Disabilities/6 Residents
Grant Funding: \$126,000	Development Category/Type: Renovation/Community Residential Home

1. Background/Present Situation

- a) On April 4, 2017, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2017-101 for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On June 16, 2017, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On June 27, 2017, staff issued a Letter of Preliminary Award and subsequently on July 14, 2017, staff issued an invitation to enter credit underwriting to Ridge Area Arc, Inc. f/k/a Ridge Area Association for Retarded Citizens.
- d) On June 15, 2018, the Board approved the credit underwriting report for a grant amount of \$126,000 to be allocated to the Development. Subsequently, a Restrictive Covenant and Grant Agreement was recorded in Highlands County on July 17, 2018.
- e) Sunset Group Home is a Community Residential Home, with shared housing, designed to house a maximum of six residents with developmental disabilities containing seven bedrooms and four shared bathrooms. Each resident has their own private bedroom with a locking door and non-exclusive access to shared living facilities, consisting of a kitchen and a living/dining area. No more than three residents share one bathroom.
- f) On September 23, 2019, staff received a letter from the Applicant ([Exhibit A](#)) requesting an RFA waiver to temporarily increase the number of residents from six to eight for a period of 120 days, while the Queen Palm Group Home is under renovation. The Applicant requests to relocate the two residents living in Queen Palm Group Home to the extra, currently vacant bedroom in Sunset Group Home. The current residents of Sunset Group Home will not be displaced or otherwise encumbered by the additional residents. Trained staff assigned to Queen Palm Group Home will also temporarily relocate to serve their two residents. In addition, on September 6, 2019, the Agency for Persons with Disabilities (APD) granted approval, via email, to Ridge Area Arc for the temporary overcapacity. Staff recommends approving the temporary increase in

MULTIFAMILY PROGRAMS

Consent

the number of residents for Sunset Group Home from six to eight for a period of 150 days, to provide a 30-day cushion for completion.

2. Recommendation

- a) Approve the RFA waiver to temporarily increase the number of residents for Sunset Group Home from six to eight for a period of 150 days, and direct staff to amend the Restrictive Covenant and Grant Agreement as necessary.

MULTIFAMILY PROGRAMS

Consent

B. Request Approval of Underwriting Report for Parrish Place (RFA 2018-106/2019-007G)

Development Name: Parrish Place	Location: Lake County
Applicant/Borrower: SunriseArc, Inc. a/k/a The Arc Sunrise of Central Florida	Set-Asides: 33% @ 35% AMI and 67% @ 60% AMI
Developers/Principals: N/A	Demographic/Number of Units: Persons with Developmental Disabilities/6 Residents
Requested Amounts: \$488,000 Grant Funding	Development Category/Type: New Construction/Community Residential Home

1. Background/Present Situation

- a) On September 12, 2018, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2018-106 for Financing to Build Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On December 14, 2018, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 28, 2018, staff issued a Letter of Preliminary Award and subsequently, on March 15, 2019, staff issued an invitation to enter credit underwriting to The Arc Sunrise of Central Florida.
- d) On October 8, 2019, staff received a positive recommendation for a grant amount of \$488,000 to be allocated to the Development ([Exhibit B](#)).

2. Recommendation

- a) 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 for Conditional Binding Commitment for 2020 Housing Credit Allocation for Amelia Court at Creative Village – Phase II (RFA 2018-112 / 2019-106C)

1. Background

- a) Florida Housing issued RFA 2018-112 Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties on September 6, 2018. At its January 22, 2018 Review Committee Meeting, the review committee members presented their scores and the Committee carried out the funding selection process in accordance with Section Five, B. of the RFA. The Review Committee recommendations were presented to the Board on February 1, 2019, resulting in approval of the recommendations.
- b) Amelia Court at Creative Village – Phase II (“Amelia”) was found to be eligible for funding, however, another Application, Hawthorne Parke (“Hawthorne”), was higher ranked and therefore selected for funding. Amelia challenged this selection, alleging that Hawthorne’s Local Government Areas of Opportunity contribution from Orange County was invalid. After a hearing before DOAH, the administrative law judge issued a recommended order upholding Florida Housing’s selection of Hawthorne, and the Board adopted this recommended order on June 21, 2019. Hawthorne was invited to enter credit underwriting on June 28, 2019.

2. Present Situation

- a) Amelia filed an appeal of the Board’s Final Order in the Fifth District Court of Appeal. In accordance with its standard practice, Florida Housing has agreed that if Amelia prevails in its appeal, it will be issued a binding commitment for future Housing Tax Credits. However, it is unlikely that the appeal will be resolved before the end of calendar year 2019.
- b) Amelia has already received its temporary certificate of occupancy. In accordance with Section 42(h) of the IRC, a Development must receive its allocation of Housing Credits no later than the close of the year in which the Development is placed in-service unless a binding commitment is issued by the housing credit agency no later than the close of that same year for a later taxable year.
- c) On September 12, 2019, the Applicant for Amelia requested a binding commitment for 2020 Housing Credits in the amount of \$2,375,000 to be conditional on the final adjudication or settlement of the current litigation in favor of Amelia and all standard FHFC requirements ([Exhibit C](#)).

3. Recommendation

- a) Approve the request and direct staff to issue a binding commitment for 2020 Housing Credits in the amount of \$2,375,000 to be conditional upon adjudication or settlement of the current litigation in favor of Amelia and all standard FHFC requirements.

MULTIFAMILY PROGRAMS

Consent

D. Request Approval of Partial Release of Land for Preserve at Sabal Park (2018-342V/2017-212C/2018-360C)

Development Name: Preserve at Sabal Park	Location: Hillsborough County
Applicant/Borrower: Blue Broadway, LLC	Set-Aside(s): 10% @ 40% AMI, 90% @ 60% AMI (HC)
Developer/Principal: Blue Sky Communities III, LLC/ Shawn Wilson	Demographic/Number of Units: Family/144
Requested Amounts: Viability: \$1,250,000 Annual 9% HC: \$2,110,000	Development Category/Type: New Construction/ Townhouses

1. Background/Present Situation

- a) On October 28, 2016, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2016-113 for Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties.
- b) 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. The Development was awarded a Viability Loan for the construction of a 144-unit development in Hillsborough County. The Viability Loan closed on January 31, 2019 and will mature on October 31, 2035. The Development also received a 2018 allocation of low-income housing tax credits ("HC").
- c) On July 15, 2019, staff received a request for consent of release of land to facilitate the construction of a southbound left turn lane as required by Hillsborough County. On October 16, 2019, staff received a recommendation from the underwriter, Seltzer Management Group, Inc., for the approval of the release of land and modification to the affected documents as needed ([Exhibit D](#)).

2. Recommendation

- a) Approve the partial release of land and direct staff to proceed with document modification activities as needed, subject to the conditions in the credit underwriting report and further approvals and verifications by the Credit Underwriter, Special Counsel and the appropriate Florida Housing staff.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

V. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Approval of PLP Loan for Volunteers of America (National Services), a not-for-profit entity, for Puerta Del Sol (2019-008P-09)

DEVELOPMENT NAME (“Development”):	Puerta Del Sol
APPLICANT/DEVELOPER (“Developer”):	Volunteers of America (National Services)
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	98
LOCATION (“County”):	Miami-Dade County
TYPE:	Elderly
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$125,000
ADDITIONAL COMMENTS:	

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 August 15, 2019, the Developer submitted a PLP application for Puerta Del Sol.
- c) On August 19, 2019, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

2. Present Situation

- a) On September 26, 2019, staff received a development plan and a letter ([Exhibit A](#)) from our technical assistance provider (TAP) recommending approval of the PLP Loan in the amount of \$125,000.
- b) Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.
- c) In addition, the developer is submitting three other similar applications for PLP loans on properties in Miami-Dade County. For a Developer to have more than two outstanding PLP loans at any time, they must request and receive approval from Florida Housing. All four of the properties are pursuing funding from Miami-Dade County tax exempt bonds as well as Low Income Housing Tax Credits. The total of the four loans is \$500,000 which is the limit for one PLP loan (without acquisition). Staff believes that the risk of allowing the Developer to have these four loans is acceptable.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

3. Recommendation

- a) Approve the PLP Loan in the amount of \$125,000 to Volunteers of America (National Services) for Puerta Del Sol and allow staff to commence with the loan closing process.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Request Approval of PLP Loan for Volunteers of America (National Services), a not-for-profit entity, for Hialeah Residence (2019-009P-09)

DEVELOPMENT NAME (“Development”):	Hialeah Residence
APPLICANT/DEVELOPER (“Developer”):	Volunteers of America (National Services)
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	123
LOCATION (“County”):	Miami-Dade County
TYPE:	Elderly
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$125,000
ADDITIONAL COMMENTS:	

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 August 15, 2019, the Developer submitted a PLP application for Hialeah Residence.
- c) On August 19, 2019, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

2. Present Situation

- a) On September 26, 2019, staff received a development plan and a letter ([Exhibit B](#)) from our technical assistance provider (TAP) recommending approval of the PLP Loan in the amount of \$125,000.
- b) Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.
- c) In addition, the developer is submitting three other similar applications for PLP loans on properties in Miami-Dade County. For a Developer to have more than two outstanding PLP loans at any time, they must request and receive approval from Florida Housing. All four of the properties are pursuing funding from Miami-Dade County tax exempt bonds as well as Low Income Housing Tax Credits. The total of the four loans is \$500,000 which is the limit for one PLP loan (without acquisition). Staff believes that the risk of allowing the Developer to have four loans is acceptable.

3. Recommendation

- a) Approve the PLP Loan in the amount of \$125,000 to Volunteers of America (National Services) for Hialeah Residence and allow staff to commence with the loan closing process.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

C. Request Approval of PLP Loan for Volunteers of America (National Services), a not-for-profit entity, for Sweetwater Towers (2019-010P-09)

DEVELOPMENT NAME (“Development”):	Sweetwater Towers
APPLICANT/DEVELOPER (“Developer”):	Volunteers of America (National Services)
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	98
LOCATION (“County”):	Miami-Dade County
TYPE:	Elderly
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$125,000
ADDITIONAL COMMENTS:	

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 August 15, 2019, the Developer submitted a PLP application for Sweetwater Towers.
- c) On August 19, 2019, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

2. Present Situation

- a) On September 26, 2019, staff received a development plan and a letter ([Exhibit C](#)) from our technical assistance provider (TAP) recommending approval of the PLP Loan in the amount of \$125,000.
- b) Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.
- c) In addition, the developer is submitting three other similar applications for PLP loans on properties in Miami-Dade County. For a Developer to have more than two outstanding PLP loans at any time, they must request and receive approval from Florida Housing. All four of the properties are pursuing funding from Miami-Dade County tax exempt bonds as well as Low Income Housing Tax Credits. The total of the four loans is \$500,000 which is the limit for one PLP loan (without acquisition). Staff believes that the risk of allowing the Developer to have four loans is acceptable.

3. Recommendation

- a) Approve the PLP Loan in the amount of \$125,000 to Volunteers of America (National Services) for Sweetwater Towers and allow staff to commence with the loan closing process.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

D. Request Approval of PLP Loan for Volunteers of America (National Services), a not-for-profit entity, for Los Robles (2019-011P-09)

DEVELOPMENT NAME (“Development”):	Los Robles
APPLICANT/DEVELOPER (“Developer”):	Volunteers of America (National Services)
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	98
LOCATION (“County”):	Miami-Dade County
TYPE:	Elderly
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$125,000
ADDITIONAL COMMENTS:	

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 August 15, 2019, the Developer submitted a PLP application for Los Robles.
- c) On August 19, 2019, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

2. Present Situation

- a) On September 26, 2019, staff received a development plan and a letter ([Exhibit D](#)) from our technical assistance provider (TAP) recommending approval of the PLP Loan in the amount of \$125,000.
- b) Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.
- c) In addition, the developer is submitting three other similar applications for PLP loans on properties in Miami-Dade County. For a Developer to have more than two outstanding PLP loans at any time, they must request and receive approval from Florida Housing. All four of the properties are pursuing funding from Miami-Dade County tax exempt bonds as well as Low Income Housing Tax Credits. The total of the four loans is \$500,000 which is the limit for one PLP loan (without acquisition). Staff believes that the risk of allowing the Developer to have four loans is acceptable.

3. Recommendation

- a) Approve the PLP Loan in the amount of \$125,000 to Volunteers of America (National Services) for Los Robles and allow staff to commence with the loan closing process.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

E. Request Approval of PLP Loan for CP Renaissance, LLC, a not-for-profit entity, for Coleman Park Renaissance (2019-013P-09)

DEVELOPMENT NAME (“Development”):	Coleman Park Renaissance
APPLICANT/DEVELOPER (“Developer”):	CP Renaissance, LLC
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	30
LOCATION (“County”):	Palm Beach County
TYPE:	Family
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$750,000
ADDITIONAL COMMENTS:	

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 September 27, 2019, the Developer submitted a PLP application for Coleman Park Renaissance.
- c) On September 27, 2019, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

2. Present Situation

- a) On October 10, 2019, staff received a development plan and a letter ([Exhibit E](#)) from our technical assistance provider (TAP) recommending approval of the PLP Loan in the amount of \$750,000. Of this loan amount, \$500,000 is being requested for acquisition of the development site. This portion of the loan is subject to a review and positive recommendation from a credit underwriter.
- b) Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.

3. Recommendation

- a) Approve the PLP Loan in the amount of \$750,000 to CP Renaissance, LLC for Coleman Park Renaissance and allow staff to commence with the loan closing process on the non-site acquisition funds.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

F. Request Approval of PLP Loan for Abundant Life Ministries-Hope House, Inc., a not-for-profit entity, for Phoenix Crossings (2019-005P-09)

DEVELOPMENT NAME (“Development”):	Phoenix Crossings
APPLICANT/DEVELOPER (“Developer”):	Abundant Life Ministries-Hope House, Inc.
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	30
LOCATION (“County”):	Flagler County
TYPE:	Youth Aging Out of Foster Care
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$464,500
ADDITIONAL COMMENTS:	

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 May 3, 2019, the Developer submitted a PLP application for Phoenix Crossings.
- c) On May 17, 2019, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

2. Present Situation

- a) On October 10, 2019, staff received a development plan and a letter ([Exhibit F](#)) from our technical assistance provider (TAP) recommending approval of the PLP Loan in the amount of \$464,500.
- b) Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.

3. Recommendation

- a) Approve the PLP Loan in the amount of \$464,500 to Abundant Life Ministries-Hope House, Inc., for Phoenix Crossings and allow staff to commence with the loan closing process.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

G. Request Approval of Extension to PLP Loan Maturity for Habitat for Humanity of Lee and Hendry Counties, Inc., a not-for-profit entity, for Harlem Heights I (2015-005P-09)

DEVELOPMENT NAME (“Development”):	Harlem Heights I
APPLICANT/DEVELOPER (“Developer”):	Habitat for Humanity of Lee and Hendry Counties, Inc.
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	82 Homeownership units
LOCATION (“County”):	Lee County
TYPE:	Family
MINIMUM SET ASIDE:	50% @ 80% AMI, 50% @ 120% AMI
PLP LOAN AMOUNT:	\$750,000
ADDITIONAL COMMENTS:	

1. Background

- a) On March 18, 2016, the Board approved a loan in the amount of \$750,000 for Harlem Heights I.
- b) On July 5, 2016, the Developer closed on the PLP loan. The maturity date was established as July 5, 2019. To date, the Developer has drawn \$690,425 in PLP funds.
- c) On May 10, 2019, the Board approved a one-year extension to the maturity date of the PLP loan.

2. Present Situation

- a) On September 30, 2019, staff received a letter ([Exhibit G](#)) from the Developer requesting that the maturity date be extended under rule to July 5, 2021, to allow for the completion of infrastructure and the construction of homes. Since this is the final extension allowed for this development, the developer has proposed to repay the PLP loan on a prorated basis on the first 12 completed and sold homes rather than the original 82 homes as included in the PLP application. The overall development will consist of 150 homes. The Developer has also requested that the PLP loan be subordinated to the construction loan from the Florida Community Loan Fund. This is standard practice under PLP when developing homes for single family purchase and is allowed under rule 67-38.007 (4).
- b) The PLP rule allows for up to two one-year extensions to the maturity date under the following section: 67-38.007 (7) The Corporation shall extend the term of the PLP Loan for an additional period if circumstances exist and if such extension would not jeopardize the Corporation’s security interest.
- c) On October 10, 2019, staff received a letter and revised development plan from the assigned technical assistance provider ([Exhibit H](#)) supporting the extension.

3. Recommendation

- a) Approve the one-year extension and subordination of the PLP Loan for Habitat for Humanity of Lee and Hendry Counties, Inc. for Harlem Heights I and allow staff to commence with revising closing documents.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

VI. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Credit Underwriting Report for Ozanam Village III (2017-169S)

Development Name: Ozanam Village III	Location: Pasco County
Applicant/Borrower: Society of St. Vincent de Paul South Pinellas, Inc.	Set-Aside(s): 20% @ 40% AMI & 80% @ 60% AMI
Developer/Principal: Society of St. Vincent de Paul South Pinellas, Inc, Michael Raposa.; Ability Housing, Inc., Shannon Nazworth	Demographic/Number of Units: Family/30
Requested Amounts: SAIL \$5,000,000	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation

- a) On November 28, 2016, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2016-115 for SAIL Financing for Smaller Permanent Supportive Housing Developments for Persons with Special Needs.
- b) On March 24, 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 9, 2017, staff issued an invitation to enter credit underwriting to Society of St. Vincent de Paul South Pinellas, Inc., which states that the firm loan commitment must be issued within 9 months of the acceptance to enter credit underwriting giving a deadline of February 12, 2018.
- d) On January 6, 2018, the Board approved an extension of the firm loan commitment issuance deadline from February 12, 2018 to August 12, 2018 and a Co-Developer structure change from GHD Construction Services, Inc. to Ability Housing, Inc.
- e) On July 27, 2018, the Board approved a rule waiver for an extension of the firm loan commitment issuance deadline from August 12, 2018 to June 12, 2019 and a Demographic Commitment change to add an additional subpopulation demographic selection.
- f) On May 10, 2019, the Board approved a rule waiver for an extension of the firm loan commitment issuance deadline from June 12, 2019 to August 11, 2019. On August 2, 2019, the Board approved a rule waiver for an additional extension of the firm loan commitment issuance deadline from August 11, 2019 to November 9, 2019.
- g) On June 27, 2019, staff approved the Applicant’s request to increase the Persons with Special Needs set-aside percentage from 75% to 80%.
- h) On October 16, 2019, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit A](#)). 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) 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

B. Request Approval of Applicant Entity and Co-Developer Change for Woodwinds (2016-326CS)

Development Name: Woodwinds	Location: Lake County
Applicant/Borrower: Woodwinds Clermont, LLC	Set-Asides: 15% @ 40% AMI and 85% @ 60% AMI
Developers/Principals: Blue Sky Clermont Developer, LLC/NB Woodwinds Developer, LLC/Shawn Wilson	Demographic/Number of Units: Homeless/96
Requested Amounts: SAIL \$4,000,000 Annual 9% HC \$1,510,000	Development Category/Type: New Construction/Garden

1. Background/Present Situation

- a) On January 22, 2016, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2016-102 for Housing Credit and SAIL Financing for Homeless Housing Developments Located in Medium and Large Counties.
- b) 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 a preliminary commitment letter and an invitation to enter credit underwriting to the Borrower.
- c) On February 3, 2017, the Board approved the final credit underwriting report and a change to the Co-Developer structure for Blue Sky Clermont Developer, LLC. On February 6, 2017, staff issued a firm commitment letter to the Borrower.
- d) On May 5, 2017, the Board approved a loan closing extension from June 6, 2017 to September 4, 2017. The loan closed on June 27, 2017. On December 14, 2018, the Board approved an additional change to the Co-Developer structure for Blue Sky Clermont Developer, LLC.
- e) On July 10, 2019, staff received a request from the Borrower for changes to the Applicant Entity, Woodwinds Clermont, LLC and Co-Developer, Blue Sky Clermont Developer, LLC ([Exhibit B](#)).
- f) The Applicant Entity and Co-Developer are replacing members and managers; however, the principals are staying the same as shown in the attached. Per the RFA, after loan closing, any material change will require review and approval of the Credit Underwriter, as well as approval of the Board prior to the change, and any non-material change will require review and approval of the Corporation, as well as approval of the Board prior to the change. 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. Staff has reviewed this request and finds that the development meets all of the requirements of RFA 2016-102.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

2. **Recommendation**

- a) Approve the request to allow for the change in Applicant Entity and Co-Developer structure as referenced above.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

C. Request Approval of Loan Term Extensions for Palmetto Pointe (2018-024S)

Development Name: Palmetto Pointe	Location: Pinellas
Applicant/Borrower: SP Pinellas I, LLC	Set-Aside(s): 10% @ 40% AMI, 90% @ 60% AMI, 6 Units @ 22% AMI (NHTF)
Developer/Principal: Southport Development, Inc./J. David Page	Demographic/Number of Units: Family/82
Requested Amounts: SAIL \$5,400,000, ELI \$463,900 NHTF \$997,898.90, Annual 4% HC \$719,035	Development Category/Type: New Construction/Mid Rise, 4-stories

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 Funds (NHTF) were 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 11, 2018, giving them a firm loan commitment issuance deadline of February 11, 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 an extension of the firm loan commitment issuance deadline from February 11, 2019 to August 11, 2019.
- e) On June 21, 2019, the Board approved the final credit underwriting report and directed staff to proceed with issuance of a firm commitment and closing activities. On June 26, 2019, staff issued a firm commitment letter to the Borrower. The loans closed on September 30, 2019.
- f) On September 19, 2019, staff received a request from the Housing Credit Syndicator to extend the SAIL and ELI loan terms from 18.5 years to 29 years ([Exhibit C](#)). Per the Rule, if both a SAIL loan and federal Housing Credits are to be used to assist a Development, the Corporation may set the SAIL loan term for a period commensurate with the investment requirements associated with the Housing Credit syndication.
- g) On October 17, 2019, staff received an update letter from the credit underwriter with a positive recommendation to extend the loans ([Exhibit D](#)). Staff has reviewed this letter and finds that the development meets all of the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

2. **Recommendation**

- a) Approve the request to extend the SAIL and ELI loan terms, and direct staff to proceed with loan document modification activities, as needed.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

D. Request Approval of Increase to Permanent Loan Amount for Water’s Edge Apartments (2018-025BS)

Development Name: Water’s Edge Apartments	Location: Miami – Dade County
Applicant/Borrower: Water’s Edge Associates, Ltd.	Set-Asides: 40% @ 60% AMI (MMRB) 20 Units @ 30% AMI (SAIL, ELI, HC) 1 Unit @ 40% AMI (SAIL, HC) 45 Units @ 60% AMI (SAIL, HC) 52 Units @ 70% AMI (SAIL, HC)
Developers/Principals: Cornerstone Group Partners, LLC/ Mara S. Mades	Demographic/Number of Units: Family/128
Requested Amounts: MMRB \$14,250,000, SAIL \$3,000,000 ELI \$600,000, Annual 4% HC \$1,092,118	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 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 4, 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 4, 2018, giving them a firm loan commitment issuance deadline of February 4, 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 an extension of the firm loan commitment issuance deadline from February 4, 2019 to August 4, 2019.
- e) On August 2, 2019, the Board approved the final credit underwriting report and directed staff to proceed with issuance of a firm commitment and closing activities. On August 5, 2019, staff issued a firm commitment letter to the Borrower with a loan closing deadline of February 3, 2020.
- f) On September 25, 2019, staff approved the Applicant’s request to change the set-asides from the set-aside commitment in the Application to Average Income.
- g) On October 11, 2019, staff received an update letter with a positive recommendation to increase the permanent first mortgage loan amount from \$8,250,000 to \$9,150,000 ([Exhibit E](#)). This request is needed due to a decrease in the variable interest rate of the construction first mortgage. 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) Approve the request to increase the permanent first mortgage loan amount.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

E. Request Approval of Credit Underwriting Report 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 a 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 March 22, 2019, the Board approved a request to extend the firm loan commitment issuance deadline from April 2, 2019 to October 2, 2019.
- f) On October 16, 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 of Credit Underwriting Report for Heritage Park at Crane Creek (2018-344CS)

Development Name: Heritage Park at Crane Creek	Location: Brevard County
Applicant/Borrower: Rosemary Village Apartments, LLLP	Set-Asides: 15% @ 35% AMI and 59.1% @ 60% AMI
Developers/Principals: Carrfour Supportive Housing, Inc./Stephanie Berman	Demographic/Number of Units: Persons with Special Needs/Homeless/108
Requested Amounts: SAIL \$4,228,900, ELI \$240,600 Annual 9% HC \$1,510,000	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) 2018-103 for Housing Credit and SAIL Financing for Homeless Housing Developments Located in Medium and Large Counties.
- 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 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.
- d) On March 22, 2019, the Board approved a Rule Waiver allowing the Applicant to increase the total number of units from 80 to 108 and to reduce total set-aside percentage from 100% to 74.1% (hence adding 28 additional units at market rate). As a condition of this Waiver, the applicant must provide five additional ELI units.
- e) On October 17, 2019, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit G](#)). 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

G. Request Approval of RFA Waiver for Applicant Entity Change for Ashley Square (2019-167SN)

Development Name: Ashley Square	Location: Duval County
Applicant/Borrower: Ashley Square Associates, LLC	Set-Aside(s): 10% @ 33% AMI, 90% @ 60% AMI, 6 NHTF units
Developer/Principal: Blue AS Developer, LLC / Shawn Wilson & Cathedral Foundation of Jacksonville, Inc. / Teresa K. Barton	Demographic/Number of Units: Elderly, non-ALF / 120 units
Requested Amounts: SAIL \$6,500,000, NHTF \$1,426,800 ELI \$600,000 Annual 4% HC \$933,400	Development Category/Type: New Construction / Mid-rise, 5-6 stories

1. Background/Present Situation

- a) On October 19, 2018, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2018-116 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 March 22, 2019, 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 10, 2019, 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 a preliminary commitment letter and invitation to enter credit underwriting to the Applicant on May 13, 2019. The acceptance was acknowledged on May 14, 2019, giving them a firm loan commitment issuance deadline of May 14, 2020
- d) On September 20, 2019, the Board approved a change in the Developer Structure of Blue Sky Communities, LLC, one of the Co-Developers. Blue AS Developer, LLC was added as a Special Purpose Entity above Blue Sky Communities, LLC.
- e) On September 23, 2019, staff received a request from the Applicant for changes to the Applicant Entity, Ashley Square Associates, LLC ([Exhibit H](#)). The name of the Applicant Entity is changing from Ashley Square Associates, LLC to Ashley Square Jacksonville, Ltd. In addition, CFJ Ashley, Inc. is being added as a General Partner. The request will enable the Applicant to apply for an exemption from real estate taxes. Per the RFA, the Applicant entity shall be the recipient of the Housing Credits, 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). The name of the Applicant entity stated in the application may be changed only by written request of an applicant to Corporation staff and approval of the Board after being invited into credit underwriting. Therefore, the change in the Applicant Entity requires an RFA Waiver. Staff has reviewed this request and finds that it meets all the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

2. **Recommendation**

- a) Approve the request to change the Applicant Entity as described above.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

H. Request Approval of RFA Waiver to Change Amenities for The Renaissance at West River f/k/a Bethune Residences I at West River (2016-376S)

Development Name: The Renaissance at West River f/k/a Bethune Residences I at West River	Location: Hillsborough County
Applicant/Borrower: West River Phase 1 A, LP	Set-Aside(s): 10% @ 40% AMI & 90% @ 60% AMI
Developer/Principal: WRDG Bethune I, LLC, Eileen M. Pope	Demographic/Number of Units: Elderly/160
Requested Amounts: SAIL \$7,000,000, ELI \$600,000 Annual 4% HC \$1,771,131	Development Category/Type: New Construction/Mid-Rise (5 to 6 stories)

1. Background/Present Situation

- a) On September 19, 2016, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2016-109 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 9, 2016, 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 24, 2017, the Board approved the Final Order resolving all pending litigation pertaining to RFA 2016-109, allowing staff to proceed with all necessary credit underwriting activities.
- d) On March 31, 2017, staff issued an invitation to enter credit underwriting to West River Phase 1 A, LP with a firm loan commitment issuance deadline of January 4, 2018.
- e) On July 27, 2018, the Board approved the final credit underwriting report and staff issued a firm commitment to the Applicant on July 30, 2018.
- f) On September 14, 2018, the Board approved the Applicant’s request for modifications to the Guaranty structure. The loans closed on November 8, 2018.
- g) On September 23, 2019, staff received a request from the Borrower for a change regarding the additional Green Building Features chosen in the Application. One of the Green Building Features chosen was “Eco-friendly flooring for entire unit – Carpet and Rug Institute Green Label certified carpet and pad, bamboo, cork, 80% recycled content tile, and/or natural linoleum (3 points).” The Borrower wants to provide Luxury Vinyl Tile (LVT) which will meet the FloorScore certified flooring. However, FloorScore certified flooring was not an option in the RFA at the time of Application. An RFA waiver is required for approval of this request, since FloorScore certified flooring was not an option in RFA 2016-109. However, it has been provided as an option in subsequent RFAs. Staff has reviewed this request and recommends approval of the RFA waiver.

2. Recommendation

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

- a) Approve the RFA waiver request for a change to the Green Building Features, and direct staff to proceed with loan document modification activities, as needed.

SPECIAL ASSETS

Consent

VII. SPECIAL ASSETS

A. Request Approval of Adding Supplemental Debt to First Mortgage Loans for four developments of Starwood Property Trust, Inc.

Development Name: Westwood Apartments (“Development”)	Location: Lee County
Developer/Principal: Starwood (“Developer”) / SPT WAH Westwood LLC (“Borrower”)	Set-Aside: MMRB 50% @60%; ELI 25% @33%; HC 100% @60% AMI ELI: 15 years; EUA: 50 years
Current Funding Sources: SAIL ELI RFP 2011-05-10 / HC 2001-501C; Previous Funding Sources: MMRB 2001A 1&2 / HUD RISK/GUAR 066-98010	Allocated Amount: MMRB \$14,245,000 (redeemed); SMI \$693,328 (paid); ELI \$5,400,000; HC \$664,704
Number of Units: 288	Demographics: Family
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Development Name: Whispering Woods Apartments (“Development”)	Location: Saint John’s County
Developer/Principal: Starwood (“Developer”) / SPT WAH Whispering Woods LLC (“Borrower”)	Set-Aside: SAIL ELI 16.5% @30%; HC 100% @60% AMI ELI 15 years; EUA 30 years
Current Funding Sources: SAIL ELI RFP 2012-04-17 / HC 2003-504C; Previous Funding Sources: HUD RISK/GUAR 063-98012	Allocated Amount: SAIL ELI \$2,475,000; HC \$544,963; SMI \$588,905.04 (paid)
Number of Units: 200	Demographics: Family
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Development Name: Wilmington Apartments (“Development”)	Location: Polk County
Developer/Principal: Starwood (“Developer”) / SPT WAH Wilmington LLC (“Borrower”)	Set-Aside: SAIL 5% @30%, 95% @60%; HC 100% @60%; ELI 16.5% @40% AMI LURA 50 years; EUA 30 years; ELI 15 years
Current Funding Sources: SAIL 2003-076S / HC 2003-503C; Previous Funding Sources: HUD RISK/GUAR 067-98031	Allocated Amount: SAIL \$1,500,000 (to be paid off); ELI \$2,475,000; HC \$503,319
Number of Units: 200	Demographics: Family
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Development Name: Windchase Apartments (“Development”)	Location: Seminole County
Developer/Principal: Starwood (“Developer”) / SPT WAH Windchase LLC (“Borrower”)	Set-Aside: MMRB 50% @60%; ELI 18.4% @33%; HC 100% @60% AMI ELI: 15 years; EUA: 50 years
Current Funding Sources: SAIL ELI RFP 2010-16-14/ HC 97L-506; Previous Funding Sources: MMRB 1997C / HUD RISK/GUAR 067-98011	Allocated Amount: MMRB \$15,615,000 (redeemed); SMI \$769,714 (paid); ELI \$4,875,000; HC \$1,176,424
Number of Units: 352	Demographics: Family

SPECIAL ASSETS

Consent

1. **Background**

- a) In September 2015, the Board approved the transfer of ownership in the four Developments from The Wilson Group (“Original Developer”) and its affiliates to Starwood Property Trust, Inc. and its affiliates.
- b) In October 2015, the Board approved the refinance of the first mortgage for each of the four Developments.
- c) The Original Developer and its affiliates received funding from Florida Housing Finance Corporation (“FHFC”) for the construction of four affordable housing properties from 1997 to 2012. Funding sources from FHFC included Multifamily Mortgage Revenue Bonds (“MMRB”), State Apartment Incentive Loan (“SAIL”), State Apartment Incentive Loan Extremely Low Income (“SAIL ELI”), Subordinate Mortgage Initiative (“SMI”), HUD risk sharing with FHFC’s Guarantee Program, and Housing Credits (“HC”).
- d) For the four properties, Florida Housing Finance Corporation (“Lender”) has loans and is the Housing Credit authority.
- e) SPT WAH Westwood LLC, a Florida limited liability company (“Borrower”); TWC Seventy-Five, Ltd., a Florida limited partnership (“Original Borrower”) (Westwood Apartments);
- f) SPT WAH Wilmington LLC, a Florida limited liability company (“Borrower”); TWC Twenty-Five, Ltd., a Florida limited partnership (“Borrower”) (Wilmington Apartments);
- g) SPT WAH Windchase, LLC, a Florida limited liability company (“Borrower”); TWC Ninety-Five, Ltd., a Florida limited partnership (“Original Borrower”) (Windchase Apartments).
- h) For Wellesley, Westwood, Windchase, and Worthington, there is an outstanding MMRB Land Use Restriction Agreement (“LURA”) applicable to each development.

2. **Present Situation**

- a) By correspondence dated August 12, 2019, Starwood Property Trust, Inc. is requesting the Board’s approval to add supplemental debt to the first mortgage loan for each of the four Developments. The SAIL ELI loan documents, the applicable MMRB LURAs, and the HC Extended Low-Income Agreements (“ELIHA”) will need to be subordinated to the new first mortgage loans. The SAIL ELI loans are being renegotiated.
- b) Staff received a credit underwriting report ([Exhibit A](#)) from Seltzer Management Group, Inc. providing a positive recommendation to add supplemental debt to the first mortgage loans, subordinate the SAIL ELI loan documents, MMRB LURAs, and HC ELIHAs to the new first mortgage loans, and renegotiate the SAIL ELI loans.

SPECIAL ASSETS

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3. **Recommendation**

- a) Approve the addition of the supplemental debt to the first mortgages, subordination of the SAIL ELI loan documents, MMRB LURAs, and HC ELIHAs to the new first mortgage, and renegotiation of the SAIL ELI loans, and modifications to any other loan documents deemed necessary by FHFC counsel, subject to the conditions outlined in the credit underwriter's report, further approvals and verifications by the credit underwriter, counsel and appropriate FHFC staff, and direct staff to proceed with loan document modification activities, as needed.

SPECIAL ASSETS

Consent

- B. Request Approval to Refinance the First Mortgage, Renegotiate and Extend SAIL ELI Loan, and Subordinate the SAIL ELI Loan Documents for Villas at Lakesmart LLC, for Villas at Lake Smart Apartments (MR2002P1&2/GUAR#53/RISK/2002-533C/RFP 2011-05-07/SMI#30)**

Development Name: Villas at Lake Smart Apartments (“Development”)	Location: Polk County
Developer/Principal: Carlisle Development Group (“Original Developer”); Lincoln Avenue Capital (“Current Developer”); Lakesmart Associates, Ltd. (“Original Borrower”) / Villas at Lakesmart LLC (“Current Borrower”)	Set-Aside: MMRB 40% @60%; SAIL ELI 25% @40%; HC 100% @60% AMI LURA 50 years; SAIL ELI 15 years; EUA 30 years
Number of Units: 220	Allocated Amount: MMRB \$8,975,000; SMI \$404,613.92; SAIL ELI \$4,125,000; HC \$495,125
Demographics: Family	Servicer: Seltzer Management Group, Inc.

1. Background

- a) During the 2002 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a first mortgage of FHFC issued tax-exempt bonds in the original amount of \$7,975,000, and FHFC issued taxable bonds in the original amount of \$1,000,000 to Lakesmart Associates, Ltd., a Florida limited partnership (“Original Borrower”), for the development of a 220-unit apartment complex in Polk County, Florida. The Multifamily Revenue Bonds (“MMRB”) loan closed on November 26, 2002 and matures on November 15, 2042. The Development is guaranteed with Florida Housing’s Guarantee Program (“Guarantee Program”) with HUD Risk Sharing. The Development also received a 2002 allocation of low-income housing tax credits (“HC”) of \$495,125.
- b) The Original Borrower received a Subordinate Mortgage Initiative (“SMI”) loan of \$404,613.92 of which \$252,883.70 was disbursed and was paid in full on April 11, 2011. The Original Borrower also received a State Apartment Incentive Loan Extremely Low Income (“SAIL ELI”) loan of \$4,125,000. The SAIL ELI loan closed on September 21, 2012 and matures on September 1, 2049.
- c) In April 2013, the Board approved a refinance of the existing first mortgage loan. The Borrower obtained a HUD insured 223(f) program first mortgage loan originated by First Housing Development Corporation, the proceeds of which were used to satisfy the existing first mortgage, redeeming the underlying FHFC bonds and effectively terminating the mortgage loan guaranty issued by the Guarantee Program and its associated financial risk to FHFC. The SMI loan was already paid. The MMRB Land Use Restriction Agreement (“LURA”) remains outstanding.
- d) In June 2019, the Board approved the transfer of ownership in the Development from Lakesmart Associates, Ltd. to Villas at Lakesmart LLC.

SPECIAL ASSETS

Consent

2. **Present Situation**

- a) The Current Borrower requests consent from the Board to refinance the existing first mortgage, subordinate the SAIL ELI loan documents, the MMRB LURA, and the Extended Low-Income Housing Agreement (“ELIHA”) to the new first mortgage, extend the SAIL ELI loan and HC ELIHA, and renegotiate the SAIL ELI loan.
- b) Staff received a credit underwriting report ([Exhibit B](#)) from Seltzer Management Group with a positive recommendation for approval of the refinance of the first mortgage, subordination of the SAIL ELI loan documents, the MMRB LURA, and the HC ELIHA, extension of the SAIL ELI loan and HC ELIHA, and renegotiation of the SAIL ELI loan.

3. **Recommendation**

- a) Approve the refinance of the first mortgage, subordination of the SAIL ELI loan documents, the MMRB LURA, and the HC ELIHA to the new first mortgage, extension of the SAIL ELI loan and HC ELIHA, and renegotiation of the SAIL ELI 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.

SPECIAL ASSETS

Consent

- C. **Request Approval of the Extension of the SAIL Loan for CHPC Gainesville Horizon Sunset, LLC, a Florida Limited Liability Company, for Horizon House Sunset Apartments (2000-066S)**

Development Name: Horizon House Sunset Apartments (“Development”)	Location: Alachua County
Developer/Principal: Community Housing Partners Corp. (“Developer”)/ CHPC Gainesville Horizon Sunset, LLC (“Borrower”)	Set-Aside: SAIL 15.19% @ 33% & 84.81% @ 51% AMI LURA: 51 years
Number of Units: 80	Allocated Amount: SAIL \$2,000,000
Demographics: Family	Servicer: First Housing Development Corporation

1. **Background**

- a) During the 2000 funding cycle, Florida Housing Finance Corporation awarded a \$2,000,000 State Apartment Incentive Loan (“SAIL”) to CHPC Gainesville Horizon Sunset, LLC, a Florida Limited Liability Company (“Borrower”), for the construction of an 80-unit development in Alachua County, Florida. The SAIL loan closed on October 29, 2003 and will mature on October 29, 2019.

2. **Present Situation**

- a) The Borrower has requested approval to extend the SAIL loan maturity date to October 29, 2020. The Borrower states the additional time is needed to explore a potential sale of the Development and pay off the loan. The Borrower has agreed to an extension of the affordability period under the Land Use Restriction Agreement (“LURA”) to be equal to the loan extension (adding one year to the current 51 years).

3. **Recommendation**

- a) Approve the extension of the SAIL loan maturity date to October 29, 2020, extension of the LURA for an additional one year, and direct staff to proceed with loan document modification activities, as needed.

SPECIAL ASSETS

Consent

D. 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)

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

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.

2. Present Situation

- a) The Borrower has requested 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 development and repay the PLP loan. The Borrower has agreed to include in the extension documents the requirement to begin payments on the PLP loan if funding does not become available to pay off the loan before maturity.

3. Recommendation

- a) Approve the extension of the PLP loan term, at its current balance of \$325,117.63, to December 31, 2021, and direct staff to proceed with loan document modification activities, as needed.