

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
May 6, 2016
Consent Items



ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)

Consent

I. ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)

A. Request Approval of Loan Closing Extension for Trinity Towers East (2015-227E)

Development Name: Trinity Towers East (“Development”)	Location: Brevard County
Applicant/Borrower: POAH Trinity Towers East, LLC	Set-Aside: 20% @ 50% AMI
Demographic/Number of Units: Elderly/156	Requested Amounts: EHCL \$750,000
Development Category/Type: Rehabilitation/High Rise	

1. Background/Present Situation

- a) On January 23, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-102 for Elderly Housing Community Loan (EHCL) funding to be used to provide life-safety, building preservation, health, sanitation, or security-related repairs or improvements to Developments currently serving Elderly residents aged 62 or older.
- b) On May 8, 2015, the Board approved the final scores and recommendations for RFA 2015-102, and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 22, 2015, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to POAH Trinity Towers East, LLC, which states that the loan must close within 12 months of the date of the invitation to enter credit underwriting, giving them a loan closing deadline of May 23, 2016. Applicants may request one (1) extension of up to 12 months related to the loan closing.
- d) On March 4, 2016, staff received a request from the Applicant to extend the May 23, 2016 closing deadline to May 23, 2017 ([Exhibit A](#)), which will allow additional time to secure supplemental funding and complete the credit underwriting process. Staff has reviewed this request and finds that the development meets all of the requirements of the RFA.

2. Recommendation

- a) Approve the request to extend the loan closing deadline from May 23, 2016 to May 23, 2017, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)

Consent

B. Request Approval of Loan Closing Extension for Trinity Towers South (2015-228E)

Development Name: Trinity Towers South (“Development”)	Location: Brevard County
Applicant/Borrower: Trinity Towers South Preservation Associates LLLP	Set-Aside: 20% @ 50% AMI
Demographic/Number of Units: Elderly/162	Requested Amounts: EHCL \$750,000
Development Category/Type: Rehabilitation/Mid Rise	

1. Background/Present Situation

- a) On January 23, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-102 for Elderly Housing Community Loan (EHCL) funding to be used to provide life-safety, building preservation, health, sanitation, or security-related repairs or improvements to Developments currently serving Elderly residents aged 62 or older.
- b) On May 8, 2015, the Board approved the final scores and recommendations for RFA 2015-102, and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 22, 2015, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Trinity Towers South Preservation Associates LLLP, which states that the loan must close within 12 months of the date of the invitation to enter credit underwriting, giving them a loan closing deadline of May 23, 2016. Applicants may request one (1) extension of up to 12 months related to the loan closing.
- d) On March 4, 2016, staff received a request from the Applicant to extend the May 23, 2016 closing deadline to May 23, 2017 ([Exhibit B](#)), which will allow additional time to secure supplemental funding and complete the credit underwriting process. Staff has reviewed this request and finds that the development meets all of the requirements of the RFA.

2. Recommendation

- a) Approve the request to extend the loan closing deadline from May 23, 2016 to May 23, 2017, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)

Consent

C. Request Approval of Loan Closing Extension for Palm City Gardens Apartments (2015-229E)

Development Name: Palm City Gardens (“Development”)	Location: Lee County
Applicant/Borrower: Dunbar Improvement Association, Inc.	Set-Aside: 100% @ 50% AMI
Demographic/Number of Units: Elderly/100	Requested Amounts: EHCL \$750,000
Development Category/Type: Rehabilitation/Garden	

1. Background/Present Situation

- a) On January 23, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-102 for Elderly Housing Community Loan (EHCL) funding to be used to provide life-safety, building preservation, health, sanitation, or security-related repairs or improvements to Developments currently serving Elderly residents aged 62 or older.
- b) On May 8, 2015, the Board approved the final scores and recommendations for RFA 2015-102, and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 22, 2015, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Dunbar Improvement Association, Inc., which states that the loan must close within 12 months of the date of the invitation to enter credit underwriting, giving them a loan closing deadline of May 23, 2016. Applicants may request one (1) extension of up to 12 months related to the loan closing.
- d) On April 14, 2016, staff received a request from the Applicant to extend the May 23, 2016 closing deadline to May 23, 2017 ([Exhibit C](#)), which will allow additional time to secure other supplemental financing and complete the water supply line at the development. Staff has reviewed this request and finds that the development meets all of the requirements of the RFA.

2. Recommendation

- a) Approve the request to extend the loan closing deadline from May 23, 2016 to May 23, 2017, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

HOME RENTAL

Consent

II. HOME RENTAL

A. Request Approval to Extend HOME Firm Commitment for Gateway Townhomes of St. Joe (2014-403H)

Development Name: Gateway Townhomes of St. Joe (“Development”)	Location: Gulf County
Developer: Gateway Townhomes of St. Joe, LLC, The Paces Foundation, Inc. (“Developers”)	Set-Aside: 20% @ 50% AMI 80% @ 60% AMI 50 HOME Units
Type: New Construction/Garden Style Apartments	HOME: \$5,482,633
Total Number of Units: 50	Demographics: Family

1. Background/Present Situation

- a) The Applicant applied for funding under Request for Applications (“RFA”) 2014-109, seeking an allocation of HOME Program funds for rental developments in rural areas. On August 8, 2014, the Board approved the selection of six (6) Applications, including Gateway Townhomes of St. Joe, for funding and invitation to credit underwriting.
- b) On August 18, 2014, the Corporation issued a preliminary commitment letter. In accordance with the RFA, the Developer had a March 31, 2015 deadline to complete the credit underwriting report. On March 20, 2015, the Board approved the Developers’ request to extend the completion of the credit underwriting reports from the March 31, 2015 deadline, to no later than the June 19, 2015 Board Meeting.
- c) On June 19, 2015, the Board approved the final credit underwriting report and directed staff to proceed with a firm loan commitment and loan closing activities.
- d) On August 7, 2015, staff issued a firm commitment letter for a HOME loan in an amount up to \$5,482,633. Pursuant to the firm commitment, the loan must close by August 18, 2015.
- e) Rule Chapter 67-48.0072(4)(c), F.A.C. states the loan must close within 12 months of the date of the letter of invitation to enter credit underwriting. Applicants may request one (1) extension of the closing date, up to 12 months.
- f) On August 27, 2015, staff received a letter from the Developers requesting a loan closing extension until August 18, 2016 and it was approved by the Board on September 18, 2015. However, the Board was not requested to extend the firm loan commitment, which expired on August 18, 2015, as required by Rule Chapter 67-48.0072(26), F.A.C.

2. Recommendation

- a) Approve the extension of the firm loan commitment until August 18, 2016, to be consistent with the deadline for the loan closing deadline approved at the September 18, 2015 Board meeting.

HOME RENTAL

Consent

B. Request Approval to Extend the Credit Underwriting Deadline for all six HOME Rental Developments approved under RFA 2015-110

1. Background

- a) Request for Applications (RFA) 2015-110 was open to Applicants proposing the construction of affordable housing utilizing HOME Investment Partnerships Program (HOME Rental) Funding for Developments in conjunction with Florida Housing-Issued MMRB and Non Competitive HC. The RFA was issued on September 4, 2015 and Applications were received on or prior to October 20, 2015.
- b) Florida Housing received six (6) Applications in response to the RFA ([Exhibit A](#)). All Applications met the criteria to be eligible for funding. The Review Committee recommended the Applications be selected for funding and invitation to enter credit underwriting.
- c) On December 11, 2015, the Board approved the selection of six (6) Applications for funding and invitation to credit underwriting.

2. Present Situation

- a) RFA 2015-110 required the Applicants to complete credit underwriting and execute a HOME written agreement by June 17, 2016. This would require the Applicants to have credit underwriting reports completed by the May 6, 2016 Board Meeting. At present, all six Applicants have submitted information for the credit underwriting reports, however they are missing items needed to complete the reports in time to present at the May 6, 2016 Board Meeting.
- b) Pending receipt of the missing items, the credit underwriters should have completed credit underwriting reports submitted prior to the June 24, 2016, Board Meeting.
- c) The Applicants have requested extensions to complete the credit underwriting reports by June 24, 2016 and execute the written agreements thereafter in accordance with Rule 67-48 ([Exhibit B](#)).

3. Recommendation

- a) Approve the Developers' requests to extend the deadline for completion of the credit underwriting reports for all six RFA 2015-110 Applications, to be presented no later than the June 24, 2016 Board Meeting.

HOME RENTAL

Consent

C. Request Approval of the Funding of an AHP Grant in the Financing of Casa San Juan Bosco II (2014-407H)

Development Name: Casa San Juan Bosco II (“Development”)	Location: DeSoto County
Developer: National Development of America, Inc. (“Developer”)	Set-Aside: 20% @ 50% AMI 80% @ 60% AMI 44 HOME Units
Type: New Construction/Single Family Homes	HOME: \$6,510,000
Total Number of Units: 44	Demographics: Rural

1. Background/Present Situation

- a) The Applicant applied for funding under Request for Applications (“RFA”) 2014-109, seeking an allocation of HOME Program funds for rental developments in rural areas. On August 8, 2014, the Board approved the selection of six (6) Applications, including Casa San Juan Bosco II, for funding and invitation to credit underwriting.
- b) On June 4, 2015, staff received a final credit underwriting report with a positive recommendation for a HOME loan in the amount of \$6,510,000 and the Board approved the report on June 19, 2015.
- c) On March 14, 2016, the Developer notified the Corporation ([Exhibit C](#)) that the Development had been awarded an AHP grant from the Federal HOME Loan Bank of Atlanta in the amount of \$341,645. Rule Chapter 67-48.020(13), F.A.C. states the “Applicant shall not alter any terms or conditions of any mortgage superior or inferior to the HOME mortgage without prior approval of the Corporation’s Board of Directors.
- d) On April 19, 2016, staff received a credit underwriting letter with a positive recommendation for the funding of the AHP grant in the financing of the San Juan Bosco II ([Exhibit D](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of Rule Chapter 67-48, F.A.C.

2. Recommendation

- a) Approve the final credit underwriting letter and direct staff and Counsel to review the AHP closing documents.

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III. LEGAL

A. In Re: Peterborough 2, LTD - FHFC Case No. 2016-011VW

Development Name: (“Development”):	Peterborough
Developer/Principal: (“Developer”):	Peterborough Redevelopment Associates, LLC / Shawn Wilson and Blue Sky Communities, LLC, members
Number of Units: 150	Location: Pinellas County
Type: High-rise	Set Asides: 100% at 60% AMI
Demographics: Elderly	SAIL: \$3,939,840

1. Background

- a) Petitioner Peterborough 2, LTD, was selected to receive SAIL funding used in conjunction with Multifamily Mortgage Revenue Bonds (MMRB) and non-competitive housing credits (HC) under RFA 2014-103 to assist in the construction of high-rise apartments serving low-income elderly tenants in St. Petersburg, Florida. On February 22, 2016, Florida Housing received a “Petition for Waiver of Rule 67-48.004(3)(j) to Change Total Set-Aside Percentage” (the “Petition”). On March 11 Florida Housing sent Petitioner a Request for Additional Information. On April 4 Petitioner filed “Amended Petition for Waiver of Rule 67-48.004(3)(j) and 67-21.003(8)(j) to Change Total Set-Aside Percentage.” A copy of the Amended Petition is attached as [Exhibit A](#).

2. Present Situation

- a) Rule 67-48.004(3), Fla. Admin. Code, prohibits an Applicant from changing certain items identified in the Application. It 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:
- ***
- (j) For the SAIL and HC Programs, the Total Set-Aside Percentage as stated in the last row of the total set-aside breakdown chart for the program(s) applied for in the Set-Aside Commitment section of the Application. Notwithstanding the foregoing, the Total Set-Aside Percentage may be increased after the Applicant has been invited to enter credit underwriting, subject to written request of an Applicant to Corporation staff and approval of the Corporation.

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Consent

- b) Similarly, Rule 67-21.003(8)(j), Fla. Admin. Code, prohibits an Applicant for MMRB or non-competitive HC from changing certain items in the application.

(3) 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:

(j) The Total Set-Aside Percentage as stated in the last row of the total set-aside breakdown chart for the program(s) applied for in the Set-Aside Commitment section of the Application; notwithstanding the foregoing, the Total Set-Aside Percentage may be increased after the Applicant has been invited to enter credit underwriting, subject to written request of an Applicant to Corporation staff and approval of the Corporation.

- c) Petitioner seeks a waiver that will allow it to reduce the Total Set-Aside Percentage from 100% to 98.6%. This would have the effect of allowing 2 out of 150 units to be rented to tenants with income exceeding 60% of AMI.
- d) Petitioner is seeking this waiver because two units that were occupied at the closing of the SAIL and Bond loans do not comply with the tenant income requirements because the total household incomes exceed 60% of AMI. Petitioner states that this was discovered only after the submission of the response to the RFA. A HUD memo issued January 12, 2015, has the effect of preventing Petitioner from terminating the tenancies of these HUD-assisted tenants. Petitioner's attempts to persuade the tenants to vacate have been unsuccessful. Unless the waiver is granted, Petitioner will be out of compliance with its Total Set-Aside Percentage yet will be prohibited from coming into compliance.
- e) In its Amended Petition, Petitioner suggests that this waiver should be temporary in nature. However, Florida Housing has determined that a temporary waiver would be impractical in this case.
- f) On February 24, 2016, Notice of the Petition was published in the Florida Administrative Register in Volume 42, Number 37. 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.

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- h) Granting the requested waivers 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 waivers are needed because of circumstances beyond its control, and that it would violate principles of fairness if the waivers are 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 waivers are granted.

3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rules 67-48.004(3)(j) and 67-21.003(8)(j), Fla. Admin. Code, reducing the Total Set-Aside Percentage from 100% to 98.6%, so that Petitioner will be able to continue renting two units to tenants with incomes over 60% AMI. This waiver will also have the effect of allowing the Petitioner to seek a Total Set-Aside Requirement that is not a whole number as is required by Section A.5. j.(2) of the Non-Competitive Application Package, which is incorporated by reference in Rule 67-21.003, Fla. Admin. Code.

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B. In Re: Garden Vista Preservation, L.P. - FHFC Case No. 2016-012VW

Development Name: ("Development"):	Garden Vista Apartments
Developer/Principal: ("Developer"):	Garden Vista Developer, LLC / RAFL1, Principal / David Pearson, contact person
Number of Units: 150	Location: Miami-Dade County
Type: Garden	Set Asides: 100% at 60% AMI
Demographics: Family	4% HC: \$500,000

1. Background

- a) Petitioner Garden Vista Preservation, LP, submitted an application for non-competitive housing credits (HC) to assist in the construction of high-rise apartments serving low-income tenants in Miami Gardens, Florida. On April 1, 2016, Florida Housing received a "Petition for Waiver of, or Variance From, Rule 67-21.003(8)(j) to Decrease the Total Set-Aside Percentage" (the "Petition"). A copy of the Petition is attached as [Exhibit B](#).

2. Present Situation

- a) Rule 67-21.003(8)(j), Fla. Admin. Code, prohibits an Applicant for non-competitive HC from changing certain items in the application.

(3) 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:

- (j) The Total Set-Aside Percentage as stated in the last row of the total set-aside breakdown chart for the program(s) applied for in the Set-Aside Commitment section of the Application; notwithstanding the foregoing, the Total Set-Aside Percentage may be increased after the Applicant has been invited to enter credit underwriting, subject to written request of an Applicant to Corporation staff and approval of the Corporation.
- b) Petitioner seeks a waiver that will allow it to reduce the Total Set-Aside Percentage from 100% to 99%. This would have the effect of allowing 1 out of 150 units to be rented to tenants with income exceeding 60% of AMI.
- c) Petitioner is seeking this waiver because one unit that is currently occupied does not comply with the tenant income requirements because the total household income exceeds 60% of AMI. Petitioner states that this tenant initially qualified to reside in the Development pursuant to the HUD Section 8 income restrictions in place prior to Petitioner's acquisition of the Development. A HUD memo issued January 12, 2015, has the effect of preventing Petitioner from terminating the tenancy of this tenant. Unless the waiver is granted, Petitioner will be out of compliance with its Total Set-Aside Percentage yet will be prohibited from coming into compliance.

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- d) On April 5, 2016, Notice of the Petition was published in the Florida Administrative Register in Volume 42, Number 66. To date, Florida Housing has received no comments concerning the Petition.
- e) Section 120.542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- f) Granting the requested waiver would not have any impact on other participants in funding programs administered by Florida Housing, nor would it have a detrimental impact on Florida Housing. Petitioner has demonstrated that the waiver is needed because of circumstances beyond its control, and that it would violate principles of fairness 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 67-21.003(8)(j), Fla. Admin. Code, reducing the Total Set-Aside Percentage from 100% to 99%, so that Petitioner will be able to continue renting one unit to a household with income over 60% AMI.

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Consent

C. In Re: MCG Senior Apartments, LTD. - FHFC Case No. 2016-013VW

Development Name: (“Development”):	Mount Carmel Gardens
Developer/Principal: (“Developer”):	BREC Development, LLC / Wayne Hydinger, Managing Director
Number of Units: 207	Location: Duval County
Type: High-rise	Set Asides: 100% at 60% AMI 15% at 33% AMI
Demographics: Elderly Preservation	SAIL: \$4,010,087 4% HC: 611. 874

1. **Background**

- a) Petitioner MCG Senior Apartments, LTD (formerly MCG Senior Apartments, LLC), was selected to receive SAIL financing and non-competitive housing credits (HC) to assist in the renovation of an existing Development serving low-income elderly tenants in Jacksonville, Florida. On April 8, 2016, Florida Housing received a “Petition for Waiver of Rule 67-48.0072(13)(b) for Maintenance of Excess Reserve Funds” (the “Petition”). An Amended Petition was filed on April 15, 2016 to include a request for waiver of Rule 67-21.026(11)(b). A copy of the Amended Petition is attached as [Exhibit C](#).

2. **Present Situation**

- a) Rule 67-48.0072, Fla. Admin. Code, requires an Applicant for non-competitive SAIL financing to include an estimate for replacement reserves.

(13) For Competitive HC, SAIL, and HOME, in addition to operating expenses, the Credit Underwriter must include an estimate for replacement reserves and operating expense reserves deemed appropriate by the Credit Underwriter when calculating the final net operating income available to service the debt. A minimum amount of \$300 per unit per annum must be used for all Developments.

(b) . . . An Applicant may choose to fund a portion of the replacement reserves at closing. The amount cannot exceed 50 percent of the required replacement reserves for two (2) years and must be placed in escrow at closing.

- b) Rule 67-21.026, Fla. Admin. Code, contains a similar requirement for replacement reserves for applicants for 4% HC, and also includes a similar limitation.

(11)(b) An Applicant may choose to fund a portion of the replacement reserves at closing. The amount cannot exceed 50 percent of the required replacement reserves for two (2) years and must be placed in escrow at closing.

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- c) Petitioner seeks a waiver that will allow it to fund a replacement reserve account in an amount greater than that allowed by rule. Petitioner is seeking this waiver because financing for the Development will include funding from the U.S. Department of Housing and Urban Development (HUD), and HUD is requiring as a component of this funding an initial deposit of \$207,000 to the replacement reserve account. Under Florida Housing's rules, the reserve amount would not be allowed to exceed \$62,100. Unless the waiver is granted, Petitioner will be out of compliance either with HUD requirements or Florida Housing rules, and funding for the Development will be jeopardized.
- d) On April 12, 2016, Notice of the Petition was published in the Florida Administrative Register in Volume 42, Number 71. To date, Florida Housing has received no comments concerning the Petition.
- e) Section 120.542(2), Florida Statutes provides in pertinent part:

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

3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rules 67-48.0072(13)(b) and 67-21.026(11)(b), Fla. Admin. Code, so that Petitioner will be able to fund its replacement reserve account in accordance with HUD requirements.

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D. In Re: Osprey Apartments, LLC - FHFC Case No. 2016-014VW

Development Name: ("Development"):	Liberty Village
Developer/Principal: ("Developer"):	Carrfour Supportive Housing, Inc./Stephanie Berman
Number of Units: 60	Location: Miami-Dade County
Type: Mid-rise (New)	Set Asides: 80% homeless veterans
Demographics: Homeless Veterans	9% HC: \$1,310,000 SAIL: \$2,400,000 ELI Gap loan: \$225,000

1. Background

- a) Petitioner successfully applied for an allocation of Low Income Housing Tax Credits (HC) and loan funding under the State Apartment Incentive Loan program ("SAIL") under RFA 2014-107 to assist in the construction of new high-rise apartments serving low-income veteran and chronically homeless tenants in Miami, Florida. On April 8, 2016, Florida Housing received a "Petition for Waiver of Rule 67-48.0072(4)(c)" pertaining to the required closing date for a SAIL loan (the "Petition"). A copy of the Petition is attached as [Exhibit D](#).

2. Present Situation

- a) Rule 67-48.0072(4)(c), Fla. Admin. Code (2015), provides:
- (c) For SAIL, EHCL, and HOME Applicants, the loan must close within 12 months of the date of the invitation to enter credit underwriting. Applicants may request one (1) extension of up to 12 months. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting an extension and shall detail the time frame to close the loan. The written request will then be submitted to the Corporation's Board for consideration. The Board shall consider the facts and circumstances of each Applicant's request and any credit underwriting report, if available, prior to determining whether to grant the requested extension. The Corporation shall charge a non-refundable extension fee of 1 percent of each loan amount if the Board approves the request to extend the commitment beyond the initial 12 month closing deadline. In the event the loan does not close by the end of the 12 month extension period, the preliminary commitment or firm commitment, as applicable, will be deemed void and the funds will be de-obligated.

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- b) Petitioner was previously granted a twelve month extension to the closing deadline, extending such deadline to June 19, 2016. Petitioner now seeks a further extension from June 19, 2016 to September 30, 2016. Pursuant to Rule 67-48.0072(4)(c), a further extension of the closing deadline may not be granted without a waiver. On November 24, 2015 Osprey submitted a Petition for Rule Waiver to Florida Housing, requesting an exchange of 2014 Housing Credits for 2015 Housing Credits. That Rule Waiver was granted by FHFC at their December 11, 2015 meeting.
- c) In connection therewith, a new Carryover Allocation Agreement was entered into between FHFC and Osprey, pursuant to which the Development must commence construction and complete credit underwriting no later than September 30, 2016. Osprey is requesting an extension of the SAIL loan closing date from June 19, 2016 to September 30, 2016, co-terminous with the requirement in the Carryover Allocation Agreement for commencement of construction. Osprey has had to resubmit the building plans reflecting the change in design of the project from High-Rise to Mid-Rise 5 to 6 stories, and to obtain City of Miami's Zoning Board Approval for the redesign and for the reduction in required parking from the City of Miami. All such approvals have now been obtained, and the construction plans are 100% complete and are in the permitting process. Osprey believes there are no further impediments to closing the tax credit equity financing and the FHFC SAIL financing by September 30, 2016.
- d) On April 12, 2016, Notice of the Petition was published in the Florida Administrative Register in Volume 42, Number 71. To date, Florida Housing has received no comments concerning the Petition.
- e) Section 120.542(2), Florida Statutes provides in pertinent part:

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

3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rule 67-48.0072(4)(c) pertaining to the required closing date for a SAIL loan to permit extending the closing deadline, from June 19, 2016 to September 30, 2016.

MULTIFAMILY BONDS

Consent

IV. MULTIFAMILY BONDS

A. Request Approval of Change in Ownership for Gulfstream Apartments (1998 Series H / 2000-505C)

Development Name: Gulfstream Apartments	Location: Broward County
Development Owner: Reliance Housing Foundation, Inc.	Set-Asides: 50% @ 60% AMI MMRB 20.8% @ 50% AMI Housing Credits 79.2% @ 60% AMI Housing Credits
Funding Source: Multifamily Mortgage Revenue Bonds (MMRB) and 4% Housing Tax Credits (Housing Credits)	Amount: \$3,500,000 MMRB \$292,212 Housing Credits
Number of Units: 96	Type: Family

1. **Background**

- a) Florida Housing financed the acquisition and rehabilitation of the above referenced Development in 1998 with \$3,500,000 in tax exempt MMRB designated as 1998 Series H. In addition, \$292,212 in Housing Credits was allocated to this Development.

2. **Present Situation**

- a) On December 12, 2014, the Board approved the general partner ownership interest of Reliance Gulfstream Associates, Ltd. to be transferred from RHF Gulfstream, Inc. to Nonprofit Housing Preservation II, LLC, whose sole member is The Partnership, Inc. Subsequently, Nonprofit Housing Preservation II, LLC purchased the limited partner and special limited partner ownership interest. This merger resulted in Nonprofit Housing Preservation II, LLC becoming the new Borrower and 100% owner of Gulfstream Apartments.
- b) The Borrower has requested Florida Housing's consent to the change in ownership of Gulfstream Apartments. Seltzer Management Group, Inc. has reviewed this request and provided a recommendation ([Exhibit A](#)).

3. **Recommendation**

- a) Approve the change in ownership, subject to the conditions in the credit underwriting report, with further approval by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities as needed.

MULTIFAMILY BONDS

Consent

B. Request Approval of Credit Underwriting Report for Marcia Gardens (2015-107B / 2016-106H)

Development Name: Marcia Gardens	Location: Miami-Dade County
Applicant/Borrower: Marcia Gardens, LLC	Set-Asides: 15% @ 50% AMI (MMRN & Housing Credits) 85% @ 60% AMI (MMRN & Housing Credits) 20% of HOME assisted units @ 50% AMI (HOME) 80% of HOME assisted units @ 60% AMI (HOME)
Funding Source: Multifamily Mortgage Revenue Note (MMRN), HOME Investment Partnerships Program (HOME), and 4% Housing Tax Credits (Housing Credits)	Amount: \$15,500,000 MMRN \$4,500,000 HOME \$922,858 Housing Credits
Number of Units: 134	Demographic: Elderly

1. Background/Present Situation

- a) On September 4, 2015, Florida Housing issued a Request for Applications (RFA) 2015-110 for the Financing of Affordable Multifamily Housing Developments with HOME Funding to be used in Conjunction with Florida Housing-Issued Multifamily Mortgage Revenue Bond Financing and Non-Competitive Housing Credits.
- b) As required in RFA 2015-110, the Applicant submitted a Non-Competitive Application package requesting MMRN in the amount of \$8,500,000 and Housing Credits in the amount of \$492,647. Florida Housing approved a request to increase the total number of units from 70 to 134. The Applicant subsequently increased the MMRN request amount to \$15,500,000. In conjunction with the MMRN increase, the credit underwriter increased the Housing Credits recommendation.
- c) On December 11, 2015, the Board approved the final scores and recommendations for RFA 2015-110 and directed staff to proceed with all necessary credit underwriting activities.
- d) On January 13, 2015, staff issued an invitation to enter credit underwriting to the Applicant.
- e) Staff reviewed the credit underwriting report giving a positive recommendation for a HOME loan in the amount of \$4,500,000 and \$15,500,000 in Tax Exempt MMRN ([Exhibit B](#)). Staff finds that the development meets all of the requirements of RFA 2015-110 and the Non-Competitive Application.

MULTIFAMILY BONDS

Consent

2. **Recommendation**

- a) Approve the recommendation of the Credit Underwriter outlined in the final credit underwriting report, recommending and allocating \$15,500,000 in tax exempt MMRN and \$4,500,000 in HOME funding for the construction of the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

C. Request Approval of Credit Underwriting Report for Brookestone I (2014-120B / 2014-310S)

Development Name: Brookestone I	Location: Leon County
Applicant/Borrower: Brookestone I, L.P.	Set-Asides: 100% @ 60% AMI (MMRN & Housing Credits) 10% @ 33% AMI (SAIL and ELI) 90% @ 60% AMI (SAIL)
Funding Source: Multifamily Mortgage Revenue Note (MMRN), State Apartment Incentive Loan (SAIL), ELI Gap Funding (ELI) and 4% Housing Tax Credits (Housing Credits)	Amount: \$9,500,000 MMRN \$3,050,000 SAIL \$750,000 ELI \$652,979 Housing Credits
Number of Units: 108	Demographic: Elderly

1. Background/Present Situation

- a) On January 10, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-103 for the Financing of Affordable Multifamily Housing Developments with SAIL Funding to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) As required in RFA 2014-103, the Applicant submitted a Non-Competitive Application package requesting MMRN in the amount of \$6,000,000 and Non-Competitive Housing Credits in the amount of \$475,000. The Applicant subsequently increased the MMRN request amount to \$9,500,000. In conjunction with the MMRN increase, the credit underwriter increased the Housing Credits recommendation.
- c) On August 8, 2014, the Board approved the Final Order(s) allowing staff to proceed with invitations to credit underwriting and preliminary awards.
- d) On August 14, 2014, staff issued an invitation to enter credit underwriting to the Applicant.
- e) Staff reviewed the credit underwriting report giving a positive recommendation for a SAIL loan in the amount of \$3,050,000, ELI Gap funding in the amount of \$750,000, and \$9,500,000 in Tax Exempt MMRN ([Exhibit C](#)). Staff finds that the development meets all of the requirements of RFA 2014-103 and the Non-Competitive Application.

2. Recommendation

- a) Approve the recommendation of the Credit Underwriter outlined in the final credit underwriting report recommending and allocating \$9,500,000 in Tax Exempt MMRN, \$3,050,000 in SAIL funding, and \$750,000 in ELI Gap funding for the construction of the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

D. Request Approval of Credit Underwriting Report for Columbus Court (2016-187BS)

Development Name: Columbus Court	Location: Hillsborough County
Applicant/Borrower: SP CC Apartments LLC	Set-Asides: 100% @ 60% AMI (MMRN & Housing Credits) 10% @ 40% AMI (SAIL and ELI) 90% @ 60% AMI (SAIL)
Funding Source: Multifamily Mortgage Revenue Note (MMRN), State Apartment Incentive Loan (SAIL), ELI Gap Funding (ELI) and 4% Housing Tax Credits (Housing Credits)	Amount: \$12,200,000 MMRN \$3,175,000 SAIL \$789,900 ELI \$882,334 Housing Credits
Number of Units: 160	Demographic: Family

1. Background/Present Situation

- a) On October 9, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-112 for the 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 7, 2016, the Applicant entered credit underwriting at-risk.
- c) On March 18, 2016, the Board approved the Final Order(s) allowing staff to proceed with invitations to credit underwriting and preliminary awards.
- d) Staff reviewed the credit underwriting report giving a positive recommendation for a SAIL loan in the amount of \$3,175,000, ELI Gap funding in the amount of \$789,900, and \$12,200,000 in Tax Exempt MMRN ([Exhibit D](#)). Staff finds that the development meets all of the requirements of RFA 2015-112.

2. Recommendation

- a) Approve the recommendation of the Credit Underwriter outlined in the final credit underwriting report recommending and allocating \$12,200,000 in Tax Exempt MMRN, \$3,175,000 in SAIL funding, and \$789,900 in ELI Gap funding for the rehabilitation of the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

E. Request Approval of the Method of Bond (Note) Sale Recommendation from Florida Housing's Independent Registered Municipal Advisor and Assignment of Loan Placement Agent

1. Background

- a) Pursuant to staff's request for approval to issue 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. A brief description 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 structures by the Independent Registered Municipal Advisor (IRMA) in order to make recommendation to the Board for the method of note execution and delivery for the developments. Caine Mitter and Associates Incorporated has prepared an analysis and recommendation for the method of note execution and delivery for the Developments. The recommendation letters are attached as Exhibit E through G.

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 method of note execution and delivery, 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
Marcia Gardens	Miami-Dade County	134	Note Placement	RBC Capital Markets, LLC	Exhibit E
Brookestone I	Leon County	108	Note Placement	RBC Capital Markets, LLC	Exhibit F
Columbus Court	Hillsborough County	160	Note Placement	RBC Capital Markets, LLC	Exhibit G

MULTIFAMILY PROGRAMS

Consent

V. MULTIFAMILY PROGRAMS

A. Request for Waiver of RFA Requirement for Protected Harbor Home II (2015-271G)

Development Name: Protected Harbor Home II (“Development”)	Location: Lee County
Applicant/Borrower: Protected Harbor, Inc.	Set-Aside: 33% @ 40% AMI and 67% @ 60% AMI
Number of Bedrooms: 6	Grant Amount: \$392,000
Demographic: Persons with Developmental Disabilities	

1. Background/Present Situation

- a) On August 14, 2015, Florida Housing Finance Corporation issued Request for Applications (RFA) 2015-105 for Financing To Build Smaller Permanent Supportive Housing Properties For Persons With Developmental Disabilities.
- b) On December 11, 2015, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities. On December 17, 2015, staff issued a letter of preliminary award to the Applicant, which included the required due diligence items outlined in the RFA to be met before the Applicant can enter credit underwriting. The Applicant met all of the requirements by the deadline set forth in the letter, except for providing Florida Housing’s Verification that the Development is Consistent with Zoning and Land Use Regulations form. The Applicant has demonstrated that the development is properly zoned via a Resolution of The Board of County Commissioners of Lee County specific to the development, however Lee County’s procedures dictate that they will not sign other agency’s forms.
- c) On April 15, 2016, the Applicant submitted a request to waive the RFA requirement of the Verification that the Development is Consistent with Zoning and Land Use Regulations form, and for Florida Housing to accept the Resolution that has been submitted timely in lieu of the form.

2. Recommendation

- a) Approve a waiver of the RFA requirement to submit the Verification that the Development is Consistent with Zoning and Land Use Regulations form and allow the Applicant to proceed with credit underwriting.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

VI. PREDEVELOPMENT LOAN PROGRAM (PLP)

- A. Request Approval of PLP Loan for Habitat for Osprey Apartments, LLC/Carrfour Supportive Housing, Inc., a not-for-profit entity, for Liberty Village (2016-003P-09)

DEVELOPMENT NAME ("Development"):	Liberty Village
APPLICANT/DEVELOPER ("Developer"):	Osprey Apartments, LLC/Carrfour Supportive Housing, Inc.
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	60 rental units
LOCATION ("County"):	Miami-Dade County
TYPE:	Veterans
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$500,000
ADDITIONAL COMMENTS:	

1. **Background**

- a) On February 15, 2016, the Developer submitted a PLP application for Liberty Village.
- b) On February 16, 2016, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

2. **Present Situation**

- a) On April 8, 2016, 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 \$500,000.
- 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 \$500,000 to Osprey Apartments, LLC/Carrfour Supportive Housing, Inc. for Liberty Village and allow staff to commence with the loan closing process.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

VII. PROFESSIONAL SERVICES SELECTION (PSS)

A. Renewal for Contracts Providing Credit Underwriting, Construction and Permanent Loan Servicing, and Compliance Monitoring Services

1. Background

- a) At the July 2011 meeting, the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with the following firms for Credit Underwriting, Construction and Permanent Loan Servicing, and Compliance Monitoring Services:
 - (1) Amerinational Community Services, Inc.
 - (2) First Housing Development Corporation of Florida
 - (3) Seltzer Management Group, Inc.
- b) The initial four year term of this contract began for each of these firms in December 2011. Contingent upon these firms satisfactorily performing its obligations under the contract as determined by Florida Housing, these contracts may be renewed twice for an additional one year period. There is one optional renewal term remaining.

2. Present Situation

- a) Florida Housing staff supports a renewal to extend the term of the contracts for the second and final one year period.

3. Recommendation

- a) Staff believes that it is in the best interest of Florida Housing to continue to retain all three firms pursuant to the existing contract and recommends the Board direct staff to proceed with the final one year renewal option.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

VIII. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Loan Closing Extension for Le Jeune Gardens (2015-224S)

Development Name: Le Jeune Gardens ("Development")	Location: Miami-Dade
Applicant/Borrower: Spinal Cord Living Assistance Development, Inc. (SCLAD)	Set-Aside: 25% @ 40% AMI and 75% @60% AMI
Demographic/Number of Units: Adult persons with Special Needs/18 Units	Requested Amounts: SAIL: \$3,420,000 ELI Gap Loan: \$352,600
Development Category/Type: New Construction/Garden Apartments	

1. Background/Present Situation

- a) On January 9, 2015, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2015-101 for SAIL Financing for Smaller Permanent Supportive Housing Developments for Persons with Special Needs.
- b) On March 20, 2015, 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 22, 2015, subsequent to Board approval of a Final Order pertaining to petition(s) received regarding the scoring of the RFA, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Spinal Cord Living Assistance Development, Inc. (SCLAD).
- d) On March 21, 2016, staff received a request from the Applicant for an extension of the loan closing deadline of June 22, 2016 ([Exhibit A](#)), which will allow additional time to complete the credit underwriting process. Specifically, unexpectedly high construction bids (especially related to the decked parking facility) resulted in the Applicant having to modify the plans and specs and re-bid the project which is expected to be completed within the next two months. Per the RFA, the loan must close within 12 months of the date of the invitation to enter credit underwriting. Applicants may request one (1) extension of up to 12 months related to the loan closing. Staff has reviewed the request and finds that the development meets all of the requirements of the RFA.

2. Recommendation

- a) Approve the request to extend the loan closing deadline from June 22, 2016 to June 22, 2017, subject to payment of the required extension fee of one percent of each loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval of Loan Closing Extension for Oasis at Renaissance Preserve (2014-421S)

Development Name: Oasis at Renaissance Preserve (“Development”)	Location: Lee County
Applicant/Borrower: Oasis at Renaissance Preserve I LP	Set-Asides: 10% @ 40% AMI and 90% @ 60% AMI
Demographic/Number of Units: Elderly ALF/100	Requested Amounts: \$2,489,000 SAIL, \$207,500 ELI \$928,312 4% HC
Development Category/Type: Redevelopment/Mid-Rise (4 stories)	MMRB: \$11,000,000 (Local - HFALC)

1. Background/Present Situation

- a) On August 25, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-111 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 12, 2014, the Board approved the final scores and recommendations and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 19, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Oasis at Renaissance Preserve I LP.
- d) On December 11, 2015, the Board approved the final credit underwriting report and directed staff to proceed with a firm loan commitment and loan closing activities. The Board also approved a request from the Applicant to extend the loan closing deadline from December 21, 2015 to December 21, 2016 to allow additional time to complete the credit underwriting process. Per the RFA, the Applicant may request one extension of up to 12 months from the date of the invitation to enter credit underwriting.
- e) On December 14, 2015, staff issued a firm loan commitment for funding to Oasis at Renaissance Preserve I LP. Per the RFA, the loan must close within 180 calendar days of the firm commitment, which is June 13, 2016.
- f) On April 9, 2016, staff received a request from the Applicant for an extension of the firm commitment closing deadline ([Exhibit B](#)). The simultaneous bond issue closing with the Lee County Housing Finance Authority has been delayed due to potential changes in the final commitment with one of the lenders to the financing. Per the RFA, a request for an extension of the firm loan commitment may be considered by the Board for an extension term of up to 90 Calendar Days. The required extension fee of one half of one percent of each loan amount will be paid at such time the loan closing occurs after the June 13, 2016 deadline. However, if the loan closing occurs before the deadline, the extension fee will not be required. Staff has reviewed the request 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 firm commitment closing deadline from June 13, 2016 to September 12, 2016, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

C. Request Approval of Loan Closing Extension for Timber Ridge at Sanders Pines Reserve (2015-107S)

Development Name: Timber Ridge at Sanders Pines Reserve (“Development”)	Location: Collier County
Applicant/Borrower: Oak Marsh, LLC	Set-Asides: 2% @ 33%, 78% @ 50%, 20% @ 60% AMI
Demographic/Number of Units: Farmworker/75	Requested SAIL Amount: \$2,215,000 Existing SAIL to be restructured: \$500,000 plus accrued interest
Development Category/Type: Acquisition and Rehabilitation/Garden Apartments	

1. Background/Present Situation

- a) On December 19, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-117 for SAIL Funding to Preserve Farmworker and Commercial Fishing Worker Housing.
- b) On March 20, 2015, the Board approved the final scores and recommendations for RFA 2014-117, and directed staff to proceed with all necessary credit underwriting activities.
- c) On March 26, 2015, staff issued a preliminary commitment letter and invitation to enter credit underwriting to Oak Marsh, LLC. Per the RFA and stated in the invitation to enter credit underwriting, the loan must close within 12 months of the date of the invitation to enter credit underwriting. The Board approved a 12 month extension on March 18, 2016 extending the deadline to March 28, 2017.
- d) On January 29, 2016, the Board approved the final credit underwriting report and directed staff to proceed with a firm loan commitment and closing activities. Staff issued a firm loan commitment for funding on February 1, 2016. Per the RFA, the loan must close within 120 calendar days of the firm commitment, which is May 31, 2016. A request for an extension of the firm loan commitment closing deadline may be considered by the Board for an extension term of up to 90 Calendar Days.
- e) On April 15, 2016, staff received a request from the Applicant for an extension of the firm commitment loan closing deadline ([Exhibit C](#)), due to certain anomalies to the title and issues related to the assumption of the existing SAIL loans. The required extension fee of one-half of one percent of each loan amount will be paid at such time the loan closing occurs after the May 31, 2016 deadline. However, if the loan closing occurs before the deadline, the extension fee will not be required. Staff has reviewed the request and finds that the development meets all of the requirements of the RFA.

2. Recommendation

- a) Approve the request to extend the firm commitment loan closing deadline from May 31, 2016 to August 29, 2016, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

D. Request Approval of Loan Closing Extension for Mount Carmel Gardens (2014-423S)

Development Name: Mount Carmel Gardens (“Development”)	Location: Duval County
Applicant/Borrower: MCG Senior Apartments, Ltd.	Set-Aside: 15% @ 33% AMI and 85% @ 60% AMI
Demographic/Number of Units: Elderly Transformative Preservation /207	Requested Amounts: SAIL \$4,010,087, ELI Gap Loan \$1,968,900, 4% HC \$611,874
Development Category/Type: Acquisition and Elderly Transformative Preservation/High Rise	MMRB: \$9,750,000 (Local - JHFA)

1. Background/Present Situation

- a) On August 25, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-111 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 12, 2014, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 19, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to MCG Senior Apartments, LLC.
- d) On March 20, 2015, the Board approved the Applicant’s request to change its name from MCG Senior Apartments, LLC to MCG Senior Apartments, Ltd.
- e) On December 11, 2015, the Board approved the final credit underwriting report and directed staff to proceed with the issuance of a firm loan commitment and loan closing activities. The Board also approved a request to extend the loan closing deadline from December 21, 2015 to December 21, 2016 in order to allow additional time to complete the credit underwriting process. Per the RFA, the Applicant may request one extension of up to 12 months from the date of the invitation to enter credit underwriting.
- f) On December 14, 2015, staff issued a firm loan commitment for funding to MCG Senior Apartments, Ltd. Per the RFA, the loan must close within 180 calendar days of the firm commitment, which is June 13, 2016. A request for an extension of the firm loan commitment may be considered by the Board for an extension term of up to 90 Calendar Days.
- g) On April 14, 2016, staff received a request from the Applicant for a 90 day extension of the firm loan commitment closing deadline ([Exhibit D](#)). The extension will allow additional time to close the loan after the long-term HAP contract has been received from HUD. Staff has reviewed this request 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 firm loan commitment closing deadline from June 13, 2016 to September 12, 2016, subject to payment of the required extension fee of one-half of one percent of each loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

E. Request Approval of Loan Closing Extension for Grove Park Apartments (2014-301S)

Development Name: Grove Park Apartments (“Development”)	Location: St. Lucie County
Applicant/Borrower: Lennard Road Partners, Ltd.	Set-Aside: 10% @ 40% AMI and 70% @ 60% AMI
Demographic/Number of Units: Family/210	Requested Amounts: SAIL: \$4,200,000, ELI Gap loan \$1,575,000, 4% HC \$1,372,237
Development Category/Type: New Construction/Garden Apartments	MMRB: \$18,000,000 (Local – STLCHF)

1. Background/Present Situation

- a) On January 10, 2014, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2014-103 for Financing of Affordable Multifamily Housing Developments with SAIL Funding to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On August 8, 2014, the Board approved the final scores and recommendations for the RFA, and directed staff to proceed with all necessary credit underwriting activities.
- c) On August 14, 2014, staff issued a preliminary commitment letter and an invitation to enter credit underwriting to Lennard Road Partners, Ltd. Per the RFA and stated in the invitation, the loan must close within 12 months of the date of the invitation to enter credit underwriting. The Board approved a 12 month extension on August 7, 2015, extending the deadline to August 14, 2016.
- d) On March 20, 2015, the Board approved the final credit underwriting report and directed staff to proceed with a firm loan commitment and loan closing activities. Staff issued a firm loan commitment for funding on March 23, 2015. Per the RFA, the loan must close within 180 calendar days of the firm commitment, which is September 21, 2015. A request for an extension of the firm loan commitment may be considered by the Board for an extension term of up to 90 Calendar Days.
- e) On September 18, 2015, the Board approved a request from the Applicant to extend the loan closing deadline from September 21, 2015 to December 20, 2015.
- f) On December 11, 2015, the Board approved an additional request from the Applicant to extend the loan closing deadline from December 20, 2015 to March 18, 2016.
- g) On March 18, 2016, the Board approved an additional request from the Applicant to extend the loan closing deadline from March 18, 2016 to June 16, 2016.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

- h) On April 18, 2016, staff received a request from the Applicant for an additional extension of the firm commitment closing deadline ([Exhibit E](#)). The extension will allow additional time to close the loan after lien free completion, which is expected in May 2016. Staff has reviewed the request and finds that the development meets all of the requirements of the RFA.

2. **Recommendation**

- a) Approve the request to extend the firm commitment loan closing deadline from June 16, 2016 to August 14, 2016, pursuant to the requirements of the RFA.