

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
September 10, 2021
Consent Items



COMMUNITY DEVELOPMENT BLOCK GRANT-DISASTER RELIEF (CDBG-DR)

Consent

I. COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RELIEF (CDBG-DR)

A. Request Approval of CDBG-DR and Non-Competitive Housing Credits Credit Underwriting Update Letter for Blue Sky Landing (2020-033D)

Development Name: Blue Sky Landing	Location: Saint Lucie County
Applicant/Borrower: Blue McNeil One, LLC.	Set-Aside(s): 90% @ 80% AMI (Workforce) 10% @ 35% AMI (ELI) 50% of ELI Units or 5% of Total Units (LINK)
Developer/Principal: Blue BSL Developer, LLC.	Demographic/Number of Units: Disaster Relief/Workforce/82 units
Requested Amounts (Development Funding): Community Development Block Grant – Disaster Relief (CDBG-DR): \$8,000,000 Non-Competitive Housing Credits: \$1,007,055 annually	Development Category/Type: New Construction/Mid-Rise, 4-stories

1. Background/Present Situation

- a) On July 30, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-102 for Community Development Block Grant – Disaster Recovery to be used in conjunction with Tax-Exempt MMRB and Non-Competitive Housing Credits in Counties Deemed Hurricane Recovery Priorities.
- b) On April 17, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities for the thirteen (13) eligible Applicants.
- c) On April 23, 2020, staff issued a preliminary commitment letter. In accordance with the RFA, the Developer has an April 23, 2021 deadline to complete the credit underwriting report and be issued a firm loan commitment.
- d) On March 12, 2021, the Board approved the final credit underwriting report (CUR) with a positive recommendation for a CDBG-DR loan in the amount of \$8,000,000 and Non-Competitive Housing Credits annually in the amount of \$1,007,055.
- e) On July 28, 2021, the developer requested an increase in the construction loan from \$10,450,000 to \$11,250,000 in order to provide additional cushion for the 50% Tax Exempt Bond test. St. Lucie HFA approved this increase on July 14, 2021.

COMMUNITY DEVELOPMENT BLOCK GRANT-DISASTER RELIEF (CDBG-DR)

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- f) On September 1, 2021, staff received a final credit underwriting update letter recommending the increase to the MMRB to a maximum amount of \$11,250,000 and extending the CDBG-DR loan term to 28.5 years ([Exhibit A](#)). Per the letter this request will not adversely impact the transaction and/or Florida Housing's security position.

2. Recommendation

- a) Approve the final credit underwriting update letter to increase the MMRB first mortgage amount, extend the CDBG-DR loan term, and direct staff to continue with loan closing activities and conditions as stated in the CUR, subject to further approvals and verifications by the Credit Underwriter, Special Counsel and the appropriate Florida Housing Staff.

COMMUNITY DEVELOPMENT BLOCK GRANT-DISASTER RELIEF (CDBG-DR)

Consent

B. Request RFA Waiver Approval of Second Extension of Firm Loan Commitment Issuance Deadline and Waiver of CDBG-DR Extension Fees for Brownsville Transit Village V (2020-023BD)

Development Name: Brownsville Transit Village V	Location: Miami-Dade County
Applicant/Borrower: Brownsville Village V, Ltd.	Set-Aside(s): 90% @ 80% AMI (Workforce) 10% @ 28% AMI (ELI) 50% of ELI Units or 5% of Total Units (LINK)
Developer/Principal: APC Brownsville Village V Development, LLC.	Demographic/Number of Units: Disaster Relief/Workforce/120 units
Requested Amounts (Development Funding): Community Development Block Grant – Disaster Relief (CDBG-DR): \$3,900,000 Non-Competitive Housing Credits: \$835,732 annually Multifamily Mortgage Revenue Bonds: \$12,350,000	Development Category/Type: New Construction/High Rise

1. Background/Present Situation

- a) On July 30, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-102 for Community Development Block Grant – Disaster Recovery to be used in conjunction with Tax-Exempt MMRB and Non-Competitive Housing Credits in Counties Deemed Hurricane Recovery Priorities.
- b) On April 17, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities for the thirteen (13) eligible Applicants.
- c) On April 27, 2020, staff issued a preliminary commitment letter. In accordance with the RFA, the Developer had a May 4, 2021 deadline to complete the credit underwriting report and be issued a firm loan commitment. Pursuant to the RFA, the Applicant may request one extension of the deadline of up to six months.
- d) On March 12, 2021, the Board approved the extension of the first firm loan commitment deadline through November 4, 2021 and waiver of applicable CDBG-DR extension fees due to conditions created by the COVID-19 pandemic.
- e) On August 5, 2021, the Applicant requested a second six-month extension of the first firm loan commitment deadline through May 4, 2022 and waiver of applicable CDBG-DR extension fees due to the COVID-19 pandemic's continuing impact on the construction industry ([Exhibit B](#)). Factors contributing to the request include a delay in awarding Surtax funds and a delay in the approval of the FHA 221(d)(4) gap financing.

COMMUNITY DEVELOPMENT BLOCK GRANT-DISASTER RELIEF (CDBG-DR)

Consent

2. **Recommendation**

- a) Approve the second request to allow an additional six months to complete the credit underwriting report and issue a firm loan commitment, as well as waive applicable extension fees.

COMMUNITY DEVELOPMENT BLOCK GRANT-DISASTER RELIEF (CDBG-DR)

Consent

C. Request Approval of CDBG-DR and Non-Competitive Housing Credits Credit Underwriting Report and Change in Developer Entity Structure for East Pointe Place Phase Two (2020-053D)

Development Name: East Pointe Place Phase Two	Location: Lee County
Applicant/Borrower: East Pointe Place Phase Two, LLC.	Set-Aside(s): 90% @ 80% AMI (Workforce) 10% @ 33% AMI (ELI) 50% of ELI Units or 5% of Total Units (LINK)
Developer/Principal: East Pointe Place Phase Two Developer, LLC.	Demographic/Number of Units: Disaster Relief/Workforce/90 units
Requested Amounts (Development Funding): Community Development Block Grant – Disaster Relief (CDBG-DR): \$4,680,000 Non-Competitive Housing Credits: \$1,119,312 annually	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation

- a) On July 30, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-102 for Community Development Block Grant – Disaster Recovery to be used in conjunction with Tax-Exempt MMRB and Non-Competitive Housing Credits in Counties Deemed Hurricane Recovery Priorities.
- b) On April 17, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities for the thirteen (13) eligible Applicants.
- c) On April 23, 2020, staff issued a preliminary commitment letter. In accordance with the RFA, the Developer has an April 28, 2021 deadline to complete the credit underwriting report and be issued a firm loan commitment. Pursuant to the RFA the Applicants may request one extension of the deadline of up to six months.
- d) On March 12, 2021, the Board approved the extension of the first firm loan commitment deadline through October 28, 2021 and waiver of applicable CDBG-DR extension fees due to conditions created by the COVID-19 pandemic.
- e) On September 2, 2021, staff received a final credit underwriting report with a positive recommendation for a CDBG-DR loan in the amount of \$4,680,000 and Non-Competitive Housing Credits annually in the amount of \$1,119,312 and change in Developer Entity Structure ([Exhibit C](#)). Staff has reviewed this report and finds that the Development meets the requirements of the RFA.

COMMUNITY DEVELOPMENT BLOCK GRANT-DISASTER RELIEF (CDBG-DR)

Consent

2. Recommendation

- a) Approve the final credit underwriting report and change in Developer Entity Structure and direct staff to proceed with issuance of a firm loan commitment and loan closing activities subject to further approvals and verifications by the Credit Underwriter, Special Counsel and the appropriate Florida Housing Staff. Also, approving the change in Developer Entity Structure.

COMMUNITY DEVELOPMENT BLOCK GRANT-DISASTER RELIEF (CDBG-DR)

Consent

D. Request RFA Waiver Approval of Second Firm Loan Commitment Issuance Deadline and Waiver of CDBG-DR Extension Fees for Eleven44 (2020-008D)

Development Name: Eleven44	Location: Miami-Dade County
Applicant/Borrower: Housing Authority of the City of Miami Beach	Set-Aside(s): 90% @ 80% AMI (Workforce) 10% @ 28% AMI (ELI) 50% of ELI Units or 5% of Total Units (LINK)
Developer/Principal: Housing Authority of the City of Miami Beach	Demographic/Number of Units: Disaster Relief/Workforce/22 units
Requested Amounts (Development Funding): Community Development Block Grant – Disaster Relief (CDBG-DR): \$3,299,999	Development Category/Type: New Construction/Mid-Rise, 4 stories

1. Background/Present Situation

- a) On July 30, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-103 for Community Development Block Grant – Disaster Recovery Financing to be used for Small Rental Developments in Areas Deemed Hurricane Recovery Priorities.
- b) On February 4, 2020, Florida Housing received a letter from Baxley Gardens, (Application Number 2020-012D) stating that due to higher-than-expected costs, it was not able to proceed with the proposed Development and it would be returning \$3,944,000 in CDBG-DR funding. This returned funding combined with the remaining balance of \$1,142,800, meant that there was \$5,086,800 of unallocated CDBG-DR funding.
- c) On March 6, 2020, the Board authorized Florida Housing to issue an invitation to credit underwriting to the highest-ranking Application that can be fully funded, using the selection criteria outlined in Section Five of the RFA.
- d) On March 23, 2020, staff issued a preliminary commitment letter. In accordance with the RFA, the Developer had a March 24, 2021 deadline to complete the credit underwriting report and be issued a firm loan commitment. Pursuant to the RFA, the Applicant may request one extension of the deadline of up to six months.
- e) On March 12, 2021, the Board approved the extension of the first firm loan commitment deadline through September 24, 2021 and waiver of applicable CDBG-DR extension fees due to conditions created by the COVID-19 pandemic.
- f) On August 10, 2021, the Applicant requested a second six-month extension of the first firm loan commitment deadline through March 24, 2022 and waiver of applicable CDBG-DR extension fees. The reasons for an extension are due to a significant delay in securing the required development approvals from the Miami Beach Historic Preservation Board for this project, as the project site is in a newly designated local historic district and the COVID-19 pandemic's continuing impact on the construction industry increased costs ([Exhibit D](#)).

COMMUNITY DEVELOPMENT BLOCK GRANT-DISASTER RELIEF (CDBG-DR)

Consent

2. **Recommendation**

- a) Approve the second request to allow an additional six months to complete the credit underwriting report and issue a firm loan commitment, as well as waive applicable CDBG-DR extension fees.

COMMUNITY DEVELOPMENT BLOCK GRANT-DISASTER RELIEF (CDBG-DR)

Consent

E. Request Approval of CDBG-DR and Non-Competitive Housing Credits Credit Underwriting Report for Metro Grande III (2020-041D)

Development Name: Metro Grande III	Location: Miami-Dade County
Applicant/Borrower: Metro Grande III Associates, Ltd.	Set-Aside(s): 90% @ 80% AMI (Workforce) 10% @ 28% AMI (ELI) 50% of ELI Units or 5% of Total Units (LINK)
Developer/Principal: Cornerstone Group Partners, LLC.	Demographic/Number of Units: Disaster Relief/Workforce/84 units
Requested Amounts (Development Funding): Community Development Block Grant – Disaster Relief (CDBG-DR): \$3,175,000 Non-Competitive Housing Credits: \$1,524,816 annually	Development Category/Type: New Construction/High Rise

1. Background/Present Situation

- a) On July 30, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-102 for Community Development Block Grant – Disaster Recovery to be used in conjunction with Tax-Exempt MMRB and Non-Competitive Housing Credits in Counties Deemed Hurricane Recovery Priorities.
- b) On April 17, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities for the thirteen (13) eligible Applicants.
- c) On April 23, 2020, staff issued a preliminary commitment letter. In accordance with the RFA, the Developer has an April 24, 2021 deadline to complete the credit underwriting report and be issued a firm loan commitment. Pursuant to the RFA, the Applicant may request one extension of the deadline of up to six months.
- d) On March 12, 2021, the Board approved the extension of the first firm loan commitment deadline through October 28, 2021 and waiver of applicable CDBG-DR extension fees due to conditions created by the COVID-19 pandemic.
- e) On September 2, 2021, staff received a final credit underwriting report with a positive recommendation for a CDBG-DR loan in the amount of \$3,175,000 and Non-Competitive Housing Credits annually in the amount of \$1,524,816 ([Exhibit E](#)). Staff has reviewed this report and finds that the Development meets the requirements of the RFA.

2. Recommendation

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

COMMUNITY DEVELOPMENT BLOCK GRANT-DISASTER RELIEF (CDBG-DR)*Consent***F. Request RFA Waiver Approval of Second Extension of Firm Loan Commitment Issuance Deadline and Waiver of CDBG-DR Extension Fees for Northside Transit Village III (2020-024BD)**

Development Name: Northside Transit Village III	Location: Miami-Dade County
Applicant/Borrower: Northside Property III, Ltd.	Set-Aside(s): 90% @ 80% AMI (Workforce) 10% @ 28% AMI (ELI) 50% of ELI Units or 5% of Total Units (LINK)
Developer/Principal: Northside Property III Development, LLC.	Demographic/Number of Units: Disaster Relief/Workforce/200 units
Requested Amounts (Development Funding): Community Development Block Grant – Disaster Relief (CDBG-DR): \$7,300,000 Non-Competitive Housing Credits: \$1,588,014 annually Multifamily Mortgage Revenue Bonds: \$24,000,000	Development Category/Type: New Construction/High Rise

1. Background/Present Situation

- a) On July 30, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-102 for Community Development Block Grant – Disaster Recovery to be used in conjunction with Tax-Exempt MMRB and Non-Competitive Housing Credits in Counties Deemed Hurricane Recovery Priorities.
- b) On April 17, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities for the thirteen (13) eligible Applicants.
- c) On April 27, 2020, staff issued a preliminary commitment letter. In accordance with the RFA, the Developer had a May 4, 2021 deadline to complete the credit underwriting report and be issued a firm loan commitment. Pursuant to the RFA, the Applicant may request one extension of the deadline of up to six months.
- d) On March 12, 2021, the Board approved the extension of the first firm loan commitment deadline through November 4, 2021 and waiver of applicable CDBG-DR extension fees due to conditions created by the COVID-19 pandemic.
- e) On August 5, 2021, the Applicant requested a second six-month extension of the first firm loan commitment deadline through May 4, 2022, and waiver of applicable CDBG-DR extension fees due to the COVID-19 pandemic's continuing impact on the construction industry ([Exhibit F](#)). Factors contributing to the request include a delay in awarding Surtax funds, a delay in the approval of the FHA 221(d)(4) gap financing and a delay in approving the Administrative Site Plan Review which is typically needed in order to proceed with construction drawings."

COMMUNITY DEVELOPMENT BLOCK GRANT-DISASTER RELIEF (CDBG-DR)

Consent

2. **Recommendation**

- a) Approve the second request to allow an additional six months to complete the credit underwriting report and issue a firm loan commitment, as well as waive applicable CDBG-DR extension fees.

COMMUNITY DEVELOPMENT BLOCK GRANT-DISASTER RELIEF (CDBG-DR)

Consent

G. Request Approval of CDBG-DR Credit Underwriting Report for Seahorse Cottages at Big Pine Key (2020-002D)

Development Name: Seahorse Cottages at Big Pine Key	Location: Monroe County
Applicant/Borrower: Seahorse Cottages, Big Pine Key, LLC	Set-Aside(s): 100% @ 80% AMI (Workforce) 10% @ 25% AMI (ELI) 50% of ELI Units or 5% of Total Units (LINK)
Developer/Principal: Rural Neighborhoods Incorporated/JCG Real Estate Ventures, LLC/ Steven Kirk	Demographic/Number of Units: Disaster Relief/Workforce/17 units
Requested Amounts: Community Development Block Grant – Disaster Relief (CDBG-DR) \$4,500,733 (Development Funding); \$1,970,000 (Land Acquisition)	Development Category/Type: New Construction/Single Family Homes

1. Background/Present Situation

- a) On July 2, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-101 for Community Development Block Grant – Disaster Recovery Financing for Workforce Housing for Hurricane Recovery in Monroe County.
- b) On September 20, 2019, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities for the four (4) eligible Applicants.
- c) On October 1, 2019, staff issued a preliminary commitment letter. In accordance with the RFA, the Developers had an October 1, 2020 deadline to complete the credit underwriting report and be issued a firm loan commitment. Pursuant to the RFA the Applicants may request one extension of the deadline of up to six months.
- d) At the September 2020 Board meeting staff received a request and the Board approved an extension of the October 1, 2020 firm loan commitment deadline for six months until April 1, 2021.
- e) On February 1, 2021, staff received a request from the developer to waive the RFA requirement and grant an additional six-month extension on the firm loan commitment deadline until October 1, 2021, due to conditions created by the COVID-19 pandemic. They also requested a waiver of the extension fee. Both requests were approved at the March 12, 2021 Board Meeting.
- f) On August 31, 2021, staff received a final credit underwriting report with a positive recommendation for a CDBG-DR loan in the total amount of \$6,470,733, including \$4,500,733 in development funding and \$1,970,000 in land acquisition funding ([Exhibit G](#)). Staff has reviewed this report and finds that the Development meets the requirements of the RFA.

COMMUNITY DEVELOPMENT BLOCK GRANT-DISASTER RELIEF (CDBG-DR)

Consent

2. Recommendation

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

COMMUNITY DEVELOPMENT BLOCK GRANT-DISASTER RELIEF (CDBG-DR)

Consent

H. Request Approval of CDBG-DR Credit Underwriting Report for Seahorse Cottages at Big Pine Key II (2020-447D)

Development Name: Seahorse Cottages at Big Pine Key II	Location: Monroe County
Applicant/Borrower: Seahorse Cottages, Big Pine Key, LLC	Set-Aside(s): 100% @ 80% AMI (Workforce) 10% @ 25% AMI (ELI) 50% of ELI Units or 5% of Total Units (LINK)
Developer/Principal: Rural Neighborhoods Incorporated/JCG Real Estate Ventures, LLC/ Steven Kirk	Demographic/Number of Units: Disaster Relief/Workforce/9 units
Requested Amounts: Community Development Block Grant – Disaster Relief (CDBG-DR) \$2,277,000 (Development Funding); \$990,000 (Land Acquisition)	Development Category/Type: New Construction/Single Family Homes

1. Background/Present Situation

- a) On January 7, 2020, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2020-302 for Community Development Block Grant – Disaster Recovery in Monroe County.
- b) On April 17, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities for the three (3) eligible Applicants.
- c) On April 23, 2020, staff issued a preliminary commitment letter. In accordance with the RFA, the Developers had an April 29, 2021 deadline to complete the credit underwriting report and be issued a firm loan commitment. Pursuant to the RFA the Applicants may request one extension of the deadline of up to six months.
- d) On February 8, 2021, staff received a request from the Applicant to extend the April 29, 2021 firm loan commitment deadline for six months until October 29, 2021 due to conditions created by the COVID-19 pandemic. They also requested a waiver of the extension fee. Both requests were approved at the March 12, 2021 Board Meeting.
- e) On August 31, 2021, staff received a final credit underwriting report with a positive recommendation for a CDBG-DR loan in the total amount of \$3,267,000, including \$2,277,000 in development funding and \$990,000 in land acquisition funding ([Exhibit H](#)). Staff has reviewed this report and finds that the Development meets the requirements of the RFA.

2. Recommendation

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

COMMUNITY DEVELOPMENT BLOCK GRANT-DISASTER RELIEF (CDBG-DR)

Consent

I. Request RFA Waiver Approval of Second Extension of Firm Loan Commitment Issuance Deadline and Waiver of CDBG-DR Extension Fees for Solaris Apartments (2020-039D)

Development Name: Solaris Apartments	Location: Broward County
Applicant/Borrower: Solaris Apartments, Ltd.	Set-Aside(s): 90% @ 80% AMI (Workforce) 10% @ 28% AMI (ELI) 50% of ELI Units or 5% of Total Units (LINK)
Developer/Principal: Cornerstone Group Partners, LLC.; Residential Options of Florida, Inc.	Demographic/Number of Units: Disaster Relief/Workforce/78 units
Requested Amounts (Development Funding): Community Development Block Grant – Disaster Relief (CDBG-DR): \$7,920,000 (\$3,420,000 development funding and \$4,500,000 for site acquisition) Non-Competitive Housing Credits: \$937,232 annually	Development Category/Type: New Construction/High Rise

1. Background/Present Situation

- a) On July 30, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-102 for Community Development Block Grant – Disaster Recovery to be used in conjunction with Tax-Exempt MMRB and Non-Competitive Housing Credits in Counties Deemed Hurricane Recovery Priorities.
- b) On April 17, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities for the thirteen (13) eligible Applicants.
- c) On April 23, 2020, staff issued a preliminary commitment letter. In accordance with the RFA, the Developers has an April 23, 2021 deadline to complete the credit underwriting report and be issued a firm loan commitment. Pursuant to the RFA, the Applicant may request one extension of the deadline of up to six months.
- d) On March 12, 2021, the Board approved the extension of the first firm loan commitment deadline through October 23, 2021 and waiver of applicable CDBG-DR extension fees due to conditions created by the COVID-19 pandemic.
- e) On August 16, 2021, the Applicant requested a second six-month extension of the first firm loan commitment deadline through April 23, 2022 and waiver of applicable CDBG-DR extension fees due to the COVID-19 pandemic's continuing impact on the construction industry ([Exhibit I](#)).

COMMUNITY DEVELOPMENT BLOCK GRANT-DISASTER RELIEF (CDBG-DR)

Consent

2. **Recommendation**

- a) Approve the second request to allow an additional six months to complete the credit underwriting report and issue a firm loan commitment, as well as waive applicable CDBG-DR extension fees.

COMMUNITY DEVELOPMENT BLOCK GRANT-DISASTER RELIEF (CDBG-DR)

Consent

J. Request Approval of CDBG-DR Credit Underwriting Report for The Avenues at Big Pine Key (2020-448D)

Development Name: The Avenues at Big Pine Key	Location: Monroe County
Applicant/Borrower: The Avenues at Big Pine Key, LLC	Set-Aside(s): 100% @ 80% AMI (Workforce) 10% @ 25% AMI (ELI) 50% of ELI Units or 5% of Total Units (LINK)
Developer/Principal: Rural Neighborhoods Incorporated/JCG Real Estate Ventures, LLC/ Steven Kirk	Demographic/Number of Units: Disaster Relief/Workforce/5 units
Requested Amounts: Community Development Block Grant – Disaster Relief (CDBG-DR) \$1,340,000 (Development Funding); \$541,000 (Land Acquisition)	Development Category/Type: New Construction/Single Family Homes

1. Background/Present Situation

- a) On January 7, 2020, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2020-302 for Community Development Block Grant – Disaster Recovery in Monroe County.
- b) On April 17, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities for the three (3) eligible Applicants.
- c) On April 23, 2020, staff issued a preliminary commitment letter. In accordance with the RFA, the Developers had an April 29, 2021 deadline to complete the credit underwriting report and be issued a firm loan commitment. Pursuant to the RFA the Applicants may request one extension of the deadline of up to six months.
- d) On February 8, 2021, staff received a request from the Applicant to extend the April 29, 2021 firm loan commitment deadline for six months until October 29, 2021 due to conditions created by the COVID-19 pandemic. They also requested a waiver of the extension fee. Both requests were approved at the March 12, 2021 Board Meeting.
- e) On August 31, 2021, staff received a final credit underwriting report with a positive recommendation for a CDBG-DR loan in the total amount of \$1,881,000, including \$1,340,000 in development funding and \$541,000 in land acquisition funding ([Exhibit J](#)). Staff has reviewed this report and finds that the Development meets the requirements of the RFA.

2. Recommendation

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

ELDERLY HOUSING COMMUNITY LOAN (EHCL)

Consent

I. ELDERLY HOUSING COMMUNITY LOAN (EHCL)

A. Request Approval for Applicant Name Change and RFA Waiver for Applicant Entity Structure Change for Silver Lakes Village Apartments (2021-189E)

Development Name: Silver Lakes Village Apartments	Location: Orange County
Applicant/Borrower: Orlando Volunteers of America Elderly Housing, Inc.	Set-Asides: 20% @ 50% AMI (EHCL) 80% @ 60% AMI (EHCL)
Developer/Principal: Orlando Volunteers of America Elderly Housing, Inc./Kimberly Black King	Demographic/Number of Units: Elderly/104 units
Requested Amounts: \$750,000 Elderly Housing Community Loan (EHCL)	Development Category/Type: Rehabilitation/Garden Apartments

1. Background/Present Situation

- a) On October 22, 2020, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2020-101 for Elderly Housing Community Loan.
- b) On January 22, 2021, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On January 26, 2021, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on February 2, 2021, giving them a firm loan commitment issuance deadline of February 2, 2022.
- d) On August 2, 2021, staff received a request to change the Applicant Name of Orlando Volunteers of America Elderly Housing, Inc., to Silver Lakes Village VOA Affordable Housing, LP ([Exhibit A](#)). Per the RFA, the name of the Applicant entity 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 it meets all the requirements of the RFA.
- e) The Applicant is also requesting a change to the Applicant Entity structure. The Applicant Entity structure at time of application included Orlando Volunteers of America Elderly Housing, Inc., as a single-purpose entity controlled by Volunteers of America National Services (VOANS) with 100% ownership. The new Applicant, Silver Lakes Village VOA Affordable Housing, LP, is a limited partnership where VOANS has sole control of the General Partner-VOA Silver Lakes Village AH GP, Inc. It has been determined that the costs of the needed capital improvements are greater than the EHCL award and a bond/4% HC transaction will be executed along with the EHCL funding for the property to cover the much needed improvements for the low-income seniors living in the development. To take advantage of the additional funding generated by the bonds and 4% HC equity, the property needs to transfer to the affiliated limited partnership which requires a change in the Applicant name and structure. Pursuant to the RFA, the Applicant entity shall be the borrowing entity for the EHCL loan and Principals of the Applicant entity cannot be changed in any way

ELDERLY HOUSING COMMUNITY LOAN (EHCL)

Consent

(materially or non-materially) until after the EHCL loan closing. Therefore, the change in the Applicant Entity requires an RFA Waiver. Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. Recommendation

- a) Approve the request to change the Applicant Name and RFA Waiver for Applicant Entity structure as described above.

HOUSING CREDITS

Consent

I. HOUSING CREDITS

A. Request Approval of Applicant and Developer Organizational Structure Change for Tropical Manor Apartments (2020-518C)

Development Name: Tropical Manor Apartments	Location: Brevard County
Applicant/Borrower: HKH Tropical LP	Set-Asides: 100% @ 60% AMI
Developer/Principal: HKH Tropical Developer LLC/William Leach	Demographic/Number of Units: Family/85
Requested Amounts: \$574,306 Housing Credits	Development Category/Type: Acquisition & Rehabilitation/Garden

1. Background/Present Situation

- a) HKH Tropical LP (“Applicant”) applied for an allocation of 4% Housing Credits on May 5, 2021. The funds are being utilized to finance the acquisition and rehabilitation of an 85-unit Family development in Brevard County. On May 20, 2021, Housing Credit staff issued an invitation to the Applicant to enter credit underwriting and a final Credit Underwriting Report was received by Florida Housing on August 20, 2021 with a recommendation of \$574,306 in 4% Housing Credits. Subsequently, staff issued a Preliminary Determination Certificate to the Applicant on August 31, 2021.
- b) On June 28, 2021, Florida Housing received a letter from the Applicant requesting to make a change to the Applicant and Developer entity structures due to the Syndicator’s requirement that the Class B Limited Partner be a special purpose entity with no other activity other than its ownership interest in the project partnership. Humankind Housing LLC (“Humankind”) currently serves as (1) the Non-Investor Limited Partner of HKH Tropical LP, the Applicant entity and (2) as a member of HKH Tropical Developer LLC, the Developer entity. The Applicant proposes to replace Humankind with Tropical SPE LLC (“Tropical”). The ownership structure of Tropical mirrors that of Humankind with Blue Ocean Holdings LLC acting as the 50% Managing Member and HKH Holdings LLC acting as a 50% Member. The letter and current and proposed Applicant and Developer Organizational Charts are provided as [Exhibit A](#).
- c) Per the Non-Competitive Application Instructions, the Applicant entity shall be the recipient of the Housing Credits and the ownership structure of the Applicant entity as set forth in the Principal Disclosure Form and cannot be changed in any way (materially or non-materially) until after the Preliminary Determination is issued. Once the Preliminary Determination has been issued, (a) any material change in the ownership structure of the named Applicant will require Board approval prior to the change.

HOUSING CREDITS

Consent

- d) Per 67-21.003(8)(b), F.A.C., 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.
- e) Staff has reviewed this request and finds that the development meets all other requirements of the Non-Competitive Application Package.

2. **Recommendation**

- a) Approve the request to change the Applicant and Developer structures as described above.

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I. LEGAL

A. In Re: HTG Oak Villas, LLC – FHFC Case No. 2021-050VW

Development Name: (“Development”):	Park Ridge
Developer/Principal: (“Developer”):	HTG Oak Villas Developer, LLC Matthew Rieger
Number of Units: 96	Location: Polk County
Type: New Construction / Garden Apartments	Set Asides: 10% @ 40% AMI 90% @ 60% AMI
Demographics: Family	Funding: 9% HC: \$1,698,624

1. Background

- a) HTG Oak Villas, LLC (“Petitioner”) successfully applied for an award of competitive Housing Credits under Request for Applications 2019-113 (the “RFA”) to assist in the construction of a 96 unit family development in Polk County. The Development was originally to be called Oak Park Villas, but the name has changed to Park Ridge.
- b) On August 11, 2021, Florida Housing received a Petition for Waiver of Rule 67-48.002(96), F.A.C. and the 2018 QAP, and on August 19, 2021, Florida Housing received an Amended and Restated Petition from Petitioner. A copy of the Amended Petition is attached as [Exhibit A](#).

2. Present Situation

- a) Rule 67-48.002(96), Fla. Admin. Code (2019), defines and incorporates by reference the following provision of the 2019 QAP at Section II:

K. ...where a Development has not been placed in service by the date required pursuant to Section 42 of the IRC, or it is apparent that a Development will not be placed in service by the date required pursuant to Section 42 of the IRC, 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 pursuant to Section 42 of the IRC, the Corporation may reserve allocation in an amount not to exceed the amount of Housing Credits returned, and may issue a Carryover Allocation Agreement allocating such Housing Credits to the Application for either the current year or the year after the year in which the Development was otherwise required to be placed in service...
- b) Petitioner received an award of 2020 tax credits and the carryover agreement was fully executed on October 26, 2020. Under the terms of the agreement and federal regulations, Petitioner was required to (1) meet its 10% Test requirement by April 30, 2021, which was extended by FHFC to October 26, 2021, and (2) place the development in service by December 31, 2022. Petitioner requests a waiver of the above Rule and the QAP provision above to permit it to exchange its tax credits now rather than in the last calendar quarter of 2022. Petitioner

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asserts that because of unforeseen issues in obtaining wetland mitigation credits, the Petitioner was forced to find alternative routes to mitigate two small wetlands on the site. The current proposal took several months of negotiations with the land seller, which would require the land seller to grant a perpetual conservation easement on the adjoining parcel of land. Southwest Florida Water Management District's (SWFWMD) review and approval process can take 30 to 90 more days after the Request for Additional Information response was delivered (August 9, 2021). Once SWFWMD has approved the mitigation plan, further surveying, designing and contracting will be required. In addition, the Petitioner is concerned about the potential of the COVID-19 pandemic to disrupt the Development's construction schedule and feels that it will not be able to place the development in service by December 31, 2022. Petitioner therefore requests a waiver of the timing requirements found in the 2019 QAP to permit Florida Housing to approve a tax credit exchange now and to allow the allocation of 2021 tax credits pursuant to that exchange. This will have the effect of requiring Petitioners to place the development in service no later than December 31, 2023.

- c) On August 13, 2021, the Notice of Petition was published in the Florida Administrative Register in Volume 47, Number 157. 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 Rule 67-48.002(96), Fla. Admin. Code (2019) and the timing provisions of Subsection II.K of the 2019 QAP to permit Petitioner to exchange its 2020 credits for an allocation of 2021 credits.

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B. In Re: Naranja Lakes Housing Partners, LP - FHFC Case No. 2021-051VW (RFA 2019-112/App. No. 2020-117C)

Development Name: (“Development”):	Residences at Naranja Lakes
Developer/Principal: (“Developer”):	NuRock Development Partners, Inc./ Robert G. Hoskins
Number of Units: 140	Location: Miami-Dade County
Type: Mid-Rise, 5 to 6-stories, New Construction	Set Asides: 22 units at 30% AMI 86 units at 60% AMI 32 units at 80% AMI
Demographics: Family	Funding: 9% HC: \$2,582,000

1. Background

- a) Petitioner successfully applied for competitive housing credits in RFA 2019-112 to assist in the construction of a 140-unit family, affordable housing development named the Residences at Naranja Lakes located in Miami-Dade County, Florida (the “Development”). On August 11, 2021, Florida Housing received a Petition for Waiver of Provision of Rule 67-48.002(96), Florida Administrative Code (the “Petition”) to allow Petitioner to waive the timing requirements in the 2019 Qualified Allocation Plan (“QAP”) and exchange its 2020 housing credits now for an immediate allocation of 2021 or 2022 housing credits. A copy of the Petition is attached as [Exhibit B](#).

2. Present Situation

- a) Rule 67-48.002(96) Fla. Admin. Code (2019), adopts and incorporates the 2019 QAP.
- b) Subsection II.K of the 2019 QAP states:
- Notwithstanding any other provision of this QAP, where a Development has not been placed in service by the date required pursuant to Section 42 of the IRC, or it is apparent that a Development will not be placed in service by the date required pursuant to Section 42 of the IRC, 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 pursuant to Section 42 of the IRC, the Corporation may reserve allocation in an amount not to exceed the amount of Housing Credits returned, and may issue a Carryover Allocation Agreement allocating such Housing Credits to the Applicant for either the current year or the year after the year in which the Development was otherwise required to be placed in service pursuant to Section 42 of the IRC, provided the following conditions have been met: (i) the sponsor must have provided written notice to the Corporation, describing the circumstances, all remedial measures attempted by the Applicant to mitigate the delay, and any other pertinent information, prior to returning the allocation; and (ii) the Executive Director must find and determine that the delay was caused by circumstances beyond the Applicant’s control, that the sponsor exercised due diligence in seeking to resolve the circumstances causing delay, that the Development in all respects, except time placed in service, still meets the conditions upon which the Housing Credits were

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originally allocated, and that the Development is still desirable in terms of meeting affordable housing needs. A Development located in a HUD-designated DDA or QCT at the time of original allocation may retain its designation as such.

- c) Petitioner requests a waiver of the timing provision in the QAP for the return and exchange of housing credits. After accepting an invitation to credit underwriting, Petitioner entered into a Carryover Allocation Agreement (“Carryover Agreement”) with Florida Housing on October 2, 2020. Pursuant to the Carryover Agreement, Petitioner must demonstrate site control by March 31, 2021, meet its 10% Test by March 31, 2021, commence construction by June 30, 2021, finalize credit underwriting by June 30, 2021, close on the tax credit partnership by June 30, 2021, and be placed-in-service by December 31, 2022. Upon request, Petitioner’s deadlines for the 10% Test, site control, credit underwriting, notice of commencement, and tax credit partnership were extended to September 30, 2021. The Site Control requirement was satisfied on July 9, 2021.
- d) In support of its request for a waiver, Petitioner states that the spread of the COVID-19 pandemic significantly impacted the progress of the Development. According to Petitioner, the public health emergency significantly disrupted many governmental and business operations. Petitioner states that it has diligently continued with development but encountered unavoidable delays. Petitioner asserts that in the wake of COVID, the construction reviews and approval of submissions in Miami-Dade were greatly delayed and the Miami-Dade Building Department did not conduct plan reviews within usual timeframes. Also, according to Petitioner, no in-person meetings with the County were allowed until June 7, 2021 and then, only on one Monday a month. Additionally, Petitioner asserts that it had to address unanticipated comments and concerns from the County’s Department of Environmental Management (“DERM”). Petitioner provided the below timeline to summarize the construction efforts and unforeseen delays:
- (1) March 2020- Architect, civil engineer, and consultants engaged to start site plan.
 - (2) March to May 2020 – Pre-development activities were underway (boundary survey, tree survey, Phase I, etc.).
 - (3) May 2020 – Administrative site plan approval (“ASPR”) submitted to County.
 - (4) June 2020 – Comments from DERM regarding ecological sensitive coverings (“Pine Rocklands”) even though the site was not listed on the Forestry Registry or by Fish and Wildlife as an area of concern. Due to the DERM issues, site planning was put on hold.
 - (5) July to August 2020 – Environmental assessment consultant hired to analyze impact of Pine Rocklands area.
 - (6) July 2020 – Developer contacted Fish and Wildlife regarding the DERM issue.

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- (7) August to September 2020 – Ecological Assessment Report submitted to DERM and Fish and Wildlife for review. Parties agreed that the northwest corner of the property would be preserved since it had the highest quality of Pine Rocklands.
 - (8) September 2020 – Fish and Wildlife was provided a copy of the DERM approved Ecological Report and latest site plan which separated the northwest corner for preservation.
 - (9) August to September 2020 – Site plan revisions and efforts to obtain approval from DERM and Fish and Wildlife during a time when COVID limited government operations resulted in unexpected delays.
 - (10) November 2020 – Fish and Wildlife approved the preservation areas.
 - (11) December 2020 – June 2021 building permit plans were submitted to the County for review. Due to COVID, all submissions were required to be made electronically. Multiple technical difficulties resulted in delays in the review process.
 - (12) January 2021 – Plat application was submitted and approved, but the project was waiting on final DERM preservation comments.
 - (13) March 2021 – Applicant submitted a Tree Removal Permit to DERM and Zoning and has not yet been approved but all parties are working on a resolution.
 - (14) May 2021 – DERM requested changes to the preservation area, which required architecture, landscape and civil plan changes to complete.
 - (15) June 2021 – Petitioner received a new comment from the County Zoning department, which will impact architectural and civil drawings.
- e) Petitioner asserts that in spite of the issues detailed above, it has worked diligently to make as much progress on the Development as possible. Petitioner attached a revised construction timeline to its Petition which demonstrates that 18 to 21 months are required before the final Certificate of Occupancy can issue for the Development. According to Petitioner, it has closed on the land to secure the site for the affordable housing development. Petitioner states that due to circumstances beyond its control, the development will not be placed in-service by December 31, 2022. Petitioner requests to exchange its 2020 Housing Credits for an allocation of 2021 or 2022 Housing Credits now rather than wait until the last quarter of 2022 and, thereby, extend the placed-in-service deadline to December 31, 2023.
- f) On August 13, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 157. To date, Florida Housing has received no comments concerning the Petition.

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- 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 67-48.002(96), Fla. Admin. Code (2019) and the timing provisions of Subsection II.K of the 2019 QAP to allow Petitioner to exchange its 2020 housing credits for an allocation of 2021 housing credits and thereby extend the associated deadlines.

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- C. **In Re: Wells Landing Apartments, LLC - FHFC Case No. 2021-053VW (RFA 2019-114/App. No. 2020-369C)**

Development Name: (“Development”):	Wells Landing
Developer/Principal: (“Developer”):	RS Development Corp/ Lewis V. Swezy
Number of Units: 124	Location: Palm Beach County
Type: Mid-Rise, 4-stories, New Construction	Set Asides: 10% at 28% AMI 90% at 60% AMI
Demographics: Family	Funding: 9% HC: \$1,980,000

1. **Background**

- a) Petitioner successfully applied for competitive housing credits in RFA 2019-114 to assist in the construction of a 124-unit family, affordable housing development named the Wells Landing to be located in Palm Beach County, Florida (the “Development”). On August 19, 2021, Florida Housing received a Petition for Variance from Florida Administrative Code Rule 67-48.002(96) and the 2019 QAP (the “Petition”) to allow Petitioner to waive the timing requirements in the 2019 Qualified Allocation Plan (“QAP”) and exchange its 2020 housing credits now for an immediate allocation of 2021 housing credits. A copy of the Petition is attached as [Exhibit C](#).

2. **Present Situation**

- a) Rule 67-48.002(96) Fla. Admin. Code (2019), adopts and incorporates the 2019 QAP.
- b) Subsection II.K of the 2019 QAP states:
- Notwithstanding any other provision of this QAP, where a Development has not been placed in service by the date required pursuant to Section 42 of the IRC, or it is apparent that a Development will not be placed in service by the date required pursuant to Section 42 of the IRC, 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 pursuant to Section 42 of the IRC, the Corporation may reserve allocation in an amount not to exceed the amount of Housing Credits returned, and may issue a Carryover Allocation Agreement allocating such Housing Credits to the Applicant for either the current year or the year after the year in which the Development was otherwise required to be placed in service pursuant to Section 42 of the IRC, provided the following conditions have been met: (i) the sponsor must have provided written notice to the Corporation, describing the circumstances, all remedial measures attempted by the Applicant to mitigate the delay, and any other pertinent information, prior to returning the allocation; and (ii) the Executive Director must find and determine that the delay was caused by circumstances beyond the Applicant’s control, that the sponsor exercised due diligence in seeking to resolve the circumstances causing delay, that the Development in all respects, except time placed in service, still meets the conditions upon which the Housing Credits were originally allocated, and that the Development is still desirable in terms

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of meeting affordable housing needs. A Development located in a HUD-designated DDA or QCT at the time of original allocation may retain its designation as such.

- c) Petitioner requests a waiver of the timing provision in the QAP for the return and exchange of housing credits. After accepting an invitation to credit underwriting, Petitioner entered into a Carryover Allocation Agreement (“Carryover Agreement”) with Florida Housing on September 23, 2020. Pursuant to 26 U.S.C. 42(h)(1)(E)(i), the Development is required to be Placed In Service no later than the December 31, 2022. Petitioner’s deadline to meet the 10% Test was March 31, 2021. On March 19, 2021, Petitioner requested, and Florida Housing granted an extension of the 10% Test to September 23, 2021. On May 26, 2021, Petitioner requested, and Florida Housing granted an extension of the credit underwriting report, the notice of commencement and the limited partnership agreement deadlines to September 30, 2021. Petitioner states that it cannot satisfy the requirements of the Carryover Agreement to meet the extended deadlines.
- d) In support of its request for a waiver, Petitioner states the Development has suffered unforeseen hardships, outside of Petitioner’s control and are summarized below:
 - (1) The Covid-19 pandemic had a significant impact on the industry including delays in many time sensitive processes such as site approval by the City, civil engineering plan review, utility connection approval, and approval for building permits.
 - (2) The Covid-19 pandemic and its associated precautionary measures had a significant impact on the total construction costs including dramatic cost increases to construction supplies and materials such as lumber. The associated cost increases lead to numerous construction budget adjustments and revisions which also caused a significant delay in the permitting process.
- e) Petitioner asserts that in spite of the issues detailed above, it has worked diligently to make as much progress on the Development as possible. Petitioner states that it has completed the construction drawings and obtained an expedited permitting process, which are expected by the end of 2021. Additionally, Petitioner asserts that it is working diligently to close on financing with a target date to close of December 31, 2021 and anticipates construction completion by June 30, 2023. Petitioner states that as of the date of the Petition, it has incurred over \$2 million in development/third party costs. Petitioner asserts that due to circumstances beyond its control, the development will not be able to meet its 10% Test deadline of September 23, 2021 or be placed in-service by December 31, 2022. Petitioner requests to exchange its 2020 Housing Credits for an allocation of 2021 Housing Credits now rather than wait until the last quarter of 2022 and, thereby, extend the placed-in-service deadline to December 31, 2023.
- f) On August 20, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 162. To date, Florida Housing has received no comments concerning the Petition.

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- 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 67-48.002(96), Fla. Admin. Code (2019) and the timing provisions of Subsection II.K of the 2019 QAP to allow Petitioner to exchange its 2020 housing credits for an allocation of 2021 housing credits and thereby extend the associated deadlines.

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- D. **In Re: Independence Landing, LLC - FHFC Case No. 2021-052VW (RFA 2019-106/App. No. 2020-450CG)**

Development Name: (“Development”):	Independence Landing
Developer/Principal: (“Developer”):	Southport Community Development, Inc./J. David Page Independence Developer, LLC/Gil Ziffer
Number of Units: 60	Location: Leon County
Type: Garden Apartments; New Construction	Set Asides: 15% at 33% AMI 85% at 60% AMI
Demographics: Developmental Disabilities	Funding: Grant: \$4,000,000 9% HC: \$1,620,000

1. **Background**

- a) Petitioner successfully applied for competitive housing credits in RFA 2020-106 to assist in financing the construction of a 60-unit development named Independence Landing located in Leon County, Florida (the “Development”). On August 17, 2021, Florida Housing received a Petition for Waiver of Rule 67-48.002(96) and the 2019 QAP (the “Petition”) to allow Petitioner to waive the timing requirements in the 2019 Qualified Allocation Plan (“QAP”) and exchange its 2020 housing credits now for an immediate allocation of 2021 housing credits. A copy of the Petition is attached as [Exhibit D](#).

2. **Present Situation**

- a) Rule 67-48.002(96) Fla. Admin. Code (2019), adopts and incorporates the 2019 QAP.
- b) Subsection II.K of the 2019 QAP states:
- Notwithstanding any other provision of this QAP, where a Development has not been placed in service by the date required pursuant to Section 42 of the IRC, or it is apparent that a Development will not be placed in service by the date required pursuant to Section 42 of the IRC, 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 pursuant to Section 42 of the IRC, the Corporation may reserve allocation in an amount not to exceed the amount of Housing Credits returned, and may issue a Carryover Allocation Agreement allocating such Housing Credits to the Applicant for either the current year or the year after the year in which the Development was otherwise required to be placed in service pursuant to Section 42 of the IRC, provided the following conditions have been met: (i) the sponsor must have provided written notice to the Corporation, describing the circumstances, all remedial measures attempted by the Applicant to mitigate the delay, and any other pertinent information, prior to returning the allocation; and (ii) the Executive Director must find and determine that the delay was caused by circumstances beyond the Applicant’s control, that the sponsor exercised due diligence in seeking to resolve the circumstances causing delay, that the Development in all respects, except time placed in

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service, still meets the conditions upon which the Housing Credits were originally allocated, and that the Development is still desirable in terms of meeting affordable housing needs. A Development located in a HUD-designated DDA or QCT at the time of original allocation may retain its designation as such.

- c) Petitioner requests a waiver of the timing provision in the QAP for the return and exchange of housing credits. On July 9, 2020, Petitioner was invited into credit underwriting. On October 22, 2020, Petitioner entered into a Carryover Allocation Agreement (“Carryover Agreement”) with Florida Housing. Pursuant to the Carryover Agreement, Petitioner must (1) meet its 10% Test by April 30, 2021, (2) complete credit underwriting, commence construction, and close its tax credit partnership by July 31, 2021, and (3) be placed-in-service by December 31, 2022. On or before April 30, 2021, Petitioner requested an extension of its 10% test to October 22, 2021. Florida Housing approved Petitioner’s request for extension. The CUR was completed on June 8, 2021 and approved by the Board on June 18, 2021, but the construction commencement and tax credit partnership deadlines were extended to January 31, 2022 at the request of the Petitioner.
- d) In support of its request for a waiver, Petitioner states that the COVID-19 pandemic, associated precautionary measures, and its significant impacts on daily life and the industry has caused delays. Remote work and the new virtual work environment of Petitioner’s team members and government agencies have hindered previously seamless tasks such as document signatures, plan coordination, and the entitlement process, causing significant delays. Higher construction costs caused by the pandemic has limited the ability to order construction materials prior to closing. In addition, Petitioner and the City of Tallahassee have spent months coordinating a drainage agreement before Petitioner could finalize design and piping on site, leading to a delay in permitting and in overall closing. Further, due to the nature of the land contract (a land lease), Petitioner has not incurred land costs that can be contributed toward the 10% requirement of the reasonably expected basis. Despite these delays, Petitioner has been working diligently to complete predevelopment activities and has to date completed the construction building drawings, started the bidding process, completed all third parties’ reports (e.g., geotechnical, environmental, appraisal and plan and cost review), and a number of initial permit approvals have been issued.
- e) Petitioner states that due to circumstances beyond its control, the 10% Test cannot be met. Petitioner requests to exchange its 2020 Housing Credits for an allocation of 2021 Housing Credits now rather than wait until the last quarter of 2020 and, thereby, extend the placed-in-service deadline to December 31, 2023.
- f) On August 19, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 161. 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 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 67-48.002(96), Fla. Admin. Code (2019) and the timing provisions of Subsection II.K of the 2019 QAP to allow Petitioner to exchange its 2020 housing credits for an allocation of 2021 housing credits and thereby extend the associated deadlines.

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- E. **In Re: Ambar Riverview, Ltd. - FHFC Case No. 2021-064VW (RFA 2018-111/App. No. 2019-035C)**

Development Name: (“Development”):	The Ambar
Developer/Principal: (“Developer”):	Ambar3, LLC/ John D. Rood
Number of Units: 105	Location: Miami-Dade County
Type: High-Rise, New Construction	Set Asides: 15% at 30% AMI 62% at 60% AMI 23% at 80% AMI
Demographics: Elderly, Non-ALF	Funding: 9% HC: \$2,700,000

1. **Background**

- a) Petitioner successfully applied for competitive housing credits in RFA 2018-111 to assist in the construction of an 105-unit family, affordable housing development named The Ambar located in Miami-Dade County, Florida (the “Development”). On August 24, 2021, Florida Housing received a Petition for Waiver of Rule 67-48.002(96), F.A.C. (7/8/18) and the 2018 QAP (the “Petition”) to allow Petitioner to waive the timing requirements in the 2018 Qualified Allocation Plan (“QAP”) and exchange its 2020 housing credits now for an immediate allocation of 2021 housing credits. A copy of the Petition is attached as [Exhibit E](#).

2. **Present Situation**

- a) Rule 67-48.002(96) Fla. Admin. Code (2018), defines, adopts, and incorporates the 2018 QAP.
- b) Subsection II.K of the 2018 QAP states:

Notwithstanding any other provision of this QAP, where a Development has not been placed in service by the date required pursuant to Section 42 of the IRC, or it is apparent that a Development will not be placed in service by the date required pursuant to Section 42 of the IRC, 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 pursuant to Section 42 of the IRC, the Corporation may reserve allocation in an amount not to exceed the amount of Housing Credits returned, and may issue a Carryover Allocation Agreement allocating such Housing Credits to the Applicant for either the current year or the year after the year in which the Development was otherwise required to be placed in service pursuant to Section 42 of the IRC, provided the following conditions have been met: (i) the sponsor must have provided written notice to the Corporation, describing the circumstances, all remedial measures attempted by the Applicant to mitigate the delay, and any other pertinent information, prior to returning the allocation; and (ii) the Executive Director must find and determine that the delay was caused by circumstances beyond the Applicant’s control, that the sponsor exercised due diligence in seeking to resolve the circumstances causing delay, that the Development in all respects, except time placed in service, still meets the conditions upon which the Housing Credits were

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originally allocated, and that the Development is still desirable in terms of meeting affordable housing needs. A Development located in a HUD-designated DDA or QCT at the time of original allocation may retain its designation as such.

- c) Petitioner requests a waiver of the timing provision in the QAP for the return and exchange of housing credits. After accepting an invitation to credit underwriting, Petitioner entered into a Carryover Allocation Agreement (“Carryover Agreement”) with Florida Housing on or about September 22, 2020. According to the time frame in 26 U.S.C. 42(h)(1)(E)(i), the development must be placed-in-service by December 31, 2022.
- d) In support of its request for a waiver, Petitioner states that it experienced delays beyond its control due to COVID-19. According to Petitioner, building permit approval was requested in December 2020, and as of the date of the petition, the request has not yet been approved. Petitioner asserts that this delay has prevented Petitioner from closing on all financing and land necessary to meet the 10% Test and the site control requirements of the Carryover Agreement. Petitioner requested and was granted a six-month extension of the site control and 10% Test deadline to September 22, 2021. Petitioner also asserts that the delays prevented Petitioner from commencing construction. Petitioner requested and was granted an extension of the deadline for closing on the partnership and recording the notice of commencement to October 31, 2021.
- e) Petitioner provided the following timeline of its efforts to move the Development forward:
 - (1) Submission of building permits for approval in December 2020.
 - (2) Due to COVID-19, the City of Miami was not operating at 100% capacity and was not open to the public for meetings until June 2021.
 - (3) Petitioner remained in regular contact requesting updates and trying to move the process forward.
 - (4) Petitioner obtained a plan and cost review consultant to expedite the process.
 - (5) By July 26, 2021, Petitioner obtained some plan approvals, but eleven approvals remained pending.
 - (6) Petitioner prepared for permit approval by drafting construction loan documents, obtaining credit approval, and providing a substantial final form of the Limited Partnership Agreement to Seltzer Management.
 - (7) On August 13, 2021, Petitioner met with a City of Miami Building official via Zoom and he agreed to do everything he could to get the permit ready letter for closing. Petitioner followed up with several reviewers but has been unable to obtain all necessary signatures.

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- f) Petitioner asserts that due to the delays in the permitting approval process, Petitioner will not be able to meet the 10% Test deadline. According to Petitioner it has been diligent in moving the Development forward and has expended approximately \$4.9 million in its efforts. Petitioner states that due to circumstances beyond its control, the development will not be placed in-service by December 31, 2022. Petitioner requests to exchange its 2020 Housing Credits for an allocation of 2021 Housing Credits now rather than wait until the last quarter of 2022 and, thereby, extend the placed-in-service deadline to December 31, 2023.
- g) On August 25, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 165. To date, Florida Housing has received no comments concerning the Petition.
- h) 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.
- 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 Rule 67-48.002(96), Fla. Admin. Code (2018) and the timing provisions of Subsection II.K of the 2018 QAP to allow Petitioner to exchange its 2020 housing credits for an allocation of 2021 housing credits and thereby extend the associated deadlines.

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- F. In Re: HTG Luna, LLC - FHFC Case No.: 2021-056VW
HTG Addison, LLC - FHFC Case No.: 2021-057VW
HTG Creekside, LLC - FHFC Case No.: 2021-058VW
HTG Palms, LLC - FHFC Case No.: 2021-059VW
HTG Osprey Pointe, LLC - FHFC Case No.: 2021-060VW
Lake Beulah, Ltd. - FHFC Case No.: 2021-061VW
HTG Paradise, LLC - FHFC Case No.: 2021-062VW
HTG Hammock Ridge II, LLC - FHFC Case No.: 2021-063VW
HTG Village View, LLC - FHFC Case No.: 2021-066VW
HTG Liberty, LLC - FHFC Case No.: 2021-067VW

Development Name: (“Development”):	Various
Developer/Principal: (“Developer”):	Housing Trust Group Matthew Rieger
Number of Units: various	Location: Brevard, Manatee, Flagler, Pasco, Polk, Miami-Dade, Hernando, and Broward.
Type: Various	Set Asides: Various
Demographics: Various	Funding: Various

1. Background

- a) On August 24, 2021, Florida Housing received 10 Petitions for Waiver of Rules 67-49.002(9), 67-48.002(93), 67-21.002(9), and 67-21.002(85), Fla. Admin. Code (2016 and 2017), for 10 Developments funded through various RFAs from 2016 and 2017. These rules required the disclosure of all natural person Principals by the third disclosure level. Copies of the Petitions are attached as Exhibits [F](#), [G](#), [H](#), [I](#), [J](#), [K](#), [L](#), [M](#), [N](#) and [O](#).
- b) For estate planning purposes, each Petitioner would like to replace its current members with trusts of which those members are trustees and/or beneficiaries, causing such trustees and beneficiaries to fall to the fourth principal disclosure level. While this is now permitted under the current version of the rules, it was not permitted at the time the applications were submitted. Five of the ten petitions have already been issued 8609s.

2. Present Situation

- a) Rule 67-48.002(9) and (93) provide, in relevant part:

(9) “Applicant” means any person or legal entity of the type and with the management and ownership structure described herein that is seeking a loan or funding from the Corporation by submitting an Application or responding to a competitive solicitation pursuant to Rule Chapter 67-60, F.A.C., for one or more of the Corporation’s programs. . . . Unless otherwise stated in a competitive solicitation, as used herein, a ‘legal entity’ means a legally formed corporation, limited partnership or limited liability company with a management and ownership structure that **consists exclusively of all natural persons by the third principal disclosure level.** . . . The terms ‘first principal disclosure

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level’ and ‘third principal disclosure level’ have the meanings attributed to them in the definition of “Principal.”

(93) “Principal” means:

(a) With respect to an Applicant that is:

3. A limited liability company, at the first principal disclosure level, any manager or member of the Applicant limited liability company, and, unless otherwise excluded at subsection 67-48.002(9), F.A.C., with respect to any manager or member of the Applicant limited liability company, at the second principal disclosure level, that is:

a. A corporation, any officer, director, executive director, or shareholder of the corporation,

b. A limited partnership, any general partner or limited partner of the limited partnership,

c. A limited liability company, any manager or member of the limited liability company, or

d. A trust, any trustee of the trust and all beneficiaries of majority age (i.e.; 18 years of age) as of Application deadline, each of whom must be a natural person. Such trust shall be comprised only of trustee(s) and beneficiaries who are natural persons; and with respect to any entity identified at the second principal disclosure level that is:

e. A corporation, by the third principal disclosure level, any officer, director, executive director, or shareholder of the corporation, each of whom must be a natural person,

f. A limited partnership, by the third principal disclosure level, any general partner or limited partner of the limited partnership, each of whom must be a natural person,

g. A limited liability company, by the third principal disclosure level, any manager or member of the limited liability company, **each of whom must be a natural person**, or

h. A trust, any trustee of the trust and all beneficiaries of majority age (i.e.; 18 years of age) as of Application deadline, each of whom must be a natural person. Such trust shall be comprised only of trustee(s) and beneficiaries who are natural persons.

(emphasis added).

- b) Rules 67-21.002(9) and (85) are essentially identical to Rules 67-48.002(9) and (93), Fla. Admin. Code.

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- c) In each of the 10 applications, the first and second principal disclosure levels will not change. In each of the 10 applications, the third principal disclosure level currently discloses the natural person principals of a business entity disclosed at the second disclosure level. Each Petitioner now wishes to replace these natural person principals with four trusts, and to disclose the natural person trustees and beneficiaries at a new fourth principal disclosure level. The natural persons originally disclosed at the third disclosure level will be the same persons as the trustees and beneficiaries at the new fourth disclosure level, and two new beneficiaries (children of one of the principals) will be added at the fourth disclosure level. The details of the proposed new organizational structures are spelled out in each of the 10 petitions.
- d) Petitioners wish to make these organizational changes for estate planning purposes. If the waiver requests are denied, the members of the applicant entities will be required to form entities specifically for each Development, which will not ultimately roll up to a trust. This will create an administrative burden upon each member's passing as the entities created if these Petitions are denied will have to pass through probate rather than be governed by trusts. As noted above, Florida Housing revised its rules in 2019 to expressly permit these same organizational structures.
- e) On August 25, 2021, Notice of the Petitions for HTG Luna, LLC, HTG Addison, LLC, HTG Palms, LLC, HTG Osprey Pointe, LLC, Lake Beulah, Ltd., HTG Paradise, LLC, and HTG Hammock Ridge II, LLC were published in the Florida Administrative Register in Volume 47, Number 165. On August 26, 2021, Notice of the Petitions for HTG Liberty, LLC and HTG Village View, LLC were published in the Florida Administrative Register in Volume 47, Number 166. 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 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. Petitioners have demonstrated that they would suffer substantial hardships if the waivers are not granted. Petitioners have 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** Petitioners' requests for waivers of Rules 67-48.002(9) and (93) and Rules 67-21.002(9) and (85), Fla. Admin. Code (2016 and 2017), so that each Petitioner may replace its current members with trusts of which those members are trustees and/or beneficiaries, causing such trustees and beneficiaries to fall to the fourth principal disclosure level.

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- G. In Re: Redding Development Partners, LLC - FHFC Case No. 2021-055VW (RFA 2015-106/App. No. 2016-042C)

Development Name: (“Development”):	Georgetown Square (formerly known as Redding Redevelopment)
Developer/Principal: (“Developer”):	Sanford Redevelopment Partners, LLC / Michael Gardner & SHA Development, LLC / Melvin Philpot
Number of Units: 90	Location: Seminole County
Type: Garden Apartments; New Construction	Set Asides: 10% at 40% AMI and 90% at 60% AMI
Demographics: Elderly Non-ALF	Funding: \$1,510,000 Housing Credit

1. Background

- a) Petitioner successfully applied for Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties under RFA 2015-106 to assist in the construction of a 90-unit development located in Seminole County, Florida, to be known as Georgetown Square (formerly known as Redding Redevelopment) (the “Development”). On August 20, 2021, Florida Housing received a Petition for Waiver of Rule 67-48.004(3)(g) (the “Petition”) to allow Petitioner to change its Development Type. A copy of the Petition is attached as [Exhibit P](#).

2. Present Situation

- a) Rule 67-48.004(3)(g) Fla. Admin. Code (2019), in relevant part, states:

(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 prohibition on changing the Development Type selected in its Application, Garden Apartments, to Mid-Rise, 4-stories, due to zoning requirements. Petitioner asserts that the zoning requirements for the Development during the site plan approval process required 180 parking spaces. Petitioner states that, with the three-story garden style apartments, only approximately 100 spaces would have been feasible. Petitioner states that the change to Mid-Rise, 4-stories, allowed the number of parking spaces to increase to 157, which the zoning department approved.

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- c) Petitioner asserts that this change to Mid-Rise, 4-stories provided a larger community space for the benefits of the residents, which includes: a kitchen, fitness center, computer room, library, activity room, great room, game room, and outdoor patio. Petitioner further asserts that this change to Mid-Rise, 4-stories provided the opportunity to construct a quality development with more parking and more amenities, without exceeding the anticipated development costs per unit.
- d) Petitioner asserts that funding would not have been affected if the applicant had initially selected “Mid-Rise, 4-stories” Development Type. The Development has completed construction, but according to Petitioner, when the decision to change the Development Type was made, the developer was undergoing internal personnel changes and the developer was unaware that the formal request to Florida Housing for the Development Type was not made.
- e) Petitioner further asserts that the Applicant and the residents of the Development would be severely adversely affected and experience substantial hardship if the change in the Development Type is not approved. Petitioner states that if the change is not approved, the Development could lose housing credits and equity financing, which would result in economic hardship to the Petitioner since the Development has already been built.
- f) On August 24, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 164. 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 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) to allow Petitioner to change its Development Type from “Garden Apartments” to “Mid-Rise, 4-stories” under the condition that the Petitioner be limited to the Total Development Cost Per Unit limitation for the Development Type of “Garden Apartments.”

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H. In Re: Cedar Grove MG, LP - FHFC Case No. 2021-069VW

Development Name: (“Development”):	Cedar Grove
Developer/Principal: (“Developer”):	Cedar Grove GP, LLP CAPRIET Cedar Grove JV Member, LLC
Number of Units: 288	Location: Miami-Dade County
Type: Garden Apartments	Set Asides: 40% @ 60% AMI
Demographics: Family	Funding: 4% HC \$24,375,792

1. Background

- a) Petitioner has obtained bond financing through the Capital Trust Agency to assist in the rehabilitation of the above Development, and has also applied for an allocation of 4% low-income tax credits from the Corporation.
- b) On August 25, 2021, Florida Housing received a Petition for Waiver of Rule 67-21.0025(7)(d) (the “Petition”) to allow disclosure of all relevant parts beyond the Rule required “third disclosure level” and allow the Petitioner to disclose the relevant “natural persons” through an “eighth” disclosure level. A copy of the Petition is attached as [Exhibit Q](#).

2. Present Situation

- a) Rule 67-21.0025(7)(d) Fla. Admin. Code (2021), in relevant part, states:

(d) The Applicant must disclose all of the Principals of all 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...
- b) In connection with its Application for 4% tax credits, Petitioner requests a waiver to disclose Principals through the fifth disclosure level, to more accurately reflect the complex structure of the transaction and to comply with several existing agreements among certain indispensable economic partners, without which the Development rehabilitation would not be viable. Petitioner states that compliance with the Rule would undermine the preservation and rehabilitation of affordable housing by denying the Petitioner’s application for non-competitive 4% low-income housing tax credits (“LIHTC”) that would be a critical resource for the Petitioner’s efforts to undertake the rehabilitation of the Property.
- c) On August 26, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 166. 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.

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Consent

- e) 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 be achieved if the waiver is granted.

3. **Recommendation**

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rule 67-21.0025(7)(d) to allow Petitioner to disclose all principals, including natural persons through the fifth (5th) principal disclosure level.

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Consent

I. In Re: WM at the River, LP - FHFC Case No. 2021-068VW

Development Name: (“Development”):	Windsor Tower/Maley Tower
Developer/Principal: (“Developer”):	BCG Advantage LP/ Daytona Beach Housing Development Corp.
Number of Units: 298	Location: Volusia County
Type: High-Rise (100% Rehab)	Set Asides: TBA
Demographics: Elderly non-ALF	Funding: 4% HC \$20,504,000

1. Background

- a) Petitioner successfully applied for a private activity multifamily housing bond issuance (“Bonds”) undertaken by the Housing Authority of the City of Daytona Beach (“DBHA”). Petitioner now seeks to apply for accompanying Corporation 4% tax credits.
- b) On August 25, 2021, Florida Housing received a Petition for Waiver of Rule 67-21.0025(7)(d) (the “Petition”) to allow disclosure of all relevant parts beyond the Rule required “third disclosure level” and allow the Petitioner to disclose the relevant “natural persons” through an “eighth” disclosure level. On September 1, 2021, Florida Housing received an Amended Petition from Petitioner. A copy of the Amended Petition is attached as [Exhibit R](#).

2. Present Situation

- a) Petitioner is applying for non-competitive 30% present value low-income housing tax credits (“4% LIHTC”) allocated by Florida Housing Finance Corporation (“Corporation”) pursuant to 42 U.S.C. §§ 42 and 142 (all references to 42 U.S.C. §1, et seq. will be referred to as “Code”), as well as the Corporation’s 2021 Qualified Allocation Plan (“2021 QAP”).
- b) Petitioner is rehabilitating a public housing property consisting of two towers known as the Windsor Tower and Maley Tower (“Towers”) owned by DBHA. Petitioner states that the property is undergoing a conversion under the Rental Assistance Demonstration (“RAD”) program authorized under the Code and the U.S. Housing Act of 1937. Petitioner asserts that the Towers are classified as one property existing as elderly and elderly / disabled housing by the U.S. Department of Housing and Urban Development (“HUD”). Petitioner further asserts that the Towers are currently public housing units subsidized under § 1437g of the Housing Act of 1937. According to Petitioner, after RAD conversion, the Towers will be subsidized as project based rental housing under HUD’s project-based voucher program (“PBV”).
- c) Rule 67-21.0025(7)(d) Fla. Admin. Code (2019), in relevant part, states:
 - (d) The Applicant must disclose all of the Principals of all 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:

...

Ellipse and emphasis added.

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- d) Petitioner requests a waiver to disclose through the fifth (5th) principal disclosure level. Petitioner asserts that compliance with the Rule would undermine the preservation and rehabilitation of affordable housing by denying the Petitioner's application for non-competitive 4% low-income housing tax credits ("LIHTC") that would be a critical resource for the Petitioner's efforts to undertake the rehabilitation of the Property.
- e) Petitioner asserts that the disclosure of "natural persons" on the "third disclosure level" instead of subsequent levels defeats the purpose of allocating 4% LIHTC and, further, assists in the preservation of units encouraged federally (by HUD) and the Corporation.
- f) Petitioner asserts that requiring compliance with the "third disclosure level" instead of subsequent levels accurately reflects the actual structure of the transaction. Petitioner further asserts that to restructure and disclose the transaction in any other way in order to comply with the Rule would make the Bond transaction legally and economically non-viable.
- g) Petitioner asserts that compliance with the Rule would create a substantial economic hardship to the Petitioner by altering its transaction structure in a manner that would terminate the transaction because current significant economic participants that are indispensable to the transaction would no longer be able to participate. Petitioner states that compliance would cause Petitioner to incur considerable costs in obtaining financing.
- h) Petitioner asserts that compliance with the Rule would deprive the City of Daytona Beach and Volusia County of the preservation and renovation of much needed affordable housing serving the elderly and disabled.
- i) On August 26, 2021, Notice of the Petition was published in the Florida Administrative Register in Volume 47, Number 166. To date, Florida Housing has received no comments concerning the Petition.
- j) 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.
- k) 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 be achieved if the waiver is granted.

3. Recommendation

- a) Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-21.0025(7)(d) to allow Petitioner to disclose natural persons through the fifth (5th) principal disclosure level.

MULTIFAMILY BONDS

Consent

I. MULTIFAMILY BONDS

A. Request Approval of Credit Underwriting Report and Authorizing Resolutions for Civitas of Cape Coral (RFA 2019-102 / 2020-018BD)

Development Name: Civitas of Cape Coral	Location: Lee County
Applicant/Borrower: Pine Island Cape, LLC	Set-Aside(s): 40% @ 60% AMI (MMRN) 20.833% @ 30% AMI (CDBG-DR & 4% HC) 51.042% @ 60% AMI (CDBG-DR & 4% HC) 28.125% @ 80% AMI (Workforce, CDBG-DR & 4% HC)
Developer/Principal: Catalyst Southwest Florida, LLC/Joseph Bonora, LCHA Developer, LLC/Lee County Housing Authority, and Revital Development Group, LLC/Michael Allan	Demographic/Number of Units: Workforce / 96 units
Requested Amounts: \$12,500,000 Multifamily Mortgage Revenue Note (MMRN) \$5,633,218 Community Development Block Grant – Disaster Recovery (CDBG-DR) \$1,160,501 Housing Credits (4% HC)	Development Category/Type: New Construction / Garden Apartments

1. Background/Present Situation

- a) On July 30, 2019, Florida Housing issued a Request for Applications (RFA) 2019-102 for Community Development Block Grant – Disaster Recovery to be Used in Conjunction with Tax-Exempt MMRB and Non-Competitive Housing Credits in Counties Deemed Hurricane Recovery Priorities.
- b) On December 13, 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 April 17, 2020, 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 April 27, 2020. The acceptance was acknowledged on May 1, 2020.
- d) On April 30, 2021, the Board approved the request to extend the firm loan commitment issuance deadline from May 1, 2021 to November 1, 2021.
- e) On August 23, 2021, staff received a final credit underwriting report with a positive recommendation for MMRN and CDBG-DR funding ([Exhibit A](#)). Staff has reviewed this report and finds that the development meets all requirements of the RFA.
- f) Staff reviewed the authorizing resolutions ([Exhibit B](#)) authorizing the sale and issuance of a Multifamily Mortgage Revenue Note to finance this affordable housing Development within the State of Florida. Staff requests approval for the execution of the resolutions.

MULTIFAMILY BONDS

Consent

2. **Recommendation**

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

MULTIFAMILY BONDS

Consent

B. Request Approval of the Method of Bond/Note 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 of the proposed Development referenced below, the final credit underwriting report is being presented to the Board for approval simultaneously with this request to assign the appropriate professional for the transaction and approval of the recommended method of sale. Brief descriptions of the Development is detailed below, along with staff's recommendation.
- b) Pursuant to Rule 67-21.0045, F.A.C., staff has requested a review of the proposed financing structure by the Independent Registered Municipal Advisor (IRMA) in order to make a recommendation to the Board for the method of bond/note sale for the developments. Caine Mitter and Associates Incorporated has prepared an analysis and recommendations for the method of bond/note sale for the Development. The recommendation letter is attached as Exhibit C.

2. Present Situation

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

3. Recommendation

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

Development Name	Location of Development	Number of Units	Method of Bond Sale	Recommended Professional	Exhibit
Civitas of Cape Coral	Lee County	96	Private Placement	RBC Capital Markets, LLC	Exhibit C

MULTIFAMILY BONDS

Consent

- C. **Request Approval of Credit Underwriting Update Letter to Increase the MMRN Amount, Amended Authorizing Resolutions, and Loan Closing Extension for The Arbors f/k/a Arbors at Lynn Haven Bluffs (RFA 2019-111 / 2020-071BR)**

Development Name: The Arbors f/k/a Arbors at Lynn Haven Bluffs	Location: Bay County
Applicant/Borrower: SP Bluffs LLC	Set-Aside(s): 40% @ 60% AMI (MMRN) 10% @ 35% AMI (RRLP & ELI) 90% @ 60% AMI (RRLP) 100% @ 60% AMI (4% HC)
Developer/Principal: Southport Development, Inc. d/b/a Southport Development Services, Inc. / J. David Page	Demographic/Number of Units: Family / 138 units
Requested Amounts: \$20,000,000 Multifamily Mortgage Revenue Note (MMRN) \$9,660,000 Rental Recovery Loan Program (RRLP) \$943,300 Extremely Low Income (ELI) \$1,672,543 Housing Credits (4% HC)	Development Category/Type: New Construction / Garden Apartments

1. **Background/Present Situation**

- a) On August 1, 2019, Florida Housing issued a Request for Applications (RFA) 2019-111 for Rental Recovery Loan Program (RRLP) Financing to be Used for Rental Developments in Hurricane Michael Impacted Counties.
- b) On December 13, 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 March 6, 2020, 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 March 11, 2020. The acceptance was acknowledged on March 16, 2020, giving them a firm loan commitment issuance deadline of March 16, 2021.
- d) On March 12, 2021, the Board approved the final credit underwriting report with a positive recommendation for MMRN, RRLP and ELI funding and directed staff to proceed with the closing activities.
- e) On June 25, 2021, staff received correspondence from Borrower requesting to increase the MMRN amount from the previously approved amount of \$17,000,000 to \$20,000,000 due to increased construction costs. On August 23, 2021, staff received a credit underwriting update letter with a positive recommendation for approval of the proposed change ([Exhibit D](#)).
- f) Staff reviewed the amended authorizing resolutions ([Exhibit E](#)) authorizing the sale and issuance of Multifamily Mortgage Revenue Note to finance this affordable housing Development within the State of Florida. Staff requests approval for the execution of the resolutions.

MULTIFAMILY BONDS

Consent

- g) On March 15, 2021, staff issued a firm commitment for the RRLP loan to the Applicant giving them a RRLP loan closing deadline of September 13, 2021. A request for an extension of the RRLP loan closing deadline may be considered by the Board for an extension term of up to 90 Calendar Days. An extension fee of one percent of each RRLP loan amount will be required if the Board approves the extension request.
- h) On July 30, 2021, the Borrower requested a loan closing deadline extension from September 13, 2021 to December 13, 2021 ([Exhibit F](#)). The development is still in the permit approval process. The delay is due to limited City staff availability and bandwidth due to the COVID-19 pandemic. In addition, significant increases in hard costs and market volatility have led to longer underwriting and finance closing coordination. The additional time will allow the development to finalize closing.

2. **Recommendation**

- a) Approve the credit underwriting update letter, amended authorizing resolutions, and extension of the loan closing deadline from September 13, 2021 to December 13, 2021, subject to payment of the required non-refundable extension fee of one percent of the RRLP loan amount pursuant to the requirements of the RFA; and direct staff to proceed with closing activities, subject to further approvals and verifications by the Credit Underwriter, Note Counsel, Special Counsel, and appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

D. Request Approval of Credit Underwriting Update Letter to Increase the MMRN Amount, Amended Authorizing Resolutions, and Loan Closing Extension for Bridge Plaza Apartments (RFA 2019-111 / 2020-072BR)

Development Name: Bridge Plaza Apartments Applicant/Borrower: SP Bay LLC	Location: Bay County Set-Aside(s): 40% @ 60% AMI (MMRN) 10% @ 35% AMI (RRLP & ELI) 90% @ 60% AMI (RRLP) 100% @ 60% AMI (4% HC)
Developer/Principal: Southport Development, Inc. d/b/a Southport Development Services, Inc. / J. David Page	Demographic/Number of Units: Family / 102 units
Requested Amounts: \$15,500,000 Multifamily Mortgage Revenue Note (MMRN) \$7,100,000 Rental Recovery Loan Program (RRLP) \$763,600 Extremely Low Income (ELI) \$1,241,997 Housing Credits (4% HC)	Development Category/Type: New Construction / Garden Apartments

1. Background/Present Situation

- a) On August 1, 2019, Florida Housing issued a Request for Applications (RFA) 2019-111 for Rental Recovery Loan Program (RRLP) Financing to be Used for Rental Developments in Hurricane Michael Impacted Counties.
- b) On December 13, 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 March 6, 2020, 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 March 11, 2020. The acceptance was acknowledged on March 16, 2020, giving them a firm loan commitment issuance deadline of March 16, 2021.
- d) On March 12, 2021, the Board approved the final credit underwriting report with a positive recommendation for MMRN, RRLP and ELI funding and directed staff to proceed with the closing activities.
- e) On June 25, 2021, staff received correspondence from Borrower requesting to increase the MMRN amount from the previously approved amount of \$13,000,000 to \$15,500,000 due to increased construction costs. On August 23, 2021, staff received a credit underwriting update letter with a positive recommendation for approval of the proposed change ([Exhibit G](#)).
- f) Staff reviewed the amended authorizing resolutions ([Exhibit H](#)) authorizing the sale and issuance of Multifamily Mortgage Revenue Note to finance this affordable housing Development within the State of Florida. Staff requests approval for the execution of the resolutions.

MULTIFAMILY BONDS

Consent

- g) On March 15, 2021, staff issued a firm commitment for the RRLP loan to the Applicant giving them a RRLP loan closing deadline of September 13, 2021. A request for an extension of the RRLP loan closing deadline may be considered by the Board for an extension term of up to 90 Calendar Days. An extension fee of one percent of each RRLP loan amount will be required if the Board approves the extension request.
- h) On July 30, 2021, the Borrower requested a loan closing deadline extension from September 13, 2021 to December 13, 2021 ([Exhibit I](#)). The development is still in the permit approval process. The delay is due to limited City staff availability and bandwidth due to the COVID-19 pandemic. In addition, significant increases in hard costs and market volatility have led to longer underwriting and finance closing coordination. The additional time will allow the development to finalize closing.

2. **Recommendation**

- a) Approve the credit underwriting update letter, amended authorizing resolutions, and extension of the loan closing deadline from September 13, 2021 to December 13, 2021, subject to payment of the required non-refundable extension fee of one percent of the RRLP loan amount pursuant to the requirements of the RFA; and direct staff to proceed with closing activities, subject to further approvals and verifications by the Credit Underwriter, Note Counsel, Special Counsel, and appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

- E. **Request Approval of the Credit Underwriting Update Letter Increasing the Permanent Note Amount and Amended Resolution for Jackson Forest (MMRN 2021 Series J/RFA 2018-116/2019-173BSN/2018-543C)**

Development Name: Jackson Forest	Location: Leon County
Applicant/Borrower: SP Forest LLC	Set-Aside(s): 3.81% @ 22% AMI (NHTF) 10% @ 33% AMI (SAIL/ELI) 90% @ 60% AMI (SAIL) 100% @ 60% AMI (MMRN & 4% HC)
Developer/Principal: Southport Development, Inc. d/b/a Southport Development Services, Inc. / J. David Page	Demographic/Number of Units: Family / 105 units
Requested Amounts: \$15,500,000 Multifamily Mortgage Revenue Notes (MMRN) \$5,850,000 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$872,000 National Housing Trust Fund (NHTF) \$1,256,233 Housing Credits (4% HC)	Development Category/Type: New Construction / Mid Rise (4 Stories)

1. **Background/Present Situation**

- a) On October 19, 2018, Florida Housing 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 May 13, 2019, staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant. The acceptance was acknowledged on May 15, 2019 giving them a firm loan commitment deadline of May 15, 2020. On April 17, 2020, the Board approved the Borrower's request to extend the firm loan commitment issuance deadline from May 15, 2019 to November 16, 2020 for SAIL, ELI, and NHTF.
- c) On October 16, 2020, the Board approved the credit underwriting report with a positive recommendation for MMRN, SAIL, ELI, and NHTF funding and directed staff to proceed with closing activities.
- d) On October 19, 2020, staff issued a firm commitment to the Applicant giving them a closing deadline of April 19, 2021. On March 12, 2021, the Board approved a loan closing extension from April 19, 2021 to July 19, 2021.
- e) On June 18, 2021, the Board approved the credit underwriting update letter increasing the MMRN amount from the previously approved amount of \$12,000,000 to \$15,500,000 due to increased construction costs. The Board also granted a waiver of Rule 67-48.0072(26), approving the Applicant's request to further extend the closing deadline from July 19, 2021 to December 19, 2021.

MULTIFAMILY BONDS

Consent

- f) On June 28, 2021, staff received correspondence from Borrower requesting to increase the permanent period Note from \$7,450,000 as approved in the credit underwriting update letter to \$8,195,000. This will reduce the pay down of the Note at conversion to permanent financing by \$745,000. On August 23, 2021, staff received a credit underwriting update letter with a positive recommendation for approval of the proposed change ([Exhibit J](#)).
- g) Staff reviewed the amended resolution ([Exhibit K](#)) authorizing the sale and issuance of Multifamily Mortgage Revenue Note to finance this affordable housing Development within the State of Florida. Staff requests approval for the execution of the resolutions.

2. **Recommendation**

- a) Approve the credit underwriting update letter and amended resolution and direct staff to proceed with closing activities, subject to further approvals and verifications by the Credit Underwriter, Note Counsel, Special Counsel, and appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

F. Request Approval of RFA Waiver for Applicant Entity Change for The Park at Palo Alto (RFA 2019-111 / 2020-068BR)

Development Name: The Park at Palo Alto	Location: Bay County
Applicant/Borrower: The Park at Palo Alto, LLC	Set-Aside(s): 100% @ 60% AMI (MMRN & 4% HC) 10% @ 35% AMI (RRLP & ELI) 90% @ 60% AMI (RRLP)
Developers/Principal: Royal American Properties, LLC /Joseph F. Chapman, IV, InVictus Development, LLC / Paula McDonald Rhodes, and PCHA Developer, LLC / Teresa Henry	Demographic/Number of Units: Family / 120 units
Requested Amounts: \$12,500,000 Multifamily Mortgage Revenue Notes (MMRN) \$8,400,000 Rental Recovery Loan Program (RRLP) \$820,200 Extremely Low Income (ELI) \$1,177,022 Housing Credits (4% HC)	Development Category/Type: New Construction / Garden Apartments

1. Background/Present Situation

- a) On August 1, 2019, Florida Housing issued a Request for Applications (RFA) 2019-111 for Rental Recovery Loan Program (RRLP) Financing to be Used for Rental Developments in Hurricane Michael Impacted Counties.
- b) On December 13, 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 March 6, 2020, 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 March 11, 2020. The acceptance was acknowledged on March 16, 2020.
- d) On March 12, 2021, the Board approved the request to extend the firm loan commitment issuance deadline from March 16, 2021 to September 16, 2021.
- e) On June 18, 2021, the Board approved the credit underwriting report and directed staff to proceed with closing activities.
- f) On August 25, 2021, staff received a request from the Applicant to change the structure of the Applicant Entity ([Exhibit L](#)). Waddell Plantation Inc is the Managing Member of the Applicant with 0.0046% ownership. The Applicant is requesting Waddell Palo Alto, LLC, a special purpose entity, be substituted in place of Waddell Plantation Inc as the Managing Member with 0.0046% ownership. Waddell Plantation Inc is the Sole Member of Waddell Palo Alto, LLC. The syndicator is requiring the additional special purpose entity for liability protection. Per the RFA, the Applicant entity shall be the borrowing entity and cannot be changed in any way (materially or non-materially) until after loan closing. Therefore, the change of the Applicant entity requires an RFA waiver.

MULTIFAMILY BONDS

Consent

2. **Recommendation**

- a) Approve the RFA waiver to allow for a change to the Applicant Entity and direct staff to proceed with closing activities, subject to further approvals and verifications by the Credit Underwriter, Note Counsel, Special Counsel, and appropriate Florida Housing staff.

MULTIFAMILY PROGRAMS

Consent

I. MULTIFAMILY PROGRAMS

A. Request Approval of Credit Underwriting Report for Sequoia (2020-064G)

Development Name: Sequoia	Location: Hillsborough County
Applicant/Borrower: Human Development Center, Inc.	Set-Asides: 33% @ 33% AMI (Grant) 67% @ 60% AMI (Grant)
Developers/Principals: Human Development Center, Inc./Kimberly A. Church	Demographic/Number of Units: Persons with Developmental Disabilities/6 Residents
Requested Amounts: \$498,000 Grant	Development Category/Type: New Construction/Community Residential Home (CRH)

1. Background/Present Situation

- a) On August 30, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-117 for Financing to Build Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities.
- b) On December 13, 2019, the Board approved the final scores and recommendations, and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 20, 2019, staff issued a Letter of Preliminary Award and subsequently, on August 3, 2020, staff issued an invitation to enter credit underwriting to the Borrower, giving them a Credit Underwriting Report deadline of May 3, 2021 and a closing deadline of August 3, 2021. The Corporation approved the Borrowers' requests to the extend the Credit Underwriting Report deadline from May 3, 2021 to September 10, 2021, and to extend the closing deadline from August 3, 2021 to November 30, 2021.
- d) On August 31, 2021, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit A](#)). Staff has reviewed this report and finds that the development meets all requirements of the RFA.

2. Recommendation

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

MULTIFAMILY PROGRAMS

Consent

B. Request Approval of Loan Closing Deadline Extension for Innovare (2020-478CSN)

Development Name: Innovare	Location: Pinellas County
Applicant/Borrower: Innovare, LP	Set-Aside(s): 7.84% @ 22% AMI (NHTF) 15% @ 33% AMI (SAIL, ELI, & 9% HC) 85% @ 60% AMI (SAIL & 9% HC)
Developer/Principal: Volunteers of America of Florida, Inc./Janet Stringfellow, Gorman & Company, LLC/Brian Swanton	Demographic/Number of Units: Homeless/Special Needs/51 units
Requested Amounts: \$3,500,000 State Apartment Incentive Loan (SAIL) \$205,600 Extremely Low Income (ELI) \$872,000 National Housing Trust Fund (NHTF) \$1,165,367 Housing Credits (9% HC)	Development Category/Type: New Construction/Mid-Rise (5-6 stories)

1. Background/Present Situation

- a) On February 10, 2020, Florida Housing issued a Request for Applications (RFA) 2020-103 for Housing Credit and SAIL Financing for Homeless Housing Developments Located in Medium and Large Counties.
- b) On June 11, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 21, 2020, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 24, 2020, giving them a firm loan commitment issuance deadline of July 24, 2021.
- d) On October 16, 2020, the Board approved a Rule Waiver changing the development type from Garden Apartments to Mid-Rise 5-6 stories.
- e) On December 4, 2020, the Board approved the replacement of Co-Developer, Lincoln Park, LLC with co-Developer Gorman & Company, LLC, and an RFA waiver regarding development experience requirements.
- f) On June 18, 2021, the Board approved a co-developer principal change as well as the final credit underwriting report with a positive recommendation for funding and directed staff to proceed with the closing activities. On June 21, 2021, staff issued a firm commitment to the Applicant giving them a loan closing deadline of October 19, 2021. A request for an extension of the loan closing deadline may be considered by the Board for an extension term of up to 90 Calendar Days. An extension fee of one percent of each loan amount will be required if the Board approves the extension request.

MULTIFAMILY PROGRAMS

Consent

- g) On August 16, 2021, the Borrower requested a loan closing deadline extension from October 19, 2021 to January 17, 2022. ([Exhibit B](#)) The combination of fluctuating construction costs and slower local government office review times have led to the slight delay in closing, however the development is still on track to close end of September. The request is being made in an abundance of caution.

2. Recommendation

- a) Approve the request for a loan closing deadline extension from October 19, 2021 to January 17, 2022 subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

MULTIFAMILY PROGRAMS

Consent

C. Request Approval of RFA Waiver for Firm Loan Commitment Issuance Deadline Extension for New River Landing (2020-075R)

Development Name: New River Landing	Location: Franklin County
Applicant/Borrower: MHP New River Landing LLC	Set-Asides: 10% @ 40% AMI (RRLP & ELI) 60% @ 60% AMI (RRLP)
Developers/Principals: MHP New River Landing Developer, LLC/Christopher Shear	Demographic/Number of Units: Family/ 30 units
Requested Amounts: \$4,988,724 Rental Recovery Loan Program (RRLP) \$131,100 Extremely Low Income (ELI)	Development Category/Type: New Construction/Single Family

1. Background/Present Situation

- a) On August 1, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-111 for Rental Recovery Loan Program (RRLP).
- b) On December 13, 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 March 6, 2020, 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 March 11, 2020, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on March 12, 2020, giving them a firm loan commitment issuance deadline of March 12, 2021. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On March 12, 2021, the Board approved the request to extend the firm loan commitment issuance deadline from March 12, 2021 to September 12, 2021.
- e) On August 27, 2021, staff received an RFA Waiver request from the Borrower for an additional extension to extend the firm loan commitment issuance deadline from September 12, 2021 to March 14, 2022. ([Exhibit C](#)). Since the initial extension approval, the Applicant has continued to experience challenges in relation to the construction cost, including labor and material. The Covid-19 pandemic has created further delays in the development process. Despite the challenges the developer has continued worked diligently and has devised a path forward to complete the credit underwriting process required for the issuance of firm commitment. Per the RFA, if the Applicant has not received a firm loan commitment by the extended deadline, then the preliminary commitment shall

MULTIFAMILY PROGRAMS

Consent

be withdrawn. Since the one extension allowed per the RFA has been approved by the Board, the additional extension request requires an RFA Waiver.

2. **Recommendation**

- a) Approve the RFA Waiver request for a Firm Loan Commitment Issuance deadline extension from September 12, 2021 to March 14, 2022.

MULTIFAMILY PROGRAMS

Consent

D. Request Approval of RFA Waiver for Firm Loan Commitment Issuance Deadline Extension for Bid-A-Wee Apartments (2020-076BR)

Development Name: Bid-A-Wee Apartments Applicant/Borrower: Bid-A-Wee Apartments, LLC	Location: Bay County Set-Asides: 15.28% @ 30% AMI (RRLP, ELI, HC) 55.56% @ 60% AMI (RRLP, HC) 15.28% @ 70% AMI (RRLP, HC) 13.89% @ 80% AMI (RRLP, HC) 40% @ 60% AMI (MMRB)
Developers/Principals: Bid-A-Wee Developer, LLC/James Freeman	Demographic/Number of Units: Family/144 Units
Requested Amounts: \$16,500,000 Multifamily Mortgage Revenue Bonds (MMRB) \$6,114,900 Rental Recovery Loan Program (RRLP) \$1,056,300 Extremely Low Income (ELI) \$1,186,730 Housing Credits (4% HC)	Development Category/Type: New Construction/Mid-Rise, 4-stories

1. Background/Present Situation

- a) On August 1, 2019, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2019-111 for Rental Recovery Loan Program. (RRLP).
- b) On December 13, 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 March 6, 2020, 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 March 11, 2020, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on March 16, 2020, giving them a firm loan commitment issuance deadline of March 16, 2021. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On March 12, 2021, the Board approved the request to extend the firm loan commitment issuance deadline extension from March 16, 2021 to September 16, 2021.
- e) On August 20, 2021, staff received an RFA Waiver request from the Borrower for an additional extension to extend the firm loan commitment issuance deadline from September 16, 2021 to March 16, 2022 ([Exhibit D](#)). Bid-A-Wee's previous extension request was based primarily on soil test reports revealing the need for substantial additional soils work, site development, and foundation design to develop the site. Environmental site review issues were extremely drawn out due to a transfer of permitting authority between federal and state regulatory agencies, that required restarting environmental review. These issues have just recently been resolved with a determination by the regulatory agencies that no environmental permitting will be necessary to develop the site. Without such a determination and had permit permits been unobtainable in very short

MULTIFAMILY PROGRAMS

Consent

order, proceeding with the development may have been unfeasible. These conditions both delayed the development and have resulted in higher costs to develop. Per the RFA, if the Applicant has not received a firm loan commitment by the extended deadline, then the preliminary commitment shall be withdrawn. Since the one extension allowed per the RFA has been approved by the Board, the additional extension request requires an RFA Waiver. Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. Recommendation

- a) Approve the RFA Waiver request for a firm loan commitment issuance deadline extension from September 16, 2021 to March 16, 2022.

MULTIFAMILY PROGRAMS

Consent

E. Request Approval of Loan Closing Deadline Extension for Valor Preserve at Lake Seminole (2020-453CS)

Development Name: Valor Preserve at Lake Seminole	Location: Pinellas County
Applicant/Borrower: Valor Preserve, LLLP	Set-Asides: 15% @ 33% AMI (SAIL, ELI & 9% HC) 85% @ 60% AMI (SAIL & 9% HC)
Developers/Principals: Norstar Development USA, LP/ Neil Brown, Pinellas Property Management Company, Inc./ Debra Johnson	Demographic/Number of Units: Persons with a Disabling Condition/ 64 units
Requested Amounts: \$3,729,600 State Apartment Incentive Loan (SAIL) \$270,400 Extremely Low Income (ELI) \$1,700,000 Housing Credits (9% HC)	Development Category/Type: New Construction/Quadrplexes

1. Background/Present Situation

- a) On February 25, 2020, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2020-106 Financing for the Development of Housing for Persons with A Disabling Condition or Developmental Disabilities.
- b) On June 11, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 9, 2020, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 15, 2020, giving them a firm loan commitment issuance deadline of July 15, 2021.
- d) On October 16, 2020, the Board approved a Rule waiver request to change the Development Type from Garden Apartments to Quadrplexes.
- e) On June 18, 2021, the Board approved the final credit underwriting report with a positive recommendation for funding and directed staff to proceed with the closing activities. On June 21, 2021, staff issued a firm commitment to the Applicant giving them a loan closing deadline of October 19, 2021. A request for an extension of the loan closing deadline may be considered by the Board for an extension term of up to 90 Calendar Days. An extension fee of one percent of each loan amount will be required if the Board approves the extension request.

MULTIFAMILY PROGRAMS

Consent

- f) On August 26, 2021, the Borrower requested a loan closing deadline extension from October 19, 2021 to January 17, 2022 ([Exhibit E](#)). Due to recent construction pricing increases, there is a need to obtain additional noncorporation funding sources which is anticipated to be requested for approval at the Corporation's October Board meeting. Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. Recommendation

- a) Approve the request for a loan closing deadline extension from October 19, 2021 to January 17, 2022, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

I. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Approval of Loan Maturity Extension for Casa Familia Inc., a not-for-profit entity, for Casa Familia (2017-011P-09)

DEVELOPMENT NAME ("Development"):	Casa Familia
APPLICANT/DEVELOPER ("Developer"):	Casa Familia, Inc.
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	50 Rental
LOCATION ("County"):	Miami-Dade
TYPE:	Persons with Developmental Disabilities
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$500,000
ADDITIONAL COMMENTS:	

1. Background

- a) On January 26, 2018, the Board approved a loan to the Developer in the amount of \$500,000.
- b) On November 15, 2018, the Applicant closed on the PLP loan. To date, \$500,000 has been drawn on the loan. The loan matures on November 15, 2021.

2. Present Situation

- a) On August 17, 2021, Florida Housing received a letter from the assigned Technical assistance provider (TAP) including a letter from the developer ([Exhibit A](#)) requesting a one-year extension to the maturity date for this PLP Loan. The new maturity date will be November 15, 2022.
- b) The development has already been awarded construction financing under RFA 2019-107 and is in credit underwriting currently.

3. Recommendation

- a) Approve the one-year loan maturity extension for Casa Familia, Inc. and allow staff to proceed with amending closing documents.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Request Approval of Loan Maturity Extension for West Augustine Historical CDC, a not-for-profit entity, for Villages of New Augustine (2017-003P-09)

DEVELOPMENT NAME (“Development”):	Villages of New Augustine
APPLICANT/DEVELOPER (“Developer”):	West Augustine Historical CDC
CO-DEVELOPER:	Ability Housing
NUMBER OF UNITS:	60 Rental
LOCATION (“County”):	St. Johns
TYPE:	Family
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$750,000
ADDITIONAL COMMENTS:	

1. Background

- a) On September 22, 2017, the Board approved a loan to the Developer in the amount of \$750,000.
- b) On October 23, 2018, the Applicant closed on the PLP loan. To date, \$359,206 has been drawn on the loan. The loan matures on October 23, 2021.

2. Present Situation

- a) On August 25, 2021, Florida Housing received a letter from the assigned Technical assistance provider (TAP) including a letter from the developer ([Exhibit B](#)) requesting a one-year extension to the maturity date for this PLP Loan. The new maturity date will be October 23, 2022.
- b) The developer has applied for construction financing through Florida Housing, but has not been successful. They are planning to submit an application for RFA 2021-201.

3. Recommendation

- a) Approve the one-year loan maturity extension to West Augustine Historical CDC for Villages of New Augustine and allow staff to commence with amending the loan closing documents.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

C. **Request Approval of PLP Loan for Neighbor Up Brevard, a not-for-profit entity, for Greater Heights II (2021-008P-09)**

DEVELOPMENT NAME (“Development”):	Greater Heights II
APPLICANT/DEVELOPER (“Developer”):	Neighbor Up Brevard
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	6 Rental
LOCATION (“County”):	Brevard
TYPE:	Persons with Developmental Disabilities
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$215,000
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 June 28, 2021, the Developer submitted a PLP application for Greater Heights II.
- c) On July 7, 2021, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

2. **Present Situation**

- a) On August 9, 2017, 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 \$215,000.
- 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 \$215,000 to Neighbor Up Brevard for Greater Heights II and allow staff to commence with the loan closing process.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

I. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Credit Underwriting Report for Christian Manor (2020-405S)

Development Name: Christian Manor	Location: Palm Beach County
Applicant/Borrower: Christian Manor Restoration, LP	Set-Aside(s): 10% @ 28% AMI (SAIL, ELI & 4% HC) 90% @ 60% AMI (SAIL & 4% HC)
Developer/Principal: Integrity Development Partners, LLC/Rhett Holmes, SCG Development Partners, LLC/Steve P. Wilson	Demographic/Number of Units: Elderly (Non-ALF)/200 units
Requested Amounts: \$5,000,000 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$1,737,592 Housing Credits (4% HC)	Development Category/Type: Acquisition & Rehabilitation/Garden Apartments

1. Background/Present Situation

- a) On November 6, 2019, Florida Housing issued a Request for Applications (RFA) 2019-116 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 6, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On July 17, 2020, 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 July 20, 2020, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 24, 2020, giving them a firm loan commitment issuance deadline of July 24, 2021. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On April 30, 2021, the Board approved an RFA waiver for an Applicant Name Change from Christian Manor Restoration, LLC to Christian Manor Restoration, LP., and Applicant Entity Structure change.
- e) On June 18, 2021, the Board approved extending the firm loan commitment issuance deadline from July 24, 2021 to January 24, 2022.
- f) On September 1, 2021, staff received final credit underwriting report with a positive recommendation for funding ([Exhibit A](#)). Staff has reviewed this report and finds that the development meets all requirements of the RFA.

2. Recommendation

- a) Approve the final credit underwriting report and 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 Change for Marquis Apartments (2019-161SN)

Development Name: Marquis Apartments	Location: Broward County
Applicant/Borrower: Marquis Partners, Ltd.	Set-Asides: 100% @ 60% AMI (HC) 6% @ 22% AMI (NHTF) 10% @ 28% AMI (SAIL, ELI) 84% @ 60% AMI (SAIL)
Developers/Principals: Cornerstone Group Partners, LLC / Mara S. Mades	Demographic/Number of Units: Family/Persons with Special Needs/100
Requested Amounts: \$3,040,000 State apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$1,435,800 National Housing Trust Fund (NHTF) \$920,827 Housing Credits (4% HC)	Development Category/Type: New Construction/Garden Apartments

1. Background

- a) Florida Housing financed the above referenced Development in 2020 with a \$3,040,000 SAIL loan, a \$600,000 ELI loan and a \$1,435,800 NHTF loan. In addition, \$920,827 in Housing Credits was allocated to the Development. The loans closed on April 30, 2020 and the Development is substantially completed.

2. Present Situation

- a) On June 10, 2021, staff received a request from the Borrower to make a change to the Applicant Entity, Marquis Partners, Ltd. ([Exhibit B](#)). The General Partner (GP) of the Applicant, Cornerstone Marquis, LLC, is requesting changes to the ownership percentages for estate planning purposes. The requested changes to the GP ownership percentages are less than 33.3% of total ownership and therefore are non-material changes and will have no effect on the management, operation, or control of the General Partner. Per the RFA, after loan closing, any borrowing entity change (material or non-material) will require Board approval prior to the change. The original and proposed ownership percentages are provided in the Applicant's request letter. Staff has reviewed this request and finds that it meets all requirements of the RFA.

3. Recommendation

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

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

C. Request Approval of Applicant Entity Change for Solimar (2019-027BS)

Development Name: Solimar	Location: Miami-Dade County
Applicant/Borrower: Solimar Associates, Ltd	Set Aside(s): 40% @ 60% AMI (MMRB) 18.889% @ 30% AMI (SAIL & 4% HC) 26.111% @ 60% AMI (SAIL & 4% HC) 55% @ 70% AMI (SAIL Workforce & 4% HC)
Developer/Principal: Cornerstone Group Partners, LLC / Mara S. Mades	Demographic/Number of units: Family / 180
Requested Amounts: \$22,500,000 Multifamily Mortgage Revenue Note (MMRN) \$8,075,000 State Apartment Incentive Loan (SAIL) \$1,626,192 Housing Credits (4% HC)	Development Category/Type: New Construction / Garden Apartments

1. Background

- a) Florida Housing financed the above referenced Development in 2020 with a \$22,500,000 MMRB loan and an \$8,075,000 SAIL loan. In addition, \$1,626,192 in Housing Credits was allocated to the Development. The loans closed on December 14, 2020 and the Development is approximately 45% completed.

2. Present Situation

- a) On June 10, 2021, staff received a request from the Borrower to make a change to the Applicant Entity, Solimar Associates, Ltd. ([Exhibit C](#)). The General Partner (GP) of the Applicant, Cornerstone Solimar, LLC, is requesting changes to the ownership percentages for estate planning purposes. The requested changes to the GP ownership percentages are less than 33.3% of total ownership and therefore are non-material changes and will have no effect on the management, operation, or control of the General Partner. Per the RFA, after loan closing, any borrowing entity change (material or non-material) will require Board approval prior to the change. The original and proposed ownership percentages are provided in the Applicant's request letter. Staff has reviewed this request and finds that it meets all requirements of the RFA.

3. Recommendation

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

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

D. Request Approval of Applicant Entity Change for Sunset Pointe II (2019-138BSN)

Development Name: Sunset Pointe II	Location: Miami-Dade County
Applicant/Borrower: Sunset Pointe II Associates, Ltd.	Set-Asides: 40% @ 60% AMI (MMRB) 15.625% @ 30% AMI (SAIL, ELI, & 4% HC) 40.625% @ 60% AMI (SAIL & 4% HC) 43.750% @ 70% AMI (SAIL & 4% HC) 6.250% @ 22% AMI (NHTF)
Developers/Principals: Cornerstone Group Partners, LLC / Mara Mades and New Urban Development LLC / Oliver Gross	Demographic/Number of Units: Family / 96
Requested Amounts: \$11,750,000 Multifamily Mortgage Revenue Bonds (MMRB) \$3,000,000 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$1,435,800 National Housing Trust Fund (NHTF) \$783,994 Housing Credits (4% HC)	Development Category/Type: New Construction / Garden Apartments

1. Background

- a) Florida Housing financed the above referenced Development in 2020 with a \$11,750,000 MMRB loan, a \$3,000,000 SAIL loan, a \$600,00 ELI loan and a \$1,435,800 NHTF loan. In addition, \$783,994 in Housing Credits was allocated to the Development. The loans closed on October 29, 2020 and the Development is approximately 60% completed.

2. Present Situation

- a) On June 10, 2021, staff received a request from the Borrower to make a change to the Applicant Entity, Sunset Pointe II, Ltd. ([Exhibit D](#)). The General Partner (GP) of the Applicant, Cornerstone Sunset Pointe II, LLC, is requesting changes to the ownership percentages for estate planning purposes. The requested changes to the GP ownership percentages are less than 33.3% of total ownership and therefore are non-material changes and will have no effect on the management, operation, or control of the General Partner. Per the RFA, after loan closing, any borrowing entity change (material or non-material) will require Board approval prior to the change. The original and proposed ownership percentages are provided in the Applicant's request letter. Staff has reviewed this request and finds that it meets all requirements of the RFA.

3. Recommendation

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

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

E. Request Approval of Applicant Entity Change for Water's Edge (2018-025BS)

Development Name: Water's Edge Apartments	Location: Miami-Dade County
Applicant/Borrower: Water's Edge Associates, Ltd.	Set Aside(s): 40% @ 60% AMI (MMRB) 15.625% @ 30% AMI (SAIL, ELI & 4% HC) 0.781% @ 40% AMI (SAIL & 4% HC) 35.156% @ 60% AMI (SAIL & 4% HC) 48.438 @ 70% AMI (SAIL & 4% HC)
Developer/Principal: Cornerstone Group Partners, LLC / Jorge Lopez	Demographic/Number of units: Family / 128
Requested Amounts: \$14,000,000 Multifamily Mortgage Revenue Bond (MMRB) \$3,000,000 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$1,092,118 Housing Credits (4% HC)	Development Category/Type: New Construction / Garden Apartments

1. Background

- a) Florida Housing financed the above referenced Development in 2019 with a \$14,000,000 MMRB loan, a \$3,000,000 SAIL loan and a \$600,000 ELI loan. In addition, \$1,092,118 in Housing Credits was allocated to the Development. The loans closed on December 1, 2019 and the Development is completed.

2. Present Situation

- a) On June 10, 2021, staff received a request from the Borrower to make a change to the Applicant Entity, Water's Edge Associates, Ltd. ([Exhibit E](#)). The General Partner (GP) of the Applicant, Cornerstone Water's Edge, LLC, is requesting changes to the ownership percentages for estate planning purposes. The requested changes to the GP ownership percentages are less than 33.3% of total ownership and therefore are non-material changes and will have no effect on the management, operation, or control of the General Partner. Per the RFA, after loan closing, any borrowing entity change (material or non-material) will require Board approval prior to the change. The original and proposed ownership percentages are provided in the Applicant's request letter. Staff has reviewed this request and finds that it meets all requirements of the RFA.

3. Recommendation

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

SPECIAL ASSETS

Consent

I. SPECIAL ASSETS

- A. Request Approval of the Extension of the RRLP Loan for Johnson Lakes Escambia Limited Partnership, a Florida Limited Partnership, for Johnson Lakes (RRLP 2005-313HR/HC 2008-507C)

Development Name: Johnson Lakes (“Development”)	Location: Escambia County
Developer: Landmark (“Developer”)/Johnson Lakes Escambia Limited Partnership (“Borrower”)	Set-Aside: RRLP & HC 25%@35%; 75%@60% AMI LURA: 50 years; ELIHA 30 years
Number of Units: 160	Allocated Amount: RRLP \$6,141,214; HC \$562,135
Demographics: Elderly	Servicer: Seltzer Management Group

1. Background

- a) During the 2005 Cycle, Florida Housing Finance Corporation awarded a \$6,141,214 Rental Recovery Loan Program loan (“RRLP”), comprising a Base Loan of \$4,141,214 and a Supplemental Loan of \$2,000,000 as a construction/permanent loan to Johnson Lakes Escambia Limited Partnership, a Florida limited partnership (“Borrower”), for the development of a 160-unit multifamily rental development in Escambia County. The Base Loan closed on September 28, 2006 and matures on September 26, 2021. The Supplemental Loan closed on September 28, 2006 and matures on September 26, 2026 with an option for an automatic extension to September 26, 2056. The Development also received a 2008 allocation of low-income housing tax credits (“HC”) of \$562,135.

2. Present Situation

- a) The Borrower requests consent from the Board to extend the RRLP Base Loan maturity date five-years to September 26, 2026.
- b) The Borrower states the additional time is needed to explore avenues to 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 and to pay the loan extension fee.
- c) Staff has received a credit underwriting report from Seltzer Management Group ([Exhibit A](#)) recommending approval for the five-year extension and the five-year extension of the LURA.

SPECIAL ASSETS

Consent

3. **Recommendation**

- a) Approve the five-year extension of the RRLP Base Loan maturity date to September 26, 2026, and extension of the LURA for an additional five-years, subject to the conditions provided in the credit underwriter's report, further approvals and verifications by the credit underwriter, counsel, and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities, as needed.

SPECIAL ASSETS

Consent

B. Request Approval of Partial Release of Land for Pinnacle Housing Group, LLC, for Old Cutler Village Apartments, Ltd. a Florida Limited Partnership for Old Cutler Village (2001-061C)

Development Name: Old Cutler Village (“Development”)	Location: Miami-Dade County
Developer/Principal: Pinnacle Housing Group LLC (“Developer”); Old Cutler Village Apartments, Ltd. (“Borrower”)	Set-Aside: HC: 15%@33%, 85%@60% AMI, EUA: 50 years
Number of Units: 288	Allocated Amount: HC \$1,700,000
Demographics: Family	Servicer: First Housing Development Corporation

1. Background

- a) In May of 2003, Florida Housing Finance Corporation (“Florida Housing”) awarded allocations of low-income housing tax credits (“HC”) of \$1,700,000 to Old Cutler Village Apartments, LTD., a Florida limited partnership, (“Borrower”), for the construction of a 288-unit development in Miami-Dade County, Florida. Pinnacle Housing Group, LLC (“Pinnacle”) is the parent company of the Owner.

2. Present Situation

- a) The Owner requests approval of the Board to release approximately 4.35 acres of vacant land from the Development and to modify the legal description of the Extended Low Income Housing Agreement (“ELIHA”) so that the vacant land can be developed into an affordable housing development known as Phase 2.
- b) Staff has received a credit underwriting report from First Housing Development Corporation ([Exhibit B](#)) recommending approval for the partial release of land, and the modification of the legal description.

3. Recommendation

- a) Approve the partial release of land, and the modification of the legal description in the ELIHA, 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 HOME Loan for Mira Verde Limited Partnership, a Florida Limited Partnership, for Mira Verde (97HR-006/97L-067)**

Development Name: Mira Verde (“Development”)	Location: Hendry County
Developer/Principal: Richman Group (“Developer”); Mira Verde Limited Partnership (“Borrower”)	Set-Aside: HOME 26% @ 50%, 74% @ 60% AMI; HC 15% @ 35% & 85% @ 60% AMI LURA & EUA: 51 years
Number of Units: 140	Allocated Amount: HOME \$1,360,000; HC \$975,000
Demographics: Farmworker/Family	Servicer: First Housing Development Corporation

1. **Background**

- a) During the 1997 funding cycle, Florida Housing Finance Corporation awarded a \$1,360,000 Home Investment Partnership Program Loan (“HOME”) to Mira Verde Limited Partnership, a Florida limited partnership (“Borrower”), for the construction of a 140-unit development in Hendry County. The HOME loan closed on December 17, 1997. The Development also received a 1997 allocation of low-income housing tax credits (“HC”) of \$975,000. The Board has previously approved the extension of the HOME loan to September 24, 2021.

2. **Present Situation**

- a) The Borrower has requested approval to extend the HOME loan, for six (6) months, to March 24, 2022, while working on refinancing of the Development. The Borrower plans to pay off or pay most of the HOME loan with the refinancing and agrees to pay the loan extension fee, and to an extension of the affordability period under the Land Use Restriction Agreement (“LURA”) to be equal to the loan extension (adding six months to the current 53 years and 3 months).

3. **Recommendation**

- a) Approve the extension of the HOME loan at its current terms, to March 24, 2022, extension of the LURA for an additional six months, and direct staff to proceed with loan document modification activities, as needed.