

**GARDEN PLACE, LTD.
3050 Biscayne Boulevard, Suite 300
Miami, Florida 33137**

May 17, 2024

Via Electronic Mail

Mr. Ralph Stone
Executive Director
Broward County Housing Finance Authority
110 NW 3rd Street, Suite 300
Fort Lauderdale, Florida 33301

RE: Boulevard Gardens Apartments, Broward County , Florida – 92 Affordable Housing Units for Elderly Households

Dear Mr. Stone:

Thank you for taking the time to talk earlier this week regarding the above referenced development. Boulevard Gardens is a planned affordable multi-family rental development on 1.71 acres located at the NW corner of NW 27th Ave. & NW 1st St, Unincorporated Broward County. Preliminary plans propose 92 total units, with approximately 90% to be set aside for households that earn 60% or less of the Broward County Area Median Income (AMI) and 10% of the total units set aside for households that earn 33% or less of the Broward County AMI. Income and rent restrictions will remain in place for 99 years. The final number of units (to be determined after issuance of all development approvals) may change by 10%, either upwards or downwards.

Garden Place, Ltd. ("Garden Place") intends to submit a 9% Housing Credit funding application to Florida Housing Finance Corporation (FHFC) under RFA 2024-202 due July 18, 2024. In order to significantly increase the likelihood of being selected for funding, Garden Place seeks to qualify for the Local Government Area of Opportunity (LGAO) Designation under FHFC RFA 2024-202. Per FHFC's draft of RFA 2024-202, a development located in Broward County qualifies for the LGAO Designation by obtaining Local Government contribution in the form of a loan and/or grant of no less than \$640,000. To be considered for FHFC's LGAO Designation, Garden Place must include the attached executed FHFC Verification of Contribution Form in the funding application. A Local Government may not contribute loans and/or grants to more than one proposed development applying for the LGAO Designation under RFA 2024-202.

Garden Place is requesting \$2,360,000 in GAP funding in excess of \$640,000 to assist with the financial viability of the development. Following are challenges faced by this development, which explain the need for GAP funding in excess of \$640,000:

- Per FHFC RFA 2024-202, developments that serve elderly households must provide at least 50% 1 bedroom / 1 bathroom, resulting in lower overall rents and lower first mortgage permanent financing. This requirement does not apply to developments that serve families.
- To meet the needs of the community, we intend to set-aside all units in the development for households that earn 60% or less of the Broward County AMI, resulting in lower projected rents than developments serving households earning 80% or more of the Broward County AMI.

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- The small size of the subject property results in higher development costs, given the 6-story construction and the need for a complex site drainage system.

In addition, continued high construction costs and relatively high interest rates, together with lower tax credit pricing, and high property insurance costs, all contribute to the significant need for local government assistance.

At this time, we are respectfully requesting \$3,000,000 in construction and permanent funding from Broward County. This amount is comprised of (i) the \$640,000 LGAO amount described above, and (ii) and \$2,360,000 in GAP financing (collectively, the "County Assistance"). The County Assistance would be in the form of one loan, to be funded during construction, as agreed between the County and Garden Place. In order to facilitate the financial viability of the development, we request that the County's loan to Garden Place be at a rate of 0% per annum, with principal payable at maturity, 30 years from the closing of the County loan. There would be no principal payments until maturity. The County's loan would be junior in lien priority to the first mortgage construction and permanent loan.

Attached is the Sourced and Uses and Operating Projections.

Thank you in advance for your consideration of this request.

Sincerely,



Garden Place, Ltd.

Francisco Rojo
Member of its General Partner

Enclosures