



September 25, 2018

John Hurt, Executive Director
Riviera Beach Housing Authority
2001 Broadway, Suite 101
Riviera Beach, Florida 33404

Re: Heron Estates Family Local Government Contribution – Grant Form

Dear Mr. Hurt:

Housing Trust Group, LLC (HTG) would like you to assist our efforts to obtain a Local Government Contribution from the City of Riviera Beach associated with Phase II of the Heron Estates initiative. Phase II entails the development of seventy-nine (79) affordable rental units for families and veterans.

HTG has developed more than 5,000 units of multifamily and workforce housing, working closely with local government agencies and federal housing authorities in Polk, Palm Beach, and Miami-Dade Counties. We are committed to providing individuals, families and seniors with quality, safe, and amenity rich communities to call "Home." HTG's team is comprised of some of the most experienced professionals in the multifamily housing business. In addition to the 5,000 units our organization has developed, HTG's primary development personnel have orchestrated the development of over 15,000 units. HTG and its dedicated staff have earned the reputation of being a quality public-private development partner based on its ability to execute, and its commitment to work in collaboration with its housing authority partners and their community stakeholders.

As you know, we have commenced the construction of a \$24,000,000 senior housing project referred to a Heron Estates Senior Apartments. Presently, the project is 20% complete and we anticipate final completion within the next 10 to 12 months. To date, HTG has successfully implemented contractor diversity and Section 3 programs, which will be continued in Phase II.

In summary, we are requesting a Local Government Contribution of \$567,500 for Heron Estates Family Apartments. By accessing a Local Government Contribution, we would significantly increase our chances of receiving funding from Florida Housing Finance Corporation.

We trust that you will look favorably upon our request for a Local Government Contribution.

Sincerely,



Bryan K. Finnie, Strategic Partner
Housing Trust Group

Attachments

**FLORIDA HOUSING FINANCE CORPORATION
LOCAL GOVERNMENT VERIFICATION OF CONTRIBUTION - GRANT FORM**

Name of Development: Heron Estates Family

Development Location: W 17th CT., W 17th Ct. and N Congress Ave., Riviera BeachH

(At a minimum, provide the address number, street name and city, and/or provide the street name, closest designated intersection and either the city (if located within a city) or county (if located in the unincorporated area of the county). If the Development consists of Scattered Sites, the Development Location stated above must reflect the Scattered Site where the Development Location Point is located.)

The City/County of Riviera Beach commits \$ 567,500.00 as a grant to the Applicant for its use solely for assisting the proposed Development referenced above. The City/County does not expect to be repaid or reimbursed by the Applicant, or any other entity, provided the funds are expended solely for the Development referenced above. No consideration or promise of consideration has been given with respect to the grant. For purposes of the foregoing, the promise of providing affordable housing does not constitute consideration. The commitment for this grant must be effective as of the Application Deadline for the applicable RFA, and is provided specifically with respect to the proposed Development.

The source of the grant is: City's General Fund Account

(e.g., SHIP, HOME, CDBG)

CERTIFICATION

I certify that the foregoing information is true and correct and that this commitment is effective at least through the date required in the applicable RFA.

<p>_____ Signature</p>	<p><u>Karen L. Hoskins</u> Print or Type Name</p> <p><u>Interim City Manager</u> Print or Type Title</p>
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This certification must be signed by the chief appointed official (staff) responsible for such approvals. Mayor, City Manager, County Manager/Administrator/Coordinator, Chairperson of the City Council/Commission or Chairperson of the Board of County Commissioners. If the contribution is from a Land Authority organized pursuant to Chapter 380.0663, Florida Statutes, this certification must be signed by the Chair of the Land Authority. One of the authorized persons named above may sign this form for certification of state, federal or Local Government funds initially obtained by or derived from a Local Government that is directly administered by an intermediary such as a housing finance authority, a community reinvestment corporation, or a state-certified Community Housing Development Organization (CHDO). Other signatories are not acceptable. The Applicant will not receive credit for this contribution if the certification is improperly signed. To be considered for points, the amount of the contribution stated on this form must be a precise dollar amount and cannot include words such as estimated, up to, maximum of, not to exceed, etc.

If the Application is not eligible for automatic points, this contribution will not be considered if the certification contains corrections or 'white-out' or if the certification is altered or retyped. The certification may be photocopied.

Please note: This form may be modified by Florida Housing Finance Corporation per Section 67-60.005, F.A.C.

Heron Estates Family - Palm Beach - Family Project Setup

Project Information				Timing				
Project Name	Heron Estates Family	Demographic	Family	Predevelopment Start Date	Units	Date	Elapsed Months	Cumulative Months
City, State	Riviera Beach, FL	Land (Acres)	10	Closing Date		Jun-18		
County	Palm Beach	Max Density		First Unit Occupied (# of Occupied upon initial C/O)	30	Dec-19	14	14
Developer	HTG Heron Estates Family Developer, LLC	Zoning	RM-12	Last Unit Occupied (# of Occupied per month)	25	Apr-21	2	16
Ownership Entity	HTG Heron Estates Family, LLC	Address	2014 W 17 CT	Permanent Loan Closing Date		Jul-21	3	19

Deal Info		Unit Type					Set Aside				
Deal Type:	9%	Studio	0	0	0%	0%	0%	0%	0%	0%	0%
Acquisition:	No	1/1	750	19	24%	50%	0%	0%	0%	0%	0%
Project Type:	NC Garden Concrete	2/2	975	40	51%	60%	90%	96%	90%	90%	0%
# of Buildings:	8	3/2	1,050	20	25%	Market	0%	0%	0%	0%	0%
# of Floors:	2										
# of Elevators:	0	Total	840	79	100%	0%	% Affordable	100%	100%	100%	100%

Residential Rent Schedule	# of Units	Rent Limit	Unit Sq. Ft.	Market Rents	Actual Rent	Net Rent	Total Rent Monthly	Total Rent Annual	Total Sq. Ft.	Rent P.S.F.	Rent Per Unit
1/1	17	60%	750		\$866	\$737	\$12,529	\$150,348	12,750	\$9.96	\$8,844
1/1	2	28%	750		\$404	\$276	\$550	\$6,600	1,500	\$3.37	\$3,300
2/2	36	60%	975		\$1,039	\$883	\$31,788	\$381,456	35,100	\$9.91	\$10,596
2/2	4	28%	975		\$485	\$329	\$1,316	\$15,792	3,900	\$3.34	\$3,948
3/2	18	60%	1,050		\$1,200	\$1,007	\$18,126	\$217,512	18,900	\$9.96	\$12,084
3/2	2	28%	1,050		\$560	\$367	\$734	\$8,808	2,100	\$3.35	\$4,404
Total	79		74,250			\$5,845	\$65,043	\$780,516	74,250	\$9.88	\$8,880

Operating Expenses	Total	Per Unit	P.S.F. (rentable)	Notes
Management Fee (% of EGI)	38,026	\$481	\$0.51	5.00%
Admin	31,180	\$395	\$0.42	
Contracted Services	34,635	\$438	\$0.47	
Leasing and Marketing	12,459	\$158	\$0.17	
Maintenance	10,062	\$127	\$0.14	
Payroll	143,772	\$1,820	\$1.94	
Utilities	51,459	\$651	\$0.69	
Real Estate Taxes	71,100	\$900	\$0.98	
Insurance	35,550	\$450	\$0.48	
Replacement Reserves	23,700	\$300	\$0.32	
Security	-	\$0	\$0.00	
Other	-	\$0	\$0.00	
Total	451,944	\$5,721		
Purchase Price	\$850,000	\$10,759	\$11.45	
Senior Debt Service Coverage		1.33x		
Total Debt Service Coverage		1.29x		

Operating Assumptions	Per Year	Total
Vacancy Rate	7%	\$4,636
Rental Income Growth	2%	
Other Income Growth	3%	
Expense Growth	3%	

Parking Income	Factor	Spaces	Rent/month	Total/month	Per Annum
Included in Rent	1.6	127	\$0	\$0	\$0
Available for Rent		0	\$0	\$0	\$0
Vacancy	20%		\$0	\$0	\$0
Net Total		127	\$0	\$0	\$0

Other Income	Unit/mo	%	Unit/yr	Per Annum
Laundry	\$40	75%	\$360	\$26,449
Other	\$10	93%	\$112	\$8,199
Other	\$0	0%	\$0	\$0
Other	\$0	0%	\$0	\$0
Other	\$0	0%	\$0	\$0
Total Other Income	\$50		\$472	\$34,648

