



The Florida Predevelopment Loan Program

A state program funded from the Sadowski Act trust fund monies, quietly making a huge contribution to nonprofit capacity building and project success in Florida, is the Predevelopment Loan Program (PLP). Key to the success of the PLP is the training and technical assistance that is automatically provided to all recipients of the funds. It can take many years to get from project idea to ribbon cutting. With so many sources of financing needed to put an affordable housing development together, it is easy to lose sight of those start-up monies that got the idea off the ground; but without those early Predevelopment Loan Funds, we would not be celebrating so many successes today.

The purpose of this Florida Housing Finance program is to provide the upfront due diligence

funds that all developers need, but are typically not available to nonprofit developers without funds of their own, or access to a line of credit at a bank. Through individualized technical assistance and flexible below market interest financing for predevelopment activities, the PLP helps nonprofit and community based organizations, local governments, and public housing authorities plan, finance, and develop affordable housing. Eligible organizations may apply for a loan of up to \$750,000. The loan carries a non-amortizing 1-3% interest rate, with principal and interest deferred until maturity. The loan generally matures either upon the closing of construction/permanent financing or three years after the original PLP loan closed, whichever occurs first.

Villa Aurora

In November 13, 2009, Carrfour Supportive Housing, hosted the grand opening and ribbon cutting ceremony for the Villa Aurora Apartments. This \$28.8 million mixed use development includes supportive housing, affordable housing, offices and a public library. City of Miami Mayor Tomas Regalado and Miami-Dade County Commissioner Bruno Barreiro were among the speakers at the ribbon cutting ceremony.

“Villa Aurora has forever changed the lives of these residents,” said Bill Aldinger, Florida Housing Finance Corporation.

“I commend Carrfour for their perseverance regarding this project and for all they do to help Miami's homeless community,” said Commissioner Bruno Barreiro.



Michael Foster, an attorney, had to quit his job to care for his wife, who was pregnant at the time, after she fell and injured herself seriously. They had no health insurance and found themselves homeless several months before the baby was born. (In the photo L-R) Michael Foster, wife Wendy Tamez and baby Kristin.

Villa Aurora, which is 100% leased, consists of 39 units set aside for formerly homeless families; 76 apartments ranging from studios to four bedrooms, and 37 units are affordable housing for working families and the elderly (3 bedroom units range from 465 sq ft to 1360 sq ft).

Villa Aurora

1398 SW 1st Street in Miami (Little Havana)
Grand Opening November 13, 2009



(Left) Bill Aldinger, Florida Housing Finance Corporation; Stephanie Berman, President, Carrfour Supportive Housing; Alan Ojeda, Rilea Group (Carrfour Board Member); Commissioner Bruno Barreiro, Miami-Dade County.



Includes supportive housing, offices (Carrfour Supportive Housing's new corporate headquarters is located at the site) and a 2,000 square foot ground floor Hispanic Branch Library (part of the Miami-Dade Public Library System).

“Villa Aurora is an example of creative, new mixed used developments across the U.S. that feature unique public spaces (such as libraries) with residential apartments above,” said Stephanie Berman, President of Carrfour Supportive Housing. In places as diverse as Portland, St. Paul, Salt Lake City, San Francisco and Kansas City, libraries are anchoring new mixed used developments including residential

housing. Villa Aurora is the first such development east of the Mississippi and the only one providing a mix of affordable housing with supportive housing for the formerly homeless. “Having a Hispanic branch public library on site has been a tremendous draw for our resident families whose children are school age,”

Kashi- By the River

Technical Assistance from the Florida Housing Coalition began in 2004 when the concept was just being explored until its recent completion. Florida Housing Coalition technical assistance providers worked with consultants, developers and the Kashi Church Foundation to identify funding sources and map out an overview of the development process. The types of assistance grew from funding sources, to environmental approvals, working with Indian River County, and credit underwriters. Design and budget issues were worked through and the multiple layers of funding had to be coordinated to meet the vision of serving frail elderly with extremely low incomes to arrive at a suitable operating budget. The overall site is in a natural area which required multi-jurisdictional permitting to protect and enhance the pristine environment.



Grand opening held on Dec. 14, 2009

The first of its kind in Indian River County, By the River, has been recognized for its innovation as a sustainable solution for aging in place. It is an eco-friendly, independent residential center for 41 low-income frail seniors ages 62 and over. Built on five acres of land designed to preserve the native foliage and is adjacent to the St. Sebastian River and the Kashi spiritual community, the project consists of four buildings with 10 units. They have private baths, and

Kashi- By the River

Secretary Douglas Beach, Florida Dept of Elder Affairs:
"Socialization is so important to people living longer and having better lives. It's organizations like this that we embrace in the State of Florida."



Kathy Spearman, President and Founder of Volunteers of America FL.



Secretary Douglas Beach of the Department of Elder Affairs.



Kathryn Rudloff, Director of the Florida Office for Congressman Bill Posey.

shared kitchens and community areas, such as a library, computer lab and non-denominational chapel.

A \$6.5 million capital campaign was recently completed through the support of community, county and state PLP funding: \$500,000.

Community partnerships to provide care, services and activities to residents: Volunteers of America Florida, Senior Resource Association, Visiting Nurse Association and other home health providers, Boys and Girls Club and Food for Families provide services such as intergenerational activities, volunteer opportunities, art and music classes, health lectures, fitness plans, and day trips.

Conclusion

Mission based nonprofits are wired to invest the human capital needed to develop properties serving some of the most vulnerable and in-need populations. But they must also have project capital; they need to have the up-front monies needed for due diligence-- to make the decision about whether a project is even possible, and if so, what it will take to get it done.

The Predevelopment Loan Fund provides this critical source of up-front monies, and the success of this program is due in large part to the technical assistance that comes with the funding. Sometimes that technical assistance takes the form of advise not to go forward, saving the nonprofit developer from costly mistakes and failure. The PLP is funded by the Sadowski state housing trust fund dollars. It is a home-grown program; one that builds the capacity of Florida's non profits, and one that Florida can be proud of.

HNN



Manor at West Bartow, 850 N. Gordon Avenue, Bartow, Florida

Manor at West Bartow

Lakeland Housing Authority and Lakeland - Polk Housing Corporation



100 Units of Senior Housing

Residents will not pay more than 30% of their adjusted gross income for rent and utilities. A Social Security income household of \$606 will pay \$182 per month 30% of annual adjustment income.

Funding

- Low Income Housing Credits
- Project basing 99 housing choice vouchers
- Bartow CRA
- City of Bartow
- Polk County
- FHFC PLP - \$500,000