

June 18, 2026

Raelin Storey, City Manager
City of Hollywood
2600 Hollywood Boulevard
Hollywood, FL 33020

**RE: Request for \$640,000 “Local Government Area of Opportunity (LGAO)”
Contribution Loan to Finance Proposed Affordable Community “Pinnacle Vista”
– East Side of North State Road 7 and Hayes Street in Hollywood, FL**

Dear Ms. Storey:

Pinnacle Vista, LLC (“Pinnacle”) is most pleased to submit the above-captioned request in connection with our proposed development, **Pinnacle Vista**, a new affordable rental community in Hollywood, Florida. The proposed development is located on the east side of State Road 7, bisected by Hayes Street, a few blocks away from the award-winning Pinnacle 441 community. We have entered into a purchase and sale agreement to acquire the property, and it is Pinnacle’s intention to develop an approximately 90-unit affordable rental community, targeting Hollywood workers and families with units restricted at or below an average of 60% of the area-wide median income. Family households are the backbone of our community and critically in need of attainable rental housing both in Hollywood and Broward County, especially on the SR 7 corridor.



About Pinnacle

Pinnacle Communities II, LLC will be the developer of this new community. The owner and borrower will be **Pinnacle Vista, LLC**, a single-purpose entity controlled by the principals of Pinnacle.

Pinnacle is a South Florida-based full-service real estate development company committed to solving the critical need for affordable and workforce housing in Florida’s urban centers, suburban areas and rural communities. Since inception in 1997, Pinnacle has developed

more than 11,000 apartment homes located in Florida, Texas, and Mississippi, with a concentration in Southeast Florida. Pinnacle’s consistent average portfolio-wide occupancy of 99% demonstrates a proven track record of being an industry leader in delivering high quality affordable, workforce, and market-rate housing. Delivering projects on time and within budget remains a top priority, supported by evidence-based project management methodologies and the integration of Pinnacle’s in-house construction and construction management team, PC Building II, LLC. More information about Pinnacle’s numerous success stories in community redevelopment and affordable housing can be found at www.pinnaclehousing.com.

Pinnacle has a long and noteworthy track record in developing affordable and workforce housing in the City of Hollywood, dating back to 2003 when Pinnacle initiated the successful redevelopment of **Crystal Lake** in the Liberia community within Hollywood. After that, Pinnacle partnered with RAM to develop **Parc Station (now Cortland Hollywood)**, Hollywood’s first transit-oriented community adjoining the Sheridan Street Tri-Rail Station. We have long believed that the City and Pinnacle have an aligned vision of producing best-in-class products in areas where the need and desire for economic growth is met.

Recent developments in Hollywood include **Pinnacle 441**, a 2-phase, 213-unit mixed-use affordable community, noted for winning the Best Affordable Residential Project of 2024 as



named by the South Florida Business Journal’s prestigious Structures Awards. Phase 1 replaced a shuttered pharmacy and other underutilized commercial uses, and Phase 2 was built on the site of a mobile home park, which was in considerable disrepair and was a focal point of illegal activity in the community. **Demand for Pinnacle 441 was**

unprecedented, necessitating that a lottery be used for each phase to select applicants, with a combined total of over 32,000 registrants for both phases.

These integrated developments contain features encouraged by the City of Hollywood, such as a large public plaza at the intersection of State Road 7 and Johnson Street, bike racks, designated rideshare pick up spaces and two enhanced Broward County Transit bus shelters offering connections to multiple routes (including the express “441 Breeze”), making Pinnacle 441 a true transit-oriented community. Further, Pinnacle has partnered with the City on a sweeping art in public places program tied to Pinnacle 441, including installation of a sculpture in the public plaza at Pinnacle 441 facing SR 7, the west phase of

Phase 2 which can be viewed from Florida’s Turnpike and the donation of three sculptures to the City for installation in the linear park on the east side of SR 7 across from Pinnacle 441.



Pinnacle was also the developer of **Pinnacle at Peacefield**, a senior 62+ affordable housing community in the City of Hollywood. The community offers 120 affordable units, comprised of 72 one-bedrooms and 48 two-bedrooms that are all restricted to seniors earning between 30 to 60% Area Median Income (AMI). Pinnacle at Peacefield was a development nearly 20 years in the making, on land assembled by the City of Hollywood and its Community Redevelopment Agency as part of a planned redevelopment of the South Dixie Highway corridor.

Pinnacle at Peacefield consists of three three-story buildings along Adams Street, each operating as its own urban village for seniors with amenities such as a community meeting room, cyber café, fitness/wellness facility, and outdoor patio. Pinnacle at Peacefield has been the catalyst for further investment on the Dixie Highway corridor.

With both Pinnacle at Peacefield and Pinnacle 441, crucial City investment such as the LGAO leveraged approximately \$120 million in capital investment, anchored by Housing Tax Credits issued through Florida Housing Finance Corporation.

Local Need

The need for affordable rental housing is dire and worsening with the unprecedented growth of Hollywood and South Florida overall. The provision of affordable housing is an ongoing objective of the City and is reflective of the stark realities of an insufficient supply of affordable units. As previously mentioned, Demand for Pinnacle 441 affordable housing in Hollywood was unprecedented, necessitating a lottery be used to select applicants, with a combined total of over 32,000 registrants for both phases. Broward County’s 10 Year Affordable Housing Master Plan adopted in 2024 notes that there is a supply shortage of 6,800 affordable units in Hollywood, second highest behind Fort Lauderdale. Average rents are \$2,162 for a one-bedroom apartment and \$2,861 for a two-bedroom unit. The 2025 Rental Market Study from the Shimberg Center for Housing Studies at the University of Florida affirms that County-wide, 32% of total households are “cost burdened” or paying

more than 40% of their income on housing. The City fully understands that quality affordable housing is crucial for economic growth, vitality and the wellbeing of its citizens.

Our proposed development addresses this lack of supply. It will contain a blend of studios, 1 bedroom and 2 bedroom units, with all 90 units affordable for families at an average of 60% of Broward County’s area-wide median income (AMI) as adjusted for household size, with an additional 10% of the units targeted for extremely low income families (expected to be 33% of AMI pursuant to Florida Housing’s guidelines, subject to change). Below is a table indicating the expected estimated “net rents” to be paid by residents (excluding utility allowances) for studios, one and two bedrooms at the 33% and 60% AMI levels.

Unit Type	33% AMI Net Rent	60% AMI Net Rent
Studios	\$676	\$1,275
1 bedroom	\$716	\$1,357
2 bedroom	\$859	\$1,629

Funding Plan and City LGAO Loan Terms

Our financing plan relies upon an allocation of 9% Housing Credits from the Florida Housing Finance Corporation through the 2026 Request for Applications (RFA) process. We utilize these Housing Credits to generate critical equity investment in our developments, which reduces debt and ensures affordability. The “Geographic RFA” process at Florida Housing, where affordable housing communities are selected for awards from Broward, Palm Beach, Hillsborough, Pinellas, Duval, Orange, Polk and Lee counties, occurs once each year. This year’s application deadline is August 12, 2026. Housing Credits are essential to our financing plan. Pinnacle will syndicate the Housing Credits to raise the equity investment necessary to cover a significant amount of the development cost. In exchange for these Housing Credits, Pinnacle must agree to maintain the property as affordable for a fifty (50) year period. Pinnacle will also procure conventional construction and permanent financing to combine with the Housing Credits to form the overall financing strategy.

Acquiring these Housing Credits is a competitive process, but competing as a Local Government Area of Opportunity application greatly enhances the odds of securing Housing Credits. Cities such as Hollywood may select only one development annually to provide a cash loan or cash grant in the Florida Housing RFA process at the LGAO funding level and thereby confer the LGAO designation. The commitment must be no less than \$640,000.

We most respectfully request that we be awarded the LGAO designation in 2026 from the City of Hollywood. This commitment is crucial to our success in securing an award of Housing Credits, which would create a development that would meet a critical local need. We propose an LGAO loan that would have an 18 and 1/2 year term (up to 3 1/2 years for construction and conversion and a 15-year permanent term), with any accrued interest and principal due at the end of the loan term. The loan would be conditioned on securing financing, and the loan commitment would be valid throughout the period as required by Florida Housing in the published RFA.

We respectfully request that our request be considered by staff and taken before the City Commission on July 7, 2026, which is the last City Commission meeting before the application deadline to Florida Housing.

Attached to this letter you will find:

- LGAO verification form required by Florida Housing
- Loan commitment letter
- Conceptual development site plan and rendering

We are excited about the possibility of continuing our strategic partnership with the City of Hollywood to deliver the highest quality affordable housing for income-limited families. We look forward to further consideration of our request and are available to meet with staff and appear before the City Commission to discuss further.

Sincerely,



Timothy P. Wheat
Partner

Attachments

cc: David O. Deutch
Max Cruz
Keith Poliakoff, Esq.

Florida Housing Finance Corporation Local Government Area Of Opportunity Funding Form

Name of Development: Pinnacle Vista

On Hayes Street, North and South of the Intersection of Hayes Street and the east side of N State

Development Location: Road 7 (US 441), Hollywood

(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 Hollywood commits \$ _____ as a cash grant and/or commits \$ 640,000.00 as a cash loan to the Applicant for its use solely for assisting the proposed Development referenced above.

Acknowledgements

The contribution is intended to be a Local Government Area of Opportunity Contribution for use in RFA 2026-202, making this Development potentially eligible for the Local Government Area of Opportunity Goal.

The city/county stated above acknowledges that the RFA allows each city and county to contribute funding in the form of a cash loan and/or cash grant to a maximum of one Development. The city/county stated above has contributed Local Government Area of Opportunity funding only for the above-named Development and has not contributed Local Government Area of Opportunity to any other Development competing in this same RFA.

I have read and understand the Local Government Area of Opportunity qualifications of the above referenced RFA, which includes understanding that the city/county stated above may receive lower preference for the Local Government Area of Opportunity Goal in a future corresponding RFA for up to two years.

No consideration or promise of consideration has been given with respect to the loan or grant. For purposes of the foregoing, the promise of providing affordable housing does not constitute consideration. The commitment for this loan or grant must be effective as of the Application Deadline for the applicable RFA and is provided specifically with respect to the proposed Development.

Certification

The contribution stated above is for the Applicant's use and is solely for assisting the proposed Development referenced above. 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.

Signature

Raelin Storey
Print or Type Name

City Manager
Print or Type Title

Date Signed - This form is valid for nine months from this date.

NOTE TO LOCAL GOVERNMENT OFFICIAL: Additional information is set forth in the applicable Request for Application under which the Applicant is applying for funding for the above referenced Development.

This certification must be signed by the chief appointed official (staff) responsible for such approvals, such as the 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, as described 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. 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 there are alterations made to this form that change the meaning of the form, the form will not be accepted.



July 7, 2026

Pinnacle Vista, LLC
c/o Pinnacle Communities II, LLC
9100 S. Dadeland Blvd., Suite 700
Miami, FL 33156

Re: Commitment for \$640,000 Loan to Finance the Development of “Pinnacle Vista” in Hollywood, Florida

Ladies and Gentlemen:

The City of Hollywood, Florida (the “Lender”) offers to make a construction and permanent loan (“Loan”) to Pinnacle Vista, LLC (the “Borrower”). This loan commitment contains the following terms and conditions:

1. Purpose: The purpose of the Loan is to finance the construction of Pinnacle Vista, an approximately 90 unit multi-family affordable housing development (the “Project”), located on the east side of North State Road and Hayes Street (1001, 1101, & 1177 North State Road 7) in Hollywood, FL.
2. Loan Amount: \$640,000. The Loan shall be secured by a subordinate mortgage on the Project.
3. Interest: One percent (1%) interest rate, payments of interest only annually, throughout the permanent financing term of the Loan as described below. No interest shall be paid during the construction loan period as described below.
4. Loan Term: The Loan is non-recourse and non-amortizing with a term of eighteen and a half (18.5) years, whereby the first three (3) years shall be the construction period of the Loan, followed by fifteen and one-half (15.5) years for the permanent loan term. The maturity date may be extended by the Lender in its sole discretion.
5. Repayment and Forgiveness: Upon maturity, the Borrower shall repay the loan balance in full. The Loan Agreement shall have a provision for forgiveness exercisable by the Lender in its sole discretion at the end of the Loan Term.

6. General Conditions: The Borrower must demonstrate to the satisfaction of Lender prior to closing that it has secured other sources of financing for the Project, including but not limited to an award of Low Income Housing Tax Credits (LIHTC) by Florida Housing Finance Corporation (FHFC), and the tax credit equity being contributed to the Borrower by its investor partner. Failure to provide these commitments prior to December 31, 2027 will result in cancellation of the loan commitment. The Loan will close simultaneously with all other sources of debt and equity to finance the development of the Project.

7. Special Conditions: The Borrower shall enter into a loan agreement, mortgage, and related documents with the Lender at closing. This loan is made to assist the development financially, but also to FHFC to provide an allocation of LIHTC and/or other sources of financing to allow the development to be financially feasible. It is acknowledged that this loan amount is sufficient to qualify the development as a "Local Government Area of Opportunity (LGAO)" based upon FHFC's Request for Applications (RFA) 2026-202, and that the Lender does not intend to make any other commitments for LGAO to any other parties in connection with RFA 2026-202.

8. Subordination: Lender will consent to the subordination of its mortgage securing the Loan and any payments on the Loan to all construction and permanent mortgage financing.

This commitment is valid and in full force and effect through the date of closing, which is anticipated to be December 31, 2027. If you accept these terms, please execute a copy hereof and deliver the same to the Lender's office.

Very truly yours,

City of Hollywood, Florida

By: _____

Name: Raelin Storey

Title: City Manager

ACCEPTED:

Pinnacle Vista, LLC

By: PC2 Vista, LLC its Authorized Member

By: _____

Name: David O. Deutch

Title: President

Date: _____



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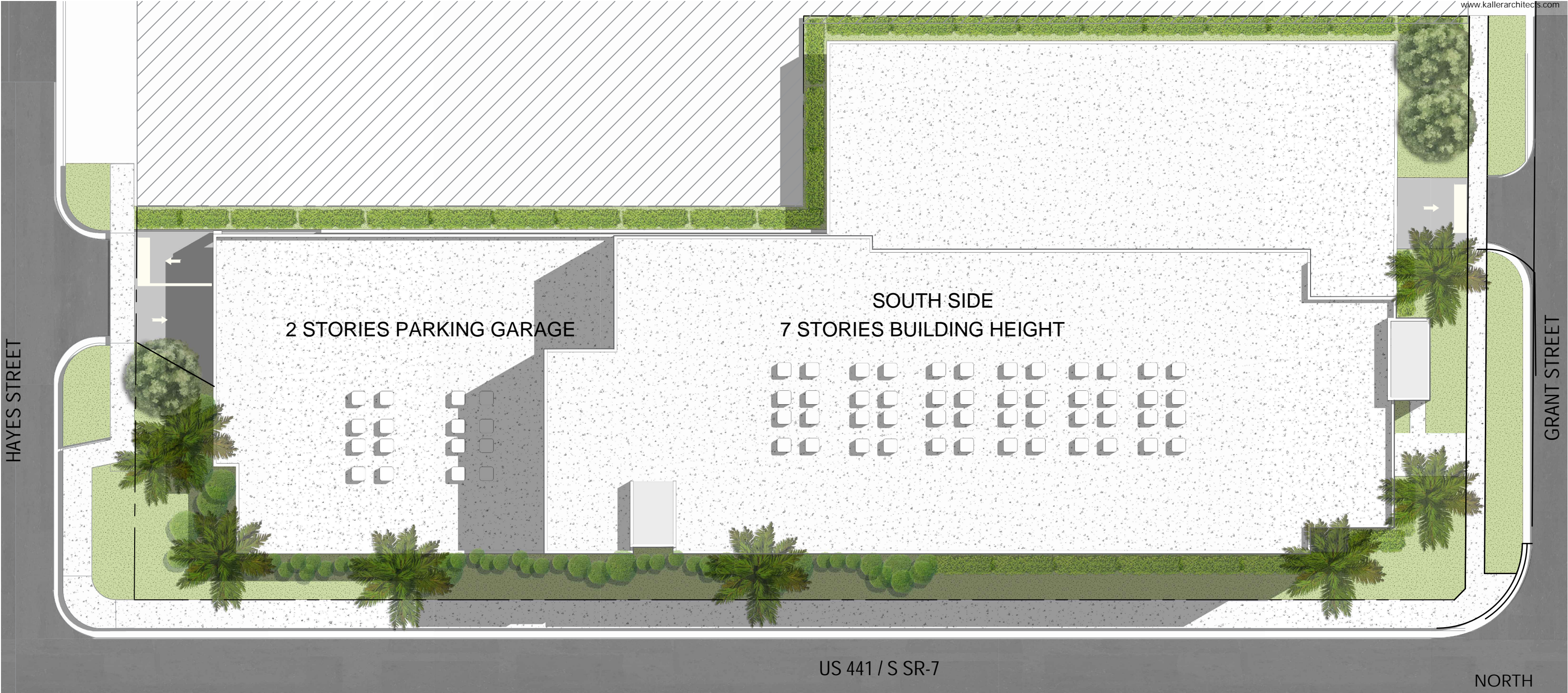
US 441 / S SR-7

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HAYES STREET

GRANT STREET

US 41 / S SR-7

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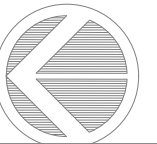
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