

FLORIDA HOUSING FINANCE CORPORATION

Board Meeting

December 12, 2003

Consent Items



DEMONSTRATION

Consent

I. DEMONSTRATION

A. Request Credit Underwriting Approval for City View Apartments, 2001/08-006HL

DEVELOPMENT NAME (“Development”):	City View Apartments
DEVELOPER/PRINCIPAL (“Developer”):	Carrfour Corporation
NUMBER OF UNITS:	66
LOCATION (County):	Miami-Dade County
TYPE:	Rental, Homeless
SET ASIDE:	100% @ 60% AMI
ALLOCATED AMOUNT:	\$1,500,000
ADDITIONAL COMMENTS: This Credit Underwriting Report was approved at the September 2003 Board meeting. The report included in the package was a “draft” copy of the CUR. The final was already complete at the time and there were no material changes from the “draft” copy that was approved.	

1. Background/Present Situation

- a) On June 22, 2001, Florida Housing issued a Request for Proposal (RFP) for Homeless Housing.
- b) Carrfour Corporation (the “Developer”) submitted a response and on September 20, 2001, the Board approved funding of \$1,500,000 subject to a positive recommendation from the credit underwriter. The development, City View Apartments, is located in Miami-Dade County and will provide 66 rental housing units.
- c) Staff received a credit underwriting report for this development with a positive recommendation for a loan of \$1,500,000, subject to the conditions outlined in the report ([Exhibit A](#)).

2. Recommendation

Approve the “final” credit underwriter’s recommendation and direct staff to issue a firm loan commitment and proceed with loan closing activities.

HOMEOWNERSHIP LOAN PROGRAM

Consent

II. HOMEOWNERSHIP LOAN PROGRAM

A. Request for Approval of the Analytical Review for Northridge Lakes / HAP02-324

Applicant Name (“Applicant”):	Florida Low Income Housing Associates, Inc.
Development Name (“Development”):	Northridge Lakes
Developer/Principal (“Developer”):	Florida Low Income Housing Associates Inc. / Maureen Wilson
Number of Units: 61	Location: St. Augustine, St. Johns County
Type: HAP Purchase Assistance Loan	Allocated Amount: \$1,442,141

1. Background

- a) The Applicant submitted an application on behalf of Northridge Lakes during Round Two of the 2002 Homeownership Loan Program Cycle.
- b) On April 2, 2003, Florida Housing issued an invitation into credit underwriting and a preliminary commitment letter to Florida Low Income Housing Associates, Inc. (the “Developer”) for a HAP Purchase Assistance Loan in the amount of \$1,442,141 to assist in the construction of 61 homes in St. Augustine, St. Johns County.

2. Present Situation

- a) The credit underwriter provided Staff with an Analytical Review outlining the parameters of the proposed development. ([Exhibit A](#))
- b) Staff has reviewed the report and concurs with the credit underwriter’s recommendation to reserve HAP funds in the amount of \$1,442,141 for a HAP Purchase Assistance Loan.

3. Recommendation

Staff recommends that the Board approve the Analytical Review and authorize staff to issue a firm commitment letter in the amount of \$1,442,141 to the Developer for a HAP Purchase Assistance Loan, subject to further approvals by the credit underwriter, counsel and the appropriate corporation staff.

HOMEOWNERSHIP LOAN PROGRAM

Consent

B. Request for Approval of the Analytical Review for Hollywood Neighborhood Revitalization Project / HH02-008

Applicant Name (“Applicant”):	Broward Alliance for Neighborhood Development, Inc. (B.A.N.D.)
Development Name (“Development”):	Hollywood Neighborhood Revitalization Project
Developer/Principal (“Developer”):	B. A. N.D. / Katherine Barry
Number of Units: 18	Location: Hollywood, Broward County
Type: HOME Purchase Assistance Loan	Allocated Amount: \$532,650

1. Background

- a) The Applicant submitted an application on behalf of Hollywood Neighborhood Revitalization Project during Round One of the 2002 Homeownership Loan Program Cycle.
- b) On April 2, 2003, Florida Housing issued an invitation into credit underwriting and a preliminary commitment letter to B.A.N.D. (the “Developer”) for a HOME Purchase Assistance Loan in the amount of \$887,750 to assist in the construction of 30 homes in Hollywood, Broward County. However, due to the lack of suitable lots within the City, the Developer requested a reduction in the size of the development from 30 homes to 18 homes. The amount of funding request was decreased to correspond with the unit reduction.

2. Present Situation

- a) The credit underwriter provided Staff with an Analytical Review outlining the parameters of the proposed development. ([Exhibit B](#))
- b) Staff has reviewed the report and concurs with the credit underwriter’s recommendation to reserve HOME funds in the amount of \$532,650 for a HOME Purchase Assistance Loan.

3. Recommendation

Staff recommends that the Board approve the Analytical Review and authorize staff to issue a firm commitment letter in the amount of \$532,650 to the Developer for a HOME Purchase Assistance Loan, subject to further approvals by the credit underwriter, counsel and the appropriate corporation staff.

HOMEOWNERSHIP LOAN PROGRAM

Consent

C. Request for Approval of the Analytical Review for NJCDC Scattered Sites / HAP03-313

Applicant Name (“Applicant”):	Northwest Jacksonville Community Development Corporation (NJCDC)
Development Name (“Development”):	NJCDC Scattered Sites / 29th & Chase Scattered Sites
Developer/Principal (“Developer”):	NJCDC / Paul Tutwiler
Number of Units: 9	Location: Jacksonville, Duval County
Type: HAP Purchase Assistance Loan	Allocated Amount: \$225,000

1. Background

- a) The Applicant submitted an application on behalf of NJCDC Scattered Sites / 29th & Chase Scattered Sites during Round One of the 2003 Homeownership Loan Program Cycle.
- b) On September 19, 2003, Florida Housing issued an invitation into credit underwriting and a preliminary commitment letter to NJCDC (the “Developer”) for a HAP Purchase Assistance Loan in the amount of \$225,000 to assist in the construction of 9 homes in Jacksonville, Duval County.

2. Present Situation

- a) The credit underwriter provided Staff with an Analytical Review outlining the parameters of the proposed development. ([Exhibit C](#))
- b) Staff has reviewed the report and concurs with the credit underwriter’s recommendation to reserve HAP funds in the amount of \$225,000 for a HAP Purchase Assistance Loan.

3. Recommendation

Staff recommends that the Board approve the Analytical Review and authorize staff to issue a firm commitment letter in the amount of \$225,000 to the Developer for a HAP Purchase Assistance Loan, subject to further approvals by the credit underwriter, counsel and the appropriate corporation staff.

HOMEOWNERSHIP LOAN PROGRAM

Consent

D. Request for Approval of the Analytical Review for Charlee Estates / HAP03-316

Applicant Name (“Applicant”):	Habitat Resources of Collier County, Inc.
Development Name (“Development”):	Charlee Estates
Developer/Principal (“Developer”):	Habitat Resources of Collier County, Inc. / Samuel Durso
Number of Units: 50	Location: Collier County
Type: HAP Purchase Assistance Loan	Allocated Amount: \$700,000

1. Background

- a) The Applicant submitted an application on behalf of Charlee Estates during Round One of the 2003 Homeownership Loan Program Cycle, requesting HAP funds in the amount of \$1,000,000 to assist in the construction of 50 homes in Collier County.
- b) On October 8, 2003, Florida Housing issued an invitation into credit underwriting and a preliminary commitment letter for partial funding in the amount of \$700,000 to Habitat Resources of Collier County, Inc. (the “Developer”). This Applicant was the first to be on the waiting list and was given the option to accept the remaining funds after all other Applicants were fully funded. The Applicant accepted the invitation into credit underwriting on October 3, 2003.

2. Present Situation

- a) The credit underwriter provided Staff with an Analytical Review outlining the parameters of the proposed development. ([Exhibit D](#))
- b) Staff has reviewed the report and concurs with the credit underwriter’s recommendation to reserve HAP funds in the amount of \$700,000 for a HAP Purchase Assistance Loan.

3. Recommendation

Staff recommends that the Board approve the Analytical Review and authorize staff to issue a firm commitment letter in the amount of \$700,000 to the Developer for a HAP Purchase Assistance Loan, subject to further approvals by the credit underwriter, counsel and the appropriate corporation staff.

HOMEOWNERSHIP LOAN PROGRAM

Consent

E. Request to Extend the Loan Closing Date for Eagle Ridge Subdivision / HH02-007

Applicant Name (“Applicant”):	Eagle Ridge Subdivision, LLC
Development Name (“Development”):	Eagle Ridge Subdivision
Developer/Principal (“Developer”):	Eagle Ridge Subdivision, LLC / Bowen Arnold
Number of Units: 26	Location: Immokalee, Collier County
Type: HOME Construction Loan	Allocated Amount: \$911,000

1. Background

- a) The Applicant submitted an application on behalf of Eagle Ridge Subdivision during Round One of the 2002 Homeownership Loan Program Cycle for a HOME Construction Loan.
- b) The Developer received a preliminary funding allocation for a HOME Construction Loan in the amount of \$911,000 to build 26 homes in Immokalee, Collier County.
- c) At its August 1, 2003 meeting, the Board of Directors authorized staff to issue a firm commitment to the Developer in the amount of \$911,000.
- d) On August 6, 2003, a firm commitment letter was sent to the Developer which required that the loan closing occur no later than November 4, 2003; however, there is a provision for a 90-day extension according to Rule Chapter 67-50.080, F.A.C.

2. Present Situation

On October 27, 2003, staff received a request from Mr. Bowen Arnold of Eagle Ridge Subdivision, LLC, for a 90-day extension to close the HOME Construction Loan from November 4, 2002 to February 4, 2004. The Developer has advised that there has been a delay in the platting process. ([Exhibit E](#))

3. Recommendation

Staff recommends that the Board grant the loan closing extension until February 4, 2004.

HOMEOWNERSHIP LOAN PROGRAM

Consent

F. Request to Extend the Loan Closing Date for Pueblo Del Sol / 99HH-017

Applicant Name (“Applicant”):	Jubilee / Pueblo del Sol, Inc.
Development Name (“Development”):	Pueblo Del Sol
Developer/Principal (“Developer”):	Jubilee / Pueblo del Sol, Inc. / Doug Mayer
Number of Units: 44	Location: Miami, Miami-Dade County
Type: HOME Construction Loan	Allocated Amount: \$1,097,662

1. Background

- a) On August 1, 2003 the Board approved the Credit Underwriting Report and authorized staff to issue a firm commitment letter in the amount of \$1,097,662 to Jubilee / Pueblo del Sol, Inc. (the “Developer”) for a HOME Construction Loan.
- b) On August 6, 2003, a firm commitment letter was sent which advised that the loan closing must occur no later than November 4, 2003.

2. Present Situation

- a) The Developer has obtained an additional \$420,000 from the City of Miami’s Department of Community Development which allows them to buy-down the sales price from \$145,000 to \$125,000 for all 44 units, making all of units eligible for County Surtax assistance. The additional subsidy will allow the sale of homes to families between 50% and 80% AMI, a much broader segment of the low-income community.
- b) On October 22, 2003, staff received a letter requesting a 90-day extension of the loan closing. The Developer advised that there had been a delay related to the platting of the land and that the final approval by the City Commission is anticipated in December. ([Exhibit F](#))

3. Recommendation

Staff recommends that the Board grant an extension of the loan closing until February 4, 2004.

HOMEOWNERSHIP LOAN PROGRAM

Consent

G. Authorize Staff to De-obligate HOME Funds for Casa Verna / 99HH-024 and Chelsea's Run / 99HH-021

Applicant Name ("Applicant"):	Straka and Associates, Inc.
Developer/Principal ("Developer"):	Straka and Associates, Inc. / Christopher Straka
Number of Units: Casa Verna: 60 Chelsea's Run: 70	Location: Casa Verna: Flagler County Casa Verna: Lake County
Type: HOME Purchase Assistance Loan	Allocated Amount: Casa Verna: \$956,024 Chelsea's Run: \$1,240,000

1. Background

- a) Applications were submitted for Casa Verna and Chelsea's Run by Straka and Associates, Inc. (the "Developer") during the 1999 HOME Homeownership Cycle in the amount of \$956,024 for Casa Verna and \$1,240,000 for Chelsea's Run.
- b) The Applications scored within the funding range and were invited into credit underwriting on August 16, 2000.
- c) The Applications were initially submitted for construction financing; however, the Board approved the funds to be used for down payment and closing cost assistance for the homebuyers at its August 9, 2001 Board meeting.
- d) The Developer experienced a number of issues regarding this transaction and was never able to proceed with the two developments.

2. Present Situation

- a) It has been four years since the funds were initially obligated for the two developments and no activity has transpired.
- b) The HUD five-year limit to use the funds expires on July 1, 2004. It is the opinion of Program Staff that the developments cannot be completed within the remaining time available to use the funds.

3. Recommendation

Staff recommends that a total of \$2,196,024 in HOME funds (\$956,024 for Casa Verna and \$1,240,000 for Chelsea's Run) be de-obligated and added to the HOME Single Family Pool for use in future funding cycles.

HOMEOWNERSHIP LOAN PROGRAM

Consent

H. Authorize Staff to De-obligate HOME Funds for Deer Creek I / HH00-014

Applicant Name (“Applicant”):	Deer Creek, LLC
Development Name (“Development”):	Deer Creek I
Developer/Principal (“Developer”):	Deer Creek, LLC / Craig Harris
Number of Units: 80	Location: St. Cloud, Lake County
Type: HOME Purchase Assistance Loan	Allocated Amount: \$1,500,000

1. Background

- a) An Application was submitted for Deer Creek I (HH00-014) by Deer Creek LLC during the 2000 HOME Homeownership Program Application Cycle in the amount of \$1,500,000 for the construction of 80 homes in Lake County.
- b) After the Appeals process, the Board accepted the Hearing Officer’s Recommended Order as its Final Order at the September 21, 2001 Board Meeting and authorized the issuance of a preliminary commitment and invitation into credit underwriting.
- c) Deer Creek I initially submitted for construction financing; however, the Board approved the funds to be used for down payment and closing cost assistance for the homebuyers at its October 25, 2001 Board meeting.
- d) The Board authorized staff to issue a firm commitment to Deer Creek LLC of Deer Creek I at its January 10, 2002 meeting.
- e) On October 10, 2002, the Board approved a rule waiver request and allowed the Developer to use 2002 HUD Maximum Purchase Price limits instead of the 2000 Purchase Price limits.

2. Present Situation

- a) On March 25, 2003, CONSULTECH made an onsite visit to Deer Creek I for Davis-Bacon inspections and observed that the gate was chained and locked at the entrance. Heavy machinery was unattended on the site and the office trailer had been removed.
- b) For the past six months, all correspondence to the Developer has been returned marked “NOT DELIVERABLE AS ADDRESSED, UNABLE TO FORWARD.”
- c) On October 13, 2003, staff researched the status of Deer Creek LLC and noticed the change of ownership of the company which was reported to the Department of State on July 3, 2003.
- d) On November 12, 2003, staff visited the site and saw that work has commenced on the site. Staff met Craig Yates who works with the Contractor doing the site work on the development and Norman Harris, the father of Craig Harris, the original principal of Deer Creek, LLC. Staff was told by Norman Harris and Craig Yates that they intend to give back all HOME funds in the Development.
- e) On November 21, 2003, staff received a letter from Deer Creek LLC, withdrawing from the HOME program and giving back all funds allocated to the Development. ([Exhibit G](#))

HOMEOWNERSHIP LOAN PROGRAM

Consent

3. **Recommendation**

Staff recommends that HOME funds allocated to Deer Creek I in the amount of \$1,500,000 be de-obligated and used for other homeownership activities.

HOMEOWNERSHIP LOAN PROGRAM

Consent

I. Authorize Staff to De-obligate HOME Funds for Deer Creek II / HH02-010

Applicant Name (“Applicant”):	Deer Creek, LLC
Development Name (“Development”):	Deer Creek II
Developer/Principal (“Developer”):	Deer Creek, LLC / Craig Harris
Number of Units: 120	Location: St. Cloud, Lake County
Type: HOME Purchase Assistance Loan	Allocated Amount: \$2,820,000

1. Background

- a) An Application was submitted for Deer Creek II (HH00-010) by Deer Creek LLC in the 2002 Homeownership Loan Program Application cycle in the amount of \$2,820,000 for the construction of 120 homes in Lake County.
- b) After the Appeals process, the Board accepted the Hearing Officer’s Recommended Order as its Final Order at the March 7, 2003 Board Meeting and authorized the issuance of a preliminary commitment and invitation into credit.
- c) On April 2, 2003, staff invited Deer Creek LLC to enter into Credit Underwriting.
- d) Staff was informed that due to the increased cost of construction, an updated development cost pro-forma would be provided for the development to the Underwriter for review. Neither the Underwriter nor staff received that information from the Developer.

2. Present Situation

- a) On March 25, 2003, CONSULTECH made an onsite visit to Deer Creek II for Davis-Bacon inspections and observed that the gate was chained and locked at the entrance. Heavy machinery was unattended on the site and the office trailer had been removed.
- b) For the past six months, all correspondence to the Developer has been returned marked “NOT DELIVERABLE AS ADDRESSED, UNABLE TO FORWARD.”
- c) On October 13, 2003, staff researched the status of Deer Creek, LLC and noticed the change of ownership of the company which was reported to the Department of State on July 3, 2003.
- d) On November 12, 2003, staff visited the site and saw that work has commenced on the site. Staff met Craig Yates who works with the Contractor doing the site work on the development and Norman Harris, the father of Craig Harris, the original principal of Deer Creek, LLC. Staff was informed by Norman Harris and Craig Yates that they intend to give back all HOME funds in the Development giving higher construction costs and favorable market conditions making it unappealing to sell the homes at the lower purchase limits of the HOME program.
- e) On November 21, 2003, staff received a letter from Deer Creek LLC, withdrawing from the HOME program and giving back all funds allocated to the Development. ([Exhibit G](#))

HOMEOWNERSHIP LOAN PROGRAM

Consent

3. **Recommendation**

Staff recommends that the HOME fund allocated for Deer Creek II in the amount of \$2,820,000 be de-obligated and used for other homeownership activities.

HOME RENTAL

Consent

III. HOME RENTAL

A. Request Approval of Loan Closing Extension for Magnolia Village, (2003-006H)

Development Name:	Magnolia Village
Developer/Principal:	Florida Low Income Housing Assoc., Inc.
Number of Units: 40	Location: Lecanto, Citrus County
Type: New Construction	Set Aside: 20% @ 50% AMI
No Demographic Targeting	80% @ 60% AMI
Allocated Amount: \$2,931,000	

1. Background/Present Situation

- a) On June 20, 2003, the Board approved the final scores and ranking for the 2003 HOME Rental Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On July 1, 2003, staff issued a preliminary commitment letter and invitation to credit underwriting for a HOME loan in an amount up to \$2,931,000 for this 40-unit family development in Citrus County. This HOME loan will be secured by a second mortgage on the property.
- c) On October 9, 2003, the Board approved the final credit underwriting report and directed staff to proceed with loan closing activities. Based on the requirement of Rule Chapter 67-48, this loan had a closing deadline of December 15, 2003.
- d) On November 18, 2003, staff received a letter from the Developer requesting a loan closing extension of 30 days due to a delay in receiving the clearance from HUD to release the HOME funds ([Exhibit A](#)).

2. Recommendation

Approve the Developers request to extend the closing deadline until January 15, 2004.

HOME RENTAL

Consent

B. Request Approval of Credit Underwriting Report for Whispering Pines Apartments (2002-722H)

Development Name:	Whispering Pines Apartments
Developer/Principal:	Florida Non-Profit Housing, Inc.
Number of Units: 71	Location: Fellsmere, Indian River County
Type: New Construction No Demographic Targeting	Set Aside: 20% @ 50% AMI 80% @ 60% AMI
Allocated Amount: \$5,996,000	

1. Background/Present Situation

- a) On October 10, 2002, the Board approved the final scores and ranking for the 2002 HOME Rental Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 18, 2002, staff issued a preliminary commitment letter and invitation to credit underwriting for a HOME loan in an amount up to \$5,996,000 for this 61-unit family development (farmworker for the purposes of USDA only) in Indian River County. This HOME loan will be secured by a second mortgage on the property.
- c) On October 9, 2003, the Board approved the final credit underwriting report with the recommendation subject to approval of final site plan from the city which was anticipated to occur on October 16, 2003. Based on the requirement of Rule Chapter 67-48, this loan had a closing deadline of December 12, 2003.
- d) On November 20, 2003, staff received a letter from the Developer requesting a loan closing extension from December 12, 2003 to January 30, 2004 due to delays in the final site plan approval in preparation for issuing permits ([Exhibit B](#)).

2. Recommendation

Approve the Developer's request to extend the closing deadline until January 30, 2004.

HOUSING CREDITS

Consent

IV. HOUSING CREDITS

A. Request from the Applicant of the Brisas del Mar Apartments to Modify the Resident Programs and Some Unit Features it Selected in its Application

DEVELOPMENT NAME (“Development”):	Brisas del Mar
DEVELOPER/PRINCIPAL (“Developer”):	The Gatehouse Group
NUMBER OF UNITS:	160
LOCATION (County):	Miami-Dade County
TYPE:	New Construction
SET ASIDE:	15% @ 35% AMI & 85% @ 60% AMI
ALLOCATED AMOUNT:	\$1,585,000
ADDITIONAL COMMENTS:	Urban In-Fill

1. Background/Present Situation

- a) Brisas del Mar Apartments is a Competitive Housing Credit, New Construction Development providing 160 set-aside units in Miami-Dade County. Florida Housing allocated \$1,585,000 in Housing Credits to this Development in December of 2002.
- b) Florida Housing received a request on October 30, 2003 from the Applicant requesting it be allowed to substitute its commitment to provide 30 year expected life roofing with a commitment, of equal point value, to provide marble windowsills and garbage disposals, Exhibit A. The Applicant inadvertently committed to 30 year expected life roofing even though it could not technically meet this commitment because the Development is a high rise. A cost opinion from Consultech is provided at [Exhibit A](#) page 6.
- c) Also, on November 6, 2003, Florida Housing received a request from the Applicant to change the resident programs selected in its Application, [Exhibit B](#). The Applicant in its request correctly points out that the 2002 Application had an error that has since been corrected. The error was that an Applicant wishing to serve the Elderly was not allowed to select Elderly resident programs if it had designated its proposed Development as an Urban In-Fill Development. Brisas del Mar Apartments was designated an Urban In-Fill Development and as such, the Applicant could not select Elderly tenant programs even though it planned to provide affordable rental units for the Elderly. Therefore, in order to be competitive, it was forced to select resident programs that are tailored for a non-elder population. The Applicant is requesting to switch the following resident programs it selected: Welfare to Work, Homeownership Opportunity, First Time Homebuyer and Job Training resident programs for the following resident programs that better serve the Elderly, Daily Activities, Resident Assurance Check-In, and Manager On-Call 24 Hours Per Day. The total Application point value for the Elderly oriented resident programs is one point higher than for the resident programs the Applicant initially selected in its Application.

2. Recommendation

Staff recommends that the Board approve this request.

HOUSING CREDITS

Consent

B. Request from the Applicant of the Silver Pointe at Leesburg to Modify Some of the Unit Features it Selected in its Application

DEVELOPMENT NAME (“Development”):	Silver Pointe at Leesburg
DEVELOPER/PRINCIPAL (“Developer”):	Community Housing Partners Corporation
NUMBER OF UNITS:	138
LOCATION (County):	Lake
TYPE:	New Construction
SET ASIDE:	47% @ 50% AMI & 52% @ 60% AMI
ALLOCATED AMOUNT:	Currently in credit underwriting for \$1,105,000 in credits.
ADDITIONAL COMMENTS:	Elderly

1. Background/Present Situation

- a) Silver Pointe at Leesburg is a proposed Competitive Housing Credit, New Construction Development that will provide 137 set-aside units in Lake County for the Elderly. The Applicant is currently in credit underwriting for \$1,105,000 in 2003 housing credits.
- b) Florida Housing received a request on November 20, 2003 from the Applicant requesting it be allowed to substitute its commitment to provide steel exterior entry door frames, a one point item, with a commitment to provide marble window sills (one point item), dishwashers (one point item), and garbage disposals (one point item), which is set forth on [Exhibit C](#). The Applicant implies from its statement that because the doors to the units will be on interior corridors, the steel door frames are not warranted.

2. Recommendation

Staff recommends that the Board approve this request.

HOUSING CREDITS

Consent

C. **Request from the Applicant of Tuscan Place to Modify Some of the Unit Features it Selected in its Application**

DEVELOPMENT NAME (“Development”):	Tuscan Place
DEVELOPER/PRINCIPAL (“Developer”):	The Gatehouse Group
NUMBER OF UNITS:	199
LOCATION (County):	Miami-Dade
TYPE:	New Construction
SET ASIDE:	47% @ 50% AMI & 53% @ 60% AMI
ALLOCATED AMOUNT:	Currently in credit underwriting for \$2,210,000 in housing credits.
ADDITIONAL COMMENTS: Urban In-Fill	

1. **Background/Present Situation**

- a) Tuscan Place is a proposed Competitive Housing Credit, New Construction Development which will provide 199 set-aside units in Miami-Dade County. The Applicant is currently in credit underwriting for \$2,210,000 in 2003 housing credits.
- b) Florida Housing received a request on October 30, 2003 from the Applicant requesting it be allowed to substitute its commitment to provide kitchen pantries and electric water heaters with an energy factor of .91 or better with a commitment to provide ceramic tile bathroom floors and heat pumps with a minimum HSPF of 7.4 ([Exhibit D](#)). The replacement unit features are of equal Application point value.

2. **Recommendation**

Staff recommends that the Board approve this request.

LEGAL

Consent

V. LEGAL

A. In Re: The Carlisle Group, LLC

Development Name: (“Development”):	Meridian West Apartments
Developer/Principal: (“Developer”):	The Carlisle Group, LLC
Number of Units:	Location: Key West, Monroe County
Type:	Set Aside:
Demographics:	Allocated Amount:
MMRB:	Housing Credits:

1. Background

- a) On July 1, 2003, Florida Housing received a Petition for Waiver of Rule 67-48.002(111) (“Petition”) from The Carlisle Group, LLC (“Petitioner”).
- b) On July 18, 2003, the Notice of Petition was published in the Florida Administrative Weekly.
- c) On October 8, 2003, Petitioner filed a request for withdrawal of its Petition.
- d) On October 31, 2003, the notice of withdrawal of the Petition was published in the Florida Administrative Weekly.
- e) To date, Florida Housing has not received any comments concerning the Petition or the withdrawal of the Petition.

2. Recommendation

- a) Staff recommends the Board grant the Petitioner’s request to withdraw the waiver and order Staff to close the file.

LEGAL

Consent

B. In Re: Villa Seton, Inc.

Development Name: (“Development”):	Villa Seton, Inc.
Developer/Principal: (“Developer”):	Catholic Charities of the Diocese of Palm Beach
Number of Units: 50	Location: Port St. Lucie, Port St. Lucie County
Type: Mid-rise with elevator	Set Aside: n/a
Demographics: elderly	Allocated Amount: \$1,474,268
MMRB: n/a	Housing Credits: n/a

1. Background

- a) During the 2003 Universal Cycle, Florida Housing awarded an allocation of HOME Investment Partnership Rental Program funds to Villa Seton, Inc.
- b) On October 22, 2003, Florida Housing received a Petition for Waiver of Rule 67-48.021(8)(a). A copy of the Petition is attached as [Exhibit A](#).
- c) Rule 67-48.021(8)(a), Florida Administrative Code, States in pertinent part:
 - (1) The Credit Underwriter shall use the following procedures during the underwriting evaluation...Minimum debt service coverage of 1.10 and the maximum debt service coverage of 1.50 for the HOME loan and all other superior mortgages.
- d) Petitioner requests a waiver and as a basis states that the application of the Rule will result in a violation of principles of fairness. Due to the underwriting analysis of the HUD Mortgage and the HOME loan, Petitioner does not have a debt service coverage.
- e) Petitioner has demonstrated that it has a first lien mortgage on the property with the United States Department of Housing and Urban Development (“HUD”). The mortgage secures a note with a term of 40 years. The note and mortgage bear no interest and repayment is not required.
- f) Petitioner demonstrated that under the HUD mortgage program, its rental rates are to correspond to payment of the operating costs and replacement reserves, without any extra income. This resulted in Petitioner not having any debt service coverage. The underwriting analysis of the HUD mortgage and the HOME loan results in a debt service calculation of no income/no debt and therefore Petitioner does not have the requisite minimum of 1.10 debt service coverage and a maximum of 1.50 debt service coverage as Rule 67-48.021(8)(a) requires.
- g) On October 22, 2003, the Notice of Petition was published in the Florida Administrative Weekly.
- h) To date, Florida Housing has not received any comments concerning the Petition.

LEGAL

Consent

2. Present Situation

Section 120.542(2), Florida Statutes provides in pertinent part:

- (1) 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.

3. Recommendation

Staff recommends the Board grant the Petitioner's request for a waiver of Rule 67-48.021(8)(a), Florida Administrative Code as to the debt service coverage for the HOME loan.

LEGAL

Consent

C. In Re: Reliance-Cypress Grove Associates, Ltd.

Development Name: (“Development”):	Sandalgrove Apartments
Developer/Principal: (“Developer”):	Reliance-Cypress Grove, LLC
Number of Units: 814	Location: Lauderdale Hill, Broward County
Type: Acquisition and Rehabilitation of a Mid-Rise	Set Aside: 70 @ 60% (MMRB); 100 @ 60 (HC)
Demographics: Family	Allocated Amount: \$37,500,000.00
MMRB: yes	Housing Credits: 4% non-competitive

1. Background

- a) Reliance-Cypress Grove, LLC (“Reliance-Cypress”) during the 2003 Supplemental Multifamily Mortgage Revenue Bonds (“MMRB”) Cycle. In a separate Board write-up, MMRB Staff are recommending that Reliance-Cypress be awarded an allocation subject to the Board approving this rule waiver request.
- b) On November 7, 2003, Florida Housing received a Petition for Waiver of the 400-Unit limitation for MMRB Developments (“Petition”) to allow for the acquisition and rehabilitation of a 814 unit project using MMRB funding. A copy of the Petition is attached as [Exhibit B](#).
- c) The 400-Unit limitation is found in the 2003 Universal Cycle Application Instructions, Rules 67-21.002(97) and 67-48.004(111), Florida Administrative Code, which are incorporated into Part III.A.6 of the instructions limits developments to a maximum of 400-units, state in pertinent part: “Universal Application Package” or “UA1016” Rev. 8-03 means the forms and instructions, obtained from Florida Housing at 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329, which shall be completed and submitted to Florida Housing in accordance with this rule chapter in order to apply for the Program.
- d) On November 21, 2003, the Notice of Petition was published in the Florida Administrative Weekly.
- e) To date, Florida Housing has not received any comments concerning the Petition.

2. Present Situation

Section 120.542(2), Florida Statutes provides in pertinent part

- (1) 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.

LEGAL

Consent

3. Recommendation

Staff recommends the Board grant the Petitioner's request for a waiver of Rules 67-21.002(97) and 67-48.004(111), Florida Administrative Code, as to the 400-unit limitation for MMRB developments.

LEGAL

Consent

D. Florida Housing Finance Corporation v. Wyman Fields Foundation, Inc., et al.

Development Name: (“Development”):	The Hamlet
Developer/Principal: (“Developer”):	Wyman Fields Foundation, Inc.
Number of Units: 238	Location: Seminole County
Type: Rental and Homeownership	Set Aside:
Demographics: Single-family	Allocated Amount: \$500,000
MMRB: n/a	Housing Credits: m/a

1. Background

- a) Wyman Fields Foundation (Wyman Fields) competed in the 1998 Predevelopment Loan Program Application Cycle (PLP) for funds to prepare for the construction of 238 rental and homeownership units on a 72-acre tract of land in Seminole County. The PLP loan closed on March 27, 2000, and Wyman Fields received \$500,000 from Florida Housing in relation to the proposed development.
- b) On July 6, 2001, Florida Housing received a Complaint to Foreclose Mortgage from the first mortgage holder, Federal Trust Bank. Prior to this, Wyman Fields had competed in the 1999-2000 HAP Construction Loan Program for the homeownership portion of the development. On July 16, 2001, however, Florida Housing received a letter from Wyman Fields withdrawing the HAP Loan request.
- c) On August 22, 2001, Wyman Fields submitted a letter to Florida Housing requesting modification of the Land Use Restriction Agreement (LURA) and Florida Housing’s mortgage. In this request, Wyman Fields proposed that Florida Housing release its lien on the entire 72 acres to enable Wyman Fields to sell the property to another developer, Maronda Homes. In turn, Maronda Homes would deed back 50 lots to Wyman Fields for construction of affordable housing. Additionally, Maronda Homes was to provide the necessary infrastructure to allow the construction by Wyman Fields of the affordable homes. This infrastructure was to include roads, water, and sewer hook-up. Twenty-five of the lots are complete with the infrastructure and 25 do not have infrastructure.
- d) In furtherance of its proposal, Wyman Fields requested that Florida Housing remove the LURA and its mortgage from the entire 72 acre tract, and attach the LURA and mortgage only to the remaining 50 single-family lots that would be deeded back to Wyman Fields. Florida Housing would then hold a first mortgage on the smaller parcel of lots. On September 20, 2001, the staff recommended, and the Board approved, Wyman Fields request to modify the LURA and the mortgage, subject to approval of the Legal Department, and Credit Underwriting. Florida Housing was thereafter in a first position mortgage and was to be paid prior to the remaining subordinate loans on the smaller acreage.

LEGAL

Consent

- e) On December 10, 2002, Seminole County brought an action to foreclose against Wyman Fields on its outstanding SHIP loan, but did not name Florida Housing as a party, nor did Florida Housing receive notice of the proceeding until about July 2, 2003. On July 3, 2003, Florida Housing moved to dismiss the pending foreclosure on the grounds it was not named as a necessary party. On August 12, 2003, the Court granted Florida Housing's motion to dismiss without prejudice. On August 28, 2003, Seminole County re-filed its action to foreclose, but still failed to name Florida Housing as a party.
- f) On October 24, 2003, Florida Housing filed a separate Complaint to foreclose and a Notice of *Lis Pendens* (notice of litigation pending).

2. Present Situation

The staff requests authority to negotiate and dispose of the property in the manner most beneficial to the Corporation.

3. Recommendation

The staff recommends the Board delegate authority to the Executive Director to negotiate and dispose of the property in the manner most beneficial to the Corporation.

LEGAL

Consent

E. In Re: Signature Authority for Comptroller

1. Background

During the ordinary course of business, situations arise wherein an authorized signature is needed by the Corporation on routine financial documents. This is true specifically in the case of securities pledged in place as collateral, where releases, while infrequent, need to be signed on short notice in the event of sale of securities in an amount greater amount than required to secure the collateral, or where securities are being exchanged.

2. Present Situation

It is advisable to have one person in addition to the Chief Financial Officer who is delegated authority to sign routine financial documents.

3. Recommendation

That the Board authorize the Executive Director to delegate authority to sign routine financial documents to the Corporation's Comptroller.

LEGAL

Consent

F. SPAR S.H.A.R.E. – Phase II – SAIL loan #94S-045 – SPAR S.H.A.R.E. II, Ltd.

1. Background

- a) SPAR S.H.A.R.E. II was awarded a second mortgage SAIL loan in Cycle VI for \$83,300.00 to rehabilitate 8 units on 4 scattered sites in Jacksonville, Duval County. The loan closed December 28, 1995.
- b) During construction, a change order proposal submitted by the contractor, Custom Construction by Harris, Inc., caused the Borrower to declare a contractor default and stop work order. Construction halted, causing SPAR S.H.A.R.E. to be in default with respect to the SAIL Construction Loan Agreement.
- c) By letter dated August 15, 1997, FHFC was advised by the Borrower that the contractor, Custom Construction by Harris, Inc., filed suit against SPAR S.H.A.R.E. II, Ltd.
- d) Florida Housing's legal counsel recommended that the amount previously funded to this Development (\$36,610.81) be written off and the remaining undisbursed SAIL funds (\$46,689.19) be made available for other developments.
- e) Florida Housing was advised that the property associated with this Development was sold at a public sale on November 13, 1997, to Custom Construction by Harris, Inc.
- f) Robert Harris of Custom Construction by Harris, Inc. advised Florida Housing that:
 - (1) According to an appraisal, the projected value of the project upon completion was expected to be less than the cost required for its completion; and
 - (2) Custom Construction was attempting to work out a plan to satisfy the various liens and ultimately donate the properties to Liberty Center for the Homeless, Inc.
- g) At the December 1997 Board meeting, the Board was informed on the status of this loan and directed Staff to make the remaining undisbursed funds available for future SAIL developments. The Board also directed Staff to continue to monitor work out negotiations and seek Board approval of any final plan involving the release of the SAIL mortgage.
- h) The property was foreclosed on July 28, 1998.
- i) At the March 2002 Board meeting, the Board was informed on the status of this loan and directed staff to write off the remaining SPAR S.H.A.R.E II loan balance in the amount of \$36,610.81 and remove the loan from the loan loss reserve for the year ending 12/31/2001.

LEGAL

Consent

2. Present Situation

- a) Only three of the four parcels associated with this Development were foreclosed and sold at public sale on November 13, 1997.
- b) Florida Housing holds a mortgage on the fourth parcel. SPAR S.H.A.R.E. II has entered into a purchase and sale agreement for this parcel in the amount of \$4,600.00. Back taxes and other expenses due on the property will not net any proceeds after the sale.

3. Recommendation

Authorize Florida Housing staff to release the mortgage on the following conditions:

- (1) Line 603, Cash due to Seller must reflect \$0.00 or reflect an amount due from Seller;
- (2) A copy of the final signed HUD-1 Settlement Statement must be sent to Florida Housing Finance Corporation in order to receive a release from the mortgage; and
- (3) Any additional balance remaining in this matter shall be sent to Florida Housing.

MULTIFAMILY BONDS

Consent

VI. MULTIFAMILY BONDS

- A. Request Approval of the Final Credit Underwriting Report for \$10,075,000 of Tax-Exempt Bonds in order to finance the development know as Garfield Place Apartments (“Development”), 228 Units, located in Deland, Volusia County, Florida

DEVELOPMENT NAME (“Development”):	Garfield Place Apartments
DEVELOPER/PRINCIPAL (“Developer”):	PAC Land Development Corporation / Garfield Place Apartments, Ltd.
NUMBER OF UNITS:	228
LOCATION (County):	Deland, Volusia County
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	85% @ 60% MMRB 100% @ 60% HC
ALLOCATED AMOUNT:	\$10,075,000 of Tax-Exempt Bonds
ADDITIONAL COMMENTS:	

1. Background

- a) Garfield Place Apartments, Ltd. (“Applicant”) submitted an application (“Application”) on behalf of the proposed Development during the 2003 Universal Application Cycle. Applicant applied for tax-exempt bonds in the amount of \$10,075,000 in order to construct the Development.
- b) At the October 9, 2003 Board meeting, the Board approved an Acknowledgement Resolution for the issuance of tax-exempt Bonds in an amount not to exceed \$10,075,000 for construction of the Development.

2. Present Situation

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to advise it of any such changes. Accordingly, the following changes were made during credit underwriting:
- (1) Funding sources for the subject development have changed in that the Applicant has substituted Apollo Housing Capital, L.L.C. (“Apollo”), for Lend Lease Real Estate Investments Limited Partnership, (“LLREI”), as Syndicator of the Low Income Housing Tax Credits (“HC”). The August 18, 2003, Syndication Letter from Apollo reflects proceeds of \$6,640,370 from the sale of the HC, an increase of \$808,370 (13.86%) from the LLREI Commitment.
 - (2) The Architectural Plans and Specifications do not reflect Electric Water Heaters with an Energy Factor of 0.91. Applicant submitted a written request to FHFC on October 2, 2003, to substitute air conditioners with an HSPF Rating of 7.4 to Air Conditioners with an HSPF Rating 7.5. The substitutions are a comparable exchange because these amenities were worth equal points in the application.

MULTIFAMILY BONDS

Consent

- (3) Total Development Costs have increased \$1,318,033 (7.85%), from \$16,800,000 to \$18,118,033. The increase is primarily reflective of:
- (a) An increase of \$122,328 (1.11%) in the Construction Contract, from \$10,977,672 to \$11,100,000.
 - (b) An increase of \$789,444 (95.30%) in Financial Costs. The increase is made up of:
 - (i) Applicant's projected increase of \$6,656 (0.88%) in Construction Loan Interest.
 - (ii) An \$86,350 (123.36%) increase in Credit Enhancement Fees over the \$70,000 originally budgeted by Applicant. Of the total \$156,350 in Credit Enhancement Fees, \$103,350 is for the Construction Phase, and \$53,000 is for the Permanent Phase.
 - (iii) Line item additions for Bond Loan Closing Costs of \$67,920, Bond Fees (Costs of Issuance) of \$301,215, Insurance Wrap Fees of \$97,240, Equity Bridge Loan Interest of \$171,899 and a premium of \$12,565 on a Surety Bond to cover the Debt Service Reserve.
 - (iv) Prepaying one-half of the required Replacement Reserves for Years One and Two, a total prepayment of \$45,600.
 - (c) Applicant's addition of:
 - (i) \$72,000 in Engineering Fees.
 - (ii) \$20,000 in Inspection Fees.
 - (iii) \$40,000 in Miscellaneous Expenses.
 - (d) Applicant's increase of \$469,425 (23.12%) in Developer Fees.

Note: There is a corresponding increase in Deferred Developer Fees. Developer Fees deferred during the permanent/amortization period increased \$1,034,663 (281.16%).
 - (e) Applicant's increase of \$36,851 (49.13%) in Title & Recording Fees.
 - (f) These and other minor adjustments are partially offset by:
 - (i) Applicant's elimination/reclassification of \$265,000 in Closing Costs-Construction.
 - (ii) A \$98,000 (24.62%) reduction in Land Acquisition Costs.

MULTIFAMILY BONDS

Consent

- b) A Final Credit Underwriting Report dated November 25, 2003, is attached as [Exhibit A](#).

3. Recommendation

Approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated November 25, 2003, recommending that \$10,075,000 in bonds be issued for the purpose of constructing the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

- B. Request Approval of the Final Credit Underwriting Report for \$9,100,000 of Tax-Exempt Bonds in order to finance the development know as Addison Place Apartments (“Development”), 160 Units, located in Crestview, Okaloosa County, Florida**

DEVELOPMENT NAME (“Development”):	Addison Place Apartments
DEVELOPER/PRINCIPAL (“Developer”):	Nantahala Housing LLC / Addison Place, LLC
NUMBER OF UNITS:	160
LOCATION (County):	Crestview, Okaloosa
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	85% @ 60% MMRB 100% @ 60% HC
ALLOCATED AMOUNT:	\$9,100,000 of Tax-Exempt Bonds
ADDITIONAL COMMENTS:	

1. Background

- a) Addison Place Apartments, LLC (“Applicant”) submitted an application (“Application”) on behalf of the proposed Development during the 2002 Universal Application Cycle. Applicant applied for tax-exempt bonds in the amount of \$9,100,000 in order to construct the Development.
- b) At the December 6, 2002 Board meeting, the Board approved an Acknowledgement Resolution for the issuance of tax-exempt bonds in an amount not to exceed \$9,100,000 for construction of the Development.

2. Present Situation

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to advise it of any such changes. Accordingly, the Syndicator has changed from Midland Equity Corporation to SunAmerica Affordable Housing Partners, Inc. or its designees, and the credit enhancer has changed from the Florida Affordable Housing Guarantee Program (“Guarantee Program”) in combination with the United States Department of Housing and Urban Development’s (“HUD”) Risk Sharing Program to SunAmerica Affordable Housing Partners, Inc. In addition, the management company has changed from Gatehouse Management, Inc. to Royal American Management, Inc.
- b) The Applicant requested a Multifamily Mortgage Revenue Bond financed loan in the amount of \$9,100,000 but has now revised its request to \$7,830,000. The rent roll in the application provided that the two bedroom units would have one and one half baths; however, has been changed to reflect that all two bedroom units will have two bathrooms.
- c) A Final Credit Underwriting Report dated November 25, 2003, is attached as [Exhibit B](#).

MULTIFAMILY BONDS

Consent

3. **Recommendation**

Approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated November 25, 2003, recommending that \$7,830,000 in bonds be issued for the purpose of constructing the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

- C. **Request Approval of the Final Credit Underwriting Report for \$12,000,000 of Tax-Exempt Bonds and \$260,000 of Taxable Bonds in order to finance the development known as Clipper Bay Apartments (“Development”), 276 Units, located in Tampa, Hillsborough County, Florida**

DEVELOPMENT NAME (“Development”):	Clipper Bay
DEVELOPER/PRINCIPAL (“Developer”):	Cornerstone Group Development, LLC/ Jorge Lopez, Stuart Meyers, Leon Wolfe, & Mara Mades
NUMBER OF UNITS:	276
LOCATION (County):	Hillsborough
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	17% @ 50%, 68% @ 60% (MMRB & SAIL) 97.8% @ 60% (HC)
ALLOCATED AMOUNT:	\$13,500,000 of Tax-Exempt Bonds
ADDITIONAL COMMENTS:	

1. **Background**

- a) Clipper Bay Associates, Ltd. (“Applicant”) submitted an application (“Application”) on behalf of the proposed Development during the 2003 Application Cycle. Applicant applied for tax-exempt bonds in the amount of \$13,500,000 and taxable bonds in the amount of \$680,000 in order to construct the Development.
- b) At the October 9, 2003 Board meeting, the Board approved an Acknowledgement Resolution for the issuance of tax-exempt Bonds in an amount not to exceed \$13,500,000 for construction of the Development.

2. **Present Situation**

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to advise it of any such changes. Accordingly, the Applicant has reduced the amount of taxable bonds requested from \$680,000 in the Application to \$260,000.
- b) The Applicant has requested an increase to the Housing Credit set-asides and has provided a revised pro forma which includes an additional 8% of the units at 60% AMI for a revised set-aside commitment of 97.8% of the units at 60% AMI for the HC Program.
- c) A Final Credit Underwriting Report dated November 25, 2003, is attached as [Exhibit C](#).

MULTIFAMILY BONDS

Consent

3. **Recommendation**

Approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated November 25, 2003 recommending that \$12,260,000 in bonds be issued for the purpose of constructing the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

- D. Request approval to extend the closing deadline for Pineview Villas (“Development”) from December 31, 2003 to March 31, 2004

DEVELOPMENT NAME (“Development”):	PINEVIEW VILLAS APARTMENTS
DEVELOPER/PRINCIPAL (“Developer”):	JBM Properties, LLC
NUMBER OF UNITS:	200
LOCATION (County):	Leon
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	20% @ 50% MMRB 100% @ 60% LIHTC
ALLOCATED AMOUNT:	\$7,500,000 of Tax-Exempt Bonds
ADDITIONAL COMMENTS: Extension of closing deadline	

1. **Background**

The Development is the only remaining 2001 Application that has not yet closed.

2. **Present Situation**

The Credit Underwriting Report for the Development was approved by the Board at the August 2003 Board Meeting. The Development is being credit enhanced through the HUD 221(d) (4) Program and is awaiting a firm approval letter. This letter is not expected in time to close by December 31, 2003.

3. **Recommendation**

Extend the closing deadline for Pineview Villas until March 31, 2004.

MULTIFAMILY BONDS

Consent

- E. **Request Approval of the Final Credit Underwriting Report for the Issuance of an additional \$2,500,000 Taxable Bonds for Victoria Park Apartments (“Development”), a 2002 Series J in the amount of \$19,400,000 Tax-Exempt Bonds and \$4,400,000 Taxable Bonds, 520 Units, located in Jacksonville, Duval County, Florida**

DEVELOPMENT NAME (“Development”):	Victoria Park Apartments
DEVELOPER/PRINCIPAL (“Developer”):	Kings Mandarin Associates LP/Asset Management and Development Group, LLC/Ronald Fieldstone, Sheldon Lowe, Daniel Lubeck
NUMBER OF UNITS:	520
LOCATION (County):	Duval
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	30% @ 80%, 70% @ 150% (MMRB)
ALLOCATED AMOUNT:	\$19,400,000 of Tax-Exempt Bonds
ADDITIONAL COMMENTS: Issuance of Additional Bonds	

1. **Background**

- a) In 1983 and 1984, Florida Housing financed the construction of Mandarin Oaks Phase I, Mandarin Oaks Phase II and Mandarin Place (Phase III) (collectively Oaks at Mandarin) Apartments with \$8,825,000, \$5,125,000, and \$5,420,000, respectively, in tax-exempt bonds, designated as 1983 Series A, D, and 1984 Series B, respectively.
- b) In 1988, Florida Housing approved the refunding of the bonds for Oaks at Mandarin, Phases I, II and III, with \$8,825,000, \$5,125,000, and \$5,420,000 in tax-exempt bonds respectively, designated as 1988 Series A, E, and F.
- c) In 2002, Florida Housing approved the refunding of the bonds for Victoria Park Apartments (formerly Oaks at Mandarin, Phases I, II and III), with \$19,400,000, in tax-exempt bonds, designated as 2002 Series J. The bonds were refunded with the option for additional taxable bonds to be issued at a later date.

2. **Present Situation**

- a) Asset Management and Development Group, LLC (“Applicant”) submitted a request, as contemplated by the bond documents executed as part of the 2002 Series J Refunding, for Florida Housing to issue an additional \$2,500,000 in bonds. The bond proceeds will be used to reimburse the Applicant for out-of-pocket expenses from improvements made to the property, including exterior, interior, and amenity renovation and upgrade. The additional bonds will be credit enhanced by Fannie Mae, the current credit enhancer.
- b) A Final Credit Underwriting Report dated November 25, 2003, is attached as [Exhibit D](#), recommending that Florida Housing approve the issuance of the additional bonds.

MULTIFAMILY BONDS

Consent

3. **Recommendation**

Approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated November 25, 2003 recommending the approval of the issuance of the additional bonds, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

- F. **Request Approval of the Final Credit Underwriting Report for the Transfer of Ownership and Waiver of the Advance Notice Period for the Transfer of Windwood Oaks Apartments, 1996 Series R-1 in the amount of \$4,300,000 Tax-Exempt Bonds, 144 units, located in Tampa, Hillsborough County, Florida and Windwood Oaks II Apartments (together the “Developments”), 1996 Series S-1 in the amount of \$6,000,000 Tax-Exempt Bonds, 208 units, located in Tampa, Hillsborough County, Florida**

DEVELOPMENT NAME (“Development”):	Windwood Oaks & Windwood Oaks II
DEVELOPER/PRINCIPAL (“Developer”):	Richard D. Schofield
NUMBER OF UNITS:	352
LOCATION (County):	Hillsborough
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	20% @ 80%, 80% @ 150% (MMRB) Windwood Oaks 27.5% @ 80%, 72.5% @ 150% (MMRB) Windwood Oaks II
ALLOCATED AMOUNT:	\$10,300,000 of Tax-Exempt Bonds
ADDITIONAL COMMENTS:	Transfer of Ownership

1. **Background**

- a) In 1985, Florida Housing financed the construction of Windwood Oaks Apartments with \$4,300,000 in tax-exempt bonds, designated as 1985 Series P.
- b) In 1985, Florida Housing financed the construction of Windwood Oaks II Apartments with \$6,000,000 in tax-exempt bonds, designated as 1985 Series FFF.
- c) In 1996, Florida Housing approved the refunding of the Developments with \$4,300,000 in tax-exempt bonds, designated as 1996 Series R-1 and \$25,000 in taxable bonds, designated as 1996 Series R-2 and \$6,000,000 in tax-exempt bonds, designated as 1996 Series S-1 and \$200,000 in taxable bonds, designated as 1996 Series S-2.
- d) The remarketing agent will remain William R. Hough & Co.

2. **Present Situation**

- a) Ventron Realty Corp. (“Purchaser”) has submitted a request for transfer of ownership. The Purchaser intends to make improvements to the property including exterior, interior, and amenity renovations and upgrades. In order to accommodate the timing in the contract for sale of the Developments, it will be necessary for Florida Housing, the Trustee, the Servicer and the Credit Enhancer to waive the 30 day advance notice of assignment of ownership and receipt of a bond counsel opinion.
- b) A Final Credit Underwriting Report dated November 25, 2003, is attached as [Exhibit E](#), recommending that Florida Housing approve the transfer of ownership.

MULTIFAMILY BONDS

Consent

3. **Recommendation**

Approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated November 25, 2003, recommending the transfer of the Development's ownership and the waiver of the advance notice period, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

- G. Request Approval of the Final Credit Underwriting Report for the Transfer of Ownership and Waiver of the Advance Notice Period for the Transfer of Sandstone/Harbour Walk Apartments (“Development”), a 1996 Series Q-1 in the amount of \$11,800,000 Tax-Exempt Bonds, 400 units, located in Tampa, Hillsborough County, Florida**

DEVELOPMENT NAME (“Development”):	Sandstone/Harbour Walk
DEVELOPER/PRINCIPAL (“Developer”):	Richard D. Schofield
NUMBER OF UNITS:	400
LOCATION (County):	Hillsborough
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	20% @ 80%, 80% @ 150% (MMRB)
ALLOCATED AMOUNT:	\$11,800,000 of Tax-Exempt Bonds
ADDITIONAL COMMENTS: Transfer of Ownership	

1. Background

- a) In 1984, Florida Housing financed the construction of Sandstone (formerly Webb Road I) Apartments with \$5,900,000 in tax-exempt bonds, designated as 1984 Series B.
- b) In 1984, Florida Housing financed the construction of Harbour Walk (formerly Webb Road II) Apartments with \$5,900,000 in tax-exempt bonds, designated as 1984 Series C.
- c) In 1996, Florida Housing approved the refunding of bonds for the Development with \$11,800,000 in tax-exempt bonds, designated as 1996 Series Q-1 and \$435,000 in taxable bonds, designated as 1996 Series Q-2.
- d) The remarketing agent will remain William R. Hough & Co.

2. Present Situation

- a) Ventron Realty Corp. (“Purchaser”) has submitted a request for transfer of ownership. The Purchaser intends to make improvements to the property including exterior, interior, and amenity renovations and upgrades. In order to accommodate the timing in the contract for sale of the Development, it will be necessary for Florida Housing, the Trustee, the Servicer and the Credit Enhancer to waive the 30 day advance notice of assignment of ownership and receipt of a bond counsel opinion.
- b) A Final Credit Underwriting Report dated November 25, 2003, is attached as [Exhibit F](#), recommending that Florida Housing approve the transfer of ownership.

MULTIFAMILY BONDS

Consent

3. **Recommendation**

Approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated November 25, 2003 recommending the transfer of the Development's ownership and the waiver of the advance notice period, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

H. Assignment of Bond Underwriters and Structuring Agents

1. Background

- a) Pursuant to staff's requests for approval to issue bonds to finance the construction of the proposed Developments referenced below, Final Credit Underwriting Reports are being presented to the Board for approval simultaneous with this request to assign the appropriate professionals to these transactions. A brief description of the Developments is detailed below along with the Staff's recommendation for the assignments.
- b) Additionally, the Corporation's Senior Financial Advisor has prepared method of bond sale letters. Staff has reviewed these method of sale letters and Board approval is requested at the current meeting.

2. Present Situation

- a) The Credit Underwriters, the Senior Financial Advisor and Florida Housing Staff have reviewed the financing structures for the proposed Developments.
- b) The Senior Financial Advisor's recommendation for the methods of bond sale is being presented to the Board at the current meeting during the Multifamily Bond Program Update of items on the agenda.

3. Recommendation

Approve the assignments of the recommended professionals as shown in the chart for the proposed Developments.

Development Name	Location of Development	Number of Units	Method of Bond Sale	Recommended Professional
Garfield Place	Volusia	228	Competitive	Stern Brothers and Company
Addison Place	Okaloosa	160	Negotiated	William R. Hough & Co.
Clipper Bay	Hillsborough	276	Competitive	Morgan Keegan and Company

MULTIFAMILY BONDS

Consent

I. Request Approval of the Method of Sale Recommendations from Florida Housing’s Senior Financial Advisor

1. Background

- a) The Credit Underwriter has provided Final Credit Underwriting Reports for the proposed Developments below. Florida Housing seeks Board approval pursuant to the recommendation of the Credit Underwriter and the appropriate Florida Housing staff.
- b) Pursuant to Rule 67-21.0045, F.A.C., Staff has requested a review of the proposed bond structure by the Senior Financial Advisor in order to make recommendations to the Board for the methods of bond sale.
- c) WLJ Capital has prepared analysis and recommendations for the methods of bond sale for the Developments. These recommendation letters are attached as [Exhibit G](#).

Development Name	Location of Development	Number of Units	Method of Bond Sale
Garfield Place	Volusia	228	Competitive
Addison Place	Okaloosa	160	Negotiated
Clipper Bay	Hillsborough	276	Competitive

- d) The Development that is recommended as a negotiated deal is done so because the variable interest rate on the bonds will be re-priced each week. This “low floater” structure is most efficiently handled through a negotiated transaction.

2. Recommendation

Accept the recommendation of the Senior Financial Advisor for the methods of bond sale for the above Developments.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

VII. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Approval of Loan from PLP funds for Florida Housing Corporation. (PLP 00-036)

DEVELOPMENT NAME (“Development”):	McCurdy Complex Site
DEVELOPER/PRINCIPAL (“Developer”):	Florida Housing Corporation
NUMBER OF UNITS:	80
LOCATION (County):	Palm Beach County
TYPE:	Rental, Elderly
SET ASIDE:	60% @ 60% AMI
ALLOCATED AMOUNT:	\$500,000
ADDITIONAL COMMENTS: Florida Housing Corporation is a 501 (c) (3) corporation not affiliated with Florida Housing Finance Corporation	

1. Background/Present Situation

- a) On March 20, 2003, Florida Housing issued an invitation to participate in the PLP program to Florida Housing Corporation (the “Developer”). The development, McCurdy Complex Site, located in Palm Beach County, will be an 80 unit elderly development.
- b) The Technical Assistance Provider (TAP) assisted the Developer in preparing a development plan and budget ([Exhibit A](#)). Staff has reviewed the development plan and budget and has determined that all budget items are PLP eligible. The TAP has approved the development plan and has recommended a loan amount of \$500,000 for PLP eligible activities ([Exhibit B](#)).

2. Recommendation

Approve a loan from PLP funds for \$500,000 to Florida Housing Corporation for predevelopment costs as recommended by the TAP.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Approval of Loan from PLP funds for Kashi Church. (PLP 00-037)

DEVELOPMENT NAME (“Development”):	Kashi Church Senior Housing
DEVELOPER/PRINCIPAL (“Developer”):	Kashi Church
NUMBER OF UNITS:	41
LOCATION (County):	Indian River County
TYPE:	Rental, Elderly
SET ASIDE:	60% @ 60% AMI
ALLOCATED AMOUNT:	\$441,210
ADDITIONAL COMMENTS: The TAP has reviewed and recommended this request to the Board	

1. Background/Present Situation

- a) On June 12, 2003, Florida Housing issued an invitation to participate in the PLP program to Kashi Church (the “Developer”). The development, Kashi Church Senior Housing, located in Indian River County, will be a 41 unit Elderly housing development.
- b) The Technical Assistance Provider (TAP) assisted the Developer in preparing a development plan and budget ([Exhibit C](#)). Staff has reviewed the development plan and budget and has determined that all budget items are PLP eligible. The TAP has approved the development plan and has recommended a loan amount of \$441,210 for PLP eligible activities ([Exhibit D](#)).

2. Recommendation

Approve a loan from PLP funds for \$441,210 to Kashi Church for predevelopment costs as recommended by the TAP.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

C. Approval of Loan from PLP funds for First Congregational United Church of Christ. (PLP 00-039)

DEVELOPMENT NAME (“Development”):	FC-UCC Senior Housing
DEVELOPER/PRINCIPAL (“Developer”):	First Congregational United Church of Christ
NUMBER OF UNITS:	61
LOCATION (County):	Sarasota County
TYPE:	Rental, Elderly
SET ASIDE:	60% @ 60% AMI
ALLOCATED AMOUNT:	\$500,000
ADDITIONAL COMMENTS: TAP has reviewed and recommended approval of this loan	

1. Background/Present Situation

- a) On July 30, 2003, Florida Housing issued an invitation to participate in the PLP program to First Congregational United Church of Christ (the “Developer”). The development, FC-UCC Senior Housing, located in Sarasota County, will be a 61 unit elderly development.
- b) The Technical Assistance Provider (TAP) assisted the Developer in preparing a development plan and budget ([Exhibit E](#)). Staff has reviewed the development plan and budget and has determined that all budget items are PLP eligible. The TAP has approved the development plan and has recommended a loan amount of \$500,000 for PLP eligible activities ([Exhibit F](#)).

2. Recommendation

Approve a loan from PLP funds for \$500,000 to First Congregational United Church of Christ for predevelopment costs as recommended by the TAP.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

D. Approval of Loan from PLP funds for Ironwood North. (PLP 00-042)

DEVELOPMENT NAME (“Development”):	Ironwood North
DEVELOPER/PRINCIPAL (“Developer”):	Neighborhood Development Corporation
NUMBER OF UNITS:	78
LOCATION (County):	Alachua County
TYPE:	Homeownership
SET ASIDE:	100% @ 80% AMI
ALLOCATED AMOUNT:	\$213,049
ADDITIONAL COMMENTS: This developer has a current PLP loan and is in good standing	

1. Background/Present Situation

- a) On August 1, 2003, Florida Housing issued an invitation to participate in the PLP program to Neighborhood Development Corporation (the “Developer”). The development, Ironwood North, located in Alachua County, will be a 78 unit homeownership development.
- b) The Technical Assistance Provider (TAP) assisted the Developer in preparing a development plan and budget ([Exhibit G](#)). Staff has reviewed the development plan and budget and has determined that all budget items are PLP eligible. The TAP has approved the development plan and has recommended a loan amount of \$213,049 for PLP eligible activities ([Exhibit H](#)).

2. Recommendation

Approve a loan from PLP funds for \$213,049 to Neighborhood Development Corporation for predevelopment costs as recommended by the TAP.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

E. Approval of Loan from PLP funds for Richardson Place. (PLP 00-041)

DEVELOPMENT NAME (“Development”):	Richardson Place
DEVELOPER/PRINCIPAL (“Developer”):	Consortium Development Group, Inc.
NUMBER OF UNITS:	14
LOCATION (County):	Duval County
TYPE:	Homeownership
SET ASIDE:	100% @ 80%
ALLOCATED AMOUNT:	\$233,204
ADDITIONAL COMMENTS: The TAP has recommended approval of this loan	

1. Background/Present Situation

- a) On August 1, 2003, Florida Housing issued an invitation to participate in the PLP program to Consortium Development Group, Inc. (the “Developer”). The development, Richardson Place, located in Duval County, will be a 14 unit Homeownership development.
- b) The Technical Assistance Provider (TAP) assisted the Developer in preparing a development plan and budget ([Exhibit I](#)). Staff has reviewed the development plan and budget and has determined that all budget items are PLP eligible. The TAP has approved the development plan and has recommended a loan amount of \$233,204 for PLP eligible activities ([Exhibit J](#)).

2. Recommendation

Approve a loan from PLP funds for \$233,204 to Consortium Development Group, Inc. for predevelopment costs as recommended by the TAP.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

F. Approval of Loan from PLP funds for Sonrise Haven. (PLP 00-040)

DEVELOPMENT NAME (“Development”):	Sonrise Haven
DEVELOPER/PRINCIPAL (“Developer”):	Hope Properties, Inc.
NUMBER OF UNITS:	81
LOCATION (County):	Brevard County
TYPE:	Rental
SET ASIDE:	60% @ 60%
ALLOCATED AMOUNT:	\$500,000
ADDITIONAL COMMENTS: The TAP has recommended approval of this loan	

1. Background/Present Situation

- a) On July 9, 2003, Florida Housing issued an invitation to participate in the PLP program to Hope Properties, Inc. (the “Developer”). The development, Sonrise Haven, located in Brevard County, will be a Rental development of 81 units.

- b) The Technical Assistance Provider (TAP) assisted the Developer in preparing a development plan and budget ([Exhibit K](#)). Staff has reviewed the development plan and budget and has determined that all budget items are PLP eligible. The TAP has approved the development plan and has recommended a loan amount of \$500,000 for PLP eligible activities ([Exhibit L](#)).

2. Recommendation

Approve a loan from PLP funds for \$500,000 to Hope Properties, Inc. for predevelopment costs as recommended by the TAP.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

G. Approval of Loan from PLP funds for Liberty Center Iv. (PLP 00-005)

DEVELOPMENT NAME (“Development”):	Liberty Center IV
DEVELOPER/PRINCIPAL (“Developer”):	Liberty Center for the Homeless, Inc.
NUMBER OF UNITS:	100
LOCATION (County):	Duval County
TYPE:	Rental
SET ASIDE:	60% @ 60%
ALLOCATED AMOUNT:	\$263,641.17
ADDITIONAL COMMENTS: This is a loan that was approved in 2000 for \$242,000. The Applicant has been awarded funding in the 2003 Universal Cycle. The Applicant has requested additional PLP funds to pay for previously unanticipated predevelopment costs. The TAP is recommending the increase in the loan	

1. Background/Present Situation

- a) On November 2, 2000, Florida Housing issued an invitation to participate in the PLP program to Liberty Center for the Homeless, Inc. (the “Developer”). The development, Liberty Center IV, located in Duval County, will be a 100 unit homeless development.
- b) The TAP has recommended an increase in the loan amount to \$263,641.17 for PLP eligible activities ([Exhibit M](#)).

2. Recommendation

Approve an increase to the loan from PLP funds for a new total of \$263,641.17 to Liberty Center for the Homeless, Inc for additional predevelopment costs as recommended by the TAP.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

H. Clarification of Loan terms for PLP 98-007 (Hillcrest Subdivision)

DEVELOPMENT NAME (“Development”):	Hillcrest Subdivision (formerly known as Kings Way Subdivision)
DEVELOPER/PRINCIPAL (“Developer”):	Affordable Housing Ventures, Inc.
NUMBER OF UNITS:	30
LOCATION (County):	Hillsborough County
TYPE:	Homeownership
SET ASIDE:	100% @ 80% AMI
ALLOCATED AMOUNT:	\$490,000
ADDITIONAL COMMENTS: This is a PLP Development from the 1998 program	

1. Background/Present Situation

- a) Affordable Housing Ventures closed on a PLP Loan in November 1999 for \$490,000. As part of an amended note signed on March 8, 2000, a maturity date was extended to March 8, 2003.
- b) According to the PLP Rule (67-38.007 (5)). *“With respect to homeownership Projects, the Loan shall mature when the Project Site is released from the lien of the Mortgage held by the Corporation (Florida Housing)...”*
- c) In accordance with this, the Developer has requested a new Loan maturity date to be no later than November 14, 2005 ([Exhibit N](#)).
- d) The Development, after some delays, is progressing with two model homes under construction and all infrastructure in place.

2. Recommendation

Accept the clarification of Loan terms and instruct staff to execute appropriate document amendments for the transaction.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

VIII. PROFESSIONAL SERVICES SELECTION (PSS)

A. Invitation to Negotiate (ITN) #2003/01 for Consulting Services

1. Background

- a) At its May 2, 2003 meeting, Florida Housing's Board authorized staff to issue an ITN to select one or more persons or entities with which to commence negotiations to procure consulting services to assist Florida Housing to prepare for the possible conversion of the Section 8 Voucher Program to a block grant to the state.
- b) Three (3) responses were received. They were as follows:
 - (1) Abt Associates, Inc.
 - (2) MDStrum Housing Services, Inc.
 - (3) National Facility Consultants, Inc.
- c) At its October 9, 2003 meeting, the Board authorized staff to enter into contract negotiations with the top-ranked Offeror which was Abt Associates, Inc. The Board further authorized staff to enter into contract negotiations with the 2nd ranked Offeror which was National Facility Consultants, Inc., if Florida Housing staff is unable to successfully negotiate a contract with the top-ranked Offeror for the entire scope of work, or any portion thereof.

2. Present Situation

Since the scoring and selection process was completed, it has become increasingly clear that the block grant to the state proposal will not be advanced by the administration until next year, if at all. Therefore, Florida Housing staff has determined it to be in the best interest of Florida Housing to postpone going forward with contract negotiations.

3. Recommendation

Direct staff to postpone contract negotiations and authorize staff to resume and initiate contract negotiations for consulting services according to the terms of the ITN should the Section 8 Voucher block grant proposal go forward next year.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

IX. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Additional Subordinate Financing and Loan Closing Extension for Golf View Gardens (“Development”), Cycle XIV, (2002-056S)

Development Name:	Golf View Gardens
Developer/Principal:	Carlisle Group, LLC
Number of Units: 160	Location: Broward County
Type: Mid-Rise	Set Aside: 6.25% @ 35% AMI and 93.75% @ 60% AMI
Demographics: Elderly	Allocated Amount: \$2,000,000
MMRB: N/A	Housing Credits: (4%) \$3,444,000

1. Background/Present Situation

- a) On October 23, 2003 staff issued a preliminary commitment letter and invitation to credit underwriting for a SAIL second mortgage loan in an amount up to \$2,000,000 for this 160-unit elderly development in Broward County.
- b) On June 20, 2003, the Board approved the final credit underwriting report subject to receipt of an update summary appraisal confirming that the market values meet the 100% Loan to Value as required by the SAIL Rule and directed staff to proceed with loan closing activities. Confirmation was received from the underwriter on September 8, 2003 that the LTV issue had been resolved.
- c) On September 17, 2003, staff issued a firm commitment letter with a loan closing deadline of November 18, 2003.
- d) During the closing process it was discovered that the Borrower had closed on a SHIP loan in the amount of \$200,000. This was not contemplated during the original credit underwriting and as such, required Board approval. On November 14, 2003, staff received a letter from The Carlisle Group requesting a 45-day extension of the closing deadline ([Exhibit A](#)). Under the applicable rules, the SAIL loan closing must occur within 60 days from the date that the firm loan commitment is issued unless an extension is approved by the Board and the applicant pays an extension fee of one-half of one percent of the SAIL loan amount.
- e) The credit underwriter has determined that that the additional debt will not affect the repayment of the SAIL loan. The credit underwriter recommends approval of the additional subordinate financing subject to the review and approval of the final loan documents by Florida Housing Finance Corporation, our legal counsel and consent of the first mortgage lender ([Exhibit B](#)).

2. Recommendation

Approve the additional subordinate financing subject to the conditions above and extend the closing deadline until January 2, 2003.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval for Substitution of Amenity for Mariner’s Cove Apartments (“Development”), Cycle XIV (2002-063CS)

Development Name:	Mariner’s Cove
Developer/Principal:	Cornerstone Group Development, LLC
Number of Units: 208	Location: Hillsborough County
Type: Garden Apartments	Set Aside: 11% @ 50% AMI and 89% @ 60% AMI
Demographics: Large Family	Allocated Amount: \$2,000,000
MMRB: No	Housing Credits: \$4,090,000

1. **Background**

- a) On September 12, 2003, the Board approved a credit underwriting report with a recommendation for a SAIL loan in the amount of \$2,000,000. Staff issued a firm commitment letter on September 25, 2003.
- b) In the application, the Applicant committed to install single pane windows with a shading coefficient of .67 or better. During the loan closing process, the Developer notified staff that double pane windows had been installed. Each of these window types are worth 2 points in the Application ([Exhibit C](#)).

2. **Recommendation**

Approve the substitution of double pane windows in lieu of single pane windows with a coefficient of .67 or better and direct staff to amend the Land Use Restriction Agreement to reflect the same.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

C. Request Approval of Loan Closing Extension for Spring Haven Apartments (“Development”), Cycle XIV, (2002-135BS)

Development Name:	Spring Haven Apartments
Developer/Principal:	The Richman Group of Florida, Inc.
Number of Units: 176	Location: Hernando County
Type: Garden Apartments	Set Aside: 11% @ 50% AMI and 89% @ 60% AMI
Demographics: Family	Allocated Amount: \$1,500,000
MMRB: \$6,200,000	Housing Credits: \$3,016,810

1. **Background**

- a) On June 20, 2003, the Board approved a credit underwriting report with a recommendation for a SAIL loan in the amount of \$1,500,000. Staff issued a commitment letter on September 16, 2003 with a closing deadline of November 17, 2003.
- b) On October 22, 2003, staff received a letter from The Richman Group of Florida, Inc. requesting an extension of the closing deadline until May 17, 2004 ([Exhibit D](#)). Under the applicable rules, the SAIL loan closing must occur within 60 days from the date that the firm loan commitment is issued unless an extension is approved by the Board and the applicant pay an extension fee of one-half of one percent of the SAIL loan amount.

2. **Recommendation**

Approve the request to extend the loan closing deadline until May 17, 2003, subject to payment of the extension fee.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

D. Request Approval of Additional Subordinate Financing for Colonial Park Apartments (“Development”), Cycle XIV (2002-111S)

Development Name:	Colonial Park Apartments
Developer/Principal:	Triad Housing Partners, LLC
Number of Units: 160	Location: Broward County
Type: N/A	Set Aside: 4% @ 30 % AMI and 95% @ 60% AMI
Demographics: Elderly	Allocated Amount: \$2,000,000
MMRB: Local	Housing Credits: 3,077,000

1. Background/Present Situation

- a) A SAIL loan in the amount of \$2,000,000 for the construction of a 160-unit elderly development in Broward County closed on May 9, 2003.
- b) The Developer requested approval for additional subordinate financing from Broward County HOME loan in the amount of \$186,383 with a 3% interest rate with payment deferred for the first 15 years ([Exhibit E](#)).
- c) The credit underwriter has determined that the additional debt will not affect the repayment of the SAIL loan. The proceeds of the HOME loan will be used to pay down the first mortgage (Bonds), if permitted or applied to the principal balance of the SAIL loan. The credit underwriter recommends approval of the additional financing subject to the review and approval of the final loan documents by Florida Housing Finance Corporation’s legal counsel ([Exhibit F](#)).

2. Recommendation

Approve the Developer’s request for additional subordinate financing subject to the conditions recommended by the credit underwriter.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

E. Request Approval of Additional Subordinate Financing for The Meridian Apartments (“Development”), Cycle XIV (2002-110S)

Development Name:	The Meridian
Developer/Principal:	Triad Housing Partners, LLC
Number of Units: 160	Location: Broward County
Type: Garden Apartments	Set Aside: 4% @ 30% and 95% @ 60%
Demographics: Elderly	Allocated Amount: \$2,000,000
MMRB: Local	Housing Credits: 4,434,000

1. Background/Present Situation

- a) A SAIL loan in the amount of \$2,000,000 for the construction of a 160-unit elderly development in Broward County closed on May 9, 2003.
- b) The Developer requested approval for additional subordinate financing from Broward County HOME loan in the amount of \$186,383 with a 3% interest rate with payment deferred for the first 15 years ([Exhibit G](#)).
- c) The credit underwriter has determined that the additional debt will not affect the repayment of the SAIL loan. The proceeds of the HOME loan will be used to pay down the first mortgage (Bonds), if permitted or applied to the principal balance of the SAIL loan. The credit underwriter recommends approval of the additional financing subject to the review and approval of the final loan documents by Florida Housing Finance Corporation’s legal counsel ([Exhibit H](#)).

2. Recommendation

Approve the Developer’s request for additional subordinate financing subject to the conditions recommended by the credit underwriter.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

F. Request Approval to Release Collateral for Sunset Bay Apartments (“Development”), Cycle XIII (2001-007S)

Development Name:	Sunset Bay
Developer/Principal:	Triad Housing Partners, LLC
Number of Units: 308	Location: Miami-Dade County
Type: Garden Apartments	Set Aside: 2.60% @ 33% AMI and 97.40% @ 60% AMI
Demographics: Family	Allocated Amount: \$2,486,611
MMRB: Local	Housing Credits: \$8,928,000

1. Background/Present Situation

- a) A SAIL loan in the amount of \$2,486,611 for the construction of a 308-unit family development in Miami-Dade County closed on August 23, 2002.
- b) The Developer has requested approval for release of 3.61 acres of land to be dedicated to Miami-Dade County as a public park and a release of 14.895 acres of land to be dedicated to the South Florida Water Management District ([Exhibit I](#)).
- c) The credit underwriter recommends approval of the Developer’s request subject to review and approval of the final releases by Florida Housing’s legal counsel, consent and approval of the first mortgage loan and Housing Credit Equity provider, and an affidavit from borrower stating the borrower nor any of its principals will or have receive(d), directly or indirectly, any consideration for the releases above the \$10.00 stated in the proposed releases. Additionally, the appraiser concludes that the release of the two parcels from the underlying mortgage “will not have a material impact on the previously approved value of the subject collateral” ([Exhibit J](#)).

2. Recommendation

Approve the Developer’s request to release land parcels to Miami Dade County and South Florida Water Management District subject to the conditions recommended by the credit underwriter.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

G. Request Approval of Credit Underwriting Report for Clipper Bay Apartments, Cycle XV, (2003-047BS)

Development Name:	Clipper Bay Apartments
Developer/Principal:	Cornerstone Group Development, LLC
Number of Units: 276	Location: Hillsborough County
Type: Garden Apartments	Set Aside: 17% @ 50% AMI and 68% @ 60% AMI
Demographics: Family	Allocated Amount: \$2,000,000
MMRB: \$12,260,000	Housing Credits: \$5,230,000

1. Background/Present Situation

- a) On October 9, 2003, the Board approved the final scores and ranking for the 2003 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 16, 2003 staff issued a preliminary commitment letter and invitation to credit underwriting for a SAIL second mortgage loan in an amount up to \$2,000,000 for this 276-unit family development in Hillsborough County. This development was also awarded a MMRB allocation. The credit underwriting report is addressed in the MMRB section of this Board package. Staff has reviewed this report and finds that the development meets all of the requirements of SAIL Rule 67-48, F.A.C.

2. Recommendation

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