

**FLORIDA HOUSING FINANCE CORPORATION**  
**Board Meeting**  
**December 10, 2010**  
**Action Items**



# FISCAL

## Action

### I. FISCAL

#### A. 2011 Operating Budget

##### 1. Background

- a) The Florida Housing operating budget is created with a conservative approach to both revenue and expenses.
- b) More specifically, the operating budget for 2011 was created using the following:
  - inclusion of the operating budget for the federal Hardest Hit Fund Program;
  - a projection of fee revenue based on the current loan portfolio and estimated additions in 2011;
  - a projection of revenue from the administration of other federal programs;
  - a projection of investment earnings based on input from our investment managers;
  - \$250,000 in 2009 net assets as approved in 2009 for inclusion in the 2011 budget;
  - a zero-based budget model for operating expenses, exclusive of salaries and benefits; the 2011 projected work plan for operational units determines the initial expense budget request from each work unit;
  - an in-depth assessment of current and ongoing hardware and software needs to improve efficiency and bring greater depth to our ability to analyze data for decision making purposes;
  - benefits information based on quotes for insurance and other benefits;
  - salaries based on the currently existing number of positions and a 4% estimated vacancy rate.
- c) Upon implementation of the 2011 operating budget, Florida Housing will closely monitor revenues and expenses. Non-discretionary line item budgets, such as program administration, monitoring and workshops, will be fully allocated to work areas; however, we will vigorously monitor all expenditures to assure revenues will support expenditures. Certain discretionary line items, such as staff development travel and certain outreach travel, will be controlled at the executive level. With these measures in place to control the budget, Florida Housing expects to maintain a positive trend of revenue exceeding expenses.

##### 2. Present Situation

- a) The recommended Operating Budget for 2011 has been compiled, reviewed, and revised and is provided [under separate cover](#).
- b) An Account Guide describing the budget categories is included with the operating budget.

## **FISCAL**

### ***Action***

#### **3. Recommendation**

- a) Staff recommends that the Board designate \$450,000 of operating net assets from 2010 as follows:
  - (1) \$150,000 to gather information and conduct a comprehensive property assessment and portfolio analysis to implement the asset management priority in the strategic plan;
  - (2) \$300,000 to implement a more efficient hardware and software configuration that will support the ever increasing use of data and resulting analyses through the next 3-5 years. This \$300,000 was budgeted for but not spent in 2010.
- b) Staff recommends approval of the 2011 operating budget.

## LEGAL

### *Action*

## II. LEGAL

### A. Elmwood Terrace Limited Partnership v. Florida Housing Finance Corporation - DOAH Case No. 10-1975; FHFC Case No. 2010-020GA

#### 1. Background

- a) This case arose on March 29, 2010, when Elmwood Terrace Limited Partnership (“Elmwood”) filed a petition challenging the decision of this Board to rescind Exchange funding preliminarily awarded to Elmwood under RFP 2009-04. On February 26, 2010 this Board rescinded Elmwood’s preliminary commitment for Exchange funding based upon a recommendation of the Credit Underwriter, based on a January 2010 market study, that the development of Elmwood Terrace would have a negative impact on nearby Guarantee Fund developments.
- b) A formal administrative hearing in this case was held on October 14-16 and 22, 2010, in Tallahassee, Florida before William F. Quattlebaum, Administrative Law Judge (ALJ), Division of Administrative Hearings (“DOAH”). Both parties timely filed Proposed Recommended Orders on July 29, 2010. The Recommended Order was filed in this case on October 6, 2010, a copy of which is attached hereto as [Exhibit A](#), in which the ALJ determined that Florida Housing had acted appropriately in rescinding the funding to Elmwood, and recommended that the Board enter a Final Order dismissing Elmwood’s Petition and denying Elmwood’s application for Exchange funding under RFP 2009-04. On November 5, 2010, Elmwood filed Exceptions to the Recommended Order, attached hereto as [Exhibit B](#). On November 15, 2010, Florida Housing filed a Response to Elmwood’s Exceptions, attached hereto as [Exhibit C](#).

#### 2. Present Situation

The Board must consider the Exceptions filed by Elmwood and the Response filed by Florida Housing staff, must specifically rule on the Exceptions, and issue a Final Order in this matter.

#### 3. Recommendation

Staff recommends the Board reject the Exceptions to the Recommended Order filed by Elmwood, and adopt the Findings of Fact, Conclusions of Law and Recommendation of Recommended Order as its own and issue a Final Order consistent with same in this matter.

## MISCELLANEOUS

### *Action*

#### III. MISCELLANEOUS

##### A. 2011 Program Funding Application/Proposal Lottery Seed Number Selection

###### 1. Background/Present Situation

The instructions for various Florida Housing programs and competitive solicitations provide that each application or proposal for funding will receive a random lottery number at or prior to the issuance of final scores or ranking and that the lottery numbers will be assigned by Florida Housing's internal auditors using a random number generator program.

###### 2. Present Situation

A seed number must be selected so that the internal auditors will be able to generate random lottery numbers for any Florida Housing program that requires a lottery seed number to be assigned either by rule or competitive solicitation in 2011.

###### 3. Recommendation

From the listing of numbers provided by internal audit, the Chair should select a seed number to be used for competitive applications and requests for proposal for the calendar year 2011.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Action*

#### IV. PROFESSIONAL SERVICES SELECTION (PSS)

##### A. Predevelopment Loan Program (PLP) and Demonstration Loans Technical Assistance Provider (TAP) Services

###### 1. Background

- a) A key element in the implementation of the PLP program is the provision of technical assistance to non-profits, Public Housing Authorities and other community based organizations that are eligible for loans under the PLP program. This technical assistance, provided at no cost to the applicant, is designed to build capacity in these organizations to assist in the development process including the competitive funding cycles conducted to allocate Florida Housing's resources. Applicants to the PLP program are required to work with a TAP. The TAP must submit a recommendation that the applicant has developed a feasible plan to Florida Housing prior to a loan being approved by the Board.
- b) Additionally, Florida Housing issues demonstration loans from time to time through a Request for Proposal process. These RFPs are often targeted for special needs housing and awarded to mission-based developers that specialized in serving specific groups. Florida Housing has found that the provision of technical assistance to these developers has proven beneficial in the developments moving forward and units being constructed timely and successfully. There are currently no immediate plans for any new demonstration loans.
- c) Technical assistance services are conducted on-site, via e-mail and telephone. This assistance covers aspects of the development process including how to access private and public resources and how to work with consultants and other members of the development team. The staff believes that the success of developers in the PLP program and with demonstration loans has increased as a result of the provision of technical assistance.

###### 2. Present Situation

- a) A Request for Proposals (RFP) process was initiated and RFP 2010-12 was issued on Friday, October 8, 2010. ([Exhibit A](#)). The deadline for receipt of responses was 2:00 p.m., Wednesday, November 3, 2010. One proposal, from the Florida Housing Coalition, was received by the deadline.
- b) The Review Committee members, designated by the Executive Director, were Rob Dearduff, Special Programs Administrator, Amanda Franklin, Special Programs Manager and Heather Boyd, Federal Loan Program Manager.
- c) Each member of the Review Committee individually reviewed the Proposal prior to convening for the Review Committee meeting. The Review Committee meeting was held at 2:00 p.m. Tuesday, November 9, 2010. At the meeting the Committee provided scores and a recommendation to the Board. Final scoring is provided as [Exhibit B](#).

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Action*

#### 3. **Recommendation**

Staff recommends that the Board approve staff carrying out contract negotiations for technical assistance provider services for PLP and demonstration loans with the Florida Housing Coalition based on requirements of RFP 2010-12, and that, if terms cannot be negotiated successfully, issuing a new RFP to procure these services.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Action*

#### **B. RFQ 2010-13 Management Company Services**

##### **1. Background**

The mission of Florida Housing Finance Corporation (Florida Housing) is to help our fellow Floridians obtain safe, decent housing that might otherwise be unaffordable to them. One of the ways this is done is by making loans to developers of affordable multifamily housing developments. As it may become necessary for Florida Housing to foreclose on such loans or to otherwise replace the Management Company that operates an affordable multifamily housing development for which Florida Housing has made a loan, Florida Housing has a need for qualified firms to perform Management Company services to ensure full compliance with all applicable federal, state, and local laws including specific requirements, procedures, and guidelines for the HOME Investment Partnership Program, Multifamily Mortgage Revenue Bonds Program, State Apartment Incentive Loan Program, and Demonstration Development Programs in the event of foreclosure, and for the Housing Credit Program when a development also participates in a Florida Housing loan program.

##### **2. Present Situation**

- a) At the September 10, 2010, the Board of Directors gave permission to issue a Request for Qualifications and to select a review committee for management company services in order to supplement the existing pool of qualified management companies. A Request for Qualifications (RFQ) process was initiated and RFQ 2010-136 was issued on Friday, October 1, 2010. ([Exhibit C](#)). The deadline for receipt of responses was 2:00 p.m., Thursday, October 22, 2010. Five (5) proposals were received by the deadline. The responses received by the deadline are: Concord Management, Ltd., Royal American Management, Inc., Sawyer Property Management of Florida, Inc., The Wilson Company and WRH Realty Services, Inc.
- b) The Review Committee members, designated by the Executive Director, were Todd Fowler, Special Assets Director, Kevin Pichard, Assistant Director of the Guarantee Program, Brian Williams, Guarantee Program Senior Manager, Tamara Alford, Guarantee Program Asset Manager and Robin Grantham, Compliance Monitoring Administrator.
- c) Each member of the Review Committee individually reviewed the Proposals prior to convening for the Review Committee meetings. The first Review Committee meeting was held at 2:00 p.m. Wednesday, October 27, 2010 and the final meeting was held at 10:00 a.m. Thursday, November 4, 2010. The scoring summary is attached as [Exhibit D](#).

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Action*

#### 3. **Recommendation**

The Review Committee recommends that the Board authorize staff to enter into contract negotiations with the top four ranked companies as follows: Concord Management, Ltd., Royal American Management Services, Inc., The Wilson Company and WRH Realty Services, Inc. This recommendation is contingent upon Concord Management, Ltd., and WRH Realty Services, Inc., providing certification from the Florida Department of State that they are currently qualified to do business in the State of Florida. If contract negotiations fail with all four companies then the Review Committee recommends that the Board give permission to publish a new RFQ in order to supplement the existing pool of management companies.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Action*

#### C. Insurance Brokerage Services

##### 1. Background

Chapter 420.507 Powers of the corporation (11) provides the following: “To insure and procure insurance against any loss in connection with any bonds of the corporation and the corporation’s operations or property...” To implement this provision, Florida Housing carries business insurance to cover Commercial General Liabilities, Director and Officers Liability, Employment Practices and Fiduciary Liability.

##### 2. Present Situation

- a) An Invitation to Negotiate (ITN) process was initiated and ITN 2010-15 was issued on Friday, October 29, 2010. ([Exhibit E](#)). The deadline for receipt of responses was 2:00 p.m., Monday, November 15, 2010. Two (2) proposals were received by the deadline. The responses received by the deadline are: Brown & Brown of Florida, Inc. and Rogers, Gunter, Vaughn Insurance, Inc.
- b) The Review Committee members, designated by the Executive Director, were Barbara Goltz, Chief Financial Officer, Donna Light, Human Resources Director and Matthew Sirmans, Assistant General Counsel.
- c) Each member of the Review Committee individually reviewed the Proposals prior to convening for the Review Committee meeting. The Review Committee meeting was held at 9:30 a.m. Monday, November 22, 2010. The Committee requested that representatives from both insurance brokerage companies be present at the meeting in order to answer questions from the committee. Sam Rogers from Rogers, Gunter Vaughn, Insurance Inc. attended the meeting and Michael Pyle from Brown & Brown of Florida, Inc. attended via telephone.
- d) The current insurance policy for general liability and property insurance expires on December 31, 2010 and the Directors and Officers Liability insurance expires on January 15, 2011. In order to ensure that a lapse in coverage does not occur, Florida Housing must purchase insurance before the expiration dates.

##### 3. Recommendation

- a) The Review Committee recommended that Florida Housing issue an Agent/Broker of Record letter, which may be rescinded by the Board to the three insurers identified below, for Brown & Brown of Florida, Inc. to seek quotes from three specific insurance companies regarding the Directors & Officers Liability Insurance and excess Directors and Officers Liability Insurance. The three companies receiving letters from Florida Housing and therefore, eligible to be contacted by Brown and Brown, are Darwin, Scottsdale and CNA. Final quotes from both respondents on this coverage are due to Florida Housing on December 15, 2010.
- b) Staff recommends that Florida Housing continue negotiating with both RGVI and Brown & Brown for property and casualty coverage to obtain the best coverage and premium quotes for with a December 15, 2010 deadline for final quotes. Staff recommends that the board authorize staff to select the best policy and premium for this coverage.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Action*

#### **D. Approval of Housing Counseling Agencies for the Hardest Hit Fund for Unemployment Mortgage Assistance and Mortgage Loan Reinstatement Programs**

##### **1. Background**

- a) On February 19, 2010, President Obama announced \$1.5 billion in funding called the Housing Finance Agency Innovation Fund for the Hardest-Hit Housing Markets (HFA Hardest-Hit Fund) to help families in the five states that have been hit the hardest by the combination of housing price declines and unemployment. There are now 18 states and the District of Columbia participating in this \$7.6 billion program. Florida's share of these funds now totals over \$1 billion.
- b) As a result of the September 21, 2010 meeting between Treasury, ten state HFA's including Florida Housing, Fannie Mae, Freddie Mac, the Federal Housing Finance Administration and six major loan servicers throughout the country, standardized plans for Unemployment Mortgage Assistance and Mortgage Loan Reinstatement programs were finalized.

##### **2. Present Situation**

- a) A Request for Qualifications (RFQ) process was initiated and RFQ 2010-07 was issued on Friday, June 18, 2010. The RFQ allows for additional counseling agencies to be included in this program. Florida Housing will hold additional review committee meetings before each scheduled Board meeting in order to include these additional counseling agencies. The response received in time for the December board meeting was:
  - (1) Crisis Housing Solutions
- b) The Review Committee members designated by the Executive Director, are David Westcott, Director of Homeownership Programs, Nicole Gibson, Federal Loan Programs Administrator, Rob Dearduff, Special Programs Administrator & Local Government Liaison and Susan Parks, Chief Information Officer.
- c) The members of the Review Committee individually reviewed the Proposal prior to convening for the Review Committee meeting. The Review Committee will be held at 9:30 a.m. on Thursday, December 2, 2010.

##### **3. Recommendation**

Results of the Review Committee's evaluation of the scored items will be provided as an Exhibit H in the supplemental write-up.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Action*

#### **E. State Apartment Incentive Loan (SAIL) Funding Under RFP 2010-16 Who Commit to Provide Set-Aside Units for Extremely Low Income (ELI) Households**

##### **1. Background**

- a) At its July 30, 2010 meeting, the Board approved the issuance of an RFP to award ELI funding (almost \$28.5 million) and remaining SAIL funding (just over \$23.3 million) through a Request for Proposals process to existing Florida Housing developments, giving preference to developments in the Guarantee Fund portfolio, to “buy down” the AMI set-aside for units targeted to 60% AMI so that they will be set-aside for ELI households.
- b) On November 19, 2010, Florida Housing staff issued RFP 2010-16 to award SAIL ELI funding to Applicants who commit to provide set-aside units for ELI Households. The deadline for receipt of Responses is 2:00 p.m., Eastern Time, Friday, December 3, 2010. A copy of the RFP is attached as [Exhibit F](#).

##### **2. Present Situation**

- a) The Review Committee members, designated by the Executive Director, are Chair, Laura Cox, Director of Asset Management and Guarantee Program, Kevin Pichard, Assistant Director of Guarantee Program, and Tamara Alford, Guarantee Program Asset Manager. Each member of the Review Committee will individually review the responses prior to convening for the Review Committee meeting on December 8, 2010.
- b) Results of the Review Committee’s evaluation of the scored items will be provided as Exhibit G in the supplemental write-up.

##### **3. Recommendation**

The Review Committee’s recommendation will be provided in the supplemental write-up.

## SINGLE FAMILY BONDS – FINANCE

### *Action*

#### V. SINGLE FAMILY BONDS - FINANCE

##### A. Single Family Homeownership Program

###### 1. Background

- a) On October 23, 2009 the Board approved a request for approval to issue up to \$900,000,000 of bonds. This request was to take advantage of the New Issue Bond Program (NIBP) offered by the Treasury and to refund a portion or all of the following outstanding bonds: 1996 Series 1-2, 1996 Series 3, 1997 Series 1-3, 1998 Series 1-3, 1999 Series 1-3, 1999 Series 6-9 and 2000 3-6.
- b) On December 4, 2009, the Board approved a supplement to the approval granted on October 23, 2009 to include the ability to issue all or a portion of the NIBP bonds as well as Market Bonds under a new MBS-only master indenture. Both of these approvals are valid through 2010.
- c) On December 7, 2009 Florida Housing was allocated a total of \$547,230,000 from the U.S. Treasury for “program bonds” sold to the GSE’s under the NIBP program. Combined with the requirement that each NIBP bond issuance must contain forty percent “market bonds” sold to the public, it is expected that Florida Housing will issue up to \$912,050,000 of program bonds and market bonds under the NIBP program.
- d) On September 16, 2010, the Board approved a request to amend the original Indenture under the NIBP purchase program. This amendment allowed for: the extension of the escrow draw period, new interest rate reset provisions, an increase in the number of escrow releases, a modification of the participation fee, clarification of the reporting requirements.
- e) On December 10, 2009 Florida Housing closed its first NIBP bond issuance for an amount of \$200 million. On June 23, 2010 Florida Housing closed its second NIBP bond issuance in an amount of \$225 million. On November 1, 2010 Florida Housing closed its third NIBP bond issuance in an amount of \$50 million. The total NIBP issuance to date is \$475 million of which \$285 million represent program bonds and \$190 million represent market bonds.
- f) As the 2009 approvals expire on December 31, 2010, staff is requesting approval to issue up to \$650 million of single family bonds and/or notes to fund mortgages from what will be designated as the 2011 Phase One bonds (multiple series to be determined) and if an acceptable level of savings can be achieved, to refund a portion or all of the following outstanding bonds: 1996 Series 1-2, 1996 Series 3, 1997 Series 1-2, 1998 Series 1-3, 1999 Series 1-3, 1999 Series 6-8, 2000 Series 1-2, 2000 Series 3-7 and 2000 Series 10-11.

## SINGLE FAMILY BONDS – FINANCE

### *Action*

- g) The 2011 Phase One bonds will be issued under either the Homeowner Mortgage Revenue Bond Indenture or the Homeowner Mortgage Revenue Bond (Special Program) Indenture but the aggregate amount of such 2011 Phase One Bonds shall not exceed \$650 million. The 2011 Phase One Bonds are expected to be rated “AA+” by Standard and Poor’s Rating Services, “AA1” by Moody’s Investors Service and “AA+” by Fitch Ratings if issued under the Homeowner Mortgage Revenue Bond Indenture. The expected rating if the bonds are issued under the Homeowner Mortgage Revenue Bond (Special Program) Indenture is “Aaa” by Moody’s Investors Service. It is anticipated that the 2011 Phase One Bonds and any additional new money bonds issued will, for the foreseeable future, be secured by mortgage backed securities.
- h) The investment banking team, bond counsel, financial advisor and special counsel will be selected from the board approved list. The investment banking team, bond counsel, financial advisor and special counsel lists have been approved by the board pursuant a RFP/RFQ process. It is expected that if a refunding bond issue is priced first the professionals on what will be called the first issuance of the 2011 Phase One Bonds: (i) Citigroup Global Markets, Inc., RBC Capital Markets and Morgan Stanley & Co. Incorporated (collectively, the “Investment Banking Team”) will respectively serve as senior and co-senior managing investment bankers for the negotiated sale; (ii) Greenberg Traurig jointly with Edwards & Associates, P.A.; (iii) Yoss LLP will serve as special counsel; (iv) Tibor Partners Inc. will serve as financial advisor and (v) Kutak Rock will serve as special tax counsel. This team will be used only if the refunding bond issue occurs first. The normal rotation of our professionals will mean a new team is selected if a new money bond issue (bond proceeds are used to generate loans that will be pooled into MBS) is priced first. If the new money bond issue occurs first, the normal rotation of team professionals will occur for the potential future refunding.

### 2. Present Situation

- a) Authorization necessary to issue the 2011 Phase One Bonds requires (1) adoption of an authorizing resolution by Florida Housing’s Board and (2) approval of fiscal determination by the State Board of Administration. To work within the constraints of regularly scheduled public meetings and maintain Florida Housing’s goal of providing continuously available single family mortgage funding and to take full advantage of the NIBP, the authorizing resolution for the 2011 Phase One Bonds is being presented for consideration at Florida Housing’s December 10, 2010 meeting.
- b) Current market conditions render it difficult to predict the precise rate of reservation for \$50 million of bond proceeds closed on November 1, 2010; however to ensure sufficient time for obtaining required approvals for the 2011 Phase One Bonds, authorization is hereby requested to commit up to \$50 million of Indenture assets and/or other funds available to Florida Housing to provide interim funding for single family mortgage backed securities. Florida Housing may also request that the Master Servicer sell loans directly to Fannie Mae or sell mortgage backed securities via the TBA (To Be Announced) market. Florida Housing may also use a line of credit secured with the Federal Home Loan Bank as previously approved by the Board.

## SINGLE FAMILY BONDS – FINANCE

### *Action*

- c) Final size, structure, timing, conversion dates and other decisions relating to the 2011 Phase One bonds will be based on production levels, Treasury approval, program changes and market conditions in consultation with the Investment Banking Team and Florida Housing's financial advisor at the time of the anticipated transaction. Issuance costs and capitalized interest for the 2011 Phase One Bonds will be funded with assets available under the Indenture and/or by a contribution from Florida Housing's funds. In the past, actual negative reinvestment costs have been reduced or eliminated by shortening origination schedules and by investing bond proceeds in a Municipal Backed Money Market or Guaranteed Investment Contract or State Treasurer's fund. Under current market conditions, it may be financially advantageous to Florida Housing to use the State Treasurer's fund to invest the 2011 Phase One Bond proceeds. Based on current market conditions, we do expect there to be negative arbitrage on invested bond proceeds to be used to acquire mortgage backed securities, noting however, that negative arbitrage under the NIBP will be reduced or eliminated upon initial issuance due to the expected lower borrowing cost related to such portion. Under current market conditions, weighing both risk and benefit are paramount. Florida Housing will continue to monitor the market, and conduct a risk/benefit analysis in determining the investment of these funds.
- d) Summary of Proposed 2011 Phase One bonds:
- (1) Principle Amount: Not to exceed \$650 million in short or long term taxable and tax-exempt bonds and/or notes in one or more series to finance new mortgage loans and, if acceptable levels of savings can be achieved, to refund all or a portion of Florida Housing's 1996 Series 1-2, 1996 Series 3, 1997 Series 1-2, 1998 Series 1-3, 1999 Series 1-3, 1999 Series 6-8, 2000 Series 1-2, 2000 Series 3-7 and 2000 10-11 (a total of \$100,082,698 of such bonds is still outstanding as of September 1, 2010). Florida Housing may issue the 2011 Phase One Bonds in multiple series, at various times, if doing so is deemed advantageous based upon prevailing market conditions.
  - (2) Florida Housing Funds: 1) interim funding, not to exceed \$50 million from Indenture resources and/or other funds available to Florida Housing with the expectation that any funds committed will be reimbursed with proceeds of the 2011 Phase One Bonds and 2) issuance costs and any capitalized interest, not to exceed \$35 million from Indenture resources and/or other funds available to Florida Housing.
  - (3) Mortgage Rates: Not to exceed a weighted average mortgage loan rate of 7.75% for the 2011 Phase One bonds.
  - (4) Origination & Delivery Period: Expect a twelve month with up to a forty-two month origination/delivery period for each issuance.
  - (5) Maximum Combined Loan-to-Value: Per the guidelines of Fannie Mae, Freddie Mac, FHA, VA and USDA/RD.

## SINGLE FAMILY BONDS – FINANCE

### *Action*

- (6) Loan Types: Conventional, VA, Rural Development and FHA.
- (7) Second Mortgages: Florida Assist and Homeowner Assistance for Moderate Income (HAMI).
- (8) Guaranteed Mortgage Securities: Ginnie Mae, Fannie Mae and Freddie Mac.
- (9) Current Private Activity Tax-Exempt Resources Available:
  - (a) \$1,186,691,092.22 of carry forward private activity bond allocation
  - (b) \$26,270,000.00 of recycled bond proceeds
- e) [Exhibit A](#)—Resolution
- f) [Exhibit B](#)—Method of Sale Letter

### **3. Recommendation**

Staff recommends the Board approve the necessary funding (including reimbursable amounts to provide funding between bond issues), staff action and the resolution to permit the issuance of the proposed 2011 Phase One Homeowner Mortgage Revenue Bonds.

## UNIVERSAL CYCLE

### *Action*

#### VI. UNIVERSAL CYCLE

##### A. 2011 Universal Application Cycle – Rulemaking

###### 1. Background/Present Situation

- a) To solicit comments concerning Rule Chapters 67-21 and 67-48, F.A.C., and proposed changes to the Universal Application, a public meeting was held following the February 26, 2010 Board meeting and rule development workshops were held on April 29, 2010, June 17, 2010, July 29, 2010, August 17, 2010, and September 15, 2010.
- b) As a result of these meetings and workshops, staff has revised the Universal Application and the rules governing the multifamily programs. A supplement to the Board Package will be provided which contains the proposed Rules and Application.
- c) After the Board's approval of the proposed Rules and Application, the Notice of Proposed Rulemaking (NOPR) will be published in the December 23, 2010 edition of the Florida Administrative Weekly. The NOPR will announce the Rule Hearing which is scheduled for January 14, 2011, in Tallahassee.
- d) Following review of the public comments received at the January 14, 2011 Rule Hearing and the comments received from the Joint Administrative Procedures Committee following its review of the NOPR, staff will proceed as follows:
  - (1) If modification of the proposed rules is not required, staff will file the rules for adoption. It is anticipated that the application cycle will open on February 1, 2011.
  - (2) If modification of the proposed rules is required, staff will prepare a Notice of Change (NOC) to incorporate all proposed modifications to the proposed rules and, if required, will submit the NOC for Board approval. Opening of the application cycle would then be delayed until March or April 2011.

###### 2. Recommendation

Approve the proposed underline/strike through Rules and Universal Application and authorize staff to file the rules for adoption if a NOC is not required, and, if a NOC is required, authorize the Chair to determine whether a NOC makes material, substantive changes to the rule chapters. If he determines that it does not, staff recommends that the Board approve such NOC without the requirement of another Board meeting. In the alternative, if the Chair determines that any NOC does make material, substantive changes to the rule chapters, staff recommends that a telephonic board meeting be called to obtain Board approval for any required changes, with such changes to be ratified at the next regularly scheduled Board meeting.