

**FLORIDA HOUSING FINANCE CORPORATION**

**Board Meeting**

**August 1, 2003**

**Consent Items**

# HOMEOWNERSHIP LOAN PROGRAM

## Consent

### I. HOMEOWNERSHIP LOAN PROGRAM

#### A. Request for Approval of the Credit Underwriting for Eagle Ridge / HH02-007

<b>Applicant Name (“Applicant”):</b>	<b>Eagle Ridge Subdivision, LLC</b>
<b>Development Name (“Development”):</b>	<b>Eagle Ridge</b>
<b>Developer/Principal (“Developer”):</b>	<b>Eagle Ridge Subdivision, LLC</b>
<b>Number of Units: 26</b>	<b>Location: Immokalee/Collier County</b>
<b>Type: HOME Construction Loan</b>	<b>Allocated Amount: \$911,000</b>
<b>General Contractor (“GC”): O.N.E. Construction</b>	<b>Allocation Deadline: December 31, 2005</b>

#### 1. Background

- a) The Applicant submitted an Application on behalf of Eagle Ridge during Round One of the 2002 Homeownership Loan Program Cycle.
- b) On October 30, 2002, Florida Housing issued an invitation into credit underwriting and a preliminary commitment letter to Eagle Ridge Subdivision, LLC (the “Developer”) for a HOME Construction Loan in the amount of \$911,000 to assist in the construction of 26 homes in Collier County.

#### 2. Present Situation

- a) The credit underwriter provided Staff with a Final Credit Underwriting Report dated July 11, 2003, 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 HOME funds in the amount of \$911,000 for a HOME Construction Loan.

#### 3. Recommendation

Staff recommends that the Board approve the Final Credit Underwriting Report and authorize staff to issue a firm commitment letter in the amount of \$911,000 to the Developer for a HOME Construction Loan, subject to further approvals by the credit underwriters, counsel and the appropriate corporation staff.

## LEGAL

### *Consent*

## II. LEGAL

### A. In Re: State Apartment Incentive Loan/Hurricane Andrew Recovery and Rebuilding Program, Rule 67-43.008, Florida Administrative Code

#### 1. Background

Sections 420.507 and 420.5087, Florida Statutes, Chapter 93-186, Laws of Florida and Rule 67-43.008, Florida Administrative Code, provide for procedures to administer the SAIL Hurricane Andrew Recovery and Rehabilitation Program

#### 2. Present Situation

Florida Housing administers the SAIL Hurricane Andrew Recovery and Rehabilitation Program which provides funds to public entities, private not-for-profit or for-profit developers proposing to build or substantially rehabilitate affordable housing. Revision to the Rule is required to make it consistent with the provisions in the SAIL Rule 67-48.010, Florida Administrative Code. The adoption of these revisions will increase the efficiency and effectiveness of local program service delivery and will provide greater clarification of the program.

#### 3. Recommendation

That the Board authorizes staff to begin the process to promulgate the rule to implement these changes.

# MULTIFAMILY MORTGAGE REVENUE BONDS

## Consent

### MULTIFAMILY MORTGAGE REVENUE BOND PROGRAM

- B. Request Approval of the Final Credit Underwriting Report for \$15,000,000 of Tax-Exempt Bonds and \$970,000 of Taxable Bonds in order to finance the development known as Avalon Reserve Apartments (“Development”), 300 Units, located in Orlando, Orange County, Florida.**

<b>DEVELOPMENT NAME (“Development”):</b>	Avalon Reserve
<b>DEVELOPER/PRINCIPAL (“Developer”):</b>	LCA Development II, Inc./Lee Chira
<b>NUMBER OF UNITS:</b>	300
<b>LOCATION (County):</b>	Orange
<b>TYPE (Rental, Homeownership):</b>	Rental
<b>SET ASIDE:</b>	85% @ 60%
<b>ALLOCATED AMOUNT:</b>	\$15,000,000 of Tax-Exempt Bonds

**1. Background**

- a) Avalon Reserve, Ltd. (“Applicant”) submitted an application (“Application”) on behalf of the proposed Development during the 2002 Application Cycle. Applicant applied for tax-exempt bonds in the amount of \$15,000,000 and taxable bonds in the amount of \$2,000,000 in order to construct the Development.
- b) At the October 11, 2002 Board meeting, the Board approved an Acknowledgement Resolution for the issuance of tax-exempt Bonds in an amount not to exceed \$15,000,000 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 \$2,000,000 in the Application to \$970,000. In addition, the amount of the SAIL loan was reduced from \$1,500,000 to \$1,447,600.
- b) The total development cost listed in the Application was \$26,330,713. The cost has increased by \$97,845 to \$26,428,558. This change is the result of an increase in total development costs, (including the hard cost contingency) from \$15,120,000 to \$15,966,668. The amount of the increase is offset by lower general development costs and financial costs.
- c) There are now thirteen residential buildings instead of the fifteen listed in the Application. Orange County imposed additional setback requirements on the Development that required a decrease in the number of buildings. However, the number of units and the unit mix remain the same, so there is no material impact on the Development.
- d) All Features and Amenities committed to in the Application were included in the building plans except for window treatments and exterior lighting in common and open areas, which the Applicant has stated will be included in the final plans prior to closing.

## MULTIFAMILY MORTGAGE REVENUE BONDS

### *Consent*

- e) A Final Credit Underwriting Report dated July 18, 2003, is attached as [Exhibit A](#).

### **3. Recommendation**

- a) Approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated July 18, 2003 recommending that \$15,970,000 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 MORTGAGE REVENUE BONDS

## Consent

- C. **Request Approval of the Final Credit Underwriting Report for \$7,500,000 of Tax-Exempt Bonds and \$2,000,000 of Taxable Bonds in order to finance the development known as Pineview Villas Apartments (“Development”), 200 Units, located in Leon County, Florida.**

<b>DEVELOPMENT NAME (“Development”):</b>	PINEVIEW VILLAS APARTMENTS
<b>DEVELOPER/PRINCIPAL (“Developer”):</b>	JBM Properties, LLC
<b>NUMBER OF UNITS:</b>	200
<b>LOCATION (County):</b>	Leon
<b>TYPE (Rental, Homeownership):</b>	Rental
<b>SET ASIDE:</b>	20% @ 50% AMI
<b>ALLOCATED AMOUNT:</b>	\$7,500,000 of Tax-Exempt Bonds

### 1. Background

- a) Pineview Villas, L.P. (“Applicant”) submitted an application (“Application”) on behalf of the proposed Development during the 2001 Application Cycle. Applicant applied for tax-exempt bonds in the amount of \$7,500,000 and \$2,000,000 in taxable bonds in order to acquire and rehabilitate the Development.
- b) At the June 15, 2001 Board meeting, the Board approved an Acknowledgement Resolution for the issuance of tax-exempt bonds in an amount not to exceed \$7,500,000 to finance 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, in the original Application, Pineview Villas proposed credit enhancement through the Florida Housing Guarantee Fund. The Applicant has subsequently proposed credit enhancement through the FHA 221(d)(4) program.
- b) The Applicant has included \$960,000 in Net Operating Income over the 24-month construction phase as a source, which was not in the Application.
- c) The Applicant has provided a commitment for a \$2,000,000 bridge loan for a term of 29 months to bridge part of the housing credit equity. There was not a bridge loan listed as a source in the Application.
- d) The Developer informed the underwriter that the proposed scope of work has been changed since the time of the Application. First Housing engaged Consultech, Inc. to perform the Pre-Construction Analysis (“PCA”). The PCA, dated May 23, 2003, is discussed in detail in Section C of the Credit Underwriting Report. The following is a list of differences in the plans and specifications from what was committed to in the application:
  - (1) The Applicant committed to new full size appliances in all units. The plans indicated that 60 existing ranges and refrigerators are to be reused. The Applicant has indicated that they will replace all appliances and the construction contract will be amended to reflect this change.

## MULTIFAMILY MORTGAGE REVENUE BONDS

### *Consent*

- (2) The Applicant committed to fixed grills in the recreation area. The Applicant has indicated that management will purchase the grills and they are not part of the scope of work.
  - (3) The Applicant committed to new gypsum wallboard. Only new walls will have drywall. Existing interior masonry walls will remain.
  - (4) The Applicant committed to replace all plumbing fixtures in the units. The plans indicate the replacement of all plumbing fixtures except the bathtubs. 190 bathtubs are to be refinished and reused and 10 handicap bathtubs will be new.
  - (5) The Applicant committed to gas water heaters with an energy factor of .58. The plans indicate electric hot water heaters. The Applicant has indicated the hot water heaters will have an HSPF of 1.0. In addition, the Applicant indicated the electric heat pumps will have an HSPF of 7.4. A letter from the contractor confirming the HSPF ratings is required.
  - (6) The Applicant committed to double-pane glass in all windows. A site inspection on June 3, 2003 by Doug McCree revealed that all existing windows are double pane glass except for the kitchen windows, which are reported to be fire rated. The plans do not indicate any replacement for the kitchen windows.
  - (7) The Applicant committed to exterior lighting. This lighting has already been added.
  - (8) The Applicant committed to wall insulation of R-7 on masonry walls which was not indicated on the plans. The Applicant has indicated that they will add insulation in the attics to increase the R-factor to R-30 in lieu of wall insulation. A revised construction contract including this scope of work will be required.
- e) Total Development Costs in the application were \$14,488,060. This underwriting reflects \$15,992,065 in Total Development Costs.
  - f) The original application contained a Syndication Commitment from Simpson Housing Solutions. The Applicant has subsequently provided a new commitment from PNC Multifamily Capital. The new commitment provides a syndication rate per dollar of \$0.80, which is a decrease from the application rate of \$0.83. The net capital contribution in the new commitment is \$4,833,805, which is an increase from the net capital contribution of \$4,637,140 in the Application.
  - g) First Housing has reduced the developer fee from \$1,449,786 to \$1,209,544 in order for the subject development to meet the 50% test required for tax-exempt bonds.
  - h) Clayton I. Walters has been added to this transaction as a guarantor in addition to James Miller, the sole guarantor listed in the application.
  - i) The Borrower has requested approval of a loan amount in excess of the typical 90% Loan to Value restriction utilized by the credit underwriter. This report is

## MULTIFAMILY MORTGAGE REVENUE BONDS

### *Consent*

based on a total loan amount of \$9,500,000, which equates to a 95% LTV. The Borrower's justification for this request is based on two factors: a) the credit enhancer (HUD 221(d)(4) program) does not have a loan to value requirement and b) the income stream on the transaction is based on a project-based HAP contract from HUD.

j) All of the above changes appear to be typical of the development process and responses to either market demand, the regulatory and approval process, and/or the refinement of certain economic estimates or assumptions. These changes have had no material impact on First Housing's loan recommendation.

k) A Final Credit Underwriting Report dated July 18, 2003, is attached as [Exhibit B](#).

### 3. **Recommendation**

a) Approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated July 18, 2003 recommending that \$7,500,000 in tax-exempt bonds and \$2,000,000 in taxable bonds be issued for the purpose of acquiring and rehabilitating the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.



# MULTIFAMILY MORTGAGE REVENUE BONDS

## Consent

- D. Request Approval of the Final Credit Underwriting Report for \$4,600,000 Tax-Exempt Bonds and \$300,000 of Taxable Bonds in order to finance the development known as Sumerset Housing Apartments (“Development”), 148 Units, located in Orlando, Orange County, Florida.**

<b>DEVELOPMENT NAME (“Development”):</b>	Sumerset Housing
<b>DEVELOPER/PRINCIPAL (“Developer”):</b>	Richelson Enterprises, LLC/Eric Richelson
<b>NUMBER OF UNITS:</b>	148
<b>LOCATION (County):</b>	Orange
<b>TYPE (Rental, Homeownership):</b>	Rental
<b>SET ASIDE:</b>	40% @ 60%
<b>ALLOCATED AMOUNT:</b>	\$4,600,000 of Tax-Exempt Bonds

**1. Background**

- a) Sumerset Apartments, LLC (“Applicant”) submitted an application (“Application”) on behalf of the proposed Development during the 2002 Application Cycle. Applicant applied for tax-exempt bonds in the amount of \$4,600,000 and taxable bonds in the amount of \$500,000 in order to acquire and rehabilitate the Development.
- b) At the October 11, 2002 Board meeting, the Board approved an Acknowledgement Resolution for the issuance of tax-exempt Bonds in an amount not to exceed \$4,600,000 to finance 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, in the Application, the Applicant presented a commitment from the Richman Group Capital Corporation as syndicator. The Applicant has since obtained a commitment from Boston Capital as syndicator and construction bridge loan provider. The new commitment provides for a similar amount of total equity proceeds, however, during construction, the syndication equity proceeds are lower than originally proposed. The resulting shortfall will be covered by a bridge loan and land equity from the Applicant.
- b) Applicant proposes replacing the requirement of emergency pulls in each unit with a clubhouse. The proposed replacement is worth the same number of points in the Application as the clubhouse.
- c) The Application indicated 26 1-bedroom units, 77 2-bedroom units and 45 3-bedroom units for a total of 148 units. The plans indicate 27 1-bedroom units, 76 2-bedroom units and 45 3-bedroom units for a total of 148 units. The 1-bedroom units will be 780 square feet instead of the 708 square feet listed in the Application. This change will not have a negative impact on the Development.

## MULTIFAMILY MORTGAGE REVENUE BONDS

### *Consent*

- d) The Applicant has reduced the amount of taxable bonds requested from \$500,000 in the Application to \$300,000.
- e) A Final Credit Underwriting Report dated July 18, 2003, is attached as [Exhibit C](#).

### **3. Recommendation**

- a) Approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated July 18, 2003 recommending that \$4,900,000 in bonds be issued for the purpose of acquiring and rehabilitating the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

# MULTIFAMILY MORTGAGE REVENUE BONDS

## Consent

- E. **Request Approval of the Final Credit Underwriting Report for \$8,100,000 of Tax-Exempt Bonds in order to finance developments known as Cutler Glen Apartments and Cutler Meadows Apartments (“Developments”), 225 Units, located in Miami-Dade County, Florida**

<b>DEVELOPMENT NAME (“Development”):</b>	CUTLER GLEN APARTMENTS & CUTLER MEADOWS APARTMENTS
<b>DEVELOPER/PRINCIPAL (“Developer”):</b>	Greater Miami Neighborhoods, Inc.
<b>NUMBER OF UNITS:</b>	225
<b>LOCATION (County):</b>	Miami-Dade
<b>TYPE (Rental, Homeownership):</b>	Rental
<b>SET ASIDE:</b>	20% @ 50% AMI
<b>ALLOCATED AMOUNT:</b>	\$8,100,000 501(c)(3) Tax-Exempt Bonds

### 1. Background

- a) Cutler Glen, LLC and Cutler Meadows, LLC (“Applicant”) submitted an Application on behalf of the proposed Developments in 2003. Applicant applied for tax-exempt bonds in the amount of \$8,100,000 in order to rehabilitate the Developments.
- b) At the June 20, 2003 Board meeting, the Board approved an Acknowledgement Resolution for the issuance of tax-exempt bonds in an amount not to exceed \$8,100,000 for rehabilitation of the Developments.

### 2. Present Situation

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Developments during credit underwriting, the Board has directed staff to advise it of any changes from the Application. Accordingly, the total development costs have decreased from \$9,974,689 to \$9,725,386. This decrease is largely due to a reduced developer fee amount.
- b) The above change appears to be typical of the development process and a response to either market demand, the regulatory and approval process, and/or the refinement of certain economic estimates or assumptions. This change has no material impact on First Housing’s loan recommendation.
- c) There will be two separate notes for the Developments under one bond issue. These notes will be cross-defaulted and cross-collateralized.
- d) A Final Credit Underwriting Report dated July 21, 2003, is attached as [Exhibit D](#).

### 3. Recommendation

- a) Approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated July 21, 2003 recommending that \$8,100,000 in tax-exempt bonds be issued for the purpose of rehabilitating the Developments, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

# MULTIFAMILY MORTGAGE REVENUE BONDS

## Consent

- F. **Request Approval of the Final Credit Underwriting Report for \$16,210,000 of Tax-Exempt Bonds in order to finance the development known as Bristol Bay Apartments (“Development”), 300 Units, located in Tampa, Hillsborough County, Florida**

<b>DEVELOPMENT NAME (“Development”):</b>	Bristol Bay Apartments
<b>DEVELOPER/PRINCIPAL (“Developer”):</b>	Cornerstone Group Development, LLC/Stuart I Meyers, Leon J. Wolfe, Jorge Lopez and Mara S. Mades
<b>NUMBER OF UNITS:</b>	300
<b>LOCATION (County):</b>	Hillsborough
<b>TYPE (Rental, Homeownership):</b>	Rental
<b>SET ASIDE:</b>	85% @ 60%
<b>ALLOCATED AMOUNT:</b>	\$16,300,000 of Tax-Exempt Bonds

1. **Background**

- a) Bristol Bay Associates, Ltd. (“Applicant”) submitted an application (“Application”) on behalf of the proposed Development during the 2002 Application Cycle. Applicant applied for tax-exempt bonds in the amount of \$16,300,000 in order to construct the Development.
- b) At the October 11, 2002 Board meeting, the Board approved an Acknowledgement Resolution for the issuance of tax-exempt Bonds in an amount not to exceed \$16,300,000 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 obtained firm commitments from Neighborhood Lending Partners, Inc. to provide for a second mortgage in the amount of \$359,000 and Hillsborough County SHIP to provide for a third mortgage in the amount of \$391,000.
- b) The Applicant has reduced the amount of tax-exempt bonds requested from \$16,300,000 in the Application to \$16,210,000.
- c) The Application indicated 76 1-bedroom units, 124 2-bedroom units and 100 3-bedroom units for a total of 300 units. The plans indicate 72 1-bedroom units, 132 2-bedroom units and 96 3-bedroom units for a total of 300 units. This change will not have a negative impact on the Development.
- d) The Applicant has clarified a discrepancy between two sections of the Application. One section lists Stuart I Meyers Family Partnership Ltd., Jorge Lopez, Leon J. Wolfe and Mara S. Mades as the (current) Limited Partners. Another section lists J.L. Holding Corp. (49.995%), Meyers Family (29.997%), M3, Inc. (9.999%), and MSM, Inc. (9.999%). The latter section is the correct list of (current) Limited Partners. These entities are owned and/or controlled by the Principals, Mr. Lopez, Mr. Meyers, Mr. Wolfe and Ms. Mades.
- e) A Final Credit Underwriting Report dated July 18, 2003, is attached as [Exhibit E](#).

## MULTIFAMILY MORTGAGE REVENUE BONDS

### *Consent*

#### 3. **Recommendation**

- a) Approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated July 18, 2003 recommending that \$16,210,000 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 MORTGAGE REVENUE BONDS

## Consent

- G. **Request approval of the Revised Final Credit Underwriting Report for \$6,400,000 of Tax-Exempt Bonds in order to finance the development known as Grande Court at North Port Apartments (“Development”), 126 units, located in Sarasota County, Florida**

<b>DEVELOPMENT NAME (“Development”):</b>	GRANDE COURT AT NORTH PORT
<b>DEVELOPER/PRINCIPAL (“Developer”):</b>	Grand Court North Port Associates,Ltd. / Alec P. Courtelis
<b>NUMBER OF UNITS:</b>	126
<b>LOCATION (County):</b>	Sarasota
<b>TYPE (Rental, Homeownership):</b>	Rental
<b>SET ASIDE:</b>	40% at 60% of AMI
<b>ALLOCATED AMOUNT:</b>	\$6,400,000 of Tax-Exempt Bonds

### 1. Background

- a) At the October 11, 2002 Board meeting, the Board authorized the adoption of an Acknowledgement Resolution in the amount not to exceed \$6,800,000 in tax-exempt bond financing to construct the Development.
- b) At the May 2, 2003 Board Meeting, the Board approved a final Credit Underwriting Report dated April 11, 2003 which recommended the issuance of \$6,300,000 in tax-exempt bonds.

### 2. Present Situation

- a) The current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting. Based on changing market conditions the Applicant has requested the following revisions from the Credit Underwriting Report previously approved by the Board.
- (1) Loan Request: The Original Credit Underwriting Report recommended a Multifamily Mortgage Revenue Bond financed loan totaling \$6,300,000 and has revised its request to \$6,400,000.
  - (2) Development Cost: Total development cost have increased from \$10,710,588 in the application to \$10,766,690 due to increased financial cost and the extension fee for the land contract.
  - (3) Credit Enhancement: The Board previously approved a variable rate financing structure with credit enhancement by Wachovia Bank, N.A. during the construction/stabilization phase and by GMAC Commercial Mortgage Affordable Housing Division as DUS Servicer for Fannie Mae during the permanent phase. The financing structure will now be a fixed rate transaction using the same credit enhancers.
  - (4) Syndicator: The syndicator has changed from Boston Capital Partners, Inc. to Wachovia Affordable Housing Community Development Corporation (“Wachovia AHCDC”). The syndication rate has decreased from \$0.86 per dollar of syndicated HC under the Boston Capital Partners, Inc. commitment to \$0.835 per dollar of syndicated HC under the Wachovia AHCDC commitment. The decrease in net equity provided is being replaced by additional tax-exempt bonds and increased deferred developers fee.

## MULTIFAMILY MORTGAGE REVENUE BONDS

### *Consent*

- b) An increase in syndicator's equity during construction has allowed for the elimination of the Wachovia Bank, N.A. bridge loan.
- c) A Revised Final Credit Underwriting Report dated July 18, 2003, labeled as [Exhibit F](#).

### **3. Recommendation**

- a) Approve the recommendation of the Credit Underwriter outlined in the Revised Final Credit Underwriting Report dated July 18, 2003 to finance the construction of Grande Court at North Port Apartments subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

# MULTIFAMILY MORTGAGE REVENUE BONDS

## Consent

- H. **Request approval of the release of that certain Irrevocable Letter of Credit #SL0006760 which secures the payment of the Guaranteed Obligations on the Grand Savannah Club Apartments (“Development”) (1998 Series A, 320 Units, St. Lucie County, Florida) Absolute and Unconditional Guaranty of Operating Deficits**

<b>DEVELOPMENT NAME (“Development”):</b>	GRAND SAVANNAH CLUB
<b>DEVELOPER/PRINCIPAL (“Developer”):</b>	Grand Savannah Club, Ltd. / Donna Pepper
<b>NUMBER OF UNITS:</b>	320
<b>LOCATION (County):</b>	St. Lucie County
<b>TYPE (Rental, Homeownership):</b>	Rental
<b>SET ASIDE:</b>	40% at 60% of AMI
<b>ALLOCATED AMOUNT:</b>	\$13,650,000 of Tax-Exempt Bonds
<b>ADDITIONAL COMMENTS: Release of Irrevocable Letter of Credit</b>	

### 1. Background

- a) The Development received a \$13,650,000 loan from the proceeds of the Corporation’s 1998 Series A Bonds. It is Credit Enhanced with an SAI Interim Credit Facility from SunAmerica, Inc. (“SunAmerica”).
- b) An affiliate of SunAmerica purchased the low income housing tax credits for the Development.
- c) The current Absolute and Unconditional Guaranty of Operating Deficits is guaranteed by Grand Savannah, Inc., Coronado Construction Co., Donna Pepper (individually), and Tony B. Johnson (individually) and is secured by a \$493,448 Letter of Credit.

### 2. Present Situation

- a) The property has underperformed.
- b) SunAmerica has triggered a mandatory purchase of the outstanding Bonds from current bondholders using funds drawn from the SAI Interim Credit Facility and has taken delivery of the Bonds as non-credit enhanced “SAI Purchased Bonds.”
- c) SunAmerica has received Florida Housing’s consent to the transfer of SAI Purchased Bonds to a custodial trust structure.
- d) SunAmerica and American International Group (AIG), its parent, have issued a guarantee for payment in the event of insufficient revenues from the project.
- e) SunAmerica, through its special counsel, Ballard Spahr Andrews & Ingersoll, LLP in a letter dated June 12, 2003 ([Exhibit G](#)), requested a release of the Operating Deficit Guaranty and Letter of Credit relating to the Guaranty.

### 3. Recommendation

- a) Approve the release of that certain Irrevocable Letter of Credit #SL0006760 which secures the payment of the Guaranteed Obligations for the Development subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.



## MULTIFAMILY MORTGAGE REVENUE BONDS

### *Consent*

**I. Request Approval of the Final Credit Underwriting Report for the Transfer of Ownership of Lakeside South Apartments (“Development”), a 1985 Series B in the amount of \$7,600,000 Tax-Exempt Bonds, 200 Units, located in Orlando, Orange County, Florida**

<b>DEVELOPMENT NAME (“Development”):</b>	Lakeside South
<b>DEVELOPER/PRINCIPAL (“Developer”):</b>	Jupiter Realty/Asset Management and Development Group, LLC/Joe Lubeck
<b>NUMBER OF UNITS:</b>	200
<b>LOCATION (County):</b>	Orange
<b>TYPE (Rental, Homeownership):</b>	Rental
<b>SET ASIDE:</b>	20% @ 80%, 80% @ 150%
<b>ALLOCATED AMOUNT:</b>	\$7,600,000 Tax-Exempt Bonds
<b>ADDITIONAL COMMENTS: Transfer of Ownership</b>	

**1. Background**

- a) In 1985, Florida Housing financed the construction of the Development with \$7,600,000 in tax-exempt bonds designated as 1985 Series B.

**2. Present Situation**

- a) Asset Management and Development Group, LLC. (“Applicant”) submitted a request, dated June 9, 2003, to acquire ownership of the Development. The Applicant intends to make improvements to the property, including exterior, interior, and amenity renovation and upgrade. The Applicant also intends to substitute Freddie Mac, the current credit enhancer of the bonds, with Fannie Mae.
- b) Applicant requested, by letter dated July 8, 2003, that RBC Dain Rauscher, Inc. be assigned as remarketing agent for this transaction.
- c) A Final Credit Underwriting Report dated July 18, 2003, is attached as [Exhibit H](#).

**3. Recommendation**

- a) Approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated July 18, 2003 recommending that the ownership of the Development be transferred and also approve the assignment of remarketing agent, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

**MULTIFAMILY MORTGAGE REVENUE BONDS**

*Consent*

- J. Request Approval of the Final Credit Underwriting Report for the Transfer of Ownership of Sunchase Properties, 1991 Series C, in the amount of \$48,140,000 Tax-Exempt Bonds, 161 Units, located in Clearwater, Pinellas County, Florida, 300 Units, located in Clearwater, Pinellas County, Florida, 296 Units, located in Orlando, Orange County, Florida, 324 Units, located in Orlando, Orange County, Florida, and 216 Units, located in Tampa, Hillsborough County, Florida**

<b>DEVELOPMENT NAME (“Development”):</b>	Sunchase Properties
<b>DEVELOPER/PRINCIPAL (“Developer”):</b>	AIMCO/William Lyon Company
<b>NUMBER OF UNITS:</b>	161, 300, 296, 324, 216
<b>LOCATION (County):</b>	Pinellas, Pinellas, Orange, Orange, Hillsborough
<b>TYPE (Rental, Homeownership):</b>	Rental
<b>SET ASIDE: Sunchase of Tampa</b>	20% @ 80%, 80% @ 150%
<b>Sunchase East Bay South</b>	20% @ 80%, 80% @ 150%
<b>Sunchase of Orlando East</b>	20% @ 80%, 80% @ 150%
<b>Sunchase of Orlando North</b>	20% @ 80%, 80% @ 150%
<b>Sunchase East Bay North</b>	20% @ 80%, 80% @ 150%
<b>ALLOCATED AMOUNT:</b>	\$48,140,000 Tax-Exempt Bonds
<b>ADDITIONAL COMMENTS: Transfer of Ownership</b>	

**1. Background**

- a) In 1985, Florida Housing financed the construction of Players Club of Tampa Apartments (Sunchase of Tampa Apartments) with \$8,700,000 in tax-exempt bonds, designated as 1985 Series J.
- b) In 1985, Florida Housing financed the construction of SunTree of East Bay Apartments (Sunchase East Bay South Apartments) with \$11,450,000 in tax-exempt bonds, designated as 1985 Series K.
- c) In 1985, Florida Housing financed the construction of SunTree of Orlando Apartments (Sunchase of Orlando East Apartments) with \$10,000,000 in tax-exempt bonds, designated as 1985 Series L.
- d) In 1985, Florida Housing financed the construction of Players Club of Magnolia Bay Apartments (Sunchase of Orlando North Apartments) with \$12,880,000 in tax-exempt bonds, designated as 1985 Series M.
- e) In 1985, Florida Housing financed the construction of Players Club of East Bay Apartments (Sunchase East Bay North Apartments) with \$6,870,000 in tax-exempt bonds, designated as 1985 Series N.
- f) In 1991, Florida Housing refunded the bonds with \$48,140,000 in tax-exempt bonds, designated as 1991 Series C.

**2. Present Situation**

## MULTIFAMILY MORTGAGE REVENUE BONDS

### *Consent*

- a) Apartment Investment and Management Company (“Seller”) submitted a request, dated April 30, 2003, to transfer ownership of the Sunchase Properties to the William Lyon Company (“Applicant”). The Applicant requests that the bonds be defeased prior to transfer by the purchase of State and Local Government Series Securities (“Securities”). These Securities will be purchased by Florida Housing.
- b) A Final Credit Underwriting Report dated July 18, 2003, is attached as [Exhibit I](#).

### **3. Recommendation**

- a) Approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated July 18, 2003 recommending that the ownership of the Sunchase Properties be transferred, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

## MULTIFAMILY MORTGAGE REVENUE BONDS

### *Consent*

- K. Request Approval of the Final Credit Underwriting Report for the Transfer of Ownership of Waterford at Regency Apartments (“Development”), a 1983 Series K in the amount of \$7,200,000 Tax-Exempt Bonds, 159 Units, located in Jacksonville, Duval County, Florida**

<b>DEVELOPMENT NAME (“Development”):</b>	Waterford at Regency
<b>DEVELOPER/PRINCIPAL (“Developer”):</b>	Equity Residential/Asset Management and Development Group, LLC/Joe Lubeck
<b>NUMBER OF UNITS:</b>	159
<b>LOCATION (County):</b>	Duval
<b>TYPE (Rental, Homeownership):</b>	Rental
<b>SET ASIDE:</b>	20% @ 80%, 80% @ 150%
<b>ALLOCATED AMOUNT:</b>	\$7,200,000 Tax-Exempt Bonds
<b>ADDITIONAL COMMENTS: Transfer of Ownership</b>	

**1. Background**

- a) In 1983, Florida Housing financed the construction of the Development (formerly Oaks at Regency) with \$7,200,000 in tax-exempt bonds, designated as 1983 Series K.

**2. Present Situation**

- a) Asset Management and Development Group, LLC. (“Applicant”) submitted a request, dated June 9, 2003, to acquire ownership of the Development. The Applicant intends to make improvements to the property, including exterior, interior, and amenity renovation and upgrade. The Applicant also intends to substitute Freddie Mac, the current credit enhancer of the bonds, with Fannie Mae.
- b) Applicant requested, by letter dated July 7, 2003, that RBC Dain Rauscher, Inc. be assigned as remarketing agent for this transaction.
- c) A Final Credit Underwriting Report dated July 18, 2003, is attached as [Exhibit J](#).

**3. Recommendation**

- a) Approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated July 18, 2003 recommending that the ownership of the Development be transferred and also approve the assignment of remarketing agent, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

# MULTIFAMILY MORTGAGE REVENUE BONDS

## *Consent*

### **L. 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**

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

<b>Development Name</b>	<b>Location of Development</b>	<b>Number of Units</b>	<b>Method of Bond Sale</b>	<b>Recommended Professional</b>
<b>Avalon Reserve</b>	Orange	300	Negotiated	UBS PaineWebber, Inc.
<b>Pineview Villas</b>	Leon	200	Competitive	Morgan Keegan and Company, Inc.
<b>Sumerset Housing</b>	Orange	148	Competitive	Dain Rauscher, Inc.
<b>Cutler Glen &amp; Cutler Meadows</b>	Miami-Dade	225	Negotiated	William R. Hough and Company
<b>Bristol Bay</b>	Hillsborough	300	Competitive	Morgan Keegan and Company, Inc.

# MULTIFAMILY MORTGAGE REVENUE BONDS

## *Consent*

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

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

- 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 K](#).

<b>Development Name</b>	<b>Location of Development</b>	<b>Number of Units</b>	<b>Method of Bond Sale</b>
<b>Avalon Reserve</b>	Orange	300	Negotiated
<b>Pineview Villas</b>	Leon	200	Competitive
<b>Sumerset Housing</b>	Orange	148	Competitive
<b>Cutler Glen &amp; Cutler Meadows</b>	Miami-Dade	225	Negotiated
<b>Bristol Bay</b>	Hillsborough	300	Competitive

- d) The Avalon Reserve Development is recommended as a negotiated deal 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. Cutler Glen & Cutler Meadows are recommended as a negotiated deal because they will be privately placed with a bond purchaser.

#### **2. Recommendation**

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

# PREDEVELOPMENT LOAN PROGRAM

## Consent

### III. PREDEVELOPMENT LOAN PROGRAM

#### A. Approval of Loan from PLP funds for Light and Life Homes, Inc. (PLP 00-034)

<b>Development Name (“Development”):</b>	<b>Light and Life Homes</b>
<b>Developer/Principal (“Developer”):</b>	<b>Light and Life Homes, Inc.</b>
<b>Number of Units: 22</b>	<b>Location: Near Lakeland, Hillsborough County</b>
<b>Type: Rental/Assisted Living Facility</b>	<b>Set Aside: 60% @ 60%</b>
<b>Allocated Amount: \$388,550</b>	<b>Additional Comments: Technical Assistance Provider has recommended loan amount</b>

#### 1. Background/Present Situation

- a) On February 19, 2003, Florida Housing issued an invitation to participate in the PLP program to Light and Life Homes, Inc. (the “Developer”). The development (Light and Life Homes), located in Hillsborough County, will be a 22-unit Assisted Living Facility.
- b) The Technical Assistance Provider (TAP) assisted Light and Life Homes 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 \$388,550 for PLP eligible activities ([Exhibit B](#))

#### 2. Recommendation

Approve a loan from PLP funds for \$388,550 for Light and Life Homes, Inc. for predevelopment costs as recommended by the TAP.

# SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAM

## *Consent*

### IV. SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAM

#### A. Single Family Mortgage Revenue Bond Program

##### 1. Background

- a) Rule Chapters 67-8, 67-14, 67-19 and 67-25, Florida Administrative Code (FAC), set forth the policies and procedures implemented by the Florida Housing Finance Corporation in the use of the Single Family Mortgage Revenue Bond Program. The following rules need to be repealed:
  - (1) Rule Chapter 67-8, FAC - *Single Family Mortgage Revenue Bond Program*.
  - (2) Rule Chapter 67-14, FAC - *Single Family Residential Mortgage Revenue Bond Program*.
  - (3) Rule Chapter 67-19, FAC - *Single Family Lower Income Borrower Residential Mortgage Revenue Bond Program*.
- b) Staff has reviewed the aforementioned Rules and determined that most of the information is duplicated throughout the four Rule Chapters. Staff will consolidate, conform and compile all of the information prescribing the policies and procedures implemented for the Single Family Mortgage Revenue Bond program into Rule Chapter 67-25, FAC.

##### 2. Present Situation

Rule Chapters 67-8, 67-14, and 67-19, FAC provide duplicate program information, and are no longer needed to address the issues of policies and procedures for the Single Family Mortgage Revenue Bond Program.

##### 3. Recommendation

Authorize Staff to proceed with the rule amendment process for Rule Chapter 67-25, FAC and the rule repeal process for Rule Chapters 67-8, 67-14, and 67-19, FAC.



**STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)**

*Consent*

**V. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)**

**A. Request Approval of Credit Underwriting Report for Country Manor Apartments (“Development”), Cycle XIV (2002-063CS), The Carlisle Group**

<b>Development Name (“Development”)</b>	<b>Country Manor Apartments</b>
<b>Developer/Principal (“Developer”)</b>	<b>Carlisle Group, L.L.C.</b>
<b>Number of Units: 120</b>	<b>Location: Bowling Green, Hardee County</b>
<b>Type: Garden Apartments</b>	<b>Set Aside: 15%@30%, 85%@60%</b>
<b>Demographics: Farmworker</b>	<b>Allocated Amount: \$930,000</b>
<b>MMRB: No</b>	<b>HC: Yes, \$7,503,000</b>
<b>General Contractor (“GC”): B&amp;K Construction, Inc</b>	<b>Unaffiliated</b>

**1. Background/Present Situation**

- a) On October 10, 2002, the Board approved the final scores and ranking for the 2002 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 14, 2002, staff issued a preliminary commitment letter and invitation to credit underwriting for a SAIL loan in an amount up to \$930,000 for this 120-unit Farmworker development in Hardee County.
- c) On July 2, 2003, staff received a credit underwriting report with a positive recommendation for a permanent SAIL loan in the amount of \$930,000 ([Exhibit A](#)). The SAIL loan will be secured by a second mortgage on the property. Note that the general contractor listed in the application was Carlisle Builders, Inc. Subsequently, the Applicant chose BJ&K Construction, Inc. The new general contractor meets the minimum requirement of the application. The underwriter recommends that BJ&K Construction, Inc. be accepted as the general contractor.

**2. Recommendation**

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

**STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)**

*Consent*

**B. Request Approval of Credit Underwriting Report for Avalon Reserve Apartments (“Development”), Cycle XIV (2002-151BS), LCA Development II, L.L.C.**

<b>Development Name (“Development”)</b>	<b>Avalon Reserve</b>
<b>Developer/Principal (“Developer”)</b>	<b>LCA Development, II, Inc.</b>
<b>Number of Units: 300</b>	<b>Location: Orlando</b>
<b>Type: Garden Apartments</b>	<b>Set Aside: 4%@30%, 96%@60%</b>
<b>Demographics: Large Family</b>	<b>Allocated Amount: \$1,447,600</b>
<b>MMRB: Yes, \$15,970,000</b>	<b>HC: No</b>
<b>General Contractor (“GC”): RKC Construction Inc.</b>	<b>Unaffiliated</b>

**1. Background/Present Situation**

- a) On October 10, 2002, the Board approved the final scores and ranking for the 2002 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On November 4, 2002, staff issued a preliminary commitment letter and invitation to credit underwriting for a SAIL loan in an amount up to \$1,447,601.87 for this 300-unit large family development in Orange County. This development was also awarded a Multifamily Mortgage Revenue Bond (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.

## STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

### *Consent*

C. **Request Approval of Credit Underwriting Report for Indian Trace Apartments (“Development”), Cycle XIV (2002-042S), Cornerstone Group Development, L.L.C.**

<b>Development Name (“Development”)</b>	<b>Indian Trace Apartments</b>
<b>Developer/Principal (“Developer”)</b>	<b>Cornerstone Group Development, LLC</b>
<b>Number of Units: 330</b>	<b>Location: Riviera Beach, Palm Beach County</b>
<b>Type: Garden Apartments</b>	<b>Set Aside: 20% (66 Units) @50%, 80% (264 Units) @60%</b>
<b>Demographics: Large Family</b>	<b>Allocated Amount: \$2,000,000</b>
<b>MMRB: No</b>	<b>HC: Yes, \$7,702,000</b>
<b>General Contractor (“GC”): Alliance Construction</b>	<b>Affiliated</b>

1. **Background/Present Situation**

- a) On October 10, 2002, the Board approved the final scores and ranking for the 2002 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 23, 2002, staff issued a preliminary commitment letter and invitation to credit underwriting for a SAIL loan an amount up to \$2,000,000 for this 330-unit family development in Palm Beach County.
- c) On July 1, 2003, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$2,000,000 ([Exhibit B](#)). The SAIL loan will be secured by a second mortgage on the property.

2. **Recommendation**

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

**STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)**

*Consent*

**D. Request Approval of Credit Underwriting Report for Sumerset Housing Apartments (“Development”), Cycle XIV (2002-139BS), Richelson Enterprises, L.L.C.**

<b>Development Name (“Development”)</b>	<b>Sumerset Housing Apartments</b>
<b>Developer/Principal (“Developer”)</b>	<b>Richelson Enterprises, LLC</b>
<b>Number of Units: 148</b>	<b>Location: Orlando, Orange County</b>
<b>Type: Garden Apartments</b>	<b>Set Aside: 20% (30 units) @50%</b>
<b>Demographics: Large Family</b>	<b>Allocated Amount: \$2,000,000</b>
<b>MMRB: Yes, \$4,900,000</b>	<b>HC: Yes, \$2,431,877</b>
<b>General Contractor (“GC”): First Florida Building Corporation</b>	<b>Unaffiliated</b>

**1. Background/Present Situation**

- a) On October 10, 2002, the Board approved the final scores and ranking for the 2002 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 22, 2002, staff issued a preliminary commitment letter and invitation to credit underwriting for a SAIL loan in an amount up to \$2,000,000 for this 148-unit large family development in Orange County. This development was also awarded a Multifamily Mortgage Revenue Bond (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.

## STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

### *Consent*

**E. Request Approval to Extend Deadline for Merritt Place Estates (2002-010CS), Merritt Housing, L.L.C.**

<b>Development Name (“Development”)</b>	<b>Merritt Place Estates</b>
<b>Developer/Principal (“Developer”)</b>	<b>Merritt Housing, LLC</b>
<b>Number of Units: 159</b>	<b>Location: Florida City, Miami-Dade County</b>
<b>Type: Single Family</b>	<b>Set Aside: 56%@50%, <a href="#">43.4%@60%</a></b>
<b>Demographics: Farmworker</b>	<b>Allocated Amount: \$2,000,000</b>
<b>MMRB: No</b>	<b>HC: Yes, \$14,585,374</b>
<b>General Contractor (“GC”): Siltik Building Corp.</b>	<b>Unaffiliated</b>

**1. Background/Present Situation**

- a) On May 2, 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 commitment letter on June 5, 2003 with a closing deadline of August 4, 2003.
- b) On July 11, 2003, staff received a letter from Merritt Housing, LLC requesting a change in general contractor from Hunt Building Company, Ltd to Siltek Group, Inc. due to a request from Hunt Building to be released from its contractual obligation ([Exhibit C](#)). On July 18, 2003, Staff received a review from the credit underwriter approving Siltek as the new general contractor ([Exhibit D](#)).
- c) On July 7, 2003, staff received a letter from Merritt Housing, LLC requesting an extension of the closing deadline for 45 days which changes the closing deadline from August 4, 2003 to September 19, 2003, (Exhibit E). 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.

**2. Recommendation**

Approve the change of the general contractor and the request to extend the closing deadline until September 19, 2003, subject to payment of the extension fee.

# SHIP

## *Consent*

### VI. SHIP PROGRAM

#### A. Chapter 67-37, F.A.C., Rulemaking

##### 1. Background

Due to legislative changes, SHIP staff has initiated rulemaking to revise Chapter 67-37 of the Florida Administrative Code. A Notice of Proposed Rule Development was published in the Florida Administrative Weekly on September 27, 2002, which provided for Rule Development Workshop dates of October 15, 2002 and October 17, 2002.

##### 2. Present Situation

- a) Comments have been received from the above referenced workshops and interested parties.
- b) The Rule Hearing is scheduled for July 24, 2003.
- c) The strikethrough version of the Rule is available to interested parties through our web site at [www.floridahousing.org](http://www.floridahousing.org). All participating jurisdictions will receive a final copy electronically.
- d) Following the Rule Hearing, if no change is required, SHIP staff will file for Rule adoption after the seven (7) day waiting period.

##### 3. Recommendation

Staff recommends that the Board approve the revisions to Rule Chapter 67-37, F.A.C., as shown in [Exhibit A](#).