FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
February 27, 2004
Action Items
FISCAL

Action

I. FISCAL

A. Approval of Minutes from January 23, 2004 Board Meeting.
II. HOMEOWNERSHIP LOAN PROGRAM

A. Request to Extend Completion Date for Oakview / 00HH005

<table>
<thead>
<tr>
<th>Applicant Name (&quot;Applicant&quot;):</th>
<th>Indiantown Non-Profit Housing, Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Name (&quot;Development&quot;):</td>
<td>Oakview</td>
</tr>
<tr>
<td>Developer/Principal (&quot;Developer&quot;):</td>
<td>Indiantown Non-Profit Housing, Inc. / Donna Carmen</td>
</tr>
<tr>
<td>Number of Units:</td>
<td>45</td>
</tr>
<tr>
<td>Location:</td>
<td>Indiantown, Martin County</td>
</tr>
<tr>
<td>Type: HOME Construction Loan</td>
<td>Allocated Amount: $925,675</td>
</tr>
</tbody>
</table>

1. Background
   a) During the 2000-2001 HOME Home Ownership Application Cycle, the Developer received preliminary funding in the amount of $925,675.
   b) At its April 26, 2002 meeting, the Board approved a final credit underwriting report and authorized Staff to issue a firm commitment to the Developer in the amount of $925,675.
   c) The loan was closed on August 30, 2002.

2. Present Situation
   a) On January 22, 2004, the Developer requested an extension of the completion date from December 31, 2003 to December 31, 2004. The letter is attached as Exhibit A.
   b) The Developer experienced several construction delays due to staffing issues and changes to the Development team.
   c) Staff has had several conversations with the Developer concerning the Development’s progress. Staff required the Developer to submit a construction completion schedule outlining the specifics of how they plan to complete the Development over the course of the next several months.
   d) The Developer advises that they have been working closely with the technical advisors from the Florida Housing Coalition to ensure that the Development is feasible and give them direction on how the Development could be completed in a timely fashion.
   e) As of January 28, 2004, 14 homes have been completed and 14 homebuyers have been pre-qualified.

3. Recommendation
   a) Staff recommends that the Board grant the request to extend the completion date from December 31, 2003 to December 31, 2004.
HOMEOWNERSHIP LOAN PROGRAM

Action

B. Request to Extend the Loan Closing Date for Pueblo Del Sol / 99HH017

<table>
<thead>
<tr>
<th>Applicant Name (“Applicant”):</th>
<th>Jubilee Community Development Corporation / Pueblo del Sol, Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Name (“Development”):</td>
<td>Pueblo Del Sol</td>
</tr>
<tr>
<td>Developer/Principal (“Developer”):</td>
<td>Jubilee Community Development Corporation / Pueblo del Sol, Inc. / Doug Mayer</td>
</tr>
<tr>
<td>Number of Units: 44-unit Condominium</td>
<td>Location: Miami, Miami-Dade County</td>
</tr>
<tr>
<td>Type: HOME Construction Loan</td>
<td>Allocated Amount: $1,097,662</td>
</tr>
</tbody>
</table>

1. Background

a) At its August 1, 2003 meeting, the Board approved the final credit underwriting report and authorized Staff to issue a firm commitment for a HOME Construction Loan in the amount of $1,097,662.

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.

c) In October 2003, the Developer advised that an additional $420,000 was obtained from the City of Miami’s Department of Community Development which allows the buy-down of the sales price from $145,000 to $125,000 for all 44 units, making all of units eligible for County Surtax assistance; however, an extension would be necessary due to a delay with the platting of the land.

d) At its December 12, 2003 meeting, the Board approved a request to extend the loan closing date from November 4, 2003 to February 4, 2004.

2. Present Situation

a) On January 14, 2004, the Developer advised that although they had made progress the platting issue would not be resolved in time to meet the February 4, 2004 deadline.

b) On January 30, 2004, staff received a letter formally requesting an extension of the loan closing. The letter is attached as Exhibit B.

c) The Developer indicates that the final revised plat has been approved by the City’s Street and Plat Committee and accepted by the City’s Public Works Department and is expected to be approved by the City Commission at its February meeting.

3. Recommendation

a) Staff recommends that the Board grant a ninety (90) day extension of the loan closing from February 4, 2004 to May 4, 2004.
C. Request authorization to increase the purchase price limits for Walker’s Cove / HH02-013

| Applicant Name (“Applicant”): | The Florida City Foundation, Inc. |
| Development Name (“Development”): | Walker’s Cove |
| Developer/Principal (“Developer”): | The Florida City Foundation, Inc. |
| Number of Units: | 25 |
| Location: Florida City, Miami-Dade County |
| Type: HOME Purchase Assistance Loan | Allocated Amount: $672,500 |

1. Background
   a) The Developer submitted an application on behalf of Walker’s Cove during the 2002 Homeownership Loan Program Cycle.
   b) The Developer was issued a preliminary funding commitment on November 4, 2002 in the amount of $672,500 for HOME Purchase Assistance funds to assist with down payment and closing costs for 25 homes in Dade County.
   c) On March 17, 2003, a firm commitment letter in the amount of $672,500 was issued to the Developer.

2. Present Situation
   a) On January 26, 2004, the Developer submitted a letter to Florida Housing requesting that we consider allowing an increase in the purchase price limits of the homes. The letter is attached as Exhibit C.
   b) The Developer indicated that there was additional construction costs that were not anticipated in the Development’s cost pro forma when the application was initially submitted for funding. According to the Developer, there appears to be a greater demand for 4 bedroom homes as opposed to 3 bedroom homes. This demand for 4 bedroom homes is also a contributing factor to the increase in the construction costs associated with this Development.
   c) The credit underwriter has advised that this increase in the purchase price limits is reasonable and remains within the compliance parameters of the HOME program. Additionally, although the purchase price will increase, the mortgage payment and the affordability of the home will remain the same due to the Developer securing additional funding via the Miami-Dade County Surtax Program.

3. Recommendation
   a) Staff recommends that the Board grant the request to allow the increase in purchase price limits to accommodate the rise in construction costs and the demand for 4 bedroom homes subject to further approvals and confirmation by the credit underwriters, counsel as needed and the appropriate Florida Housing staff.
I. HOMEOWNERSHIP LOAN PROGRAM

A. Request to Extend Completion Date and Allow a Reduction in the Number of Units for Oakview/00HH-005

<table>
<thead>
<tr>
<th>Applicant Name (“Applicant”)</th>
<th>Indiantown Non-Profit Housing, Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Name (“Development”)</td>
<td>Oakview</td>
</tr>
<tr>
<td>Developer/Principal (“Developer”)</td>
<td>Indiantown Non-Profit Housing, Inc./Donna Carmen</td>
</tr>
<tr>
<td>Number of Units: 42</td>
<td>Location: Indiantown, Martin County</td>
</tr>
<tr>
<td>Type: HOME Construction Loan</td>
<td>Allocated Amount: $925,675</td>
</tr>
</tbody>
</table>

1. Background
   a) During the 2000-2001 HOME Home Ownership Application Cycle, the Developer received preliminary funding in the amount of $925,675.
   b) At its April 26, 2002, meeting, the Board approved a final credit underwriting report and authorized staff to issue a firm commitment to the Developer in the amount of $925,675.
   c) The loan was closed on August 30, 2002.

2. Present Situation
   a) On January 22, 2004, the Developer requested an extension of the completion date from December 31, 2003, to December 31, 2004. The letter is attached as Exhibit A.
   b) In a subsequent letter from the Florida Housing Coalition dated February 20, 2004, there is a request to allow the number of HOME-assisted units to be decreased from 42 to 22. The funding request is also downsized pro rata to the number of units being built.
   c) The Developer indicated that they experienced several construction delays due to staffing issues and changes to the Development team.
   d) Staff has had several conversations with the Developer concerning the Development’s progress. Staff required the Developer to submit a construction completion schedule outlining the specifics of how they plan to complete the Development over the course of the next several months.
e) The Developer advises that they have been working closely with the technical advisors from the Florida Housing Coalition to ensure that the Development is feasible. In the letter from the Florida Housing Coalition dated February 20, 2004, an assessment was performed on the subject property and a status report of what is proposed is attached as Exhibit B.

f) As of January 28, 2004, 14 homes have been completed and 14 homebuyers have been pre-qualified.

3. Recommendation

a) Staff recommends that the Board grant the request to extend the completion date from December 31, 2003, to December 31, 2004; however, decreasing the number of units from 42 to 22 to ensure feasibility of the development.

b) Staff recommends that the funding request be adjusted from $925,675 to $664,500 to correspond to the number of units being built as allowed under the rule. All changes are subject to further analysis and verifications by the credit underwriter, counsel and appropriate Florida Housing Staff.
III. LEGAL UPDATE

A. In Re: Boynton Associates, Ltd.

1. Background

   a) Arising from an appeal filed during the 2001 Combined Cycle, Florida Housing awarded a binding allocation of Competitive Tax Credits from the 2003 allocation to this development. Heritage Affordable Development, Inc. ("Heritage") and The Partnership, Inc. were co-developers.

   b) Arising from an appeal filed during the 2001 Combined Cycle, Florida Housing awarded a binding allocation of Competitive Tax Credits from the 2003 allocation to this development. Heritage Affordable Development, Inc. ("Heritage") and The Partnership, Inc. were co-developers.

   c) Rule 67-48.002(31), Florida Administrative Code, states in pertinent part:

   "Developer" means any individual, association, corporation, joint venturer, or partnership which possesses the requisite skill, experience, and credit worthiness to successfully produce affordable multifamily housing pursuant to this rule chapter. The Developer, as identified in an Application, may not change until the construction of the Development is complete.

   d) Rule 67-48.004(14)(b), Florida Administrative Code, states in pertinent part:

   Notwithstanding any other provision of these rules, there are certain items that must be included in the Application and cannot be revised, corrected or supplemented after the Application Deadline ... Any attempted changes to these items will not be accepted. Those items are as follows…

      (b) Name of Developer;

   e) Petitioner requests a waiver of the above rule requirements, in order to remove Heritage as co-developer for the project and to substitute American Communities, LLC, in its place [Exhibit A]. Petitioner has asserted that this change will not adversely affect the Project and that the Petitioner will suffer substantial hardship if this request is not granted, including delay of project completion, economic hardship, difficulty in dealing with the syndicator/equity provider, and other difficulties. Replacing Heritage with American Communities, Inc. is expected to ameliorate or prevent these difficulties. American Communities is a California based entity (qualified to do business in Florida) with extensive development experience in multiple states throughout the Southwest. The Partnership, Ltd. would remain as co-developer.

   f) On February 6, 2004, the Notice of Petition was published in the Florida Administrative Weekly.

   g) 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:

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 Rules 67-48.002(31) and 67-48.004(14)(b), Florida Administrative Code, as to replacing Heritage as co-developer with American Communities, LLC, conditioned upon a favorable credit underwriting review of this substitution.
B. Los Suenos, Ltd. v. Florida Housing Finance Corporation

1. **Background**

   On December 16, 2003, Petitioner, Los Suenos, Ltd. filed a Petition for Formal Administrative Hearing (“Petition”) with Florida Housing pursuant to Rule 67-48.005, Florida Administrative Code, alleging that Florida Housing's scoring of another application, Santa Clara Apartments II, Ltd. (“Santa Clara”), was incorrect and caused Petitioner's application to fall outside of the range of scored applications that would have been awarded low income tax credits. In scoring the Santa Clara application, Florida Housing accepted an impact fee waiver that appeared to be granted for the specific purpose of fostering the development of affordable housing, but received a NOPSE from Petitioner disputing the purpose of the fee waiver. Based on this NOPSE Florida Housing undertook to verify the purpose of the impact fee waiver, and received information from a city official indicating that it was the position of the City of Miami that the waiver could reasonably be viewed as being granted for the purpose of fostering affordable housing. After final scores had been issued and ranking had been completed, Florida Housing received further information from the City Manager that the waiver was of a general nature and not specifically for the purpose of fostering the development of affordable housing, and that the waiver was available to market rate and luxury developments as well. The Petition was forwarded to the Division of Administrative Hearings (DOAH) on December 24, 2003, and scheduled for hearing on February 25, 2004, in Tallahassee, Florida.

2. **Present Situation**

   Petitioner and Florida Housing have since agreed to an amicable resolution to this matter in favor of Los Suenos. The scheduled hearing has been continued and the DOAH proceedings abated pending the issuance of this Final Order.

3. **Recommendation**

   Staff recommends the Board approve the stipulation and enter a Final Order in this matter.
LEGAL UPDATE

Action Supplement

I. LEGAL

A. Los Suenos, Ltd. v. Florida Housing Finance Corporation

1. Background

On December 16, 2003, Petitioner, Los Suenos, Ltd. filed a Petition for Formal Administrative Hearing ("Petition") with Florida Housing pursuant to Rule 67-48.005, Florida Administrative Code, alleging that Florida Housing's scoring of another application, Santa Clara Apartments II, Ltd. ("Santa Clara"), was incorrect and caused Petitioner's application to fall outside of the range of scored applications that would have been awarded low income tax credits. In scoring the Santa Clara application, Florida Housing accepted an impact fee waiver that appeared to be granted for the specific purpose of fostering the development of affordable housing, but received a NOPSE from Petitioner disputing the purpose of the fee waiver. Based on this NOPSE Florida Housing undertook to verify the purpose of the impact fee waiver, and received information from a city official indicating that it was the position of the City of Miami that the waiver could reasonably be viewed as being granted for the purpose of fostering affordable housing. After final scores had been issued and ranking had been completed, Florida Housing received further information from the City Manager that the waiver was of a general nature and not specifically for the purpose of fostering the development of affordable housing, and that the waiver was available to market rate and luxury developments as well. The Petition was forwarded to the Division of Administrative Hearings (DOAH) on December 24, 2003, and scheduled for hearing on February 25, 2004, in Tallahassee, Florida.

2. Present Situation

Petitioner and Florida Housing have since agreed to an amicable resolution to this matter in favor of Los Suenos. The scheduled hearing has been continued and the DOAH proceedings abated pending the issuance of this Final Order.

3. Recommendation

Staff recommends the Board approve the stipulation and enter a Final Order in this matter. A copy of the Stipulation is attached as Exhibit A.
I. LEGAL

A. In Re: Wesley Haven Villa, Inc.

<table>
<thead>
<tr>
<th>Development Name:</th>
<th>Wesley Haven Villa Assisted Living Facility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developer/Principal:</td>
<td>Wesley Haven Villa, Inc. and Methodist Home for the Aging</td>
</tr>
<tr>
<td>Number of Units:</td>
<td>55</td>
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<tr>
<td>Location: Pensacola, Florida</td>
<td></td>
</tr>
<tr>
<td>Type:</td>
<td>ALF</td>
</tr>
<tr>
<td>Set Aside:</td>
<td>40% @ 60% AMI</td>
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<tr>
<td>Demographics:</td>
<td>Allocated Amount: $3,000,000</td>
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<tr>
<td>MMRB:</td>
<td>n/a</td>
</tr>
<tr>
<td>Housing Credits:</td>
<td>n/a</td>
</tr>
</tbody>
</table>

1. Background

Wesley Haven Villa, Inc. (“Wesley Haven”) applied for a Florida Housing Demonstration Loan and was awarded $3,000,000 in 2002 for the construction of a 55-unit Assisted Living Facility (ALF) to be constructed in Pensacola, Florida. The Credit Underwriting Report, dated April 16, 2003, was adopted by the Board in May 2003. Florida Housing will be in a second position to a $3,676,500 loan from Highland Mortgage Company (“Highland”) and insured by HUD. A third-position SHIP grant has been approved for the ALF in the amount of $330,000. In January 2004, the Board agreed to modify its second position mortgage in relation to a HUD Rider to allow any default by Wesley Haven to be cured by Florida Housing upon written notice and to agree that Wesley Haven will not provide a deed in lieu of foreclosure to Highland or HUD in the event a default occurs.

2. Present Situation

a) There are several areas from which Wesley Haven has requested further changes from the recommendations made in the April 16, 2003, Credit Underwriting Report. They are as follows:

   (1) Potential Duplication of Escrows:

   (a) Both HUD and Florida Housing have two required reserve funds that are substantially similar or the same. Wesley Haven has asked the Board to waive the requirement of two reserve funds covering potentially the same concerns.

   (b) The first escrow fund has been labeled for identification purposes, “Lease-Up Reserve Fund/Construction Operating Deficit Reserve Fund,” and the proposed amended language to Florida Housing’s Mortgage and Construction Loan Agreement is as follows:
LEGAL

Action Supplement

“Lease-Up Reserve Fund/Construction Operating Deficit Reserve Fund. At the closing of the Demonstration Loan, the Borrower shall escrow with the First Mortgagee the amount of TWO HUNDRED FIVE THOUSAND NINE HUNDRED DOLLARS AND 00/00 ($205,900) to be held by the First Mortgagee in an escrowed fund which shall be used by the First Mortgagee in accordance with its First Mortgage, the HUD commitment, and related documents.”

(c) The second escrow fund has been labeled for identification purposes, “Replacement Reserve Fund,” and the proposed amended language to Florida Housing’s Mortgage and Construction Loan Agreement is as follows:

“Replacement Reserve Fund. At the closing of the Demonstration Loan, the Borrower shall establish or continue to maintain a reserve fund for replacements in accordance with the HUD Regulatory Agreement between the First Mortgagee and the Borrower in an amount equal to THREE THOUSAND TWO HUNDRED SIXTY TWO AND 25/100 ($3,262.25) per month, THIRTY NINE THOUSAND ONE HUNDRED FORTY SEVEN AND 00/00 ($39,147) per year, unless a different amount is approved by the Secretary of HUD.”

(d) Effectively, the Lease-Up Reserve Fund/Construction Operating Deficit Reserve would replace Florida Housing’s Lease-Up Reserve Fund in the amount of $132,640 per year; and the Replacement Reserve Fund, with the First Mortgage in its Regulatory Agreement would replace Florida Housing’s Replacement Reserve Fund of $44,000 per year.

(2) Removal of Methodist Home for the Aging as a Guarantor:

(a) Currently, the Credit Underwriting Report, as adopted by the Board, recommends that both Wesley Haven Villa, Inc. and Methodist Home for the Aging shall be guarantors on the loan from Florida Housing to build Wesley Homes for the Aging Assisted Living Facility. Methodist Home for the Aging would like to be removed as one of the loan guarantors.

(b) On page C-7 of the April 16, 2003, Credit Underwriting Report, the Nature of the Guarantees specifically provides as follows:
LEGAL

Action Supplement

“Wesley Haven Villa, Inc, Methodist Home for the Aging Corporation will sign a standard Construction Completion and Operating Deficit guarantees, the latter to be released with the subject development achieves a combined 1.10 debt service coverage on the first mortgage and second mortgage loan for six consecutive months. The construction completion guarantee will be released upon 100% lien free completion of the development, and receipt of final certificate(s) of occupancy. Applicant, Wesley Haven Villa, Inc., and Methodist Home for the Aging Corporation will also sign standard Environmental Indemnity and Recourse Obligations guarantees.”

3. Recommendation

Staff, in consultation with the Credit Underwriter (First Housing Development Corporation of Florida) recommends the Board modify the Credit Underwriting Report, and corollary closing documents, to reflect the requested modifications pertaining to the potential duplication of escrows. Staff, however, makes no recommendation in relation to removing Methodist Home for the Aging Corporation on the Guarantees set forth in the April 16, 2003, Credit Underwriting Report on page C-7 under “Nature of the Guarantees.” Staff has invited legal counsel to appear before the Board on behalf of Wesley Haven Villa, Inc. and Methodist Home for the Aging.
IV. MINUTES

A. Consider Approval of the January 23, 2004, Board of Directors’ Meeting Minutes
V. MULTIFAMILY BONDS

A. Request Approval to allocate the $316,006,360 in Initial 2004 Private Activity Bond Allocation received by the Corporation from the Division of Bond Finance for use by the Multifamily Mortgage Revenue Bond (MMRB) Program and the Single-Family Mortgage Revenue Bond (SFMRB) Program.

1. Background

The Corporation received a spreadsheet from the Division of Bond Finance dated December 19, 2003, assigning the Corporation an initial 2004 private activity bond allocation of $316,006,360. A copy of this spreadsheet is attached hereto as Exhibit A. Each year, Florida Housing’s Board allocates that initial authority between the MMRB and SFMRB programs.

2. Present Situation

The SFMRB Program has estimated that it will need $50,000,000 of this initial 2004 allocation to augment the remaining 2003 SFMRB allocation and meet its needs for the remainder of 2004. The MMRB Program will make the remaining $266,006,360 available to applicants during the 2004 Universal Application Cycle.

3. Recommendation

Divide the $316,006,360 in Initial 2004 Private Activity Bond Allocation received by the Corporation from the Division of Bond Finance as follows:

(1) Multifamily Mortgage Revenue Bond Program - $266,006,360

(2) Single-Family Mortgage Revenue Bond Program - $50,000,000
VI. PROFESSIONAL SERVICES SELECTION (PSS)

A. Military Housing Needs

1. Background

   a) Florida currently hosts 21 active military installations and three joint commands distributed throughout 13 counties. Almost 80,000 active-duty military personnel are stationed in Florida, with approximately 42,000 military spouses and 33,000 school-age dependents.

   b) In 2004, Congress authorized the U.S. Department of Defense (DoD) to initiate a base realignment and closure (BRAC) round in 2005. At a minimum, BRAC 2005 must eliminate excess physical capacity; the operation, sustainment, and recapitalization which divert scarce resources from defense capability. During previous BRAC rounds, Florida lost four major installations. For the BRAC 2005 effort, DoD intends to eliminate 25 percent of the nation’s installation capacity, or approximately 45 bases nationwide.

   c) In an effort to minimize the risks of losing more installations, the Florida Senate Committee on Military and Veterans’ Affairs, Base Protection and Spaceports is considering a bill to make several changes to the Florida Statutes related to military service personnel and their families. One section of this bill directs Florida Housing Finance Corporation (Florida Housing) to perform an assessment of the affordable housing needs of active duty military personnel and their families. The assessment is to be delivered, along with recommendations, to the Governor, the President of the Senate, the Speaker of the House of Representatives, the Senate Minority Leader, and the House Minority Leader by December 31, 2004.

   d) According to the bill language, which Florida Housing assisted with, the assessment should include information on the population characteristics of the service personnel and their families with total gross income of up to 80 percent of the local area’s median income who are living off base. Additionally, information about the existing affordable housing, including the conditions of existing multifamily rental housing and the availability of affordable homeowner housing should be included.

2. Present Situation

   Staff has determined that the scope of the needs assessment is large enough that Florida Housing should hire a market analyst to prepare it. In order to have the needs assessment completed in time, Florida Housing must initiate the Request for Proposals (RFP) process as soon as possible. The proposed timeline for the assessment calls for staff to bring a recommended offeror to the May board meeting for approval, however, Florida Housing will not proceed with a contract for services unless and until the legislation has passed and has become law.

3. Recommendation

   Florida Housing staff recommends that the Board authorize staff to begin the RFP process and establish a review committee to select a market analyst firm to complete the Military Housing Needs Assessment, should the legislation become law.

February 27, 2004

Florida Housing Finance Corporation
PROFESSIONAL SERVICES SELECTION (PSS)

Action

B. Request for Proposal (RFP) for New Construction/Rehabilitation of Transitional housing for Victims of Domestic Violence and Their Children.

1. Background
   a) At its March 7, 2003 meeting Florida Housing’s Board authorized staff to draft and issue an RFP to solicit proposals for the new construction and/or rehabilitation of transitional housing for victims of domestic violence and their children.
   b) An RFP process was initiated and RFP 2003/03 was issued on September 19, 2003.
   c) Responses to the RFP were due on or before 2:00 p.m., Friday, December 19, 2003.
   d) Two (2) responses were received. They are as follows:
      (1) Aid to Victims of Domestic Abuse, Inc. – requested loan of $250,000.
   e) The Review Committee members, designated by the Executive Director, were Nancy Muller, Housing Policy Coordinator, Wallisa Cobb, Single Family Programs Administrator, Susan Parks, Technology Facilitator, Vicki Robinson, Multifamily Loans Administrator and Steve Auger, Operations Director.

2. Present Situation

   The Review Committee reviewed the responses to the RFP individually prior to convening for the Review Committee meeting. The Review Committee was held on Monday, January 26, 2004 at 2:00 p.m.

3. Recommendation

   The Review Committee recommends that the Board authorize staff to award both loans based on the terms generally proposed in the responses, and upon successful credit underwriting.
PROFESSIONAL SERVICES SELECTION (PSS)

Action

C. Request for Qualifications (RFQ) for Arbitrage Rebate Analyst Services

1. Background

   a) At its December 12, 2003 meeting the Board authorized staff to enter into contract negotiations with the top four ranked Offerors which were MuniFinancial, Bondlogistix LLC, Deloitte & Touche LLP and The Arbitrage Group, Inc. The recommendation was subject to MuniFinancial and The Arbitrage Group providing evidence that they are authorized to do business in Florida and receipt of their audited financial statements, and Deloitte & Touche providing a copy of the declaration page as evidence of current professional liability/errors and omissions insurance and receipt of their audited financial statements.

   b) All four of the Offerors have been providing arbitrage rebate services to Florida Housing under the contract that expired on December 31, 2003. No audited financial statements were required from them during the three years of that contract.

2. Present Situation

   On further review of the requirement in the RFQ for an audited financial statement from the Offerors, staff concluded that the requirement is unnecessary based on the scope of services of the RFQ and the fact that the errors and omissions liability insurance required under the RFQ provides the necessary risk mitigation for calculation inaccuracies by the arbitrageurs. The current contract requires the arbitrageurs to maintain a $1,000,000 liability policy.

3. Recommendation

   Staff recommends that the Board waive the requirement in the RFP to submit audited financial statements and authorize staff to proceed with contract negotiations.
PROFESSIONAL SERVICES SELECTION (PSS)

Action

D. Invitation to Negotiate (ITN) for Consulting Services

1. Background

Florida Housing staff has reviewed available products to replace Oracle Financials and have made a determination to purchase Great Plains Financial Software.

2. Present Situation

   a) The conversion to Great Plains involves purchase of the software licensing, as well as consulting services to implement the software and convert data from the existing system.

   b) The total cost for software licensing, maintenance and integration will exceed the $25,000 purchasing limit.

3. Recommendation

Staff recommends that the Board authorize staff to begin the ITN process and establish a review committee to select a Consultant that will provide and install the Great Plains Financial Software.
I. PROFESSIONAL SERVICES SELECTION (PSS)

A. Request for Proposal (RFP) for New Construction/Rehabilitation of Transitional housing for Victims of Domestic Violence and Their Children.

1. Background
   
   a) At its March 7, 2003 meeting Florida Housing’s Board authorized staff to draft and issue an RFP to solicit proposals for the new construction and/or rehabilitation of transitional housing for victims of domestic violence and their children.
   
   b) An RFP process was initiated and RFP 2003/03 was issued on September 19, 2003.
   
   c) Responses to the RFP were due on or before 2:00 p.m., Friday, December 19, 2003.
   
   d) Two (2) responses were received. They are as follows:
      
      (1) Aid to Victims of Domestic Abuse, Inc. – requested loan of $250,000.
      
   
   e) The Review Committee members, designated by the Executive Director, were Nancy Muller, Policy Director, Wallisa Cobb, Single Family Programs Administrator, Susan Parks, Technology Facilitator, Vicki Robinson, Multifamily Loans Administrator and Steve Auger, Operations Director.

2. Present Situation
   
   a) The Review Committee reviewed the responses to the RFP individually prior to convening for the Review Committee meeting. The Review Committee was held on Monday, January 26, 2004 at 2:00 p.m.
   
   b) Florida Housing made approximately $2.5 million available to fund proposals through this RFP. However, only two responses were received for a total request amount of $457,539. Working through the Florida Coalition Against Domestic Violence, staff asked for and received comments from domestic violence shelters about how the original RFP could be revised to better meet their needs if it was reissued.

3. Recommendation
   
   The Review Committee recommends that the Board authorize staff to award both loans based on the terms generally proposed in the responses, and upon successful credit underwriting. Furthermore, to award the remaining $2 million, staff recommends that the Board authorize staff to issue a revised RFP to solicit proposals for the new construction and/or rehabilitation of transitional housing for victims of domestic violence and their children.

February 27, 2004

Florida Housing Finance Corporation
I. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Credit Underwriting Report for Liberty Center IV (“Development”), Cycle XV (2003-077CS)

<table>
<thead>
<tr>
<th>Development Name: Liberty Center IV</th>
<th>General Contractor: Wade T. Carter, Jr.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developer/Principal: Harris Group, Inc./Robert Harris</td>
<td>Location: Jacksonville, Duval County</td>
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<tr>
<td>Number of Units: 100</td>
<td>Set Aside: 19% @ 30%, 81% @ 60%</td>
</tr>
<tr>
<td>Type: SRO/Transitional Housing</td>
<td>Allocated Amount: $2,000,000</td>
</tr>
<tr>
<td>Demographics: Homeless</td>
<td>Housing Credits: Yes</td>
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<tr>
<td>MMRB: N/A</td>
<td></td>
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</table>

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 14, 2003, 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 100-unit Homeless Development in Duval County.

   c) On February 25, 2004, staff received a credit underwriting report with a positive recommendation for a construction/permanent SAIL loan in the amount of $2,000,000 (Exhibit A). The SAIL loan will be secured by a first mortgage on the property during the permanent loan period.

2. Recommendation

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

A. 2004 Universal Cycle- Lottery Seed Number

1. **Background**

   The Universal Application Instructions provide that each Application that is assigned an Application number will receive a random lottery number at or prior to the issuance of final scores and that the lottery numbers will be assigned by having Florida Housing’s internal auditors run the total number of assigned Application numbers through a random number generator program.

2. **Present Situation**

   The seed number must be selected so that staff will be able to assign the lottery numbers at the appropriate time.

3. **Recommendation**

   Select the seed number from the listing of seed numbers provided by staff.