

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
December 9, 2005
Consent Items



ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)

Consent

I. ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)

A. Request Approval of the Refinancing for MLF Towers, Cycle XV, (2003-003E)

Development Name: MLF Towers (“Development”)	Location: Pinellas County
Developer/Principal: MLF Housing, Inc. (“Applicant”)	Set-Aside: N/A
Number of Units: 146	Allocated Amount: \$150,000
Type: High-Rise	Total Housing Credit Equity: N/A
Demographics: Elderly	MMRB: N/A

1. Background/Present Situation

- a) On May 6, 2005, the EHCL loan in the amount of \$150,000 successfully closed for the Development.
- b) On August 15, 2005, staff received a request to refinance their first mortgage ([Exhibit A](#)) from the Applicant to take advantage of a low interest rate.
- c) On September 27, 2005, staff received an underwriting review from Seltzer Management ([Exhibit B](#)) recommending approval for this refinancing.

2. Recommendation

Approve the underwriting review and subsequent refinancing for MLF Towers.

ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)

Consent

B. Request Approval of the Refinancing for Peterborough Apartments, Cycle XV, (2003-004E)

Development Name: Peterborough Apartments (“Development”)	Location: Pinellas County
Developer/Principal: Peterborough Apartments, Inc. (“Applicant”)	Set-Aside: N/A
Number of Units: 152	Allocated Amount: \$141,145
Type: High-Rise	Total Housing Credit Equity: N/A
Demographics: Elderly	MMRB: N/A

1. Background/Present Situation

- a) On May 10, 2005, the EHCL loan in the amount of \$141,145 successfully closed for the Development.
- b) On August 15, 2005, staff received a request to refinance their first mortgage ([Exhibit C](#)) from the Applicant to take advantage of a low interest rate.
- c) On September 27, 2005, staff received an underwriting review from Seltzer Management ([Exhibit D](#)) recommending approval for this refinancing.

2. Recommendation

Approve the underwriting review and subsequent refinancing for Peterborough Apartments.

ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)

Consent

C. Request Approval of the redirection of loan activities for Cathedral Towers, Cycle XVI, (2004-002E)

Development Name: Cathedral Towers (“Development”)	Location: Duval County
Developer/Principal: The Cathedral Foundation of Jacksonville, Inc. (“Applicant”)	Set-Aside: N/A
Number of Units: 201	Allocated Amount: \$200,000
Type: High-Rise	Total Housing Credit Equity: N/A
Demographics: Elderly	MMRB: N/A

1. Background/Present Situation

- a) On September 10, 2004, the Board approved the final scores and ranking for the 2004 EHCL Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 6, 2004, staff issued a preliminary commitment letter and an invitation to credit underwriting for a EHCL loan in an amount up to \$200,000 for this 201-unit Elderly development in Duval County.
- c) On July 22, 2005, the Board approved the final credit underwriting report with a positive recommendation for an EHCL loan in the amount of \$200,000 and directed staff to proceed with loan closing activities.
- d) On September 29, 2005, staff received a request ([Exhibit E](#)) to redirect loan activities from basement re-plumbing to sealing/repair of windows and exterior waterproofing of the building due to hurricane related damages during the 2004 and 2005 seasons. Seltzer, the Credit Underwriter, sees no initial problem with this switch and will provide a cost analysis of the change after receiving cost and other information from the Applicant. Due to the nature and circumstances of the request, we recommend approving the redirection contingent upon Seltzer’s positive recommendation.

2. Recommendation

Approve the redirection of loan activities based on the recommendation of the Credit Underwriter and direct staff to proceed with loan closing activities.

HOMEOWNERSHIP LOAN PROGRAM

Consent

II. HOMEOWNERSHIP LOAN PROGRAM

A. Request for Change of Use of Funds for Florida Home Partnership, Inc. (Non-Profit) for Bayou Pass Subdivision/HH03-049

Applicant Name (“Applicant”):	Florida Home Partnership, Inc. (fka Homes for Hillsborough, Inc.) (Non-Profit)
Development Name (“Development”):	Bayou Pass Subdivision
Developer/Principal (“Developer”):	Earl Pfeiffer
Number of Units: 77	Location: Hillsborough County
Type: HOME Construction Loan	Allocated Amount: \$1,783,800

1. Background

- a) The Applicant submitted an application for the 2003-2004 Homeownership Loan Program Supplemental Cycle for a Purchase Assistance Loan.
- b) The Application scored within the funding range and was invited into credit underwriting on August 2, 2004.
- c) On September 14, 2004, the Developer requested a change in the use of the funds from Purchase Assistance to Construction, advising that the development involved “sweat equity” and funds from Hillsborough County, and therefore, the disbursement of the funds would be similar to the construction draw process of a Construction Loan. The Board approved this request at the October 14, 2004 Board meeting.
- d) On January 14, 2005, the Board approved the credit underwriter report, dated December 29, 2004.

2. Present Situation

On November 11, 2005 the Developer requested that the use of the funds be reverted back to Purchase Assistance, as originally proposed in their application. They advised that the homebuyer loans will close up front, but the funds will not be disbursed until completion. Additionally, they are requesting approval of the increase in sales prices and subsequent subsidy due to increased construction costs, as approved at the October 14, 2005 Board meeting. The letter is attached as [Exhibit A](#).

3. Recommendation

Staff recommends that the Board approve the change of use of funds from Construction to Purchase Assistance, subject to further approvals by the credit underwriter, counsel, and the appropriate corporation staff.

HOME RENTAL

Consent

III. HOME RENTAL

A. Request Approval to Refinance the Existing First Mortgage (1999-048CH)

Development Name: Park Crest Terrace II (“Development”)	Location: Highlands County
Developer/Principal: Heritage Companies (“Developer”)	Set-Aside: 20% @ 50% AMI / 80% @ 60% AMI
Number of Units: 44	Allocated Amount: \$380,000
Type: NC	
Demographics: Family	

1. Background/Present Situation

- a) A HOME loan in the amount of \$380,000 for New Construction of a 44-unit family development in Highlands County closed February 10, 2000.
- b) On June 27, 2005, staff received a letter from the Developer requesting to replace the \$418,806 permanent first mortgage lender, Harding Construction Services, Inc. with a loan from Valley Bank in the amount of \$600,000 at a lower interest rate ([Exhibit A](#)).
- c) On November 14, 2005 staff received a positive recommendation from the credit underwriter for approval to refinance the existing first mortgage in an amount not to exceed \$440,000 ([Exhibit B](#)).

2. Recommendation

Approve the Borrower’s request to refinance the existing first mortgage in an amount not to exceed \$440,000.

HOME RENTAL

Consent

B. Request Approval to Extend HOME Loan Closing Deadline for Normandy Apartments (2004-010H)

Development Name: Normandy Apartments	Location: Duval County
Developer/Principal: Community Housing Partners Corporation	Set-Aside: 20% @ 50% AMI / 80% @ 60% AMI
Number of Units: 100	Allocated Amount: \$4,166,882
Type: Garden Style Buildings/Rehab	Demographics: Family

1. Background/Present Situation

- a) On October 14, 2004, the Board approved the final scores and ranking for the 2004 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 26, 2004, staff issued a preliminary commitment letter and invitation to credit underwriting for a HOME loan in the amount up to \$4,166,882 for this 100-unit family development in Duval County.
- c) On June 10, 2005, the Board approved the final credit underwriting report and directed staff to proceed with issuance of a firm loan commitment and loan closing activities.
- d) On June 15, 2005, staff issued a firm commitment letter for a HOME loan in an amount up to \$4,166,882. Pursuant to Rule 67-48, the loan must close within 60 days of issuance of the firm commitment letter.
- e) On July 29, 2005, staff received a letter from the Developer requesting a loan closing extension from August 15, 2005 to October 14, 2005 due to the inability to obtain all building permits along with other approvals and permits 2 weeks prior to closing.
- f) On September 21, 2005, staff received a letter from the Developer requesting a loan closing extension from October 14, 2005 to December 13, 2005 due to the inability to obtain all building permits along with other approvals and permits in time to meet the October 14th deadline.
- g) On November 21, 2005, staff received a letter from the Developer requesting a loan closing extension from December 13, 2005 to February 11, 2005 due to the inability to obtain building permit on the community building ([Exhibit C](#)).

2. Recommendation

Approve the Developer's request to extend the closing deadline until February 11, 2005.

HOUSING CREDITS

Consent

IV. HOUSING CREDITS

A. Request from the Owner of Belleair Place to Change the Resident Programs

DEVELOPMENT NAME (“Development”):	Belleair Place APPLICATION # 2003-061C
DEVELOPER/PRINCIPAL (“Developer”):	The Richman Group
APPLICANT: (“Owner”)	Belleair Place, LLC
NUMBER OF UNITS:	180
LOCATION (“County”):	Pinellas County
TYPE:	New Construction
SET ASIDE:	13% @ 30% AMI & 57% @ 60% AMI for 126 set-aside units
ALLOCATED AMOUNT:	\$736,943.00

1. Background/Present Situation

- a) Belleair Place is a Competitive Housing Credit, New Construction Development providing 126 set-aside units in Pinellas County, Florida. Florida Housing issued an allocation of \$736,943.00 in housing credits in December of 2003.
- b) Florida Housing received a request from the Owner on October 26, 2005 to change the resident programs originally chosen in the Application ([Exhibit A](#)). The Applicant requests that “After School Program for Children” be exchanged for “Literacy Training” and “Welfare to Work” or “Self-Sufficiency Program”. The proposed changes are of equal point value to the programs originally chosen at application. An opinion from the Credit Underwriter is provided as [Exhibit B](#).

2. Recommendation

Staff recommends that the Board approve the Owner’s request to change the resident programs.

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V. LEGAL

A. In Re: Arbours at Madison. Ltd.

Development Name: (“Development”):	Arbours at Madison
Developer/Principal: (“Developer”):	ACRH Development LLC David Sumrall
Number of Units: 72	Location: County: Madison
Type: New Construction	Set Aside: 26%@50% & 74%@60%
Demographics: Family	Allocated Amount:
MMRB: n/a	Housing Credits: 637,385.00 reserved

1. Background

- a) Petitioner is the developer of the Development, a 72 unit multifamily apartment development, which has received a preliminary allocation of \$637,385.00 of Low Income Housing Tax Credits. On November 2, 2005, a Petition for Waiver of Rule 67-48.004(1)(a), Florida Administrative Code (2005), was received by Florida Housing. Specifically, Petitioner is seeking a waiver of the prohibition against making a material change in the Applicant entity (changing more than 33% of the ownership of the Applicant’s General Partner). Petitioner seeks leave to replace the existing General Partners of the Applicant, Arbour One, Inc. and Cahaba Valley Development Corporation, with Madison GP, LLC, which will be owned by the four principals of the existing General Partners.
- b) A copy of the Petition is attached as [Exhibit A](#).
- c) On November 10, 2005, the Notice of the Petition was published in Volume 31, Number 45, of the [Florida Administrative Weekly](#). Florida Housing did not receive any comments regarding the Petition.

2. Present Situation

- a) Petitioners seek this waiver to satisfy “single purpose entity,” and “bankruptcy remote,” requirements imposed by the lender and tax credit syndicator after the application was filed. No other financial benefit will accrue to the Applicant or related entities if the waiver is granted.
- b) 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.

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- c) Rule 67-48.004(1)(a), Florida Administrative Code, provides in pertinent part:
- (a) The Universal Application Package or UA1016 (Rev. 2-05) consists of the forms and instructions, obtained from the Corporation at 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329, which shall be completed and submitted to the Corporation in accordance with this rule chapter in order to apply for the SAIL, HOME, HC, or SAIL and HC Program(s). The Universal Application Package is adopted and incorporated herein by reference, effective February 7, 2005.
- d) The 2005 Universal Application Instructions provide as follows, in pertinent part, at page 4, (Part II.A.2.a(1)):
- If applying for HC, the Applicant must be a limited partnership (including a limited liability limited partnership) or a limited liability company. The Applicant entity shall be the recipient of the Housing Credits and cannot be changed until after a Final Housing Credit Allocation has been issued. Replacement of the Applicant or a material change (33.3% or more of the Applicant, a General Partner of the Applicant, or a member of the Applicant) in the ownership structure of the named Applicant prior to this time shall result in disqualification from receiving an allocation and shall be deemed a material misrepresentation. Changes to the limited partner of a limited partnership will not result in disqualification.

3. Recommendation

Staff recommends that the Board grant this Petition. Petitioner demonstrated that the change is necessary for it to receive its final allocation and go forward with the project. The ultimate ownership of the new General Partner entity is the same four individuals who are ultimate owners of the existing GP's, and there will be no additional benefit for those individuals other than the ability to complete the project. The purpose of the underlying statute will be served by granting this waiver, in that such will further Florida Housing's mandate to provide safe, sanitary and affordable housing to the citizens of Florida. Denial of this petition will result in a substantial hardship to Petitioner, as absent the waiver, the project will not be built.

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B. In Re: Carrfour Supportive Housing, Inc.

Development Name: (“Development”):	Riverwalk I Apartments
Developer/Principal: (“Petitioner”):	Homestead Apartment Associates, Ltd. (Developer); Carrfour Supportive Housing, Inc. (Petitioner)
Number of Units: 123	Location: Miami-Dade County
Type: Rental	Set Aside: 20 % @ 50% 80% @ 60%
Demographics: Family	Allocated Amount: \$843,000
MMRB: n/a	Housing Credits: n/a

1. Background

- a) Developer, Homestead Apartments Associates, Ltd. was awarded \$843,000 in SAIL funds through the 1990-91 SAIL Cycle III to construct the Development, a 123 unit apartment complex located in Miami-Dade County, Florida. Petitioner, Carrfour Supportive Housing, Inc., has executed a purchase and sale agreement to purchase Riverwalk I. On November 4, 2005, a Petition for Waiver of Rule 9I-28.006(7), Florida Administrative Code, (1991), was received by Florida Housing. Specifically, Petitioner is seeking a waiver of the rule that states that the very low income set-aside must be extended beyond that required by law in the original SAIL loan application in order to be eligible for forgiveness of SAIL loan interest in excess of the base interest.
- b) A copy of the Petition is attached as [Exhibit B](#).
- c) On November 18, 2005, the Notice of the Petition was published in Volume 31, Number 46, of the [Florida Administrative Weekly](#). Florida Housing did not receive any comments regarding the Petition.

2. Present Situation

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

Variations 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.

- b) Rule 9I-28.006(7), Florida Administrative Code, (1991), provides in pertinent part:

If, in their application, the Applicant agrees to a very low income set-aside for a term longer than that required by law, the deferred SAIL interest due pursuant to 9I-28.006(6)(h), shall be forgiven in an amount equal to the amount of interest due pursuant to 9I-28.006(6)(h) multiplied by .05 multiplied by the number of years, not to exceed 15, that the very low income set-aside was extended beyond that required by law.

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3. **Recommendation**

Staff recommends that the Board grant this Petition. Petitioner demonstrated that it is committed to the extension of the very low-income set-aside for the Development at least an additional fifteen years. The granting of this waiver request would serve the purpose of the underlying statute, in that the statutory goal to develop and provide affordable rental housing in Miami-Dade County will be facilitated by permitting Petitioner to operate the Development. Not granting this waiver would result in a substantial hardship and a violation of the principles of fairness to Petitioner in that Petitioner will not be able to finance the acquisition of Riverwalk I and Riverwalk II from the current owners. Unless Petitioner is able to acquire Riverwalk I, the current set-aside restrictions will lapse in 2007, resulting in the loss of affordable housing in Miami-Dade County.

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C. In Re: Grande Oaks, LLC

Development Name: (“Development”):	Grande Oaks Apartments 2004-009S
Developer/Principal: (“Developer”):	Grande Oaks, LLC
Number of Units: 168	Location: Hillsborough County
Type: Garden Apartments	Set Aside: 100% @ 60% AMI
Demographics: Family	Allocated Amount: \$2,000,000
MMRB: N/A	Housing Credits: N/A

1. Background

- a) During the 2004 Cycle, Florida Housing awarded an allocation of SAIL funds to the Petitioner.
- b) On November 7, 2005, Florida Housing received a Petition for Waiver from Rule 67-48.010(4) (“Petition”), from Grande Oaks, LLC (“Petitioner”). A copy of the Petition is attached as [Exhibit C](#).
- c) Rule 67-48.010(4), Florida Administrative Code, states in pertinent part:

The loans described in paragraphs 6748.010(3)(a) and (b), F.A.C., above shall be repaid from all Development Cash Flow, and of the SAIL loan is not a first mortgage loan, each year, subject to the provisions of paragraph (6) below, Development Cash Flow shall be applied to pay the following items in order of priority:

- (a) First mortgage fees and debt service;
- d) Petitioner requests a variance from this rule to allow the bifurcation of the first mortgage bond loan into first and second mortgage loans and the subordination of the SAIL loan in terms of both lien priority and payment priority. The SAIL loan is presently in a third position. Following the bifurcation of the first mortgage loan into first and second mortgage loans, the SAIL loan would be in a fourth lien position; however, according to Petitioner, the total debt ahead of the SAIL loan will not change. Due to language of the current rule, a variance is required to subordinate the payment structure. The Petitioner requests that the bifurcation of the first mortgage be allowed and that the priority of payment of debt service on the SAIL loan be subordinated to the first, second and third mortgages to maintain consistency with the resulting SAIL loan fourth lien priority.
- e) On November 18, 2005, the Notice of Petition was published in the Florida Administrative Weekly.
- f) To date, Florida Housing has not received any comments concerning the Petition.

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Consent

2. **Present Situation**

- a) 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.

- b) The granting of this waiver request would serve the purpose of the underlying statute, in that the additional financing anticipated for the Development will enhance the likelihood of its financial success and, in turn, will further Florida Housing's statutory mandate to provide safe, sanitary and affordable housing to the citizens of Florida. The variance from Rule 67-48.010(4), Fla. Admin. Code, will further this purpose. Not granting this waiver would result in a substantial hardship to Petitioner in that it will cause Petitioner to lose the contemplated second mortgage loan from Fannie Mae to replace the \$830,000 taxable bond portion of the Bond Loan.

3. **Recommendation**

Staff recommends the Board grant the Petitioner's request for a waiver of Rule 67-48.010(4), Florida Administrative Code, to the extent necessary to allow the bifurcation of the first mortgage into first and second mortgages and to subordinate the lien and payment priority of the SAIL loan to the first, second and third mortgages conditioned upon the total amount of debt ahead of the SAIL loan remaining unchanged and approval of the terms and conditions of the bifurcated loan by the Credit Underwriter.

LEGAL

Consent

D. In Re: Florida Low Income Housing Associates, Inc.

Development Name: (“Development”):	Rolling Oaks
Developer/Principal: (“Petitioner”):	Florida Low Income Housing Associates, Inc.
Number of Units: 40	Location: Citrus County
Type: Homeownership	Set Aside: 100 % @80% AMI
Demographics: n/a	PLP Loan Amount: \$313,320
MMRB: n/a	Housing Credits: n/a

1. Background

- a) Petitioner was awarded \$313,320 in Predevelopment Loan Program (“PLP”) funds to construct a 40 homeownership units located in Citrus County, Florida. On September 14, 2005, a Petition for Waiver of Rule 67-38.014(3), Florida Administrative Code, was received by Florida Housing. Specifically, Petitioner is seeking a waiver of the rule prohibiting reimbursement for site acquisition, which was completed prior to closing of the PLP loan.
- b) A copy of the Petition is attached as [Exhibit D](#)
- c) On September 30, 2005, the Notice of the Petition was published in Volume 31, Number 39, of the [Florida Administrative Weekly](#). Florida Housing did not receive any comments regarding the Petition.

2. Present Situation

- a) 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.
- b) Rule 67-43.014(3), Florida Administrative Code provides in pertinent part:

(3) Disbursements for eligible activities, conducted prior to being awarded predevelopment financing, qualify for reimbursement from PLP funds provided that the eligible Predevelopment activities were performed or completed no earlier than twelve months prior to the submission of the Application. Reimbursement for site acquisition which was completed prior to closing on the PLP loan shall not be allowed as a PLP expense.

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Consent

3. Recommendation

Staff recommends that the Board grant this Petition. Petitioner demonstrated that after its application for PLP funds was submitted, but prior to its development plan being approved by Florida Housing's Board of Directors, the real estate market conditions required that Petitioner close on the purchase of the land for Rolling Oaks or lose contractual control over the property. Moreover, Petitioner has demonstrated that application of the Rule will create a substantial hardship. The use of Petitioner's operating funds for the purpose of purchasing Rolling Oaks has created a financial hardship and will continue to create a financial hardship for the continued operation of Petitioner, a non-profit organization.

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Consent

E. In Re: FWB Magnolia Pointe, Ltd.

Development Name: (“Development”):	Magnolia Pointe Apartments
Developer/Principal: (“Petitioner”):	FWB Magnolia Pointe Ltd.
Number of Units: 150	Location: Okaloosa County
Type: Rental	Set Aside: 40% @ 60% AMI 100% @ 60% (HC)
Demographics: n/a	SAIL Amount: n/a
MMRB: \$7,350,000	Housing Credits: \$437,034

1. Background

- a) Petitioner was awarded \$7,350,000 in Multifamily Mortgage Revenue Bonds (“MMRB”) in the 2002 Universal Cycle to construct a 150-unit apartment complex located in Okaloosa County, Florida. On October 3, 2005, Florida Housing received a “Petition for Waiver of Rule 67-21.008(1)(g), F.A.C.” (“Petition”), from FWB Magnolia Pointe, Ltd. (“Petitioner”). Specifically, Petitioner is seeking a waiver of the rule requiring the submission of an audited financial statement for the year 2004.
- b) A copy of the Petition is attached as [Exhibit E](#).
- c) On October 14, 2005, the Notice of the Petition was published in Volume 31, Number 41, of the [Florida Administrative Weekly](#). Florida Housing did not receive any comments regarding the Petition.

2. Present Situation

- a) 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.

- b) Rule 67-21.008(1)(g), F.A.C. (2002), states in pertinent part:

(1) Each Mortgage Loan for a Development made by Florida Housing shall:

(g) Require the submission to Florida Housing of an annual audited financial statement for the Development and for the Applicant if revenue from multiple projects is being pledged.

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Consent

3. **Recommendation**

Staff recommends that the Board grant the Petitioner a waiver from the requirements of Rule 67-21.008(1)(g), Florida Administrative Code (2002). Petitioner demonstrated that as of December 31, 2004, the development was under construction and had no occupancy. Additionally, as of December 31, 2004, the Development had very limited income, derived only from interest earnings. Granting a variance in this case would serve the purpose of the underlying statute, by relieving the Development of an unnecessary expense while advancing Florida Housing's statutory mandate to provide safe, sanitary and affordable housing to the citizens of Florida. Denying this variance would result in a substantial hardship to Petitioner; in that it would result in Petitioner's incurring additional unnecessary expense. Petitioner will not be required to file an audited financial statement for the year 2004. Petitioner shall include an audited financial statement for the year 2004, in its 2005 audited financial statement.

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F. In Re: Miami-Dade Infill Housing

Development Name: (“Development”):	Miami-Dade Infill Housing
Developer/Principal: (“Developer”):	The Housing League, Inc.
Number of Units: 23	Location: Miami-Dade County
Type: HAP Purchase Assistance Loan	Set Aside: n/a
Demographics: n/a	Allocated Amount: \$672,750
MMRB: n/a	Housing Credits: n/a

1. Background

- a) During the 2003 Homeownership Loan Program, Florida Housing awarded an allocation of \$672,750 to Miami-Dade Infill Housing. On October 27, 2005, Florida Housing received a Waiver of Rule 67-50.050(6)(c), F.A.C., (2003), (“Petition”), from The Housing League, Inc. (“Petitioner”) Specifically, Petitioner is seeking a waiver of the rule requiring that the total amount of the HAP loan be the lesser of \$30,000 or 25% of the purchase price or the amount necessary to meet credit underwriting criteria, based on the monthly mortgage payment (which includes the principal, interest, taxes and insurance) to income underwriting ratio.
- b) A copy of the Petition is attached as [Exhibit F](#).
- c) On October 21, 2005, the Notice of the Petition was published in Volume 31, Number 42, of the [Florida Administrative Weekly](#). Florida Housing did not receive any comments regarding the Petition.

2. Present Situation

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

Variations 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.

- b) Rule 67-50.050(6)(c), F.A.C., (2003), states in pertinent part:

(6) HAP Permanent Loan. The terms of the HAP Permanent Loan made to an Eligible Homebuyer are as follows:

(c) A HAP Permanent Loan is available in an aggregate amount not to exceed the lesser of \$30,000, twenty five percent (25%) of the purchase price of the house, or the amount necessary to meet credit underwriting criteria, based on the monthly mortgage payment (which includes the principal, interest, taxes and insurance) to income underwriting ratio.

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Consent

3. Recommendation

Staff recommends the Board grant Petitioner's request for a waiver of Rule 67-50.050(6)(c), F.A.C., (2003). Petitioner demonstrated that the cost of construction has been rising rapidly, and the costs at present are substantially greater than the costs at the time of the original application and are anticipated to increase. Moreover, not granting this waiver will result in a substantial hardship to Petitioner, in that loss of the HAP subsidy will cause the development to be economically infeasible for potential low income home buyers in Miami-Dade County and will cause a serious economic hardship for The Housing League, Inc.

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G. In Re: St. John's County Scattered Sites

Development Name: ("Development"):	St. John's County Scattered Sites
Developer/Principal: ("Developer"):	The Housing League, Inc.
Number of Units: 40	Location: St. John's County
Type: HOME Purchase Assistance Loan	Set Aside: n/a
Demographics: n/a	Allocated Amount: \$1,000,000
MMRB: n/a	Housing Credits: n/a

1. Background

- a) During the 2003 Homeownership Loan Program, Florida Housing awarded an allocation of \$1,000,000 to St. John's County Scattered Sites. On October 27, 2005, Florida Housing received a Waiver of Rule 67-50.060(2), F.A.C., (2003), ("Petition"), from The Housing League, Inc. ("Petitioner") Specifically, Petitioner is seeking a waiver of the requirement that the maximum per-unit subsidy amount of HOME funds may not exceed twenty-five 25% of the purchase price and is requesting that the subsidy be increased to the amount stated in Rule 67-50.060(2), F.A.C., (2005).
- b) A copy of the Petition is attached as [Exhibit G](#).
- c) On October 21, 2005, the Notice of the Petition was published in Volume 31, Number 42, of the Florida Administrative Weekly. Florida Housing did not receive any comments regarding the Petition.

2. Present Situation

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

Variations 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.

- b) Rule 67-50.060(2), F.A.C., (2003), states in pertinent part:

The maximum per-unit subsidy amount of HOME funds that the Corporation may allocate may not exceed twenty five percent 25% of the purchase price.

3. Recommendation

Staff recommends the Board grant Petitioner's request for a waiver of Rule 67-50.060(2), F.A.C., (2003). Petitioner demonstrated that the cost of construction has risen rapidly, and the costs at present are substantially greater than the costs at the time of the original application and are anticipated to increase. Moreover, not granting this waiver will result in a substantial hardship to Petitioner, in that loss of the HOME subsidy will cause the development to be economically infeasible for potential low income home buyers in St. John's County and will cause a serious economic hardship for The Housing League, Inc.

LEGAL

Consent

H. In Re: Village Centre Apartments, Ltd.

Development Name: (“Development”):	Village Centre
Developer/Principal: (“Developer”):	Carlisle Development Group LLC
Number of Units: 84	Location: Palm Beach County
Type: Mid-rise w/ elevator	Set Aside: 40%@60%
Demographics: Family	Allocated Amount:
MMRB:	Housing Credits: \$939,968

1. Background

- a) During the 2003 Universal Cycle, Florida Housing awarded an allocation of tax credits to Village Centre Apartments, Ltd. (“Petitioner”).
- b) On November 4, 2005, Florida Housing received Village Centre Apartments, Ltd.’s Petition for Modification Of Its Ownership Structure, Change Of Developer And Waiver of Rules 67-48.002(111), 67-48.002(31), 67-48.004(14)(b) And 67-48.025 (“Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit H](#).
- c) Rule 67-48.002(111), Florida Administrative Code (2003), states in pertinent part:

“Universal Application Package” ... means the forms and instructions, obtained from the Corporation ... [t]he Universal Application Package is adopted and incorporated herein by reference...

- d) By virtue of the rule above, the 2003 Universal Application Instructions are rules. The particular provisions of the Instructions for which Petitioner requests a waiver state, in pertinent part:

Part II. Applicant Development Team

A.2 If applying for HC, the Applicant must be a limited partnership (including a limited liability limited partnership) or a limited liability company. The Applicant entity shall be the recipient of the Housing Credits and cannot be changed until after a Final Housing Credit Allocation has been issued. Replacement of the Applicant or a material change (33.3% or more of the Applicant, a General Partner of the Applicant, or a member of the Applicant) in the ownership structure of the named Applicant prior to this time shall result in disqualification from receiving an allocation and shall be deemed a material misrepresentation. Changes to the limited partner of a limited partnership will not result in disqualification.

- e) Rule 67-48.002(31), Florida Administrative Code (2003), states, in pertinent part:

The Developer, as identified in an Application, may not change until the construction of the Development is complete.

LEGAL

Consent

- f) Rule 67-48.004(14), Florida Administrative Code (2003), states in pertinent part:

(14) 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;

- g) Rule 67-48.025, Florida Administrative Code (2003), describes and includes provisions regarding Florida Housing's Qualified Allocation Plan (QAP), which governs aspects of the tax credit process, including extensions of the placed-in-service date. Petitioner has requested such an extension, but no rule waiver is necessary to grant this request, as Petitioner is eligible for a one-year extension to its Carryover Allocation Agreement through Rev. Proc. 95-28, as Palm Beach County was designated as a disaster affected county for FEMA Disaster #1609 (Hurricane Wilma). Florida Housing staff has advised Petitioner to seek an extension in this manner.
- h) Petitioner requests a waiver from the above Rules and incorporated provisions of the Instructions to permit the replacement, prior to completion of construction, of its General Partner, Village Centre GP, LLP (consisting of a 49% for-profit LLC and a 51% non-profit corporation), with a sole General Partner, Greater Miami Neighborhoods, Inc., a Florida non-profit corporation ("GMN"), prior to completion of construction. This change would also require a waiver of the above rules to permit GMN to act as Developer.
- i) On November 18, 2005 the Notice of Petition was published in the Florida Administrative Weekly.
- j) To date, Florida Housing has not received any comments concerning the Petition.

2. Present Situation

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

Variations and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.

LEGAL

Consent

- b) Petitioner seeks the replacement of its General Partner to become more eligible for additional funding, made necessary by the increased costs and delays of construction of the development as a result of the effects of hurricanes Frances, Jean and Wilma on Palm Beach County, including scarcity of both building materials and labor. Petitioner asserts that the proposed changes to its ownership structure are necessary to maintain the economic viability of the Development, and that such would further the purposes of the underlying statute.

3. Recommendation

Staff recommends the Board grant the Petitioner's request for a waiver of Rules 67-48.002(111), 67-48.002(31) and 67-48.004(14)(b), Florida Administrative Code (2003), permitting the replacement of its General Partner and Developer in the manner described in the Petition. As stated above, a waiver of Rule 67-48.025, Florida Administrative Code, is deemed unnecessary.

LEGAL

Consent

I. In Re: Oaks at Shannon's Crossing, Ltd.

Development Name: (“Development”):	Oaks at Shannon’s Crossing
Developer/Principal: (“Developer”):	Oaks at Shannon’s Crossing Limited Partnership
Number of Units: 100	Location: Okeechobee County
Type: Townhouses	Set Aside: 40% @ 60% AMI
Demographics: Family	Allocated Amount:
MMRB:	Housing Credits: \$974,898

1. Background

- a) During the 2005 Universal Cycle, Florida Housing awarded an allocation of tax credits to Oaks at Shannon’s Crossing Limited Partnership (“Petitioner”).
- b) On November 5, 2005, Florida Housing received a Petition for Waiver From Rules 67-48.004(1)(a), 67-48.004(14) and 67-48.004(15) (“Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit I](#).
- c) Rule 67-48.004(1)(a), Florida Administrative Code, states in pertinent part:

The Universal Application Package or UA1016 (Rev. 2-05) consists of the forms and instructions ... [t]he Universal Application Package is adopted and incorporated herein by reference, effective February 7, 2005.

- d) By virtue of the rule above, the Universal Application Instructions are rules. The particular provisions of the Instructions for which Petitioner requests a waiver state, in pertinent part:

Part II. Applicant and Development Team

A.2a(1) If applying for HC, the Applicant must be a limited partnership (including a limited liability limited partnership) or a limited liability company. The Applicant entity shall be the recipient of the Housing Credits and cannot be changed until after a Final Housing Credit Allocation has been issued. Replacement of the Applicant or a material change (33.3% or more of the Applicant, a General Partner of the Applicant, or a member of the Applicant) in the ownership structure of the named Applicant prior to this time shall result in disqualification from receiving an allocation and shall be deemed a material misrepresentation. Changes to the limited partner of a limited partnership will not result in disqualification.

* * *

B.1. The identity of the Developer(s) listed in this Application may not change until the construction or Rehabilitation/Substantial Rehabilitation of the Development is complete.

LEGAL

Consent

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

* * *

(b) Identity of each Developer, including all co-Developers;

- f) Rule 67-48.004(15), Florida Administrative Code, states in pertinent part:

A Development will be withdrawn from funding and any outstanding commitments for funds or HC will be rescinded if at any time the Board determines that the Applicant's Development or Development team is no longer the Development or Development team described in the Application, and the changes made are prejudicial to the Development or to the market to be served by the Development.

- g) Petitioner requests a waiver from the above Rules and incorporated provisions of the Instructions to permit the replacement, prior to completion of construction, of the sole member of its General Partner, RLI Beneficial Holdings 2005, LLC, a for-profit limited liability company, with Shannon Crossings, LLC, a Florida limited liability company wholly owned by Everglades Community Association, Inc., a Florida non-profit 501(c)(3) corporation.
- h) On November 18, 2005 the Notice of Petition was published in the Florida Administrative Weekly.
- i) To date, Florida Housing has not received any comments concerning the Petition.

2. Present Situation

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

Variations 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.

- b) Petitioner seeks the replacement of the sole member of its General Partner to comply with the requirements of a conditional allocation of funds under the US Rural Development Section 514 program ("RD 514") in association with Federal Home Loan Bank ("FHLB"). The RD 514 program requires Petitioner to replace its for-profit entity with a non-profit entity. This arrangement will permit Petitioner to better serve farmworker tenants by the leveraging of approximately \$3,000,000 in Federal funds and approximately \$500,000 in FHLB funds, among other benefits. Petitioner will not be able to obtain the additional funding without making this change to its ownership structure. Petitioner also plans to include a minimum of 40 units set aside for farmworker housing. Petitioner reports the replacement of the sole member of the General Partner will not adversely impact the Development, as the new entity will act as a co-developer with Applicant, which retains the requisite expertise and experience to successfully complete the Development.

LEGAL

Consent

3. Recommendation

Staff recommends the Board grant the Petitioner's request for a waiver of Rules 67-48.004(1)(a), 67-48.004(14) and 67-48.004(15), Florida Administrative Code, and permit the replacement of the sole member of its General Partner in the manner described above. Granting the waiver will serve the purpose of the underlying statute by permitting Petitioner to target an additional demographic group, and to otherwise serve statutory goal of encouraging private and public investment in low-income housing.

LEGAL

Consent

J. In re: Pine Haven Housing, Ltd., LLLP

Development Name: (“Development”):	Pine Haven
Developer/Principal: (“Developer”):	Pine Haven Housing, Ltd., LLLP
Number of Units: 136	Location: Volusia County
Type: duplex/quadrplex	Set Aside: 40 % @ 60%
Demographics: Family	Allocated Amount: n/a
MMRB: n/a	Housing Credits: \$1,000,000

1. Background

- a) During the 2004 Universal Application Cycle, Florida Housing awarded an allocation of housing credits to Pine Haven Housing, Ltd., LLLP, in connection with the Development known as Pine Haven, a 136-unit duplex/quadrplex complex intended to serve the Family demographic in Volusia County, Florida.

- b) On July 14, 2005, Florida Housing received a Petition for “Waiver of Rule 67-48.004(14) and Rule 67-48.002(111) and Part II.A.2.a.(1) of the Universal Application Instructions for a Change in the Identity of the Petitioner’s Developer and the Petitioner’s Ownership Structure” (“Petition”), from Pine Haven Housing, Ltd., LLLP (“Petitioner”). On August 8, 2005, Florida Housing received an Amendment to the Petition from Petitioner. On November 15, 2005, Florida Housing received a Withdrawal of the Petition and the Amendment to the Petition.

2. Recommendation

Staff recommends that the Board issue a Final Order closing the file in this matter.

MULTIFAMILY BONDS

Consent

VI. MULTIFAMILY BONDS

A. Request Approval of a Transfer of Managing Member Interests for both the MMRB and SAIL Programs

DEVELOPMENT NAME (“Development”):	Clarcona Groves Apartments
DEVELOPER/PRINCIPAL (“Developer” or “Owner”):	Mango Grove, LLC/TRG GP LLC/The Richman Group of Florida, Inc./Richard Richman
NUMBER OF UNITS:	264
LOCATION (“County”):	Orange
TYPE (“Rental, Homeownership”):	Rental
SET ASIDE:	85% @ 60% (MMRB) 100% @ 60% (HC)
ALLOCATED AMOUNT:	\$12,650,000 of Tax-Exempt Bonds
ADDITIONAL COMMENTS: Transfer of Managing Member Interests	

1. Background

In January 2005, Florida Housing financed the construction of the Development with \$12,650,000 in tax-exempt bonds, designated as 2005 Series A.

2. Present Situation

- a) Owner’s counsel, in a letter dated September 12, 2005 ([Exhibit A](#)) requests approval of transfers of member interests in TRG GP LLC, the managing member of the Development from:

Richard Richman	62.3%
Richman Family Irrevocable Grantor Trust I	17.8%
Richman Family Irrevocable Grantor Trust II	14.9%
David Salzman	5.0%

to:

Richard Richman	32.3%
David Salzman	10.0%
Kristin Miller	17.0%
William T. Fabbri	8.0%
Richman Family Irrevocable Grantor Trust I	17.8%
Richman Family Irrevocable Grantor Trust II	14.9%

MULTIFAMILY BONDS

Consent

- b) The Owner wishes to make these changes to allow key employees to obtain ownership benefits.
- c) The Credit Underwriter has reviewed the request and by letter, dated October 25, 2005 ([Exhibit B](#)) recommends that Florida Housing approve the request.

3. **Recommendation**

That the Board approve the transfer of managing member interests for the Development for both the MMRB and SAIL program, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

B. Request Approval to allocate \$46,500,000 in Tax-Exempt, Private Activity Bond Allocation to the Developments

DEVELOPMENT NAME (“Developments”):	Charlotte Crossings Bell Ridge II Orange Blossom Magnolia Crossing Country Walk
DEVELOPER/PRINCIPAL (“Developers”):	Charlotte Crossings, Ltd. Bell Ridge II, Ltd. Orange Blossom Apartments, Ltd. Magnolia Crossing, Ltd. Country Walk, Ltd.
NUMBER OF UNITS:	124 48 96 56 64
LOCATION (“Counties”):	Charlotte Santa Rosa Okeechobee Santa Rosa Hardee
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	85% @ 60% 85% @ 60% 85% @ 60% 85% @ 60% 85% @ 60%
ALLOCATED AMOUNT:	\$12,000,000 \$ 7,500,000 \$10,000,000 \$ 8,500,000 \$ 8,500,000 of Tax Exempt Bonds
ADDITIONAL COMMENTS: Award of bond allocation	

1. Background

At the January 14, 2005 meeting, the Board authorized the MMRB Program to conduct a supplemental application cycle.

2. Present Situation

- a) As of November 16, 2005, the MMRB Program has approximately \$400,000,000 in tax-exempt, private activity bond allocation that is not committed to a specific multifamily development.
- b) The Developments are 2005 Supplemental MMRB Applications (“Applications”) to construct and/or acquire and rehabilitate existing affordable developments in the Counties. The Developments were also successful in their Applications for Rental Recovery Loan Program (“RRLP”) funds, which they were awarded at the October Board meeting.

MULTIFAMILY BONDS

Consent

- c) The Developments each scored a total of sixty-one (61) points on the Applications and would have achieved maximum scores on the Applications of sixty-six (66) points had they committed to a fifty (50) year affordability period instead of thirty (30) years. However, each of the Developments was required to commit to a fifty (50) year affordability period as a condition to receive RRLP funding.
- d) However, the rules governing the 2005 Supplemental MMRB Application cycle require an application to achieve a perfect score of sixty-six (66) points in order to be funded. Therefore, the Applications are ineligible for funding under the 2005 Supplemental MMRB Application cycle. However, the rules further state: "If there is private activity bond allocation remaining after all eligible Applications are funded, then this allocation will be applied to the Corporation's single-family bond program or otherwise used as directed by the Board."
- e) Since the corporation's single-family bond program is not in need of any additional allocation, staff recommends that the Board use its discretion to award private activity bond allocation to the Developments even though they did not obtain a perfect score on their Applications. Staff believes that the public policy purposes served by obtaining these Developments as affordable for thirty (30) years far outweigh any failure to achieve a perfect score on the Application.

3. Recommendation

Approve the request to allocate \$46,500,000 in tax exempt, private activity bonds to the Developments, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

C. 2005 Supplemental MMRB Application

1. Background/Present Situation

The 2005 Supplemental MMRB Application cycle opened on April 22, 2005. As of November 22, 2005, an application has been submitted, requesting \$11,500,000 in bond allocation ([Exhibit C](#)). This application has been scored and meets the funding requirements.

2. Recommendation

Approve the issuance of an Acknowledgement Resolution and direct that the application be invited in to credit underwriting.

MULTIFAMILY BONDS

Consent

D. Requests for Proposals (RFP) for the Refinancing and Rehabilitation of Elderly Properties Originally Financed by HUD Under its Section 202 Program

1. Background

- a) There are approximately 150 existing HUD Section 202 properties in Florida that were developed mostly in the 1970's and 1980's. Most of these properties are owned and managed by faith-based, non-profit organizations and serve very low income and extremely low income elderly residents. Because of their age, many of these properties are in need of rehabilitation work in areas that, if done, would directly benefit the health, safety and welfare of the elderly residents.
- b) The interest rates on many of these Section 202 loans are 8% per year or greater. Many of these properties also have a project-based Section 8 rental assistance contract with HUD. The time remaining on each of these contracts varies from property to property.
- c) On November 12, 2004, HUD published new guidelines that increase the economic viability of refinancing these properties using FHA insurance. HUD will also allow the savings realized as a result of the refinancing to be used for replacement reserves and for certain resident programs.
- d) In April, 2005, Florida Housing authorized staff to issue an RFP to solicit proposals for the refinancing and rehabilitation of elderly properties originally financed by HUD under its Section 202 program through the use of FHFC bonds and HOME and/or other FHFC funds. Florida Housing received six 202 proposals; however, three proposals subsequently withdrew.

2. Present Situation

- a) Florida Housing currently has both volume cap private activity bond allocation and authority to issue 501(c)(3) bonds that could be used to refinance the existing Section 202 loans on these properties.
- b) Florida Housing may use HOME or other funds to rehabilitate properties that choose to refinance their existing Section 202 loans using Florida Housing's bonds. The additional subsidy will provide lower cost funds for the rehabilitation costs.
- c) By pooling a number of these properties into a single bond issue, the owner(s) of the properties that submit successful proposals would realize a substantial savings on their costs of issuance.
- d) Florida Housing is joining other state housing finance agencies in wrestling with the best way to preserve older affordable housing, especially housing that currently serves those with extremely low incomes. Staff believes that a demonstration project would allow Florida Housing to evaluate the use of bond allocation and HOME or other FHFC funds to preserve these types of properties.

MULTIFAMILY BONDS

Consent

3. **Recommendation**

Authorize staff to issue another RFP to solicit proposals for the refinancing and rehabilitation of elderly properties originally financed by HUD under its Section 202 program through the use of FHFC bonds and HOME and/or other FHFC funds.

MULTIFAMILY BONDS

Consent

E. Assignment of Bond Underwriters and Structuring Agents

1. Background

- a) Pursuant to staff's request for approval to issue bonds to finance the construction of the proposed Development referenced below, a Final Credit Underwriting Report is being presented to the Board for approval simultaneously with this request to assign the appropriate professional to this transaction. A brief description of the Development is detailed below along with the Staff's recommendation for the assignment.
- b) Additionally, the Corporation's Senior Financial Advisor has prepared a method of bond sale letter. Staff has reviewed the method of sale letter 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 structure for the proposed Development.
- b) The Senior Financial Advisor's recommendation for the method of bond sale is being presented to the Board at the current meeting during the Multifamily Mortgage Revenue Bond Program Update of items on the agenda.

3. Recommendation

That the Board approve the assignment of the recommended professional as shown in the chart for the proposed Development.

Development Name	Location of Development	Number of Units	Method of Bond Sale	Recommended Professional
Cutler Vista Apartments	Miami-Dade	216	Negotiated/Private Placement	Stern Brothers & Company

MULTIFAMILY BONDS

Consent

F. Request Approval of the Method of Bond Sale Recommendation from Florida Housing's Senior Financial Advisor

1. Background/Present Situation

- a) The Credit Underwriter has provided a Final Credit Underwriting Report for the proposed Development 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 a recommendation to the Board for the method of bond sale.
- c) CSG Advisors has prepared an analysis and recommendation for the method of bond sale for the Development. The recommendation letter is attached as [Exhibit D](#).

Development Name	Location of Development	Number of Units	Method of Bond Sale
Cutler Vista Apartments	Miami-Dade	216	Negotiated/Private Placement

2. Recommendation

That the Board approve the recommendation of the Senior Financial Advisor for the method of bond sale for the above Development.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

VII. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Approval of PLP Loan to Villa Aurora, Inc., a Non-Profit Corporation, for Villa Aurora (PLP 05-070)

DEVELOPMENT NAME (“Development”):	Villa Aurora
APPLICANT/DEVELOPER (“Developer”):	Villa Aurora, Inc., a non-profit corporation
CO-DEVELOPER:	n/a
TOTAL NUMBER OF UNITS:	76
LOCATION (“County”):	Miami-Dade County
TYPE:	Rental
SET ASIDE:	60% @ 60% AMI
PLP LOAN AMOUNT:	\$ 500,000
ADDITIONAL COMMENTS: The Technical Assistance Provider (TAP) has recommended approval. Also, Villa Aurora, Inc. is a single asset affiliate of Carrfour Supportive Housing, Inc. that was created for the sole purpose of this Development.	

1. Background/Present Situation

- a) On June 9, 2005, Florida Housing issued an Invitation to Participate in the PLP to the Developer. The Development will be located in Miami-Dade County.
- b) The Technical Assistance Provider (TAP) has approved the development plan and has recommended a loan amount of \$500,000 for PLP eligible activities ([Exhibit A](#)). The TAP assisted the Developer in preparing the development plan and budget ([Exhibit B](#)). Staff has reviewed them and determined that all budget items are PLP eligible.

2. Recommendation

Approve a PLP Loan in the total amount of \$500,000 to the Developer, a non-profit corporation, for predevelopment expenses as recommended by the TAP and allow staff to issue the commitment letter and begin loan closing proceedings.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Request Approval of PLP Loan to Second Chance Help Center, Inc., a Non-Profit Corporation, for Phoenix Rising (PLP 05-072)

DEVELOPMENT NAME (“Development”):	Phoenix Rising
APPLICANT/DEVELOPER (“Developer”):	Second Chance Help Center, Inc., a non-profit corporation
CO-DEVELOPER:	n/a
NUMBER OF SET-ASIDE UNITS:	28
LOCATION (“County”):	Duval County
TYPE:	Homeownership
SET ASIDE:	100% @ 80% AMI
PLP LOAN AMOUNT:	\$ 483,500
ADDITIONAL COMMENTS: The Technical Assistance Provider (TAP) has recommended approval.	

1. Background/Present Situation

- a) On July 5, 2005, Florida Housing issued an Invitation to Participate in the PLP to the Developer. The Development will be located in Duval County.
- b) The Technical Assistance Provider (TAP) has approved the development plan and has recommended a loan amount of \$483,500 for PLP eligible activities ([Exhibit C](#)). The TAP assisted the Developer in preparing the development plan and budget ([Exhibit D](#)). Staff has reviewed them and determined that all budget items are PLP eligible.
- c) Additionally, \$100,000 of the \$483,500 total PLP Loan amount will be utilized for site acquisition. As such, the Development will be undergoing credit underwriting to approve the site acquisition portion of the loan. Upon receipt of such positive recommendation, the credit underwriting report will be presented to the Board for approval. In the interim, the Applicant has other financial obligations related to the Development that will require Florida Housing to close on the initial \$383,500, which is the non-site acquisition portion of the loan.

2. Recommendation

Approve a PLP Loan in the total amount of up to \$483,500 to the Developer, a non-profit corporation, for predevelopment expenses as recommended by the TAP and allow staff to begin loan closing proceedings for the non-site acquisition portion of the PLP Loan in the amount of \$383,500.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

C. Request Approval of PLP Loan to Palafox Landing, Ltd. for Palafox Landing (PLP 05-073)

DEVELOPMENT NAME (“Development”):	Palafox Landing
APPLICANT/DEVELOPER (“Developer”):	Palafox Landing, Ltd.
CO-DEVELOPER:	n/a
NUMBER OF SET-ASIDE UNITS:	144
LOCATION (“County”):	Escambia County
TYPE:	Rental
SET ASIDE:	60% @ 60% AMI
PLP LOAN AMOUNT:	\$ 383,775
ADDITIONAL COMMENTS: The Technical Assistance Provider (TAP) has recommended approval. Also, GMN Palafox, Inc. and CEII Palafax, Inc., the general partners, are single asset entities that were created for the sole purpose of this Development. Greater Miami Neighborhoods, Inc. and Community Enterprise Investments are the sole shareholders of these entities, respectively.	

1. Background/Present Situation

- a) On August 30, 2005, Florida Housing issued an Invitation to Participate in the PLP to the Developer. The Development will be located in Escambia County.
- b) The Technical Assistance Provider (TAP) has approved the development plan and has recommended a loan amount of \$383,775 for PLP eligible activities ([Exhibit E](#)). The TAP assisted the Developer in preparing the development plan and budget ([Exhibit F](#)). Staff has reviewed them and determined that all budget items are PLP eligible.

2. Recommendation

Approve a PLP Loan in the total amount of \$383,775 to the Developer, for predevelopment expenses as recommended by the TAP and allow staff to issue the commitment letter and begin loan closing proceedings.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

D. Request Approval of PLP Loan to Cypress Senior Associates, Ltd. for Cypress Senior Apartments (PLP 05-075)

DEVELOPMENT NAME (“Development”):	Cypress Senior Apartments
APPLICANT/DEVELOPER (“Developer”):	Cypress Senior Associates, Ltd.
CO-DEVELOPER:	Judd K. Roth
NUMBER OF UNITS:	50
LOCATION (“County”):	DeSoto County
TYPE:	Rental, Elderly
SET ASIDE:	60% @ 60% AMI
PLP LOAN AMOUNT:	\$ 350,000
ADDITIONAL COMMENTS: The Technical Assistance Provider (TAP) has recommended approval. Also, The Cypress Senior Associates, Ltd. is a single asset entity that was created for the sole purpose of this Development. The Arcadia Housing Authority is the sole managing member of the general partner entity.	

1. Background/Present Situation

- a) On July 15, 2005, Florida Housing issued an Invitation to Participate in the PLP to the Developer. The Development will be located in DeSoto County.
- b) The Technical Assistance Provider (TAP) has approved the development plan and has recommended a loan amount of \$350,000 for PLP eligible activities ([Exhibit G](#)). The TAP assisted the Developer in preparing the development plan and budget ([Exhibit H](#)). Staff has reviewed them and determined that all budget items are PLP eligible.

2. Recommendation

Approve a PLP Loan in the total amount of \$350,000 to the Developer, a public housing authority, for predevelopment expenses as recommended by the TAP and allow staff to issue the commitment letter and begin loan closing proceedings.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

E. Request Approval of PLP Loan to Housing & Education Alliance, Inc., a Non-Profit Corporation, for El Capitan Crossings (PLP 05-078)

DEVELOPMENT NAME (“Development”):	El Capitan Crossings
APPLICANT/DEVELOPER (“Developer”):	Housing & Education Alliance, Inc., a non-profit corporation
CO-DEVELOPER:	n/a
NUMBER OF UNITS:	36
LOCATION (“County”):	Hillsborough
TYPE:	Homeownership
SET ASIDE:	100% @ 80% AMI
PLP LOAN AMOUNT:	\$ 500,000
ADDITIONAL COMMENTS: The Technical Assistance Provider (TAP) has recommended approval.	

1. Background/Present Situation

- a) On August 22, 2005, Florida Housing issued an Invitation to Participate in the PLP to the non-profit Developer. The Development will be located in Hillsborough County.
- b) The TAP has approved the development plan and has recommended a loan amount of \$500,000 for PLP eligible activities ([Exhibit I](#)). The TAP assisted the Developer in preparing the development plan and budget ([Exhibit J](#)). Staff has reviewed them and determined that all budget items are PLP eligible.
- c) Additionally, \$400,000 of the \$500,000 total PLP Loan amount will be utilized for site acquisition. As such, the Development will be undergoing credit underwriting to approve the site acquisition portion of the loan. Upon receipt of such positive recommendation, the credit underwriting report will be presented to the Board for approval. In the interim, the Applicant has other financial obligations related to the Development that will require Florida Housing to close on the initial \$100,000, which is the non-site acquisition portion of the loan.

2. Recommendation

Approve a PLP Loan in the total amount of up to \$500,000 to the Developer, a non-profit corporation, for predevelopment expenses as recommended by the TAP and allow staff to begin loan closing proceedings for the non-site acquisition portion of the PLP Loan in the amount of \$100,000.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

F. Request Approval of PLP Loan to Winter Haven Housing Authority, a Public Housing Authority, for Orrin Circle (PLP 05-083)

DEVELOPMENT NAME (“Development”):	Orrin Circle
APPLICANT/DEVELOPER (“Developer”):	Winter Haven Housing Authority, a public housing authority
CO-DEVELOPER:	Picerne Affordable Development, LLC
NUMBER OF UNITS:	84
LOCATION (“County”):	Polk County
TYPE:	Rental
SET ASIDE:	60% @ 60% AMI
PLP LOAN AMOUNT:	\$ 500,000
ADDITIONAL COMMENTS: The Technical Assistance Provider (TAP) has recommended approval.	

1. Background/Present Situation

- a) On September 19, 2005, Florida Housing issued an Invitation to Participate in the PLP to the Developer. The Development will be located in Polk County.
- b) The Technical Assistance Provider (TAP) has approved the development plan and has recommended a loan amount of \$500,000 for PLP eligible activities ([Exhibit K](#)). The TAP assisted the Developer in preparing the development plan and budget ([Exhibit L](#)). Staff has reviewed them and determined that all budget items are PLP eligible.
- c) Also, the Applicant, along with the Co-Developer, anticipates applying for 9% competitive housing credits. As such, staff anticipates that the Applicant/Developer entity will change to that of a single asset entity created for the sole purpose of this Development.

2. Recommendation

Approve a PLP Loan in the total amount of \$500,000 to the Developer, a public housing authority, for predevelopment expenses as recommended by the TAP and allow staff to issue the commitment letter and begin loan closing proceedings. Further, authorize staff to close the PLP loan in the name of the single asset entity, once created.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

G. Request Approval of PLP Loan to Venice Housing Authority, a Public Housing Authority, for Grove Terrace (PLP 05-084)

DEVELOPMENT NAME (“Development”):	Grove Terrace
APPLICANT/DEVELOPER (“Developer”):	Venice Housing Authority, a public housing authority
CO-DEVELOPER:	Picerne Affordable Development, LLC
NUMBER OF UNITS:	120
LOCATION (“County”):	Sarasota County
TYPE:	Rental
SET ASIDE:	60% @ 60% AMI
PLP LOAN AMOUNT:	\$ 500,000
ADDITIONAL COMMENTS: The Technical Assistance Provider (TAP) has recommended approval.	

1. Background/Present Situation

- a) On September 20, 2005, Florida Housing issued an Invitation to Participate in the PLP to the Developer. The Development will be located in Sarasota County.
- b) The Technical Assistance Provider (TAP) has approved the development plan and has recommended a loan amount of \$500,000 for PLP eligible activities ([Exhibit M](#)). The TAP assisted the Developer in preparing the development plan and budget ([Exhibit N](#)). Staff has reviewed them and determined that all budget items are PLP eligible.
- c) Also, the Applicant, along with the Co-Developer, anticipates applying for 9% competitive housing credits. As such, staff anticipates that the Applicant/Developer entity will change to that of a single asset entity created for the sole purpose of this Development.

2. Recommendation

Approve a PLP Loan in the total amount of \$500,000 to the Developer, a public housing authority, for predevelopment expenses as recommended by the TAP and allow staff to issue the commitment letter and begin loan closing proceedings. Further, authorize staff to close the PLP loan in the name of the single asset entity, once created.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

H. Request Reduction in Number of Units for Golfair Estates (PLP 03-058)

DEVELOPMENT NAME (“Development”):	Golfair Estates
APPLICANT/DEVELOPER (“Developer”):	Northwest Jacksonville Community Development Corporation, a non-profit
NUMBER OF UNITS:	15
LOCATION (“County”):	Duval
TYPE:	Homeownership
SET ASIDE:	100% @ 80% AMI
PLP LOAN AMOUNT:	\$249,945
ADDITIONAL COMMENTS: The Technical Assistance Provider (TAP) has recommended a reduction in number of units, however the loan amount will remain unchanged.	

1. Background

At the April 22, 2005 Board Meeting, a PLP loan was approved for Northwest Jacksonville Community Development Corporation, a non-profit, for Golfair Estates, a 16 unit development in Duval County, in the amount of \$249,945.

2. Present Situation

- a) During the planned unit development (PUD) process, Duval County determined that the development site would only support 15 lots. This resulted in a PUD approval for 15 units, rather than 16 units as submitted in the Development Plan and approved at the April 22, 2005 Board Meeting. The TAP determined that the reduction in the number of units had no effect on the eligible predevelopment activities and expenses estimated in the PLP budget that was originally submitted and approved by the Board.
- b) The TAP has sent a letter recommending that Florida Housing approve the reduction in the number of units from 16 to 15 with no changes in the previously approved PLP budget ([Exhibit O](#)).

3. Recommendation

Approve the reduction in the number of units from 16 to 15.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

VIII. PROFESSIONAL SERVICES SELECTION (PSS)

A. Investment Manager Services

1. Background

At its December 6, 2002 meeting, the Board of Directors of Florida Housing selected UBS Global Asset Management, Inc. to provide investment manager services.

2. Present Situation

- a) The initial term of the contract will expire on January 13, 2006. The contract may be renewed twice. Each renewal shall be for an additional one-year period.
- b) Florida Housing staff support a renewal to extend the term of the contract for an additional one-year period.

3. Recommendation

Authorize staff to extend the term of the contract with UBS Global Asset Management, Inc. for an additional one-year period.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

B. Court Reporting Services

1. Background

- a) At its August 1, 2003 meeting, the Board of Directors of Florida Housing directed staff to initiate contract negotiations with Accurate Stenotype Reporters, Inc. to provide court reporting services.
- b) The initial contract was effective January 20, 2004. The contract may be renewed twice. Each renewal shall be for an additional one year period.
- c) Effective January 20, 2005, the contract was renewed until January 20, 2006.

2. Present Situation

Florida Housing staff supports a renewal to extend the term of the contract for the final one-year period.

3. Recommendation

Authorize staff to extend the contract with Accurate Stenotype Reporters, Inc. for the final one-year period.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

IX. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Credit Underwriting Report for Nassau Club Apartments, Cycle XVII, (2005-070S)

Development Name: Nassau Club Apartments (“Development”)	Location: Nassau County
Developer/Principal: Sandspur Housing Development, Ltd. (“Developer”)	Set-Aside: 70% @ 60% AMI
Number of Units: 192	Allocated Amount: \$2,000,000 and \$1,000,000
Type: Garden Style Buildings	Housing Credit Equity \$3,847,624
Demographics: Family	MMRB: \$10,405,000 (Local)

1. Background/Present Situation

- a) On April 26, 2005, a 2004 SAIL loan in the amount of \$2,000,000 for this 192-unit family development in Nassau County closed. In the 2005 Universal Application Cycle, Applicants that were successful in receiving an award of 2004 SAIL funds could request additional funding.
- b) On August 25, 2005, the Board approved the final scores and ranking for the 2005 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- c) On October 10, 2005, staff issued a preliminary commitment letter and invitation to credit underwriting for an additional SAIL loan in the amount up to \$1,000,000 for this 192-unit family development in Nassau County.
- d) On November 22, 2005, staff received a credit underwriting report with a positive recommendation for an additional SAIL loan in the amount of \$1,000,000 ([Exhibit A](#)). The SAIL loan will be secured by a third mortgage. 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

B. Request Approval of Credit Underwriting Report for The Cove at Lady Lake Apartments, Cycle XVII, (2005-068S)

Development Name: The Cove at Lady Lake Apartments (“Development”)	Location: Lake County
Developer/Principal: Sandspur Housing Development, Ltd. (“Developer”)	Set-Aside: 100% @ 60% AMI
Number of Units: 176	Allocated Amount: \$1,500,000 and \$1,500,000
Type: Garden Style Buildings	Housing Credit Equity \$7,037,000
Demographics: Family	MMRB: \$9,800,000 (Local)

1. Background/Present Situation

- a) On May 9, 2005, a 2004 SAIL loan in the amount of \$1,500,000 for this 176-unit family development in Lake County closed. In the 2005 Universal Application Cycle, Applicants that were successful in receiving an award of 2004 SAIL funds could request additional funding.
- b) On August 25, 2005, the Board approved the final scores and ranking for the 2005 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- c) On October 10, 2005, staff issued a preliminary commitment letter and invitation to credit underwriting for an additional SAIL loan in the amount up to \$1,500,000 for this 176-unit family development in Lake County.
- d) On November 22, 2005, staff received a credit underwriting report with a positive recommendation for an additional SAIL loan in an amount of \$1,500,000 ([Exhibit B](#)). The SAIL loan will be secured by a third mortgage. 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 Ochlockonee Pointe Apartments, Cycle XIII, (2001-131CS/ 2004-151CS/2004-151CS)

Development Name: Ochlockonee Pointe (“Development”)	Location: Gadsden County
Developer/Principal: Citizens Housing Development Company (“Developer”)	Set-Aside: 15% @ 28% AMI and 85% @ 60% AMI
Number of Units: 96	Allocated Amount: \$600,000
Type: Garden Style Buildings	Total Housing Credit Equity: \$4,998,000
Demographics: Large Family	MMRB: N/A

1. Background/Present Situation

- a) Ochlockonee Pointe applied for funding and failed to meet the requirements during the 2001 cycle. As a result of a scoring appeal it received a binding commitment for 2004 funds.
- b) On June 8, 2004, staff issued a preliminary commitment letter and invitation to credit underwriting for a SAIL Loan in the amount up to \$600,000 for this 96-unit family development in Gadsden County.
- c) On November 22, 2005, staff received a credit underwriting report with a positive recommendation for a SAIL loan in an amount of \$600,000 ([Exhibit C](#)). The SAIL loan will be secured by a second mortgage. 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

D. Request Approval of a New Permanent First Mortgage Lender and an Increase in the Amount of the First Mortgage for Park Crest Apartments, Cycle Xb, (98-080CS)

Development Name: Park Crest Apartments (“Development”)	Location: Highlands County
Developer/Principal: Heritage Rural Housing, Inc. (“Developer”)	Set-Aside: 50% @ 50% AMI and 50% @ 60% AMI
Number of Units: 100	Allocated Amount: \$800,000
Type: Garden Style Buildings	Total Housing Credit Equity:
Demographics: Family	MMRB: N/A

1. Background/Present Situation

- a) On February 10, 2000 a SAIL loan in the amount of \$800,000 for this 100-unit family development in Highlands County closed.
- b) On June 27, 2005 staff received a letter from the Developer requesting approval of a new permanent lender for the first mortgage and an increase in the permanent loan to an amount not to exceed \$1,000,000. ([Exhibit D](#)).
- c) On November 4, 2005, staff received a credit underwriting review regarding the new permanent first lender and the increase in the loan amount ([Exhibit E](#)). Staff has reviewed the report and finds that the Development meets all of the requirements of SAIL Rule 67-48 F.A.C.

2. Recommendation

Approve the updated credit underwriting review for a new permanent first lender and an increase in the amount of the loan not to exceed \$1,000,000 and direct staff to amend the appropriate SAIL loan documents.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

E. Request Approval to Retire the Taxable Bonds and Allow Funding of a Taxable Fixed Rate Fannie Mae DUS2nd Mortgage Loan for Grande Oaks Apartments, Cycle XVI, (2004-009S)

Development Name: Grande Oaks Apartments (“Development”)	Location: Hillsborough County
Developer/Principal: The Richman Group of Florida, Inc. (“Developer”)	Set-Aside: 100% @ 60% AMI
Number of Units: 168	Allocated Amount: \$2,000,000
Type: Garden Style	Total Housing Credit Equity: \$3,634,414
Demographics: Family	MMRB: \$7,300,000 (Local)

1. Background/Present Situation

- a) On October 14, 2004, the Board approved the final scores and ranking for the 2004 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On June 24, 2005, a SAIL loan in an amount up to \$2,000,000 for this 168-unit family development in Hillsborough County closed.
- c) On November 15, 2005, staff received a request from Borrower for approval to retire the taxable bonds and allow funding of a taxable fixed rate Fannie Mae DUS 2nd Mortgage ([Exhibit F](#)).
- d) On November 17, 2005, staff received a review from the credit underwriting report with a positive recommendation to retire the taxable bonds and allow funding of a taxable fixed rate Fannie Mae DUS 2nd Mortgage loan which would be behind the tax-exempt Fannie Mae Bond Credit Enhancement. The report includes a condition that once the DUS 2nd is paid off, the borrower will be required to make monthly payments into the PRF so that the tax-exempt bonds can be paid down in full during the 272 months remaining in the loan term ([Exhibit G](#)). 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 credit underwriting review that allows for the retirement of the taxable bonds with the conditions as stated.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

F. Request Approval of a SAIL Credit Underwriting Report for Portofino Apartments, Cycle XVII, (2005-119S)

Development Name: Portofino Apartments (“Development”)	Location: Palm Beach County
Developer/Principal: Cornerstone Group Development, L.L.C. (“Developer”)	Set-Aside: 100% @ 60% AMI
Number of Units: 270	Allocated Amount: \$1,000,000 and \$2,000,000
Type: Garden Style	Total Housing Credit Equity: \$6,237,351
Demographics: Family	MMRB: \$20,020,000 (FHFC)

1. Background/Present Situation

- a) On June 28, 2005, a 2004 SAIL loan closed in the amount of \$2,000,000 for this 270-unit family development in Palm Beach County. In the 2005 Universal Application Cycle, Applicants that were successful in receiving an award of 2004 SAIL funds could request additional funding.
- b) On August 25, 2005, the Board approved the final scores and ranking for the 2005 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- c) On September 29, 2005, staff issued a preliminary commitment letter and an invitation to credit underwriting for an additional SAIL loan in an amount up to \$1,000,000 for this 270-unit family development in Palm Beach County.
- d) On November 28, 2005, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$1,000,000 ([Exhibit H](#)). The SAIL loan will be secured with a second mortgage. 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

G. Request Approval of a SAIL Credit Underwriting Report for Sandalgrove Apartments, Cycle XVI, (2004-082S)

Development Name: Sandalgrove Apartments (“Development”)	Location: Broward County
Developer/Principal: Reliance Housing Services, L.L.C. (“Developer”)	Set-Aside: 100% @ 60% AMI
Number of Units: 814	Allocated Amount: \$2,000,000
Type: Garden Style	Total Housing Credit Equity: \$19,296,930
Demographics: Family	MMRB: \$37,500,000 (local)

1. Background/Present Situation

- a) On October 14, 2004, the Board approved the final scores and ranking for the 2004 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On November 1, 2004, staff issued a preliminary commitment letter and an invitation to credit underwriting for a SAIL loan in an amount up to \$2,000,000 for this 814-unit family development in Broward County.
- c) On November 22, 2005, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$2,000,000 ([Exhibit D](#)). The SAIL loan will be secured with a third mortgage. 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.

SPECIAL ASSETS

Consent

X. SPECIAL ASSETS

A. Request for Transfer of Member Interests – Morgan Creek Apartments (2003-054S, 2003-530C)

Development Name: Morgan Creek Apartments (“Development”)	Location: Hillsborough County
Developer/Principal: Hunter’s Run, LLC (“Borrower”); The Richman Group, “TRG GP, LLC” (“Developer”)	Set-Aside: SAIL 20% @ 50% AMI and 80% @ 60% AMI; HC 100% @ 60% AMI
Number of Units: 336	Allocated Amount: \$2,000,000
Type: Garden Style Apartments	Housing Credits: \$746,402.00
Demographics: Family	

1. Background

- a) In 2003, Florida Housing provided \$2,000,000 in SAIL funding and \$743,402 in 4% Tax Credits to the Development. This Development is located in Hillsborough County and consists of a 336 unit family development.
- b) By letter dated September 12, 2005 ([Exhibit A](#)), Hunter’s Run, LLC (“Hunter’s Run”), has requested approval of transfers of certain member interests in TRG GP, LLC (“TRG”), the managing member of Hunter’s Run, as part of an employee incentive program.

2. Present Situation

Staff has received a credit underwriting report ([Exhibit B](#)) regarding this transfer of member interests with a positive recommendation.

3. Recommendation

Staff recommends and requests the Board approve the Borrower’s request to transfer certain member interest in TRG.

SPECIAL ASSETS

Consent

B. Request Approval of Assumption of Home Loan and Transfer of Ownership – Teal Pointe Apartments (93HD – 014, 93L-097)

Development Name: Teal Pointe Apartments (“Development”)	Location: Dade County- Homestead
Developer/Principal: Related Company of New York (“Developer”)	Set-Aside: HOME50% @ 50% AMI and 50% @ 80% AMI; HC 50% @ 60% AMI and 50% @ 50% AMI
Number of Units: 45	Allocated Amount: \$1,000,000 (2nd position) LURA 15 yrs; 2.10% for 180 months.
Type: Garden Style Apartments	Housing Credits (9%): \$108,714.00; EUA 50 yrs
Demographics: Family	

1. Background

- a) In 1993, Florida Housing provided \$1,000,000 in HOME funding. The Development also received a 1993 allocation of low income housing tax credits in the amount of \$108,714. This Development is located in Miami-Dade County and consists of a 45 unit family apartment building.
- b) By letter dated October 3, 2005, ([Exhibit C](#)) The Jimenez Group (Purchaser) is purchasing the Development and has requested approval from Florida Housing to the transfer of ownership of the Development from The Related Group (Seller) and approval to assume the HOME loan.

2. Present Situation

The Purchaser is in the process of providing the required documents and credit underwriting report. The Seller and Purchaser desire to close the sale before the end of 2005.

3. Recommendation

Staff recommends and requests the Board approve the transfer of ownership of the Development and the Purchaser’s assumption of the HOME loan contingent upon the receipt of the required documents and a favorable recommendation from the credit underwriter.

SPECIAL ASSETS

Consent

C. **Request Approval of Transfer of ownership interest for Smugglers Cove, Ltd. (SAIL 98-081S, HC 92L-041)**

Development Name: Apartments of River Oaks (“Development”)	Location: Hillsborough County
Developer/Principal: Heritage Rural Housing (“Developer”)	Set-Aside: SAIL 50% @ 50% AMI 50% @ 60% AMI, HC 10% @ 40% AMI, 90% @ 60%
Number of Units: 260	Allocated Amount: \$2,228,556
Demographics: Family	Housing Credits: \$282,391

1. **Background**

- a) During the 1997-98 SAIL Cycle Xb, Florida Housing awarded a \$2,228,556 construction/permanent loan to Smugglers Cove Partners, Ltd.; a Florida limited partnership (“Borrower”), for the development of a 260-unit development in Immokalee, Florida. The SAIL loan closed on July 14, 1999 and matures on October 1, 2015. The Development also received a 1994 allocation of low-income housing tax credits and was placed in service 6/1/1994.
- b) By letter dated November 3, 2005, ([Exhibit D](#)) Smugglers Cove Partners, Ltd has requested Florida Housing’s approval of the withdrawal of the co-general partner Affordable Housing Solutions of Florida, Inc. (AHS). This is necessary to receive a firm commitment letter from HUD for permanent financing and to pay off the construction loan with MMA.

2. **Present Situation**

The borrower is in the process of providing the required documents. Staff has received a favorable credit underwriting report (Exhibit E). The borrower will come back to the Board for consent of the HUD loan after they receive a firm commitment letter.

3. **Recommendation**

Staff recommends and requests the Board approve the withdrawal of the co-general partner contingent upon the receipt of all required documents and fulfillment of all required conditions.

SPECIAL ASSETS

Consent

D. Request for SAIL loan Transfer of Ownership– Fox Hollow Apartments (90S-004, 90L-040)

Development Name: Fox Hollow Apartments (“Development”)	Location: Orange County
Developer/Principal: Tompkins Investment Group (“Developer”)	Set-Aside: SAIL 75% @ 60% AMI (1-15 yrs) and 40% @ 60% AMI (16-30 yrs); HC 100% @ 60% AMI
Number of Units: 156	Allocated Amount: \$2,110,000 (2nd position) LURA 30 yrs; 9% for 180 months.
Type: Garden Style Apartments	Housing Credits (9%): \$737,370.00; EUA 30 yrs
Demographics: 100% Family	

1. Background

In 1990, Florida Housing provided \$2,110,000 in SAIL funding and \$737,370 in 9% Tax Credits to the Development. This Development is located in Orange County and consists of a 156 unit family development.

2. Present Situation

Enhanced Affordable Development (EAD) has agreed to purchase the Development on January 3, 2006. As part of this purchase, EAD has applied for bond financing from Florida Housing through the Supplemental Application Cycle. The buyer has also requested to assume and extend the SAIL loan to be co-terminus with the bonds. Both of these requests are currently in credit underwriting. Upon receipt of a favorable recommendation from the credit underwriter and from Staff on the extension of the SAIL loan and the new terms, Staff will bring the SAIL extension request to the Board for approval at a later date.

3. Recommendation

Staff recommends and requests the Board approve the transfer of ownership of the Development and the assumption of the current SAIL loan contingent upon receipt of all required documents and direct staff to proceed with loan modification activities.

SPECIAL ASSETS

Consent

E. Request for SAIL loan Transfer of Ownership– Huntington Reserve Apartments (90S-003, 90L-041)

Development Name: Huntington Reserve Apartments (“Development”)	Location: Seminole County (Sanford)
Developer/Principal: Tompkins Investment Group (“Developer”)	Set-Aside: SAIL 75% @ 60% AMI (1-15 yrs) and 40% @ 60% AMI (16-50 yrs); HC 100% @ 60% AMI
Number of Units: 168	Allocated Amount: \$2,106,000 (1st position) LURA 50 yrs; 9% for 180 months.
Type: Garden Style Apartments	Housing Credits (9%): \$694,170.00; EUA 50 yrs
Demographics: 100% Family	

1. Background

In 1990, Florida Housing provided \$2,106,000 in SAIL funding and \$694,170 in 9% Tax Credits to the Development. This Development is located in Seminole County and consists of a 168 unit family development.

2. Present Situation

Enhanced Affordable Development (EAD) has agreed to purchase the Development on January 3, 2006. As part of this purchase, EAD has applied for bond financing from Florida Housing through the Supplemental Application Cycle. The buyer has also requested to assume and extend the SAIL loan to be co-terminus with the bonds. Both of these requests are currently in credit underwriting. Upon receipt of a favorable recommendation from the credit underwriter and from Staff on the extension of the SAIL loan and the new terms, Staff will bring the SAIL extension request to the Board for approval at a later date.

3. Recommendation

Staff recommends and requests the Board approve the transfer of ownership of the Development and the assumption of the current SAIL loan contingent upon receipt of all required documents and direct staff to proceed with loan modification activities.