

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
June 10, 2005
Action Items



DEMONSTRATION LOANS

Action

I. DEMONSTRATION LOANS

A. Request Approval of Modification of Loan Repayment Terms for M.I.S.S. of the Treasure Coast –a non-profit corporation (RFP 2001/08-004HL)

DEVELOPMENT NAME (“Development”):	Butterfly Gardens
DEVELOPER/PRINCIPAL (“Developer”):	M.I.S.S. of the Treasure Coast – non-profit corporation
NUMBER OF UNITS:	20
LOCATION (County):	Martin County
TYPE:	Rental, Homeless
SET ASIDE:	Homeless (Females and their children)
DEMONSTRATION LOAN AMOUNT:	\$500,000
ADDITIONAL COMMENTS: The Credit Underwriter has recommended approval.	

1. Background

- a) On June 22, 2001, Florida Housing issued a Request for Proposals (RFP) for developments to house extremely low income and/or homeless tenants.
- b) The M.I.S.S. of the Treasure Coast submitted a response and on September 20, 2001 the Board approved funding in the amount of \$500,000 for this development, subject to a positive recommendation from the credit underwriter.
- c) Staff received a credit underwriting report on April 4, 2002 for the Development with a positive recommendation for a loan of \$500,000, subject to the conditions outlined in the report.
- d) On April 26, 2002, the Board approved funding of \$500,000 for Butterfly Gardens and authorized Staff to issue a firm commitment and proceed with loan closing activities.

2. Present Situation

Upon further review, the Credit Underwriter has determined that the repayment terms recommended in the credit underwriting report must be modified as there will not be sufficient subsidy to ensure sufficient cash flow to support repayment of the Demonstration Loan on an annual basis. In concurrence with the recommendation of staff, the Credit Underwriter recommends that the repayment terms be modified to reflect that payment of interest and principal be deferred until loan maturity. ([Exhibit A](#)).

3. Recommendation

Approve the Credit Underwriter’s recommendation to modify the repayment terms of Butterfly Garden’s Demonstration Loan from annual payments based on available cash flow to repayment of interest and principal being deferred until loan maturity.

HURRICANE HOUSING RECOVERY PROGRAM (HHRP)

Action

II. HURRICANE HOUSING RECOVERY PROGRAM (HHRP)

A. Request Approval of Proposed Emergency Rule

1. Background

On April 22, 2005, the Board approved Staff's request to proceed with emergency rulemaking should the Legislature approve funding for the hurricane recovery programs. The Legislature appropriated \$208 million for a local Hurricane Housing Recovery Program during its regular session. Staff anticipates that the Governor will sign this legislation.

2. Present Situation

- a) The Hurricane Housing Recovery program was created for the purpose of providing funds to assist those areas of the state with the greatest housing damage from the hurricanes suffered by the State of Florida during 2004. Program funding will be provided to eligible counties to implement a local housing recovery strategy that may include grants and loans for homeownership and rental activities, including activities related to manufactured housing. The program will be implemented similar to the existing State Housing Initiatives Partnership Program.
- b) The Legislature granted Florida Housing emergency rulemaking authority in order to move these funds as quickly as possible.
- c) Florida Housing must also adopt a permanent rule to administer this program once the emergency rule runs out. Staff expects to bring the proposed rule to the Board for approval at the July 22nd meeting.

3. Recommendation

Approve Emergency Rules 67ER05-1, F.A.C. through 67ER05-7, F.A.C. as provided in ([Exhibit A](#)) and direct staff to finalize the emergency rulemaking process for the Hurricane Housing Recovery Program.

HOMEOWNERSHIP LOAN PROGRAM

Action

III. HOMEOWNERSHIP LOAN PROGRAM

A. Authorize Staff to De-obligate HOME Funds for Oakwood Village / HH03-002

Applicant Name (“Applicant”):	Nu-Era Homes, Inc.
Development Name (“Development”):	Oakwood Village
Developer/Principal (“Developer”):	Ron Lieberman
Number of Units: 49	Location: Beverly Hills, Citrus County
Type: HOME Purchase Assistance Loan	Allocated Amount: \$1,086,625

1. Background

- a) The Applicant submitted an application during the 2003 Homeownership Loan Program Application Cycle. The Applicant scored within the funding range and was invited into credit underwriting on September 19, 2003.
- b) The final credit underwriting report, dated January 7, 2004, was approved at the January 23, 2004 Board Meeting.

2. Present Situation

On April 6, 2005, the Developer requested that the HOME funds be reallocated, advising of the inability to proceed citing the difficulties in obtaining qualified homebuyers, as well as the rising cost for labor and materials. The letter is attached as [Exhibit A](#).

3. Recommendation

Staff recommends that \$1,086,625 in HOME funds for the Oakwood Village Development be de-obligated and made available for future use available for future use in the Homeownership Loan Program.

HOMEOWNERSHIP LOAN PROGRAM

Action

- B. Authorize Staff to De-obligate HOME Funds for Arrowhead Estates I / HH02-006, Arrowhead Estates II / HH03-004 and Arrowhead Estates III / HH03-003**

Applicant Name (“Applicant”):		Arrowhead Estates, LLC
Developer/Principal (“Developer”):		Bowen Arnold
Location:		Collier County
Type:		HOME Purchase Assistance Loans
Development Name (“Developments”):		
Arrowhead Estates I	Arrowhead Estates II	Arrowhead Estates III
52 units / \$1,740,000	50 units / \$1,848,000	50 units / \$1,848,000

1. Background

Arrowhead Estates I

- a) The Applicant submitted during Round One of the 2002 Homeownership Loan Program Cycle for a HOME Construction Loan.
- b) On November 4, 2002, the Developer was issued a preliminary funding commitment in the amount of \$1,740,000 for a HOME Construction Loan.
- c) On July 1, 2003, the Developer received a firm commitment in the amount of \$1,740,000, which indicated a loan closing deadline of September 18, 2003. However, the Board approved a loan closing extension until March 18, 2004 as a result of the December 10, 2003 request which also included a request to change the ownership structure of the Developing entity.

Arrowhead Estates II and III

- d) Subsequently, applications were submitted for Arrowhead Estates II and III during the 2003 Homeownership Loan Program Cycle for HOME Construction Loans.
- e) On September 19, 2003, Preliminary funding commitments were issued in the amount of \$1,848,000 for each Development.
- f) On March 16, 2004, the Developer provided a memorandum outlining the proposed changes for Arrowhead Estates I, II, and III Developments, which included:
 - (1) Change the General contractor from O.N.E. Construction, Inc. to KB Homes;
 - (2) Reduce the size of the lots from an average width of 60 feet to 42 feet;
 - (3) Reduce the total square footage of the homes, but not to less than what was originally proposed in the applications;
 - (4) Reduce the HOME amount allocated to each house;

HOMEOWNERSHIP LOAN PROGRAM

Action

- (5) Substitute lots for all three phases so that they are all located within the same section of the overall Arrowhead PUD;
 - (6) Re-underwriting of Arrowhead I; and,
 - (7) Use of funds from construction to purchase assistance
- g) The proposed changes were reviewed by the credit underwriter and staff and were approved at the April 2, 2004 Board Meeting.

2. **Present Situation**

On April 20, 2005, the Developer requested that the HOME funds be reallocated, advising of the inability to proceed citing increased construction costs which make affordability and homebuyer qualification an issue. The letter is attached as [Exhibit B](#).

3. **Recommendation**

Staff recommends that HOME funds for Arrowhead Estates I (\$1,740,000); Arrowhead Estates II (\$1,848,000); and Arrowhead Estates III (\$1,848,000), totaling \$4,674,625, be de-obligated and made available for future use in the Homeownership Loan Program.

HOMEOWNERSHIP LOAN PROGRAM

Action

- C. **Authorize Staff to De-obligate HOME Funds for Palm Point / HH03-010 and Vista Lago / HH03-011**

Applicant Name (“Applicant”):	U.S. Development of Orlando, Inc.
Developer/Principal (“Developer”):	Barry Watson
Development Name (“Developments”):	
Palm Point / HH03-010	Vista Lago / HH03-011
Location: Seminole County	Location: Orange County
Number of Units: 62	Number of Units: 38
Allocated Amount: \$1,240,000	Allocated Amount: \$760,000
Type: HOME Purchase Assistance Loan	Type: HOME Purchase Assistance Loan

1. **Background**

- a) The Applicant submitted applications for Palm Point and Vista Lago for the 2003 Homeownership Loan Program.
- b) Both Developments entered credit underwriting in February 2004 and the final credit underwriting reports were approved at the May 5, 2004 Board Meeting.

2. **Present Situation**

On May 12, 2005, the Developer requested that the HOME funds be reallocated, advising of the inability to obtain a waiver from HUD regarding the Davis-Bacon requirements, as well as the rising costs associated with existing bank loans and building materials. The letter is attached as [Exhibit C](#).

3. **Recommendation**

Staff recommends that the HOME funds for Palm Point (\$1,240,000) and Vista Lago (\$760,000), totaling \$2,000,000, be de-obligated and made available for future use in the Homeownership Loan Program.

HOMEOWNERSHIP LOAN PROGRAM

Action

D. Authorize Staff to De-obligate HOME Funds for Taft Scattered Lot Infill / HH03-044

Applicant Name (“Applicant”):	U.S. Development of Orlando, Inc.
Development Name (“Development”):	Taft Scattered Sites
Developer/Principal (“Developer”):	Barry Watson
Number of Units: 50	Location: Orange County
Type: HOME Purchase Assistance Loan	Allocated Amount: \$1,500,000

1. Background

- a) At its July 30, 2004 meeting, the Board approved the final rankings for the 2003-2004 Homeownership Loan Program Supplemental Cycle.
- b) On August 2, 2004, Florida Housing issued an invitation into credit underwriting to the Applicant for a HOME Purchase Assistance Loan in the amount of \$1,500,000 to assist with the financing of 50 newly constructed homes in Orange County.
- c) On September 28, 2004, Florida Housing granted a 60-day extension of time to submit all required information to the credit underwriter.

2. Present Situation

On May 12, 2005, the Developer requested that the HOME funds be reallocated, advising of the inability to acquire all of the lots and a change in the Orange County guidelines on Wetland Determinations. The letter is attached as [Exhibit C](#).

3. Recommendation

Staff recommends that \$1,500,000 in HOME funds for the Taft Scattered Lot Infill Development be de-obligated and made available for future use available for future use in the Homeownership Loan Program.

HOMEOWNERSHIP LOAN PROGRAM

Action

- E. **Authorize Staff to De-obligate HOME Funds for Homes For All, Inc. (Non-Profit) for the Homes For All Development / HH03-042**

Applicant Name (“Applicant”):	Homes For All, Inc. (Non-Profit)
Development Name (“Development”):	Homes For All Development
Developer/Principal (“Developer”):	Robert F. Shellman
Number of Units: 40	Location: Lee County
Type: HOME Purchase Assistance Loan	Allocated Amount: \$1,200,000

1. **Background**

- a) At its July 30, 2004 meeting, the Board approved the final rankings for the 2003-2004 Homeownership Loan Program Supplemental Cycle.
- b) On August 2, 2004, Florida Housing issued an invitation into credit underwriting to the Applicant for a HOME Purchase Assistance Loan in the amount of \$1,200,000 to assist with the financing of 40 newly constructed homes in Lee County.
- c) On September 28, 2004, Florida Housing granted a 60-day extension of time to submit all required information to the credit underwriter.

2. **Present Situation**

On May 25, 2005, the Developer requested that the HOME funds be reallocated citing the inability to obtain additional construction financing and the rising costs of land. The letter is attached as [Exhibit D](#).

3. **Recommendation**

Staff recommends that \$1,200,000 in HOME funds for the Homes For All Development be de-obligated and made available for future use available for future use in the Homeownership Loan Program.

HOMEOWNERSHIP LOAN PROGRAM

Action

F. Request for a Reduction in Units with an Increase in Down Payment Assistance Available to Homebuyers for Ravenswood Forest / HH02-015

Applicant Name (“Applicant”):	Ravenswood Forest Development LLC
Development Name (“Development”):	Ravenswood Forest
Developer/Principal (“Developer”):	Jay Ginn
Number of Units: 81	Location: St. Johns County
Type: HOME Purchase Assistance Loan	Allocated Amount: \$2,110,225

1. Background

- a) At its October 11, 2002 meeting, the Board approved the final rankings for the 2002 Homeownership Loan Program Cycle.
- b) On October 30, 2002, Florida Housing issued an invitation into credit underwriting to the Applicant for a HOME Purchase Assistance Loan in the amount of \$2,110,225 to assist with financing of 81 newly constructed homes in St. Johns County.
- c) The final credit underwriting report, dated April 10, 2003, was approved at the May 2, 2003 Board Meeting.

2. Present Situation

On May 24, 2005, Staff received a letter from the Developer requesting Board approval to reduce the number of units from 81 to 65, while maintaining the same level of funding to maximize the use of HOME dollars for the Homebuyer for up to 25% of the purchase price. Allowing this change would assist the Developer and the Homebuyer in hedging against the unprecedented increases in building material costs and impact fees. The letter is attached as [Exhibit E](#).

3. Recommendation

Staff recommends that the Board approve the Developer’s request to reduce the number of units from 81 to 65, while maintaining the same level of funding to maximize the use of HOME dollars for the homebuyer for up to 25% of the purchase price, subject to review by the credit underwriter / servicer and the appropriate Florida Housing staff.

HOMEOWNERSHIP LOAN PROGRAM

Action

G. Request Approval of a Reduction in Units for Habitat Resources of Duval County, Inc. (Non-Profit) for Brentwood Estates / HH03-007

Applicant Name (“Applicant”):	Habitat Resources of Duval County, Inc. (Non-Profit)
Development Name (“Development”):	Brentwood Estates
Developer/Principal (“Developer”):	Mary Kay O’Rourke
Number of Units: 45	Location: Duval County
Type: HOME Purchase Assistance Loan	Allocated Amount: \$1,944,700

1. Background

- a) The Applicant submitted an application during round one of the 2003 Homeownership Loan Program cycle. The Application scored within the funding range and was invited into credit underwriting on September 19, 2003.
- b) At its March 2, 2003 meeting, the Board approved the final Analytical Review, dated February 19, 2003, and authorized Staff to issue a firm commitment.

2. Present Situation

On April 8, 2005 the Developer submitted a request for approval to reduce the number of units, from 96 to 95, due to the need to accommodate the utility/cable boxes in the Development. The letter is attached as [Exhibit F](#).

3. Recommendation

Staff recommends that the Board approve the Developer’s request to decrease the number of units, from 96 to 95, subject to review by the credit underwriter / servicer and the appropriate Florida Housing staff.

HOME RENTAL

Action

IV. HOME RENTAL

A. Authority to Develop Request for Proposals for Farmworker and Special Needs Hurricane Programs

1. Background

- a) In February 2005, the Hurricane Housing Work Group issued a series of recommendations to assist with housing recovery efforts. The Work Group recommendations included funding for several programs, including the following:
 - (1) A Farmworker Housing Recovery Program that would finance creative housing options for migrant farmworker housing in areas where farmworker housing was devastated by the 2004 storms;
 - (2) A Special Housing Assistance and Development Program that would provide financing for housing to serve Florida's most vulnerable residents.
- b) The Legislature appropriated funding for the Hurricane Housing Recovery Program for local implementation and the Rental Recovery Loan Program to be used mainly with the existing private activity bond allocation for rental developments. No funding was appropriated for the above two programs.

2. Present Situation

- a) Staff has determined that HOME funds could be used for a Farmworker Recovery Program and Special Housing Assistance and Development Program. The HOME program can provide the flexible loan terms that were recommended by the Hurricane Housing Work Group to meet the rental needs of these households with limited incomes. Staff believes that a Request for Proposals process is the best mechanism to use for the funding process because of its flexibility.
- b) To establish the resources available to fund the developments resulting from the Request for Proposals, FHFC reviewed the HOME funds and allocation available during the period of time these developments will be funded. Florida Housing identified \$20,000,000 of HOME that is, or will be, available to fund the demonstration developments during the application period.

3. Recommendation

Authorize Florida Housing staff to begin the Request for Proposals process to use HOME funds in a hurricane housing recovery program targeted to migrant farmworkers and households with special needs in areas devastated by the 2004 hurricanes.

MINUTES

Action

V. MINUTES

- A. Consider Approval of the April 22, 2005, [Board of Directors' Meeting Minutes](#).

PREDEVELOPMENT LOAN PROGRAM

Action

VI. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request approval to allow Carrfour Supportive Housing to exceed the two (2) outstanding PLP loan limit imposed by Rule Chapter 67-38, F.A.C. by allowing submission of a PLP application for MLK Liberty Tower

1. Background

Effective February 3, 2005, Rule Chapter 67-38.002 (1), F.A.C. was amended to limit the number of outstanding PLP loans that an Applicant may have at any given time. This rule amendment was adopted as a tool to address the limited resources, inherent risks and increase in popularity of the PLP. Developments are at their highest level of risk during the predevelopment stage. By spreading resources over a larger number of diverse applicants, Florida Housing mitigates its risk. It was further determined that pooling of a large percentage of PLP funds among only a few applicants could prevent other non-profit organizations with limited resources and capacity from being able to access the funds, especially with more and more organizations becoming familiar with the availability of PLP funding.

2. Present Situation

- a) On May 18, 2005, staff received a facsimile from Carrfour Supportive Housing (Carrfour) requesting the allowance of a new PLP application in addition to an already outstanding loan and a pending application ([Exhibit A](#)).
- b) Carrfour has worked successfully in the PLP. All of Carrfour's current and satisfied PLP loans have remained in good standing throughout their terms. The two satisfied loans have demonstrated a track record of successfully matriculating through to other Florida Housing programs, thus ensuring payoff of the original PLP loans.
- c) Due to Carrfour's past performance in the PLP, staff believes there is minimal risk attached to the approval of a third PLP application. Additionally, the satisfaction of the Royalton Apartments PLP loan is anticipated in September of this year. Carrfour has shown its capacity to use and recycle PLP funds in the exact manner envisioned by this program.

3. Recommendation

In accordance with Rule Chapter 67-38.002(1), approve Carrfour Supportive Housing's request to allow three (3) outstanding PLP loans.

PROFESSIONAL SERVICES SELECTION (PSS)

Action

VII. PROFESSIONAL SERVICES SELECTION

A. Market Study Services Request for Qualifications (RFQ)

1. Background

a) As a result of needing market study services from time to time, Florida Housing issued an RFQ in 2002 for these services. At its June 21, 2002 meeting Florida Housing's Board of Directors approved a provider list that included the following entities:

- (1) Realvest Appraisal Services
- (2) SPG Planvest
- (3) Integra Realty Services
- (4) Land Research Management
- (5) Prior & Associates
- (6) Novogradac & Company
- (7) Howard & Associates

b) Pursuant to the RFQ the providers selected were approved to perform market studies as requested by Florida Housing for a term of three (3) years, beginning with the date that the Board made the selection.

2. Present Situation

- a) Effective June 21, 2005 the list of approved market study providers will expire.
- b) Florida Housing staff has a continuing need to commission market studies for information about various affordable housing markets and sub-markets throughout the state. The information will be used to identify areas of the state in which various types of affordable housing will be encouraged or discouraged.
- c) Fla. Admin. Code, R. 67-49.002(b) provides that when the purchase price of commodities or contractual services exceeds or is estimated to exceed \$25,000 in any twelve (12) month period, purchases of these commodities or contractual services, except as otherwise provided in subsection 67-49.002(4),(5) and (6), must be made pursuant to an Invitation to Bid, Invitation to Negotiate, Request for Proposals, or Request for Qualifications.
- d) Because these studies probably will cost in excess of \$25,000 in any twelve month period, the rule requires that Florida Housing procure these services through a competitive process.

3.

PROFESSIONAL SERVICES SELECTION (PSS)

Action

Recommendation

Authorize staff to begin the RFQ process, and establish a review committee to make recommendations to the Board on a pool of market study providers from which Florida Housing staff may choose from to provide market study services.

PROFESSIONAL SERVICES SELECTION (PSS)

Action

B. Management Company Services Request for Qualifications (RFQ)

1. Background

- a) At its October 10, 2002 meeting Florida Housing's Board selected the top seven (7) Offerors to provide management company services on an as needed basis. The list of providers selected included the following entities:
 - (1) Lane Company
 - (2) Royal American Management
 - (3) Reliance Management Services, Inc.
 - (4) CT Associates, Inc.
 - (5) Gatehouse Management, Inc.
 - (6) Carlisle Property Management
 - (7) Professional Management of Central Florida, Inc.
- b) Pursuant to the RFQ the providers selected were approved to perform management company services as needed for a term of three (3) years, beginning with the date that the Board made the selection. However, Florida Housing may at any time issue a new RFQ, or similar solicitation, to supplement or replace the list established through the RFQ.

2. Present Situation

- a) Effective October 10, 2005, the list of management company providers will expire.
- b) Florida Housing staff has a continuing need to have a pool of management companies to provide these services should the need arise.

3. Recommendation

Authorize staff to begin the RFQ process, and establish a review committee to make recommendations to the Board on a pool of management companies from which Florida Housing staff may choose from to provide management company services.

PROFESSIONAL SERVICES SELECTION (PSS)

Action

C. Cash Flow Verification Agent Services

1. Background

- a) At its May 21, 2004 meeting Florida Housing' Board of Directors authorized staff to begin the RFP process for cash flow verification services and establish a review committee.
- b) The solicitation process was initiated and Request for Proposals (RFP) 2005-01 was issued on February 18, 2005. Proposals were due on or before 2:00 p.m., Friday, March 18, 2005.
- c) Two responses were received. They are as follows:
 - (1) Causey Demgen & Moore Inc.
 - (2) Dufresne & Associates, CPA, PA

2. Present Situation

- a) The Review Committee members, designated by the Executive Director, are Melanie Weathers, Bond Administrator, Raymond Anderson, Bond Administration Manager, Kevin Pichard, Assistant Director of Guarantee Program, Shannon Rivera, Multifamily Bonds Manager, and David Woodward, Multifamily Bonds Manager.
- b) Each member of the Review Committee individually reviewed the proposals prior to convening for the Review Committee meetings. The first Review Committee meeting was held on May 3, 2005. The second Review Committee meeting was held on May 27, 2005. Results of the Review Committee's evaluation of the scored items are provided as [Exhibit A](#).

3. Recommendation

The Review Committee recommends that the Board authorize staff to enter into contract negotiations with Causey Demgen & Moore, Inc., contingent upon receipt of documentation of staff covered under their professional liability errors and omissions insurance.

PROFESSIONAL SERVICES SELECTION (PSS)

Action

D. Guaranteed Investment Contract (GIC) Broker Services

1. Background

- a) In November and December 2001 Florida Housing entered into contracts for GIC Broker Services with the following firms:
 - (1) Capital Financial Partners, Inc. jointly with Tradition (North America) Inc. effective November 13, 2001
 - (2) Chambers, Dunhill, Rubin & Co. effective December 3, 2001
 - (3) Kane Capital Strategies, Inc. effective December 10, 2001
 - (4) PK Advisors, Inc. and PackerKiss Securities, Inc. effective November 30, 2001
- b) The term of the contracts ended two (2) years from the effective dates with an option to renew, on a yearly basis, for a period of up to two (2) years after the expiration of the initial term.
- c) At its June 20, 2003 meeting Florida Housing's Board authorized staff to proceed with the contract renewal process for each provider for one (1) year.
- d) At its October 14, 2005 meeting Florida Housing's Board authorized staff to proceed with the final one (1) year renewal.

2. Present Situation

- a) In December 2005 and February 2006 the current contracts will expire.
- b) Pursuant to Part V, Chapter 420, Florida Statutes, Florida Housing issues revenue bonds to finance the development of affordable housing, to make funds available to people in Florida to help them buy a home, to capitalize the Florida Affordable Housing Guarantee Program, to refinance prior bond issues of Florida Housing, and for such other purposes as may be permitted by law. Florida Housing issues bonds that are exempt from federal income tax and bonds that are not exempt from federal income tax. Florida Housing issues bonds through competitive and negotiated sales, including private placements.
- c) Florida Housing staff has a continuing need to utilize the services of GIC Brokers to perform the following services:
- d) Perform an analysis of the bond issue's financial structure and the language in the financing and bond documents stipulating the permitted investments.
- e) Prepare a preliminary bid list of potential investment contract providers for approval from the financing team selected by Florida Housing.
- f) Distribute the approved request for bids with any other requested information to potential bidders.

PROFESSIONAL SERVICES SELECTION (PSS)

Action

- g) Receive bids on behalf of Florida Housing from all bidders, evaluate any conditions to the bids and ensure all bids conform to the bid specifications.
- h) Receive and review the investment contract and work with the winning bidder's attorney and the financing team selected by Florida Housing to ensure the investment contract conforms to the specifications of the requested financing structure.

3. Recommendation

Staff believes that it is in the best interests of Florida Housing to continue to utilize the services of GIC Brokers, and recommends that the Board authorize staff to begin the RFP process for these services and establish a review committee to make recommendations to the Board.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Action

VIII. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Demographic Relief of Farmworker Set-Aside for Crossings at Cape Coral Apartments, Cycle XI, (99S-060)

Development Name: Crossings at Cape Coral Apartments (“Development”)	Location: Lee County
Developer/Principal CDC Crossings GP, LLC, (“Developer”)	Set-Aside:50% @ 50% AMI and 40% @ 60% AMI
Number of Units: 168	Allocated Amount: \$1,578,824
Type: Garden Style Buildings	Total Housing Credit Equity: \$4,329,037
Demographics: Family/Farmworker	
MMRB: \$6,880,000 Local	

1. Background

- a) On August 18, 2000, the Loan closed in the amount of \$1,578,824 for the development of this 168-unit Farmworker/Family development in Lee County.
- b) On March 7, 2002, the Board approved the Developer’s request to waive the farmworker requirement for a period of three years and imposed more restrictive rent limits than those included in the original Land Use Restriction Agreement. At that time the Developer further committed to provide a library area with 5 magazine subscriptions and a gated entrance which meets the requirement for demographic relief pursuant to Rule 67-48, Florida Administrative Code. The waiver was set to expire on March 7, 2005.
- c) On March 4, 2005, the Board approved that the waiver be extended until June 10, 2005 and that the credit underwriter provide Florida Housing with a review of the development and its market status for further consideration.
- d) On May 26, 2005, staff received a credit underwriting review of the request to waive the farmworker set-aside and confirmed that there is minimal unmet demand for farmworker housing ([Exhibit A](#)). Additionally, while serving family demographics the occupancy rates are strong, currently in excess of 95%. While complying with the rent restrictions imposed in 2002, this development has experienced operating losses which have been funded by Transom Development, a subsidiary of SunTrust Community Development Corporation.

2. Recommendation

Approve permanent relief from the farmworker demographic commitment, remove the rent restriction that was imposed in 2002 and direct staff to amend the LURA subject to Developer continuing to provide the additional amenities shown above.

UNIVERSAL CYCLE

Action

IX. UNIVERSAL CYCLE

A. 2006 Universal Cycle

1. Background/Present Situation

- a) A public meeting will be held following the August 25, 2006, Board meeting to solicit comments concerning Rule Chapters 67-21 and 67-48, F.A.C., and the 2005 Universal cycle.
- b) Staff would like to begin the rule development process by scheduling a rule development workshop in mid-September 2006.

2. Recommendation

Authorize staff to proceed with the 2006 rule development process.