

**FLORIDA HOUSING FINANCE CORPORATION**  
**Board Meeting**  
July 28, 2006  
Consent Items



# HOME RENTAL

## *Consent*

### I. HOME RENTAL

#### A. Request Approval to Extend HOME Loan Closing Deadline for Pueblo Bonito III (2004-016H)

<b>Development Name: Pueblo Bonito III (“Development”)</b>	<b>Location: Lee County</b>
<b>Developer/Principal: National Development of America, LLC (“Developer”)</b>	<b>Set-Aside: 20% @ 50% AMI / 80% @ 60% AMI</b>
<b>Number of Units: 30</b>	<b>Allocated Amount: \$2,450,000</b>
<b>Type: Duplex/NC</b>	<b>MMRB: N/A</b>
<b>Demographics: Family</b>	

#### 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 \$2,450,000 for this 30-unit family development in Lee County.
- c) On April 21, 2006, 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 May 2, 2006, staff issued a firm commitment letter for a HOME loan in an amount up to \$2,450,000. Pursuant to Rule 67-48, F.A.C., the loan must close within 60 days of issuance of the firm commitment letter.
- e) On June 20, 2006, staff received a letter from the Developer requesting a loan closing extension of 60 days due to the inability to obtain final soil borings for the site, a Florida Housing condition of the loan closing ([Exhibit A](#)).

#### 2. Recommendation

Approve the Developer’s request to extend the loan closing deadline until September 1, 2006.

## HOME RENTAL

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**B. Request Approval for Additional Funding from St. Johns County SHIP Funds for Maxwell Manor Phase II (2003-133H)**

<b>Development Name: Maxwell Manor Phase II (“Development”)</b>	<b>Location: St. Johns County</b>
<b>Developer/Principal: Halo Homes, LLC (“Developer”)</b>	<b>Set-Aside: 22% @ 50% AMI / 78% @ 60% AMI</b>
<b>Number of Units: 36</b>	<b>Allocated Amount: \$2,496,000</b>
<b>Type: Townhome/NC</b>	<b>MMRB: N/A</b>
<b>Demographics: Family</b>	

**1. Background/Present Situation**

- a) On January 20, 2006 the Board approved the final credit underwriting report and directed staff to proceed with issuance of a firm loan commitment and loan closing activities. A firm loan commitment was issued on January 24, 2006, with a closing deadline of March 27, 2006.
- b) On March 27, 2006, staff received a HOME loan closing letter from the Credit Underwriter approving the final sources and uses of funds and construction draw schedule subject to post-closing conditions of the Borrower.
- c) On April 21, 2006, the Board approved the conveyance of a small portion of the encumbered development site due to a building of Maxwell Manor Phase I encroaching on Phase II subject to review of revised survey and legal description by AmeriNational and Adorno & Voss, LLP.
- d) On June 26, 2006, the revised survey and legal description were found to be satisfactory by Legal Counsel.
- e) On June 22, 2006, staff received a letter from the Developer requesting approval for additional funding from the St. Johns County SHIP Funds ([Exhibit B](#)). Pursuant to Rule Chapter 67-48.020 (13) F.A.C.; the Applicant shall not refinance, increase the principal amount, or alter any terms of conditions of any mortgage superior or inferior to the HOME mortgage without prior approval of the Corporation’s Board of Directors.
- f) On July 5, 2006, staff received a positive recommendation from the credit underwriter for an increase in the loan amount from St. Johns County Ship Funds for Maxwell Manor Phase II ([Exhibit C](#)).

**2. Recommendation**

Approve the Developer’s request for additional funding from the St. Johns County SHIP Funds.

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**II. LEGAL**

**A. In Re: Casa San Juan Bosco, Inc.  
FHFC Case No. 2006-008VW**

<b>Development Name: (“Development”):</b>	<b>Casa San Juan Bosco</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Casa San Juan Bosco, Inc.</b>
<b>Number of Units: 147</b>	<b>Location: DeSoto County</b>
<b>Type: duplexes</b>	<b>Set Asides: 71% @ 50% AMI</b>
<b>Demographics: Farmworker</b>	<b>SAIL: \$2,000,000</b>
<b>MMRB: N/A</b>	<b>Housing Credits: N/A</b>

**1. Background**

- a) Pursuant to “The Development and Rehabilitation of Farmworker Housing” Request for Proposal #2004-11 (“RFP”), Florida Housing awarded an allocation of \$2,000,000 in State Apartment Incentive Loan Program (SAIL) funding to Petitioner to construct a 44-unit farmworker housing project in DeSoto County, Florida (“Development”). Petitioner did not obtain funding from the 2005 Universal Cycle for the San Juan Bosco Development.
- b) On June 20, 2006, Florida Housing received a “Petition for Waiver of Rule 67-48.004(14)(m), Florida Administrative Code” (“Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit A](#).
- c) Rule 67-48.004(14)(m), Florida Administrative Code (2004), states in pertinent part:

Notwithstanding any other provision of these rules, there are certain items that must be included in the Application and cannot be revised, corrected or supplemented after the Application Deadline....those items are as follows:

(m) Funding request;

- d) Petitioner requests a waiver of Rule 67-004(14)(m) to permit a change in the funding request. Specifically, Petitioner wishes to change the current funding request of \$2,000,000.00 to request an additional \$2,000,000.00 for a total funding request of \$4,000,000.00.

**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.

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- b) In 2006, The Universal Cycle Application Instructions allowed End-of-the-Line SAIL funding for developers to obtain additional SAIL funding, provided that the initial allocation of SAIL funds occurred through the 2005 Universal Cycle. Developments located in DeSoto County, Florida could obtain SAIL funding in an amount not to exceed four million dollars (\$4,000,000.00).

### 3. **Recommendation**

Staff recommends the Board grant the Petitioner's request for a waiver of Rule 67-48.004(14)(m), Florida Administrative Code. Petitioner demonstrated that a waiver of the above Rules is necessary and that denial thereof would create a substantial hardship for Petitioner or violates principles of fairness, in that Petitioner will be precluded from obtaining additional financing that Petitioner would be otherwise eligible to obtain had Petitioner been allowed to participate in the 2005 Universal Cycle. The granting of a waiver of the aforementioned rules would serve the purpose of the underlying statute, Chapter 420, Part V, Fla. Stat., in that it would further the goal of facilitating the availability of decent, safe and sanitary housing in the State of Florida to farmworker households. Strict application of Rule 67-48.004(14)(m), will create a substantial hardship for Petitioner, as Petitioner demonstrated that it will pay over two million dollars in unanticipated costs associated with supplying water and waste water to the Development. Without the waiver, this unanticipated expense will make it impossible to complete the Development on time and within budget.

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### B. In Re: McCurdy Center, Ltd.

<b>Development Name: (“Development”):</b>	<b>McCurdy Center (2005-106CS)</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Greater Miami Neighborhoods, Inc./McCurdy Senior Housing Corporation</b>
<b>Number of Units: 92</b>	<b>Location: Belle Glade/Palm Beach County</b>
<b>Type: Garden Apartments</b>	<b>Set Aside: 24% @ 30%/76% @ 60%</b>
<b>Demographics: Homeless</b>	<b>Allocated Amount: \$1,750,000 SAIL</b>
<b>MMRB:</b>	<b>Housing Credits: \$1,363,350</b>

#### 1. Background

- a) During the 2005 Universal Cycle, Florida Housing awarded an allocation of SAIL funds and Housing Credits to McCurdy Center, Ltd. (“Petitioner”). On June 27, 2006, Florida Housing received a “Petition for Waiver of Rule 67-48.028(3)” (“Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit B](#).
- b) Rule 67-48.028(3), Florida Administrative Code (2005), states in pertinent part:

All supporting Carryover documentation and the signed certification evidencing the required basis must be submitted to the Corporation within six months of the date of execution of the Carryover Allocation Agreement or the Housing Credits will be deemed to be returned.
- c) Petitioner requests a waiver of the above requirement to permit the late submission of the supporting documentation regarding site control.
- d) On July 7, 2006 the Notice of Petition was published in the Florida Administrative Weekly. To date, Florida Housing has not received any comments concerning the Petition.

#### 2. Present Situation

- a) Petitioner requests a waiver of the requirement that supporting documentation be submitted within six months of the execution of the Carryover Allocation Agreement (“Agreement”), specifically documents evidencing site control of the subject real property. Per section 5.a.(ii) of the Agreement (dated December 21, 2005), Petitioner was to submit such documentation to Florida Housing within six months: on or about June 19, 2005.
- b) Petitioner has been unable to meet this requirement due to circumstances beyond its control. Subsequent to Petitioner’s submission of its application for Housing Credits, it was determined that the approval of the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida (“State”) would be required in order to modify a deed restrictions encumbering the subject real property. Such approval was not obtained until May 31, 2006. Petitioner was unable to acquire the property until the deed restrictions were modified, and has diligently attempted to close on the property since the modification of the deed restrictions, but was unable to do so before the June 21, 2006 deadline imposed by the Carryover Allocation Agreement and Rule 67-48.028(3), Florida Administrative Code (2005). Petitioner asserts that strict application of the rule under such circumstances, an in special consideration of the difficulty in

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developing this homeless development, would result in substantial hardship, as the return of the housing credits would make the Development no longer financially viable. Also, under the terms of the Carryover Allocation Agreement, Petitioner is still obligated to complete construction of the Development before December 31, 2007.

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

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

### 3. **Recommendation**

Staff recommends the Board grant the Petitioner's request for a waiver of Rule 67-48.028(3), Florida Administrative Code (2005), to the following extent: extension of the deadline to submit required site control documentation by sixty (60) days, and amendment of the Carryover Allocation Agreement to reflect this extension.

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### C. In re: Royal Palms Senior Apartments, Limited Partnership

<b>Development Name: (“Development”):</b>	<b>Royal Palms Senior Apartments</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Royal Palms, Limited Partnership</b>
<b>Number of Units: 96</b>	<b>Location: Brevard County</b>
<b>Type: multifamily</b>	<b>Set Aside: 40% @ 60%</b>
<b>Demographics: Elderly</b>	<b>Allocated Amount: n/a</b>
<b>MMRB: n/a</b>	<b>Housing Credits: \$990,147</b>

#### 1. Background

- a) During the 2005 Universal Application Cycle, Florida Housing awarded an allocation of housing credits to Royal Palms Senior Apartments, Limited Partnership, in connection with the Development known as Royal Palms Senior Apartments, a 96-unit multifamily rental complex intended to serve the Elderly demographic in Brevard County, Florida (“Development”).
- b) On June 28, 2006, Florida Housing received a Petition for “Waiver of Rule 67-48.004(1)(a), 67-48.004(14) and (15)” (“Petition”), from Royal Palms Senior Apartments, Limited Partnership (“Petitioner”). On July 12, 2006, Florida Housing received an “Amended Petition for “Waiver of Rule 67-48.004(1)(a), 67-48.004(14) and (15)” (“Amended Petition”), from Petitioner. A copy of the Amended Petition is attached as [Exhibit C](#).
- c) Petitioner seeks a waiver of the rule that prohibits changes in the identity of an applicant’s ownership structure and an applicant’s developer. Petitioner seeks to modify the ownership interest of its sole member, RLI Beneficial Holdings 2005 LLC, to its General Partner, Beneficial Royal Palms Senior Apartments LLC, and to modify the Developer entity.
- d) On July 7, 2006, the Notice of Petition was published in the Florida Administrative Weekly in Volume 32, Number 27.
- e) On July 6, 2006, Florida Housing received one comment concerning the Petition. The equity syndicator to Petitioner advised that without the granting of the waiver, it will not be able to close or fund this Development. A copy of the letter is attached as [Exhibit D](#).

#### 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.

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- b) Rule 67-48.004(1)(a) incorporates the “Universal Application Package” and adopts the Universal Application Instructions. Part II.A.2.a(1) provides in part:

“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.”

- c) The Universal Application Instructions. Part II.B.1 provides in part:

Developer or principal of Developer (Threshold)

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

- d) Rule 67-48.004(14) Fla. Admin. Code provides in 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. Failure to submit these items in the Application at the time of the Application Deadline shall result in rejection of the Application without opportunity to submit additional information. Any attempted changes to these items will not be accepted. Those items are as follows:

- (a) Name of the Applicant;
- (b) Identity of each Developer, including all co-Developers;...”

- e) Rule 67-48.004(15), Florida Administrative Code provides 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.

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#### 3. **Recommendation**

Staff recommends that the Board grant the waiver of Rule 67-48.004(1)(a), Rule 67-48.004(14) and (15). Petitioner demonstrated that changing the ownership structure and Developer will not impact the Development. Petitioner demonstrated that the Developer has the required experience to develop and complete the Development. The purpose of the underlying statute will be served by granting this waiver, in that granting this waiver request will further Florida Housing's statutory mandate to provide safe, sanitary and affordable housing to the citizens of Florida. Moreover, not granting this waiver will create a substantial hardship for Petitioner. Petitioner demonstrated that denial of this relief would result in a substantial hardship as Petitioner's tax credit syndicator will not proceed forward with an equity closing and permit commencement of construction until as such time as such relief is granted.

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### D. In re: Oaks at Stone Fountain, Limited Partnership

<b>Development Name: (“Development”):</b>	<b>Oaks at Stone Fountain</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Oaks at Stone Fountain, Limited Partnership</b>
<b>Number of Units: 80</b>	<b>Location: Hillsborough County</b>
<b>Type: garden</b>	<b>Set Aside: 40% @ 60%</b>
<b>Demographics: Family</b>	<b>Allocated Amount: n/a</b>
<b>MMRB: n/a</b>	<b>Housing Credits: \$876,458</b>

#### 1. Background

- a) During the 2005 Universal Application Cycle, Florida Housing awarded an allocation of housing credits to Oaks at Stone Fountain, Limited Partnership, in connection with the Development known as Oaks at Stone Fountain, an 80-unit multifamily rental complex intended to serve the Family demographic in Hillsborough County, Florida (“Development”).
- b) On June 28, 2006, Florida Housing received a Petition for “Waiver of Rule 67-48.004(1)(a), 67-48.004(14) and (15)” (“Petition”), from Oaks at Stone Fountain, Limited Partnership (“Petitioner”). On July 12, 2006, Florida Housing received an “Amended Petition for “Waiver of Rule 67-48.004(1)(a), 67-48.004(14) and (15)” (“Amended Petition”), from Petitioner. A copy of the Amended Petition is attached as [Exhibit E](#).
- c) Petitioner seeks a waiver of the rule that prohibits changes in the identity of an applicant’s ownership structure and an applicant’s developer. Petitioner seeks to modify the ownership interest of its sole member, RLI Beneficial Holdings 2005 LLC, to its General Partner, Beneficial Oaks at Stone Fountain, LLC, and to modify the Developer entity.
- d) On July 7, 2006, the Notice of Petition was published in the Florida Administrative Weekly in Volume 32, Number 27.
- e) On July 6, 2006, Florida Housing received one comment concerning Petitioner’s related Amended Petitions. The equity syndicator to Petitioner’s other Developments advised that without the granting of the waiver to those Amended Petitions, it will not be able to close or fund those Developments. A copy of the letter is attached as [Exhibit F](#).

#### 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.

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- b) Rule 67-48.004(1)(a) incorporates the “Universal Application Package” and adopts the Universal Application Instructions. Part II.A.2.a(1) provides in part:

“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.”

- c) The Universal Application Instructions. Part II.B.1 provides in part:

Developer or principal of Developer (Threshold)

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

- d) Rule 67-48.004(14) Fla. Admin. Code provides in 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. Failure to submit these items in the Application at the time of the Application Deadline shall result in rejection of the Application without opportunity to submit additional information. Any attempted changes to these items will not be accepted. Those items are as follows

- (a) Name of the Applicant;
- (b) Identity of each Developer, including all co-Developers;...”

- e) Rule 67-48.004(15), Florida Administrative Code provides 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.

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#### 3. **Recommendation**

Staff recommends that the Board grant the waiver of Rule 67-48.004(1)(a), Rule 67-48.004(14) and (15). Petitioner demonstrated that the ownership structure and Developer entity is the same for all five of Petitioner's Developments (and Amended Petitions) and that changing the ownership structure and Developer will not impact the Development. Petitioner demonstrated that the Developer has the required experience to develop and complete the Development. The purpose of the underlying statute will be served by granting this waiver, in that granting this waiver request will further Florida Housing's statutory mandate to provide safe, sanitary and affordable housing to the citizens of Florida. Moreover, not granting this waiver will create a substantial hardship for Petitioner. Petitioner demonstrated that denial of this relief would result in a substantial hardship as Petitioner's tax credit syndicator to its other Developments will not proceed forward with an equity closing and permit commencement of construction until as such time as such relief is granted. Further, unless the waiver is granted for this Development, Petitioner will be in violation of Florida Housing's rules and will be disqualified from funding of this Development.

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### E. In re: Pebble Hill Estates, Limited Partnership

<b>Development Name: (“Development”):</b>	<b>Pebble Hill Estates</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Pebble Hill Estates, Limited Partnership</b>
<b>Number of Units: 80</b>	<b>Location: Jackson County</b>
<b>Type: single-family rental</b>	<b>Set Aside: 40% @ 60%</b>
<b>Demographics: Family</b>	<b>Allocated Amount: n/a</b>
<b>MMRB: n/a</b>	<b>Housing Credits: \$941,011</b>

#### 1. Background

- a) During the 2005 Universal Application Cycle, Florida Housing awarded an allocation of housing credits to Pebble Hill Estates, Limited Partnership, in connection with the Development known as Pebble Hill Estates, an 80-unit single-family rental complex intended to serve the Family demographic in Jackson County, Florida (“Development”).
- b) On June 28, 2006, Florida Housing received a Petition for “Waiver of Rule 67-48.004(1)(a), 67-48.004(14) and (15)” (“Petition”), from Pebble Hill Estates, Limited Partnership (“Petitioner”). On July 12, 2006, Florida Housing received an “Amended Petition for “Waiver of Rule 67-48.004(1)(a), 67-48.004(14) and (15)” (“Amended Petition”), from Petitioner. A copy of the Amended Petition is attached as [Exhibit G](#).
- c) Petitioner seeks a waiver of the rule that prohibits changes in the identity of an applicant’s ownership structure and an applicant’s developer. Petitioner seeks to modify the ownership interest of its sole member, RLI Beneficial Holdings 2005 LLC, to its General Partner, Beneficial Pebble Hill Estates, LLC, and to modify the Developer entity.
- d) On July 7, 2006, the Notice of Petition was published in the Florida Administrative Weekly in Volume 32, Number 27.
- e) On July 6, 2006, Florida Housing received one comment concerning the Petition. The equity syndicator to Petitioner advised that without the granting of the waiver, it will not be able to close or fund this Development. A copy of the letter is attached as [Exhibit H](#).

#### 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.

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- b) Rule 67-48.004(1)(a) incorporates the “Universal Application Package” and adopts the Universal Application Instructions. Part II.A.2.a(1) provides in part:

“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.”

- c) The Universal Application Instructions. Part II.B.1 provides in part:

Developer or principal of Developer (Threshold)

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

- d) Rule 67-48.004(14) Fla. Admin. Code provides in 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. Failure to submit these items in the Application at the time of the Application Deadline shall result in rejection of the Application without opportunity to submit additional information. Any attempted changes to these items will not be accepted. Those items are as follows:

- (a) Name of the Applicant;
- (b) Identity of each Developer, including all co-Developers;...”

- e) Rule 67-48.004(15), Florida Administrative Code provides 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.

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#### 3. **Recommendation**

Staff recommends that the Board grant the waiver of Rule 67-48.004(1)(a), Rule 67-48.004(14) and (15). Petitioner demonstrated that changing the ownership structure and Developer will not impact the Development. Petitioner demonstrated that the Developer has the required experience to develop and complete the Development. The purpose of the underlying statute will be served by granting this waiver, in that granting this waiver request will further Florida Housing's statutory mandate to provide safe, sanitary and affordable housing to the citizens of Florida. Moreover, not granting this waiver will create a substantial hardship for Petitioner. Petitioner demonstrated that denial of this relief would result in a substantial hardship as Petitioner's tax credit syndicator will not proceed forward with an equity closing and permit commencement of construction until as such time as such relief is granted.

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#### F. In re: Pines at Warrington, Limited Partnership

<b>Development Name: (“Development”):</b>	<b>Pines at Warrington Apartments</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Pines at Warrington, Limited Partnership</b>
<b>Number of Units: 160</b>	<b>Location: Escambia County</b>
<b>Type: Garden</b>	<b>Set Aside: 40% @ 60%</b>
<b>Demographics: Family</b>	<b>Allocated Amount: n/a</b>
<b>MMRB: n/a</b>	<b>Housing Credits: \$1,364,924</b>

#### 1. Background

- a) During the 2005 Universal Application Cycle, Florida Housing awarded an allocation of housing credits to Pines at Warrington, Limited Partnership, in connection with the Development known as Pines at Warrington Apartments, a 160-unit multi-family rental complex intended to serve the Family demographic in Escambia County, Florida (“Development”).
- b) On June 28, 2006, Florida Housing received a Petition for “Waiver of Rule 67-48.004(1)(a), 67-48.004(14) and (15)” (“Petition”), from Pines at Warrington, Limited Partnership (“Petitioner”). On July 12, 2006, Florida Housing received an “Amended Petition for “Waiver of Rule 67-48.004(1)(a), 67-48.004(14) and (15)” (“Amended Petition”), from Petitioner. A copy of the Amended Petition is attached as [Exhibit I](#).
- c) Petitioner seeks a waiver of the rule that prohibits changes in the identity of an applicant’s ownership structure and an applicant’s developer. Petitioner seeks to modify the ownership interest of its sole member, RLI Beneficial Holdings 2005 LLC, to its General Partner, Beneficial Pines at Warrington, LLC, and to modify the Developer entity.
- d) On July 7, 2006, the Notice of Petition was published in the Florida Administrative Weekly in Volume 32, Number 27.
- e) On July 6, 2006, Florida Housing received one comment concerning the Petition. The equity syndicator to Petitioner advised that without the granting of the waiver, it will not be able to close or fund this Development. A copy of the letter is attached as [Exhibit J](#).

#### 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.

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- b) Rule 67-48.004(1)(a) incorporates the “Universal Application Package” and adopts the Universal Application Instructions. Part II.A.2.a(1) provides in part:

“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.”

- c) The Universal Application Instructions. Part II.B.1 provides in part:

Developer or principal of Developer (Threshold)

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

- d) Rule 67-48.004(14) Fla. Admin. Code provides in 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. Failure to submit these items in the Application at the time of the Application Deadline shall result in rejection of the Application without opportunity to submit additional information. Any attempted changes to these items will not be accepted. Those items are as follows:

- (a) Name of the Applicant;
- (b) Identity of each Developer, including all co-Developers;...”

- e) Rule 67-48.004(15), Florida Administrative Code provides 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.

## LEGAL

### *Consent*

#### 3. **Recommendation**

Staff recommends that the Board grant the waiver of Rule 67-48.004(1)(a), Rule 67-48.004(14) and (15). Petitioner demonstrated that changing the ownership structure and Developer will not impact the Development. Petitioner demonstrated that the Developer has the required experience to develop and complete the Development. The purpose of the underlying statute will be served by granting this waiver, in that granting this waiver request will further Florida Housing's statutory mandate to provide safe, sanitary and affordable housing to the citizens of Florida. Moreover, not granting this waiver will create a substantial hardship for Petitioner. Petitioner demonstrated that denial of this relief would result in a substantial hardship as Petitioner's tax credit syndicator will not proceed forward with an equity closing and permit commencement of construction until as such time as such relief is granted.

# LEGAL

## Consent

### G. In re: Oaks at Shannon's Crossing, Limited Partnership

<b>Development Name: ("Development"):</b>	<b>Oaks at Shannon's Crossing</b>
<b>Developer/Principal: ("Developer"):</b>	<b>Oaks at Shannon's Crossing, Limited Partnership</b>
<b>Number of Units: 100</b>	<b>Location: Okeechobee County</b>
<b>Type: Townhomes</b>	<b>Set Aside: 40% @ 60%</b>
<b>Demographics: Family</b>	<b>Allocated Amount: n/a</b>
<b>MMRB: n/a</b>	<b>Housing Credits: \$974,898</b>

#### 1. Background

- a) During the 2005 Universal Application Cycle, Florida Housing awarded an allocation of housing credits to Oaks at Shannon's Crossing, Limited Partnership, in connection with the Development known as Oaks at Shannon's Crossing, a 100-unit multi-family rental complex intended to serve the Family demographic in Okeechobee County, Florida ("Development").
- b) On June 28, 2006, Florida Housing received a Petition for "Waiver of Rule 67-48.004(1)(a), 67-48.004(14) and (15)" ("Petition"), from Oaks at Shannon's Crossing, Limited Partnership ("Petitioner"). On July 12, 2006, Florida Housing received an "Amended Petition for "Waiver of Rule 67-48.004(1)(a), 67-48.004(14) and (15)" ("Amended Petition"), from Petitioner. A copy of the Amended Petition is attached as [Exhibit K](#).
- c) Petitioner seeks a waiver of the rule that prohibits changes in the identity of an applicant's developer. Petitioner seeks to modify the Developer entity.
- d) On July 7, 2006, the Notice of Petition was published in the Florida Administrative Weekly in Volume 32, Number 27.
- e) On July 6, 2006, Florida Housing received one comment concerning Petitioner's related Amended Petitions. The equity syndicator to Petitioner's other Developments advised that without the granting of the waiver to those Amended Petitions, it will not be able to close or fund those Developments. A copy of the letter is attached as [Exhibit L](#).

#### 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.

## LEGAL

### *Consent*

- b) Rule 67-48.004(1)(a) incorporates the “Universal Application Package” and adopts the Universal Application Instructions. The Universal Application Instructions. Part II.B.1 provides in part:

Developer or principal of Developer (Threshold)

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

- c) Rule 67-48.004(14) Fla. Admin. Code provides in 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. Failure to submit these items in the Application at the time of the Application Deadline shall result in rejection of the Application without opportunity to submit additional information. Any attempted changes to these items will not be accepted. Those items are as follows:

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

- d) Rule 67-48.004(15), Florida Administrative Code provides 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.

### 3. Recommendation

Staff recommends that the Board grant the waiver of Rule 67-48.004(1)(a), Rule 67-48.004(14) and (15). Petitioner demonstrated that the ownership structure and Developer entity is the same for all five of Petitioner’s Developments (and Amended Petitions) and that changing the ownership structure and Developer will not impact the Development. Petitioner demonstrated that the Developer has the required experience to develop and complete the Development. The purpose of the underlying statute will be served by granting this waiver, in that granting this waiver request will further Florida Housing’s statutory mandate to provide safe, sanitary and affordable housing to the citizens of Florida. Moreover, not granting this waiver will create a substantial hardship for Petitioner. Petitioner demonstrated that denial of this relief would result in a substantial hardship as Petitioner’s tax credit syndicator to its other Developments will not proceed forward with an equity closing and permit commencement of construction until as such time as such relief is granted. Further, unless the waiver is granted for this Development, Petitioner will be in violation of Florida Housing’s rules and will be disqualified from funding of this Development.

**LEGAL**

*Consent*

**H. In Re: Creative Choice Homes XXIX, Ltd.**

<b>Development Name: (“Development”):</b>	<b>Mariner’s Landing Apartments (2003-023CS)</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Creative Choice Homes, Inc.</b>
<b>Number of Units: 112</b>	<b>Location: Lee County</b>
<b>Type: Garden Apartments</b>	<b>Set Aside: 40% @ 60%/60% @ 50%</b>
<b>Demographics: Elderly</b>	<b>Allocated Amount: \$ 860,000SAIL</b>
<b>MMRB:</b>	<b>Housing Credits: \$825,000</b>

**1. Background**

a) During the 2003 Universal Cycle, Florida Housing awarded an allocation of SAIL funds and Housing Credits to Creative Choice Homes XXIX, Ltd. (“Petitioner”). On May 9, 2006, Florida Housing received an “Amended Petition for Variance and Waiver from Rules 67-48.004(14)(1), 67-48.009(4), 67-48.012(g) and Part V.A.1 of the Universal Application Instructions (Rev. 4-03) Incorporated by Reference into Rule 67-48.002(111)” (the “Amended Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit M](#).

b) Rule 67-48.004(14)(1), 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 change to these items will not be accepted. Those items are as follows:

\* \* \*

(1) Funding Request (except for Taxable Bonds) amount;

\* \* \*

c) Rule 67-48.009(4), Florida Administrative Code (2003). states in pertinent part:

(4) Applicants cannot request additional SAIL funding for the same Development, unless otherwise specified in the Universal Application.

## LEGAL

### *Consent*

- d) Rule 67-48.002(111), Florida Administrative Code (2003) defines and incorporates by reference the “Universal Application Package” (Rev. 4-03), which includes the Instructions for completing the Application. Petitioner seeks a variance from Part V.A.1 of the 2003 Universal Application Instructions which limits the SAIL request amount of Medium County applicants to no more than \$1.5 million or in excess of 25% of the Total Development Cost.
- e) Lastly, Petitioner also requests a variance from Rule 67-48.012(g), Florida Administrative Code (2003), which requires a minimum combined debt service coverage of 1.10 for SAIL financed developments.
- f) Specifically, Petitioner requests the above waivers and variance to permit an increase in the amount of its SAIL loan from \$860,000 to \$2,860,000, and to lower the minimum debt service coverage to below the currently required 1.10 ratio.
- g) On April 17, 2006 the Notice of Petition (original) was published in the Florida Administrative Weekly. To date, Florida Housing has not received any comments concerning the Petition. Republication of the Amended Petition was deemed unnecessary as Petitioner did not alter the rules from which relief was sought.

## 2. **Present Situation**

- a) Petitioner cites circumstances allegedly justifying the increase in their SAIL loan amount including: delays in permitting and pre-construction activities due to disruptions of local government functions in Lee County associated with Hurricanes Charley (August 2004) and Ivan (September 2004); construction delays due to heavy rainfall from Hurricanes Dennis, Katrina, Rita and Wilma (July - October 2005). Petitioner asserts that the combined effect of these storms has caused cost overruns, economic hardship and the loss of approximately \$1,709,000 in funds to cover the overruns, which threaten the economic viability of the Development.
- 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.
- c) On June 6, 2006, Florida Housing requested additional information from Petitioner, pursuant to Section 120.542(7), Florida Statutes. A copy of Florida Housing’s written request for additional information is attached hereto as [Exhibit N](#). The additional information requested included: documentation of any damage, lost profits, additional expenses, loss of materials, delays in construction or other events or conditions negatively impacting the development, occupation, or completion of construction of Mariner’s Landing related to the hurricane events cited in the Amended Petition; and documentation of all attempts by Petitioner to obtain relief, insurance proceeds, loans, financing, or any other source of funds to repair damage. As of the date of this writing, Florida Housing has received no response to this request from Petitioner.

## **LEGAL**

### *Consent*

3. **Recommendation**

In light of the lack of documentation evidencing Petitioner's substantial hardship, staff recommends the Board deny the Petitioner's request for a waiver of the above cited rules and provisions of the 2003 Universal Application Instructions.

# LEGAL

## Consent

### I. In Re: Reliance-Andrews Associates, Ltd.

<b>Development Name: (“Development”):</b>	<b>Flagler Point (2005-116C)</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Reliance Housing Services, LLC</b>
<b>Number of Units: 167</b>	<b>Location: Broward County</b>
<b>Type: High-Rise</b>	<b>Set Aside: 40% @ 60% AMI</b>
<b>Demographics: Elderly</b>	<b>Allocated Amount: N/A</b>
<b>MMRB: N/A</b>	<b>Housing Credits: \$2,368,500</b>

#### 1. Background

a) During the 2005 Universal Cycle, Florida Housing awarded an allocation of Housing Credits to Reliance-Andrews Associates, Ltd. (“Petitioner”). On June 27, 2006, Florida Housing received a “Petition for Waiver or Variance of the Qualified Allocation Plan’s Requirement for Returning Housing Credit Allocation and for Extension of the Placed-In-Service Date” (the “Petition”), from Petitioner. On July 10, 2006, Petitioner submitted an Amended Petition which requests relief from the same rules and Qualified Allocation Plan (QAP) requirements, but which altered the form of relief requested. A copy of the Amended Petition is attached as [Exhibit 0](#).

b) Rule 67-48.025, Fla. Admin. Code (2005) requires that Florida Housing’s allocation of Housing Credits “shall be done in accordance with the Corporation’s Qualified Allocation Plan.”

c) Rule 67-48.002(83), Fla. Admin. Code (2005) defines the QAP as follows:

“QAP” of “Qualified Allocation Plan” means, with respect to the HC program, the 2005 Qualified Allocation Plan which is adopted and incorporated herein by reference, effective upon approval by the Governor of the state of Florida, pursuant to Section 42(m)(1)(B) of the IRC and sets forth the selection criteria and the preferences of the Corporation for Developments which will receive Housing Credits.

d) The 2005 QAP provides, in pertinent part:

[W]here a development has not been placed in service by the date required or it is apparent that a development will not be placed in service by the date required [December 31, 2007], such failure is due to circumstances beyond the Applicant’s control, and the Applicant has returned its housing credit allocation in the last calendar quarter of the year in which it was otherwise required to be placed in service, the Corporation may reserve allocation in an amount not to exceed the amount of credits returned, and may allocate such housing credits to the Applicant for the year after the year in which the Development was otherwise required to be placed in service provided [certain] conditions have been met.

## LEGAL

### *Consent*

- e) Specifically, Petitioner requests a variance of the above QAP provision (as incorporated by reference into Chapter 67-48, Fla. Admin. Code) to permit the return of its allocated credits at this time instead of within the last quarter of 2007, and to permit the immediate allocation of 2007 housing credits in exchange for its 2005 allocation.
- f) On July 7, 2006 the Notice of Petition (original) was published in the Florida Administrative Weekly. To date, Florida Housing has not received any comments concerning the Petition. Republication of the Amended Petition was deemed unnecessary as Petitioner did not alter the rules from which relief was sought.

### 2. **Present Situation**

- a) Petitioner cites substantial hardship and circumstances beyond its control to justify the granting of this variance, including the effects of Hurricane Wilma (October 24, 2005) on Broward County, which was declared as major disaster area. Petitioner states that due to the emergency matters occupying the local government at the time, Petitioner was unable to attend meetings or otherwise conduct business with the local government necessary to the advancement of the Development, resulting in a significant construction delay beyond the Petitioner's control, as well as significantly increased construction costs, both of which have called into question Petitioner's ability to complete the project before December 31, 2007. Petitioner states that a denial of its requested variance would result in its tax credit syndicator being unwilling to provide equity financing for the Development.
- 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.

### 3. **Recommendation**

Staff recommends that the Board GRANT Petitioner's requested variance to the above-cited provision of the 2005 QAP, to permit Petitioner to immediately return its 2005 tax credit allocation, and to immediately receive an allocation of 2007 housing tax credits in an amount not to exceed its 2005 allocation.

## MULTIFAMILY BONDS

### *Consent*

### III. MULTIFAMILY BONDS

#### A. Request Approval To Allocate \$11,370,000 In Tax-Exempt, Private Activity Bond Allocation To The Cutler Hammock Apartments (2006A-203B)

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Cutler Hammock Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Developer”):</b>	<b>Cutler Hammock Preservation, L.P./Cutler Hammock Developer, LLC</b>
<b>NUMBER OF UNITS:</b>	<b>262</b>
<b>LOCATION (“County”):</b>	<b>Miami-Dade</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental/Family</b>
<b>SET ASIDE:</b>	<b>70% @ 60% (MMRB); 60% @ 60% (HC)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$11,370,000 of Tax-Exempt Bonds</b>
<b>ADDITIONAL COMMENTS: Award of bond allocation</b>	

#### 1. Background

At the March 3, 2006 meeting, the Board authorized the MMRB Program to conduct a supplemental application cycle.

#### 2. Present Situation

- a) As of December 30, 2005, the MMRB Program has approximately \$300,000,000 in tax-exempt, private activity bond allocation that is not committed to a specific multifamily development.
- b) The Cutler Hammock Apartments is a 2006 Supplemental MMRB Application (“Application”) to acquire and rehabilitate a market-rate development in Miami-Dade County. The Developer, in its Application is committing to an additional affordability period of thirty (30) years and approximately \$4,000,000 for rehabilitation expenditures.
- c) The Cutler Hammock Apartments scored a total of sixty (60) points on the application. However, the rules governing the 2006 Supplemental MMRB Application cycle require an application to achieve a perfect score of sixty-six (66) points in order to be funded. Therefore, the Application is ineligible for funding under the 2006 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.”
- d) 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 Cutler Hammock Apartments even though it did not obtain a perfect score on its Application. Staff believes that the public policy purposes served by preserving this Development far outweigh any failure to achieve a perfect score on the Application.

## MULTIFAMILY BONDS

### *Consent*

3. **Recommendation**

Approve the request to allocate \$11,370,000 in tax exempt, private activity bonds to Cutler Hammock Apartments, 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 Of The Final Credit Underwriting Report For Palmetto Ridge Estates (2005A-213B, 2005-321HR)**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Palmetto Ridge Estates Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Applicant”):</b>	<b>Palmetto Ridge Estates, Limited Partnership/Palmetto Ridge Estates Development, LLC/Gandolf Group, LLC, PSC Funding, LLC/Timothy J. Oliver</b>
<b>NUMBER OF UNITS:</b>	<b>192</b>
<b>LOCATION (“County”):</b>	<b>Brevard</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental/Family (MMRB, RRLP and HC)</b>
<b>SET ASIDE:</b>	<b>85% @ 60% (MMRB)</b>  <b>25% @ 35%</b> <b>75% @ 60% (RRLP)</b>  <b>25% @ 35%</b> <b>75% @ 60% (HC)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$11,500,000 of Tax-Exempt Bonds and \$7,400,000 RRLP</b>

**1. Background**

Applicant submitted an application (“Application”) on behalf of the proposed Development during the 2005 Supplemental Cycle as well as the 2005 Rental Recovery Loan Program (“RRLP”) Cycle. Applicant applied for tax-exempt bonds in the amount of \$11,500,000 and RRLP funds in the amount of \$7,400,000 in order to construct the Development.

**2. Present Situation**

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to advise it of any such changes.
- b) The General Contractor has changed from Summit Contractors, Inc. to First Florida Building Corporation.
- c) A Final Credit Underwriting Report dated July 14, 2006, is attached as [Exhibit A](#).

**3. Recommendation**

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated July 14, 2006 recommending that \$11,500,000 in bonds and \$7,400,000 in RRLP funds be issued for the purpose of constructing the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

- C. **Request Approval Of The Final Credit Underwriting Report For Country Walk Apartments (2005A-211B, 2005-304HR) In The Amount Of \$5,200,000 Of Tax-Exempt Bonds And \$5,800,000 In RRLP Funds, Consisting Of 64 Units, Located In Wauchula, Hardee County, Florida**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Country Walk Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Applicant”):</b>	<b>Country Walk, Ltd./TCG Country Walk, LLC/Country Walk Development, LLC/Carlisle Development Group, LLC/Lloyd J. Boggio</b>
<b>NUMBER OF UNITS:</b>	<b>64</b>
<b>LOCATION (“County”):</b>	<b>Hardee</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental/Family (MMRB, RRLP and HC)</b>
<b>SET ASIDE:</b>	<b>85% @ 60% (MMRB) 25% @ 45% (RRLP) 75% @ 60% (RRLP) 100% @ 60% (HC)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$5,200,000 of Tax-Exempt Bonds and \$5,800,000 RRLP</b>

1. **Background**

Applicant submitted an application (“Application”) on behalf of the proposed Development during the 2005 Supplemental Multifamily Bond Application Cycle. Applicant applied for tax-exempt bonds in the amount of \$8,500,000 in order to construct the Development.

2. **Present Situation**

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to advise it of any such changes.
- b) The Private Placement Provider has changed from Charter Municipal Mortgage Corporation with a commitment in the amount of \$8,500,000 to Bank of America, N.A. (“BOA”) with a commitment in the amount of \$5,200,000.
- c) The Housing Credit Equity Provider has changed from Related Capital Company to the Richman Group Affordable Housing Corporation.
- d) The Developer entity at the time of the application was Carlisle Development Group, LLC and has changed to Country Walk Development, LLC with its Sole Member being Carlisle Development Group, LLC.
- e) The General Contractor at the time of Application was Carlisle Construction, LLC and has changed to Rodda Construction, Inc. This change as with the previously noted changes will not have a material impact on the Development.
- f) A Final Credit Underwriting Report dated July 14, 2006, is attached as [Exhibit B](#).

## MULTIFAMILY BONDS

### *Consent*

3. **Recommendation**

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated July 14, 2006 recommending that \$5,200,000 in bonds and \$5,800,000 in RRLP funds be issued for the purpose of constructing the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

- D. **Request Approval Of The Final Credit Underwriting Report For Bell Ridge II Apartments (2005A-206B, 2005-309HR) In The Amount Of \$4,750,000 Of Tax-Exempt Bonds And \$4,700,000 In RRLP Funds, Consisting Of 48 Units, Located In Pace, Santa Rosa County, Florida**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Bell Ridge II Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Applicant”):</b>	<b>Bell Ridge II, Ltd./TCG Bell Ridge II, LLC/Bell Ridge II Development, LLC/Carlisle Development Group, LLC/Lloyd J. Boggio</b>
<b>NUMBER OF UNITS:</b>	<b>48</b>
<b>LOCATION (“County”):</b>	<b>Santa Rosa</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental/Family (MMRB, RRLP and HC)</b>
<b>SET ASIDE:</b>	<b>85% @ 60% (MMRB) 25% @ 35% (RRLP) 75% @ 60% (RRLP) 100% @ 60% (HC)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$4,750,000 of Tax-Exempt Bonds and \$4,700,000 RRLP</b>

1. **Background**

Applicant submitted an application (“Application”) on behalf of the proposed Development during the 2005 Universal Application Cycle. Applicant applied for tax-exempt bonds in the amount of \$7,500,000 in order to construct the Development.

2. **Present Situation**

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to advise it of any such changes.
- b) The Private Placement Provider has changed from Charter Municipal Mortgage Corporation with a commitment in the amount of \$7,500,000 to Bank of America, N.A. (“BOA”) with a commitment in the amount of \$4,750,000.
- c) The Housing Credit Equity Provider has changed from Related Capital Company to the Richman Group Affordable Housing Corporation.
- d) The Developer entity at the time of the application was Carlisle Development Group, LLC has been changed to Bell Ridge II Development, LLC, a wholly owned subsidiary of Carlisle Development Group, LLC whose Sole Members are Lloyd J. Boggio and Bruce Greer.
- e) The General Contractor at the time of Application was Carlisle Construction, LLC and has since been replaced with Regions Contractors, Inc. This change as with the previously noted changes will not have a material impact on the Development.
- f) A Final Credit Underwriting Report dated July 13, 2006, is attached as [Exhibit C](#).

## MULTIFAMILY BONDS

### *Consent*

3. **Recommendation**

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated July 13, 2006 recommending that \$4,750,000 in bonds and \$4,700,000 in RRLP funds be issued for the purpose of constructing the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

- E. **Request Approval Of The Final Credit Underwriting Report For Bell Ridge II Apartments (2005A-209B, 2005-305HR) In The Amount Of \$5,750,000 Of Tax-Exempt Bonds And \$5,700,000 In RRLP Funds, Consisting Of 48 Units, Located In Pace, Santa Rosa County, Florida**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Magnolia Crossing Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Applicant”):</b>	<b>Magnolia Crossing, Ltd./TCG Magnolia Crossing, LLC/Magnolia Crossing Development, LLC/Carlisle Development Group, LLC/Lloyd J. Boggio</b>
<b>NUMBER OF UNITS:</b>	<b>56</b>
<b>LOCATION (“County”):</b>	<b>Santa Rosa</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental/Family (MMRB, RRLP and HC)</b>
<b>SET ASIDE:</b>	<b>85% @ 60% (MMRB) 25% @ 35% (RRLP) 75% @ 60% (RRLP) 100% @ 60% (HC)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$5,750,000 of Tax-Exempt Bonds and \$5,700,000 RRLP</b>

**1. Background**

Applicant submitted an application (“Application”) on behalf of the proposed Development during the 2005 Universal Application Cycle. Applicant applied for tax-exempt bonds in the amount of \$8,500,000 in order to construct the Development.

**2. Present Situation**

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to advise it of any such changes.
- b) The Private Placement Provider has changed from Charter Municipal Mortgage Corporation with a commitment in the amount of \$8,500,000 to Bank of America, N.A. (“BOA”) with a commitment in the amount of \$5,750,000.
- c) The Housing Credit Equity Provider has changed from Related Capital Company to the Richman Group Affordable Housing Corporation.
- d) The Developer entity at the time of the application was Carlisle Development Group, LLC has been changed to Magnolia Crossing Development, LLC, a wholly owned subsidiary of Carlisle Development Group, LLC whose Sole Members are Lloyd J. Boggio and Bruce Greer.
- e) The General Contractor at the time of Application was Carlisle Construction, LLC and has since been replaced with Regions Contractors, Inc. This change as with the previously noted changes will not have a material impact on the Development.
- f) A Final Credit Underwriting Report dated July 13, 2006, is attached as [Exhibit D](#).

## MULTIFAMILY BONDS

### *Consent*

3. **Recommendation**

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated July 13, 2006 recommending that \$5,750,000 in bonds and \$5,700,000 in RRLP funds be issued for the purpose of constructing the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

**MULTIFAMILY BONDS**

*Consent*

**F. Request Approval Of The Transfer And Assumption Of General Partnership Interest In Avalon Reserve Apartments And Waterford Pointe Apartments**

<b>DEVELOPMENT NAME (“Developments”):</b>	<b>Avalon Reserve Apartments Waterford Pointe</b>
<b>DEVELOPER/PRINCIPAL (“Developer”/“Owner”):</b>	<b>Avalon Reserve, Ltd./Avalon Reserve, Inc./LCA Development, Inc./Lee Chira/Lou Vogt/Scott Zimmerman/Banyan Realty Management, LLC/Waterford Pointe Apartments, Ltd./LCA Development, Inc./Lee Chira</b>
<b>NUMBER OF UNITS:</b>	<b>300 240</b>
<b>LOCATION (“County”):</b>	<b>Orange Orange</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental</b>
<b>SET ASIDE:</b>	<b>4% @ 30% 81% @ 60% (MMRB) 50% @ 60% (MMRB)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$15,000,000 Tax-Exempt Bonds and \$970,000 Taxable Bonds \$8,155,000 Tax-Exempt Bonds and \$3,300,000 Taxable Bonds</b>
<b>ADDITIONAL COMMENTS: Transfer and Assumption of General Partner Interest</b>	

**1. Background**

- a) In 2003, Florida Housing financed the construction of Avalon Reserve Apartments with \$15,000,000 in tax-exempt bonds and \$970,000 in taxable bonds, designated as 2003 Series R.
- b) In 2000, Florida Housing financed the construction of Waterford Pointe Apartments with \$8,155,000 in tax-exempt bonds and \$3,300,000 in taxable bonds, designated as 2000 Series E.

**2. Present Situation**

- a) The Owner, in a letter dated June 2, 2006 ([Exhibit E](#)), requested approval of a transfer and assumption of general partnership interest in Avalon Reserve Apartments to a limited liability company in which Lou Vogt, Scott Zimmerman or Banyan Realty Management, LLC or its wholly owned subsidiary or affiliate is the sole owner. The Owner subsequently requested approval of a transfer and assumption of general partnership interest in Waterford Pointe Apartments to the same purchaser.
- b) A Final Credit Underwriting Report dated July 6, 2006 ([Exhibit F](#)) recommends that Florida Housing allow the transfer and assumption.

## MULTIFAMILY BONDS

### *Consent*

3. **Recommendation**

That the Board approve the transfer and assumption of general partnership interest in the Development subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

**G. Request Approval Of The Assumption Of LURA Of Barrington Place Apartments (1997 Series K)**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Barrington Place Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Developer”):</b>	<b>Aloma Bend, Ltd./Thomas V. Spano/Equity Residential (“EQR”)</b>
<b>NUMBER OF UNITS:</b>	<b>233</b>
<b>LOCATION (“County”):</b>	<b>Seminole</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental</b>
<b>SET ASIDE:</b>	<b>20% @ 50% (MMRB)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$15,405,000 Tax-Exempt Bonds</b>
<b>ADDITIONAL COMMENTS: Assumption of Land Use Restriction Agreement (“LURA”)</b>	

**1. Background**

In 1997, Florida Housing financed the construction of the Development with \$15,500,000 in tax-exempt bonds and \$820,000 in taxable bonds, designated as 1997 Series K-1 & 2.

**2. Present Situation**

- a) Purchaser, in a letter dated June 7, 2006 ([Exhibit G](#)), requested approval of the purchase and transfer of ownership interest in the Development to Equity Residential (“EQR”).
- b) Additionally, EQR has advised Florida Housing that at a later date it will seek tax-exempt funding for the refinance and rehabilitation of the Development. In order for EQR to be reimbursed from proceeds of tax-exempt bonds for expenditures incurred in connection with the acquisition of the Development and any rehabilitation costs, Florida Housing is required to indicate their intent to provide such reimbursement from bond proceeds.
- c) A Final Credit Underwriting Letter dated June 23, 2006 ([Exhibit H](#)) recommends that Florida Housing allow the purchase and transfer.

**3. Recommendation**

That the Board approve the Assumption of LURA of the Development subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

**H. Request Approval To Substitute The General Contractors And Amend The Land Use Restriction Agreements (“LURA”) For Fox Hollow And Huntington Reserve Apartments (2006 Series B And C)**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Fox Hollow Apartments/ Huntington Reserve Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Developer” or “Owner”):</b>	<b>Fox Hollow Associates, Ltd./Fox Hollow Management, LLC/ Huntington Reserve Associates, Ltd./Huntington Reserve Management, LLC/Enhanced Affordable Development Company, LLC/Marc Gelman/David Rubin</b>
<b>NUMBER OF UNITS:</b>	<b>156/168</b>
<b>LOCATION (“County”):</b>	<b>Orange/Seminole</b>
<b>TYPE (“Rental, Homeownership”):</b>	<b>Rental/Family (MMRB, SAIL and HC)</b>
<b>SET ASIDE:</b>	<b>85% @ 60% (MMRB) 100% @60% (SAIL) 100% @60% (HC)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$6,635,000/\$6,515,000 of Tax-Exempt Bonds</b>
<b>ADDITIONAL COMMENTS: Substitution of General Contractors and LURA Amendments</b>	

**1. Background**

In April 2006, Florida Housing financed the acquisition and rehabilitation of the Developments with tax exempt bonds in the amount of \$6,635,000 and \$6,515,000, respectively, designated as 2006 Series B and C. Simultaneously with the bond issuance, assumptions and extensions of the SAIL loans in the amounts of \$2,060,000 and \$2,106,000, respectively, were closed for each development.

**2. Present Situation**

- a) The Owner, in a letter dated May 11, 2006 ([Exhibit I](#)) requests that the previously approved General Contractor for both developments, Metro Development Group, Incorporated (“Metro”) be substituted with Parramore Construction Company, Incorporated (“Parramore”). The Owner states that Metro had declined to do the work, therefore the need to replace General Contractors.
- b) Additionally, in a separate letter dated May 11, 2006 ([Exhibit J](#)), the Owner requests the LURA be amended to substitute marble sills in each unit for the previously approved steel door frames in each unit. The amenities are scored equally in the Application.
- c) The Credit Underwriter has reviewed each request and by separate letters dated June 20, 2006 ([Exhibit K](#)) recommends that Florida Housing approve the substitution of the General Contractor and the amending of the LURA requests.

## MULTIFAMILY BONDS

### *Consent*

3. **Recommendation**

That the Board approve the substitution of General Contractors and amend the MMRB and SAIL LURA's for 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

### I. 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 Developments referenced below, Final Credit Underwriting Reports are being presented to the Board for approval simultaneously with this request to assign the appropriate professionals to these transactions. Brief descriptions of the Developments are detailed below along with the Staff's recommendation for the assignments.
- b) Additionally, the Corporation's Senior Financial Advisor has prepared method of bond sale letters. Staff has reviewed the method of sale letters and Board approval is requested at the current meeting.

#### 2. Present Situation

- a) The Credit Underwriters, the Senior Financial Advisor and Florida Housing staff have reviewed the financing structure for the proposed Developments.
- b) The Senior Financial Advisor's recommendation for the methods of bond sale is being presented to the Board at the current meeting during the Multifamily Mortgage Revenue Bond Program Update of items on the agenda.

#### 3. Recommendation

That the Board approve the assignment of the recommended professionals as shown in the chart for the proposed Developments.

Development Name	Location of Development	Number of Units	Method of Bond Sale	Recommended Professional
Palmetto Ridge Estates	Brevard	192	Private Placement	Stern Brothers & Company
Country Walk	Hardee	64	Private Placement	Stern Brothers & Company
Bell Ridge II	Santa Rosa	48	Private Placement	Morgan Keegan & Company,
Magnolia Crossing	Santa Rosa	56	Private Placement	Morgan Keegan & Company,

# MULTIFAMILY BONDS

## *Consent*

### J. Request Approval Of The Methods Of Bond Sale Recommendation From Florida Housing's Senior Financial Advisor

#### 1. Background/Present Situation

- a) The Credit Underwriters have provided Final Credit Underwriting Reports for the proposed Developments below. Florida Housing seeks Board approval pursuant to the recommendations of the Credit Underwriters 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 structures by the Senior Financial Advisor in order to make recommendations to the Board for the methods of bond sale.
- c) CSG Advisors has prepared an analysis and recommendation for the methods of bond sale for the Development. The recommendation letters are attached as [Exhibit L](#).

<b>Development Name</b>	<b>Location of Development</b>	<b>Number of Units</b>	<b>Method of Bond Sale</b>
Palmetto Ridge Estates	Brevard	1092	Private Placement
Country Walk	Hardee	64	Private Placement
Bell Ridge II	Santa Rosa	48	Private Placement
Magnolia Crossing	Santa Rosa	56	Private Placement

#### 2. Recommendation

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

**PREDEVELOPMENT LOAN PROGRAM (PLP)**

*Consent*

**IV. PREDEVELOPMENT LOAN PROGRAM (PLP)**

**A. Request Approval of Credit Underwriting Report for Florida Low Income Housing Associates, Inc., a Non-Profit Corporation, for Rolling Oaks (PLP 05-069)**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Rolling Oaks</b>
<b>APPLICANT/DEVELOPER (“Developer”):</b>	<b>Florida Low Income Housing Associates, Inc., a Non-Profit Corporation</b>
<b>CO-DEVELOPERS:</b>	<b>n/a</b>
<b>NUMBER OF UNITS:</b>	<b>40</b>
<b>LOCATION (“County”):</b>	<b>Citrus</b>
<b>TYPE:</b>	<b>Homeownership</b>
<b>SET ASIDE:</b>	<b>100% @ 80% AMI</b>
<b>PLP LOAN AMOUNT:</b>	<b>\$ 312,103</b>
<b>ADDITIONAL COMMENTS: The Credit Underwriter has approved an amount of \$312,103 versus the \$313,320 previously recommended by the Technical Assistance Provider (TAP) and approved by the Board.</b>	

**1. Background/Present Situation**

- a) On June 9, 2005, Florida Housing issued an Invitation to Participate in the PLP to the non-profit Developer. The Development will be located in Citrus County.
- b) On August 25, 2005, the Board approved the development plan and budget that was submitted by the Technical Assistance Provider (TAP) recommending a loan of \$313,320 for PLP eligible activities. Of this \$313,320, Staff was authorized to proceed with loan closing activities for \$164,320, the non-site acquisition portion of the loan, with the remaining \$149,000 pending a positive recommendation from the Credit Underwriter for site acquisition.
- c) Staff received a credit underwriting report on March 30, 2006 with a positive recommendation for a PLP Loan in the amount of \$312,103, subject to the conditions outlined in the report ([Exhibit A](#)). The credit underwriter reduced the requested amount by \$1,217, which is the difference between estimated appraisal and underwriting fees with actual amounts paid.

**2. Recommendation**

Approve the Credit Underwriter’s final recommendation and authorize staff to proceed with loan closing activities on the site acquisition portion of the PLP Loan.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Consent*

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

##### A. Hearing Officer Services

###### 1. Background

- a) Florida Housing entered into contracts with David E. Ramba, Lewis, Longman & Walker, P.A. and Chris H. Bentley (effective August 18, 2004) and Diane D. Tremor, Rose, Sundstrum & Bentley, LLP (effective August 13, 2004) to provide hearing officer services at administrative hearings pursuant to Section 120.569 and 120.57(2), Fla. Stat. and Fla. Admin. Code R. Chapter 28-106.
- b) At its July 2, 2005, meeting Florida Housing's Board authorized staff to extend the contracts for one (1) year.

###### 2. Present Situation

- a) The term of the contracts expire in August, 2006. The contracts may be renewed for an additional one-year period.
- b) The quality of service performed by the Hearing Officers during the current term has been satisfactory. Staff supports the renewal of both contracts.

###### 3. Recommendation

Staff believes that it is in the best interests of Florida Housing to continue to retain our current Hearing Officers pursuant to the existing contract, and recommends the Board direct staff to proceed with the final contract renewal process.

## RENTAL RECOVERY LOAN PROGRAM (RRLP)

### *Consent*

#### VI. RENTAL RECOVERY LOAN PROGRAM (RRLP)

##### A. Request Approval of RRLP Credit Underwriting Report for Bell Ridge II (2005-309HR / 2005A-206B)

<b>Development Name: Bell Ridge II (“Development”)</b>	<b>Location: Santa Rosa County</b>
<b>Developer/Principal: Bell Ridge II Development, LLC (“Developer”)</b>	<b>Set-Aside: 25% @ 35% and 75% @ 60% AMI</b>
<b>Number of Units: 48</b>	<b>Allocated Amount: \$4,700,000</b>
<b>Type: Garden Apartments</b>	<b>Total Housing Credit Equity: \$3,009,000</b>
<b>Demographics: Family</b>	<b>MMRB: \$4,750,000</b>

##### 1. Background/Present Situation

- a) On October 14, 2005, the Board approved the final scores and ranking for the 2005 RRLP Application cycle.
- b) On November 10, 2005, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for an RRLP Loan in an amount up to \$4,700,000 for this 48-unit family development located in Santa Rosa County. The Development was also awarded an MMRB allocation. The credit underwriting report is addressed in the MMRB section of this Board package. Staff has reviewed this report and finds that the Development meets all of the requirements of RRLP Rule 67-ER05, 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.

**RENTAL RECOVERY LOAN PROGRAM (RRLP)**

*Consent*

**B. Request Approval of RRLP Credit Underwriting Report for Country Walk (2005-304HR / 2005A-211B)**

<b>Development Name: Country Walk (“Development”)</b>	<b>Location: Hardee County</b>
<b>Developer/Principal: Country Walk Development, LLC (“Developer”)</b>	<b>Set-Aside: 25% @ 45% AMI and 75% @ 60% AMI</b>
<b>Number of Units: 64</b>	<b>Allocated Amount: \$5,800,000</b>
<b>Type: Garden Apartments</b>	<b>Total Housing Credit Equity: \$3,186,650</b>
<b>Demographics: Family</b>	<b>MMRB: \$5,200,000</b>

**1. Background/Present Situation**

- a) On October 14, 2005, the Board approved the final scores and ranking for the 2005 RRLP Application cycle.
- b) On November 10, 2005, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for an RRLP Loan in an amount up to \$5,800,000 for this 64-unit family development located in Hardee County. The Development was also awarded an MMRB allocation. The credit underwriting report is addressed in the MMRB section of this Board package. Staff has reviewed this report and finds that the Development meets all of the requirements of RRLP Rule 67-ER05, 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.

## RENTAL RECOVERY LOAN PROGRAM (RRLP)

### *Consent*

C. **Request Approval of RRLP Credit Underwriting Report for Palmetto Ridge Estates (2005-321HR / 2005A-213B)**

<b>Development Name: Palmetto Ridge Estates ("Development")</b>	<b>Location: Brevard County</b>
<b>Developer/Principal: Gandolf Group, LLC ("Developer")</b>	<b>Set-Aside: 25% @ 35% AMI and 75% @ 60% AMI</b>
<b>Number of Units: 192</b>	<b>Allocated Amount: \$7,400,000</b>
<b>Type: Garden Apartments</b>	<b>Total Housing Credit Equity: \$9,016,210</b>
<b>Demographics: Family</b>	<b>MMRB: \$11,500,000</b>

1. **Background/Present Situation**

- a) On October 14, 2005, the Board approved the final scores and ranking for the 2005 RRLP Application cycle.
- b) On November 10, 2005, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for an RRLP Loan in an amount up to \$7,400,000 for this 192-unit family development located in Brevard County. The Development was also awarded an MMRB allocation. The credit underwriting report is addressed in the MMRB section of this Board package. Staff has reviewed this report and finds that the Development meets all of the requirements of RRLP Rule 67-ER05, 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.

**RENTAL RECOVERY LOAN PROGRAM (RRLP)**

*Consent*

**D. Request Approval of RRLP Credit Underwriting Report for Magnolia Crossing Apartments (2005-305HR / 2005A-209B)**

<b>Development Name: Magnolia Crossing Apartments (“Development”)</b>	<b>Location: Santa Rosa County</b>
<b>Developer/Principal: Magnolia Crossing Development, LLC (“Developer”)</b>	<b>Set-Aside: 25% @ 35% AMI and 75% @ 60% AMI</b>
<b>Number of Units: 56</b>	<b>Allocated Amount: \$5,700,000</b>
<b>Type: Garden Apartments</b>	<b>Total Housing Credit Equity: \$3,041,000</b>
<b>Demographics: Family</b>	<b>MMRB: \$5,750,000</b>

**1. Background/Present Situation**

- a) On October 14, 2005, the Board approved the final scores and ranking for the 2005 RRLP Application cycle.
- b) On November 10, 2005, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for an RRLP Loan in an amount up to \$5,700,000 for this 56-unit family development located in Santa Rosa County. The Development was also awarded an MMRB allocation. The credit underwriting report is addressed in the MMRB section of this Board package. Staff has reviewed this report and finds that the Development meets all of the requirements of RRLP Rule 67-ER05, 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.

## RENTAL RECOVERY LOAN PROGRAM (RRLP)

### *Consent*

**E. Request Approval of RRLP Credit Underwriting Report for Johnson Lakes Apartments (2005-313HR)**

<b>Development Name: Johnson Lakes Apartments (“Development”)</b>	<b>Location: Escambia County</b>
<b>Developer/Principal: Johnson Lakes Development, LLC (“Developer”)</b>	<b>Set-Aside: 25% @ 35% AMI and 75% @ 60% AMI</b>
<b>Number of Units: 160</b>	<b>Allocated Amount: \$6,141,214</b>
<b>Type: Garden Apartments</b>	<b>Total Housing Credit Equity: \$5,827,000</b>
<b>Demographics: Elderly</b>	<b>MMRB: \$9,000,000 (Local)</b>

**1. Background/Present Situation**

- a) On October 14, 2005, the Board approved the final scores and ranking for the 2005 RRLP Application cycle.
- b) On November 10, 2005, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for an RRLP Loan in an amount up to \$6,141,214 for this 160-unit elderly development located in Escambia County.
- c) On July 13, 2006, staff received a credit underwriting report with a positive recommendation for an RRLP loan in the amount of \$6,141,214 ([Exhibit A](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of RRLP Rule 67-ER05, 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

VII. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Credit Underwriting Report for Brookwood Forest Apartments, Cycle XVIII, (2006-12-SEL)

<b>Development Name: Brookwood Forest Apartments (“Development”)</b>	<b>Location: Duval County</b>
<b>Developer/Principal: Sandspur Housing Group, Ltd. (“Developer”)</b>	<b>Set-Aside: 70% @ 60% AMI</b>
<b>Number of Units: 168</b>	<b>Allocated Amount: \$3,000,000 and \$1,000,000</b>
<b>Type: Garden Style Buildings</b>	<b>Housing Credit Equity \$3,808,525</b>
<b>Demographics: Family</b>	<b>MMRB: \$10,000,000 (Local)</b>

1. Background/Present Situation

- a) On May 19, 2006, a 2005 SAIL loan in the amount of \$3,000,000 for this 168-unit family development in Duval County closed. In the 2006 Universal Application Cycle, Applicants that were successful in receiving an award of 2005 SAIL funds could request additional funding. Applicants were allowed to request an amount not to exceed the difference in the 2005 and the 2006 request limits. An Application for an additional \$1,000,000 was submitted for this Development.
- b) On July 28, 2006, the Board will potentially approve the final scores and ranking for the 2006 Universal Application Cycle.
- c) On May 19, 2006, the applicant requested that it be allowed to enter into credit underwriting at its own risk for an additional SAIL loan in the amount up to \$1,000,000 for this 168-unit family development in Duval County.
- d) On June 27, 2006, 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 second mortgage (including the original \$3,000,000). 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 subject to the 2006 Universal Cycle ranking being approved at this Board Meeting and subject to funding availability.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval for Additional Subordinate Financing for Hidden Grove Apartments, Cycle XII, (2000-041S)

Development Name: Hidden Grove Apartments (“Development”)	Location: Miami-Dade County
Developer/Principal: Greater Miami Neighborhoods, Inc. & Pinnacle Housing Group, Inc. (“Developer”)	Set-Aside: 3% @ 33% AMI and 97% @ 60% AMI
Number of Units: 222	Allocated Amount: \$2,239,000
Type: Garden Style	Total Housing Credit Equity: \$6,570,000
Demographics: Family	MMRB: \$7,850,000 (Local)

1. Background/Present Situation

- a) On July 20, 2001, a SAIL loan in the amount of \$2,239,000 for this 222-unit family development in Miami-Dade County closed.
- b) On June 19, 2006, staff received a letter from the Developer requesting approval for additional subordinate financing in the amount of \$2,500,000 with a 1% interest rate and a 30-year term ([Exhibit B](#)).
- c) On July 6, 2006, staff received a credit underwriting review with a positive recommendation for the additional subordinate financing ([Exhibit C](#)).

2. Recommendation

Approve the request for additional subordinate financing and direct staff to proceed with loan documentation modification activities.’

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

*Consent*

**C. Request Approval to Exchange Amenities for St. Croix Apartments, Cycle XIV, (2002-034S / 2002-528C)**

<b>Development Name: St. Croix Apartments (“Development”)</b>	<b>Location: Broward County</b>
<b>Developer/Principal: Cornerstone Group Development, LLC (“Developer”)</b>	<b>Set-Aside: 20% @ 50% AMI and 80% @ 60% AMI</b>
<b>Number of Units: 246</b>	<b>Allocated Amount: \$2,000,000</b>
<b>Type: Mid-Rise with Elevators</b>	<b>Total Housing Credit Equity: \$6,453,000</b>
<b>Demographics: Family</b>	<b>MMRB: 16,400,000</b>

**1. Background/Present Situation**

- a) On August 30, 2004, a 2002 SAIL loan closed in the amount of \$2,000,000 for this 246-unit family development in Broward County.
- b) On April 18, 2006, staff received a letter from the Developer requesting approval of a change of amenities from “gated community with ”carded” secure entry to building” to “double compartment kitchen sink” and “steel exterior entry door frames” ([Exhibit D](#)).
- c) On June 23, 2006, staff received a credit underwriting review with a positive recommendation for the exchange in the amenities ([Exhibit E](#)). The “gated community with “carded” secure entry to building” amenity had a point value of 2 points in the 2002 application and the “double compartment kitchen sink” and “steel exterior entry door frames” amenities had a point value of 1 point each in the 2002 application. Staff has reviewed this proposal and finds the Development meets all of the requirements of SAIL Rule 67-48, F.A.C.

**2. Recommendation**

Approve the request to change the amenities in this Development and direct staff to amend the Land Use Restriction Agreement and the Extended Use Agreement.

**VIII. SPECIAL ASSETS**

**A. Request Approval To Refinance The First Mortgage Of The HOME Loan For Homestead Colony Limited Partnership, A Foreign Limited Partnership For Homestead Colony Apartments (93HD-002)**

<b>Development Name: Homestead Colony (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal: Homestead Colony Limited Partnership (“Developer”)</b>	<b>Set-Aside: 40 % @ 50% AMI and 60% @ 60% AMI; Term: 30 years</b>
<b>Number of Units: 312</b>	<b>Allocated Amount: HOME \$1,500,000</b>
<b>Demographics: Family</b>	<b>Housing Credits: \$ 1,634,208</b>
<b>Notes: HC 94L-003/93L-058</b>	<b>Servicer: First Housing Development Corp.</b>

## SPECIAL ASSETS

### *Consent*

#### 1. **Background**

During the 1993 Cycle, Florida Housing awarded a \$1,500,000 HOME loan to Homestead Colony Limited Partnership, a Foreign Limited Partnership (Borrower) for the development of a 312-unit apartment complex in Miami-Dade County, Florida. The Development also received a 1994 allocation of low-income housing tax credits in the amount of \$1,634,208 and was placed in service in 1995.

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

- a) By letter dated June 1, 2006, the borrower is requesting Florida Housing's approval of the refinancing of the first mortgage. The refinancing involves a lower annual debt service, which improves cash flow.
- b) Staff has received a credit underwriting report from Seltzer Management ([Exhibit A](#)) providing a positive recommendation for the refinancing. Staff has reviewed this report and finds that the Development meets all of the conditions of HOME Rule 67-48.020 (13), F.A.C.

#### 3. **Recommendation**

Approve the recommendation of the Credit Underwriter outlined in the final Credit Underwriting Report dated June 23, 2006 recommending approval of the proposed refinancing of the first mortgage, subordination of the HOME loan to the new first mortgage, and direct staff to proceed with loan modification activities subject to the following conditions:

- (1) Satisfactory resolution of outstanding past due and non-compliance items, if any,
- (2) Review of final loan terms including the confirmation that overall cash flow is improved and LTV ratio is improved or maintained,
- (3) Receipt and satisfactory review of an updated appraisal and confirmation that the original combined loan to value ratio for the superior mortgage and the HOME mortgage is maintained or improved,
- (4) Confirmation of outstanding existing first mortgage loan amount, actual transaction costs and outstanding HOME interest (if any), and recalculation of required reduction of outstanding HOME loan balance,
- (5) Repayment of the required proportionate amount of the HOME loan, and
- (6) Review and approval of final Loan Agreement, Promissory Note, and Mortgage consistent with the terms outlined in the Credit Underwriting Report by Florida Housing's legal counsel.

## SPECIAL ASSETS

### *Consent*

**B. Request Approval Of Transfers Of General Partnership Interests In Eleven LCA Developments To Banyan Realty Management, LLC**

<b>Development Name: Avalon Reserve ("Development")</b>	<b>Location: Orange</b>
<b>Developer/Principal: LCA ("Developer")</b>	<b>Set-Aside: 4% @ 30% AMI, 96% @ 60% AMI</b>
<b>Funding Sources: MMRB 2003 Series R SAIL 2002 151BS HC 2003 516C</b>	<b>Amounts: MMRB \$15,000,000 SAIL \$1,447,600 HC \$750,762</b>
<b>Number of Units: 300</b>	<b>Type: Family</b>
<hr/>	
<b>Development Name: Hidden Creek Villas ("Development")</b>	<b>Location: Orange</b>
<b>Developer/Principal: LCA ("Developer")</b>	<b>Set-Aside: 20% @ 40% AMI, 80% @ 60% AMI</b>
<b>Funding Sources: SAIL 96S-019 HC 96L-003</b>	<b>Amounts: SAIL \$3,100,000 HC \$1,499,036</b>
<b>Number of Units: 304</b>	<b>Type: Family</b>
<hr/>	
<b>Development Name: Metro Place ("Development")</b>	<b>Location: Orange</b>
<b>Developer/Principal: LCA ("Developer")</b>	<b>Set-Aside: 15% @ 35% AMI, 85% @ 60%</b>
<b>Funding Sources: HC 97L-049 Demonstration - Demo Loan</b>	<b>Amounts: HC \$1,950,000 Demo \$3,000,000</b>
<b>Number of Units: 288</b>	<b>Type: Family</b>
<hr/>	
<b>Development Name: Metro Place II ("Development")</b>	<b>Location: Orange</b>
<b>Developer/Principal: LCA ("Developer")</b>	<b>Set-Aside: 90% @ 60% AMI</b>
<b>Funding Sources: SAIL 98 051S HC 98-051C</b>	<b>Amounts: SAIL \$2,500,000 HC \$653,290</b>
<b>Number of Units: 248</b>	<b>Type: Family</b>
<hr/>	
<b>Development Name: Osprey Ridge ("Development")</b>	<b>Location: Lake</b>
<b>Developer/Principal: LCA ("Developer")</b>	<b>Set-Aside: 100% @ 60% AMI</b>
<b>Funding Sources: SAIL 00-058S HC 00-549C</b>	<b>Amounts: SAIL \$1,808,000 HC \$668,584</b>
<b>Number of Units: 176</b>	<b>Type: Family</b>

## SPECIAL ASSETS

### *Consent*

<b>Development Name: Park Avenue Villas ("Development")</b>	<b>Location: Orange</b>
<b>Developer/Principal: LCA ("Developer")</b>	<b>Set-Aside: 100% @ 60% AMI</b>
<b>Funding Sources: SAIL 99-087S HC 99-515C</b>	<b>Amounts: SAIL \$850,000 HC \$254,844</b>
<b>Number of Units: 120</b>	<b>Type: Family</b>
<b>Development Name: Pointe Vista ("Development")</b>	<b>Location: Orange</b>
<b>Developer/Principal: LCA ("Developer")</b>	<b>Set-Aside: 15% @ 35% AMI and 85% @ 60%</b>
<b>Funding Sources: SAIL 97S-034 HC 96L-049</b>	<b>Amounts: SAIL \$703,000 HC \$500,000</b>
<b>Number of Units: 100</b>	<b>Type: Family</b>
<b>Development Name: Pointe Vista II ("Development")</b>	<b>Location: Orange</b>
<b>Developer/Principal: LCA ("Developer")</b>	<b>Set-Aside: 100% @ 60%</b>
<b>Funding Sources: SAIL 98-011S HC 97L- 502</b>	<b>Amounts: SAIL \$2,500,000 HC \$820,245</b>
<b>Number of Units: 288</b>	<b>Type: Family</b>
<b>Development Name: Sand Lake Pointe ("Development")</b>	<b>Location: Orange</b>
<b>Developer/Principal: LCA ("Developer")</b>	<b>Set-Aside: 15% @ 28% AMI and 85% @ 60%</b>
<b>Funding Sources: SAIL 00-061CS HC 00-061CS</b>	<b>Amounts: SAIL \$1,301,258 HC \$1,619,280</b>
<b>Number of Units: 312</b>	<b>Type: Family</b>
<b>Development Name: The Pines of Punta Gorda ("Development")</b>	<b>Location: Charlotte</b>
<b>Developer/Principal: LCA ("Developer")</b>	<b>Set-Aside: HOME 22% @ 50% AMI and 78% @ 60% AMI, HC 15% @ 33% AMI and 85% @ 60 AMI</b>
<b>Funding Sources: HOME 00HR-060 HC 00-060CH</b>	<b>Amounts: HOME \$2,290,000 HC \$1,528,861</b>
<b>Number of Units: 336</b>	<b>Type: Family</b>
<b>Development Name: West Pointe Villas ("Development")</b>	<b>Location: Orange</b>
<b>Developer/Principal: LCA ("Developer")</b>	<b>Set-Aside: 100% @ 60% AMI</b>
<b>Funding Sources: SAIL 00-059S HC 00-0523C</b>	<b>Amounts: SAIL \$2,500,000 HC \$987,998</b>
<b>Number of Units: 288</b>	<b>Type: Family</b>

## SPECIAL ASSETS

### *Consent*

#### 1. **Background**

- a) LCA has received funding from FHFC for development of the following 11 affordable housing properties from 1995 to 2003. Funding sources from FHFC have included Bonds, Demonstration, HOME, Housing Credits, and SAIL. The developments are as follows:
- b) Florida Housing Finance Corporation ("Lender") Loans For:
  - (1) Avalon Reserve, Ltd., a Florida limited partnership ("Borrower") (Avalon Reserve Apartments);
  - (2) Hidden Creek Villas, Ltd., a Florida limited partnership ("Borrower") (Hidden Creek Villas);
  - (3) Metro Place, Ltd., a Florida limited partnership ("Borrower") (Metro Place Apartments);
  - (4) Metro Place II, Ltd., a Florida limited partnership ("Borrower") (Metro Place Apartments, Phase II);
  - (5) Osprey Ridge Apartments, Ltd., a Florida limited partnership ("Borrower") (Osprey Ridge Apartments);
  - (6) Park Avenue Villas, Ltd., a Florida limited partnership ("Borrower") (Park Avenue Villas);
  - (7) Punta Gorda Pines, Ltd., a Florida limited partnership ("Borrower") (The Pines of Punta Gorda);
  - (8) Pointe Vista, Ltd., a Florida limited partnership ("Borrower") (Pointe Vista Apartments);
  - (9) Pointe Vista II, Ltd., a Florida limited partnership ("Borrower") (Pointe Vista II);
  - (10) Sand Lake Pointe Apartments, Ltd., a Florida limited partnership ("Borrower") (Sand Lake Pointe Apartments);
  - (11) Waterford Pointe Apartments, Ltd., a Florida limited partnership ("Borrower") (Waterford Pointe Apartments);
  - (12) West Pointe Villas, Ltd., a Florida limited partnership ("Borrower") (West Pointe Villas Apartments).

## SPECIAL ASSETS

### *Consent*

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

- a) By letter dated June 2, 2006 ([Exhibit B](#)), the borrower is requesting Florida Housing's approval of the transfer of the general partnership interests in these developments to affiliates of Banyan Realty Management, LLC. Two of these developments, Avalon Reserve and Waterford Pointe, have bond funding and associated transfer requests are in MMRB Consent Item F, Exhibits E and F.
- b) Staff has received a credit underwriting report from Seltzer Management ([Exhibit C](#)) providing a positive recommendation for the transfers.

#### 3. **Recommendation**

Approve the transfer of general partnership interest in these eleven developments and direct staff to proceed with loan modification activities as required subject to the following conditions in the credit underwriting report dated July 6, 2006:

- (1) Assumption of all liabilities and obligations to Florida Housing, as outlined in the loan documents, other than defaults occurring prior to the subject transfers previously provided by Mr. Chira and his affiliated companies by Eileen Vogt, Louis Vogt, and Scott Zimmerman, individually, each Banyan GP, and the Holding Company,
- (2) The Banyan GP and the LCA GP to execute any assignment and assumption documents FHFC deems necessary to effectuate the transfer including, but not limited to, Environmental Indemnity and Guaranty of Recourse Obligations.
- (3) Receipt and satisfactory review of updated financial statements for Messrs. Vogt and Zimmerman, individually, Banyan, and the Holding Company, indicating liquidity and financial strength not materially adverse from amounts presented above, all dated within 30-days of the ownership transfer,
- (4) Organizational documents evidencing that the Banyan GPs and Holding Company have been legally formed and are in good standing and reflect an ownership structure consistent with the structure presented above,
- (5) Resolution of any non-compliance or past due items for the subject properties, if any,
- (6) Payment of all past due amounts for the subject properties, if any,
- (7) Payment of all costs and fees to FHFC and its counsel and servicer associated with the transfer of ownership interests,
- (8) Consent of each superior lender(s) and HC equity provider(s), where applicable, and
- (9) Review and approval of all loan documents by Florida Housing's legal counsel.