

FLORIDA HOUSING FINANCE CORPORATION

Board Meeting

March 3, 2006

Consent Items



DEMONSTRATION LOANS

Consent

I. DEMONSTRATION LOANS

A. Request Subordinate Lien Position for Demonstration Loan for Clam Bayou Apartments (RFP 2004/12-04PMDD)

DEVELOPMENT NAME (“Development”):	Clam Bayou Apartments
DEVELOPER/PRINCIPAL (“Developer”):	Clam Bayou Apartments, Inc., a non-profit corporation
NUMBER OF UNITS:	14
LOCATION (County):	Pinellas
TYPE:	Rental, Supportive Housing
SET ASIDE:	Persons with Physical, Mental or Developmental Disabilities
DEMONSTRATION LOAN AMOUNT:	\$184,130

1. Background

- a) On December 3, 2004, Florida Housing issued a Request for Proposals (RFP) for the development of housing for persons with physical, mental, or developmental disabilities
- b) The Developer submitted a response and on April 22, 2005 the Board approved the final ranking and a loan amount of \$184,130
- c) On October 14, 2005 the Board approved the credit underwriting report and recommendation of the Technical Assistance Provider.

2. Present Situation

The credit underwriting report stated that the Demonstration Loan would be secured by a first mortgage. Subsequent to the Board’s approval of the final credit underwriting report, the Applicant requested that the Demonstration Loan be subordinate to the U.S. Department of Housing and Urban Development’s Section 811 funding. Subordinate lien positions are typical with the Demonstration Loans. The credit underwriter has provided a letter recommending approval of this request ([Exhibit A](#)).

3. Recommendation

Authorize staff to proceed with closing the Demonstration Loan in a subordinate lien position to the HUD Section 811 funding.

HOMEOWNERSHIP LOAN PROGRAM

Consent

II. HOMEOWNERSHIP LOAN PROGRAM

A. Request Approval of Extension Request for the Completion Date for Florida Low Income Housing Associates, Inc. (Non-Profit) for Wildwood Scattered Sites / HH02-002 and Citrus County Scattered Sites II / HH02-003

Applicant Name (“Applicant”):	Florida Low Income Housing Associates, Inc. (Non-Profit)
Developer/Principal (“Developer”):	Pat Kenney
Type: HOME Purchase Assistance	
Development Name (“Developments”):	
Wildwood Scattered Sites / HH02-002	Citrus County Scattered Sites II / HH02-003
\$600,000 / 13 Units (Sumter Co.)	\$1,000,000 / 47 Units (Citrus Co.)

1. Background

- a) The Applicant submitted applications for Citrus County Scattered Sites II and Wildwood Scattered Sites during the 2002 Homeownership Loan Program Application Cycle. The Applicant scored within the funding range and was invited into credit underwriting on October 30, 2002.
- b) Final credit underwriting reports for both Developments were completed on March 17, 2003.
- c) On December 3, 2004 the Board approved the Developer’s request to increase the HOME Down Payment Assistance available to Eligible Homebuyers to the maximum of 25% of the sales price, while maintaining the HOME allocation amount, and reducing the number of units accordingly.
- d) To date, 3 homes have been completed in the Wildwood Scattered Sites Development and 42 homes have been completed in the Citrus County Scattered Sites II Development.

2. Present Situation

On February 10, 2006, the Developer requested a one-year extension of the completion date from March 17, 2006 to March 17, 2007 for both Developments, citing delays due to increased costs and an insufficient supply of qualified sub-contractor labor. The letter is attached as [Exhibit A](#).

3. Recommendation

Staff recommends that the Board grant the request to extend the completion date from March 17, 2006 to March 17, 2007 for Citrus County Scattered Sites II and Wildwood Scattered Sites, subject to further approvals by the credit underwriter, counsel, and the appropriate corporation staff.

HOMEOWNERSHIP LOAN PROGRAM

Consent

B. Request Approval of Extension Request for the Completion Date for Florida City Foundation, Inc. (Non-Profit) for Walkers Cove / HH02-013

Applicant Name (“Applicant”):	Florida City Foundation, Inc. (Non-Profit).
Development Name (“Development”):	Walkers Cove
Developer/Principal (“Developer”):	Matthew Price
Number of Units: 25	Location: Miami-Dade County
Type: HOME Purchase Assistance Loan	Allocated Amount: \$672,500

1. Background

- a) The Applicant submitted an application during the 2002 Homeownership Loan Program Application Cycle. The Applicant scored within the funding range and was invited into credit underwriting on October 30, 2002.
- b) The final credit underwriting report, dated February 13, 2003, was approved at the March 2, 2003 Board Meeting.

2. Present Situation

On February 10, 2006, the Developer requested a one-year extension of the completion date from March 17, 2006 to March 17, 2007 advising that the remaining 3 homes are expected to close by March 2006 and the required documentation should be submitted to the Servicer no later than April 3, 2006. The letter is attached as [Exhibit B](#).

3. Recommendation

Staff recommends that the Board grant the request to extend the completion date from March 17, 2006 to March 17, 2007, for Walkers Cove, subject to further approvals by the credit underwriter, counsel, and the appropriate corporation staff.

LEGAL

Consent

III. LEGAL

A. In Re: National Development Foundation

Development Name: (“Development”):	Baker Manor
Developer/Principal: (“Developer”):	Barry Haiman (Developer) Borrower: Affordable Housing Solutions for Florida, Inc.
Number of Units: 50	Location: Baker County
Type: Apartments	Set Aside: 20% @ 50% AMI,
Demographics: Family	Allocated Amount: \$1,230,000
MMRB: n/a	Housing Credits: n/a

1. Background

- a) During the 1996-97 SAIL Cycle IX, Florida Housing awarded a \$1,230,000 construction/permanent loan to Affordable Housing Solutions (“Petitioner”), for the development of a 50-unit Family Development in MacClenny, Baker County (“Development”). The SAIL loan closed on December 15, 1997. The Borrower had been delinquent for payment of fees, escrows, replacement reserves and interest as well as delinquent in providing various required financial information from 2000 to 2005.
- b) On September 8, 2004, National Development Foundation, Inc., a Florida not-for-profit corporation, submitted a proposal for the workout of past due interest on the SAIL loan, purchase of the Development and assumption of the SAIL loan. On April 29, 2005, the Board approved the transfer of ownership. Petitioner is no longer associated with the Development.
- c) On January 20, 2006, Florida Housing received “Affordable Housing Solutions for Florida, Inc.’s Petition for Waiver of Rule 9I-35.006, Florida Administrative Code,” (“Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit A](#).
- d) Rule 9I-35.006, F.A.C., Florida Administrative Code, states in pertinent part:

(5)(a) By April 15 of each year of the SAIL loan term, the borrower shall provide the Agency and its servicer with a certification detailing the information needed to determine the annual payment to be made. The certification shall require submission of audited financial statements, the SAIL available Cash Flow Statement and other documents that may be required by the Agency and/or Servicer.

LEGAL

Consent

- e) Petitioner requests a waiver of the past due reporting requirements.
- f) On February 3, 2006, the Notice of Petition was published in the Florida Administrative Weekly in Volume 32, Number 05.
- g) To date, Florida Housing has not received any comments concerning the Petition.

2. Present Situation

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

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

3. Recommendation

Staff recommends the Board grant Petitioner's request for a waiver of Rule 9I-35.006, Florida Administrative Code. Petitioner demonstrated that requiring it to spend considerable sums of money to gather, compile and report information for the past years for a Development that it no longer is associated with would create a substantial hardship, as it is a not-for-profit with limited resources and does not have the necessary documents in its possession. Waiving past reporting requirements would allow Petitioner to focus their limited resources on managing existing properties.

MULTIFAMILY BONDS

Consent

IV. MULTIFAMILY BONDS

- A. Request Approval of the Supplemental Letter to the Final Credit Underwriting Report, Dated September 23, 2005 for \$9,000,000 in Tax-Exempt Bonds and \$4,000,000 in SAIL Funding in Order to Finance the Development Known as Alabaster Gardens Apartments (“Development”), 147 Units, Located in Unincorporated Escambia County, Florida

DEVELOPMENT NAME (“Development”):	Alabaster Gardens Apartments
DEVELOPER/PRINCIPAL (“Developer”):	Alabaster Gardens, Ltd./Alabaster Gardens, LLC/Circle, Inc./Carlisle Development Group, LLC/Lloyd Boggio/Bruce Greer
NUMBER OF UNITS:	147
LOCATION (County):	Escambia
TYPE (Rental, Homeownership):	Rental/Elderly
SET ASIDE:	85% @ 60% (MMRB) 100% @60% (SAIL) 100% @60% (HC)
ALLOCATED AMOUNT:	\$9,000,000 of Tax-Exempt Bonds and \$4,000,000 SAIL
ADDITIONAL COMMENTS: Increase in Bonds Issued	

1. Background

- a) At the October 14, 2004 Board Meeting, the Board authorized the adoption of an Acknowledgement Resolution in the amount not to exceed \$7,500,000 in tax-exempt bonds for construction of the Development.
- b) At the October 14, 2005 Board Meeting, the Board approved a Final Credit Underwriting Report dated September 23, 2005, which recommended the issuance of \$7,500,000 in tax-exempt bonds and \$4,000,000 in SAIL funding.

2. Present Situation

- a) Alabaster Gardens, Ltd, (“Applicant”) in a letter, dated December 20, 2005 ([Exhibit A](#)) requested that the Tax-Exempt bonds be increased to \$9,000,000 during construction of the property. The increase in bonds is needed to meet federal requirement that 50% of eligible costs be funded with tax exempt bonds. In addition to funding through Florida Housing, Escambia County will provide a \$2,000,000 loan, available to the development during construction.
- b) A Supplemental Letter to the Final Credit Underwriting Report dated February 15, 2006, is attached as [Exhibit B](#).

3. Recommendation

That the Board approve the recommendation of the Credit Underwriter outlined in the Supplemental Letter dated February 15, 2006 recommending that \$9,000,000 in bonds and a \$4,000,000 SAIL loan be issued for the purpose of financing the construction 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

- B. Request Approval for an Assumption and Amendment of LURA Obligations of the Development. This Approval is Requested From Both the MMRB and SAIL Programs**

DEVELOPMENT NAME (“Development”):	Northbridge at Millenia Apartments
DEVELOPER/PRINCIPAL (“Developer”)/ (“Owner”):	Northbridge at Millenia Partners, Ltd./Sandspur Housing Partners, Ltd. /CED Capital Holdings, LLC/ Alan Ginsberg
NUMBER OF UNITS:	396
LOCATION (“County”):	Orange
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	20% @ 50%;
ALLOCATED AMOUNT:	\$30,020,000 Tax-Exempt Bonds \$ 3,300,000 Taxable Bonds
ADDITIONAL COMMENTS: Assumption and Amendment of the Land Use Restriction Agreement (“LURA”) Obligations	

1. Background

- a) In 2003, Florida Housing financed the acquisition and construction of the Development with \$30,020,000 in Tax-Exempt Bonds and \$3,300,000 in Taxable Bonds (the “Bonds”), designated as 2003 Series V-1 & V-2.

2. Present Situation

- a) The Owner, in a letter dated January 31, 2006 ([Exhibit C](#)), requests approval of a transfer the obligations of the LURA to an entity controlled by Greystar. Prior to the transfer, the bonds will be redeemed and the General Partner interest of the developer will be transferred to that same entity.
- b) The Credit Underwriter has reviewed the Owner’s request and by letter dated February 16, 2006 ([Exhibit D](#)) recommends that Florida Housing approve the request.

3. Recommendation

That the Board approve, for both the MMRB and the SAIL Programs, the Assumption and Amendment of LURA Obligations of the Development, subject to LURA and document conditions and further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

C. Request Approval to Amend the Land Use Restriction Agreement (“LURA”)

DEVELOPMENT NAME (“Development”):	Riley Chase
DEVELOPER/PRINCIPAL (“Developer” or “Owner”):	Vestcor Fund XVII, Ltd./Vestcor Partners XVII, Inc./Stephen A. Frick
NUMBER OF UNITS:	312
LOCATION (“County”):	Sarasota
TYPE (“Rental, Homeownership”):	Rental
SET ASIDE:	50% @ 60% (MMRB)
ALLOCATED AMOUNT:	\$12,400,000 of Tax-Exempt Bonds \$1,060,000 of Taxable Bonds and
ADDITIONAL COMMENTS: LURA Amendment	

1. Background

In September, 1999, Florida Housing financed the construction of the Development with \$12,400,000 in tax-exempt bonds and \$1,060,000 in taxable bonds, designated as 1999 Series L-1 and L-2.

2. Present Situation

a) The Owner, in a letter dated January 9, 2006 ([Exhibit E](#)) requests the LURA be amended to reflect a change in square footage of the two bedroom units from:

Two bedroom/two bath 904 or 921 square feet

to:

Two bedroom/two bath 904 or 924 square feet

b) The Credit Underwriter has reviewed the request and by letter dated January 12, 2006 ([Exhibit F](#)) recommends that Florida Housing approve the request.

3. Recommendation

That the Board approve the amendment to the LURA for 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 to Invite All Multifamily Mortgage Revenue Bond (MMRB) Program Applicants who Applied During the 2006 Universal Application Cycle to Enter Credit Underwriting at Their Own Risk and to Open a Supplemental MMRB Application Cycle

1. Background

The 2006 Universal Application Cycle closed on February 1, 2006. The MMRB Program received 11 applications requesting a total of \$80,923,505 in tax-exempt bonds.

2. Present Situation

- a) The MMRB Program currently has tax-exempt bonds available for multifamily developments in an amount that is adequate to fund all of the 2006 Universal Applications that applied. Therefore, these applicants should be allowed to enter credit underwriting at their own risk, pending final board approval of the ranking of their applications.
- b) After accounting for all of the 2006 Universal Application Cycle applicants who applied, there remains in excess of \$400,000,000 in tax-exempt bonds not committed to a specific multifamily development. Therefore, staff requests permission to open a Supplemental MMRB Application Cycle in accordance with the provisions incorporated by reference in Rule Chapter 67-21, Florida Administrative Code.

3. Recommendation

Invite all MMRB Program applicants who applied during the 2006 Universal Application Cycle to enter credit underwriting at their own risk and authorize the opening of a Supplemental MMRB Application Cycle and allow staff to determine the appropriate opening and closing dates for this cycle.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

V. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Reduction in Number of Units and Reduced Loan Amount for New Moon Estates (PLP 03-043)

DEVELOPMENT NAME (“Development”):	New Moon Estates
APPLICANT/DEVELOPER (“Developer”):	Bonita Springs Area Housing Development Corporation, a non-profit corporation
NUMBER OF UNITS:	4
LOCATION (County):	Lee
TYPE:	Homeownership
SET ASIDE:	100% @ 80% AMI
ALLOCATED AMOUNT:	\$88,271.00 (proposed)

1. Background

On June 18, 2004 the Board approved a PLP loan in the amount \$115,071.14 for Bonita Springs Area Housing Development Corporation, a non-profit corporation, for New Moon Estates, a 6 unit development located in Lee County.

2. Present Situation

- a) The Technical Assistance Provider (TAP) has received documentation from the Developer indicating that the site plan for this Development was modified to accommodate easement issues. As such, it is necessary to reduce the total number of units from 6 to 4. The PLP loan amount will be reduced from \$115,071.14 to \$88,271.00.
- b) The TAP has sent a letter recommending that Florida Housing approve the reductions along with the PLP budget amendments ([Exhibit A](#)).

3. Recommendation

Approve the reduction in the number of units from 6 to 4, the reduction in the loan amount from \$115,071.14 to \$88,271.00 and authorize staff to initiate modification of the appropriate loan documents.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Request Approval of PLP Loan to Liberty Gateway, Ltd. for Liberty Gateway (PLP 05-085)

DEVELOPMENT NAME (“Development”):	Liberty Gateway
APPLICANT/DEVELOPER (“Developer”):	Liberty Gateway, Ltd.
CO-DEVELOPER:	Carrfour Supportive Housing, Inc.
NUMBER OF UNITS:	90
LOCATION (“County”):	Miami-Dade
TYPE:	Rental
SET ASIDE:	60% @ 60% AMI
SPECIAL TARGETING (if any)	Homeless, Other
PLP LOAN AMOUNT:	\$ 500,000
ADDITIONAL COMMENTS: Liberty Gateway, Ltd. qualifies as an eligible Applicant since Carrfour Supportive Housing, Inc. – a non-profit corporation, holds a 100% ownership interest in the Development held by the general partner entity.	

1. Background/Present Situation

- a) On September 26, 2005, Florida Housing issued an Invitation to Participate in the PLP to the Developer. The Development will be located in Miami-Dade County.
- b) The Technical Assistance Provider (TAP) has approved the development plan and has recommended a loan amount of \$500,000 for PLP eligible activities ([Exhibit B](#)). The TAP assisted the Developer in preparing the development plan and budget ([Exhibit C](#)). Staff has reviewed them and determined that all budget items are PLP eligible.

2. Recommendation

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

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

C. Request Approval of PLP Loan to Little Haiti Housing Association, Inc., a Non-Profit Corporation, for Villa Jardin III (PLP 05-087)

DEVELOPMENT NAME (“Development”):	Villa Jardin III
APPLICANT/DEVELOPER (“Developer”):	Little Haiti Housing Association, Inc., a non-profit corporation
CO-DEVELOPER:	n/a
NUMBER OF UNITS:	24
LOCATION (“County”):	Miami-Dade
TYPE:	Homeownership
SET ASIDE:	100% @ 80% AMI
PLP LOAN AMOUNT:	\$ 435,450

1. Background/Present Situation

- a) On December 2, 2005, Florida Housing issued an Invitation to Participate in the PLP to the Developer. The Development will be located in Miami-Dade County.
- b) The TAP has approved the development plan and has recommended a loan amount of \$435,450 for PLP eligible activities ([Exhibit D](#)). The TAP assisted the Developer in preparing the development plan and budget ([Exhibit E](#)). Staff has reviewed them and determined that all budget items are PLP eligible.

2. Recommendation

Approve a PLP Loan in the total amount of \$435,450 to the Developer for predevelopment expenses as recommended by the TAP and allow staff to issue the commitment letter and begin loan closing proceedings.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

- D. **Request Approval of a PLP Loan to the Housing Authority of the City of Ft. Lauderdale, a Public Housing Authority, for Dixie Court Apartments (PLP 05-086) and Allow Carlisle Development Group, LLC (Carlisle), a Florida For-Profit Corporation, to Act as Co-Developer for Dixie Court Apartments**

DEVELOPMENT NAME (“Development”):	Dixie Court Apartments
APPLICANT/DEVELOPER (“Developer”):	Housing Authority of the City of Ft. Lauderdale, a public housing authority
CO-DEVELOPER:	Carlisle Development Group, LLC
NUMBER OF UNITS:	122
LOCATION (“County”):	Broward
TYPE:	Rental
SET ASIDE:	60% @ 60% AMI
PLP LOAN AMOUNT:	\$ 500,000
ADDITIONAL COMMENTS: This development has been awarded 2006 tax credits by way of a forward allocation from 2005.	

1. **Background/Present Situation**

- a) On December 6, 2005, Florida Housing issued an Invitation to Participate in the PLP to the Developer. The Development will be located in Broward County.
- b) The TAP has approved the development plan and has recommended a loan amount of \$500,000 for PLP eligible activities ([Exhibit F](#)). The TAP assisted the Developer in preparing the development plan and budget ([Exhibit G](#)). Staff has reviewed them and determined that all budget items are PLP eligible.
- c) Additionally, through a competitive process, Carlisle Development Group (Carlisle) has been procured as co-developer for this Development. Rule Chapter 67-38.002 (1), F.A.C., limits the number of outstanding PLP loans that an Applicant, Affiliate, limited partnership or general partner thereof may have at any given time without prior Board approval.
- d) As of July 22, 2005, Carlisle has been approved to be an Applicant and/or Affiliate of four outstanding PLP loans.
- e) On February 10, 2006, staff received a letter from Carlisle requesting permission to be an Affiliate (co-developer) of one (1) additional PLP application ([Exhibit H](#)); thus involving Carlisle in five outstanding PLP loans.

2. **Recommendation**

- a) In accordance with Rule Chapter 67-38.002(1), Florida Administrative Code, approve Carlisle’s request to be an Applicant and/or Affiliate of (5) outstanding PLP loans.
- b) Approve a PLP Loan in the total amount of \$500,000 to the Developer for predevelopment expenses as recommended by the TAP and allow staff to issue the commitment letter and begin loan closing proceedings.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

E. Request Approval of Credit Underwriting Report for Marian Manor, Inc., a Non-Profit Corporation, for Marian Manor (PLP 03-046)

DEVELOPMENT NAME (“Development”):	Marian Manor
APPLICANT/DEVELOPER (“Developer”):	Marian Manor, Inc., a non-profit corporation
CO-DEVELOPERS:	Catholic Charities Housing, a non-profit corporation
NUMBER OF UNITS:	32
LOCATION (“County”):	Sarasota
TYPE:	Rental
SET ASIDE:	60% @ 60% AMI
PLP LOAN AMOUNT:	\$ 500,000

1. Background/Present Situation

- a) On February 11, 2004, Florida Housing issued an Invitation to Participate in the PLP to the non-profit Developer. The Development will be located in Sarasota County.
- b) On July 30, 2004, the Board approved the development plan and budget that was submitted by the Technical Assistance Provider (TAP) recommending a loan of \$500,000 for PLP eligible activities. Of this \$500,000, Staff was authorized to proceed with loan closing activities for \$250,000, the non-site acquisition portion of the loan, with the remaining \$250,000 pending a positive recommendation from the Credit Underwriter for site acquisition.
- c) Staff received a credit underwriting report on January 30, 2006 with a positive recommendation for a PLP Loan in the amount of \$500,000, subject to the conditions outlined in the report ([Exhibit I](#)).

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

VI. PROFESSIONAL SERVICES SELECTION (PSS)

A. Investment Banking Services

1. Background

Effective November 10, 2005, Florida Housing entered into contract with Advest, Inc. (Advest) to provide investment banking services.

2. Present Situation

- a) Advest was acquired by Merrill Lynch & Co. on December 2, 2005.
- b) Following the acquisition, Advest has continued to operate as a separate subsidiary of Merrill Lynch during a transition period following which Advest will cease its operations as a separate subsidiary and, thereafter, all of its investment banking operations will be assumed by and carried on by and in the name of Merrill Lynch.
- c) The transition period has ended or soon will end and Advest and Merrill Lynch have requested that Florida Housing agree to formally recognize Merrill Lynch as the successor in interest to Advest under the terms and conditions of the Contract.
- d) In connection with the request and the amendment, Advest and Merrill Lynch have advised Florida Housing that certain key personnel named in the proposal submitted by Advest will continue to be available to Florida Housing.

3. Recommendation

Authorize staff to amend the Advest Contract to formally recognize Merrill Lynch as the successor in interest under the terms and conditions of the Contract, and subject to the terms and conditions of the amendment.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

B. Bond Counsel Services

1. Background

- a) At its October 10, 2002 meeting, the Board of Directors of Florida Housing selected the following firms to provide Bond Counsel services:
 - (1) Bryant, Miller and Olive, P.A. jointly with Law Offices of Steve Bullock
 - (2) Greenberg Traurig, P.A. jointly with Edwards & Carstarphen now known as Edwards & Associates, P.A.
 - (3) Hawkins, Delafield & Wood
 - (4) Squire, Sanders & Dempsey, L.L.P. jointly with Reginald D. Hicks, Hicks & Richards, L.L.C.
- b) The initial term of the contracts expired May 8, 2005. The contracts could be renewed twice for an additional one-year period.
- c) At its April 22, 2005 meeting, the Board of Directors of Florida Housing authorized staff to proceed with the first contract renewal process.

2. Present Situation

- a) The contracts expire May 8, 2006.
- b) Florida Housing staff supports a second renewal to extend the term of the contracts for an additional one-year period.

3. Recommendation

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

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

C. **Printing Services**

1. **Background**

At its December 6, 2002 meeting, the Board of Directors of Florida Housing directed staff enter into contract negotiations with i-Deal LLC to provide printing, binding, shipping, and electronic transmission of preliminary and final official statements (Official Statements) and related materials.

2. **Present Situation**

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

3. **Recommendation**

Staff believes that it is in the best interests of Florida Housing to continue to retain i-Deal LLC to provide printing, binding, shipping, and electronic transmission of preliminary and final official statements (Official Statements) and related materials, and recommends the Board direct staff to proceed with the contract renewal process.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

VII. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Change to Construction Lender and SAIL Loan Closing Extension for Ochlockonee Pointe Apartments, Cycle XIII, (2001-131CS/ 2004-151CS)

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

1. Background/Present Situation

- a) Ochlockonee Pointe applied for funding and failed to meet the requirements during the 2001 cycle. As a result of a scoring appeal, it received a binding commitment for 2004 funds.
- b) On June 8, 2004, staff issued a preliminary commitment letter and invitation to credit underwriting for a SAIL Loan in the amount up to \$600,000 for this 96-unit family development in Gadsden County.
- c) On December 9, 2005, the Board approved the final credit underwriting report and directed staff to proceed with issuance of a firm loan commitment and loan closing activities.
- d) On January 20, 2006, Board approved a request from the Developer for an increase in the loan amount for the first mortgage.
- e) On February 3, 2006, staff received a letter from the Developer requesting approval for a change of the first mortgage construction loan provider and a 90-day extension of the loan closing deadline ([Exhibit A](#)). Rule Chapter 67-48, Florida Administrative Code, “F.A.C.” requires SAIL loans close within 60 days of issuance of the SAIL loan commitment letter and a loan extension fee of one half of one percent of the SAIL loan be paid in the event the loan does not close within 60 days.
- f) On February 8, 2006, staff received a credit underwriting review with a positive recommendation for the change of the first mortgage construction loan provider and a slight increase in both the construction and permanent loans ([Exhibit B](#)). Staff has reviewed the report and finds that the Development meets all of the requirements of SAIL Rule 67-48 F.A.C.

2. Recommendation

Approve the updated credit underwriting review for the change of the first mortgage construction loan provider, a slight increase in the construction and permanent loans, and the 90-day extension of the SAIL closing deadline, subject to payment of the extension fee required by Rule 67-48, F.A.C.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval to Exchange Amenities for Calusa Cove Apartments, Cycle XIV, (2001-039/2002-017S)

Development Name: Calusa Cove Apartments (“Development”)	Location: Miami-Dade County
Developer/Principal: Greater Miami Neighborhoods, Inc. (“Developer”)	Set-Aside: 15% @ 30% AMI and 85% @ 60% AMI
Number of Units: 144	Allocated Amount: \$1,449,387
Type: Mid Rise with Elevators	Total Housing Credit Equity: \$6,888,960
Demographics: Family	MMRB: N/A

1. Background/Present Situation

- a) On October 6, 2003, a SAIL loan in the amount of \$1,449,387 for this 144-unit family development in Miami-Dade County closed.
- b) On November 29, 2005, staff received a letter from the Developer requesting approval of a change of amenities from ceramic tile floors in the bathrooms to microwave ovens in each unit and an on-site car care area ([Exhibit C](#)).
- c) On December 20, 2005, staff received a credit underwriting review with a positive recommendation for the exchange in the amenities ([Exhibit D](#)). The ceramic tile floors had a point value of 2 points in the 2002 application and the microwave ovens and the car care area 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.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

C. **Request Approval of a SAIL Credit Underwriting Report for Lakeside Pointe Apartments
AKA Harris Cove Apartments, Cycle XVII, (2005-073S)**

Development Name: Lakeside Pointe Apartments (“Development”)	Location: Lake County
Developer/Principal: Sandspur Housing Partners, Ltd. (“Developer”)	Set-Aside: 100% @ 60% AMI
Number of Units: 128	Allocated Amount: \$1,500,000 and \$1,500,000
Type: Garden Style	Total Housing Credit Equity: \$4,801,204
Demographics: Family	MMRB: \$7,600,000 (Local)

1. **Background/Present Situation**

- a) On May 9, 2005, a 2004 SAIL loan closed in the amount of \$1,500,000 for this 128-unit family development in Lake County. In the 2005 Universal Application Cycle, Applicants that were successful in receiving an award of 2004 SAIL funds could apply in 2005 for the difference between the 2004 and 2005 SAIL request limits.
- b) On August 25, 2005, the Board approved the final scores and ranking for the 2005 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- c) On October 10, 2005, staff issued a preliminary commitment letter and an invitation to credit underwriting for an additional SAIL loan in an amount up to \$1,500,000 for this 128-unit family development in Lake County.
- d) On February 3, 2006, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$1,500,000 ([Exhibit E](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of SAIL Rule 67-48, F.A.C.

2. **Recommendation**

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

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

D. Request Approval of a SAIL Credit Underwriting Report for Lake Harris Cove Apartments, Cycle XVII, (2005-077S)

Development Name: Lake Harris Cove Apartments (“Development”)	Location: Lake County
Developer/Principal: Sandspur Housing Partners, Ltd. (“Developer”)	Set-Aside: 70% @ 60% AMI
Number of Units: 152	Allocated Amount: 3,000,000
Type: Garden Style	Total Housing Credit Equity: \$5,114,965
Demographics: Family	MMRB: \$10,100,000 (Local)

1. Background/Present Situation

- a) On August 25, 2005, the Board approved the final scores and ranking for the 2005 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities
- b) On September 29, 2005, staff issued a preliminary commitment letter and an invitation to credit underwriting for a SAIL loan in an amount up to \$3,000,000 for this 152-unit family development in Lake County.
- c) On February 3, 2006, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$3,000,000 ([Exhibit F](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of SAIL Rule 67-48, F.A.C.

2. Recommendation

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

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

E. Request Approval of a SAIL Credit Underwriting Report for Brookwood Forest Apartments, Cycle XVII, (2005-080S)

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

1. Background/Present Situation

- a) On August 25, 2005, the Board approved the final scores and ranking for the 2005 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On September 29, 2005, staff issued a preliminary commitment letter and an invitation to credit underwriting for a SAIL loan in an amount up to \$3,000,000 for this 168-unit family development in Duval County.
- c) On February 6, 2006, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$3,000,000 ([Exhibit G](#)). The SAIL loan will be secured with a second mortgage. Staff has reviewed this report and finds that the Development meets all of the requirements of SAIL Rule 67-48, F.A.C.

2. Recommendation

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

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

F. Request Approval of Credit Underwriting Report for Bristol Bay Apartments, Cycle XVII, (2005-120S)

Development Name: Bristol Bay Apartments (“Development”)	Location: Hillsborough County
Developer/Principal: Cornerstone Group Development, LLC (“Developer”)	Set-Aside: 100% @ 60% AMI
Number of Units: 300	Allocated Amount: \$1,000,000 and \$2,000,000
Type: Garden Style	Total Housing Credit Equity: \$6,159,000
Demographics: Family	MMRB: \$13,900,000 (Florida Housing)

1. Background/Present Situation

- a) On June 20, 2005, a 2004 SAIL loan closed in the amount of \$2,000,000 for this 300-unit family development in Hillsborough County. In the 2005 Universal Application Cycle, Applicants that were successful in receiving an award of 2004 SAIL funds could apply in 2005 for the difference between the 2004 and 2005 SAIL request limits.
- b) On August 25, 2005, the Board approved the final scores and ranking for the 2005 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- c) On October 10, 2005, staff issued a preliminary commitment letter and an invitation to credit underwriting for an additional SAIL loan in an amount up to \$1,000,000 for this 300-unit family development in Hillsborough County.
- d) On February 3, 2006, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$1,000,000 ([Exhibit H](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of SAIL Rule 67-48, F.A.C.

2. Recommendation

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

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

G. Request Approval of a SAIL Credit Underwriting Report for Christine Cove Apartments, Cycle XVII, (2005-043BS)

Development Name: Christine Cove Apartments (“Development”)	Location: Duval County
Developer/Principal: Carlisle Development Group, LLC and Urban Core Enterprises, Inc. (“Developer”)	Set-Aside: 100% @ 60% AMI
Number of Units: 96	Allocated Amount: \$4,000,000
Type: Garden Style	Total Housing Credit Equity: \$3,640,620
Demographics: Elderly	MMRB: \$2,900,000 (Local)

1. Background/Present Situation

- a) On August 25, 2005, the Board approved the final scores and ranking for the 2005 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On September 29, 2005, staff issued a preliminary commitment letter and an invitation to credit underwriting for a SAIL loan in an amount up to \$4,000,000 for this 96-unit Elderly development in Duval County.
- c) On February 2, 2006, staff received a credit underwriting report ([Exhibit I](#)) with a positive recommendation for a SAIL loan in the amount of \$4,000,000. 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 and loan closing activities.

SPECIAL ASSETS

Consent

VIII. SPECIAL ASSETS

A. Request Approval to Refinance the First Mortgage and Extension of the SAIL Loan Term for Bear Creek Apartments (93S-045)

Development Name: Bear Creek (“Development”)	Location: Collier County
Developer/Principal: Bear Creek of Naples, Ltd. (“Developer”)	Set-Aside: 100% @ 60% AMI Terms: SAIL 50 years HC 50 years,
Funding Sources: SAIL 93S-045 HC 93L-071/94L-004	Amounts: SAIL: \$1,225,000; 2/11/94 matures 8/23/08 Housing Credits: \$700,077 15yrs (4/17/10)
Number of Units: 120	Type: Garden Style Buildings
Demographics: Family	2637 Bear Creek Drive, Naples, FL 33942

1. Background

- a) During the 1993 SAIL Cycle, Florida Housing awarded a \$1,225,000 loan to Bear Creek of Naples, Ltd., a Florida Limited Partnership (“Borrower”) for the development of a 120-unit apartment complex in Collier County, Florida. The Development also received a 1993 and 1994 allocation of low-income housing tax credits in the amount of \$700,077.
- b) By letter dated December 7, 2005 ([Exhibit A](#)), the borrower is requesting Florida Housing’s approval of the refinancing of the first mortgage. The refinancing involves a lower interest rate which improves cash flow. The borrower has also requested that the SAIL loan that matures 8/23/08 be extended approximately 5 years to match the new maturity date of the refinanced first mortgage.

2. Present Situation

Staff has received a credit underwriting report from Seltzer Management ([Exhibit B](#)) recommending approval of the refinancing and extension of the SAIL loan term. The Borrower has agreed to extend the affordability period by the length of time equal to the extension of the SAIL loan.

3. Recommendation

Approve the recommendation of the Credit Underwriter outlined in the February 10, 2006 report recommending refinancing the first mortgage, extending the SAIL loan term and Land Use Restriction Agreement, subject to further approvals and verifications by the Credit Underwriter, Counsel and appropriate Florida Housing Staff and direct Staff to proceed with loan modification activities.

SPECIAL ASSETS

Consent

B. Request Assumption of the AHP Loan by Community Enterprises Investment, Inc. (CEII), a Non-Profit, for Devilliers Gardens (89S-014)

Development Name: Devilliers Gardens (“Development”)	Location: Escambia
Developer/Principal: Devilliers Gardens Ltd. (“Developer”)	Set-Aside: 100% @ 60% AMI Terms: SAIL 15 years LURA 30 years HC 15 years /expired, AHP 30 (initial 5 years with a 10, and 15 year extension.)
Funding Sources: SAIL 89S-014 HC 89L-014 AHP	Amounts: SAIL: \$155,250 Housing Credits: \$50,940
Number of Units: 16	
Demographics: Family	501-531 North de Villiers St. Pensacola, FL 32501

1. Background

- a) During the 1989 SAIL Cycle, Florida Housing awarded a \$155,250 loan to Devilliers Gardens, Ltd., a Florida Limited Partnership (Borrower) for the development of a 16-unit apartment complex in Escambia County, Florida. The Development also received a 1989 allocation of low-income housing tax credits in the annual amount of \$50,940.
- b) By letter dated November 10, 2005 ([Exhibit C](#)) the current general partner, Belmont DeVilliers Gardens Housing Corporation (“GP”) has entered into an agreement to purchase the limited partner ownership interest and assume all outstanding liabilities. The GP will then deed the development to CEII (“Purchaser”) which will assume the SAIL and AHP loan.
- c) The Purchaser has received a commitment from Escambia County for a CHDO loan in the amount of \$360,000 with a 22-year term at 0% interest. The proceeds will be used to pay off existing debt including the SAIL loan and interest.

2. Present Situation

Staff has received a credit underwriting report from First Housing Development Corporation ([Exhibit D](#)) recommending approval of the transfer of the partnership interest and assumption of the AHP loan.

3. Recommendation

Approve the recommendation of the Credit Underwriter outlined in the February 10, 2006 report recommending approval of the assumption of the AHP loan, subject to further approvals and verifications by the Credit Underwriter, Counsel and appropriate Florida Housing Staff and direct Staff to proceed with loan modification activities.

SPECIAL ASSETS

Consent

C. **Request Approval of an Extension of the SAIL Loan for Cutler Canal II Associates, Ltd., a Florida Corporation for Cutler Vista Apartments (Cutler Canal II) (89S-090)**

Development Name: Cutler Vista (Cutler Canal II) (“Development”)	Location: Dade County
Developer/Principal: The Related Companies of Florida (“Developer”)	Set-Aside: 20% @ 50% AMI and 5% @ 60% AMI
Number of Units: 216	Allocated Amount: \$2,500,000
Demographics: Elderly	Housing Credits: \$905,850

1. **Background**

- a) During the 1989 SAIL Cycle I, Florida Housing awarded a \$2,500,000 construction/permanent loan to Cutler Canal II Associates, Ltd., a Florida Limited Partnership (“Borrower”), for the development of a 216-unit development in Miami, Dade County. The SAIL loan closed on January 16, 1990 and matured on January 16, 2005. The Development also received a 1989 allocation of low-income housing tax credits and was placed in service February 11, 1991.
- b) The Borrower requested a SAIL loan and Land Use Restriction Agreement (LURA) extension to January 16, 2006. The Board approved the extension at the April 2005 Board meeting.
- c) The Borrower decided to sell the Development and at the December 2005 Board meeting, the Board approved the assumption and extension of the SAIL loan by Cutler Vista Preservation L.P. (“Purchaser”) of the Development. The Purchaser applied for and received an allocation of Florida Housing Multifamily Bonds. These bond proceeds are to be used for purchasing and rehabilitating the Development.

2. **Present Situation**

The closing of the Bonds and the purchase of the Development have taken longer than anticipated. The Borrower requests the Board allow the matured SAIL loan be extended three months to March 31, 2006 to allow time for the transactions to be completed. The Extension and assumption of the SAIL loan approved at the December 2005 Board meeting will occur simultaneously with the closing of the Florida Housing Bonds.

3. **Recommendation**

Approve the request to extend the SAIL loan to March 31, 2006 and direct staff to proceed with loan modification activities.