

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
October 20, 2006
Action Items



DEMONSTRATION LOANS

Action

I. DEMONSTRATION LOANS

A. Request De-obligation of Demonstration Loan Funds for Gardens of Mt. Carmel Assisted Living Facility (2002/01-001ALF)

DEVELOPMENT NAME (“Development”):	Gardens of Mt. Carmel Assisted Living Facility
DEVELOPER/PRINCIPAL (“Developer”):	Gardens of Mt. Carmel, Inc.
NUMBER OF UNITS:	74 (33 set-aside at 60% AMI)
LOCATION (County):	Duval
TYPE:	ALF
SET ASIDE:	40% of units @ 60% AMI
DEMONSTRATION LOAN AMOUNT:	\$900,000

1. Background/Present Situation

- a) On March 8, 2002, Florida Housing issued a Request for Proposals (RFP) for the development of affordable Assisted Living Facilities.
- b) On June 21, 2002, the Board approved funding of \$900,000 for Gardens of Mt. Carmel Assisted Living Facility (ALF) subject to a positive recommendation from the Credit Underwriter.
- c) On April 5, 2005 Florida Housing received a credit underwriting report with a positive recommendation from the credit underwriter.
- d) On April 22, 2005 the Board approved the credit underwriting report and a final commitment was issued.
- e) Subsequent to the Board approval of the credit underwriting report, the development was unable to secure anticipated commitments from other funding sources. In addition, the increase in anticipated costs of construction caused a greater shortfall in sources for the development. The developer has attempted to obtain other funding sources, but has been unsuccessful in securing adequate funding.
- f) Staff believes that the developer has been granted adequate time to proceed with the development and that allowing additional time is not likely to result in successful completion of the development.

2. Recommendation

Authorize staff to de-obligate demonstration loan funds for Gardens of Mt. Carmel Assisted Living Facility (2002/01-001ALF).

GUARANTEE PROGRAM

Action

II. GUARANTEE PROGRAM

A. Request for Authority to begin Rulemaking

1. Background/Present Situation

- a) Staff wishes to develop rules governing the transfer of ownership interests of developments within the Guarantee Program portfolio, and to amend the existing rules regarding not-for-profit participation in initial underwriting of Guarantee Program credit-enhanced developments.
- b) In order to address changes to Rule Chapter 67-39, Florida Administrative Code, governing the Florida Affordable Housing Guarantee Program, it is necessary to begin the rulemaking process.
- c) Staff will advertise the rulemaking process as required.

2. Recommendation

Approve Staff's request to begin the rule development process.

HOMEOWNERSHIP LOAN PROGRAM

Action

III. HOMEOWNERSHIP LOAN PROGRAM

A. Approval of Rule Chapter 67-58, Florida Administrative Code (F.A.C.) for the Community Workforce Housing Innovation Pilot Program (CWHIP)

1. Background

- a) The Board authorized Staff to commence rule development at the June 6, 2006 Board meeting.
- b) Public meetings were held on July 10, 2006 in Ft. Lauderdale and August 21, 2006 in Tampa to receive input on how to implement the program pursuant to HB1363 and 2006-69, Section 27, Laws of Florida.
- c) A rule development workshop was held on July 28, 2006 in Tallahassee.
- d) On September 22, 2006, the Joint Administrative Procedures Committee (JAPC) was provided the proposed Rule Chapter 67-58, F.A.C. and related materials for review. The proposed rule is attached as [Exhibit A](#).
- e) A rule hearing is scheduled on October 16, 2006 in Tallahassee.

2. Present Situation

- a) Following review of any public comments received at the rule hearing and comments received from JAPC, staff will proceed as follows:
 - (1) If it is determined that a Notice of Change (NOC) is not required, the rule will be filed for adoption on October 31, 2006, with an effective date of November 20, 2006.
 - (2) If it is determined that a NOC is required, a supplement to this Board Package will be provided that contains the proposed NOC. If approved by the Board, staff will file the NOC for publication in the Florida Administrative Weekly and the NOC will be filed with JAPC for its review. Provided that a second NOC is not necessary, the rule will be filed for adoption on November 27, 2006, with an effective date of December 17, 2006. A proposed timeline is attached as [Exhibit B](#).

3. Recommendation

Approve the proposed Rule Chapter 67-58 and NOC if applicable; authorize staff to file the rule for adoption if a second NOC is not required; and, if a second NOC is required, authorize the Chair to determine whether any second NOC makes material, substantive changes to the rule. If she determines that it does not, staff recommends that the Board approve such second NOC without the requirement of another Board meeting.

HOMEOWNERSHIP LOAN PROGRAM

Action

B. Community Workforce Housing Innovation Pilot Program (CWHIP) Lottery Number Selection

1. Background

The Request for Proposal (RFP) 2006-5 for the Community Workforce Housing Innovation Pilot Program (CWHIP) provides that each Project will receive a lottery number at or prior to the issuance of final scores and that the lottery numbers will be assigned by the Corporation's internal auditors using a random number generator program.

2. Present Situation

The seed number must be selected so that the internal auditors will be able to generate the random lottery numbers at the appropriate time.

3. Recommendation

The Chair should select a seed number from the listing of numbers provided by the internal auditor.

MINUTES

Action

IV. MINUTES

- A. Consider Approval of the [July 28, 2006, Board of Directors' Meeting Minutes](#).
- B. Consider Approval of the [September 8, 2006, Board of Directors' Meeting Minutes](#).

PROFESSIONAL SERVICES SELECTION

Action

V. PROFESSIONAL SERVICES SELECTION (PSS)

A. Request for Qualifications (RFQ) for Bond Counsel Services

1. Background

- a) In May 2002 Florida Housing entered into contracts for Bond Counsel Services with the following firms:
 - (1) Bryant, Miller and Olive, P.A. now known as Bryant Miller Olive 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. now known as Law Office of Reginald D. Hicks, P.A.
- b) The initial term of the contracts was for a three year period. The contracts expired May 8, 2005. The contracts were renewable for two additional one-year periods.
- c) At its April 22, 2005 and March 3, 2006 meetings the Florida Housing's Board of Directors (Board) authorized staff to proceed with the contract renewal process for each provider for one (1) year.

2. Present Situation

- a) The terms of the current Bond Counsel contracts expire on May 8, 2007.
- b) Florida Housing has a need for qualified attorneys to serve as Bond Counsel to provide services including, but not limited to, the following:
 - (1) Issuing standard, comprehensive bond counsel opinions as to the legality of the bonds, the security for their payment and the exemption or exclusion from federal taxation of the interest on the bonds;
 - (2) Reviewing and advising Florida Housing on the legal feasibility of the financing programs proposed to Florida Housing by prospective borrowers and by Florida Housing's underwriters and advising Florida Housing whether financing the programs will comply with applicable law and pending or proposed revisions in the law, including but not limited to, U.S. Treasury and HUD regulations;
 - (3) Advising as to procedures, required approvals and filings, schedule of events for timely issuance, potential cost-saving techniques and other legal matters relative to issuance of bonds, remarketing bonds, refunding bonds, or any change affecting bond documents, whether the financing is undertaken by competitive bid or negotiated sale, or other

PROFESSIONAL SERVICES SELECTION

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financing programs, whether involving 501(c)(3) organizations or otherwise;

- (4) Preparing Board resolutions and any amendments thereto in order to authorize the issuance of bonds, remarketing of bonds, refunding of bonds, or any change affecting bond documents;
- (5) Preparing trust indentures, trustee, registrar or paying agent agreements, servicing and administration agreements, loan agreements, mortgage origination agreements, and any other agreements or similar documents necessary, related or incidental to bond financing;
- (6) If sale is by competitive bid, assisting in preparation of the bid documents, notice of sale, evaluation of bids and any other documentation or action necessary to conduct a sale of the bonds in that manner;
- (7) Assisting in preparation of the preliminary official statement, official statement, private placement memorandum, and preparation of the award resolution, and any amendments thereto, for the sale of the bonds and reviewing the bond purchase agreement;
- (8) Preparing, obtaining, delivering and filing all closing papers necessary in connection with the sale and issuance of the bonds, including, but not limited to, certified copies of all minutes, resolutions and orders; certificates such as officers, incumbency, signature, no prior pledge, arbitrage, IRS Forms, and others; and verifications, consents and opinions from accountants, engineers, special consultants and attorneys;
- (9) Preparing and addressing issues in connection with the application for and preservation of private activity bond allocation from the State of Florida.

3. **Recommendation**

- a) Authorize staff to begin the solicitation process in order to select more than one qualified Offeror as Bond Counsel.
- b) Authorize the Executive Director to establish a Review Committee to make a recommendation for qualified Offerors to the Board.

PROFESSIONAL SERVICES SELECTION

Action

B. Affordable Housing Catalyst Program Services

1. Background

- a) Chapter 2004-243, Laws of Florida, amended Section 420.531, Fla. Stat., authorizing the transfer of the Affordable Housing Catalyst Program from the Department of Community Affairs (DCA) to Florida Housing effective July 1, 2004.
- b) At its October 14, 2004 meeting, the Board of Directors of Florida Housing authorized staff to enter into contract with The Florida Housing Coalition, Inc. to provide Affordable Housing Catalyst Program services.
- c) The initial term of the contract ended on November 30, 2005. The contract was renewable for two additional one-year periods.
- d) Effective July 1, 2005 the contract was renewed early in order to extend the term of the contract to be consistent with the state fiscal year and for budget purposes.
- e) At its April 21, 2006 meeting the Board authorized staff to proceed with the final one-year contract renewal.

2. Present Situation

- a) The current contract expires June 30, 2007.
- b) The Affordable Housing Catalyst Program is funded through the State Housing Trust Fund and provides training and technical assistance mainly to local governments and community based organizations on state and federal housing programs. For affordable housing, this includes administration and implementation of the State Housing Initiatives Partnership (SHIP) Program, the Home Investment Partnerships (HOME) Program and other affordable housing programs.
- c) The Affordable Housing Catalyst Program has been outsourced since its inception, with great success.

3. Recommendation

- a) Authorize staff to begin the solicitation process in order to obtain responses from qualified entities to deliver affordable housing training and technical assistance to staff of state and local governments, and community-based organizations.
- b) Authorize the Executive Director to establish a Review Committee to make a recommendation for a qualified entity to the Board.

PROFESSIONAL SERVICES SELECTION

Action

C. Court Reporting Services

1. Background

- a) At its August 1, 2003 meeting, the Board directed staff to initiate contract negotiations with Accurate Stenotype Reporters, Inc. and Dorothy A. King, RPR, to provide court reporting services.
- b) Florida Housing and Dorothy A. King entered into contract effective September 10, 2003. Florida Housing and Accurate Stenotype Reporters, Inc. entered into effective January 20, 2004.
- c) Effective September 10, 2004 and September 10, 2005, the term of the contract with Dorothy A. King was renewed.
- d) Effective January 20, 2005 and January 20, 2006, the term of the Accurate Contract was renewed for a one-year period.
- e) Effective September 10, 2006 the contract with Dorothy A. King was renewed to make the termination date consistent with the term of the Accurate Contract, and to allow Florida Housing staff sufficient time to issue a new solicitation for court reporting services.

2. Present Situation

- a) Both contracts will expire on January 20, 2007.
- b) Florida Housing has a need for qualified court reporters for its court reporting needs for proceedings, Board meetings, workshops, etc. for the various divisions of Florida Housing.

3. Recommendation

- a) Authorize staff to begin the solicitation process in order to obtain responses from qualified court reporters.
- b) Authorize the Executive Director to establish a Review Committee to make a recommendation for more than one qualified court reporter to the Board.

RENTAL RECOVERY LOAN PROGRAM

Action

VI. RENTAL RECOVERY LOAN PROGRAM

A. 2006 Rental Recovery Loan Program

1. Background

- a) Staff issued preliminary scores for the Rental Recovery Loan Program (RRLP) Applications on August 17, 2006.
- b) Applicants had until 5:00 p.m., Eastern Standard Time, on August 25, 2006, to file Notices of Possible Scoring Error (NOPSEs) relative to the preliminary scoring of another Applicant's Application. A total of 35 NOPSEs were received for evaluation by staff. Most NOPSEs addressed multiple issues. The NOPSE scores (reflecting either a change or no change to the preliminary score) were issued to the Applicants on September 7, 2006.
- c) Applicants had until 5:00 p.m., Eastern Time, on September 18, 2006, to file cures relative to items which, during preliminary and/or NOPSE scoring, failed to receive maximum points, maximum proximity points and/or failed threshold, as applicable. Applicants then had until 5:00 p.m., Eastern Time, on September 26, 2006, to file a written Notice of Alleged Deficiency (NOAD) relative to another Applicant's cure. A total of 31 cures and 18 NOADs were received.
- d) Upon completion of its evaluation of the cures and NOADs, staff prepared the final ranking of the RRLP Applications.

2. Present Situation

- a) The final ranking of the RRLP Applications is being presented for the Board's consideration and approval. Staff will provide supplemental materials at the Board meeting.

3. Recommendation

Approve the ranking and direct staff to proceed with the issuing of final ranking scores and notice of rights to the Applicants.