

**FLORIDA HOUSING FINANCE CORPORATION**  
**Board Meeting**  
December 12, 2008  
Consent Items



# HOMEOWNERSHIP LOAN PROGRAM

## Consent

### I. HOMEOWNERSHIP LOAN PROGRAM

#### A. Request for Approval for the Extension of the Construction Period for Homes and Land Realty, Inc. for Countywide Housing Assistance Program, Phase I / HH03-048

Applicant Name (“Applicant”):	Homes and Land Realty, Inc.
Development Name (“Development”):	Countywide Housing Assistance Program, Phase I
Developer/Principal (“Developer”):	Cameron Jacobs
Number of Units: 10	Location: St. Johns County
Type: HOME Purchase Assistance Loan	Allocated Amount: \$383,000

#### 1. Background

- a) The Applicant submitted an application during the 2003-2004 Homeownership Loan Program Supplemental Cycle, which scored within the funding range and was invited into credit underwriting on August 2, 2004.
- b) The final credit underwriting report, dated February 18, 2005, was approved at the March 4, 2005, contingent upon completion of the environmental review process. On December 6, 2005, a firm commitment was issued with the construction period scheduled to end on December 6, 2008.
- c) In September 2006, the Developer deobligated \$717,000 in HLP funds. The commitment was then reduced from \$1,100,000 for 35 homes to \$383,000 for 10 homes, due to difficulties with land acquisition.
- d) To date, the Developer has completed and closed on 4 homes, utilizing \$162,290 in HLP funds.
- e) The Developer has not previously requested an extension for this Development.

#### 2. Present Situation

On November 10, 2008, the Developer submitted a request for a 6-12 month extension, citing the decline in the housing market and issues with the infrastructure. The letter is attached as [Exhibit A](#).

#### 3. Recommendation

Staff recommends that the Board grant: (1) a 6-month extension of the construction period until June 6, 2009; (2) after June 6, 2009, the Developer must provide pending contracts for homebuyers and the closings must occur prior to December 6, 2009; and (3) any remaining HLP funds will be de-obligated thereafter.

## HOME RENTAL

### *Consent*

## II. HOME RENTAL

### A. Request Approval to Exchange General Features for Tropical Isle Apartments, 95HR-008

<b>Development Name: Tropical Isle Apartments</b>	<b>Location (“County”): Monroe</b>
<b>Developer/Principal (“Applicant”): Monroe County Housing Authority</b>	<b>Set-Aside: 22 HOME Assisted Units 20% @ 50% AMI and 80% @ 60% AMI</b>
<b>Number of Units: 23</b>	
<b>Type: Garden Style</b>	<b>Allocated Amount: HOME \$1,119,107</b>
<b>Demographics: Family</b>	

#### 1. Background/Present Situation

- a) On March 21, 1996, a HOME loan in the amount of \$1,119,107 for this 23-unit family Development in Monroe County closed.
- b) On October 14, 2008, staff received a letter from the Borrower requesting the exchange of Bahama Shutters for PGT WinGuard Impact Resistance Windows ([Exhibit A](#)). The proposed changes are of equivalent value to the general features originally chosen in the application.
- c) On November 12, 2008, staff received a review from the credit underwriter with a positive recommendation for the exchange of general features ([Exhibit B](#)).

#### 2. Recommendation

Approve the request to exchange the Bahama Shutters requirement for PGT WinGuard Impact Resistance Windows, and direct staff to proceed with amending the Land Use Restriction Agreement.

## HOME RENTAL

### *Consent*

**B. Request Approval to Change the Number of Set-Aside Units for Normandy Apartments, 2004-010H**

<b>Development Name: Normandy Apartments (“Development”)</b>	<b>Location (“County”): Duval</b>
<b>Developer/Principal (“Applicant”): VF Affordable Housing, Inc.</b>	<b>Set-Aside: 100 HOME Assisted Units 20% @ 50% AMI and 80% @ 60% AMI</b>
<b>Number of Units: 100</b>	
<b>Type: Garden Style</b>	<b>Allocated Amount: \$4,166,882</b>
<b>Demographics: Family</b>	

**1. Background/Present Situation**

- a) On August 15, 2005, a HOME loan in the amount of \$4,166,882 for this 100-unit family Development in Duval County closed.
- b) On October 16, 2008, staff received a letter from the Developer requesting approval to amend the Land Use Restriction Agreement ([Exhibit C](#)). Specifically, the Developer is requesting a change in the number of the Development’s set-aside units from 100 to 99.
- c) On November 12, 2008, staff received a credit underwriting review with a positive recommendation for the requested change to the Development’s number of set-aside units ([Exhibit D](#)). The Credit Underwriter reviewed a letter from HUD allowing for one unit to be used as a non-revenue unit to house an onsite manager. Staff has reviewed and finds that the Development meets all of the requirements of Rule Chapter 67-48, F.A.C.

**2. Recommendation**

Approve the request to change the number of set-aside units and direct staff to amend the Land Use Restriction Agreement.

# HOME RENTAL

## Consent

### C. Request Approval to Replace the Proposed Permanent Loan Financing Source for Pueblo Bonito III, 2004-016HR

<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>Demographics: Family</b>	

#### 1. Background/Present Situation

- a) On August 31, 2006, a HOME loan closed in the amount of \$2,450,000 for new construction of this 30-unit family Development in Lee County.
- b) On November 7, 2008, staff received a letter from the Borrower requesting the Board to approve a substitution of the permanent first mortgage lender and changes to the term and interest rate of the permanent first mortgage that were approved in the final credit underwriting report dated April 6, 2006. In addition, the borrower requested that FHFC approve an extension to the existing construction loan through the end of February 2009 to allow sufficient time to close the proposed replacement financing. The borrower intends to obtain conventional financing from Southwest Capital Bank (“SWC”) to replace Neighborhood Lending Partners of West Florida, Inc. (“NLP”) as the permanent first mortgage lender ([Exhibit E](#)).
- c) On November 20, 2008, staff received a review from the credit underwriter with a recommendation to approve the Borrower’s request, subject to the following:
  - (1) Review of final loan terms and confirmation that all requirements set forth in Rule 67-48.020 F.A.C. for approval have been met.
  - (2) Review and approval of all loan documents consistent with the terms outlined above by Florida Housing’s legal counsel.
  - (3) Payment of all outstanding fees to FHFC, its counsel and servicer and costs associated with the refinancing.
  - (4) Satisfactory resolution of any outstanding past due and non-compliance items.
  - (5) Confirmation of the new first mortgage amount and actual transaction costs. ([Exhibit F](#)).

#### 2. Recommendation

Approve the request and direct staff to proceed with modification of the loan to reflect the changes identified above.

## HOME RENTAL

### *Consent*

#### D. Request Approval of HOME Loan Closing Extension for Marian Manor 2007-022H

<b>Development Name: Marian Manor</b> <b>(“Development”)</b>	<b>Location: Charlotte County</b>
<b>Developer/Principal: Sr. Cathy Buster, SP</b> <b>(“Developer”)</b>	<b>Set-Aside: 20% @ 50% AMI / 80% @ 60% AMI</b> <b>31 Units</b>
<b>Number of Units: 31</b>	<b>Allocated Amount: \$3,973,270</b>
<b>Type: Garden Style/New Construction</b>	<b>Demographics: Family</b>

#### 1. Background/Present Situation

- a) On August 8, 2008, the Board approved a credit underwriting report with a positive recommendation for a HOME loan in the amount of \$3,973,270, and directed staff to proceed with loan closing activities.
- b) On September 5, 2008, staff issued a firm commitment letter for a HOME loan in an amount up to \$3,973,270. Pursuant to Rule Chapter 67-48, F.A.C. the loan must close within 60 days of issuance of the firm commitment letter. The deadline for the loan to close was November 4, 2008.
- c) On November 18, 2008, staff received a letter from the Developer requesting an extension of the closing deadline for sixty days due to all requirements to close the loan was not in place ([Exhibit G](#)).

#### 2. Recommendation

Approve the Borrower’s request to extend the loan closing deadline until February 10, 2009, subject to the payment of the loan closing extension fee pursuant to Rule Chapter 67-48, F.A.C.

## HOUSING CREDITS

### *Consent*

### III. HOUSING CREDITS

#### A. Request Approval to Exchange Amenities for Clipper Bay / #2003-535C

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Clipper Bay APPLICATION # 2003-535C</b>
<b>DEVELOPER/PRINCIPAL(“Developer”):</b>	<b>Cornerstone Development Group, LLC</b>
<b>APPLICANT: (“Owner”)</b>	<b>Clipper Bay Associates, Ltd.</b>
<b>NUMBER OF UNITS:</b>	<b>276 total; 270 set-aside</b>
<b>LOCATION (“County”):</b>	<b>Hillsborough County</b>
<b>TYPE:</b>	<b>New Construction</b>
<b>SET ASIDE:</b>	<b>97.8% @ 60% AMI</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$691,156.00</b>

#### 1. Background/Present Situation

- a) Clipper Bay is a Non-Competitive Housing Credit, New Construction Development providing 270 set-aside units in Hillsborough County, Florida. Florida Housing issued an allocation of \$691,156.00 in housing credits in September 2006.
- b) Florida Housing received a request from the Owner on November 20, 2003 to change the number of set-aside units from 90% at 60% AMI to 97.8% at 60% AMI ([Exhibit A](#)).

#### 2. Recommendation

Approve the requested changes reflected above and direct staff to amend the Extended Use Agreement to reflect the changes.

## HOUSING CREDITS

### *Consent*

**B. Request Approval of Supplemental Loan Closing Extension for Elmwood Terrace, Cycle XIX (2007-204C)**

<b>Development Name: Elmwood Terrace ("Development")</b>	<b>Location: Lee County</b>
<b>RLI Beneficial Development 7, LLC ("Developer")</b>	<b>Set-Aside: 20% @ 33% AMI and 80% @ 50% AMI</b>
<b>Number of Units: 116</b>	<b>Allocated Amount: \$1,020,000 Supplemental</b>
<b>Type: Garden Style</b>	<b>Housing Credit Equity: \$12,908,825</b>
<b>Demographics: Family</b>	<b>MMRB: N/A</b>

**1. Background/Present Situation**

- a) On September 26, 2008, the Board approved the final credit underwriting and directed staff to proceed with issuance of a firm loan commitment and loan closing activities.
- b) Rule Chapter 67-48.0072(4)(c), F.A.C. requires the Supplemental loan to close within 14 months of the issuance of the preliminary commitment letter. Applicants may request one extension of up to 10 months.
- c) On October 24, 2008, staff received a request from the Developer for a 10 month extension to close the Supplemental loan ([Exhibit B](#)).

**2. Recommendation**

Approve the request for a 10 month extension until September 28, 2009 to close the Supplemental loan, subject to the payment of the extension fee pursuant to Rule Chapter 67-48.0072(4)(c), F.A.C.



## HOUSING CREDITS

### *Consent*

C. **Request Approval of Supplemental Loan Closing Extension for Silver Sands (2007-097C/2008-003C)**

<b>Development Name: Silver Sands (“Development”)</b>	<b>Location: Brevard County</b>
<b>Ambling Development Partners, LLC and Melbourne Housing Authority (“Developer”)</b>	<b>Set-Aside: 20% @ 33% AMI and 80% @ 60% AMI</b>
<b>Number of Units: 72</b>	<b>Allocated Amount: \$595,000 Supplemental</b>
<b>Type: Mid-Rise with Elevator</b>	<b>Housing Credit Equity: \$10,450,460</b>
<b>Demographics: Elderly</b>	<b>MMRB: N/A</b>

1. **Background/Present Situation**

- a) On May 2, 2008, the Board approved the final credit underwriting report and directed staff to proceed with issuance of a firm loan commitment and loan closing activities.
- b) On July 31, 2008, staff issued a firm loan commitment letter with a loan closing deadline of September 29, 2008.
- c) On September 2, 2008, staff received a letter from the Developer requesting an extension of the loan closing deadline due to additional underwriting.
- d) On September 26, 2008, the Board approved a 60-day loan closing deadline extension until November 29, 2008.
- e) Rule Chapter 67-48.0072(4)(c), F.A.C. requires the Supplemental loan to close within 14 months of the issuance of the preliminary commitment letter. Applicants may request one extension of up to 10 months.
- f) On October 27, 2008, staff received a request from the Developer for a 10 month extension to close the Supplemental loan ([Exhibit C](#)).

2. **Recommendation**

Approve the request for a 10 month extension until September 28, 2009 to close the Supplemental loan, subject to payment of the extension fee pursuant to Rule Chapter 67-48.0072(4)(c), F.A.C.

## HOUSING CREDITS

### *Consent*

**D. Request Approval to Exchange Resident Programs for Biscayne Court, Cycle XIX (2007-081C)**

<b>Development Name: Biscayne Court ("Development")</b>	<b>Location: Miami-Dade County</b>
<b>Biscayne Court Development, LLC ("Developer")</b>	<b>Set-Aside: 20% @ 33% AMI and 80% @ 60% AMI</b>
<b>Number of Units: 60</b>	<b>Allocated Amount: \$510,000 Supplemental</b>
<b>Type: High-Rise</b>	<b>Housing Credit Equity: \$13,161,000</b>
<b>Demographics: Elderly</b>	<b>MMRB: N/A</b>

**1. Background/Present Situation**

- a) On October 31, 2008, the Board approved the final credit underwriting report and directed staff to proceed with issuance of a firm loan commitment and loan closing activities.
- b) On October 20, 2008, staff received a letter from the Developer requesting the exchange of Homeownership Opportunity Program and First Time Homebuyer Seminars for Health Care ([Exhibit D](#)). The proposed changes are of equivalent value to the resident program originally chosen in the application.
- c) On November 21, 2008, staff received a review from the credit underwriter with a positive recommendation for the exchange of resident programs ([Exhibit E](#)).

**2. Recommendation**

Approve the request to exchange the resident programs and direct staff to proceed with amending Exhibit B to the 2007 Carryover Allocation Agreement.

## HOUSING CREDITS

### *Consent*

**E. Request Approval of Credit Underwriting Report for Camacol Tower, Cycle XIX (2007-071C/2008-004C)**

<b>Development Name: Camacol Tower ("Development")</b>	<b>Location: Miami-Dade County</b>
<b>Developer: Pinnacle Housing group, LLC ("Developer")</b>	<b>Set-Aside: 20% @ 33% AMI and 80% @ 60% AMI</b>
<b>Number of Units: 100</b>	<b>Allocated Amount: \$850,000 Supplemental</b>
<b>Type: High-Rise</b>	<b>Housing Credit Equity: \$21,382,212</b>
<b>Demographics: Elderly</b>	<b>MMRB: N/A</b>

**1. Background/Present Situation**

- a) On September 21, 2007, the Board approved the final scores and ranking for the 2007 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On September 28, 2007, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for the Large County Geographic Set-Aside for Housing Credits and a Supplemental loan in the amount of \$850,000 for this 100-unit elderly development located in Miami-Dade County.
- c) On November 25, 2008, staff received a credit underwriting report with a positive recommendation for an annual Housing Credit Allocation of \$2,561,000 and a Supplemental loan in the amount of \$850,000 ([Exhibit F](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of Rule Chapter 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.

## HOUSING CREDITS

### *Consent*

**F. Request Approval of Credit Underwriting Report for Banyan Senior, Cycle XIX (2007-190C)**

<b>Development Name: Banyan Senior ("Development")</b>	<b>Location: Pasco County</b>
<b>RLI Beneficial Development 7, LLC ("Developer")</b>	<b>Set-Aside: 20% @ 33% AMI and 80% @ 60% AMI</b>
<b>Number of Units: 96</b>	<b>Allocated Amount: \$850,000 (Supplemental)</b>
<b>Type: Three-Story with Elevator</b>	<b>Housing Credit Equity: \$12,351,441</b>
<b>Demographics: Elderly</b>	<b>MMRB: N/A</b>

**1. Background/Present Situation**

- a) On September 26, 2008, the Board approved the final credit underwriting and directed staff to proceed with issuance of a firm loan commitment and loan closing activities.
- b) Rule Chapter 67-48.0072(4)(c), F.A.C. requires the Supplemental loan to close within 14 months of the issuance of the preliminary commitment letter. Applicants may request one extension of up to 10 months.
- c) On November 20, 2008, staff received a request from the Developer for a 10 month extension to close the Supplemental loan ([Exhibit G](#)).

**2. Recommendation**

Approve the request for a 10 month extension until September 28, 2009 to close the Supplemental loan, subject to the payment of the extension fee pursuant to Rule Chapter 67-48.0072(4)(c), F.A.C.

## HOUSING CREDITS

### *Consent*

**G. Request Approval of Credit Underwriting Report for Sunrise Commons, Cycle XIX (2007-056C)**

<b>Development Name: Sunrise Commons (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Developer: Landmark Development Corporation (“Developer”)</b>	<b>Set-Aside: 20% @ 33% AMI and 80% @ 60% AMI</b>
<b>Number of Units: 106</b>	<b>Allocated Amount: \$935,000 Supplemental</b>
<b>Type: Mid-Rise with Elevator</b>	<b>Housing Credit Equity: \$19,108,089</b>
<b>Demographics: Family</b>	<b>MMRB: N/A</b>

**1. Background/Present Situation**

- a) On November 25, 2008, a Supplemental loan in the amount of \$935,000 for this 106-unit family Development in Miami-Dade County closed.
- b) On November 24, 2008, staff received a letter from the Applicant requesting Board approval to allow more than 20% of the construction cost to be subcontracted as allowed by Rule Chapter 67-48, F.A.C. ([Exhibit H](#)).
- c) On November 25, 2008, staff received a credit underwriting update letter deeming the requested change reasonable ([Exhibit I](#)).

**2. Recommendation**

Approve the credit underwriting update letter and direct staff to modify closing documents if necessary.

## LEGAL

### Consent

#### IV. LEGAL

##### A. In Re: SOUTHWINDS PARTNERS, L.L.L.P. - FHFC Case No. 2008-107VW

<b>Development Name: (“Development”):</b>	<b>Southwinds Cove Application #2007-140S</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Atlantic Housing Partners, L.L.L.P.</b>
<b>Number of Units: 112</b>	<b>Location: Lake County</b>
<b>Type: Garden Apartments</b>	<b>Set Aside: 5% @ 33% AMI 65% @ 60% AMI</b>
<b>Demographics: Family</b>	<b>SAIL: \$5,000,000</b>

##### 1. Background

- a) During the 2007 Universal Cycle, Southwinds Partners, L.L.L.P. (“Petitioner”) applied for and was awarded State Apartment Incentive Loan (“SAIL”) to finance the construction of Southwinds Cove (the “Development”) located in Lake County.
- b) On November 7, 2008, Florida Housing received a “Petition for Waiver from Florida Administrative Code Rule 67-48.004(14)” (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit A](#).
- c) Rule 67-48.004(14)(g), Florida Administrative Code (2007), provides 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. 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 attempt to make changes to these items will not be accepted. Those items are as follows:

(g) Development Type.

- d) Petitioner requests a waiver of the above rules to permit a change in Development Type from “Garden Apartments” to “Townhouse” with no change in the number of units. While the City of Leesburg originally approved the preliminary site plan, the city is now requiring this change in Development Type. This change has no effect on the score Petitioner received in its original application, and would not give Petitioner an advantage not enjoyed by competing applicants.
- e) On November 21, 2008, the Notice of the Petition was published in Volume 34, Number 47, of the [Florida Administrative Weekly](#). Florida Housing received no comments regarding the Petition.

## LEGAL

### *Consent*

#### 2. Present Situation

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

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

- b) Petitioner has demonstrated that completion of the Development as originally planned is now unrealistic and that strict application of the above Rules under these circumstances would cause Petitioner substantial hardship and would violate the principles of fairness. Petitioner has further demonstrated that permitting this change in Development would also serve the underlying purpose of the statute.

#### 3. Recommendation

Staff recommends the Board **GRANT** the Petitioner's request for a waiver of Rule 67-48.004(14)(g), to allow Petitioner to change the Development Type from "Garden Apartments" to "Townhouse."

# LEGAL

## Consent

### B. In Re: MALABAR COVE, L.L.L.P. - FHFC Case No. 2008-105VW

<b>Development Name: (“Development”):</b>	<b>Malabar Cove – Phase I Application #2007-197BS</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Atlantic Housing Partners, L.L.L.P.</b>
<b>Number of Units: 76</b>	<b>Location: Brevard County</b>
<b>Type: Garden Apartments</b>	<b>Set Aside: 10% @ 33% AMI 60% @ 60% AMI 70% below 120% AMI</b>
<b>Demographics: Family</b>	<b>Multifamily Bonds: \$9,800,000 SAIL: \$4,000,000 Non-Competitive HC: \$532,716</b>

#### 1. Background

- a) During the 2007 Universal Cycle, Malabar Cove, L.L.L.P. (“Petitioner”) applied for and was awarded State Apartment Incentive Loan (“SAIL”) to finance the construction of Malabar Cove – Phase I (the “Development”) located in Brevard County.
- b) On November 7, 2008, Florida Housing received a “Petition for Waiver from Florida Administrative Code Rule 67-48.004(14)(e)” (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit B](#).
- c) Rule 67-48.004(14), Florida Administrative Code (2007), provides 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. 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 attempt to make changes to these items will not be accepted. Those items are as follows:

(e) Site for the Development.

- d) Petitioner requests a waiver to the above provision. Subsequent to the submission of the Development’s legal description as part of Petitioner’s application verifying the status of site plan approval, the city of Palm Bay required site plan changes. These changes, which resulted in a shift to two buildings, were necessary to accommodate the size and location of a storm water retention area. Consequently, the boundary line between Malabar Phase I and Malabar Phase II needed to shift.
- e) On November 21, 2008, the Notice of the Petition was published in Volume 34, Number 47, of the [Florida Administrative Weekly](#). Florida Housing received no comments regarding the Petition.



## LEGAL

### *Consent*

#### 2. Present Situation

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

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

- b) Petitioner has demonstrated that the shift in the boundary line has no adverse affect on the Development and does not impact the unit mix, the committed amenities, or the Tie Breaker Measurement Point (“TBMP”) in either phase. Thus, Petitioner will obtain no advantage over the other applicants from the Universal Cycle should Florida Housing grant its request.
- c) Petitioner has demonstrated that strict application of the above Rule under these circumstances would cause substantial hardship to Petitioner and violate the principles of fairness in that unless the petition is granted, Petitioner would not be able to construct the Development. Petitioner has further demonstrated that permitting this change in Development would also serve the underlying purpose of the statute.

#### 3. Recommendation

Staff recommends the Board **GRANT** the Petitioner’s request for a waiver of Rule 67-48.004(14)(e), to allow Petitioner to change the site plan for the purpose of complying with the city of Palm Bay’s need of placing a storm retention area on the land.

## LEGAL

### Consent

#### C. In Re: MALABAR COVE II, LTD. - FHFC Case No. 2008-106VW

<b>Development Name: (“Development”):</b>	<b>Malabar Cove – Phase II Application No. 2008-242S</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Atlantic Housing Partners, L.L.L.P.</b>
<b>Number of Units: 72</b>	<b>Location: Brevard County</b>
<b>Type: Garden Apartments</b>	<b>Set Aside: 10% at 33% AMI 60% at 60% AMI 30% below 120% AMI</b>
<b>Demographics: Family</b>	<b>SAIL: \$2,000,000</b>

#### 1. Background

- a) During the 2008 Universal Cycle, Malabar Cove II, Ltd., (“Petitioner”) applied for and was awarded an allocation of SAIL and supplemental loan funds to finance a portion of the costs to develop Malabar Cove – Phase II (the “Development”) located in Brevard County, Florida.
- b) On November 7, 2008, Florida Housing received a Petition for Waiver of Rule 67-48.0075(7)(a)(1), Fla. Admin. Code. A copy of the Petition is attached as [Exhibit C](#).
- c) Rule 67-48.0075(7)(a)(1), Fla. Admin. Code states:
  - (1) The supplemental loan shall be (i) based on each ELI Set-Aside unit above the minimum ELI Set-Aside threshold requirement in the Universal Application instructions; and (ii) non-amortizing at 0 percent simple interest per annum over the life of the loan, with the principal forgivable provided the units for which the supplemental loan amount is awarded are targeted to ELI Households for at least 15 years.
- d) Petitioner has requested a waiver of the above rule to allow Petitioner to forgo the automatic forgiveness a supplemental principal loan balance receives under the rule. In addition, Petitioner has requested an extension on the maturity date at the end of the initial 15-year term, to a date coterminous with senior financing. Petitioner has demonstrated that failure to grant this Petition will likely result in the Developer incurring substantial unanticipated tax liability. In addition, the designation of the ELI Loan as forgivable, will likely cause the full amount of the loan to be deducted from eligible basis, thereby reducing the Development’s net tax credit.
- e) Since approval will not affect Application scoring, Petitioner derives no unfair advantage over other applicants.
- f) On November 21, 2008, Notice of the Petition was published in Volume 34, Number 47, of the [Florida Administrative Weekly](#). To date, Florida Housing received no comments regarding the Petition.

## LEGAL

### *Consent*

- g) Section 120.542(2), Fla. Stat. 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.

- h) Petitioner has demonstrated that strict application of the above Rules under these circumstances will give rise to substantial hardship or otherwise violate the principles of fairness. Under the circumstances described in the Petition, granting these requests furthers Florida Housing's statutory mandate to provide safe, sanitary and affordable housing to the citizens of Florida. The Rule waiver of Fla. Admin. Code 67-48.0075(7)(a)(1) furthers this purpose.

### 2. **Recommendation**

Staff recommends the Board **GRANT** Petitioner's request for Rule waiver of 67-48.0075(7)(a)(1), Fla. Admin. Code, to permit Petitioner to forgo the automatic forgiveness a supplemental loan's principal balance receives when the awarded amount funds ELI Household units for at least 15 years and to extend the maturity date at the end of the initial 15-year period, to a date coterminous with senior financing.

## MULTIFAMILY BONDS

### Consent

#### V. MULTIFAMILY BONDS

##### A. Request Approval to Defer Bond Principal Payment for Alabaster Gardens Apartments

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

##### 1. Background

In 2006, Florida Housing financed the construction of Alabaster Gardens Apartments with \$9,000,000 in tax exempt bonds, designated as 2006 Series E and \$4,000,000 in a SAIL loan.

##### 2. Present Situation

- a) The Bond Trust Indenture requires a total principal reduction of \$5,150,000 by December 1, 2008. The Developer has paid \$2,455,000 of the principal reduction and will make an additional principal payment of \$328,000 to be applied to the redemption of the Bonds on December 1, 2008. The remaining principal amount of the redemption due on December 1, 2008, is \$2,367,000.
- b) Developer’s Counsel, Stearns Weaver, in a letter dated November 19, 2008 attached as [Exhibit A](#), requested the deferral of \$2,367,000 in Bond principal payments from December 1, 2008 until December 31, 2009. The deferral is necessary to allow for the final disbursement from the tax credit investor, SunAmerica Affordable Housing Partners, LLP (“SunAmerica”).
- c) A forbearance agreement will be signed between the Bond Purchaser, California Bank & Trust (“Cal Bank”), a subsidiary of Zions Bancorporation and the Developer preventing a default on the Bonds as a result of such deferral. Also attached as [Exhibit B](#), is a resolution allowing for the amending of certain Bond Documents, to incorporate the revised payment schedule.

##### 3. Recommendation

That the Board approve the deferral of principal payments in the amount of \$2,367,000 and the correlative redemption of the Bonds until December 31, 2009, 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 a Transfer of Ownership of a Small Parcel and Granting of Two Easements of Buchanan Bay Apartments in Lieu of Eminent Domain Proceedings

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Buchanan Bay</b>
<b>DEVELOPER/PRINCIPAL (“Developer” or “Owner”):</b>	<b>Buchanan Bay, Ltd./SLP Housing II, LLC/AIG SunAmerica Affordable Housing Partners</b>
<b>NUMBER OF UNITS:</b>	<b>228</b>
<b>LOCATION (“County”):</b>	<b>Orange</b>
<b>TYPE (“Rental, Homeownership”):</b>	<b>Rental</b>
<b>SET ASIDE:</b>	<b>50% @ 60%</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$10,725,000 of Tax-Exempt Bonds</b>
<b>ADDITIONAL COMMENTS: Transfer of Ownership of a Small Parcel and Granting of Two Easements in Lieu of Eminent Domain Proceedings</b>	

#### 1. Background

- a) In 1998, Florida Housing financed the construction of the Development with \$10,725,000 in tax-exempt bonds, designated as 1998 Series S.
- b) In May of 2008, the General Partnership Interest was transferred to AIG SunAmerica Affordable Housing Partners.

#### 2. Present Situation

- a) In a Purchase Agreement dated August 14, 2008, attached as [Exhibit C](#), the Owner agreed to sell a portion of the Development to Orange County (“Buyer”) in lieu of Eminent Domain proceedings for a total amount of \$60,900.00. Additionally, the Owner agreed to execute a Slope and Fill Easement on an additional parcel to the Buyer for \$5,400.00 and execute a Temporary Construction Easement that will expire upon the completion of the construction of the Buyer’s project or after seven (7) years, whichever occurs first, on a third parcel for which the Owner will receive the sum of \$23,800.00. The proceeds of which will be deposited with the Trustee for redemption of bonds or to restore, repair, relocate or improve the Development as required by the bond documents.
- b) The Credit Underwriter has reviewed the request and by letter, dated November 20, 2008, attached as [Exhibit D](#) recommends that Florida Housing approve the request.

#### 3. Recommendation

That the Board approve the transfer of ownership of a small parcel and granting of two easements in lieu of eminent domain proceedings 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*

#### C. Request Approval of a LURA Amendment for Grand Reserve at Maitland Park

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Grand Reserve at Maitland Park</b>
<b>DEVELOPER/PRINCIPAL (“Developer” or “Owner”):</b>	<b>Pembroke Associates, Ltd./Maitland Club, Inc./Lecesse Development Corporation/Salvador F. Lecesse</b>
<b>NUMBER OF UNITS:</b>	<b>364</b>
<b>LOCATION (“County”):</b>	<b>Orange</b>
<b>TYPE (“Rental, Homeownership”):</b>	<b>Rental/Family (MMRB, SAIL and HC)</b>
<b>SET ASIDE:</b>	<b>20% @ 50%</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$20,675,000 of Tax-Exempt Bonds</b>
<b>ADDITIONAL COMMENTS: Amendment to the Land Use Restriction Agreement (“LURA”)</b>	

#### 1. Background

In 1995, Florida Housing financed the construction of Grand Reserve at Maitland Park with \$21,200,000 in tax-exempt bonds and \$550,000 in taxable bonds (the “Bonds”), designated as 1995 Series B-1 and B-2. The Bonds were subsequently refunded in 2004 with \$20,675,000 in tax-exempt bonds designated at 2004 Series M.

#### 2. Present Situation

The Owner, in a letter dated March 12, 2008, attached as [Exhibit E](#) requested an amendment to the LURA to correct a scrivener’s error referencing a racquetball court and a volleyball court. The reference was neither in the original application nor the original LURA. As a part of the 2004 refunding, the reference was included in the credit underwriting report and subsequently the LURA. However, the Owner states these amenities were never contemplated for the Development.

#### 3. Recommendation

That the Board approve LURA Amendment for the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, Credit Enhancer or Bondholder (if required or applicable) and the appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### Consent

#### D. Request Approval to Change Remarketing Agents for Northbridge at Millenia Apartments

<b>DEVELOPMENT NAME</b> (“Developments”):	NorthBridge at Millenia
<b>DEVELOPER/PRINCIPAL</b> (“Developer” or “Owner”):	NorthBridge at Millenia Partners, Ltd/ NorthBridge at Millenia Partners II, Ltd/ CED Capital Holdings 2002 RR, LLC/ CED Capital Holdings 2003 E, LLC/CED Capital Holdings XVI, Ltd/Michael J. Sciarrino Revocable Trust/Alan H. Ginsburg Revocable Trust/Edward J. Kleiman Revocable Trust/Susan H. Kleiman Revocable Trust/Alan H. Ginsburg
<b>NUMBER OF UNITS:</b>	607
<b>LOCATION</b> (“County”):	Orange
<b>TYPE</b> (“Rental, Homeownership”):	Rental (MMRB)(SAIL)
<b>SET ASIDE:</b>	20% @ 50% (MMRB/SAIL)
<b>ALLOCATED AMOUNT:</b>	\$46,520,000 of Refunding Tax Exempt Bonds and \$5,620,000 Taxable Refunding Bonds; \$1,980,000 of Tax Exempt Bonds and \$15,880,000 of Taxable Bonds
<b>ADDITIONAL COMMENTS:</b> Change in Remarketing Agent	

#### 1. Background

- a) In 2003, Florida Housing financed the construction of Northbridge at Millenia I with \$30,020,000 in tax-exempt bonds and \$3,300,000 in taxable bonds designated as 2003 Series V.
- b) In 2007, Florida Housing refinanced Northbridge at Millenia I and Northbridge at Millenia II (financed with Orange County Bonds) with \$46,520,000 of refunding tax exempt bonds and \$5,620,000 taxable refunding bonds; \$1,980,000 of tax exempt bonds and \$15,880,000 of taxable bonds, designated as 2007 Series G.

#### 2. Present Situation

Atlantic Housing Partners, LLPP, (“Atlantic Housing”), in a letter dated October 29, 2008 attached as [Exhibit F](#), requested a change in the remarketing agent for the Developments from Merrill Lynch to Stern Brothers. Atlantic Housing anticipates Stern Brothers will be more successful in remarketing the bonds at a more favorable rate in the current market environment. Stern Brothers is an approved underwriter for Florida Housing.

#### 3. Recommendation

That the Board approve the Change of Remarketing Agents 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

**E. Request Approval to Amend the Multifamily Bond LURA and SAIL LURA for St. James Place Apartments**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>St. James Place</b>
<b>DEVELOPER/PRINCIPAL (“Applicant”):</b>	<b>SP St. James LP/SP St James GP Inc./Southport Financial Services, Inc./Innovative Community Concepts, LLC/J. David Page</b>
<b>NUMBER OF UNITS:</b>	<b>126</b>
<b>LOCATION (“County”):</b>	<b>Hillsborough</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental/ Family (MMRB, SAIL and HC)</b>
<b>SET ASIDE:</b>	<b>10% @ 33% (MMRB) 75% @ 60% (MMRB) 10% @ 33% (SAIL &amp; HC) 90% @ 60% (SAIL &amp; HC)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$8,580,000 of Tax-Exempt Bonds and \$6,105,000 SAIL</b>
<b>ADDITIONAL COMMENTS: Land Use Restriction Agreement (“LURA”) Amendment</b>	

**1. Background**

On May 8, 2008, Florida Housing financed the acquisition and rehabilitation of the Development with Tax-Exempt Bonds in the amount of \$8,580,000 and \$6,105,000 in SAIL loans (consisting of \$5,000,000 Base loan and \$1,105,000 Supplemental loan for a total loan amount of \$6,105,000).

**2. Present Situation**

- a) The Developer in a letter dated November 6, 2008 attached as [Exhibit G](#) requests the LURA be amended as follows; from ceiling fans in all bedrooms and living areas to air conditioning units with a SEER rating of 15 and electric water heaters with energy factor of .93 or better and from an outside recreation area (volleyball court to) a community center or clubhouse. The Developer initially planned to renovate the existing spa room into a community center or clubhouse, however they now wish to build a new community center on the site. There are adequate funds in the construction contingency to complete a new community center. All changed amenities reflect equal or greater point value.
- b) In order to provide the tenants with washer/dryer hook ups in all units as selected in the Application, the Developer is requesting a reconfiguration in the bathrooms from 2 bathrooms to 1.5 bathrooms and 3 bathrooms to 2.5 bathrooms. The proposed change is not expected to adversely affect this development.
- c) The Developer also wishes to change the name of the Development from St. James Place Apartments to La Vista Oaks Apartments.
- d) A Final Credit Underwriting Recommendation Letter dated November 26, 2008, is attached as [Exhibit H](#).



## MULTIFAMILY BONDS

### *Consent*

3. **Recommendation**

That the Board approve the amendment to the MMRB LURA and the SAIL LURA for the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, Credit Enhancer and Bond Purchaser (if applicable) and appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

**F. Request Approval to Allocate Up to \$200,000 In Tax-Exempt, Private Activity Bond Allocation and Approval of the Supplemental Letter to the Final Credit Underwriting Report for Autumn Place Apartments**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Autumn Place Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Applicant”):</b>	<b>Foxtrail Acres, Ltd./Foxtrail Acres GP, LLC/TRG Member, LLC/The Richman Group Development Corporation/Richard P. Richman, individually</b>
<b>NUMBER OF UNITS:</b>	<b>120</b>
<b>LOCATION (“County”):</b>	<b>Hillsborough</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental/Family (MMRB, SAIL and HC)</b>
<b>SET ASIDE:</b>	<b>10% @ 33% (ELI, MMRB, SAIL, HC) 75% @ 60% (MMRB) 90% @ 60% (SAIL, HC)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$8,000,000 of Tax-Exempt Bonds and \$ 5,000,000 SAIL \$ 1,020,000 ELI</b>
<b>ADDITIONAL COMMENTS: Award of Additional Allocation and Approval of the Supplemental Letter to the Final Credit Underwriting Report</b>	

**1. Background**

In 2008, Florida Housing financed the construction of the Development with \$8,000,000 in tax-exempt bonds, designated as 2008 Series K.

**2. Present Situation**

- a) As of November 30, 2008, the MMRB Program has approximately \$319,000,000 in tax-exempt, private activity bond allocation that is not committed to a specific multifamily development.
- b) The Owner has requested an additional \$200,000 in tax-exempt bond allocation. The Owner needs to use more tax-exempt money in order to achieve their 50% test for HC equity.
- c) The Credit Underwriter has reviewed the request and by letter, dated November 26, 2008, attached as [Exhibit I](#), recommends that Florida Housing approve the request.

**3. Recommendation**

That the Board approve the request to allocate Up to \$200,000 in tax exempt, private activity bonds to the Development and approve the Supplemental Letter to the Final Credit Underwriting Report, subject to further approvals and verifications by the Credit Underwriter, Credit Enhancer, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

## PREDEVELOPMENT LOAN PROGRAM (PLP)

### *Consent*

#### VI. PREDEVELOPMENT LOAN PROGRAM (PLP)

##### A. Request Approval of Name Change for Developer for Parkview Gardens (07-138)

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Parkview Gardens</b>
<b>APPLICANT/DEVELOPER (“Developer”):</b>	<b>Carrfour Supportive Housing, Inc., a not-for-profit entity</b>
<b>CO-DEVELOPER (“Co-Developer”)</b>	<b>Tacoloy Economic Development Corporation, Inc., a not-for-profit entity</b>
<b>NUMBER OF UNITS:</b>	<b>60</b>
<b>LOCATION (“County”):</b>	<b>Miami-Dade County</b>
<b>TYPE:</b>	<b>Rental, Family</b>
<b>SET ASIDE:</b>	<b>60% @ or below 60% AMI</b>
<b>PLP LOAN AMOUNT:</b>	<b>\$500,000</b>

##### 1. Background

- a) On March 7, 2008, Florida Housing issued an Invitation to Participate in the PLP to the Developer, a not-for profit organization. The Development will be located in Miami-Dade County.
- b) On June 13, 2008, the Board approved the Development Plan and budget submitted by the Technical Assistance Provider (TAP) recommending a loan of \$500,000 for PLP eligible expenses.

##### 2. Present Situation

On November 7, 2008, Florida Housing received correspondence from the Developer requesting a change in the Developer entity from Carrfour Supportive Housing, Inc., to Parkview Gardens, Ltd., as currently funded through Florida Housing’s Universal Cycle for this Development ([Exhibit A](#)). This is simply a name change to conform with the Developer name used for other Florida Housing funding.

##### 3. Recommendation

Authorize staff to change the name of the Developer entity to Parkview Gardens, Ltd., in the loan documents and proceed with loan closing activities.

**PREDEVELOPMENT LOAN PROGRAM (PLP)**

*Consent*

**B. Request Approval of PLP Loan for Keepsafe Center, Inc, a Not-For-Profit Entity, for Joshua’s Cove (07-141)**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Joshua’s Cove</b>
<b>APPLICANT/DEVELOPER (“Developer”):</b>	<b>Keepsafe Center, Inc., a not-for-profit entity</b>
<b>CO-DEVELOPER (“Co-Developer”)</b>	<b>N/A, currently negotiating</b>
<b>NUMBER OF UNITS:</b>	<b>96</b>
<b>LOCATION (“County”):</b>	<b>Duval County</b>
<b>TYPE:</b>	<b>Rental, Elderly</b>
<b>SET ASIDE:</b>	<b>60% @ or below 60% AMI</b>
<b>PLP LOAN AMOUNT:</b>	<b>\$750,000</b>

**1. Background**

- a) On March 7, 2008, Florida Housing received a PLP Application from the Applicant for Joshua’s Cove. The Development will be located in Duval County.
- b) On May 6, 2008, Florida Housing issued an Invitation to Participate in the PLP to the Developer, a not-for profit organization.

**2. Present Situation**

- a) The Technical Assistance Provider (TAP) has approved the Development Plan and recommended a loan amount of \$750,000 for PLP eligible activities and site acquisition ([Exhibit B](#)), as well as assisted the Applicant in preparing the Development Plan and budget ([Exhibit C](#)). Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.
- b) Of the \$750,000, the Applicant has requested \$225,000 for site acquisition. The Development will be required to enter credit underwriting for approval of the site acquisition portion of the loan. Upon receipt of a positive recommendation, the Credit Underwriting Report will be presented to the Board for approval. In the interim, staff recommends that the non-site acquisition loan amount of \$525,000 be approved to provide the Applicant with funds for eligible non-site predevelopment expenses.

**3. Recommendation**

Approve the PLP Loan in the amount of \$750,000 to Keepsafe Center, Inc., a not-for-profit organization, for predevelopment expenses as recommended by the TAP and allow staff to issue the Commitment Letter and commence with loan closing proceedings on the non-site portion of the PLP Loan in the amount of \$525,000.

**PREDEVELOPMENT LOAN PROGRAM (PLP)**

*Consent*

**C. Request Approval of PLP Loan for Delray Beach Community Land Trust, a Not-For-Profit Entity, for Atlantic Park Gardens Square (07-158)**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Atlantic Park Gardens Square</b>
<b>APPLICANT/DEVELOPER (“Developer”):</b>	<b>Delray Beach Community Land Trust, a not-for-profit entity</b>
<b>CO-DEVELOPER (“Co-Developer”)</b>	<b>N/A</b>
<b>NUMBER OF UNITS:</b>	<b>20</b>
<b>LOCATION (“County”):</b>	<b>Palm Beach County</b>
<b>TYPE:</b>	<b>Homeownership</b>
<b>SET ASIDE:</b>	<b>50% @ or below 80% AMI 50% @ up to 120% AMI</b>
<b>PLP LOAN AMOUNT:</b>	<b>\$291,225</b>

**1. Background**

- a) On October 9, 2008, Florida Housing received a PLP Application from the Applicant for Atlantic Park Gardens Square. The Development will be located in Palm Beach County.
- b) On October 21, 2008, Florida Housing issued an Invitation to Participate in the PLP to the Developer, a not-for profit organization.

**2. Present Situation**

The Technical Assistance Provider (TAP) has approved the Development Plan and recommended a loan amount of \$291,225 for PLP eligible activities ([Exhibit D](#)), as well as assisted the Applicant in preparing the Development Plan and budget ([Exhibit E](#)). Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.

**3. Recommendation**

Approve the PLP Loan in the amount of \$291,225 to Delray Beach Community Land Trust, a not-for-profit organization, for predevelopment expenses as recommended by the TAP and allow staff to issue the Commitment Letter and commence with loan closing proceedings.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

VII. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of SAIL and Supplemental Loan Closing Extension for Malabar Cove – Phase I, Cycle XIX (2007-197BS)

<b>Development Name: Malabar Cove – Phase I (“Development”)</b>	<b>Location: Brevard County</b>
<b>Developer/Principal: Atlantic Housing Partners, L.L.P (“Developer”)</b>	<b>Set-Aside: 10% @ 33% and 60% @ 60% AMI</b>
<b>Number of Units: 76</b>	<b>Allocated Amount: \$4,000,000 (SAIL) and \$680,000 (Supplemental)</b>
<b>Type: Garden Style</b>	<b>Housing Credit Equity: \$4,793,964</b>
<b>Demographics: Family</b>	<b>MMRB: \$9,800,000</b>

1. **Background/Present Situation**

- a) On September 21, 2007, the Board approved the final scores and ranking for the 2007 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 1, 2007, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for a SAIL loan in an amount up to \$4,000,000 and a Supplemental loan in the amount of \$680,000 for this 76-unit family development located in Brevard County.
- c) Rule Chapter 67-48.0072(4)(c), F.A.C. requires the SAIL and Supplemental loans to close within 14 months of the issuance of the preliminary commitment letter. Applicants may request one extension of up to 10 months.
- d) On November 14, 2008, staff received a request from the Developer for a 10 month extension to close the SAIL loan ([Exhibit A](#)).
- e) Additionally, on November 26, 2008, staff received a request from the Developer for a 10 month extension to close the Supplemental loan ([Exhibit B](#)).

2. **Recommendation**

Approve the request for a 10 month extension until October 1, 2009 to close the SAIL and Supplemental loans, subject to the payment of the extension fee pursuant to Rule Chapter 67-48.0072(4)(c), F.A.C.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval of SAIL and Supplemental Loan Closing Extension for Hammock Harbor – Phase I, Cycle XIX (2007-179BS)

Development Name: Hammock Harbor – Phase I (“Development”)	Location: Brevard County
Developer/Principal: Atlantic Housing Partners, L.L.P (“Developer”)	Set-Aside: 5% @ 33% and 65% @ 60% AMI
Number of Units: 96	Allocated Amount: \$5,000,000 (SAIL) and \$425,000 (Supplemental)
Type: Garden Style	Housing Credit Equity: \$5,982,386
Demographics: Family	MMRB: \$11,900,000

1. Background/Present Situation

- a) On September 21, 2007, the Board approved the final scores and ranking for the 2007 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 24, 2007, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for a partial SAIL loan in an amount of \$2,618,480.35 and a Supplemental loan in the amount of \$425,000 for this 96-unit family development located in Brevard County. On November 28, 2007, staff issued a revised preliminary commitment letter for an additional SAIL loan in an amount of \$2,618,480.35 for a total SAIL loan of \$5,000,000.
- c) Rule Chapter 67-48.0072(4)(c), F.A.C. requires the SAIL and Supplemental loans to close within 14 months of the issuance of the preliminary commitment letter. Applicants may request one extension of up to 10 months.
- d) On November 6, 2008, staff received a request from the Developer for a 10 month extension to close the SAIL loan ([Exhibit C](#)).
- e) Additionally, on November 26, 2008, staff received a request from the Developer for a 10 month extension to close the Supplemental loan ([Exhibit D](#)).

2. Recommendation

Approve the request for a 10 month extension until October 23, 2009 to close the SAIL and Supplemental loans, subject to the payment of the extension fee pursuant to Rule Chapter 67-48.0072(4)(c), F.A.C.

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

*Consent*

**C. Request Approval of SAIL Loan Closing Extension for Laurel Oaks Apartments, Cycle XIX (2007-167S)**

<b>Development Name: Laurel Oaks Apartments (“Development”)</b>	<b>Location: Lake County</b>
<b>Developer/Principal: The Richman Group of Florida, Inc. (“Developer”)</b>	<b>Set-Aside: 100% @ 60% AMI</b>
<b>Number of Units: 144</b>	<b>Allocated Amount: \$5,000,000</b>
<b>Type: Garden Style</b>	<b>Housing Credit Equity: \$8,363,053</b>
<b>Demographics: Family</b>	<b>MMRB: \$10,780,000 (Local)</b>

**1. Background/Present Situation**

- a) On June 13, 2008, the Board approved a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$5,000,000 and directed staff to proceed with loan closing activities.
- b) On July 1, 2008, staff issued a firm commitment letter with a closing deadline of September 1, 2008.
- c) On August 29, 2008, staff received a request from the Applicant for an extension to close the SAIL loan. On September 26, 2008, the Board approved the extension of the SAIL closing deadline until October 31, 2008.
- d) On October 24, 2008, staff received a request from the Applicant for a second extension to close the SAIL loan ([Exhibit E](#)).

**2. Recommendation**

Approve the request to extend the SAIL closing deadline until December 31, 2008, subject to the payment of the loan closing extension fee pursuant to Rule Chapter 67-48, F.A.C.



## SPECIAL ASSETS

### *Consent*

#### VIII. SPECIAL ASSETS

##### A. Request Approval of Workout Proposal for Teal Pointe Apartments (93HD-014/93L-097)

<b>Development Name: Teal Pointe Apartments (“Development”)</b>	<b>Location: Miami-Dade</b>
<b>Developer/Principal: Teal Pointe Apartments, Inc. (“Developer”)</b>	<b>Set-Aside: HOME 50% @ 50%; 50% @ 80% AMI, 15 Years; HC 50% @ 50%; 50% @ 60% AMI, 65 Years</b>
<b>Number of Units: 45</b>	<b>Allocated Amount: HOME \$1,000,000 Housing Credit \$108,714</b>
<b>Demographics: Family</b>	

##### 1. Background

- a) During the 1993 Cycle, Florida Housing awarded a \$1,000,000 HOME loan to Teal Pointe Associates, Ltd., a Florida limited company, for the development of a 45-unit apartment complex in Miami-Dade County, Florida. The HOME loan closed on December 21, 1993. The Development also received a Housing Credit allocation of \$108,714.
- b) In 2006, there was a transfer of ownership when the development was sold by Teal Pointe Associates, Ltd. (The Related Group) to Teal Pointe Apartments, Inc. (The Jimenez Group) and the new owner assumed the HOME loan. The transaction also included the payoff of an existing first mortgage moving the HOME loan into first lien position. The acquisition of the Development was also supported by a second mortgage.
- c) In August 2008, there was a transfer of the general partner ownership in Teal Pointe, Apartments, Inc.

##### 2. Present Situation

- a) In a letter dated June 9, 2008 the current owning entity requested that the terms of the loan be renegotiated and extended and Staff subsequently entered into negotiations. The owner submitted their workout proposal requesting Florida Housing renew the principal at 1.5% interest for forty years, with monthly amortization of principal and interest.
- b) Florida Housing received a positive recommendation from the credit underwriter ([Exhibit A](#)).

##### 3. Recommendation

Staff recommends that the Board approve the workout proposal to renew the principal at 1.5% interest for thirty years, with monthly amortization of principal and interest and extension of the LURA for an additional 30 years with the conditions of the credit underwriting report and direct staff to proceed with loan closing activities.

## SPECIAL ASSETS

### *Consent*

**B. Request Approval to Refinance the First Mortgage for Sawgrass Partners, Inc, a Florida Corporation for Oakwood Villas Apartments (2000-031S)**

<b>Development Name: Oakwood Villa Apartments (“Development”)</b>	<b>Location: Duval County</b>
<b>Developer/Principal: Sawgrass Partners, Inc. (“Developer”)</b>	<b>Set-Aside: SAIL 15 % @ 28%, 5% @ 50%, &amp; 80% @ 60% AMI, 50 Years</b>
<b>Number of Units: 200</b>	<b>Allocated Amount: \$778,633</b>
<b>Demographics: Large Family</b>	<b>Servicer: First Housing Development Co.</b>

**1. Background**

- a) During the 2000 Application Cycle, Florida Housing awarded a \$778,633 SAIL construction/permanent loan to Oakwood Project, Inc., a Florida not for profit corporation (“Borrower”), for the rehabilitation of a 200-unit development in Duval County. The SAIL loan closed on October 26, 2001 and matures on June 1, 2029.
- b) On November 28, 2007 Fannie Mae, the first mortgage lender, filed a complaint for foreclosure on the Development and on January 22, 2008 Greater Miami Neighborhoods filed for bankruptcy.
- c) On August 1, 2008 an Order approving the sale of Oakwood Villas to Sawgrass Partners, Inc., was issued by the United States Bankruptcy Court. The new owner requested approval of the transfer of the Development and assumption of the SAIL loan and the request was approved at the October 31, 2008 Board meeting.

**2. Present Situation**

- a) In a letter dated November 9, 2008 ([Exhibit B](#)), the Borrower requests consent from the Board to refinance the first mortgage and subordinate the SAIL loan to the new first mortgage.
- b) Staff has received a credit underwriting report from First Housing Development Corporation ([Exhibit C](#)) dated November 25, 2008 recommending approval for the new financing.

**3. Recommendation**

Approve the refinancing of the first mortgage and subordination of the SAIL loan to the new first mortgage subject to the conditions outlined in the credit underwriter’s report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities.