I. COMMUNITY WORKFORCE HOUSING INNOVATION PILOT (CWHIP) PROGRAM

A. Re: The Preserve, Osceola County

<table>
<thead>
<tr>
<th>Applicant Name (&quot;Applicant&quot;):</th>
<th>The Foundation for Osceola Education, Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Name (&quot;Development&quot;):</td>
<td>The Preserve</td>
</tr>
<tr>
<td>Developer/Principal (&quot;Developer&quot;):</td>
<td>Jonathan Wolf</td>
</tr>
<tr>
<td>Number of Units: 120 / Multifamily</td>
<td>Location: Osceola County, Florida</td>
</tr>
<tr>
<td>Type: CWHIP Loan</td>
<td>Allocated Amount: $5,000,000</td>
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1. Background

The Preserve has requested that it be allowed to change its development site. RFP 2006-05 did not allow respondents to change the development site.

2. Present Situation

a) Florida Housing offered RFP 2006-05 for respondents to apply for funding from the Community Workforce Housing Innovation Pilot Program (CWHIP). The Preserve was among the ten projects initially selected for funding. (The Preserve at Boynton Beach project in Palm Beach County was wait-listed, then funded when the Verde Towers project in Orange County was unable to go forward.) The CWHIP program, unlike the Universal Cycle programs, did not require all zoning and land use approvals to be in place at the time of application. The project site proposed for the Preserve required an amendment to an existing commercial PUD to allow a 120 multi-family units to support workforce housing. The Preserve produced evidence that the zoning change needed for its development was supported by the City of St. Cloud, the local government having zoning jurisdiction, by resolution dated December 14, 2006. Osceola County pledged to donate $1,000,000 in lieu of waiving impact fees (approximately $788,000). After the project was selected for funding, opposition led by the Osceola County Landlords Association persuaded the St. Cloud City Commission to deny the zoning change necessary for the project to be built on the site included in its response to RFP 2006-05.

b) The Preserve has acquired a new site for the project, outside the City of St. Cloud, but still within Osceola County. All components of the project will remain as proposed, except for the development site. The Preserve has provided proof, in the form of letters from utility authorities and 2008 Universal Cycle verification forms (attached as exhibits A-F), that the proposed new site has all approvals necessary to begin construction in place. The Osceola County Commission and the Osceola County School District are still supporting the project.

c) If the Preserve is not allowed to change its development site, the project will not be built.
COMMUNITY WORKFORCE HOUSING INNOVATION PILOT (CWHIP) PROGRAM

Action

3. **Recommendation**
   a) Staff recommends that the Board allow The Preserve to move its development site, from the location given in its Response to RPF 2006-05, to 2100 Irlo Bronson Highway, Kissimee 34744.
B. Approve Final Ranking for the 2007 Community Workforce Housing Innovation Pilot (“CWHIP”) Program

1. **Background**

   a) Staff issued preliminary scores for the 2007 Community Workforce Housing Innovation Pilot (“CWHIP”) Program on March 3, 2008.

   b) Applicants had until 5:00 p.m., Eastern Standard Time, on April 18, 2008, to file cures relative to items which failed to receive maximum points and/or failed threshold, as applicable.

   c) Upon completion of its evaluation of the cures, staff prepared the final ranking of the CWHIP Applications.

2. **Present Situation**

   The final ranking of the CWHIP 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.
II. ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)

A. Request Approval of 2008 Elderly Housing Community Loan (EHCL) Program Review Committee’s Recommendation of Final Rankings

1. Background/Present Situation

   a) The EHCL Program provides loans of up to $750,000 to developers who are making substantial improvements to Elderly housing for life safety, building preservation, health, sanitation, or security related issues.

   b) The EHCL Application Cycle opened on January 28, 2008 and closed March 10, 2008, with an estimated $1,200,000 available for funding. Four applications were received for this cycle.

   c) The EHCL Review Committee (comprised of Jody Bedgood, Derek Helms, Heather Boyd, Jean Salmonsen and Bill Aldinger of Florida Housing) met on April 16, 2008. The Review Committee recommends the attached final ranking (Exhibit A).

2. Recommendation

   Approve the EHCL Review Committee’s recommendation for final ranking and direct staff to issue preliminary commitment letters to Applicants that fall within funding range and proceed with all necessary credit underwriting activities.
III. HOMEOWNERSHIP PROGRAMS

A. Request Approval of Changes to Rule 67-57 for the Homeownership Pool (“HOP”) Program

1. Background/Present Situation

   a) A public meeting was held on January 25, 2008, and rule development workshops were held on February 29, 2008 and March 14, 2008, in order to solicit comments on Rule Chapter 67-57, F.A.C.

   b) As a result of these meetings, staff has revised the Rule governing the HOP program. The Rule is attached as Exhibit A.

   c) Prior to the Board’s approval of the proposed Rule, the Notice of Proposed Rulemaking (NOPR) was published in the April 11, 2008 edition of the Florida Administrative Weekly. The NOPR announced the Rule Hearing which is scheduled for May 7, 2008, in Tallahassee.

   d) Following review of the public comments received at the May 7, 2008 Rule Hearing and any comments received from the Joint Administrative Procedures Committee following its review of the NOPR, staff will proceed as follows:

      (1) If the modification of the proposed Rule is not required, staff will file the Rule for adoption. It is anticipated that HOP will release its first round of funding in July 2008, followed by another release in January 2009.

      (2) If modification of the proposed Rule is required, staff will prepare a Notice of Change (NOC) to incorporate all proposed modifications to the proposed Rule and, if required, will submit the NOC for Board approval. Funding would still be released in July 2008, followed by another release in January 2009.

2. Recommendation

   Approve the proposed underline/strike through Rule, and authorize staff to file the Rule for adoption if a NOC is not required, and, if a NOC is required, authorize the Chair to determine whether a NOC makes material, substantive changes to the Rule. If she determines that it does not, staff recommends that the Board approve such NOC without the requirement of another Board meeting. In the alternative, if the Chair determines that any NOC does make material, substantive changes to the Rule; staff recommends that a telephonic board meeting be called to obtain Board approval for any required changes.
IV. MINUTES

A. Consider Approval of the March 14, 2008, Board of Directors’ Meeting Minutes.
V. PROFESSIONAL SERVICES SELECTION (PSS)

A. Affordable Housing Locator Subscription Services Request for Proposals (RFP)

1. Background

   a) In August 2005 Florida Housing’s Board of Directors authorized staff to carry out a solicitation process to select an entity to develop and maintain a web-based housing locator to help Floridians conduct searches for available rental housing financed by Florida Housing.

   b) The goal was to create a system to enable the eventual inclusion of any affordable rental unit statewide that met Florida Housing’s inclusion standards (for example, units that serve households at or below 140% of area median income).

   c) In January 2006, the Board authorized staff to enter into contract negotiations with socialserve.com. The initial term of the contract expires March 20, 2009, with two one-year renewal periods.

   d) During the development phase, Florida Housing collaborated with state agencies and affordable housing stakeholders, as well as socialserve.com to ensure the housing locator would be:

      (1) Easy to access and use by consumers and eligible housing providers on a regular basis and during a crisis such as a natural disaster;

      (2) Comprehensive and include regularly updated information about available, affordable Florida Housing funded rental units across the State;

      (3) Informative about the rental requirements, costs and accessibility features of each property and unit;

      (4) A resource to access affordable housing related information such as resident rights and responsibilities, financial assistance resources and supportive services for low-income people and those with special needs;

      (5) A flexible system enabling the addition of other non-Florida Housing funded affordable units in the future; and

      (6) Provided in Spanish.

   e) The website – www.floridahousingsearch.org – was officially launched in August 2006. The contract with socialserve.com includes the provision of a call-in center to help consumers conduct rental searches and qualified landlords register and update their affordable rental unit inventory.
PROFESSIONAL SERVICES SELECTION (PSS)

Action

2. **Present Situation**

   a) In addition to affordable rental units funded by Florida Housing, the locator enables consumers to search for *any* available, affordable rental units in Hillsborough, Miami-Dade, Pinellas and Sarasota counties. To fund these additional units, the county governments and/or homeless coalitions in these counties pay an annual fee to socialserve.com and then partner with Florida Housing to offer all housing providers in these counties the opportunity to register their affordable units. This has spared each county the larger expense of developing and maintaining its own locator, and it allows consumers to use one easy-to-use website to search for affordable rental housing.

   b) The floridahousingsearch.org database is now populated with over 80,000 units statewide and 4,200 housing providers. We have found that, on any given date, approximately 10 percent of the total number of registered units will be listed as available to lease. The housing providers range from private landlords having one or two units in a neighborhood to large developers managing hundreds of apartments across Florida. Florida Housing continues to promote the site to funded providers that have not yet registered their eligible units, as well as assist local governments and organizations that may be interested in supporting the inclusion of other affordable units in their communities.

   c) The end result of these efforts is that Florida now has a user-friendly affordable housing locator service that allows people to locate available housing that best fits their individual and family needs. Individuals can access the information online, in English and Spanish, 24 hours a day. They can easily search for housing using a wide variety of search criteria with special mapping features and receive apartment listings that provide a variety of important information about each unit. In addition, the site connects people to other housing and community resources through website links and provides helpful tools for renters such as an affordability calculator, rental checklist, and renter rights and responsibilities information.

   d) The site currently receives more than 65,000 visitors per month. Upon full implementation, it is projected the site will receive an average of 150,000 visitors per month. Socialserve.com’s call-in center now handles nearly 5,000 calls a month.

   e) In addition, through a partnership with Florida Housing, the Florida Department of Elder Affairs has contracted with socialserve.com to develop a search engine of assisted living facility units that will be accessed via floridahousingsearch.org. The assisted living facility locator will be launched in May, 2008.

   f) Florida Housing’s rental locator has become a valuable, reliable resource in helping households search for affordable rental units that meet their needs. It is a proven success. Staff believes that the service provided exceeds our initial expectations, and as a result, it is time to fully implement the original goal of including any affordable rental unit statewide that meets Florida Housing’s inclusion standards.
PROFESSIONAL SERVICES SELECTION (PSS)

Action

g) The optimal benefits and utilization of a fully inclusive locator has been demonstrated in the partner counties. They tell us that service providers working in their counties have found the expanded listings in the locator have been much more useful when compared to the original number of listings. We estimate that enabling all landlords to register their affordable rental units will result in approximately 10,000 additional units being added to the daily list of units that are immediately available for rent, more than doubling the number of units available.

h) Other counties have expressed interest in funding the inclusion of their non-Florida Housing funded rental units, but are unable to support the initiative because of current and anticipated budget constraints. Two of the currently participating counties have expressed concern that they may not be able to continue funding the resource because of the same budget constraints. Therefore, the original funding strategy of local governments sharing in the cost of including non-Florida Housing rental units on the locator is not feasible at this time.

i) The Florida Housing Locator only allows public users to access information regarding units that are available at the time of their search. Service providers that serve special needs individuals, report it would be useful to also have the option of accessing information on all registered properties and units. This option would allow, for various reasons, special needs households, as well as general public users to become informed about all the registered properties in their community of choice.

j) In order for the Florida Housing Locator to reach its full potential to serve low and moderate income rental households, the staff believes that Florida Housing must fund the contracted services required to develop and maintain a fully inclusive web-based affordable rental search tool and resource. We think this is a reasonable expense as we work toward our mission of helping Floridians access decent, affordable housing.

k) The scope of services in the current contract is not sufficient to accomplish the additional services required. Therefore, staff believes that, rather than wait for the full term of the contract to expire, we should move forward with a new Request for Proposals.

3. Recommendation

a) Authorize Florida Housing staff to begin the solicitation process to select one entity to provide expanded affordable housing locator services and authorize the Executive Director to establish a Review Committee.

b) Further authorize staff, if necessary, to renew the contract with socialserve.com until execution of a new affordable housing locator contract or until March 20, 2010, whichever is earlier.
PROFESSIONAL SERVICES SELECTION (PSS)

Action

B. Request for Qualifications (RFQ) for Trustee, Registrar, Paying Agent and Dissemination Bond Agent Services

1. Background

a) In September and October 2003 Florida Housing entered into contracts for Trustee, Registrar, Paying Agent and Dissemination Bond Agent (Trustee) services with the following firms:
   
   (1) Bank of New York Trust Company of Florida, N.A.
   (2) SunTrust
   (3) U.S. Bank National Association
   (4) Wells Fargo & Company

b) The initial term of the contracts was for a three year period. The contracts expired in September and October 2006. The contracts were renewable for two additional one-year periods.

c) At its August 25, 2005 and June 8, 2007 meetings Florida Housing’s Board of Directors (Board) authorized staff to proceed with the contract renewal process for each provider for one (1) year.

d) On October 2, 2006 Florida Housing was notified that U.S. Bank had completed its acquisition of the SunTrust Bond Trustee Unit. Because U.S. Bank was currently under contract with Florida Housing to provide Trustee Services and SunTrust Bank would cease acting as Corporate Bond Trustee, Florida Housing did not renew the contract with SunTrust Bank.

2. Present Situation

a) The terms of the current Trustee contracts expire as follows:
   
   (2) U.S. Bank National Association – 10/06/2008
   (3) Wells Fargo & Company – 09/19/2008

b) Florida Housing has a need for qualified entities to serve as Trustee. Services provided by the Trustee are those typical of trustees under trust indentures securing revenue bonds and shall include all such functions with respect to issues or series of bonds issued for MMRB, MMRB with HUD Risk-Sharing, SFMRB or any Florida Housing bonds guaranteed by the Guarantee Program. It is anticipated that the structure of the issue(s) may include taxable as well as tax-exempt and private placement bonds. Services also include acting as dissemination agent under continuing disclosure agreements entered into with developers or Florida Housing for the above referenced bonds.
PROFESSIONAL SERVICES SELECTION (PSS)

Action

3. Recommendation

Authorize Florida Housing staff to begin the solicitation process to select a pool of entities to provide Trustee services and authorize the Executive Director to establish a Review Committee.
C. Request for Qualifications (RFQ) for Structuring Agent Services

1. **Background**
   a) In August 2003 Florida Housing entered into contracts for Structuring Agent services with the following firms:
      
      (1) Morgan Keegan and Company  
      (2) RBC Dain Rauscher Inc.  
      (3) Stern Brothers & Co.  
   
   b) The initial term of the contracts was for a three year period. The contracts expired in August 2006. The contracts were renewable for two additional one-year periods.  
   
   c) At its June 9, 2006 and June 22, 2007 meetings 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 Structuring Agent contracts expire on various dates in August 2008.
   
   b) Florida Housing has a need for qualified entities to serve as structuring agent. Services provided by the Structuring Agents include but are not limited to the following:
      
      (1) Structure competitively-bid bond transactions as directed by Florida Housing;  
      (2) Assist in the development of offering memoranda, Notice of Sale, bids for Investment Agreements, and marketing of bonds issued by Florida Housing;  
      (3) Prepare cash flow schedules and, if required Guarantee Fund premium schedules;  
      (4) Perform analyses regarding the pricing of required services such as bond insurance as requested by Florida Housing;  
      (5) Advise Florida Housing regarding market conditions and project rates in preparation for bond transactions. Coordinate pre-pricing conference call with Florida Housing staff, the Developer, and Florida Housing’s Senior Financial Advisor;  
      (6) Develop plans to secure appropriate ratings; and  
      (7) Prepare fiscal sufficiency report filed with the Florida State Board of Administration (SBA), and provide post pricing comparable yield analysis for submission to SBA.
PROFESSIONAL SERVICES SELECTION (PSS)

Action

3. Recommendation

Authorize Florida Housing staff to begin the solicitation process to select a pool of entities to provide Structuring Agent services and authorize the Executive Director to establish a Review Committee.
D. Request for Proposals (RFP) 2008-01 for Printing Services

1. Background

   a) Effective May 13, 2003, Florida Housing entered into contract with i-Deal LLC to provide services for the printing, binding, shipping, and electronic transmission of preliminary and final official statements.

   b) The initial term of the contract was for a three year period. The contracts expired in May 2006. The contract was renewable for two additional one-year periods.

   c) Effective May 13, 2006 and 2007 the contract was renewed each time for an additional one (1) year period.

   d) The contract with i-Deal LLC expires on May 13, 2008.

2. Present Situation

   a) On March 14, 2008, Florida Housing staff issued RFP 2008-01 for printing services (Exhibit A). The deadline for receipt of Responses was 2:00 p.m., Friday, April 11, 2008.

   b) Two (2) Responses were received by the deadline from the following Offerors:

      (1) George H. Dean Co.

      (2) ImageMaster, Inc.

   c) The Review Committee members, designated by the Executive Director, were Melanie Weathers, Bond Administrator and Chair of the Committee, Edny Sanchez-Gammons, Bond Administration Manager, Len Stirrat, Multifamily Bonds Administrator, Jenifer Stern, Senior Graphic Designer, and Ryan Orlando, Communications Specialist. Each member of the Review Committee individually reviewed the Responses prior to convening for the Review Committee meetings. The Review Committee meetings were held at 3:00 p.m., Tuesday, April 15, 2008 and 10:00 a.m., Thursday, April 17, 2008.

   d) Results of the Review Committee’s evaluation of the scored items and ranking is provided as Exhibit B.

3. Recommendation

   a) Ratify staff’s decision to issue the RFP; and

   b) The Review Committee recommends that the Board authorize staff to enter into contract negotiations with ImageMaster, Inc. The Review Committee further recommends that should contract negotiations with ImageMaster, Inc. fail; authorize staff to reissue the RFP.
PROFESSIONAL SERVICES SELECTION (PSS)

Action

E. Request for Proposals (RFP) 2008-03 for Foreclosure Prevention Counseling Training and/or Technical Assistance Services

1. Background

   a) At its December 7, 2007 meeting the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with NeighborWorks America to provide foreclosure prevention strategy services under Request for Proposals (RFP) 2007-08. Florida Housing’s Board further authorized that should contract negotiations with NeighborWorks fail for any component of the contract (training, technical assistance and marketing); staff will enter into contract negotiations with the Florida Housing Coalition, Inc. for any component that is unresolved; if contract negotiations with the Florida Housing Coalition fail; staff will enter into contract negotiations with Harsany & Associates, LLC for any component that is unresolved.

   b) Subsequently, NeighborWorks America was named in the FY2008 Consolidated Appropriations act to administer a national foreclosure mitigation counseling grant program. On March 26, 2008 Florida Housing signed a grant agreement with NeighborWorks America for the disbursement and expenditure of grant funds provided by NeighborWorks America to Florida Housing.

2. Present Situation

   a) As a result of applying for and entering into the above mentioned grant agreement, Florida Housing staff has completed two of the four components in the scope of services for RFP 2007-08. Florida Housing staff has determined that it is in the best interest of all affected to reissue a revised RFP to solicit proposals for the remaining components in lieu of entering into contract negotiations.

   b) On April 18, 2008, Florida Housing staff issued RFP 2008-03 for Foreclosure Prevention Counseling Training and/or Technical Assistance (Exhibit C). The deadline for receipt of Responses is 2:00 p.m., Friday, May 16, 2008.

3. Recommendation

Ratify staff’s decision to reissue the revised RFP.
RULE DEVELOPMENT

VI. RULE DEVELOPMENT

A. Multifamily and Home Ownership Program Rules Governing Returned Awards of Funding

1. Background/Present Situation

   a) Over the last few years, Florida Housing has experienced a marked increase in returned awards of funding. This has occurred in both our single family/home ownership and multifamily/rental program areas. There are different dynamics that have contributed to this, but the most significant is the market.

   b) During the last few years that we’ve experienced dramatic shifts in the housing markets due to hurricanes, increased building costs, increased operational costs, increased land prices, a housing boom, a housing bust, a subprime/foreclosure crisis and significant ups and downs in the financial markets that affect the effectiveness of our financing tools, Florida Housing has worked to be as flexible as possible with transactions that were awarded funding and then struggled to get across the finish line. Often times, this meant that developers could tie up an award of funding for a significant time period before being forced to make a “go or no-go” decision. Being as flexible as we could be with transactions that had won an award of funding certainly seemed like the right thing to do, especially given the fact that during the course of these last few years, state spending on affordable housing was at an all time high.

   c) Now, however, the funding landscape seems to be changing dramatically. The doc stamp revenues that flow into and fund Florida’s affordable housing trust funds have been capped at $243 million beginning in this current fiscal year and legislative initiatives to remove that cap have been unsuccessful thus far. Additionally, the state of Florida is experiencing a historically difficult budget period – for the first time in modern history, the state of Florida has had two years in a row of declining revenue. This increases the likelihood that state dollars once earmarked for affordable housing will be redirected by the Legislature for other purposes, and it decreases the likelihood that there will be dollars available for affordable housing above and beyond the capped amount of $243 million.

   d) Interestingly, at the same time that we’ve seen an increase in returned awards, we’ve also experienced a higher demand – more applications – for our funding than ever before. When an application receives a funding award and then does not actually produce the affordable housing units that the application promised, there is usually another proposed development that did not get funding. Not only were scarce state and federal resources tied up for an inordinate time, other proposed developments that could have used the funding may get abandoned and never built. If a developer pursues an application through key milestones in a competitive application process, they should be ready to proceed. If they are not going to proceed, they should abandon the application early enough so that another application can get the money and proceed.
RULE DEVELOPMENT

Action

e) Given the changing landscape for funding (fewer dollars available for transactions that require more subsidy per unit than they did a few years ago) coupled with the higher demand for our resources, we believe that it’s important to ensure that deals that win an award of funding are ready and willing to proceed if viable. We expect to encourage this with new rules governing returned awards of funding. We also expect to motivate developers to withdraw applications that do not appear to be viable as the various programs approach awards of funding, so that we can allocate what are becoming more scarce and precious resources to applicants that do have viable transactions available for funding. Additionally, we expect that such a proposed rule might require that when an application is prosecuted to final ranking, receives an award, and then the applicant returns the award after that final ranking, Florida Housing would require certain sworn statements from the applicant and affiliates (subject to cross examination by Florida Housing and competing applicants) to ensure that the applicant believed in good faith at the time of final ranking that the development was viable and would be built in accordance with the plan and timetable described in the application and the applicable rules.

f) Staff would like to begin the rule development process by scheduling a rule development workshop.

2. Recommendation

Authorize staff to proceed with the rule development process.
I. MISCELLANEOUS

A. Request Approval to Submit a Proposal to the MacArthur Foundation for Funding to Develop a Comprehensive Preservation Strategy

1. Background

   a) The John D. and Catherine T. MacArthur Foundation launched a national initiative called Window of Opportunity in 2003, committing $150 million to the preservation and improvement of affordable rental homes. Through this commitment, MacArthur has worked to refocus affordable rental housing efforts toward preservation by investing in promising policy analysis, data collection and technical assistance at the federal, state and local levels, as well as financial intermediaries and specialized nonprofit developers.

   b) Florida Housing Finance Corporation, partnering with the Shimberg Center for Affordable Housing at the University of Florida, carried out a MacArthur Foundation initiative in 2006 when we facilitated a national meeting of policy and data leaders to discuss how to create a national data infrastructure to provide information to carry out preservation transactions.

   c) Now the Foundation is providing $35 million in new funding for up to ten states and localities to design, demonstrate or scale up significant preservation initiatives. Funding will be provided as a combination of grants and “project related investment,” which is a low interest loan for ten or more years. Exhibit A provides the MacArthur Foundation’s Request for Proposals (RFP) on this initiative. In addition to funding, awardees will receive the benefit of learning from what others are doing nationally to implement successful preservation efforts.

2. Florida’s Current Situation

   a) Like the rest of the nation, Florida stands to lose thousands of older, publicly subsidized rental units in the coming years because affordability periods are coming to an end. This is especially true for units located in strong market areas where cities have grown up over time around these properties. These older properties have had little rehabilitation and many are physically deteriorated. This includes properties in Florida Housing’s portfolio funded 15 or more years ago.

   b) Of particular concern are properties that currently serve extremely low income and special needs residents. Over 68,000 of these units serve these residents with the assistance of federal project-based rental assistance, assistance that would be lost if these units did not stay in the system. Florida cannot replace these units through new construction without incurring enormous costs. Generally, preserving these units is a more cost effective way of ensuring that the state does not lose housing already available to these residents.
3. **Responding to the MacArthur Foundation RFP**

   a) As a result of this need and to enhance Florida’s efforts to carry out preservation transactions, Florida Housing submitted an initial Letter of Interest for $5 million in funding in late January 2008 (Exhibit B). This letter, which did not commit Florida Housing to a course of action, outlined how the state might respond to the RFP. Final proposals must respond to the specifics of the Foundation’s RFP, including the provision of match funds to show Florida’s commitment to the initiative and to preservation generally.

   b) As Exhibit B outlines, Florida Housing proposes to work with the Florida Housing Coalition, our nonprofit partner which provides technical assistance and training throughout the state, and the Shimberg Center, which administers the Florida Housing Data Clearinghouse, to develop a successful proposal for the Foundation.

   c) Florida Housing is strongly poised to move into preservation. With a number of preliminary strategies implemented over the last two years to explore this arena, we are ready to develop a comprehensive approach to meet this need. The staff believes that Florida’s preservation strategy must involve the entire development community to ensure that a wide range of housing is preserved. However, a critical weak link in that community is the nonprofit sector. The staff proposes that the objective of this initiative be to create nonprofit capacity to carry out preservation transactions. We want to use MacArthur funding as a catalyst to transform the state delivery system in 3-5 years into one that appropriately balances funding priorities between new construction and preservation of the existing housing stock.

   d) In particular, we imagine implementation of several strategies: augmentation of Florida’s Predevelopment Loan Program (including the provision of technical assistance); marketing and specialized education activities related to preservation transactions; enhanced data tools to direct preservation efforts toward the locales and properties that best meet today’s housing needs; and one or more preservation demonstrations to allow us to evaluate how best to support state preservation efforts. The “project related investment” funds from MacArthur, which must be repaid to the Foundation, would be used for this last strategy.

   e) Page 4 of Exhibit B provides an initial summary of the funding request being contemplated by staff, as well as the state and private match funding proposed. State funds for this purpose could come from preservation funding currently being contemplated by the Legislature, demonstration funding or other funds. This does not include available Mortgage Revenue Bond and 4% Low Income Housing Tax Credit financing that would likely be paired with some of these transactions.

   f) Out of 80 letters received by the Foundation in January, Florida was one of 21 entities selected as a semi-finalist for these awards. If we wish to be considered for an award, we must develop a final proposal to submit to the MacArthur Foundation by June 10, 2008, before the next Board meeting.
MISCELLANEOUS

Action Supplement

4. Recommendation

Approve the staff’s request to proceed with a proposal to the MacArthur Foundation for up to $5 million in grant and project related investment funding for preservation related activities, in partnership with the Florida Housing Coalition and the Shimberg Center, and approve the match of up to $11 million in state funds for this purpose.