

**FLORIDA HOUSING FINANCE CORPORATION**  
**Board Meeting**  
July 30, 2010  
Consent Items



**AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)**

*Consent*

**I. AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)**

**A. Request Approval of Credit Underwriting Report for Mayfair Village Apartments (2009-121CH/2010-012CHX)**

<b>Development Name: Mayfair Village Apartments (“Development”)</b>	<b>Location: Duval County</b>
<b>Developer/Principal: Ability Housing of Northeast Florida, Inc. (“Developer”)</b>	<b>Set-Aside: 50% @ 30% AMI &amp; 50% @ 50% AMI</b>
<b>Number of Units: 83</b>	<b>Tax Credit Exchange Program: \$2,485,000</b>
<b>Type: Garden Style</b>	<b>HOME Program: \$4,000,000</b>
<b>Demographics: Homeless</b>	<b>Housing Credit Allocation: \$969,116</b>

**1. Background/Present Situation**

- a) On March 17, 2010, the Board approved the award list of the Request for Proposals (RFP) 2010-04 and directed staff to proceed with all necessary credit underwriting activities.
- b) On March 17, 2010, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Exchange Program funds. Additionally, this development has a HOME loan.
- c) On July 22, 2010, staff received a credit underwriting report with a positive recommendation for a Tax Credit Exchange Program loan in the amount of \$2,485,000, which is equivalent to an annual housing credit allocation of \$292,353, a HOME Program loan in the amount of \$4,000,000, and an annual Housing Credit Allocation of \$969,116 ([Exhibit A](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2010-04.

**2. Recommendation**

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

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

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**B. Request Approval of Credit Underwriting Report for Woodside Oaks (2009-180C/2010-034CX/2011-015CX)**

<b>Development Name: Woodside Oaks (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal: Landmark Development Corporation and Affordable Housing Solutions for Florida, Inc. (“Co-Developers”)</b>	<b>Set-Aside: 10% @ 33% AMI &amp; 90% @ 60% AMI</b>
<b>Number of Units: 103</b>	<b>Tax Credit Exchange Program: \$5,000,000</b>
<b>Type: Garden Style</b>	<b>Housing Credit Allocation: \$1,680,000</b>
<b>Demographics: Family</b>	<b>MMRB: N/A</b>

**1. Background/Present Situation**

- a) On March 17, 2010, the Board approved the award list of the Request for Proposals (RFP) 2010-04 and directed staff to proceed with all necessary credit underwriting activities.
- b) On March 17, 2010, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Exchange Program funds.
- c) On July 16, 2010, staff received a credit underwriting report with a positive recommendation for a Tax Credit Exchange Program loan in the amount of \$5,000,000, which is equivalent to an annual housing credit allocation of \$588,235, and an annual Housing Credit Allocation of \$1,680,000 ([Exhibit B](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2010-04.

**2. Recommendation**

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

**AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)**

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**C. Request Approval of Credit Underwriting Report for The Fountains at San Remo Court - Phase I (2009-246C/2010-020CX/2011-001CX)**

<b>Development Name: The Fountains at San Remo Court - Phase I (“Development”)</b>	<b>Location: Osceola County</b>
<b>Developer/Principal: Atlantic Housing Partners, L.L.P. (“Developer”)</b>	<b>Set-Aside: 10% @ 33% AMI, 60% @ 60% AMI &amp; 30% Market Rate</b>
<b>Number of Units: 130</b>	<b>Tax Credit Exchange Program: \$5,000,000</b>
<b>Type: Garden Style</b>	<b>Housing Credit Allocation: \$1,510,000</b>
<b>Demographics: Family</b>	<b>MMRB: N/A</b>

**1. Background/Present Situation**

- a) On March 17, 2010, the Board approved the award list of the Request for Proposals (RFP) 2010-04 and directed staff to proceed with all necessary credit underwriting activities.
- b) On March 17, 2010, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Exchange Program funds.
- c) On July 14, 2010, staff received a credit underwriting report with a positive recommendation for a Tax Credit Exchange Program loan in the amount of \$5,000,000, which is equivalent to an annual housing credit allocation of \$588,235, and an annual Housing Credit Allocation of \$1,510,000 ([Exhibit C](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2010-04.

**2. Recommendation**

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

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

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D. Request Approval of Credit Underwriting Report for Blue Water Workforce Housing (2009-103C/2010-011CX)

Development Name: Blue Water Workforce Housing (“Development”)	Location: Monroe County
Developer/Principal: Gorman & Company, Inc. and CenTrust Development Group, Inc. (“Co-Developers”)	Set-Aside: 14% @ 28% AMI & 86% @ 60% AMI
Number of Units: 36	Tax Credit Exchange Program: \$1,800,000
Type: Garden Style	Housing Credit Allocation: \$900,000
Demographics: Family	MMRB: N/A

1. Background/Present Situation

- a) On March 17, 2010, the Board approved the award list of the Request for Proposals (RFP) 2010-04 and directed staff to proceed with all necessary credit underwriting activities.
- b) On March 17, 2010, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Exchange Program funds.
- c) On July 15, 2010, staff received a credit underwriting report with a positive recommendation for a Tax Credit Exchange Program loan in the amount of \$1,800,000, which is equivalent to an annual housing credit allocation of \$211,765 and an annual Housing Credit Allocation of \$900,000 ([Exhibit D](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2010-04.

2. Recommendation

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

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

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E. Request Approval of Credit Underwriting Report for The Lodges at Pinellas Park (2009-097C/2010-023CX/2011-004CX)

Development Name: The Lodges at Pinellas Park (“Development”)	Location: Pinellas County
Developer/Principal: Roundstone Development, LLC (“Developer”)	Set-Aside: 10% @ 35% AMI & 90% @ 60% AMI
Number of Units: 120	Tax Credit Exchange Program: \$3,120,000
Type: Garden Style	Housing Credit Allocation: \$1,660,000
Demographics: Family	MMRB: N/A

1. Background/Present Situation

- a) On March 17, 2010, the Board approved the award list of the Request for Proposals (RFP) 2010-04 and directed staff to proceed with all necessary credit underwriting activities.
- b) On March 17, 2010, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Exchange Program funds.
- c) On July 16, 2010, staff received a credit underwriting report with a positive recommendation for a Tax Credit Exchange Program loan in the amount of \$3,120,000, which is equivalent to an annual housing credit allocation of \$367,058 and an annual Housing Credit Allocation of \$1,660,000 ([Exhibit E](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2010-04.

2. Recommendation

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

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

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F. Request Approval of Credit Underwriting Report for Renaissance Preserve II (2009-151C/2010-027CX/2011-008CX)

Development Name: Renaissance Preserve II (“Development”)	Location: Lee County
Developer/Principal: Norstar Development USA, LP and Renaissance Preserve Developers, LLC (“Co-Developers”)	Set-Aside: 10% @ 33% AMI & 90% @ 60% AMI
Number of Units: 88	Tax Credit Exchange Program: \$2,995,000
Type: Townhouse	Housing Credit Allocation: \$1,510,000
Demographics: Family	MMRB: N/A

1. Background/Present Situation

- a) On March 17, 2010, the Board approved the award list of the Request for Proposals (RFP) 2010-04 and directed staff to proceed with all necessary credit underwriting activities.
- b) On March 17, 2010, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Exchange Program funds.
- c) On July 16, 2010, staff received a credit underwriting report with a positive recommendation for a Tax Credit Exchange Program loan in the amount of \$2,995,000, which is equivalent to an annual housing credit allocation of \$352,353 and an annual Housing Credit Allocation of \$1,510,000 ([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. and RFP 2010-04.

2. Recommendation

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

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

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G. Request Approval of Credit Underwriting Report for Bonita Cove (2009-077CH/2011-022CH)

Development Name: Bonita Cove (“Development”)	Location: Miami-Dade County
Developer/Principal: Bonita Cove Developers I, LLC (“Developer”)	Set-Aside: 10% @ 33% AMI & 90% @ 60% AMI
Number of Units: 60	Tax Credit Exchange Program: \$2,411,314
Type: High Rise	HOME Program: \$4,000,000
Demographics: Homeless	Housing Credit Allocation: \$1,572,513

1. Background/Present Situation

- a) On April 30, 2010, the Board issued a Final Order that adopted the Consent Agreement to award Bonita Cove, LLC, a Housing Credit Allocation, HOME funding and Tax Credit Exchange Program funds.
- b) On April 30, 2010, staff issued a preliminary commitment letter and an invitation to enter credit underwriting.
- c) On July 16, 2010, staff received a credit underwriting report with a positive recommendation for a Tax Credit Exchange Program loan in the amount of \$2,411,314 which is equivalent to an annual housing credit allocation of \$283,684, a HOME Program loan in the amount of \$4,000,000, and an annual Housing Credit Allocation of \$1,572,513 ([Exhibit G](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2010-04.

2. Recommendation

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



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H. Request Approval of Credit Underwriting Report for Pinnacle at Avery Glen (2009-139C/2011-024CX)

Development Name: Pinnacle at Avery Glen (“Development”)	Location: Broward County
Developer/Principal: Pinnacle Housing Group, LLC (“Developer”)	Set-Aside: 10% @ 28% AMI & 90% @ 60% AMI
Number of Units: 140	Tax Credit Exchange Program: \$5,000,000
Type: Garden Style	Housing Credit Allocation: \$2,150,000
Demographics: Family	MMRB: N/A

1. Background/Present Situation

- a) On April 30, 2010, the Board issued a Final Order that adopted the Consent Agreement to award Avery Glen, LLC, a Housing Credit Allocation and Tax Credit Exchange Program funds.
- b) On April 30, 2010, staff issued a preliminary commitment letter and an invitation to enter credit underwriting.
- c) On July 13, 2010, staff received a credit underwriting report with a positive recommendation for a Tax Credit Exchange Program loan in the amount of \$5,000,000 which is equivalent to an annual housing credit allocation of \$588,235, and an annual Housing Credit Allocation of \$2,150,000 ([Exhibit H](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2010-04.

2. Recommendation

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

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Consent

I. Request Approval of Credit Underwriting Update Letter for Mirabella Apartments (2009-030CT/2010-002CT)

Development Name: Mirabella Apartments (“Development”)	Location: Miami-Dade County
Developer/Principal: CSG Development Services, LLC and Richmond Heights Community Development Corporation (“Co-Developers”)	Set-Aside: 10% @ 33% AMI, 90% @ 60% AMI
Number of Units: 204	Tax Credit Assistance Program: \$7,500,000
Type: Garden Style	Housing Credit Allocation: \$2,561,000
Demographics: Family	MMRB: N/A

1. Background/Present Situation

- a) On December 4, 2009, the Board approved a credit underwriting report with a positive recommendation for a 2009 Tax Credit Assistance Program award in the amount of \$7,500,000 and a housing credit allocation of \$2,561,000, and directed staff to proceed with loan closing activities.
- b) On July 1, 2010, staff received a credit underwriting update letter with a positive recommendation for modifications to the financial structure, replacement of the equity provider and approval of subsequent replacement Guarantors ([Exhibit I](#)). Staff has reviewed this report and finds that the development meets all requirements of Rule Chapter 67-48, F.A.C. and RFP 2009-03.

2. Recommendation

Approve the credit underwriting update letter and direct staff to proceed with loan closing.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

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J. Request Approval of Credit Underwriting Report for Casa Matias f/k/a MCR Apartments I (2009-076CH/2010-030CHX/2011-011CHX)

Development Name: Casa Matias f/k/a MCR Apartments I (“Development”)	Location: Miami-Dade County
Developer/Principal: MCR Developers I, LLC (“Developer”)	Set-Aside: 10% @ 33% AMI, 50% @ 50% AMI & 40% @ 60% AMI
Number of Units: 80	Tax Credit Exchange Program: \$3,958,579
Type: Mid-Rise	HOME Program: \$4,000,000
Demographics: Homeless	Housing Credit Allocation: \$1,701,307

1. Background/Present Situation

- a) On March 17, 2010, the Board approved the award list of the Request for Proposals (RFP) 2010-04 and directed staff to proceed with all necessary credit underwriting activities.
- b) On March 17, 2010, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Exchange Program funds. Additionally, this development has a HOME loan.
- c) On July 16, 2010, staff received a credit underwriting report with a positive recommendation for a Tax Credit Exchange Program loan in the amount of \$3,958,579, a HOME Program loan in the amount of \$4,000,000, and an annual Housing Credit Allocation of \$1,701,307 ([Exhibit J](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2010-04.

2. Recommendation

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

**AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)**

*Consent*

**K. Request Approval of Credit Underwriting Update Letter for Charlotte Crossing (2009-023CT)**

<b>Development Name: Charlotte Crossing (“Development”)</b>	<b>Location: Charlotte County</b>
<b>Developer/Principal: Charlotte Crossing Development, L.L.C. (“Developer”)</b>	<b>Set-Aside: 11% @ 40% AMI &amp; 89% @ 60% AMI</b>
<b>Number of Units: 82</b>	<b>Tax Credit Assistance Program: \$3,025,443</b>
<b>Type: Garden Style</b>	<b>Housing Credit Allocation: \$1,275,000</b>
<b>Demographics: Elderly</b>	<b>MMRB: N/A</b>

**1. Background/Present Situation**

- a) On January 22, 2010, the Board approved a credit underwriting report with a positive recommendation for a 2009 Tax Credit Assistance Program loan in the amount of \$3,025,443 and an annual Housing Credit Allocation of \$1,275,000.
- b) On July 12, 2010, staff received a credit underwriting update letter recommending an extension of the TCAP loan term from 15 years to 20 years ([Exhibit K](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C and RFP 2009-03.

**2. Recommendation**

Approve the credit underwriting update letter and direct staff to proceed with loan closing activities.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

*Consent*

L. Request Approval of Credit Underwriting Report for Oak Ridge Estates (2009-171C/2011-026CX)

Development Name: Oak Ridge Estates (“Development”)	Location: Pinellas County
Developer/Principal: Pinnacle Developers Tarpon, LLC and Tarpon Springs Development, LLC (“Co-Developers”)	Set-Aside: 10% @ 35% AMI & 90% @ 60% AMI
Number of Units: 62	Tax Credit Exchange Program: \$3,100,000
Type: Townhouse	Housing Credit Allocation: \$961,000
Demographics: Family	MMRB: N/A

1. **Background/Present Situation**

- a) On April 30, 2010, the Board issued a Final Order that adopted the Consent Agreement to award Oak Ridge Estates, LLC, a Housing Credit Allocation and Tax Credit Exchange Program funds.
- b) On April 30, 2010, staff issued a preliminary commitment letter and an invitation to enter credit underwriting.
- c) On July 19, 2010, staff received a credit underwriting report with a positive recommendation for a Tax Credit Exchange Program loan in the amount of \$3,100,000 which is equivalent to an annual housing credit allocation of \$364,706, and an annual Housing Credit Allocation of \$961,000 ([Exhibit L](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2010-04.

2. **Recommendation**

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

**AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)**

*Consent*

**M. Request Approval of Credit Underwriting Report for Arbours at Fort King (2009-132C/2010-036CX/2011-017CX)**

<b>Development Name: Arbours at Fort King (“Development”)</b>	<b>Location: Pasco County</b>
<b>Developer/Principal: Arbour Valley Development, LLC (“Developer”)</b>	<b>Set-Aside: 10% @ 35% AMI &amp; 90% @ 60% AMI</b>
<b>Number of Units: 94</b>	<b>Tax Credit Exchange Program: \$4,700,000</b>
<b>Type: Garden Style</b>	<b>Housing Credit Allocation: \$1,510,000</b>
<b>Demographics: Family</b>	<b>MMRB: N/A</b>

**1. Background/Present Situation**

- a) On March 17, 2010, the Board approved the award list of the Request for Proposals (RFP) 2010-04 and directed staff to proceed with all necessary credit underwriting activities.
- b) On March 17, 2010, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Exchange Program funds.
- c) On July 15, 2010, staff received a credit underwriting report with a positive recommendation for a Tax Credit Exchange Program loan in the amount of \$4,700,000, which is equivalent to an annual housing credit allocation of \$552,941 and an annual Housing Credit Allocation of \$1,510,000 ([Exhibit M](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2010-04.

**2. Recommendation**

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

**AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)**

*Consent*

**N. Request Approval of Credit Underwriting Report for Flagler Village (2009-216C/2010-021CX/2011-002CX)**

<b>Development Name: Flagler Village (“Development”)</b>	<b>Location: Monroe County</b>
<b>Developer/Principal: Overseas Developer, LLC (“Developer”)</b>	<b>Set-Aside: 10% @ 28% AMI &amp; 90% @ 60% AMI</b>
<b>Number of Units: 49</b>	<b>Tax Credit Exchange Program: \$2,450,000</b>
<b>Type: Single Story Pre-manufactured Duplex/Single Residences</b>	<b>Housing Credit Allocation: \$1,225,000</b>
<b>Demographics: Family</b>	<b>MMRB: N/A</b>

**1. Background/Present Situation**

- a) On March 17, 2010, the Board approved the award list of the Request for Proposals (RFP) 2010-04 and directed staff to proceed with all necessary credit underwriting activities.
- b) On March 17, 2010, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Exchange Program funds.
- c) On July 21, 2010, staff received a credit underwriting report with a positive recommendation for a Tax Credit Exchange Program loan in the amount of 2,450,000, which is equivalent to an annual housing credit allocation of \$288,235 and an annual Housing Credit Allocation of \$1,225,000 ([Exhibit N](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2010-04.

**2. Recommendation**

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

# COMMUNITY LAND TRUSTS

## Consent

### II. COMMUNITY LAND TRUSTS

#### A. Request for Approval of an Amendment to the Land Use Restriction Agreement for Habitat for Humanity of Key West and the Lower Florida Keys, Inc. (Non-Profit) / CLTRFP06-03-3

Applicant Name (“Applicant”):	Habitat for Humanity of Key West and the Lower Florida Keys, Inc. (f.k.a. Florida Keys Community Housing and Land Trust, Inc.)
Developer/Principal (“Developer”):	Bob Calhoun
Number of Units: 10	Location: Monroe County, Florida
Type: Community Land Trust (CLT/HOME)	Allocated Amount: \$1,757,030

#### 1. Background

- a) On June 9, 2006, the Board approved the final rankings for the 2006 Community Land Trust Request for Proposals (CLTRFP-06) and Florida Housing issued the Applicant an invitation into credit underwriting on June 16, 2006. Subsequent to the application, the Applicant entity merged with Habitat for Humanity of Key West and the Lower Florida Keys, Inc. The merger was completed in June 2007 and had no material impact on the proposed development.
- b) The Credit Underwriting report dated January 15, 2009 was approved at the January 23, 2009 Board Meeting and the CLT loan closed on September 29, 2009 with a Maturity Date of September 29, 2011.

#### 2. Present Situation

- a) To date, \$1,598,480 in CLT funds have been expended. Six homes have been sold to qualified purchasers and four remain under construction.
- b) On July 6, 2010, the Developer requested that the Board approve an amendment to the recorded LURA to allow the eight units in the development not funded by Florida Housing CLT funds to be sold to persons at 120% AMI and below. The letter is attached as [Exhibit A](#).
- c) The Credit Underwriter has reviewed the request and recommends that the Board grant the request for amendment to the LURA. The Credit Underwriter’s recommendation letter is attached as [Exhibit B](#).

#### 3. Recommendation

Staff recommends that the Board approve the request to amend the LURA, subject to further approvals by the credit underwriter, counsel, and the appropriate corporation staff.



## LEGAL

### Consent

### III. LEGAL

#### A. In Re: Homestead III Associates, Ltd. – FHFC Case No. 2010-024VW

<b>Development Name: (“Development”):</b>	<b>Riverwalk III dba Colony Lakes Apartments</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Related Group of Florida, Inc. Tacolcy Homestead, Inc.</b>
<b>Number of Units: 220</b>	<b>Location: Miami-Dade County</b>
<b>Type: Garden</b>	<b>Set Aside: 50% @ or below 50% AMI 50 % @ or below 60 % AMI</b>
<b>Demographics: Family</b>	<b>Allocated Amount: \$4,800,00 (HOME)</b>
<b>MMRB: N/A</b>	<b>Housing Credits: \$579,600</b>

#### 1. Background

- a) In 1993, Florida Housing awarded a HOME loan in the amount of \$4,800,000.00 and an allocation of Low Income Housing Tax Credits in the amount of \$579,600 to Homestead III Associates, Ltd. (“Petitioner”) under the HOME Investment Partnership Program (Disaster Relief) to finance the construction of Riverwalk III dba Colony Lakes Apartments, a 220 unit multi-family rental apartment (the “Development”) located in Miami-Dade County.
- b) Petitioner has contracted with Colony Lakes Preservation, LP (“Colony Lakes”) to purchase the Development from Petitioner. Funding for the acquisition is to be comprised of equity raised through anticipated syndication of tax credits allocated to Colony Lakes, \$10,005,000 in first mortgage tax exempt bond financing funding through Florida Housing’s New Issue Bond Program (“NIBP”), and assumption of the HOME loan.
- c) Citi Community Capital (“Citi”) is the underwriter for the Freddie Mac Bond Credit Enhancement, in connection with the issuance of the bonds under the NIBP.
- d) On June 29, 2010, Florida Housing received a “Petition for Waiver of Rules 67-48.020(2)(a) and 67-48.020 (3), F.A.C.” (“Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit A](#).
- e) Petitioner requested a waiver of Rule F.A.C. 67-48.020(2)(a) and(3), Fla.Admin.Code, but acknowledges that the applicable rule that governs Petitioner’s HOME loan is Rule 9I-ER93-10, Fla. Admin. Code (1993). Rule 9I-ER93-10(2)(c), Fla. Admin. Code (1993) states in pertinent part:

The annual interest rate will be determined by the type of applicant as follows:

- (c) All applicants consisting of a non-profit and for-profit partnership will receive a zero percent loan on the portion of the loan amount equal to the non-profit’s interest in the entity and a three percent loan on the portion of the loan amount equal to the for-profit’s interest in the entity.

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### *Consent*

- f) Petitioner requests a waiver to the above provision. Specifically, Petitioner is requesting that the interest rate of 1.95% per annum that it is currently being charged be modified to allow the annual 1.95% interest payments on the HOME loan be made from Development Cash Flow in accordance with RFP 2009-06.
- g) On July 9, 2010, Notice of the Petitions was published in Volume 36, Number 27, of the Florida Administrative Weekly.
- h) To date, Florida Housing has received no comments concerning the Petition.

### 2. Present Situation

- a) Petitioner states that the waiver is necessary because Citi notified Colony Lakes that without modification of the terms of the existing HOME loan, to allow debt service payments be made subject to Development Cash Flow, the Development will be unable to support the amount of senior debt needed to acquire and rehabilitate it in a financially feasible manner. The requested waiver will provide Petitioner with similar terms and conditions available to developers receiving new HOME loans under Florida Housing's RFP 2009-06. Petitioner demonstrated that strict application of the above Rule under these circumstances would cause substantial hardship to Petitioner, in that it will not be able to complete the sale of the Development to Colony Lakes, resulting in significant economic hardship to the Development. Petitioner has further demonstrated that permitting this change in Development would also serve the underlying purpose of the statute.
- b) Section 120.542(2), Florida Statutes provides in pertinent part:

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

### 3. Recommendation

Staff recommends that the Board GRANT Petitioner's requested waiver from the requirements of Rule 91ER93-10(2)(c), Fla. Admin. Code to the following extent: the interest rate on the HOME loan is 1.95% per annum subject to Development Cash Flow, pursuant to the terms of RFP 2009-06.

# LEGAL

## Consent

### B. In Re: Spring Lake Cove, LLLP – FHFC Case No. 2010-025VW

<b>Development Name: (“Development”):</b>	<b>Spring Lake Cove Apartments Application No. 2007-141S</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Atlantic Housing Partners, LLLP</b>
<b>Number of Units: 88</b>	<b>Location: Lake County</b>
<b>Type: Garden Apartments</b>	<b>Set Asides: SAIL: 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, Spring Lake Cove, LLLP (“Petitioner”) applied for and was awarded State Apartment Incentive Loan (SAIL) funding to finance the construction of Spring Lake Cove Apartments (the “Development”) located in Lake County, Florida.
- b) On July 7, 2010, Florida Housing received a Petition for Waiver from Florida Administrative Code Rule 67-48.010(8) (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit B](#).

#### 2. Present Situation

- a) Rule 67-48.010(8), Fla. Admin. Code (2007) provides, in pertinent part:
  - (8) The determination of Development Cash Flow, determination of payment priorities, and payment of interest on SAIL loans shall occur annually. Any payments of accrued and unpaid interest due annually on SAIL loans shall be deferred to the extent that Development Cash Flow is insufficient to make said payments pursuant to the payment priority schedule established in this rule chapter. If Development Cash Flow is under-reported and such report causes a deferral of SAIL interest, such under-reporting shall constitute an event of default on the SAIL loan. A penalty of 5 percent of any required payment shall be assessed.
- b) Petitioner has requested a waiver of the above Rule to permit the annual interest payment on this SAIL loan to be “hard pay”, without such payment of interest being contingent on available Development Cash Flow. Petitioner’s tax-exempt bond financing is cross-collateralized with an adjacent development owned by affiliates of Petitioner. As a result of this cross-collateralization, Florida Housing required Petitioner to agree that the annual interest payment would be paid notwithstanding Rule 67-48.010(8), Fla. Admin. Code (2008), which allows such interest payment to be deferred to the extent that Development Cash Flow is insufficient to make the interest payments pursuant to the payment priority schedule set forth in subsection (6) of the Rule. This Petition is filed to meet the terms of the agreement reached by Petitioner and Florida Housing as a condition of closing.

## LEGAL

### *Consent*

- c) The requested change would neither affect the scoring of Petitioner's application nor allow Petitioner to gain an unfair advantage over other applicants.
- d) On July 16, 2010 the Notice of Petition was published in the Florida Administrative Weekly. To date, Florida Housing has received no comments concerning the Petition.
- e) Section 120.542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- f) 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 Florida Housing would not agree to close the SAIL loan under these circumstances absent this request for a waiver of Rule 67-48-010(8), Fla. Admin. Code. Petitioner has further demonstrated that permitting this change in Development would also serve the underlying purpose of the statute by permitting Petitioner to cross-collateralize with an adjacent Development owned by affiliates of Petitioner.

### 3. Recommendation

Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-48.010(8), Fla. Admin. Code (2007), to require the annual payment of SAIL loan interest without deferment of such payment of interest based on the amount of available Development Cash Flow.

## LOW INCOME HOUSING TAX CREDITS

### *Consent*

#### IV. LOW INCOME HOUSING TAX CREDITS

##### A. Request Approval for Carryover Allocation Deadline Extensions

###### 1. Background/Present Situation

- a) Florida Housing issued Carryover Allocation Agreements for the Developments listed below that required site control to be met by March 31, 2010 and 10% test, construction commencement, closing of tax credit partnership, closing of Tax Credit Assistance Program (TCAP) funds, and/or closing of Tax Credit Exchange Program (Exchange) funds by April 30, 2010. These Developments received an allowable one-time extension until July 30, 2010.
- (1) Village Carver II (2009-064CTX) [Exhibit A](#)
  - (2) Covington Club Apartments – Phase I (2009-032CT) [Exhibit B](#)
  - (3) Hammock Harbor – Phase I (2009-027CT/2010-008CT) [Exhibit C](#)
  - (4) Panama Commons (2009-264X/2010-010X) [Exhibit D](#)
  - (5) The Portland (2009-263X/2010-009X) [Exhibit E](#)
  - (6) Charlotte Crossing (2009-023CT) [Exhibit F](#)
  - (7) Mirabella Apartments (2009-030CT/2010-002CT) [Exhibit G](#)
  - (8) Grand Reserve at Zephyrhills (2009-031CT) [Exhibit H](#)
- b) Florida Housing is requesting these Developments be granted an extension of their July 30<sup>th</sup> deadline due to extenuating circumstances giving them through August 20, 2010 to meet their Carryover Allocation requirements.

###### 2. Recommendation

Approve the request reflected above and direct staff to grant extensions accordingly.

## LOW INCOME HOUSING TAX CREDITS

### *Consent*

#### **B. Request Approval for Carryover Allocation Deadline Extensions**

##### **1. Background/Present Situation**

- a) Florida Housing issued Carryover Allocation Agreements for the Developments listed below that required site control to be met by March 31, 2010 and 10% test, construction commencement, closing of tax credit partnership, closing of Tax Credit Assistance Program (TCAP) funds, and/or closing of Tax Credit Exchange Program (Exchange) funds by April 30, 2010. These Developments received an allowable one-time extension until July 30, 2010.
- (1) Arbours at Shoemaker Place (2009-042X) [Exhibit I](#)
  - (2) Cottondale Village Apartments (2009-050CTX) [Exhibit J](#)
  - (3) Graceland Manor Apartments (2009-051CTX) [Exhibit K](#)
  - (4) Oakdale Apartments (2009-048CTX) [Exhibit L](#)
  - (5) Sutton Place Apartments (2009-043CTX) [Exhibit M](#)
- b) Florida Housing is requesting these Developments be granted an extension of their July 30<sup>th</sup> deadline to allow time for HUD or Rural Development (RD) to provide approval of the closing documents giving them through September 10, 2010 to meet their Carryover Allocation requirements.

##### **2. Recommendation**

Approve the request reflected above and direct staff to grant extensions accordingly.

## MULTIFAMILY BONDS

### *Consent*

#### V. MULTIFAMILY BONDS

##### A. Request Approval of the Final Credit Underwriting Report for Colony Lakes Apartments

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Colony Lakes Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Applicant”):</b>	<b>Colony Lakes Developer, LLC/Colony Lakes Preservation L.P./RAP FL, LLC/Colony Lakes Preservation GP, LLC/Colony Lakes Preservation GP II, LLC/RAP FL 6, LLC//Related Companies, L.P.</b>
<b>NUMBER OF UNITS:</b>	<b>220</b>
<b>LOCATION (“County”):</b>	<b>Miami-Dade</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental/Family (MMRB, HOME and HC)</b>
<b>SET ASIDE:</b>	<b>85% @ 60% (MMRB) 100% @ 60% (HC) 50% @ 50% (HOME) 50% @ 60% (HOME)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$9,525,000 of Tax Exempt Bonds and Assumption of \$4,000,000 HOME Loan</b>
<b>ADDITIONAL COMMENTS: Acquisition/Rehabilitation</b>	

##### 1. Background

Applicant submitted an Application (“Application”) on behalf of the proposed Development during the 2009 MMRB Supplemental Cycle. Applicant applied for tax-exempt bonds in the amount of \$9,750,000 and requested the assumption of an existing \$4,000,000 HOME loan in order to acquire and rehabilitate the Development.

##### 2. Present Situation

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to notify it of any such changes.
- b) Total development costs listed in the Application have increased from \$20,090,337 to \$20,622,383. The increase is primarily as a result of increases in the rehabilitation costs.
- c) A Final Credit Underwriting Report dated July 16, 2010 is attached as [Exhibit A](#).

##### 3. Recommendation

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated July 16, 2010, recommending that \$9,525,000 in tax exempt bonds and the assumption of a \$4,000,000 HOME loan for the acquiring and rehabilitating of the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

# MULTIFAMILY BONDS

## Consent

### B. Request Approval of the Final Credit Underwriting Report for New Horizons Apartments

<b>DEVELOPMENT NAME (“Development”):</b>	<b>New Horizons Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Applicant”):</b>	<b>New Horizons Preservation Associates LP/Preservation of Affordable Housing, Inc./ Preservation of Affordable Housing LLC</b>
<b>NUMBER OF UNITS:</b>	<b>100</b>
<b>LOCATION (“County”):</b>	<b>Miami-Dade</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental/Elderly (MMRB and HC)</b>
<b>SET ASIDE:</b>	<b>40% @ 60% (MMRB) 100% @ 60% (HC)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$4,970,000 of Tax Exempt Bonds</b>
<b>ADDITIONAL COMMENTS: Acquisition/Rehabilitation</b>	

#### 1. Background

Applicant submitted an Application (“Application”) on behalf of the proposed Development during the 2009 MMRB Supplemental Cycle. Applicant applied for tax-exempt bonds in the amount of \$4,975,000 in order to acquire and rehabilitate the Development. Due to changes in the financial structure the actual amount of tax-exempt bonds to be allocated will be \$4,970,000.

#### 2. Present Situation

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to notify it of any such changes.
- b) Due to a change in the underlying structure of the initial applicant entity, the applicant entity has been amended and converted to a limited liability limited partnership. The new applicant entity is New Horizons Preservation Associates, LLLP.
- c) The Applicant committed to set aside 95% of the units at 60% AMI in the application. To meet the requirements of the syndicator, the Applicant has agreed to increase the set aside to 100%, or all 100 units, at or below 60% AMI.
- d) Total development costs listed in the Application have decreased from \$12,255,303 to \$10,439,269. The decrease is primarily due to a reduction in the building acquisition cost.
- e) A Final Credit Underwriting Report dated July 16, 2010 is attached as [Exhibit B](#).

#### 3. Recommendation

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated July 16, 2010, recommending that \$4,970,000 in tax exempt bonds be issued for the acquiring and rehabilitating of the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.



**MULTIFAMILY BONDS**

*Consent*

**C. Request Approval to Transfer the General Partner and Management Company for Fox Hollow and Huntington Reserve Apartments (2006 Series B and C)**

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

**1. Background**

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

**2. Present Situation**

- a) The Proposed New General Partners, 3536 Prairie Fox Lane LLC and 2000 Rosecliff Circles LLC (together, the “Proposed GPs”), in a letter dated June 29, 2010, attached as [Exhibit C](#), requests the transfer of the GPs and the Management Companies for both Developments to LEDIC Management Group, Inc. (“LEDIC”). In addition to this request, we received confirmation from the current GP of their desire to make this change as well.
- b) The Credit Underwriter has reviewed the request and by letters dated July 15, 2010, attached as Exhibits [D](#) and [E](#), recommends that Florida Housing approve the transfer of the GPs and Management Companies to the Proposed GPs and LEDIC respectively.

**3. Recommendation**

That the Board approve the transfer of the GPs and Management Companies for the MMRB and SAIL loans for the Developments subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

**D. Request Approval to Amend the Mortgage and Security Agreement for Villas at Lake Smart Apartments**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Villas at Lake Smart Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Applicant”):</b>	<b>Lakesmart Associates, Ltd/Carlisle Development Group/Centerline Capital Group/Lloyd J. Boggio/Bruce Greer/Luis Gonzalez</b>
<b>NUMBER OF UNITS:</b>	<b>220</b>
<b>LOCATION (“County”):</b>	<b>Polk</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental (MMRB and HC)</b>
<b>SET ASIDE:</b>	<b>40% @ 60% (MMRB) 100% @ 60% (HC)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$7,975,000 of Tax-Exempt Bonds and \$1,000,000 in Taxable Bonds</b>
<b>ADDITIONAL COMMENTS: Amend Mortgage and Security Agreement Insurance Deductibles</b>	

**1. Background**

On November 26, 2002, Florida Housing financed the construction of the Development with Tax-Exempt Bonds in the amount of \$7,975,000 and Taxable Bonds in the amount of \$1,000,000.

**2. Present Situation**

- a) On April 7, 2010, attached as [Exhibit F](#), the Developer, Carlisle Development Group (the “Developer”) requested that Florida Housing approve the amending of the Mortgage and Security Agreement to increase the loss deductible to \$25,000 from \$10,000 and the windstorm deductible, per building per occurrence, from 2% to 5%. The higher deductible amounts are within industry standards and are consistent with Federal National Mortgage Delegated Underwriting Guidelines.
- b) The Credit Underwriter’s recommendation, dated April 13, 2010, and attached as [Exhibit G](#) determines that an increase in the property’s loss deductible to \$25,000 and the windstorm deductible, per building per occurrence, from 2% to 5% will have no material impact to the development.

**3. Recommendation**

That the Board approve the amending of the Mortgage and Security Agreement to increase the loss deductible to \$25,000 from \$10,000 and the windstorm deductible from 2% to 5%, as well as amending the necessary loan documents, subject to further approvals and verifications by the Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

**E. Request Approval of an Amendment to the Land Use Restriction Agreement (“LURA”) for Villas de Mallorca Apartments**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Villas de Mallorca Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Developer” or “Owner”):</b>	<b>Mallorca Partners, Ltd./Mallorca Partners, LLC/Elliot Stone</b>
<b>NUMBER OF UNITS:</b>	<b>252</b>
<b>LOCATION (“County”):</b>	<b>Broward</b>
<b>TYPE (“Rental, Homeownership”):</b>	<b>Rental</b>
<b>SET ASIDE:</b>	<b>50% @ 60%</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$14,550,000 of Tax-Exempt Bonds</b>
<b>ADDITIONAL COMMENTS: LURA Amendment</b>	

**1. Background**

In 2000, Florida Housing financed the construction of the Development with \$12,200,000 in tax-exempt bonds and \$2,350,000 in taxable bonds, designated as 2000 Series H-1 & 2.

**2. Present Situation**

- a) The Owner, in a letter dated June 4, 2010 and attached as [Exhibit H](#), requests approval to remove all language pertaining to rain gutters referenced in the LURA. The Owner states the lack of rain gutters has not affected property thus far and it should not cause any potential damage to the property in the future.
- b) James Childs Architects, in a letter dated May 10, 2010, attached as [Exhibit I](#) states the roof drainage in its current state is acceptable without the addition of gutters and downspouts.
- c) The Credit Underwriter has reviewed the request and by letter dated July 9, 2010, attached as [Exhibit J](#) recommends that Florida Housing approve the request.

**3. Recommendation**

That the Board approve the LURA amendment 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*

### F. Assignment of Bond Underwriters and Structuring Agents

#### 1. Background

- a) Pursuant to staff's request for approval to issue bonds to finance the acquisition, construction and/or rehabilitation of the proposed Developments referenced below, Final Credit Underwriting Reports are being presented to the Board for approval simultaneously with this request to assign the appropriate professionals to these transactions. Brief descriptions of the Developments are detailed below along with the Staff's recommendations for the assignments.
- b) Additionally, the Corporation's Senior Financial Advisor has prepared method of bond sale letters. Staff has reviewed the method of sale letters and Board approval is requested at the current meeting.

#### 2. Present Situation

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

#### 3. Recommendation

- a) That the Board approves the assignment of the recommended professionals as shown in the chart for the proposed Developments.

<b>Development Name</b>	<b>Location of Development</b>	<b>Number of Units</b>	<b>Method of Bond Sale</b>	<b>Recommended Professional</b>
<b>Colony Lakes</b>	<b>Miami-Dade</b>	<b>220</b>	<b>Negotiated</b>	<b>RBC Capital Markets, Inc.</b>
<b>New Horizons</b>	<b>Miami-Dade</b>	<b>100</b>	<b>Negotiated</b>	<b>RBC Capital Markets, Inc.</b>

# MULTIFAMILY BONDS

## *Consent*

### **G. Request Approval of the Method of Bond Sale Recommendations from Florida Housing's Senior Financial Advisor**

#### **1. Background/Present Situation**

- a) The Credit Underwriter has provided Final Credit Underwriting Reports for the proposed Developments below. Florida Housing seeks Board approval pursuant to the recommendations of the Credit Underwriter and the appropriate Florida Housing staff.
- b) Pursuant to Rule 67-21.0045, F.A.C., staff has requested a review of the proposed bond structures by the Senior Financial Advisor in order to make recommendations to the Board for the methods of bond sale.
- c) TIBOR PARTNERS, Inc. has prepared an analysis and recommendation for the methods of bond sale for the Developments. The recommendation letters are attached as [Exhibit K](#).

<b>Development Name</b>	<b>Location of Development</b>	<b>Number of Units</b>	<b>Method of Bond Sale</b>
<b>Colony Lakes</b>	<b>Miami-Dade</b>	<b>220</b>	<b>Negotiated</b>
<b>New Horizons</b>	<b>Miami-Dade</b>	<b>100</b>	<b>Negotiated</b>

#### **2. Recommendation**

That the Board approves the recommendations of the Senior Financial Advisor for the methods of bond sale for the above Developments.

**PUBLIC HOUSING MITIGATION INITIATIVE (PHMI)**

*Consent*

**VI. PUBLIC HOUSING MITIGATION INITIATIVE (PHMI)**

**A. Request Approval of Credit Underwriting Report for the Housing Authority of Bartow (RFP 2009-07-03)**

<b>Public Housing Authority (“PHA”):</b>	<b>Housing Authority of Bartow</b>
<b>Location:</b>	<b>Polk County</b>
<b>Number of Units ≥ 30 Years Old:</b>	<b>82</b>
<b>Grant Amount:</b>	<b>\$53,078</b>

**1. Background/Present Situation**

- a) On November 13, 2009, Florida Housing Finance Corporation issued a request for proposal (RFP) for the Public Housing Mitigation Initiative to assist in the preservation and rehabilitation of dwellings which are 30 years or older under control by Public Housing Authorities.
- b) On January 22, 2010, the Board approved the final scores and ranking and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 5, 2010, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Public Housing Mitigation Initiative funds in the amount of \$53,078 to the Housing Authority of Bartow.
- d) On July 16, 2010, staff received a credit underwriting report with a positive recommendation for a Public Housing Mitigation Initiative grant in the amount of \$53,078 ([Exhibit A](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFP 2009-07.

**2. Recommendation**

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

**PUBLIC HOUSING MITIGATION INITIATIVE (PHMI)**

*Consent*

**B. Request Approval of Credit Underwriting Report for the Deerfield Beach Housing Authority (RFP 2009-07-04)**

<b>Public Housing Authority (“PHA”):</b>	<b>Deerfield Beach Housing Authority</b>
<b>Location:</b>	<b>Broward County</b>
<b>Number of Units ≥ 30 Years Old:</b>	<b>96</b>
<b>Grant Amount:</b>	<b>\$92,212</b>

**1. Background/Present Situation**

- a) On November 13, 2009, Florida Housing Finance Corporation issued a request for proposal (RFP) for the Public Housing Mitigation Initiative to assist in the preservation and rehabilitation of dwellings which are 30 years or older under control by Public Housing Authorities.
- b) On January 22, 2010, the Board approved the final scores and ranking and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 5, 2010, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Public Housing Mitigation Initiative funds in the amount of \$92,212 to the Deerfield Beach Housing Authority.
- d) On July 19, 2010, staff received a credit underwriting report with a positive recommendation for a Public Housing Mitigation Initiative grant in the amount of \$92,212 ([Exhibit B](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFP 2009-07.

**2. Recommendation**

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

**PUBLIC HOUSING MITIGATION INITIATIVE (PHMI)**

*Consent*

**C. Request Approval of Credit Underwriting Report for the Avon Park Housing Authority (RFP 2009-07-02)**

<b>Public Housing Authority (“PHA”):</b>	<b>Avon Park Housing Authority</b>
<b>Location:</b>	<b>Highlands County</b>
<b>Number of Units ≥ 30 Years Old:</b>	<b>129</b>
<b>Grant Amount:</b>	<b>\$78,471</b>

**1. Background/Present Situation**

- a) On November 13, 2009, Florida Housing Finance Corporation issued a request for proposal (RFP) for the Public Housing Mitigation Initiative to assist in the preservation and rehabilitation of dwellings which are 30 years or older under control by Public Housing Authorities.
- b) On January 22, 2010, the Board approved the final scores and ranking and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 5, 2010, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Public Housing Mitigation Initiative funds in the amount of \$78,471 to the Avon Park Housing Authority.
- d) On July 16, 2010, staff received a credit underwriting report with a positive recommendation for a Public Housing Mitigation Initiative grant in the amount of \$78,471 ([Exhibit C](#)). Staff has reviewed this report and finds that the development meets all of the requirements of RFP 2009-07.

**2. Recommendation**

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



## PREDEVELOPMENT LOAN PROGRAM (PLP)

### *Information*

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

##### A. Request Approval of PLP Loan for Ability Oakland, LLC., a Not-for-Profit Entity, for Oakland Terrace Apartments (2010-006P-09)

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Oakland Terrace Apartments</b>
<b>APPLICANT/DEVELOPER (“Developer”):</b>	<b>Ability Oakland, LLC., a not-for-profit entity</b>
<b>CO-DEVELOPER:</b>	<b>Ability Housing of Northeast Florida</b>
<b>NUMBER OF UNITS:</b>	<b>60</b>
<b>LOCATION (“County”):</b>	<b>Duval County</b>
<b>TYPE:</b>	<b>Rental</b>
<b>SET ASIDE:</b>	<b>20% @ or below 50% AMI</b>
<b>PLP LOAN AMOUNT:</b>	<b>\$750,000</b>
<b>ADDITIONAL COMMENTS: This is a preservation development.</b>	

#### 1. Background

- a) On May 28, 2010, Florida Housing received a PLP Application from the Applicant for Oakland Terrace Apartments an existing development built in 1973 that is proposed for preservation. The Development is located in Duval County.
- b) On June 15, 2010, Florida Housing issued an Invitation to Participate in the PLP to Ability Oakland, LLC., a not-for-profit organization.

#### 2. Present Situation

- a) The Technical Assistance Provider (TAP) has submitted a Development Plan and recommended a loan amount of \$750,000 for PLP eligible activities including site acquisition and compliance disposition costs ([Exhibit A](#)).
- b) Of the \$750,000, the Applicant has requested \$358,250 for site acquisition and compliance disposition costs. Upon Board approval, the Development will be required to enter credit underwriting for approval of the site acquisition and compliance disposition costs. 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 up to \$391,750 be approved to provide the Applicant with funds for eligible non-site predevelopment expenses.
- c) Additionally, the PLP rule limits the number of outstanding PLP loans to two per applicant at any given time. This rule amendment was adopted as a means to address the program’s limited resources, inherent risks in making multiple loans to one developer and the increased demand for the PLP. The Developer has two outstanding PLP loans for Hogan’s Creek, PLP 07-153 and Mayfair Village Apartments, PLP 07-159. Mayfair Village was awarded Low Income Housing Tax Credits and HOME funding from the 2009 Universal Application Cycle, and awarded funding through the Tax Credit Exchange Program under RFP 2010-04. All awarded funding has strict deadlines to which Ability Housing is in adherence and in compliance. Hogan’s Creek closed on the non-site acquisition

## **PREDEVELOPMENT LOAN PROGRAM (PLP)**

### ***Information***

portion of the PLP loan on July 23, 2009, and is currently in credit underwriting for site acquisition.

- d) 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 \$750,000 to Ability Housing, LLC., a not-for-profit entity, for Oakland Terrace Apartments for eligible predevelopment expenses as recommended by the TAP. 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 up to \$391,750. Additionally, approve the developer having three outstanding PLP loans.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

VIII. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Credit Underwriting Report for Spring Lake Cove – Phase I, Cycle XIX (2007-141S/2007-533C)

<b>Development Name: Spring Lake Cove – Phase I (“Development”)</b>	<b>Location: Lake County</b>
<b>Developer/Principal: Atlantic Housing Partners, LLLP (“Developer”)</b>	<b>Set-Aside: 5% @ 33% AMI and 65% @ 60% AMI</b>
<b>Number of Units: 96</b>	<b>Allocated Amount: \$5,000,000</b>
<b>Type: Garden Style</b>	<b>Housing Credit Equity: \$4,268,174</b>
<b>Demographics: Family</b>	<b>MMRB: \$8,000,000 (local)</b>

1. Background/Present Situation

- a) On October 23, 2009, the Board approved this development for a SAIL loan in the amount of \$5,000,000 and directed staff to proceed with the issuance of an invitation into credit underwriting.
- b) On November 23, 2009, staff issued a preliminary commitment letter and invitation to enter credit underwriting for a SAIL loan in an amount up to \$5,000,000 for this 96-unit family development located in Lake County.
- c) On July 14, 2010, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$5,000,000 ([Exhibit A](#)). Staff has reviewed this report and finds 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.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

*Consent*

**B. Request Approval of Loan Closing Extension for Independence Village Project, Cycle XX (RFP 2008-01-05)**

<b>Development Name: Independence Village Project (“Development”)</b>	<b>Location: Bay County</b>
<b>Developer/Principal: Coral Sky Development, Inc. and Big Bend Community Based Care, Inc. (“Developer”)</b>	<b>Set-Aside: 33% @ 35% AMI and 67% @ 60% AMI</b>
<b>Number of Units: 24</b>	<b>Allocated Amount: \$1,691,745</b>
<b>Type: High Rise</b>	<b>Housing Credit Equity: N/A</b>
<b>Demographics: Homeless</b>	<b>MMRB: N/A</b>

**1. Background/Present Situation**

- a) On April 30, 2010, the Board approved a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$1,691,745, and directed staff to proceed with loan closing activities.
- b) On May 11, 2010, staff issued a firm commitment letter with a closing deadline of July 10, 2010.
- c) On July 8, 2010, staff received a letter from the Borrower requesting an extension of the SAIL closing deadline due to complications with the mortgage holder of the property ([Exhibit B](#)).

**2. Recommendation**

Approve extension of the SAIL closing deadline until September 8, 2010, subject to the payment of the loan closing extension fee pursuant to Rule Chapter 67-48, F.A.C. and RFP 2008-01.

## SPECIAL ASSETS

### *Consent*

#### IX. SPECIAL ASSETS

- A. Request Approval of Extension and New Terms for the HOME Loan for Outrigger Village Apartments of Kissimmee, Ltd., a Florida Limited Partnership for Outrigger Village Apartments (92HR-007/HC 92-093)

<b>Development Name: Outrigger Village (“Development”)</b>	<b>Location: Osceola County</b>
<b>Developer/Principal: Outrigger Village Apartments of Kissimmee/Royal American Development (“Developer”)</b>	<b>Set-Aside: Home 70% @ 60%, 20% @ 50% and 10% @ 80% AMI, HC 100% @ 60% AMI; LURA: 17 years 7months; EUA: 30 years</b>
<b>Number of Units: 192</b>	<b>Allocated Amount: Home - \$2,017,130</b>
<b>Demographics: Family</b>	<b>Housing Credits: \$153,586</b>

#### 1. Background

- a) During the 1992 Home Cycle, Florida Housing awarded a \$2,017,130 Home Loan to Outrigger Village Apartments of Kissimmee, a Florida Limited Partnership (“Borrower”), for the acquisition of a 192-unit development in Osceola County. The Home loan closed on December 28, 1992 and the loan matured on December 28, 2007. The Development also received a 1992 allocation of low-income housing tax credits of \$153,586. The Development was placed in service in March of 1993.
- b) The Borrower requested and the Board approved at its December 7, 2007 Board meeting a HOME loan and Land Use Restriction Agreement (LURA) extension to September 28, 2008, to allow the Purchaser sufficient time to arrange financing in order to acquire and rehabilitate the Development. The Purchaser applied for MMRB financing from Florida Housing and the request was approval simultaneously with the extension request. Due to declining market conditions coupled with reduced syndication pricing the transaction was unable to proceed and the borrower withdrew the MMRB application. Subsequently, the borrower was able to secure an extension of the first mortgage to April 8, 2010 and requested an additional extension to the HOME loan to be co-terminus with the extension of the first mortgage to allow time to refinance the Development. The extension request was approved at the March 2009 Board meeting.

#### 2. Present Situation

The borrower has received approval for a four year extension of the first mortgage. The borrower has requested that the HOME loan be renegotiated and extended to be co-terminus with the first mortgage. The new terms requested include payment of 3% interest only for the first two years and then beginning in year three converting to amortization with payments of principal and interest based on a 30 year amortization with interest at 1.5%. The affordability period in the LURA would be extended to be co-terminus with the extended loan. Staff has received a credit underwriting report with a positive recommendation ([Exhibit A](#)).

## SPECIAL ASSETS

### *Consent*

3. **Recommendation**

Approve the extension of the HOME loan with the new terms and extension of the affordability period all with the conditions provided in the credit underwriting report and direct staff to proceed with loan closing activities.

## SPECIAL ASSETS

### *Consent*

- B. Request Approval of the Refinance and Transfer of the Development, and the Extension, Subordination, and Assumption of the HOME Loan for Homestead Apartments Associates III, Ltd., a Florida Limited Partnership for Riverwalk III Apartments dba Colony Lakes Apartments (93HD-020/93L-103/94L-005)**

<b>Development Name: Riverwalk III dba Colony Lakes Lakes ("Development")</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal: Homestead Apartments Associates III, Ltd./Related Companies ("Developer")</b>	<b>Set-Aside: HOME: 50%@50%, 50%@60% AMI; HC: 100%@60% AMI; LURA 30 years; EUA 30 years</b>
<b>Number of Units: 220</b>	<b>Allocated Amount: HOME - \$4,800,000</b>
<b>Demographics: Family</b>	<b>Housing Credits: \$579,600</b>

**1. Background**

During the 1993 HOME Cycle, Florida Housing awarded a \$4,800,000 construction/permanent loan to Homestead Apartments Associates III, Ltd., a Florida Limited Partnership ("Borrower"), for the development of a 220-unit apartment complex in Miami-Dade County. The HOME loan closed on May 20, 1994 and will mature on May 20, 2014. The Development also received an allocation of low-income housing tax credits of \$579,600.

**2. Present Situation**

- a) The Borrower requested approval for the refinance of the first mortgage using MMRB funding, transfer of ownership of the Development to an affiliate, and the assumption of the HOME loan. The Borrower also requested that the HOME loan term and the affordability period in the LURA be extended to be co-terminus with the new first mortgage financing, and for the HOME loan to be subordinated to the new first mortgage. The loan will require a 35-year amortization with monthly payments of interest only at a rate of 1.95% on a cash flow basis.
- b) The Borrower submitted a request for Rule Waiver which is being presented simultaneously at this Board Meeting. This request is to waive the required annual fixed interest payment on the existing FHFC HOME Loan to be assumed and to provide as an alternative that its annual interest payment be based on available cash flow.
- c) Staff has received a credit underwriting report with a positive recommendation. The credit underwriting report and Rule Waiver is further addressed in the MMRB section and the Legal section of the Board package.

**3. Recommendation**

Approve the refinance and transfer of the Development, extension, subordination, and assumption of the HOME loan with the new terms, extension of the affordability period all with the conditions provided in the credit underwriting report and direct staff to proceed with loan closing activities.

## SUPPLEMENTAL LOAN PROGRAM

### *Consent*

#### X. SUPPLEMENTAL LOAN PROGRAM

##### A. Request Approval of Supplemental Loan Closing Extension for Arbours at Shoemaker Place, Cycle XX (2008-025C)

<b>Development Name: Arbours at Shoemaker Place (“Development”)</b>	<b>Location: Walton County</b>
<b>Developer/Principal: Arbour Valley Development, LLC (“Developer”)</b>	<b>Set-Aside: 20% @ 40% AMI &amp; 80% @ 60% AMI</b>
<b>Number of Units: 80</b>	<b>Supplemental Loan: \$680,000</b>
<b>Type: Garden Style</b>	<b>Tax Credit Exchange Amount: \$9,095,000</b>
<b>Demographics: Family</b>	<b>MMRB: N/A</b>

##### 1. Background/Present Situation

- a) On February 26, 2010, 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 May 24, 2010, staff issued a firm commitment letter with a closing deadline of July 23, 2010.
- c) On July 16, 2010, staff received a letter from the Developer requesting an extension of the loan closing deadline ([Exhibit A](#)).

##### 2. Recommendation

Approve the extension request and extend the Supplemental loan closing deadline until September 10, 2010, pursuant to Rule Chapter 67-48, F.A.C.