

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
October 22, 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 Marcis Pointe Apartments (2009-207C/2010-040CX/2011-020CX)

Development Name: Marcis Pointe Apartments (“Development”)	Location: Duval County
Developer/Principal: NVC-III, L.L.C. (“Developer”)	Set-Aside: 10% @ 30% AMI & 90% @ 60% AMI
Number of Units: 120	Tax Credit Exchange Program: \$5,000,000
Type: Mid-Rise	Housing Credit Allocation: \$1,120,000
Demographics: Elderly	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 October 6, 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 \$1,120,000 ([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

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 to Exchange Amenities for Bonnet Shores (2009-034CT/2010-005CT)

Development Name: Bonnet Shores ("Development")	Location: Polk County
Developer/Principal: Polk County Housing Developers, Inc. ("Developer")	Set-Aside: 10% @ 40% AMI & 90% @ 60% AMI
Number of Units: 75	Tax Credit Assistance Program: \$3,950,283
Type: Duplexes/Triplexes	Housing Credit Allocation: \$1,262,150
Demographics: Family	MMRB: N/A

1. Background/Present Situation

- a) On May 27, 2010, a Tax Credit Assistance Program loan in the amount of \$3,950,283 closed for this 75-unit family development in -Polk County.
- b) On September 6, 2010, staff received a letter from the Developer requesting to exchange steel exterior door frames for garbage disposals in all new construction units ([Exhibit B](#)). The proposed change is of equal point value to the amenity originally chosen.
- c) On October 5, 2010, staff received a review from the credit underwriter with a positive recommendation for the exchange of amenities ([Exhibit C](#)).

2. Recommendation

Approve the request to exchange the amenities and direct staff to proceed with amending the Land Use Restriction Agreement.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

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C. Request Approval to Exchange Amenities for Paul Colton Villas (2009-062CTX)

Development Name: Paul Colton Villas (“Development”)	Location: Polk County
Developer/Principal: Polk County Housing Developers, Inc. (“Developer”)	Set-Aside: 10% @ 40% AMI & 90% @ 60% AMI
Number of Units: 72	Tax Credit Assistance Program: \$1,347,324
Type: Duplexes/Quadraplexes	Tax Credit Exchange Amount: \$10,050,213
Demographics: Family	MMRB: N/A

1. Background/Present Situation

- a) On April 28, 2010, a Tax Credit Assistance Program loan in the amount of \$1,347,324 and a Tax Credit Exchange loan in the amount of \$10,050,213 closed for this 72-unit family development in Polk County.
- b) On September 6, 2010, staff received a letter from the Developer requesting to exchange steel exterior door frames for garbage disposals in all new construction units ([Exhibit D](#)). The proposed change is of equal point value to the amenity originally chosen.
- c) On October 5, 2010, staff received a review from the credit underwriter with a positive recommendation for the exchange of amenities ([Exhibit E](#)).

2. Recommendation

Approve the request to exchange the amenities and direct staff to proceed with amending the Land Use Restriction Agreement and the Extended Low-Income Housing Agreement.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Consent

D. Request Approval of Credit Underwriting Update Letter for Esmeralda Bay (2009-199C/2010-031CX/2011-012CX)

Development Name: Esmeralda Bay (“Development”)	Location: Miami-Dade County
Developer/Principal: The Gatehouse Group, L.L.C. (“Developer”)	Set-Aside: 10% @ 33% AMI & 90% @ 60% AMI
Number of Units: 96	Tax Credit Exchange Program: \$4,800,000
Type: High-Rise	Housing Credit Allocation: \$2,049,339
Demographics: Elderly	MMRB: N/A

1. Background/Present Situation

- a) On September 16, 2010, the Board approved a positive recommendation for a Tax Credit Exchange Program loan in the amount of \$4,800,000, and an annual Housing Credit Allocation in the amount of \$2,049,339 and directed staff to proceed with loan closing activities.
- b) On October 7, 2010, staff received a credit underwriting update letter recommending a change to the construction and permanent first mortgage lender from Wells Fargo to California Investors VII ([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 credit underwriting update letter and direct staff to proceed with loan closing activities.

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E. Request Approval of Credit Underwriting Report for Town Parke Apartments - Phase I (2009-244C/2010-018CX)

Development Name: Town Parke Apartments – Phase I (“Development”)	Location: Seminole County
Developer/Principal: Atlantic Housing Partners, L.L.P. (“Developer”)	Set-Aside: 10% @ 33% AMI & 79% @ 60% AMI
Number of Units: 94	Tax Credit Exchange Program: \$4,700,000
Type: Garden Style	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 October 7, 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 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.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

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F. Request Approval of Credit Underwriting Update Letter for Northwest Gardens III (2009-145C/2011-027C/2010-001C)

Development Name: Northwest Gardens III (“Development”)	Location: Broward County
Developer/Principal: Northwest Properties III Development, L.L.C. & Northwest Properties GP, Inc. (“Co-Developers”)	Set-Aside: 10% @ 28% AMI & 90% @ 60% AMI
Number of Units: 150	Tax Credit Exchange Program: \$5,000,000
Type: Garden Style and Townhomes	Housing Credit Allocation: \$2,340,000
Demographics: Family	MMRB: N/A

1. **Background/Present Situation**

- a) On September 16, 2010, the Board approved a positive recommendation for a Tax Credit Exchange Program loan in the amount of \$5,000,000, and an annual Housing Credit Allocation in the amount of \$2,340,000 and directed staff to proceed with loan closing activities.
- b) On October 8, 2010, staff received a credit underwriting update letter recommending a change in Syndicator from The Richman Group Affordable Housing Corporation to Raymond James Tax Credit Funds, Inc. ([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 credit underwriting update letter and direct staff to proceed with loan closing activities.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

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G. Request Approval of Credit Underwriting Report for Progresso Point (2009-123C/2010-033CX/2011-014CX)

Development Name: Progresso Point (“Development”)	Location: Broward County
Developer/Principal: Reliance-Progresso Associates, Ltd. (“Developer”)	Set-Aside: 10% @ 28% AMI & 90% @ 60% AMI
Number of Units: 76	Tax Credit Exchange Program: \$3,800,000
Type: High-Rise	Housing Credit Allocation: \$2,040,000
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 October 11, 2010, staff received a credit underwriting report with a positive recommendation for a Tax Credit Exchange Program loan in the amount of \$3,800,000, which is equivalent to an annual housing credit allocation of \$447,059 and an annual Housing Credit Allocation of \$2,040,000 ([Exhibit I](#)). 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

H. Request Approval of Credit Underwriting Update Letter for Laurel Villas (2009-228C/2010-037CX/2011-018CX)

Development Name: Laurel Villas ("Development")	Location: Volusia County
Developer/Principal: Picerne Affordable Development, LLC and Deland LVI, Inc. ("Co-Developers")	Set-Aside: 10% @ 40% AMI & 90% @ 60% AMI
Number of Units: 120	Tax Credit Exchange Program: \$5,000,000
Type: Townhouses	Housing Credit Allocation: \$1,510,000
Demographics: Family	MMRB: N/A

1. Background/Present Situation

- a) On September 16, 2010, the Board approved a positive recommendation for a Tax Credit Exchange Program loan in the amount of \$5,000,000, and an annual Housing Credit Allocation in the amount of \$1,510,000 and directed staff to proceed with loan closing activities.
- b) On October 8, 2010, staff received a credit underwriting update letter recommending a change in Co-Developers from Picerne Affordable Development, LLC and DeLand Housing Authority to Picerne Affordable Development, LLC and DeLand LVI, Inc. ([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 credit underwriting update letter and direct staff to proceed with loan closing activities.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Consent

I. Request Approval of Credit Underwriting Update Letter for Brownsville Transit Village III (2009-148C/2012-002CX)

Development Name: Brownsville Transit Village III (“Development”)	Location: Unincorporated Miami-Dade County
Developer/Principal: Brownsville Village III Development, LLC (“Developer”)	Set-Aside: 10% @ 33% AMI & 90% @ 60% AMI
Number of Units: 103	Tax Credit Exchange Program: \$5,000,000
Type: High-Rise and Townhouses	Housing Credit Allocation: \$2,450,000
Demographics: Elderly	MMRB: N/A

1. Background/Present Situation

- a) On September 16, 2010, the Board approved a positive recommendation for a Tax Credit Exchange Program loan in the amount of \$5,000,000, and an annual Housing Credit Allocation in the amount of \$2,450,000 and directed staff to proceed with loan closing activities.
- b) On October 12, 2010, staff received a credit underwriting update letter with a positive recommendation for construction and permanent finance restructuring ([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 2010-04.

2. Recommendation

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

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

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J. Request Approval of Credit Underwriting Update Letter for Brownsville Transit Village IV (2009-149C/2010-032CX/2011-013CX)

Development Name: Brownsville Transit Village IV (“Development”)	Location: Unincorporated Miami-Dade County
Developer/Principal: Brownsville Village IV Development, LLC (“Developer”)	Set-Aside: 10% @ 33% AMI & 90% @ 60% AMI
Number of Units: 102	Tax Credit Exchange Program: \$5,000,000
Type: High-Rise and Townhouses	Housing Credit Allocation: \$2,449,000
Demographics: Family	MMRB: N/A

1. Background/Present Situation

- a) On September 16, 2010, the Board approved a positive recommendation for a Tax Credit Exchange Program loan in the amount of \$5,000,000, and an annual Housing Credit Allocation in the amount of \$2,449,000 and directed staff to proceed with loan closing activities.
- b) On October 12, 2010, staff received a credit underwriting update letter with a positive recommendation for construction and permanent finance restructuring ([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

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

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Consent

K. Request Approval of Credit Underwriting Update Letter for Paul Colton Villas (n/k/a Colton Meadow) (2009-062CTX)

Development Name: Paul Colton Villas (n/k/a Colton Meadow) (“Development”)	Location: Polk County
Developer/Principal: Polk County Housing Developers, Inc. (“Developer”)	Set-Aside: 10% @ 40% AMI & 90% @ 60% AMI
Number of Units: 72	Tax Credit Assistance Program: \$1,347,324
Type: Duplexes/Quadrplexes	Tax Credit Exchange Amount: \$10,050,213
Demographics: Family	MMRB: N/A

1. Background/Present Situation

- a) On April 28, 2010, a Tax Credit Assistance Program loan in the amount of \$1,347,324 and a Tax Credit Exchange loan in the amount of \$10,050,213 closed for this 72-unit family development in Polk County.
- b) On October 12, 2010, staff received a credit underwriting update letter with a positive recommendation for changes to the ownership structure ([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 credit underwriting update letter and direct staff to amend loan closing documents if necessary.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Consent

L. Request Approval of Credit Underwriting Update Letter for Howell Branch Cove (2009-247C/2010-014CX)

Development Name: Howell Branch Cove (“Development”)	Location: Seminole County
Developer/Principal: Atlantic Housing Partners, L.L.L.P. and Housing and Neighborhood Development Services of Central Florida (“Developer”)	Set-Aside: 10% @ 33% AMI & 90% @ 60% AMI
Number of Units: 58	Tax Credit Exchange Program: \$2,800,000
Type: Townhouses	Housing Credit Allocation: \$1,068,000
Demographics: Family	MMRB: N/A

1. Background/Present Situation

- a) On September 16, 2010, the Board approved a positive recommendation for a Tax Credit Exchange Program loan in the amount of \$2,800,000 and an annual Housing Credit Allocation in the amount of \$1,068,000, and directed staff to proceed with loan closing activities.
- b) On September 28, 2010, staff received a letter from the Developer requesting the removal of Housing and Neighborhood Development Services of Central Florida, Inc. as a Guarantor ([Exhibit N](#)).
- c) On October 13, 2010, staff received a credit underwriting update letter with a positive recommendation for the removal of Housing and Neighborhood Development Services of Central Florida, Inc. as a Guarantor ([Exhibit O](#)). 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 credit underwriting update letter and direct staff to proceed with loan closing activities.

HOMEOWNERSHIP PROGRAMS – COMMUNITY LAND TRUSTS

Consent

II. HOMEOWNERSHIP PROGRAMS – COMMUNITY LAND TRUSTS

A. Request for Approval to Extend the Loan for GoodHomes / CLTRFP05-04-2

Applicant Name (“Applicant”):	GoodHomes of Manasota, Inc. (Non-Profit)
Developer/Principal (“Developer”):	Laura Carter / Peggy Roberts
Type: Community Land Trust Loan (land acquisition)	Allocated Amount: \$290,000 / 6 lots
Location:	Sarasota County, Florida

1. Background

- a) On March 3, 2006, the Board approved the final rankings for the 2005 Community Land Trust Request for Proposals (“CLTRFP-05”) and Florida Housing issued the Applicant an invitation into credit underwriting on March 13, 2006.
- b) The final credit underwriting report, dated August 24, 2006, was approved at the September 8, 2006 Board Meeting, which specified that construction must commence within 12 months following the purchase of the land.
- c) The Developer closed on a loan with a term of two years for the purchase of 6 lots for \$290,000 on October 31, 2006.
- d) On October 26, 2007, the Board granted an extension until October 31, 2008 for the commencement of construction.
- e) On August 4, 2008, the Developer advised they were unable to continue with the project and requested resolution of the \$290,000 in CLT funds provided for the purchase of the 6 lots.
- f) At the September 26, 2008 meeting, the Board approved the request to de-obligate the remaining \$210,000 in CLT funds and directed program staff to negotiate a “work-out” strategy for the \$290,000 in CLT funds received.
- g) On October 31, 2008, the Board granted an extension of the Loan until October 31, 2009.
- h) On December 4, 2009, the Board granted an extension of the Loan until October 31, 2010.

2. Present Situation

- a) On September 29, 2010, the Developer provided a letter, advising that market conditions remain unfavorable for the development of new housing in the area and requesting a one-year extension of the Loan to continue pursuing a suitable option for the lots. The letter is attached as [Exhibit A](#).
- b) The technical assistance provider has reviewed their request and has given a positive recommendation. The letter is attached as [Exhibit B](#).

HOMEOWNERSHIP PROGRAMS – COMMUNITY LAND TRUSTS

Consent

3. **Recommendation**

Staff recommends that the Board grant an extension of the Loan until **October 31, 2011**, subject to further approvals by the credit underwriter, counsel, and the appropriate staff.

HOME RENTAL

Consent

III. HOME RENTAL

A. Request Approval of Loan Closing Extension 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: 20% @ 50% AMI 80% @ 60% AMI
Number of Units: 80	HOME Program: \$4,000,000 Housing Credit Allocation: \$1,701,307 Tax Credit Exchange Program: \$3,958,579
Type: Mid-Rise	Demographics: Homeless

1. Background/Present Situation

- a) On July 30, 2010, the Board approved a credit underwriting report with a positive recommendation for \$1,701,307 in Housing Credit Allocation, for a HOME loan in the amount of \$4,000,000, \$3,958,579 in the Tax Credit Exchange Program and directed staff to proceed with loan closing activities.
- b) On August 9, 2010, staff issued a firm commitment letter for a HOME loan with a closing deadline of October 8, 2010. Pursuant to Rule Chapter 67-48, F.A.C. the loan must close within 60 days of issuance of the firm commitment letter. The deadline according to the rule for the loan to close was October 8, 2010.
- c) On October 8, 2010, staff received a letter from the Borrower ([Exhibit A](#)), requesting an extension of the HOME loan closing deadline due to the Developer’s ability to orderly and properly complete the required documentation and due diligence items. Staff has reviewed this request and finds it meets the requirements of Rule Chapter 67-48, F.A.C.

2. Recommendation

Approve extension of the HOME loan closing deadline until December 7, 2010. Closing the HOME loan is subject to the payment of the loan closing extension fee pursuant to Rule Chapter 67-48, F.A.C.

HOME RENTAL

Consent

B. Request Approval of Loan Closing Extension for Bonita Cove (2009-077CH/2011-022CH/RFP 2010-04)

Development Name: Bonita Cove (“Development”)	Location: Miami-Dade County
Developer/Principal: Bonita Cove Developers, LLC (“Developer”)	Set-Aside: 20% @ 50% AMI 80% @ 60% AMI
Number of Units: 60	HOME Program: \$4,000,000 Housing Credit Allocation: \$1,572,513 Tax Credit Exchange Program: \$2,411,314
Type: Mid-Rise	Demographics: Homeless

1. Background/Present Situation

- a) On July 30, 2010, the Board approved a credit underwriting report with a positive recommendation for \$1,572,513 in Housing Credit Allocation, for a HOME loan in the amount of \$4,000,000, \$2,411,314 in the Tax Credit Exchange Program and directed staff to proceed with loan closing activities.
- b) On August 9, 2010, staff issued a firm commitment letter for a HOME loan with a closing deadline of October 8, 2010. Pursuant to Rule Chapter 67-48, F.A.C. the loan must close within 60 days of issuance of the firm commitment letter. The deadline according to the rule for the loan to close was October 8, 2010.
- c) On October 8, 2010, staff received a letter from the Borrower ([Exhibit B](#)), requesting an extension of the HOME loan closing deadline due to the Developer’s ability to orderly and properly complete the required documentation and due diligence items. Staff has reviewed this request and finds it meets the requirements of Rule Chapter 67-48, F.A.C.

2. Recommendation

Approve extension of the HOME loan closing deadline until December 7, 2010. Closing the HOME loan is subject to the payment of the loan closing extension fee pursuant to Rule Chapter 67-48, F.A.C.

LEGAL

Consent

IV. LEGAL

A. In Re: Biscayne Apartments Associates – Petition for Waiver – FHFC Case No. 2010-034VW

Development Name: (“Development”):	Biscayne Woods Apartments
Developer/Principal: (“Developer”):	Biscayne Apartments Associates, Ltd.
Number of Units: 114	Location: Miami-Dade County
Type: Garden	Set Aside: 20% @ or below 40% AMI 80 %@ or below 60 % AMI
Demographics: Family	Allocated Amount: \$2,800,00 (HOME)
MMRB: N/A	Housing Credits: \$167,279

1. Background

- a) In 1993, Florida Housing awarded a HOME loan in the amount of \$2,800,000.00 and an allocation of Low Income Housing Tax Credits in the amount of \$167,279 to Biscayne Apartments Associates, Ltd. (“Petitioner”) under the HOME Investment Partnership Program (Disaster Relief) to finance the construction of Biscayne Woods Apartments, a 114 unit multi-family rental apartment (the “Development”) located in Miami-Dade County.
- b) Petitioner has contracted with Biscayne Palm Preservation LP (“Biscayne Palm”) to purchase the Development from Petitioner. Funding for the acquisition is to be comprised of approximately \$2,400,000 in equity raised through anticipated syndication of tax credits allocated to Biscayne Palm, \$3,000,000 in first mortgage tax exempt bond financing funding through Florida Housing’s New Issue Bond Program (“NIBP”), \$2,000,000 in market rate bonds, 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 September 14, 2010, Florida Housing received a “Petition for Waiver of Rule 9I-ER93-10(3), F.A.C.” (“Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit A](#).
- e) Rule 9I-ER93-10(3), Fla. Admin. Code (1993) states in pertinent part:
 - (3) The loans shall be non-amortizing and repayment shall be deferred until maturity. Interest payments, where applicable, on the HOME mortgage will be due to the servicer on the first day of the calendar quarter.
- f) Petitioner requests a waiver to the above provision. Specifically, Petitioner is requesting that the interest payments be modified to be due on an annual basis and be based on Development Cash Flow in accordance with RFP 2009-06.
- g) On July 9, 2010, Notice of the Petitions was published in Volume 36, Number 38, of the [Florida Administrative Weekly](#).

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- 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 Biscayne Palm that without modification of the terms of the existing HOME loan, to allow debt service payments be made annually from 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 Biscayne Palm, 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(3), Fla. Admin. Code to the following extent: the interest payments on its HOME loan will be made annually from Development Cash Flow, pursuant to the terms of RFP 2009-06.

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B. In Re: Sunrise Park Phase I, Ltd. – Petition for Waiver – FHFC Case No. 2010-035VW

Development Name: (“Development”):	Sunrise Park Apartments
Developer/Principal: (“Developer”):	Sunrise Park Phase I, Ltd.
Number of Units: 72	Location: Polk County
Type: Townhouses	Set Aside: 10% @ 40% AMI 90% @ 60% AMI
Demographics: Family	Housing Credits: \$998,400

1. Background

- a) During the 2009 Universal Cycle, Sunrise Park Phase I, Ltd. (“Petitioner”) applied for an allocation of Low Income Housing Tax Credits to finance the construction of Sunrise Park Apartments (the “Development”) located in Polk County. Petitioner’s Application Number was 2009-153C.
- b) On September 16, 2010, Florida Housing received a “Petition for Waiver of Rule 67-48.004(14)(g)” (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit B](#).
- c) Rule 67-48.004(14)(g), Florida Administrative Code (2009), provides in pertinent part:

Notwithstanding any other provision of these rules, there are certain items that must be included in the Application and cannot be revised, corrected or supplemented after the Application Deadline. Failure to submit these items in the Application at the time of the Application Deadline shall result in rejection of the Application without opportunity to submit additional information. Any attempt to make changes to these items will not be accepted. Those items are as follows:

(g) Development Type.

- d) Petitioner requests a waiver of the above rules to permit a change in Development Type from “Townhouses” to “Other- Stacked Flats” with no change in the number of units. After submission of Petitioner’s Application, the City of Lake Wales required this change in Development Type due to its ordinance requiring two entrances. In order to meet this requirement, Petitioner re-designed its development plans to include a second entry way and re-designed internal roads. This change has no effect on the score Petitioner received in its original application, and would not give Petitioner an advantage not enjoyed by competing applicants.
- e) On October 1, 2010, the Notice of the Petition was published in Volume 36, Number 39, of the [Florida Administrative Weekly](#). Florida Housing received no comments regarding the Petition.

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2. Present Situation

- a) 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.

- b) Petitioner provided correspondence from the Lake Wales Housing Authority that stated that without the required site modification that Petitioner cannot receive final approval and necessary permits causing extensive delays. In order to meet the requirement, the units must now be stacked flat buildings. Strict application of the above Rules under these circumstances would cause Petitioner substantial hardship and would violate the principles of fairness. Petitioner has further demonstrated that permitting this change in Development would also serve the underlying purpose of the statute.

3. Recommendation

Staff recommends the Board **GRANT** the Petitioner's request for a waiver of Rule 67-48.004(14)(g), to allow Petitioner to change the Development Type from "Townhouse" to "Other- Stacked Flat." The Development will be comprised of five townhouses with 24 units and six stacked-flats with 48 units for a total of 11 buildings with 72 units.

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C. In Re: Northwest Properties III, Ltd. – Petition for Waiver – FHFC Case No. 2010-036VW

Development Name: (“Development”):	Northwest Gardens III
Developer/Principal: (“Developer”):	Sunrise Park Phase I, Ltd.
Number of Units: 150	Location: Broward County
Type: Garden	Set Aside: 10% @ 28% AMI 90% @ 60% AMI
Demographics: Family	Housing Credits: \$2,340,000

1. Background

- a) During the 2009 Universal Cycle, Northwest Properties III, Ltd. (“Petitioner”) applied for an allocation of Low Income Housing Tax Credits to finance the construction of Northwest Gardens III (the “Development”) located in Broward County. Petitioner’s Application Number was 2009-145C.
- b) On September 17, 2010, Florida Housing received a “Petition for Waiver of Rule 67-48.004(14)(g)” (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit C](#).
- c) Rule 67-48.004(14)(g), Florida Administrative Code (2009), provides in pertinent part:

Notwithstanding any other provision of these rules, there are certain items that must be included in the Application and cannot be revised, corrected or supplemented after the Application Deadline. Failure to submit these items in the Application at the time of the Application Deadline shall result in rejection of the Application without opportunity to submit additional information. Any attempt to make changes to these items will not be accepted. Those items are as follows:

(g) Development Type.

- d) Petitioner requests a waiver of the above rules to permit a change in Development Type from “Garden” to “Townhouses” with no change in the number of units. After submission of Petitioner’s Application, the Housing Authority of the City of Fort Lauderdale, who is in partnership with Petitioner to develop the Development, required the Petitioner to redefine its development plan to offer more three, four and five bedroom townhouse units and fewer two and three bedroom garden-styled units. In order to meet this new requirement, Petitioner re-designed its development plans to include more townhouses. This change has no effect on the score Petitioner received in its original application, and would not give Petitioner an advantage not enjoyed by competing applicants.
- e) On October 1, 2010, the Notice of the Petition was published in Volume 36, Number 39, of the [Florida Administrative Weekly](#). Florida Housing received no comments regarding the Petition.

LEGAL

Consent

2. **Present Situation**

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

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.

- b) Petitioner provided correspondence from the Housing Authority of the City of Ft. Lauderdale that stated that without the required site modification, Petitioner cannot proceed with construction, causing extensive delays which will result in Petitioner losing its allocation of tax credits. In order to meet the requirement, more units must now be townhouse-styled buildings. Strict application of the above Rules under these circumstances would cause Petitioner substantial hardship and would violate the principles of fairness. Petitioner has further demonstrated that permitting this change in Development would also serve the underlying purpose of the statute.

3. **Recommendation**

Staff recommends the Board **GRANT** the Petitioner's request for a waiver of Rule 67-48.004(14)(g), to allow Petitioner to change the Development Type from "Garden" to "Townhouse." The Development will be comprised of 18 townhouses with 84 units and four garden-styled buildings with 66 units for a total of 22 buildings with 150 units.

LOW INCOME HOUSING TAX CREDITS

Consent

V. 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, 10% test, construction commencement, closing of tax credit partnership, and closing of Tax Credit Exchange Program (Exchange) funds to be met by November 1, 2010.
- (1) Mildred and Claude Pepper Towers (2009-092C/2010-026CX/2011-007CX)
 - (2) Brownsville Transit Village III (2009-148C/2010-047CX)
 - (3) Brownsville Transit Village IV (2009-149C/2010-032CX/2011-013CX)
 - (4) Woodside Oaks (2009-180C/2010-034CX/2011-015CX)
 - (5) Town Parke Apartments - Phase I (2009-244C/2010-018CX)
 - (6) Live Oak Homes (2009-141C/2010-019CX)
 - (7) Pine Terrace (2009-143C/2010-016CX)
 - (8) Bonita Cove (2009-077CH/2010-041CHX/2011-021CHX)
 - (9) Vista Grand at Spring Hill (2009-208C/2010-050CX)
 - (10) Sunrise Park Apartments (2009-153C/2010-022CX/2011-003CX)
 - (11) Laurel Villas (2009-228C/2010-037CX)
 - (12) Pinnacle at Avery Glen (2009-139C/2010-044CX)
 - (13) Highlands Cove Phase I (2009-167C/2010-035CX/2011-016CX)
 - (14) Esmeralda Bay (2009-199C/2010-031CX/2011-012CX)
 - (15) Town Park Crossing (2009-255C/2010-038CX)
 - (16) Flagler Village (2009-216C/2010-021CX/2011-002CX)
 - (17) Ehlinger Apartments (2009-146C/2010-045CX)
 - (18) Dr. Kennedy Homes (2009-144C/2010-029CX/2011-010CX)
 - (19) Northwest Gardens III (2009-145C/2010-046CX)
 - (20) Magnolia Gardens (2009-162C/2010-024CX/2011-005CX)
 - (21) Marcis Pointe Apartments (2009-207C/2010-040CX/2011-020CX)
 - (22) Progresso Point (2009-123C/2010-033CX/2011-014CX)
 - (23) Edgewood Apartments (2009-231C/2010-017CX)
 - (24) Renaissance Preserve II (2009-151C/2010-027CX/2011-008CX)
 - (25) Casa Matias (2009-076CH/2010-030CHX/2011-011CHX)
 - (26) Wahneta Palms (2009-147C/2010-028CX)

LOW INCOME HOUSING TAX CREDITS

Consent

- (27) Olive Grove (2009-191C/2010-048CX)
 - (28) Arbours at Fort King (2009-132C/2010-036CX/2011-017CX)
 - (29) Blue Water Workforce Housing (2009-103C/2010-011CX)
 - (30) Lodges at Pinellas Park (2009-097C/2010-023CX/2011-004CX)
 - (31) Fountains at San Remo Court – Phase I (2009-246C/2010-020CX/2011-001CX)
 - (32) Oakridge Estates (2009-171C/2010-043CX/2011-023CX)
 - (33) Pinnacle at Hammock Square (2009-140C/2010-042CX/2011-022CX)
- b) Florida Housing is requesting these developments be granted an extension of their November 1, 2010 deadline giving them through December 10, 2010 to meet their Carryover Allocation requirements. This extension will allow additional time for the large number of parties involved in each development to coordinate their complex loan closings.

2. **Recommendation**

Approve the request reflected above and direct staff to grant extensions accordingly contingent upon receipt of processing fees.

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 Oakdale Apartments (2009-048CTX) 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 closing of Tax Credit Exchange Program (Exchange) funds by April 30, 2010. These Developments received an allowable one-time extension until July 30, 2010.
- b) On July 30, 2010 the Board granted a further extension of their July 30th deadline to allow time for HUD to provide approval of the closing documents giving them through September 10, 2010 to meet their Carryover Allocation requirements. On September 16, 2010 the Board granted an additional extension giving them until October 1, 2010 to meet their Carryover Allocation requirements.
- c) Florida Housing is requesting Oakdale Apartments be granted an extension of their October 10th deadline to allow additional time for HUD to provide approval of the closing documents giving them through November 15, 2010 to meet their Carryover Allocation requirements.

2. Recommendation

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

MULTIFAMILY BONDS

Consent

VI. MULTIFAMILY BONDS

A. Request Approval of the Recommendation of the Final Credit Underwriting Report for Journet Place

DEVELOPMENT NAME (“Development”):	Journet Place
DEVELOPER/PRINCIPAL (“Applicant”):	Journet Place, LP/Journet Place GP, LLC/Jax Housing, LLC/Westbrook Housing, LLC/JPM Development, LLC/Brian J. Parent, Craig T. Jeup, Brian R. Sadler, Patrick G. Wolgast and Lynn R. Wolgast, individually
NUMBER OF UNITS:	108
LOCATION (“County”):	Pasco
TYPE (Rental, Homeownership):	Rental/Family (MMRB, HC and Tax Credit Exchange Program Funds)
SET ASIDE:	85% @ 60% (MMRB) 10% @ 50% (HC, TCEP) 90% @ 60% (HC, TCEP)
ALLOCATED AMOUNT:	\$9,500,000 of Tax Exempt Bonds and \$10,668,314 Tax Credit Exchange Program (TCEP) Funds
ADDITIONAL COMMENTS: New Construction	

1. Background

- a) 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 \$9,500,000 in order to acquire and construct the Development.
- b) At the April 30, 2010 Board Meeting, the Board authorized staff to offer an award of TCEP funds to the highest scoring eligible unfunded Applications from the 2009 Universal Application Cycle in conjunction with the MMRB Program.

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) Applicant requested the substitution of a picnic area (with hard cover permanent roof compatible with the subject development open on all sides containing at least three permanent picnic tables with benches and an adjoining outdoor grill) with a swimming pool. The swimming pool receives two points and the picnic area receives one point when scoring the Application.
- c) Applicant requested the following additional amenities be provided for the Development; a pantry in the kitchen area of all units, double-pane glass on all windows, ceiling fans in all bedrooms and living areas in each unit and ten Green Building Options.

MULTIFAMILY BONDS

Consent

- d) The Application identified one of the Co-Developers in the Universal application as JPM Group, LLC. The correct name is JPM Development, LLC.
- e) Both the Universal and MMRB Supplemental Applications reflect the Development as in Port Richey. It is actually in unincorporated Pasco County.
- f) The Developer has substituted John DuPont with WolCorp as the General Contractor for the Development.
- g) The Applicant's MMRB Application reflected a set-aside of 100% of the units at 60% or less of average median income (AMI). The maximum MMRB set-aside is 85% at 60% or less of AMI.
- h) Applicant requested a change to one residential building with five Building Identification Numbers from the five buildings reflected in their MMRB Application.
- i) Applicant requested to change the unit mix reflected in its Universal Application from sixty (60) one-bedroom/one-bath units and forty-eight (48) two-bedroom/two-bath units to sixty (60) one-bedroom/one-bath units and forty-eight (48) two-bedroom/one-bath units.
- j) The credit underwriter has stated that the above changes do not negatively impact their recommendations.
- k) A Final Credit Underwriting Report dated October 8, 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 October 8, 2010, recommending that \$9,500,000 in tax exempt bonds and \$10,668,314 in TCEP funds be issued for the acquiring and construction 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 Recommendation of the Final Credit Underwriting Report for The Landings at Timberleaf

Development Name: The Landings at Timberleaf (“Development”)	Location: Orange
Developer/Principal: Timberleaf Apartments, Ltd./The GP of Timberleaf, LLC/Richman Timberleaf GP Member, LLC/Richelson Timberleaf GP member, LLC/The Richman Group Development Corporation/Richelson Enterprises, LLC/Eric Richelson, individually/Richard P. Richman, individually (“Developer”, “Principal”, or “Owner”)	Set-Aside: 85% @ 60% AMI (MMRB) 20% @ 50% AMI 80% @ 60% AMI (HOME) 100% @ 60% AMI (HC)
Funding Sources: MMRB/HOME/HC	Amounts: \$11,183,000 Tax-Exempt Bonds \$2,951,000 HOME Funds
Number of Units: 240	Type: Rental
ADDITIONAL COMMENTS: Acquisition and Rehabilitation	

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 \$11,500,000 in order to acquire and rehabilitate the Development. The Applicant also submitted a response to RFP 2009-06, and was awarded funding, for a HOME loan in the amount of \$2,951,000.

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) Since the time of Application, the Applicant has received a commitment from the City of Orlando for a loan in the amount of \$500,000. Additionally, in response to RFP 2009-06, the Applicant applied for a HOME loan in the amount of \$5,000,000, but only received an allocation award of \$2,951,000.
- c) A Final Credit Underwriting Report dated October 8, 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 October 8, 2010, recommending that \$11,183,000 in tax exempt bonds and \$2,951,000 in HOME funds be issued for the acquisition and rehabilitation 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 of the Final Credit Underwriting Report for Monterra Apartments

DEVELOPMENT NAME (“Development”):	Monterra Apartments
DEVELOPER/PRINCIPAL (“Applicant”):	ZOM Monterra, L.P./ZOM Monterra GP, LLC/ZOM Holding, Inc./ZF Development, LLC
NUMBER OF UNITS:	300
LOCATION (“County”):	Broward
TYPE (Rental, Homeownership):	Rental/Family (MMRB, HOME and HC)
SET ASIDE:	85% @ 60% (MMRB) 100% @ 60% (HC) 20% @ 50% (HOME) 80% @ 60% (HOME)
ALLOCATED AMOUNT:	\$25,780,000 of Tax Exempt Bonds and \$3,500,000 HOME Loan
ADDITIONAL COMMENTS:	New Construction

1. Background

Applicant submitted an Application (“Application”) on behalf of the proposed Development during the 2010 MMRB Supplemental Cycle. Applicant applied for tax-exempt bonds in the amount of \$27,283,000 in order to construct the Development. The Applicant also submitted a response to RFP 2009-06 and was awarded funding, for a HOME loan in the amount of \$3,500,000.

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) The Developer submitted a housing credit syndication proposal from Hudson Housing Capital (“Hudson”) in the Application. Subsequently, the Developer has replaced Hudson with Stratford Capital Group (“Stratford”).
- c) In the Application, the Developer selected all windows double-pane with minimum solar heat gain coefficient of < or equal to .5 and minimum of .75 U Value. The Developer wants to substitute the Application selection with all windows single-pane with shading coefficient of .67 or better. Both amenities received a score of two points in the Application.
- d) A Final Credit Underwriting Report dated October 8, 2010 is attached as [Exhibit C](#).

3. Recommendation

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated October 8, 2010, recommending that \$25,780,000 in tax exempt bonds and a \$3,500,000 HOME loan for the acquiring and constructing 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

D. Request Approval of the Recommendation of the Final Credit Underwriting Report for Villa Capri, Phase III

Development Name: Villa Capri, Phase III (“Development”)	Location: Miami-Dade
Developer/Principal: Villa Capri III Associates, Ltd./CSG Development Services, LLC/Jorge Lopez, individually/Stuart I. Meyers, individually/Leon J. Wolfe, individually/Mara S. Makes, individually (“Developer”, “Principal”, or “Owner”)	Set-Aside: 10% @ 33% AMI 75% @ 60% AMI (MMRB) 19.29% @ 33% AMI 5.71% @ 40% AMI 75% @ 50% AMI (TCEP & HC)
Funding Sources: MMRB/TCEP/HC	Amounts: \$12,500,000 Tax-Exempt Bonds \$14,497,575 Tax Credit Exchange Program (TCEP) Funds
Number of Units: 140	Type: Rental
ADDITIONAL COMMENTS: New Construction	

1. Background

- a) 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 \$11,000,000 in order to acquire and construct the Development.
- b) At the April 30, 2010 Board Meeting, the Board authorized staff to offer an award of TCEP funds to the highest scoring eligible unfunded Applications from the 2009 Universal Application Cycle in conjunction with the MMRB Program.

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) The Application indicated an affiliate of Boston Financial Corporation would be the HC equity provider, however, the HC equity provider will now be an affiliate of Stratford Capital Group.
- c) The Application requested construction and permanent bond loans in the amounts of \$11,000,000 and \$1,975,000, respectively. The requested loan amounts have been revised to \$12,500,000 and \$2,900,000, respectively.
- d) Development costs have increased from \$22,512,982 in the Application to \$24,330,767, primarily due to an increase in construction costs, off site bond costs, capitalized interest, and developer fee.

MULTIFAMILY BONDS

Consent

- e) The HC set asides, in the Application, were originally indicated to be 10% of the units at 33% or below the AMI and 90% of the units at 60% or below. The revised set asides, however, are 19.29% (27 units) of the units at 33% or below the AMI, 5.71% (8 units) of the units at 40% or below the AMI, and 75% (105 units) of the units at 50% or below the AMI.
- f) A Final Credit Underwriting Report dated October 8, 2010 is attached as [Exhibit D](#).

3. Recommendation

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated October 8, 2010, recommending that \$12,500,000 in tax exempt bonds and \$14,497,575 in TCEP funds be issued for the acquisition and construction of the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

E. Request Approval of the Request for Consent to Transfer Ownership Interest in Marbella Lakes and Victoria Park Apartments

Development Name: Marbella Lake at Millenia (“Development”)	Location: Orange
Developer/Principal: Investors Management Trust Real Estate Group, Inc./IMT Capital REIT, LLC/IMT-LB Central Florida Holdings 14 LLC/IMT Marbella Lake Apartments LLC/John Tesoriero, individually/Bryan Scher, individually (“Developer”, “Principal”, or “Owner”)	Set-Aside: 20% @ 80% AMI 80% @ 150% AMI (MMRB)
Funding Sources: MMRB 1985 Series B	Amounts: \$7,600,000 Tax-Exempt Bonds
Number of Units: 200	Type: Rental/Family
Development Name: Victoria Park Apartments (“Development”)	Location: Duval
Developer/Principal: Investors Management Trust Real Estate Group, Inc./IMT Capital REIT, LLC/IMT-LB Central Florida Holdings 14 LLC/IMT Victoria Park Apartments LLC/John Tesoriero, individually/Bryan Scher, individually (“Developer”, “Principal”, or “Owner”)	Set-Aside: : 30% @ 80% AMI 70% @ 150% AMI (MMRB)
Funding Sources: MMRB 2002 Series B MMRB 2004 Series J	Amounts: \$19,370,000 Tax-Exempt Bonds \$ 6,830,000 Taxable Bonds
Number of Units: 520	Type: Rental/Family
ADDITIONAL COMMENTS: Transfer of Ownership Interest	

1. Background

- a) Florida Housing financed the construction of Marbella Lakes at Millenia (fka Lakeside South) in 1985 with \$7,600,000 in tax-exempt bonds designated as 1985 Series B.
- b) In 1983 and 1984 Florida Housing financed the construction of Victoria Park (fka Mandarin Oaks I, II and Mandarin Place collectively) in 1983 with \$19,370,000 in tax-exempt bonds designated as 1983 Series C, 1983 Series D and 1984 Series B.
- c) In 2002 the bonds were refunded with \$19,370,000 in tax-exempt bonds and \$4,430,000 in taxable bonds designated as 2002 Series J and in 2004 additional taxable bonds were issued in the amount of \$2,400,000 in taxable bonds were issued as 2004 Series B.

MULTIFAMILY BONDS

Consent

2. **Present Situation**

- a) The Owner's Counsel, in a letter dated September 10, 2010, attached as [Exhibit E](#), requested the consent of Florida Housing in connection with the proposed transfer of the sole member interest in the owners of the Developments to IMT Capital REIT LLC from IMT-LB Central Florida Holdings 14 LLC, the current sole member.
- b) The Credit Underwriter has reviewed the request and by letters, dated October 7, 2010, attached as Exhibits [F](#) and [G](#), and recommends that Florida Housing approve the request.

3. **Recommendation**

That the Board approve the Request for Consent to Transfer Ownership Interest in the Developments, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, Credit Enhancer of Bondholder (if required or applicable) and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

F. Request Approval of the LURA Amendment for Stratford Point Apartments

Development Name: Stratford Point Apartments (“Development”)	Location: Seminole
Developer/Principal: TWC Seventy-Four, Ltd./The Wilson Company/Jack Wilson (“Developer”, “Principal”, or “Owner”)	Set-Aside: 50% @ 60% AMI (MMRB)
Funding Sources: MMRB 2000 Series O	Amounts: \$12,965,000 Tax-Exempt Bonds \$ 6,325,000 Taxable Bonds
Number of Units: 384	Type: Rental/Family
ADDITIONAL COMMENTS: MMRB LURA Amendment	

1. Background

Florida Housing financed the construction of the above referenced Development in 2000 with \$12,965,000 in tax-exempt bonds and \$6,325,000 in taxable bonds designated as 2000 Series O.

2. Present Situation

- a) The Owner, in a letter dated August 23, 2010, attached as [Exhibit H](#), requested an amendment of the LURA to remove any reference to specific flooring types within the units such as wall to wall carpeting in order to replace the current flooring with laminate flooring that resembles hardwood. The Owner states it believes the laminate flooring is more durable, attractive and economical and is viewed by tenants as an upgrade.
- b) The Credit Underwriter has reviewed the request and by letter, dated September 24, 2010, attached as [Exhibit I](#), and 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, Credit Enhancer of Bondholder (if required or applicable) and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

G. Request Approval of the LURA Amendment for Tuscany Lakes Apartments

Development Name: Tuscany Lakes Apartments (“Development”)	Location: Manatee
Developer/Principal: Tuscany Lakes, Ltd./Tuscany Lakes, Inc./The Carlisle Group, Inc./Lloyd J. Boggio, individually/Bruce Greer, individually/Luis Gonzalez, individually (“Developer”, “Principal”, or “Owner”)	Set-Aside: 40% @ 60% AMI (MMRB)
Funding Sources: MMRB 2002 Series K	Amounts: \$14,000,000 Tax-Exempt Bonds \$ 2,700,000 Taxable Bonds
Number of Units: 348	Type: Rental/Family
ADDITIONAL COMMENTS: MMRB LURA Amendment	

1. Background

Florida Housing financed the construction of the above referenced Development in 2002 with \$14,000,000 in tax-exempt bonds and \$2,700,000 in taxable bonds designated as 2002 Series K.

2. Present Situation

- a) The Owner, in a letter dated September 15, 2010, attached as [Exhibit J](#), requested an amendment of the LURA to allow the use of non-skid flooring throughout the living areas. The Owner states residents have requested no carpet in the units due to health issues and convenience for residents who require ambulatory assistance.
- b) The Credit Underwriter has reviewed the request and by letter, dated September 30, 2010, attached as [Exhibit K](#), and 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, Credit Enhancer of Bondholder (if required or applicable) and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

H. 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.

Development Name	Location of Development	Number of Units	Method of Bond Sale	Recommended Professional
Journet Place	Pasco	108	Negotiated	RBC Capital Markets, Inc.
Monterra Apartments	Broward	300	Negotiated	RBC Capital Markets, Inc.
Villa Capri, Phase III	Miami-Dade	140	Negotiated	RBC Capital Markets, Inc.

MULTIFAMILY BONDS

Consent

I. 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 L](#).

Development Name	Location of Development	Number of Units	Method of Bond Sale
Journet Place	Pasco	108	Negotiated
Monterra Apartments	Broward	300	Negotiated
Villa Capri, Phase III	Miami-Dade	140	Negotiated

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

VII. PUBLIC HOUSING MITIGATION INITIATIVE (PHMI)

A. Request Approval of Credit Underwriting Report for the Housing Authority of the City of Live Oak (RFP 2009-07-07)

Public Housing Authority (“PHA”):	Housing Authority of the City of Live Oak
Location:	Suwannee County
Number of Units ≥ 30 Years Old:	54
Grant Amount:	\$60,016

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 \$60,016 to the Housing Authority of the City of Live Oak.
- d) On September 30, 2010, staff received a credit underwriting report with a positive recommendation for a Public Housing Mitigation Initiative grant in the amount of \$60,016 ([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 New Smyrna Beach Housing Authority (RFP 2009-07-08)

Public Housing Authority (“PHA”):	New Smyrna Beach Housing Authority
Location:	Volusia County
Number of Units ≥ 30 Years Old:	126
Grant Amount:	\$65,844

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 \$65,844 to the New Smyrna Beach Housing Authority.
- d) On October 5, 2010 , staff received a credit underwriting report with a positive recommendation for a Public Housing Mitigation Initiative grant in the amount of \$65,844 ([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.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

VIII. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Approval of Loan Maturity Extension for Lee County Housing Development Corporation for Lehigh Oaks III (PLP 05-111)

DEVELOPMENT NAME (“Development”):	Lehigh Oaks III
APPLICANT/DEVELOPER (“Developer”):	Lee County Housing Development Corporation, a not-for-profit entity
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	16
LOCATION (“County”):	Lee County
TYPE:	Homeownership
SET ASIDE:	100% @ or below 80% AMI
PLP LOAN AMOUNT:	\$110,228.54

1. Background

- a) On November 2, 2007, the Developer closed on a PLP Loan in the amount of \$443,500. To date, the Developer has drawn \$110,228.54 for eligible predevelopment expenses.
- b) On November 10, 2008 the Developer de-obligated the remaining funds. As part of the de-obligation of funds, the Developer requested a change that would allow for repayment of the PLP Loan from acquisition and rehabilitation of scattered units rather than new construction as a more economically feasible product due to the downturn in the new housing market and costs of removing muck from the original property.
- c) Since there would be no further funds drawn and the number of units was not changing, Florida Housing agreed to allow the Developer to repay the PLP Loan through the sale of the scattered site units. However, Florida Housing maintained the lien on the original property as security against the funds.
- d) To date, the Developer has acquired all 16 units and has sold 10.
- e) On February 18, 2010, and July 19, 2010, Florida Housing’s Special Assets Department sent the Developer correspondence informing of the approaching loan maturity date of November 2, 2010. The letters requested a written response from the Developer detailing their anticipated plan for repayment.

2. Present Situation

- a) On September 27, 2010, the Developer responded in writing requesting an extension of the PLP loan maturity from November 2, 2010 to November 2, 2011 ([Exhibit A](#)) in order to have time to sell the remaining six units.
- b) Technical Assistance Provider has recommended the approval of an extension to the loan maturity date from November 2, 2010 to November 2, 2011 ([Exhibit B](#)).

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

- c) Staff has reviewed the request and finds it to be reasonable and recommends the loan maturity extension of up to one year based on the Developer meeting pro rata repayment requirements of the PLP Loan.

3. Recommendation

Approve the Developer's request for a loan maturity extension from November 2, 2010 to November 2, 2011 contingent upon the Developer meeting pro rata repayment terms of the PLP Loan, and allow staff to proceed with amending the loan documents.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Request Approval of Loan Maturity Extension for Westshore Community Development Corporation, a Not-for-Profit Entity, for Westshore Landings One (PLP 05-114)

DEVELOPMENT NAME (“Development”):	Westshore Landings One
APPLICANT/DEVELOPER (“Developer”):	Westshore Community Development Corporation, a not-for-profit entity
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	43
LOCATION (“County”):	Hillsborough County
TYPE:	Homeownership
SET ASIDE:	100% @ or below 80% AMI
PLP LOAN AMOUNT:	\$500,000

1. Background

- a) On November 21, 2007, the Developer closed on a PLP Loan in the amount of \$500,000. To date, the Developer has drawn \$392,225.05 for eligible predevelopment expenses.
- b) The Developer also has a commitment of \$4 million under the 2006 Community Workforce Housing Innovation Pilot Program.
- c) On February 22, 2010 and August 13, 2010, Florida Housing’s Special Assets Department sent the Developer correspondence informing of the approaching loan maturity date of November 2, 2010. The letters requested a written response from the Developer’s detailing their anticipated plan for repayment.

2. Present Situation

- a) On September 7, 2010, the Developer submitted a request to extend the PLP Loan maturity date from November 21, 2010 to November 21, 2011 ([Exhibit C](#)).
- b) Due to changes in the market conditions and other factors, the Developer is proposing changes to the development. Florida Housing is working with the Developer, assigned credit underwriter and technical assistance provider to evaluate the proposed changes to ensure they meet the requirements of both programs. Staff believes that the extension of the maturity date will allow time for these issues to be resolved and the project to have an opportunity to proceed.
- c) The Technical Assistance Provider has recommended the approval of the requested one-year loan maturity extension to November 21, 2011 in order to allow the Developer to implement the changes and find qualified buyers ([Exhibit D](#)).
- d) Staff has reviewed the request and finds it to be reasonable and recommends the loan maturity extension of up to one year.

3. Recommendation

Approve the Developer’s request to extend the loan maturity date from November 21, 2010 to November 21, 2011, and allow staff to proceed with amending the loan documents.

PROFESSIONALS SERVICES SELECTION (PSS)

Consent

IX. PROFESSIONAL SERVICES SELECTION (PSS)

A. Invitation to Negotiate (ITN) for Business Insurance

1. Background

Chapter 420.507 Powers of the corporation (11) provides the following: “To insure and procure insurance against any loss in connection with any bonds of the corporation and the corporation’s operations or property...” To implement this provision, Florida Housing carries business insurance to cover Commercial General Liabilities, Director and Officers Liability, Employment Practices and Fiduciary Liability.

2. Present Situation

Florida Housing’s current business insurance policies expire on January 1, 2011 for general liability and January 15, 2011 for Directors and Officers Liability.

3. Recommendation

Florida Housing staff recommends that the Board authorize staff to begin the ITN process and establish a review committee to select an insurance provider for Florida Housing’s business insurance.

SPECIAL ASSETS

Consent

X. SPECIAL ASSETS

A. Request Approval of the Extension of the SAIL Loan for Sandy Pines, Ltd., a Florida Limited Partnership for Sandy Pines (94S-046/93L-087)

Development Name: Sandy Pines ("Development")	Location: Indian River County
Developer/Principal: Heritage Group ("Developer")	Set-Aside: SAIL 20% @ 40% & 80% @ 60% AMI; HC 100% @ 60% LURA: 15 years; EUA: 30 years
Number of Units: 45	Allocated Amount: SAIL - \$602,842
Demographics: Family	Housing Credits: \$4,524,620

1. Background

During the 1993/1994 SAIL Cycle, Florida Housing awarded a \$602,842 construction/permanent loan to Sandy Pines, Ltd., a Florida Limited Partnership ("Borrower"), for the development of a 45-unit development in Indian River County. The SAIL loan closed on March 9, 1995 and matured on May 31, 2010. The Development also received a 1993 allocation of low-income housing tax credits of \$4,524,620. The Development was placed in service in February of 1995.

2. Present Situation

The Borrower has requested approval to extend the SAIL loan and LURA, at the current terms, to December 31, 2011 to be co-terminus with the expiration of the first 15 years of the housing credit compliance period. The Borrower plans to sell the property pursuant to the Qualified Contract provisions in Section 42 of the Internal Revenue Code and will file a Qualified Contract with Florida Housing before December 31, 2010. The borrower intends to use the proceeds of the sale of the property to pay off the SAIL loan. The additional time is needed to allow time to complete the process of the Qualified Contract and sell the property.

3. Recommendation

Approve the extension of the SAIL loan, at its current terms, to December 31, 2011, and extend the LURA for an equal amount of time, and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

B. Request Approval of the Extension of the SAIL Loan for Bella Grande, Ltd., a Florida Limited Partnership for Bella Grande (94S-041/93L-089)

Development Name: Bella Grande ("Development")	Location: Hendry County
Developer/Principal: Heritage Group ("Developer")	Set-Aside: SAIL 20% @ 45% & 80% @ 60% AMI; HC 100% @ 60% LURA: 15 years; EUA: 30 years
Number of Units: 30	Allocated Amount: SAIL - \$578,355
Demographics: Family	Housing Credits: \$2,482,970

1. Background

During the 1993/1994 SAIL Cycle, Florida Housing awarded a \$578,355 construction/permanent loan to Bella Grande, Ltd., a Florida Limited Partnership ("Borrower"), for the development of a 30-unit development in Hendry County. The SAIL loan closed on March 9, 1995 and matured on May 31, 2010. The Development also received a 1993 allocation of low-income housing tax credits of \$2,482,970. The Development was placed in service in February of 1995.

2. Present Situation

The Borrower has requested approval to extend the SAIL loan and LURA, at the current terms, to December 31, 2011 to be co-terminus with the expiration of the first 15 years of the housing credit compliance period. The Borrower plans to sell the property pursuant to the Qualified Contract provisions in Section 42 of the Internal Revenue Code and will file a Qualified Contract with Florida Housing before December 31, 2010. The additional time is needed to allow time to complete the process of the Qualified Contract and sell the property.

3. Recommendation

Approve the extension of the SAIL loan, at its current terms, to December 31, 2011, and extend the LURA for an equal amount of time, and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

C. **Request Approval of the Extension of the SAIL Loan for Country Club Woods Affordable Homes, Ltd., a Florida Limited Partnership for Country Club Woods (94S-039/93L-092)**

Development Name: Country Club Woods (“Development”)	Location: Bradford County
Developer/Principal: Heritage Group (“Developer”)	Set-Aside: SAIL 22% @ 45% & 78% @ 60% AMI; HC 100% @ 60% LURA: 15 years; EUA: 30 years
Number of Units: 37	Allocated Amount: SAIL - \$699,936
Demographics: Family	Housing Credits: \$2,392,220

1. **Background**

During the 1993/1994 SAIL Cycle, Florida Housing awarded a \$699,936 construction/permanent loan to Country Club Woods Affordable Homes, Ltd., a Florida Limited Partnership (“Borrower”), for the development of a 37-unit development in Bradford County. The SAIL loan closed on March 9, 1995 and matured on May 31, 2010. The Development also received a 1993 allocation of low-income housing tax credits of \$2,392,220. The Development was placed in service in December of 1995.

2. **Present Situation**

The Borrower has requested approval to extend the SAIL loan and LURA, at the current terms, to December 31, 2011 to be co-terminus with the expiration of the first 15 years of the housing credit compliance period. The Borrower plans to sell the property pursuant to the Qualified Contract provisions in Section 42 of the Internal Revenue Code and will file a Qualified Contract with Florida Housing before December 31, 2010. The borrower intends to use the proceeds of the sale of the property to pay off the SAIL loan. The additional time is needed to allow time to complete the process of the Qualified Contract and sell the property.

3. **Recommendation**

Approve the extension of the SAIL loan, at its current terms, to December 31, 2011, and extend the LURA for an equal amount of time, and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

D. Request Approval of Transfer of General Partnership Interest and Replacement of Guarantors for Tallman Pines II Apartments (MR2007J/RRLP 2006-352-HR/2007-509C)

Development Name: Tallman Pines II Apartments (“Development”)	Location: Broward
Developer/Principal: Carlisle Development Group (“Developer”)	Set-Aside: MMRB, RRLP, HC: 15% @ 30%, 85% @ 60% AMI MMRB, RRLP, HC: 50 Years
Number of Units: 24	Allocated Amount: MMRB \$3,654,876; RRLP \$3,654,876; HC \$214,875
Demographics: Family	Servicer: AmeriNational Community Services

1. Background

During the 2006 and 2007 funding cycles, Florida Housing awarded \$3,654,876 from MMRB and \$3,654,876 from RRLP to Tallman Pines Associates II, Ltd.; a Florida limited partnership (Borrower), for the development of a 24-unit property in Broward County, Florida. The development also received a 2007 Housing Credit allocation of \$214,875. The loan was closed on September 27, 2007. At the time of conversion to permanent financing on March 29, 2010, the MMRB were redeemed in full leaving the RRLP loan in first mortgage lien position.

2. Present Situation

- a) By correspondence dated August 10, 2010, the Borrower requested approval to (1) transfer and assign the managing GP interest in Tallman Pines Associates II, Ltd. from TCG Tallman Pines II, LLC to TP Homes and Communities, Inc. (the current Administrative GP) pursuant to the satisfaction of applicable terms under the partnership agreement; and (2) release the guarantees and indemnities associated with the loan and the assumption of same by Broward County Housing Authority, an affiliate of TP Homes and Communities, Inc.
- b) Florida Housing received a positive recommendation from the credit underwriter ([Exhibit A](#)).

3. Recommendation

Staff recommends that the Board approve the transfer of the GP interest and the assignment and assumption of the RRLP loans subject to the conditions provided in the credit underwriting report dated October 8, 2010 and direct staff to proceed with loan document modification activities as needed.

SPECIAL ASSETS

Consent

E. Request Affirmation of SAIL Short-pay for Edisto Group, Ltd., for Edisto Lakes Apartments (94S-042/95L-006)

Development Name: Edisto Lakes Apartments (“Development”)	Location: Lee County
Developer/Principal: Edisto Group Ltd. Heritage Company (“Developer”)	Set-Aside: SAIL 20% @ 40%, 80% @ 60% AMI, 50 Years
Number of Units: 376	Allocated Amount: SAIL \$2,822,781 Housing Credits \$1,688,643
Demographics: Family	Servicer: First Housing

1. Background

During the 1994-1995 Cycle, Florida Housing awarded a \$2,822,781 SAIL loan to Edisto Group Ltd., a Florida Limited Partnership (“Borrower”), for the development of a 376-unit apartment complex in Lee County, Florida. The SAIL loan closed on August 29, 1995 and matured on November 10, 2009. The Development also received a Housing Credit allocation of \$1,688,643 and was placed in service on February 11, 1997.

2. Present Situation

- a) The Borrower has made attempts to sell the property since the loan matured on November 10, 2009, and now has a potential purchaser to buy the Development for less than the total debt outstanding. The Borrower has been unable to secure any other offers for the property. The proposed purchase price provides sufficient funds to pay off the first mortgage and a partial payment on the SAIL loan.
- b) Fla. Admin. Code R. 9I-35.006 (8)(j) allows that upon sale of the development if there is not adequate project income nor proceeds from the sale, “no Agency loan to the Project shall be satisfied until the Agency has received: An appraisal ... indicating that the purchase price ... is reasonable and consistent with existing market conditions; A certification from the borrower that the purchase price reported is the actual price paid for the project and that no other consideration passed between the parties and that the income reported to the Agency during the life of the loan was true and accurate; and A certification that there are no other funds available to repay the loan and that the borrower knows of no other source of funds that could or would be forthcoming so as to pay off the loan”. The Borrower will be required to meet the outlined requirements to the satisfaction of Florida Housing before closing. An appraisal has been ordered to confirm the sales price is reasonable and consistent with market conditions. The Borrower requests that Florida Housing approve the sale contingent upon an appraisal confirming the sale price and provide a satisfaction of the mortgage upon payment of approximately \$910,000 to be applied to the balance of the SAIL loan at the time of the closing.

SPECIAL ASSETS

Consent

3. **Recommendation**

Affirm the conditions pursuant to Fla. Admin. Code R. 91-35.006 (8) (j) and direct staff to release the mortgage upon payment of approximately \$910,000 subject to the receipt of an appraisal confirming sale price, review and approval of all proceeds and costs by the credit underwriter and staff review of same and other closing documents indicating that the sale proceeds are sufficient only to pay off the first mortgage and a portion of the SAIL loan balance outstanding.

SPECIAL ASSETS

Consent

F. Request Approval to Purchase First Mortgage for Maxwell Manor II (HOME 2003-133H) to Protect Florida Housing’s Investment and Preserve the Development’s Affordability

Development Name: Maxwell Manor II (“Development”)	Location: St. Johns
Developer/Principal: HALO Properties, Inc. (“Developer”)	Set-Aside: HOME 22% @ 50% & 78% @ 60% AMI, 50 Years
Number of Units: 36	Allocated Amount: HOME \$2,496,000
Demographics: Family	

1. Background

During the 2003 Cycle, Florida Housing awarded a \$2,496,000 HOME loan to Halo Properties, Inc., a Florida corporation, (Borrower) for the development of a 36-unit apartment complex in St. Johns County, Florida. The HOME loan closed on March 27, 2006.

2. Present Situation

- a) Due to Construction delays the Development has not been completed. On October 7, 2010 Florida Housing received notice of Complaint for Foreclosure and Damages by the first mortgage lender Neighborhood Lending Partners (“NLP”). NLP has been unable to convert the construction loan to permanent financing due to the borrower’s inability to complete the Development. Due to problems with the construction of stairwells the architect will not sign off on the completion of the Development and a picnic area has not been built.
- b) As of September 25, 2010 the Borrower owes \$562,944.30 of principal and \$12,103.30 of interest on the NLP note. The Borrower has drawn \$2,146,447 of the allocated HOME amount of \$2,496,000 to date. Per Federal HOME Regulations if the HOME affordability restrictions are lost through foreclosure action Florida Housing will have to reimburse the HOME funds already disbursed by Florida Housing for construction of the Development to HUD.
- c) Staff has received a proposal from NLP to sell the NLP note to Florida Housing for \$566,640.05. The price includes the principal amount, interest and legal fees and a discount of \$20,000.00 if the note is purchased by October 29, 2010. Purchase of the NLP note will stop the foreclosure and allow the HOME affordability to remain on the Development.

3. Recommendation

Allow Staff to proceed with the purchase of the NLP note to preserve the HOME affordability restrictions and Florida Housing’s investment in the Development and to allow time for Staff to restructure the debt to maintain the Development’s affordability.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

XI. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Credit Underwriting Report for Hannah House, Cycle XX (RFP 2008-01-07)

Development Name: Hannah House (“Development”)	Location: Hardee County
Developer/Principal: Alpha and Omega Freedom Ministries and Judd K. Roth Real Estate Development (“Developer”)	Set-Aside: 35.29% @ 40% AMI, 29.41% @ 50% AMI and 35.29% @ 60% AMI
Number of Units: 17	Allocated Amount: \$1,577,186
Type: Garden Style	Housing Credit Equity: N/A
Demographics: Homeless	MMRB: N/A

1. Background/Present Situation

- a) On April 11, 2008, Florida Housing Finance Corporation issued a request for proposal (RFP) for the development and substantial rehabilitation of housing for special needs populations.
- b) On August 8, 2008, the Board approved the final scores and ranking and directed staff to proceed with all necessary credit underwriting activities.
- c) On September 15, 2008, staff issued a preliminary commitment letter and invitation to enter credit underwriting for a SAIL loan in an amount up to \$1,700,000 for this 17-unit homeless development located in Hardee County.
- d) On October 13, 2010, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$1,577,186 ([Exhibit A](#)). Staff has reviewed this report and finds the development meets all of the requirements of RFP 2008-01 and 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.