

**FLORIDA HOUSING FINANCE CORPORATION**  
**Board Meeting**  
July 22, 2011  
Consent Items



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

*Consent*

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

**A. Request Approval to Exchange Green Building Options for Covington Club (2009-032CT)**

<b>Development Name: Covington Club – Phase I (“Development”)</b>	<b>Location: Seminole County</b>
<b>Developer/Principal: Atlantic Housing Partners, L.L.P. (“Developer”)</b>	<b>Set-Aside: 10% @ 33% AMI &amp; 70% @ 60% AMI</b>
<b>Number of Units: 94</b>	<b>Tax Credit Assistance Program: \$3,602,336</b>
<b>Type: Townhouses</b>	<b>Housing Credit Allocation: \$1,510,000</b>
<b>Demographics: Family</b>	<b>MMRB: N/A</b>

**1. Background/Present Situation**

- a) On August 12, 2010, a Tax Credit Assistance Program (TCAP) loan in the amount of \$3,602,336 closed for this 94 unit family development in Seminole County.
- b) On June 7, 2011, staff received a letter from the Developer ([Exhibit A](#)) requesting the following Green Building option exchange:

“Motion detectors on all outside lighting that is attached to the units”  
exchanged for “Energy star rating for all windows in each unit”
- c) With the proposed change, the Developer will remain committed to 10 Green Building items.
- d) On June 20, 2011, staff received a review from the credit underwriter with a positive recommendation for the proposed Green Building option exchange ([Exhibit B](#)).

**2. Recommendation**

Approve the requested change reflected above and direct staff to amend the applicable loan closing documents.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

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**B. Request Approval to Exchange Green Building Options for Hammock Harbor Apartments (2009-029CT)**

<b>Development Name: Hammock Harbor Apartments (“Development”)</b>	<b>Location: Brevard County</b>
<b>Developer/Principal: Atlantic Housing Partners, L.L.P. (“Developer”)</b>	<b>Set-Aside: 10% @ 33% AMI &amp; 80% @ 60% AMI</b>
<b>Number of Units: 122</b>	<b>Tax Credit Assistance Program: \$6,750,082</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 August 20, 2010, a Tax Credit Assistance Program (TCAP) loan in the amount of \$6,750,082 closed for this 122 unit family development in Brevard County.
- b) On June 7, 2011, staff received a letter from the Developer ([Exhibit C](#)) requesting the following Green Building option exchange:

“Motion detectors on all outside lighting that is attached to the units”  
exchanged for “Energy star rating for all windows in each unit”

- c) With the proposed change, the Developer will remain committed to 10 Green Building items.
- d) On June 7, 2011, staff received a review from the credit underwriter with a positive recommendation for the proposed Green Building option exchange ([Exhibit D](#)).

**2. Recommendation**

Approve the requested change reflected above and direct staff to amend the applicable loan closing documents.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Consent

C. Request Approval to Exchange Green Building Options for The Fountains at Falkenburg – Phase II (2009-028CT)

Development Name: The Fountains at Falkenburg - Phase II (“Development”)	Location: Hillsborough County
Developer/Principal: Atlantic Housing Partners, L.L.P. (“Developer”)	Set-Aside: 10% @ 35% AMI & 67% @ 60% AMI
Number of Units: 152	Tax Credit Assistance Program: \$6,484,100
Type: Garden Style	Housing Credit Allocation: \$2,110,000
Demographics: Elderly	HOME: \$115,900

1. Background/Present Situation

- a) On April 20, 2010, a Tax Credit Assistance Program (TCAP) loan in the amount of \$6,484,100, and a HOME Investment Partnership Program (HOME) loan in the amount of \$115,900 closed for this 152 unit elderly development in Hillsborough County.
- b) On June 8, 2011, staff received a letter from the Developer ([Exhibit E](#)) requesting the following Green Building option exchange:

“Motion detectors on all outside lighting that is attached to the units” exchanged for “Energy star rating for all windows in each unit”
- c) With the proposed change, the Developer will remain committed to 10 Green Building items.
- d) On June 9, 2011, staff received a review from the credit underwriter with a positive recommendation for the proposed Green Building option exchange ([Exhibit F](#)).

2. Recommendation

Approve the requested change reflected above and direct staff to amend the applicable loan closing documents.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Consent

D. Request Approval to Exchange Green Building Options for Beach Village at Palm Coast Apartments (2009-033CT)

Development Name: Beach Village at Palm Coast Apartments Phase I (“Development”)	Location: Flagler County
Developer/Principal: Atlantic Housing Partners, L.L.P. (“Developer”)	Set-Aside: 10% @ 35% AMI & 84% @ 60% AMI
Number of Units: 106	Tax Credit Assistance Program: \$7,286,034
Type: Garden Style	Housing Credit Allocation: \$1,070,000
Demographics: Family	HOME: \$115,900

1. Background/Present Situation

- a) On June 16, 2010, a Tax Credit Assistance Program (TCAP) loan in the amount of \$7,286,034, and a HOME Investment Partnership Program (HOME) loan in the amount of \$115,900 closed for this 106 unit family development in Flagler County.
- b) On June 7, 2011, staff received a letter from the Developer ([Exhibit G](#)) requesting the following Green Building option exchange:

“Motion detectors on all outside lighting that is attached to the units”  
exchanged for “Energy star rating for all windows in each unit”
- c) With the proposed change, the Developer will remain committed to 10 Green Building items.

2. Recommendation

Approve the requested change reflected above and direct staff to amend the applicable loan closing documents.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

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E. Request Approval to Exchange Energy Conservation and Green Building Options for Colton Meadow (f/k/a Paul Colton Villas) (2009-062CTX)

<b>Development Name: Colton Meadow (f/k/a Paul Colton Villas (“Development”))</b>	<b>Location: Polk County</b>
<b>Developer/Principal: Polk County Housing Developers, Inc. (“Developer”)</b>	<b>Set-Aside: 10% @ 40% AMI &amp; 90% @ 60% AMI</b>
<b>Number of Units: 72</b>	<b>Tax Credit Assistance Program: \$1,347,324</b>
<b>Type: Duplexes/Quadrplexes</b>	<b>Tax Credit Exchange Amount: \$10,050,213</b>
<b>Demographics: Family</b>	<b>HOME: \$115,900</b>

1. Background/Present Situation

- a) On April 28, 2010, a Tax Credit Assistance Program (TCAP) loan in the amount of \$1,347,324, a Tax Credit Exchange Program (TCEP) loan in the amount of \$10,050,213 and a HOME Investment Partnership Program (HOME) loan in the amount of \$115,900 closed for this 72 unit family development in Polk County.
- b) On June 22, 2011, staff received a letter from the Developer ([Exhibit I](#)) requesting the following Energy Conservation and Green Building option exchanges:
  - (1) “All windows single-pane with shading coefficient of .67 or better” (2 points) exchanged for “Double-pane glass on all windows” (2 points)
  - (2) “Toilets that have dual flush options which include 1.6 gallons of water or less” exchanged for “Florida Yards and Neighborhood certification on all landscaping”
- c) The proposed changes are of equal point value to the options originally chosen and the Developer will remain committed to 10 Green Building items.
- d) On July1, 2011, staff received a review from the credit underwriter with a positive recommendation for the proposed Energy Conservation and Green Building options exchange ([Exhibit J](#)).

2. Recommendation

Approve the requested changes reflected above and direct staff to amend the applicable loan closing documents.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

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F. Request Approval to Exchange Energy Conservation and Green Building Options for Bonnet Shores (2009-034CT)

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: \$3,819,255
Type: Duplexes/Triplexes	Housing Credit Allocation: \$1,262,150
Demographics: Family	HOME: \$131,028

1. Background/Present Situation

- a) On May 27, 2010, a Tax Credit Assistance Program (TCAP) loan in the amount of \$3,819,255 and a HOME Investment Partnership Program (HOME) loan in the amount of \$131,028 closed for this 75 unit family development in Polk County.
- b) On June 22, 2011, staff received a letter from the Developer ([Exhibit K](#)) requesting the following Energy Conservation and Green Building option exchanges:
  - (1) “All windows single-pane with shading coefficient of .67 or better” (2 points) exchanged for “Double-pane glass on all windows” (2 points)
  - (2) “Toilets that have dual flush options which include 1.6 gallons of water or less” exchanged for “Florida Yards and Neighborhood certification on all landscaping”
- c) The proposed changes are of equal point value to the options originally chosen and the Developer will remain committed to 10 Green Building items.
- d) On July 1, 2011, staff received a review from the credit underwriter with a positive recommendation for the proposed Energy Conservation and Green Building options exchange ([Exhibit L](#)).

2. Recommendation

Approve the requested changes reflected above and direct staff to amend the applicable loan closing documents.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

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G. Request Approval to Exchange Amenities for Panama Commons (2009-264XS)

Development Name: Panama Commons (“Development”)	Location: Bay County
Developer/Principal: The Paces Foundation, Inc. (“Developer”)	Set-Aside: 10% @ 40% AMI, 10% @ 50% AMI & 80% @ 60% AMI
Number of Units: 92	SAIL: \$1,892,544
Type: Garden Style	Tax Credit Exchange Program: \$10,837,500
Demographics: Family	MMRB: N/A

1. Background/Present Situation

- a) On August 17, 2010, a State Apartment Incentive Loan (SAIL) in the amount of \$1,892,544 and a Tax Credit Exchange Program (TCEP) loan in the amount of \$10,837,500 closed for this 92 unit family development in Bay County.
- b) On June 22, 2011, staff received a letter from the Developer ([Exhibit M](#)) requesting the following amenity exchange:
  - “Steel exterior entry door frames for all units” (1 point) exchanged for “Microwave oven in all units” (1 point)
- c) The proposed change is of equal point value to the amenity originally chosen in the application.
- d) On June 29, 2011, staff received a review from the credit underwriter with a positive recommendation for the proposed amenity exchange ([Exhibit N](#)).

2. Recommendation

Approve the requested change reflected above and direct staff to amend the applicable loan closing documents.



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

*Consent*

**H. Request Approval to Amend the Unit Mix for The Fountains at Pershing Park (2009-240C/2010-013CX/2011-024CX)**

<b>Development Name: The Fountains at Pershing Park (“Development”)</b>	<b>Location: Orange County</b>
<b>Developer/Principal: Southern Affordable Development, LLC (“Developer”)</b>	<b>Set-Aside: 10% @ 33% AMI, 79% @ 60% AMI and 11% market rate</b>
<b>Number of Units: 92</b>	<b>Housing Credit Amount: \$1,502,550</b>
<b>Type: Garden Apartments</b>	<b>Tax Credit Assistance Program: n/a</b>
<b>Demographics: Elderly</b>	<b>Tax Credit Exchange Amount: \$5,365,000.00</b>

**1. Background/Present Situation**

- a) On December 10, 2010, the Board approved the update to the Credit Underwriting Report recommending additional Tax Credit Exchange loan in the amount of \$765,000.00 for this 92-unit elderly development in Orange County.
- b) Florida Housing received a request from the Owner on May 12, 2011 to change the unit mix in the Extended Use Agreement ([Exhibit O](#)). The Applicant requests the following exchanges:
  - (1) Original unit mix:
    - (a) 46 1 bedroom/1 bath units @ 712 square feet
    - (b) 36 2 bedroom/2 bath units @ 988 square feet
    - (c) 10 3 bedroom/2 bath units @ 1,236 square feet
  - (2) Actual unit mix:
    - (a) 46 1 bedroom/1 bath units @ 651 square feet
    - (b) 37 2 bedroom/2 bath units @ 965 square feet
    - (c) 9 3 bedroom/2 bath units @ 1,116 square feet
- c) On June 9, 2011, staff received a review from the credit underwriter with a positive recommendation for the proposed changes ([Exhibit P](#)).
- d) The proposed change is of no point value.

**2. Recommendation**

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

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

*Consent*

**I. Request Approval to Exchange Amenities 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, 90% @ 60% AMI</b>
<b>Number of Units: 49</b>	<b>Housing Credit Amount: \$1,225,000.00</b>
<b>Type: Duplexes</b>	<b>Tax Credit Assistance Program: n/a</b>
<b>Demographics: Family</b>	<b>Tax Credit Exchange Amount: \$2,450,000.00</b>

**1. Background/Present Situation**

- a) On July 30, 2010, the Board approved the Credit Underwriting Report recommending a Tax Credit Exchange loan in the amount of \$2,450,000 for this 49-unit Family development in Monroe County.
- b) Florida Housing received a request from the Owner on May 19, 2011 to change the Amenities in the Extended Use Agreement ([Exhibit Q](#)). The Applicant requests the following exchanges:

“Laundry hook-ups and space for full-size washer and dryer inside each unit” (1 pt) exchanged for “Playground/tot lot accessible to children with disabilities (must be sized in proportion to Development’s size and expected resident population with age-appropriate equipment)” (2 pts)
- c) On June 27, 2011, staff received a review from the credit underwriter with a positive recommendation for the proposed changes ([Exhibit R](#)).
- d) The proposed change is of one point greater value to the amenities originally chosen in the application.

**2. Recommendation**

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

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

*Consent*

**J. Request Approval to Exchange Amenities for Howell Branch Cove (2009-247C/2010-014CX)**

<b>Development Name: Howell Branch Cove (“Development”)</b>	<b>Location: Seminole County</b>
<b>Developer/Principal: Atlantic Housing Partners, LLLP and Housing and Neighborhood Development Services of Central Florida, Inc. (“Developer”)</b>	<b>Set-Aside: 10% @ 33% AMI, 90% @ 60% AMI</b>
<b>Number of Units: 58</b>	<b>Housing Credit Amount: \$1,068,000.00</b>
<b>Type: Townhouses</b>	<b>Tax Credit Assistance Program: n/a</b>
<b>Demographics: Family</b>	<b>Tax Credit Exchange Amount: \$2,800,000.00</b>

**1. Background/Present Situation**

- a) On September 16, 2010, the Board approved the Credit Underwriting Report recommending a Tax Credit Exchange loan in the amount of \$2,800,000.00 for this 58-unit Family development in Seminole County.
- b) Florida Housing received a request from the Owner on June 8, 2011 to change the Amenities in the Extended Use Agreement ([Exhibit S](#)). The Applicant requests the following exchanges:
  - “Motion detectors on all outside lighting that is attached to the units” (1 pt) exchanged for “Energy star rating for all windows in each unit” (1 pt)
- c) On June 28, 2011, staff received a review from the credit underwriter with a positive recommendation for the proposed changes ([Exhibit T](#)).
- d) The proposed change is of equal value to the amenities originally chosen in the application.

**2. Recommendation**

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

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

*Consent*

**K. Request Approval to Exchange Amenities 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, LLLP (“Developer”)</b>	<b>Set-Aside: 20% @ 33% AMI, 50% @ 60% AMI, and 30% @ market rate</b>
<b>Number of Units: 130</b>	<b>Housing Credit Amount: \$1,510,000.00</b>
<b>Type: Garden Apartments</b>	<b>Tax Credit Assistance Program: n/a</b>
<b>Demographics: Family</b>	<b>Tax Credit Exchange Amount: \$6,105,000.00</b>

**1. Background/Present Situation**

- a) On December 10, 2010, the Board approved the update to the Credit Underwriting Report recommending a Tax Credit Exchange loan in the amount of \$6,105,000.00 for this 130-unit Family development in Osceola County.
- b) Florida Housing received a request from the Owner on June 8, 2011 to change the Amenities in the Extended Use Agreement ([Exhibit U](#)). The Applicant requests the following exchanges:
  - “Motion detectors on all outside lighting that is attached to the units” (1 pt) exchanged for “Energy star rating for all windows in each unit” (1 pt)
- c) On June 28, 2011, staff received a review from the credit underwriter with a positive recommendation for the proposed changes ([Exhibit V](#)).
- d) The proposed change is of equal value to the amenities originally chosen in the application.

**2. Recommendation**

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

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

*Consent*

**L. Request Approval to Exchange Amenities for The Fountains at Pershing Park (2009-240C/2010-013CX/2011-024CX)**

<b>Development Name: The Fountains at Pershing Park (“Development”)</b>	<b>Location: Orange County</b>
<b>Developer/Principal: Southern Affordable Development, LLC (“Developer”)</b>	<b>Set-Aside: 10% @ 33% AMI, 79% @ 60% AMI and 11% market rate</b>
<b>Number of Units: 92</b>	<b>Housing Credit Amount: \$1,502,550</b>
<b>Type: Garden Apartments</b>	<b>Tax Credit Assistance Program: n/a</b>
<b>Demographics: Elderly</b>	<b>Tax Credit Exchange Amount: \$5,365,000.00</b>

**1. Background/Present Situation**

- a) On December 10, 2010, the Board approved the update to the Credit Underwriting Report recommending additional Tax Credit Exchange loan in the amount of \$765,000.00 for this 92-unit elderly development in Orange County.
- b) Florida Housing received a request from the Owner on June 8, 2011 to change the Amenities in the Extended Use Agreement ([Exhibit W](#)). The Applicant requests the following exchanges:
  - “Motion detectors on all outside lighting that is attached to the units” (1 pt) exchanged for “Energy star rating for all windows in each unit” (1 pt)
- c) On June 28, 2011, staff received a review from the credit underwriter with a positive recommendation for the proposed changes ([Exhibit X](#)).
- d) The proposed change is of equal value to the amenities originally chosen in the application.

**2. Recommendation**

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

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Consent

M. Request Approval of Credit Underwriting Update Letter for Town Park Crossing (2009-255C/2010-038CX)

<b>Development Name: Town Park Crossing (“Development”)</b>	<b>Location: Broward County</b>
<b>Developer/Principal: Eastwind Development, LLC &amp; NuRock Development Group, Inc. (“Co-Developers”)</b>	<b>Set-Aside: 10% @ 28% AMI &amp; 90% @ 60% AMI</b>
<b>Number of Units: 100</b>	<b>Tax Credit Exchange Program: \$4,000,000</b>
<b>Type: Garden Style</b>	<b>Housing Credit Allocation: \$1,735,993</b>
<b>Demographics: Family</b>	<b>MMRB: N/A</b>

1. **Background/Present Situation**

- a) On November 30, 2010, a Tax Credit Exchange Program (TCEP) loan in the amount of \$4,000,000 closed for this 100 unit family development in Broward County. The TCEP loan was secured with a second mortgage.
- b) On July 7, 2011, staff received a credit underwriting update letter with a positive recommendation to allow an additional funding source, specifically Florida State Housing Initiative Partnership (SHIP) funds in the amount of \$119,450 from the Town of Davie ([Exhibit Y](#)). The SHIP funds will be used to partially reduce the required impact fees and assist in the payment of engineering and site permit fees. 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 closing of the SHIP funds and modification of existing TCEP closing documents.

## HOME RENTAL

### *Consent*

## II. HOME RENTAL

### A. Request Approval of HOME Credit Underwriting Report for Casa San Juan Bosco (2005-05-02)

<b>Development Name: Casa San Juan Bosco (“Development”)</b>	<b>Location: DeSoto County</b>
<b>Developer/Principal: Casa San Juan Bosco, Inc. (Principal)</b>	<b>Set-Aside: 20% @ 50% AMI /80% @ 60% AMI 53 HOME Units</b>
<b>Number of Units: 53</b>	<b>Allocated Amount: \$6,639,840</b>
<b>Type: Single Family /New Construction</b>	<b>Demographics: Migrant Farmworker</b>

#### 1. Background/Present Situation

- a) On January 20, 2006, the Board approved the Review Committee recommendation for the Migrant Farmworker Housing HOME RFP 2005-05 and directed staff to proceed with all necessary credit underwriting activities.
- b) On January 24, 2006, the Applicant signed a preliminary commitment letter and invitation to credit underwriting for a HOME loan in an amount up to \$6,639,840 for this 53 unit Migrant Farmworker Housing Development in DeSoto County.
- c) On December 5, 2005, the Applicant submitted a letter for a construction/permanent loan and grant from United States Department of Agriculture - Rural Development (USDA/RD) for 44 units on Phase II of the overall community; however, the loan was de-obligated February 6, 2009, remanded to mediation on April 30, 2009. A letter dated June 10, 2009 from RD stated that it was not able to authorize a proposal to proceed at that time. Litigation ensued and an Appeal was filed and a Pre-Hearing held in September 2009 after which RD rescinded its rejection letter. In 2010 the Applicant redesigned the community and began submitting new information for RD’s consideration for 53 units to be known as Phase I. An updated loan commitment from RD dated May 26, 2011 evidences the transfer of the first mortgage, grant allocation, and rental assistance contract to the new Phase I.
- d) On July 6, 2011, staff received a credit underwriting report with a positive recommendation for a HOME loan in the amount of \$6,233,838 ([Exhibit A](#)). Due to the restrictions imposed by the RD loan and HOME loan disallowing the payment of off-site costs, certain portions of the costs must be paid from Owner Equity resulting in an excess of sources. Therefore, the HOME loan has been reduced to \$6,233,838. Staff has reviewed this report and finds that the Development meets all of the requirements of HOME RFP 2005-05.

#### 2. Recommendation

Approve the final credit underwriting report and direct staff to proceed with issuance of a firm loan commitment and loan closing activities, subject to further conditions and approvals from the credit underwriter, legal counsel and the appropriate Florida Housing staff.

## HOUSING CREDITS

### *Consent*

### III. HOUSING CREDITS

#### A. Request Approval of Credit Underwriting Report for Parkview Gardens (2009-024C/2010-006C)

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Parkview Gardens APPLICATION # 2009-024C/2010-006C</b>
<b>DEVELOPER/PRINCIPAL (“Developer”):</b>	<b>Carrfour Supportive Housing, Inc. and Tacolcy Parkview Gardens, LLC</b>
<b>APPLICANT: (“Owner”)</b>	<b>Parkview Gardens, Ltd.</b>
<b>NUMBER OF UNITS:</b>	<b>60</b>
<b>LOCATION (“County”):</b>	<b>Miami-Dade County</b>
<b>TYPE:</b>	<b>New Construction</b>
<b>SET ASIDE:</b>	<b>10% @ 33% AMI &amp; 90% @ 60% AMI</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$1,162,430</b>

#### 1. Background/Present Situation

- a) On July 28, 2006, the Board approved the final scores and ranking for the 2006 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities. The applicant originally applied for Tax-Exempt Multifamily Mortgage Revenue Bonds (MMRB), a State Apartment Incentive Loan (SAIL), and non-competitive Housing Credits.
- b) On April 24, 2009, the Board approved the de-obligation of the Development’s SAIL funds per Emergency Rule Chapter 67ER09. The applicant subsequently withdrew their 2006 application for MMRB and non-competitive Housing Credits.
- c) On August 20, 2009, the Board approved the award list of the Request for Proposals (RFP) 2009-03 and directed staff to proceed with all necessary credit underwriting activities. The applicant applied for and was awarded 9% Housing Credits.
- d) On July 7, 2011, staff received a credit underwriting report with a positive recommendation for an allocation of 9% Housing Credits in the amount of \$1,162,430 ([Exhibit A](#)).
- e) The co-developer as listed in the original application is Tacolcy Economic Development Corporation (“Tacolcy”). The credit underwriting report supports a change in the co-developer to Tacolcy Parkview Gardens, LLC (“TPG”), a wholly owned subsidiary of Tacolcy.
- f) Staff has reviewed this report and finds that the Development meets all of the requirements of Rule Chapter 67-48, F.A.C.

#### 2. Recommendation

Approve the credit underwriting report and direct staff to proceed with the issuance of a 2011 Carryover Allocation Agreement.



## LEGAL

### Consent

#### IV. LEGAL

##### A. In Re: Westgate Plaza Apartments, Ltd. – FHFC Case No. 2011009VW

<b>Development Name: (“Development”):</b>	<b>Westgate Plaza Apartments</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Landmark Development Corp. and Palm Beach Housing Development, Inc.</b>
<b>Number of Units: 80</b>	<b>Location: Palm Beach County</b>
<b>Type: Mid-Rise with Elevator</b>	<b>Set Aside: 40% at or below 60% AMI</b>
<b>Demographics: Family</b>	<b>MMRB Bonds: n/a</b>
<b>Non-competitive HC \$529,334.</b>	<b>Supplemental ELI: n/a</b>

##### 1. Background

- a) Westgate Plaza Apartments, Ltd (“Petitioner”) is applying for 4% Non-Competitive Low Income Housing Tax Credits to finance, in part, the development and construction of the Westgate Plaza Apartments (the “Development”) in Palm Beach County, Florida.
- b) On June 10, 2011, Florida Housing received a “Petition for Waiver of Rule 67-48.027, F.A.C.” (“Petition”). A copy of the Petition is attached as [Exhibit A](#). The rule that Petitioner is actually seeking relief from is Rule 67-48.027(1)(m), F.A.C.
- c) Rule 67-48.027(1)(m), F.A.C, states in pertinent part:
- (1) Tax-Exempt Bond-Financed Developments, as defined in Section 42(h)(4)(B) of the IRC, which applied for 4 percent Housing Credits when applying for tax exempt bonds from the Corporation in calendar year 2000 or later shall:
- (m) After bonds are issued to the Development make Application to the Corporation as required in Rule 67-48.004 and 67-48.0072, F.A.C. Applicant shall submit its Application completed in accordance with the Universal Application Package instructions for receipt by the Corporation no later than July 1 of the year the Development is placed in service; and
- d) Petitioner requests a waiver of the Rule requiring that Applicants seeking 4 percent Non-Competitive Housing Credits from Florida Housing wait until after bonds are issued. Petitioner has received funding commitments from the Housing Finance Authority of Palm Beach County, Florida; equity from an investor limited partner, Wells Fargo Community Lending and Investment; and loan proceeds of NSP2 funds from Palm Beach County, Florida, as part of the County’s Neighborhood Rental Redevelopment Loan Program (“NRRLP”). However, Petitioner has been informed that it will be unable to close on the equity contribution, the bonds and the NSP2 Loan without first having undergone a full credit underwriting with respect to the allocation of Housing Credits to the Development; submitted an application to Florida Housing for the 4 percent credits; and received a favorable recommendation, on a preliminary

## LEGAL

### *Consent*

basis for such credits. Without a waiver, Petitioner will not be able to proceed with the loan closing.

e) On June 24, 2011, the Notice of Petition was published in the Florida Administrative Weekly in Volume 37, Number 25. To date, Florida Housing has not received any comments concerning the Petition.

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

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

g) Under these circumstances, strict application of the above Rule to this Petitioner would create a substantial hardship and violate the principals of fairness. Petitioner demonstrated that due to the time requirements imposed by the NSP2 loan and the closing deadline for the other funding sources, it would not be able to close on them without first obtaining the favorable recommendation from Florida Housing for an allocation of 4 percent credits. A waiver of the rule would allow Petitioner to proceed with its loan closing in a timely fashion. Moreover, Florida Housing in its proposed amendments to Rule 67-48.027, F.A.C., will remove the prohibition of Rule 67-48.027(1)(m) to allow other applicants the apply without first having closed on their bonds. Granting this request furthers Florida Housing's statutory mandate to provide safe, sanitary and affordable housing to the citizens of Florida.

## 2. Recommendation

Staff recommends the Board grant Petitioner's request for a waiver of Rule 67-48.027(1)(m), F.A.C., of the restriction of submitting an application by Petitioner to Florida Housing apply for 4 percent credits until after tax exempt bonds have been issued to the Development.

## MULTIFAMILY BONDS

### *Consent*

#### V. MULTIFAMILY BONDS

##### A. Request Approval to Allocate \$20,600,000 in Tax-Exempt, Private Activity Bond Allocation to the Developments

###### 1. Background

At the January 23, 2009 meeting, the Board authorized the Multifamily Mortgage Revenue Bond Program (“MMRB”) to conduct a supplemental application cycle.

###### 2. Present Situation

- a) The Developments are 2009 Supplemental MMRB Applications (the “Applications”), attached as [Exhibit A](#) to acquire and rehabilitate or construct new affordable developments in the Counties.
- b) The rules governing the 2009 Supplemental MMRB Application cycle require an application to achieve a perfect score of seventy (70) points in order to be funded. However, the rules further state: “If there is private activity bond allocation remaining after all eligible Applications are funded, then this allocation will be applied to the Corporation’s single-family bond program or otherwise used as directed by the Board.”
- c) The Applications for these Developments are only requesting MMRB and 4% non-competitive HC. These requests do not require any other Florida Housing funding. Staff believes that the public policy purpose served by obtaining these Developments as affordable for thirty (30) years far outweighs any failure to achieve a perfect score on the Applications.

###### 3. Recommendation

Approve the request to allocate \$20,600,000 in tax exempt, private activity bonds to 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*

#### B. Request Approval of the Recommendation of the Final Credit Underwriting Report for Captiva Cove Apartments

<b>Development Name: Captiva Cove Apartments (“Development”)</b>	<b>Location: Miami-Dade</b>
<b>Developer/Principal: Captiva Cove Associates, Ltd./Cornerstone Captiva Cove, LLC/CSG Development Services II, LLC/Jorge Lopez, individually/Stuart I. Meyers, individually/Leon J. Wolfe, individually/Mara S. Mades, individually (“Developer”, “Principal”, or “Owner”)</b>	<b>Set-Aside: 85% @ 60% AMI Multifamily Mortgage Revenue Bond Program</b>
<b>Funding Sources: Multifamily Mortgage Revenue Bond (“MMRB”)/HOME/Low Income Housing Tax Credits (“HC”)</b>	<b>Amounts: \$20,500,000 Tax-Exempt Bonds \$5,000,000 HOME Funds</b>
<b>Number of Units: 264</b>	<b>Type: Rental</b>
<b>ADDITIONAL COMMENTS: New Construction</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 \$7,600,000 in order to acquire and construct the Development. Subsequently, the Applicant requested an increase in the tax-exempt bond amount to \$20,500,000. The Applicant also submitted a response to RFP 2009-06 (“RFP”), and was awarded funding for a HOME loan in the amount of \$5,000,000.

#### 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) Funding sources:
  - (1) Stratford will be the Syndicator of the HC in the total amount of \$11,192,000, replacing Raymond James Tax Credit Funds, Inc., St. Petersburg, Florida, which was reflected as HC Syndicator for \$13,184,585 in Applicant’s RFP.
  - (2) Originally, CW Capital, L.L.C., FHA Credit Enhancement in the amount of \$27,000,000 was reflected in the Applicant’s RFP, however, JPChase will provide a Direct-Pay Letter of Credit to support the tax-exempt bond issue during the construction phase and Oak Grove Commercial Mortgage, LLC will provide Freddie Mac Credit Enhancement in the amount of \$17,300,000 during the permanent phase. Additionally, JPChase will purchase \$3,200,000 of Market-Rate tax-exempt bonds it calls a “Construction Bridge Loan.”
  - (3) The Development has been awarded a Broward County SHIP loan in the amount of \$959,240 instead of the \$959,640 inadvertently reflected in its Application.

## MULTIFAMILY BONDS

### *Consent*

- (4) Broward County has approved additional funding for Captiva Cove in the form of a \$445,000 HOME Loan.
  - (5) The City of Pompano Beach has approved a loan for \$2,000,000, consisting of \$950,000 in HOME/Community Development Block Grant funds and \$1,050,000 in Neighborhood Stabilization Program funds.
- c) Development costs:
- (1) The Applicant, on May 10, 2011, requested approval to decrease the number of units, from that reflected in its RFP as follows:
    - (a) From 184 Two-Bedroom/Two-Bath units to 132 Two-Bedroom/Two-Bath units
    - (b) From 104 Three-Bedroom/Two-Bath units to 60 Three-Bedroom/Two-Bath units
  - (2) Underwritten Development Costs at \$40,168,493 are \$9,643,511 lower than the \$49,812,004 in the Applicant's RFP. This change reflects the decrease in the number of units from 360 to 264.
- d) Other changes from the Application:
- (1) Ownership interests for Applicant have been revised subsequent to submission of the Application. The ownership interest of Jorge and Awilda Lopez, tenants by entireties, increased 7.5% (to 52.5%) and the ownership interest of M3 Assets, L.L.C., a business interest of Leon J. Wolfe, decreased 7.5% (to 10.0%). The ownership interests of the Stuart I. Meyers Family Partnership, Ltd. at 20.0% and the M.S. Mades Family Limited Partnership at 17.5% are unchanged.
  - (2) The Developer Entity changed from CSG Development Services, LLC, to CSG Development Services II, LLC. Ownership interests for CSG are the Stuart I. Meyers Family Partnership, Ltd. (20%), Jorge and Awilda Lopez, tenants by entireties (52.5%), M3 Assets, L.L.C. (10.0%), and the M.S. Mades Family Limited Partnership (17.5%).
  - (3) The General Contractor has changed from Cornerstone Group Construction, Inc., to CSG Construction, both of which are related entities.
- e) The above changes have no material impact on Seltzer's recommendations.
- f) A Final Credit Underwriting Report dated July 7, 2011 is attached as [Exhibit B](#).

## MULTIFAMILY BONDS

### *Consent*

#### 3. **Recommendation**

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated July 7, 2011, recommending that \$20,500,000 in tax exempt bonds and \$5,000,000 in HOME 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*

#### C. Request Approval of the Final Credit Underwriting Report for Hainlin Mills Apartments

<b>DEVELOPMENT NAME</b> (“Development”):	Hainlin Mills Apartments
<b>DEVELOPER/PRINCIPAL</b> (“Applicant”):	Hainlin Mills Preservation, LP/Hainlin Mills Preservation GP, LLC/Hainlin Mills Preservation GP II, LLC/ The Related Companies, LP
<b>NUMBER OF UNITS:</b>	144
<b>LOCATION (“County”):</b>	Miami-Dade
<b>TYPE (Rental, Homeownership):</b>	Rental/Family (Multifamily Mortgage Revenue Bond (“MMRB”)/State Apartment Incentive Loan (“SAIL”)/Low Income Housing Tax Credits (“HC”))
<b>SET ASIDE:</b>	85% @ 60% (MMRB) 20% @ 40% (HC) 80% @ 60% (HC) 20% @ 40% (SAIL) 100% Special Needs (SAIL)
<b>ALLOCATED AMOUNT:</b>	\$9,250,000 of Tax Exempt Bonds and \$1,564,000 SAIL Loan Extension
<b>ADDITIONAL COMMENTS: Acquisition/Rehabilitation with Extension of Existing SAIL Loan</b>	

#### 1. Background

Applicant submitted an Application (“Application”) on behalf of the proposed Development during the 2011 MMRB Supplemental Cycle. Applicant applied for tax-exempt bonds in the amount of \$9,250,000 in order to acquire and rehabilitate the Development. The Applicant also requested to extend the Development’s existing SAIL loan in the amount of \$1,564,000.

#### 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 total development costs have increased \$68,605 from the Application. This increase is the result of an increase in the required operating deficit reserve and increased cost to install smoke detectors in all bedrooms, as recommended in the Physical Needs Assessment.
- c) A Final Credit Underwriting Report dated July 7, 2011 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 July 7, 2011, recommending that \$9,250,000 in tax exempt bonds and \$1,564,000 in a SAIL loan extension 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*

#### D. Request Approval of the Recommendation of the Final Credit Underwriting Report for Hilltop Village Apartments

<b>DEVELOPMENT NAME (“Development”):</b>	Hilltop Village Apartments
<b>DEVELOPER/PRINCIPAL (“Applicant”):</b>	SP Hilltop Village LP/SP Hilltop Village GP, Inc./Southport Financial Services, Inc./J. David Page, individually
<b>NUMBER OF UNITS:</b>	200
<b>LOCATION (“County”):</b>	Duval
<b>TYPE (Rental, Homeownership):</b>	Rental/Family (Multifamily Mortgage Revenue Bond (“MMRB”)/Low Income Housing Tax Credits (“HC”))
<b>SET ASIDE:</b>	85% @ 60% (MMRB) 100% @ 60% (HC) 25% @ 40% (SAIL) 25% @ 45% (SAIL) 50% @ 50% (SAIL)
<b>ALLOCATED AMOUNT:</b>	\$6,190,000 of Tax Exempt Bonds and \$1,503,237 SAIL Loan Extension
<b>ADDITIONAL COMMENTS: Acquisition/Rehabilitation with Extension of Existing SAIL Loan</b>	

#### 1. Background

Applicant submitted an Application (“Application”) on behalf of the proposed Development during the 2011 MMRB Supplemental Cycle. Applicant applied for tax-exempt bonds in the amount of \$9,000,000 in order to acquire and rehabilitate the Development. The Applicant also requested to extend the Development’s existing SAIL loan in the amount of \$1,503,237.

#### 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 incorrectly identified twenty (20) existing buildings in the development. The project manual indicates fourteen (14) residential buildings.
- c) Applicant requested the following changes to the features and amenities committed to in the Application:
  - (1) From a shuffleboard court (2 points) to a basketball court (2 points).
  - (2) From a HVAC system with SEER rating of 16 (3 points) to a HVAC system with a SEER rating of 14 (1 point) and add a heat pump with a minimum HSPF of 8.5 (2 points). The Applicant requests the substitution of amenities as it has been determined that the initially requested HVAC system would not fit in the existing mechanical closets.



## MULTIFAMILY BONDS

### *Consent*

- d) The credit underwriter has stated that the above changes do not negatively impact their recommendations.
- e) A Final Credit Underwriting Report dated July 7, 2011 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 July 7, 2011, recommending that \$6,190,000 in tax exempt bonds 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

#### E. Request Approval of the Recommendation of the Final Credit Underwriting Report for Lincoln Fields Apartments

<b>DEVELOPMENT NAME</b> ("Development"):	Lincoln Fields Apartments
<b>DEVELOPER/PRINCIPAL</b> ("Applicant"):	SP Lincoln Fields LP/SP Lincoln Fields GP, Inc./Southport Financial Services, Inc./J. David Page, individually
<b>NUMBER OF UNITS:</b>	213
<b>LOCATION ("County"):</b>	Miami-Dade
<b>TYPE (Rental, Homeownership):</b>	Rental/Family (Multifamily Mortgage Revenue Bond ("MMRB")/Low Income Housing Tax Credits ("HC"))
<b>SET ASIDE:</b>	85% @ 60% (MMRB) 100% @ 60% (HC)
<b>ALLOCATED AMOUNT:</b>	\$12,950,000 of Tax Exempt Bonds
<b>ADDITIONAL COMMENTS:</b>	Acquisition/Rehabilitation

#### 1. Background

Applicant submitted an Application ("Application") on behalf of the proposed Development during the 2011 MMRB Supplemental Cycle. Applicant applied for tax-exempt bonds in the amount of \$12,750,000 in order to acquire and rehabilitate the Development. On May 19, 2011 the Developer requested an increase in the Application amount to \$12,950,000.

#### 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 total development costs are \$25,557,912, an increase of \$2,782,061 or approximately 12.2% since the Application. The primary reason for the increase is the scope of renovation work was revised and increased as contractor bids were received on the following items:
  - (1) Plumbing leaks were discovered in some bathrooms which required replacement of 100% of the subflooring and flooring in the bathrooms.
  - (2) Since the subflooring was being replaced, the Developer decided to replace rather than re-glaze all of the bathtubs.
  - (3) Since the bathtubs were being replaced, all the tub surrounds were replaced as well.
  - (4) Since the tub surrounds were being replaced, the Developer decided to fill in the bathroom windows in all units and add an exhaust fan (there was not an existing exhaust fan as ventilation came through the windows).

## MULTIFAMILY BONDS

### *Consent*

- c) Applicant requested the following changes to the features and amenities committed to in the Application:
- (1) From ceramic tile bathroom floors in all units (2 points) to double compartment kitchen sink in all units (1 point) and new full size range and oven in all units (1 point).
  - (2) From picnic area with hard cover permanent roof of a design compatible with the Development, open on all sides, containing at least three permanent picnic tables with benches and an adjoining permanent outdoor grill (1 point) and laundry facilities with full-size washers and dryers available in at least one common area on site (1 point) to exercise room with appropriate equipment (1 point). The Applicant requests the substitution of the lower scoring amenity as they inadvertently selected 13 points for that section of the Application when 12 points were required.
  - (3) From air conditioning with a minimum SEER rating of 16 or better (3 points) and attic insulation of R-30 or better (1 point) to air conditioning with a minimum SEER rating of 14 or better (1 point) and wall insulation of R-10 or better (2 points). The Applicant requests the substitution of the lower scoring amenities as they inadvertently selected 8 points for that section of the Application when 7 points were required.
- d) The credit underwriter has stated that the above changes do not negatively impact their recommendations.
- e) A Final Credit Underwriting Report dated July 7, 2011 is attached as [Exhibit E](#).

### 3. **Recommendation**

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated July 7, 2011, recommending that \$12,950,000 in tax exempt bonds 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*

**F. Request Approval of the Request for Consent to Transfer Ownership Interest in Iona Lakes Apartments**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Iona Lakes Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Applicant”):</b>	<b>Agape Iona Lakes, Inc./Iona Lakes Acquisition Corporation</b>
<b>NUMBER OF UNITS:</b>	<b>350</b>
<b>LOCATION (“County”):</b>	<b>Lee</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental/Family (Multifamily Mortgage Revenue Bond (“MMRB”)/Low Income Housing Tax Credits (“HC”))</b>
<b>SET ASIDE:</b>	<b>30% @ 80% (MMRB) 60% @ 150% (MMRB) 100% @ 60% (HC)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$17,155,000 of Tax Exempt Bonds</b>
<b>ADDITIONAL COMMENTS: Transfer of Ownership</b>	

**1. Background**

- a) Florida Housing financed the construction of the above referenced Development in 1985 with \$17,400,000 in tax exempt bonds designated as 1985 Series Y.
- b) Florida Housing refunded the Development in 1989 with \$17,155,000 in tax exempt bonds designated as 1989 Series D.
- c) Florida Housing refunded the Development in 2000 with \$17,155,000 in tax exempt bonds designated as 2000 Series B.

**2. Present Situation**

- a) Iona Lakes Acquisition Corporation, the current owner of the Development, in a letter dated December 16, 2010, attached as [Exhibit F](#), requested the consent of Florida Housing in connection with the proposed transfer of ownership interest to Agape Iona Lakes, Inc.
- b) The Credit Underwriter has reviewed the request and by letter, dated June 28, 2011, and attached as [Exhibit G](#), 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

### G. 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

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>Captiva Cove Apartments</b>	<b>Miami-Dade</b>	<b>264</b>	<b>Negotiated</b>	<b>RBC Capital Markets</b>
<b>East Lake Apartments</b>	<b>Broward</b>	<b>128</b>	<b>Negotiated</b>	<b>RBC Capital Markets</b>
<b>Hainlin Mills</b>	<b>Miami-Dade</b>	<b>144</b>	<b>Negotiated</b>	<b>RBC Capital Markets</b>
<b>Hilltop Village</b>	<b>Duval</b>	<b>200</b>	<b>Negotiated</b>	<b>RBC Capital Markets</b>
<b>Lincoln Fields</b>	<b>Miami-Dade</b>	<b>213</b>	<b>Negotiated</b>	<b>RBC Capital Markets</b>

# MULTIFAMILY BONDS

## *Consent*

### H. 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 H](#).

<b>Development Name</b>	<b>Location of Development</b>	<b>Number of Units</b>	<b>Method of Bond Sale</b>
<b>Captiva Cove Apartments</b>	<b>Miami-Dade</b>	<b>264</b>	<b>Negotiated</b>
<b>East Lake Apartments</b>	<b>Broward</b>	<b>128</b>	<b>Negotiated</b>
<b>Hainlin Mills</b>	<b>Miami-Dade</b>	<b>144</b>	<b>Negotiated</b>
<b>Hilltop Village</b>	<b>Duval</b>	<b>200</b>	<b>Negotiated</b>
<b>Lincoln Fields</b>	<b>Miami-Dade</b>	<b>213</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.

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

*Consent*

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

**A. Request for Approval of Credit Underwriting Letter for Preserve at Oslo (f/k/a Woods at Vero Beach) (RFP 2010-16-28)**

<b>Development Name (“Development”):</b>	<b>Preserve at Oslo (f/k/a Woods at Vero Beach)</b>
<b>Developer/Principal (“Applicant”):</b>	<b>Creative Choice Homes XVI, Ltd.</b>
<b>Number of Units:</b>	<b>176</b>
<b>Location (“County”):</b>	<b>Indian River</b>
<b>Type (Rental, Homeownership):</b>	<b>Rental/Family (MMRB, Guarantee, HC and SMI)</b>
<b>Set-Aside:</b>	<b>50% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)</b>
<b>Allocated Funding Amounts:</b>	<b>MMRB 1999 Series N1 &amp; N2 \$7,665,000 Tax-Exempt Bonds and \$125,000 Taxable Bonds \$602,633 Housing Credits \$381,155 Subordinate Mortgage Initiative  (“SMP”)</b>
<b>SAIL ELI Funding Amount under RFP 2010-16 not to exceed:</b>	<b>\$675,000</b>

**1. Background/Present Situation**

- a) At its July 30, 2010 meeting, the Board approved the issuance of a Request for Proposal (RFP) to award Extremely Low Income (ELI) funding (almost \$28.5 million) and remaining State Apartment Incentive Loan (SAIL) funding (just over \$23.3 million) through an RFP process to existing Florida Housing developments, giving preference to developments in the Guarantee Fund portfolio, to “buy down” the Area Median Income (AMI) set-aside for units targeted to 60% AMI so that they will be set-aside for ELI households.
- b) On November 19, 2010, Florida Housing staff issued RFP 2010-16 to award SAIL ELI funding to applicants who commit to provide set-aside units for ELI Households. The deadline for receipt of Responses was Friday, December 3, 2010.
- c) On December 10, 2010, the Board approved the award list of RFP 2010-16 and directed staff to proceed with all necessary credit underwriting activities.
- d) On December 22, 2010, staff issued preliminary commitments and invitations to credit underwriting to the awardees.
- e) On January 21, 2011, the Board approved the final credit underwriting letters for the awardees who accepted the preliminary commitment and invitation to credit underwriting, and directed Staff to proceed with the issuance of firm loan commitments and loan closing activities.

## STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

### *Consent*

- f) Subsequently, some applicants returned their awards. Any unused SAIL ELI funds along with the returned awards were re-allocated in accordance with the guidelines of RFP 2010-16.
- g) On April 6, 2011, staff issued a preliminary commitment and an invitation to enter credit underwriting to Preserve at Oslo for SAIL Funding under RFP 2010-16 for units set-aside for ELI Households.
- h) On June 30, 2011, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI Loan in the amount of \$675,000 ([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 2010-16.

### 2. **Recommendation**

Approve the credit underwriting letter 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 for Approval of Credit Underwriting Letter for Vista Palms (f/k/a Andros Isle) (RFP 2010-16-26)**

<b>Development Name (“Development”):</b>	<b>Vista Palms (f/k/a Andros Isle)</b>
<b>Developer/Principal (“Applicant”):</b>	<b>Creative Choice Homes XI, Ltd.</b>
<b>Number of Units:</b>	<b>229</b>
<b>Location (“County”):</b>	<b>Lee</b>
<b>Type (Rental, Homeownership):</b>	<b>Rental/Family (Guarantee, SAIL and HC)</b>
<b>Set-Aside:</b>	<b>8.33% @ 30% AMI (SAIL) 91.67 @ 60% AMI (SAIL) 100% @ 60% AMI (HC)</b>
<b>Allocated Funding Amounts:</b>	<b>\$10,700,000 Lee County Housing Finance Authority Bonds \$2,000,000 SAIL \$577,947 Housing Credits \$491,271 Subordinate Mortgage Initiative (“SMP”)</b>
<b>SAIL ELI Funding Amount under RFP 2010-16 not to exceed:</b>	<b>\$3,450,000</b>

**1. Background/Present Situation**

- a) At its July 30, 2010 meeting, the Board approved the issuance of a Request for Proposal (RFP) to award Extremely Low Income (ELI) funding (almost \$28.5 million) and remaining State Apartment Incentive Loan (SAIL) funding (just over \$23.3 million) through an RFP process to existing Florida Housing developments, giving preference to developments in the Guarantee Fund portfolio, to “buy down” the Area Median Income (AMI) set-aside for units targeted to 60% AMI so that they will be set-aside for ELI households.
- b) On November 19, 2010, Florida Housing staff issued RFP 2010-16 to award SAIL ELI funding to applicants who commit to provide set-aside units for ELI Households. The deadline for receipt of Responses was Friday, December 3, 2010.
- c) On December 10, 2010, the Board approved the award list of RFP 2010-16 and directed staff to proceed with all necessary credit underwriting activities.
- d) On December 22, 2010, staff issued preliminary commitments and invitations to credit underwriting to the awardees.
- e) On January 21, 2011, the Board approved the final credit underwriting letters for the awardees who accepted the preliminary commitment and invitation to credit underwriting, and directed Staff to proceed with the issuance of firm loan commitments and loan closing activities.
- f) Subsequently, some applicants returned their awards. Any unused SAIL ELI funds along with the returned awards were re-allocated in accordance with the guidelines of RFP 2010-16.

## STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

### *Consent*

- g) On April 6, 2011, staff issued a preliminary commitment and an invitation to enter credit underwriting to Vista Palms for SAIL Funding under RFP 2010-16 for units set-aside for ELI Households.
- h) On June 30, 2011, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI Loan in the amount of \$3,450,000 ([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 2010-16.

### 2. **Recommendation**

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

## SPECIAL ASSETS

### *Consent*

#### VII. SPECIAL ASSETS

- A. Request Approval of the Extension of the SAIL Loan for Creative Choice Homes VII, Ltd., a Florida Limited Partnership for Coral Gardens (93HRR-010/94L-160)

<b>Development Name: Coral Gardens (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal: Creative Choice/Creative Choice Homes VII, Ltd (“Borrower”)</b>	<b>Set-Aside: SAIL 100 % @ 50% AMI; HC 20% @ 40% and 80% @ 60% LURA: 33 years; EUA 30 years</b>
<b>Number of Units: 91</b>	<b>Allocated Amount: SAIL \$1,330,000, HC \$413,820</b>
<b>Demographics: Family</b>	<b>Servicer: Seltzer Management Group</b>

1. **Background**

During the 1993 SAIL/HRR Application Cycle, Florida Housing awarded a \$1,330,000 SAIL/HRR construction/permanent loan to Creative Choice Homes VII, Ltd., a Florida limited partnership (“Developer”), for the acquisition and rehabilitation of a 91-unit development in Miami-Dade County. The SAIL loan closed on September 7, 1994 and matures on December 1, 2011.

2. **Present Situation**

By correspondence dated June 14, 2011, the Borrower has requested a one-year extension of the SAIL loan and the affordability period to give them sufficient time to refinance the development.

3. **Recommendation**

Approve the extension of the SAIL loan, at its current terms, for one year and extend the LURA by 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 Orange Oakridge Park Associates Phase II L.P., Ltd., a Florida Limited Partnership for Ridge Club II (94S-019/95L-031)**

<b>Development Name: Ridge Club II</b> <b>("Development")</b>	<b>Location: Orange County</b>
<b>Developer/Principal: CED ("Developer")</b> <b>Orange Oakridge Associates Phase II L.P.,</b> <b>Ltd. ("Borrower")</b>	<b>Set-Aside: SAIL 99% @ 60% AMI,</b> <b>HC 100% @ 60% AMI</b> <b>LURA: 30 years; EUA: 50 years</b>
<b>Number of Units: 156</b>	<b>Allocated Amount: SAIL - \$300,000</b>
<b>Demographics: Family</b>	<b>Housing Credits: \$793,851</b>

**1. Background**

During the 1993-1994 SAIL Cycle VI, Florida Housing awarded a \$300,000 construction/permanent loan to Orange Oakridge Park Associates Phase II L.P., Ltd., a Florida Limited Partnership ("Borrower"), for the development of a 156-unit development in Orange County. The SAIL loan closed on March 8, 1995 and matured on June 30, 2011. The Development also received a 1995 allocation of low-income housing tax credits of \$793,851. The Development was placed in service in September 1995.

**2. Present Situation**

The Borrower has requested approval to extend the SAIL loan, at its current terms, to June 30, 2012. The Borrower expects to close on refinancing of the Development in the next few months and use the refinancing proceeds to pay-off the SAIL loan. This additional time is needed to allow for refinancing of the development. The Borrower has agreed to an extension of the LURA term equal to the loan extension.

**3. Recommendation**

Approve the extension of the SAIL loan, at its current terms, for one year 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 Refinancing and Transfer of the Development, and the Assumption, Renegotiation, and Subordination of the SAIL Loan for Hainlin Mills Apartments Associates, Ltd., a Florida Limited Partnership for Hainlin Mills (93-HRR-015/94L-068/95L-001)**

<b>Development Name: Hainlin Mills (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal: Related Group (“Developer”)</b>	<b>Set-Aside: SAIL &amp; HC: 20% @ 40%, 80% @ 60% AMI; LURA 31 years; EUA 30 years</b>
<b>Number of Units: 144</b>	<b>Allocated Amount: SAIL \$1,564,000</b>
<b>Demographics: Family 80% &amp; Special Needs 20%</b>	<b>Housing Credits: \$835,124</b>

1. **Background**

During the 1993 SAIL Cycle, Florida Housing awarded a \$1,564,000 construction/permanent loan to Hainlin Mills Apartments Associates Ltd., a Florida limited partnership (“Borrower”), for the development of a 144-unit apartment complex in Miami-Dade County. The SAIL loan closed on November 30, 1994, and will mature on December 31, 2011. The Development also received an allocation of low-income housing tax credits of \$835,124.

2. **Present Situation**

- a) The Borrower requests approval for the refinancing of the first mortgage using FHFC tax-exempt bonds, transfer of ownership of the Development, assumption and renegotiation of the terms of the SAIL loan, and subordination of the SAIL loan to the new first mortgage. The Borrower requests the SAIL loan term be extended to 30.5 years at 3% interest with payment based on cash flow upon payment of all accrued interest on the existing note. The affordability period in the LURA will be extended for an additional 30 years.
- b) Staff received a credit underwriting report providing a positive recommendation. The credit underwriting report is further addressed in the MMRB section.

3. **Recommendation**

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

## SPECIAL ASSETS

### *Consent*

**D. Request Approval of the Refinancing and Transfer of the Development, and the Assumption, Renegotiation, and Subordination of the SAIL Loan for HTV Associates, LP, a Florida Limited Partnership for Hilltop Village (96S-050/96L-017)**

<b>Development Name: Hilltop Village (“Development”)</b>	<b>Location: Duval County</b>
<b>Developer/Principal: Landex Corporation (original developer); Southport Financial Services, Inc. (Acquiring developer) (“Developer”)</b>	<b>Set-Aside: SAIL &amp; HC: 25% @ 40%, 25% @ 45%, 50% @ 50% AMI; LURA 50 years; EUA 50 years</b>
<b>Number of Units: 200</b>	<b>Allocated Amount: SAIL \$1,503,237</b>
<b>Demographics: Family</b>	<b>Housing Credits: \$1,029,648.00</b>

**1. Background**

During the 1996 SAIL Cycle, Florida Housing awarded a \$1,503,237 construction/permanent loan to HTV Associates, LP, a Florida limited partnership (“Borrower”), for the development of a 200-unit apartment complex in Duval County. The SAIL loan closed on May 29, 1996, and will mature on June 30, 2012. The Development also received an allocation of low-income housing tax credits of \$1,029,648.00.

**2. Present Situation**

- a) The Borrower requests approval for the refinancing of the first mortgage using FHFC tax-exempt bonds, transfer of ownership of the Development, assumption and renegotiation of the terms of the SAIL loan, and subordination of the SAIL loan to the new first mortgage. The Borrower requests the SAIL loan terms be restructured to 1% interest with full amortization of interest and principal over a 35 year term upon payment of all accrued interest on the existing note. The affordability period in the LURA will be extended to 50 years.
- b) Staff received a credit underwriting report providing a positive recommendation. The credit underwriting report is further addressed in the MMRB section.

**3. Recommendation**

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

## SPECIAL ASSETS

### *Consent*

**E. Request Approval to Refinance the First Mortgage for Florida Low Income Housing Associates, Inc., a Florida Limited Partnership for Heron Woods (2000-005H)**

<b>Development Name: Heron Woods (“Development”)</b>	<b>Location: Citrus County</b>
<b>Developer/Principal: Florida Low Income Housing Associates, Inc. (“Developer”)</b>	<b>Set-Aside: HOME: 20% @ 50%, 80% @ 60% AMI; LURA 50 years</b>
<b>Number of Units: 50</b>	<b>Allocated Amount: HOME \$3,250,000</b>
<b>Demographics: Family</b>	<b>Housing Credits: NA</b>

**1. Background**

During the 2000 HOME Cycle, Florida Housing awarded a \$3,250,000 construction/permanent loan to Florida Low Income Housing Associates, Inc., a Florida limited partnership (“Borrower”), for the development of 50 single family rental homes in Duval County. The HOME loan closed on April 17, 2001, and will mature on April 17, 2021.

**2. Present Situation**

- a) The Borrower requests consent from the Board to refinance the existing first mortgage and subordinate the HOME loan to the new first mortgage.
- b) On July 7, 2011, staff received a credit underwriting report ([Exhibit A](#)) from First Housing Development Corporation providing a positive recommendation for the new financing.

**3. Recommendation**

Approve the refinancing of the first mortgage and subordination of the HOME loan to the new first mortgage subject to the conditions outlined in the credit underwriter’s report and verification of the required HOME pay down amount per Rule 67-48 all subject to further approvals and verifications by the credit underwriter, legal counsel and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities.