

**FLORIDA HOUSING FINANCE CORPORATION**  
**Board Meeting**  
June 10, 2011  
Consent Items



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

*Consent*

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

**A. Request Approval to Exchange Amenities for The Beacon f/k/a Metro Apartments (2009-058X)**

<b>Development Name: The Beacon f/k/a Metro Apartments (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal: Ark Development/Overtown I, LLC (“Developer”)</b>	<b>Set-Aside: 10% @ 33% AMI, 90% @ 60% AMI</b>
<b>Number of Units: 90</b>	<b>Housing Credit Amount: n/a</b>
<b>Type: High-Rise</b>	<b>Tax Credit Assistance Program: n/a</b>
<b>Demographics: Family</b>	<b>Tax Credit Exchange Amount: \$20,655,000.00</b>

**1. Background/Present Situation**

- a) On March 17, 2010, the Board approved the Credit Underwriting Report recommending a Tax Credit Exchange loan in the amount of \$20,655,000 for this 90-unit family development in Miami-Dade County.
- b) Florida Housing received a request from the Owner on March 31, 2011 to change the Amenities in the Extended Use Agreement ([Exhibit A](#)). The Applicant requests the following exchanges:

“Car care area” (1 pt) exchanged for “Outside recreation facility: Domino court” (2 pts)
- c) On April 12, 2011, staff received a review from the credit underwriter with a positive recommendation for the proposed changes ([Exhibit B](#)).
- d) The proposed change is of greater point 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*

**B. Request Approval to Exchange Amenities for East Village fka Ehlinger Apartments (2009-146C/2010-045CX)**

<b>Development Name: East Village fka Ehlinger Apartments (“Development”)</b>	<b>Location: Broward County</b>
<b>Developer/Principal: BBC and Ehlinger Apartments Development, LLC (“Developer”)</b>	<b>Set-Aside: 10% @ 28% AMI, 90% @ 60% AMI</b>
<b>Number of Units: 155</b>	<b>Housing Credit Amount: \$2,526,000</b>
<b>Type: Garden Apartments</b>	<b>Tax Credit Assistance Program: n/a</b>
<b>Demographics: Family</b>	<b>Tax Credit Exchange Amount: \$6,275,000.00</b>

**1. Background/Present Situation**

- a) On September 16, 2010, the Board approved the Credit Underwriting Report recommending a Tax Credit Exchange Program loan in the amount of \$5,000,000.00 which is equivalent to an annual housing credit allocation of \$588,235.00, and an annual Housing Credit Allocation of \$2,526,000.00 for this 155-unit family development in Broward County. On December 10, 2010, the Board approved the updated Credit Underwriting Report update recommending additional Tax Credit Exchange Program funding in the amount of \$1,275,000.
- b) Florida Housing received a request from the Owner on April 22, 2011 to change the Amenities in the Extended Use Agreement ([Exhibit C](#)). The Applicant requests the following exchanges:
  - “Outside recreation facility: Bocce Ball Court” (2 pt) exchanged for “Outside recreation facility: Swimming pool” (2 pts)
- c) On April 25, 2011, staff received a review from the credit underwriter with a positive recommendation for the proposed changes ([Exhibit D](#)).
- d) The proposed change is of equal point 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

C. Request Approval to Exchange Amenities for Sutton Place Apartments (2009-043CTX)

Development Name: Sutton Place Apartments (“Development”)	Location: Marion County
Developer/Principal: American Community Developers, Inc. (“Developer”)	Set-Aside: 10% @ 40% AMI & 90% @ 60% AMI
Number of Units: 130	Tax Credit Assistance Program: \$1,040,000
Type: Garden Style	Tax Credit Exchange Program: \$9,252,114
Demographics: Family	MMRB: N/A

1. Background/Present Situation

- a) On September 2, 2010, a Tax Credit Assistance Program (TCAP) loan in the amount of \$1,040,000 and a Tax Credit Exchange Program (TCEP) loan in the amount of \$9,252,114 closed for this 130 unit family development in Marion County.
- b) On February 28, 2011, staff received a letter from the Developer ([Exhibit E](#)) requesting the following amenity exchanges:
  - (1) “Gas water heater with energy factor of 0.61 or better” (1 point) exchanged for “Tankless gas water heater” (2 points)
  - (2) “Wall insulation of R-7 or better for masonry/concrete block construction” (1 point) exchanged for “Heat pump with a minimum HSPF of 8.5 instead of electric resistance” (2 points)
- c) The proposed changes are of greater point value than the amenities originally chosen.
- d) On March 21, 2011, staff received a review from the credit underwriter with a positive recommendation for the proposed exchange of amenities ([Exhibit F](#)).

2. Recommendation

Approve the requested changes reflected above and direct staff to proceed with amending the Land Use Restriction Agreement and Extended Low Income Housing Agreement.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Consent

D. Request Approval to Exchange Amenities for Oakdale Apartments (2009-048CTX)

<b>Development Name: Oakdale Apartments (“Development”)</b>	<b>Location: Walton County</b>
<b>Developer/Principal: Royal American Development, Inc. (“Developer”)</b>	<b>Set-Aside: 10% @ 40% AMI &amp; 90% @ 60% AMI</b>
<b>Number of Units: 48</b>	<b>Tax Credit Assistance Program: \$1,316,391</b>
<b>Type: Garden Style</b>	<b>Tax Credit Exchange Program: \$5,511,392</b>
<b>Demographics: Family</b>	<b>MMRB: N/A</b>

1. Background/Present Situation

- a) On November 15, 2010, a Tax Credit Assistance Program (TCAP) loan in the amount of \$1,316,391 and a Tax Credit Exchange Program (TCEP) loan in the amount of \$5,511,392 closed for this 48 unit family development in Walton County.
- b) On March 16, 2011, staff received a letter from the Developer ([Exhibit G](#)) requesting the following amenity exchange:
 

“Wall insulation of a minimum of R-13 for frame built construction ” (1 point) exchanged for “Wall insulation of R-10 or better for masonry/concrete block construction” (2 points)
- c) The proposed change is of greater point value than the amenity originally chosen.
- d) On April 1, 2011, staff received a review from the credit underwriter with a positive recommendation for the proposed amenity exchange ([Exhibit H](#)).

2. Recommendation

Approve the requested change reflected above and direct staff to proceed with amending the Land Use Restriction Agreement and Extended Low Income Housing Agreement.

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

*Consent*

**E. Request Approval to Exchange Amenities for Covington Club – Phase I (2009-032CT)**

<b>Development Name: Covington Club – Phase I (“Development”)</b>	<b>Location: Seminole County</b>
<b>Developer/Principal: Atlantic Housing Partners, L.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 March 9, 2011, staff received a letter from the Developer ([Exhibit I](#)) requesting the following amenity exchange:

“Gas water heater with energy factor of 0.61 or better” (1 point)  
exchanged for “Electric water heater with energy factor of 0.93 or better” (1 point)

- c) The proposed change is of equal point value to the amenity originally chosen in the application.
- d) On April 12, 2011, staff received a review from the credit underwriter with a positive recommendation for the proposed amenity exchange ([Exhibit J](#)).

**2. Recommendation**

Approve the requested change reflected above and direct staff to amend the Land Use Restriction Agreement and Extended Low Income Housing Agreement.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Consent

F. Request Approval to Exchange Amenities for Hammock Harbor Apartments (2009-029CT)

Development Name: Hammock Harbor Apartments (“Development”)	Location: Brevard County
Developer/Principal: Atlantic Housing Partners, L.L.L.P. (“Developer”)	Set-Aside: 10% @ 33% AMI & 80% @ 60% AMI
Number of Units: 122	Tax Credit Assistance Program: \$6,750,082
Type: Garden Style	Housing Credit Allocation: \$1,510,000
Demographics: Family	MMRB: N/A

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 March 9, 2011, staff received a letter from the Developer ([Exhibit K](#)) requesting the following amenity exchange:

“Gas water heater with energy factor of 0.61 or better” (1 point)  
exchanged for “Electric water heater with energy factor of 0.93 or better” (1 point)

- c) The proposed change is of equal point value to the amenity originally chosen in the application.
- d) On April 11, 2011, staff received a review from the credit underwriter with a positive recommendation for the proposed amenity exchange ([Exhibit L](#)).

2. Recommendation

Approve the requested change reflected above and direct staff to amend the Land Use Restriction Agreement and Extended Low Income Housing Agreement.

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

*Consent*

**G. Request Approval to Exchange Amenities for Northwest Gardens I fka Alan Apartments (2009-057X)**

<b>Development Name: Northwest Gardens I fka Alan Apartments (“Development”)</b>	<b>Location: Broward County</b>
<b>Developer/Principal: Northwest Properties I Development, LLC and Northwest Properties GP, Inc. (“Developer”)</b>	<b>Set-Aside: 20% @ 28% AMI, 80% @ 60% AMI</b>
<b>Number of Units: 143</b>	<b>Housing Credit Amount: n/a</b>
<b>Type: Garden Apartments</b>	<b>Tax Credit Assistance Program: n/a</b>
<b>Demographics: Elderly/Preservation</b>	<b>Tax Credit Exchange Amount: \$18,232,500.00</b>

**1. Background/Present Situation**

- a) On March 17, 2010, the Board approved the Credit Underwriting Report recommending a Tax Credit Exchange loan in the amount of \$18,232,500 for this 143-unit Elderly development in Broward County.
- b) Florida Housing received a request from the Owner on May11, 2011 to change the Amenities in the Extended Use Agreement ([Exhibit M](#)). The Applicant requests the following exchanges:
  - “Outdoor recreation facility: Bocce ball court” (2 pt) exchanged for “Outside recreation facility: Community gardens” (2 pts)
- c) On May 26, 2011, staff received a review from the credit underwriter with a positive recommendation for the proposed changes ([Exhibit N](#)).
- d) The proposed change is of equal point 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.

# HOME RENTAL

## *Consent*

### II. HOME RENTAL

#### A. Request Approval to Exchange Amenities for Everglades Farmworker Village (RFP 2005-05-03)

<b>Development Name: Everglades Farmworker Village (“Development”)</b>	<b>Location: Miami Dade County</b>
<b>Developer/Principal: Everglades Community Association, Inc. (Principal)</b>	<b>Set-Aside: 20% @ 50% AMI /80% @ 60% AMI 30 HOME Units</b>
<b>Number of Units: 30</b>	<b>Allocated Amount: \$1,030,665</b>
<b>Type: Townhouse /New Construction</b>	<b>Demographics: Migrant Farmworkers</b>

#### 1. Background/Present Situation

- a) On January 29, 2010, a HOME loan closed in the amount of \$1,030,665 for this 30 unit Migrant Farmworker Housing development in Miami-Dade County.
- b) On April 29, 2011, staff received a letter from the Borrower ([Exhibit A](#)) requesting an amenity exchange; “pantry in eighteen (18) two bedroom units” (2 points) exchanged for “ceramic bathroom floors” (2 points). The proposed change is of equal point value to the amenity originally chosen.
- c) On May 24, 2011, staff received a review from the credit underwriter with a positive recommendation for the exchange of amenities ([Exhibit B](#)).

#### 2. Recommendation

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

## HOUSING CREDITS

### *Consent*

### III. HOUSING CREDITS

#### A. Request Approval to Exchange Resident Activities for Royal Palms Senior Apartments/2005-126C/2008-007C

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Royal Palms Senior Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Developer”):</b>	<b>Beneficial Communities, LLC</b>
<b>APPLICANT: (“Owner”)</b>	<b>Royal Palms Senior Apartments Limited Partnership</b>
<b>NUMBER OF UNITS:</b>	<b>96</b>
<b>LOCATION (“County”):</b>	<b>Brevard County</b>
<b>TYPE:</b>	<b>New Construction</b>
<b>SET ASIDE:</b>	<b>48% @ 50% AMI &amp; 52% @ 60% AMI</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$990,147.00</b>

#### 1. Background/Present Situation

- a) Royal Palms Senior Apartments is a Competitive Housing Credit, New Construction Development providing 96 set-aside units in Brevard County, Florida. Florida Housing issued an allocation of \$990,147 in Housing Credits in August of 2009.
- b) Florida Housing received a request from the Owner on March 9, 2011 to change the amenities in the Extended Use Agreement ([Exhibit A](#)). The Applicant requests the following exchanges:

“Manager on-call 24 hours per day” (2 pts.) exchanged for “Private transportation” (3 pt.)
- c) 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.

## HOUSING CREDITS

### *Consent*

#### B. Request Approval to Exchange Amenities for Oaks at Stone Fountain / 2005-125C

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Oaks at Stone Fountain</b>
<b>DEVELOPER/PRINCIPAL (“Developer”):</b>	<b>Beneficial Communities, LLC</b>
<b>APPLICANT: (“Owner”)</b>	<b>Oaks at Stone Fountain Limited Partnership</b>
<b>NUMBER OF UNITS:</b>	<b>80</b>
<b>LOCATION (“County”):</b>	<b>Hillsborough County</b>
<b>TYPE:</b>	<b>New Construction</b>
<b>SET ASIDE:</b>	<b>48% @ 50% AMI &amp; 52% @ 60% AMI</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$876,458.00</b>

#### 1. Background/Present Situation

- a) Oaks at Stone Fountain is a Competitive Housing Credit, New Construction Development providing 80 set-aside units in Hillsborough County, Florida. Florida Housing issued an allocation of \$876,458 in Housing Credits in March of 2009.
- b) Florida Housing received a request from the Owner on March 7, 2011 to change the Extended Use Agreement Exhibit B ([Exhibit B](#)). The Applicant requests the following exchanges:
  - (1) “80 Garden Style Units in 6 buildings” change to state “64 Garden units and 16 townhomes in 6 buildings.”
  - (2) “Gated community with “carded” entry or security guard, or if 2 or more stories, “carded” secure entry to building” change to state “Gated community with “carded entry, security guard, or “numerical code”, or if 2 or more stories, “carded” or “numerical code” secure entry to building”
- c) The proposed changes are of equal point 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.

## LEGAL

### Consent

#### IV. LEGAL

##### A. In Re: Winchester Gardens, LP – FHFC Case No. 2011008VW

<b>Development Name: (“Development”):</b>	<b>Winchester Gardens Apartments</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Winchester Garden Ltd.</b>
<b>Number of Units: 117</b>	<b>Location: Miami-Dade County</b>
<b>Type: Garden</b>	<b>Set Aside: 40 %@ or below 60 % AMI</b>
<b>Demographics: Family</b>	<b>Allocated Amount: \$1,450,000 (HOME)</b>
<b>MMRB: N/A</b>	<b>Housing Credits: \$2,638,767</b>

##### 1. Background

- a) In 1995, Florida Housing awarded a HOME loan in the amount of \$1,450,000.00 and an allocation of Low Income Housing Tax Credits in the amount of \$2,638,767 to Winchester Garden, Ltd. (“Winchester”) under the HOME Investment Partnership Program (Disaster Relief) to finance the acquisition and rehabilitation of Winchester Gardens Apartments, a 117 unit multi-family rental apartment (the “Development”) located in Miami-Dade County.
- b) Winchester Gardens Preservation LP, (“Petitioner”) has contracted with Winchester to purchase the Development from Winchester. Funding for the acquisition is to be comprised of equity raised through anticipated syndication of tax credits allocated to Petitioner, \$6,500,000 in first mortgage tax exempt bond financing funding through Florida Housing’s New Issue Bond Program (“NIBP”), and assumption of the HOME loan.
- c) Oak Grove Capital (“Oak Grove”) is the underwriter for the Freddie Mac Bond Credit Enhancement, in connection with the issuance of the bonds under the NIBP.
- d) On May 18, 2011, Florida Housing received a “Petition for Waiver of Rules 9I-40.100(2)(a) and (3), F.A.C.” (“Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit A](#).
- e) Rule 9I-40.100(2)(a), Fla. Admin. Code (1994) states in pertinent part:
  - (2) The annual interest rate will be determined by the type of applicant as follows:
    - (a) For all Rental Projects:
      1. All for-profit applicants will receive a three percent interest rate loan for their project.
      2. All non-profit applicants will receive a zero percent interest rate loan for their project.

## LEGAL

### *Consent*

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

- f) Rule 9I-40.100(3), Fla. Admin. Code (1994) states in pertinent part:
  - (3) The loans shall be non-amortizing and repayment of principal shall be deferred until maturity. Interest payments, where applicable, on the mortgage will be due to the servicer on the thirtieth day of each June, of each year.
- g) Petitioner requests a waiver to the above provisions. Specifically, Petitioner is requesting that the interest rate of 2.7% per annum that it is currently being charged be modified to an annual 3.0% interest only payments on the HOME loan to be made from Development Cash Flow in accordance with RFP 2009-06.
- h) On May 27, 2010, Notice of the Petitions was published in Volume 37, Number 21, of the Florida Administrative Weekly.
- i) To date, Florida Housing has received no comments concerning the Petition.

## 2. Present Situation

- a) Petitioner states that the waiver is necessary because Oak Grove notified Petitioner that without modification of the terms of the existing HOME loan, to allow debt service payments be made subject to Development Cash Flow, the Development will be unable to support the amount of senior debt needed to acquire and rehabilitate it in a financially feasible manner. The requested waiver will provide Petitioner with similar terms and conditions available to developers receiving new HOME loans under Florida Housing's RFP 2009-06. Petitioner demonstrated that strict application of the above Rule under these circumstances would cause substantial hardship to Petitioner, in that it will not be able to complete the sale of the Development to Petitioner, 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:
  - 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.

## **LEGAL**

### ***Consent***

#### **3. Recommendation**

Staff recommends that the Board grant Petitioner's requested waiver from the requirements of Rule 9I-40.100(2)(a) and (3), Fla. Admin. Code to the following extent: the interest rate is 3.00% per annum interest only payments on the HOME loan subject to Development Cash Flow, in accordance to the terms of RFP 2009-06.

## MULTIFAMILY BONDS

### *Consent*

#### V. MULTIFAMILY BONDS

##### A. Request Approval to Allocate \$37,950,000 in Tax-Exempt, Private Activity Bond Allocation to the Developments

###### 1. Background

At the January 23, 2009 meeting, the Board authorized the MMRB Program 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 \$37,950,000 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 Final Credit Underwriting Report for Sand Dunes Apartments

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Sand Dunes Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Applicant”):</b>	<b>Sand Dunes Redevelopment, Ltd/SCG Development Co. LLC/Royal American Development, Inc.</b>
<b>NUMBER OF UNITS:</b>	<b>104</b>
<b>LOCATION (“County”):</b>	<b>Bay</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental/Family (MMRB, HOME and HC)</b>
<b>SET ASIDE:</b>	<b>85% @ 60% (MMRB) 100% @ 60% (HC) 20% @ 50% (HOME) 80% @ 60% (HOME)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$7,540,000 of Tax Exempt Bonds and \$1,625,942 HOME Loan</b>
<b>ADDITIONAL COMMENTS: Acquisition/Rehabilitation</b>	

#### 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 \$7,540,000 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 \$1,625,942.

#### 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 reflected an MMRB loan in the amount of \$7,750,000 and a HOME loan request of \$2,579,980. During credit underwriting the amount of the MMRB loan was reduced to \$7,540,000 and the response to RFP 2009-06 revised the HOME loan amount to \$1,625,942.
- c) The Application reflects SCG Development Company, LLC as a co-general partner and Stratford Interim Housing, LLC as the 99.99% limited partner. Subsequent to Application submission, the Applicant changed the co-general partner entity to SCG Sand Dunes, LLC and the limited partner entity to Stratford Sand Dunes Investors (99.98%) and added Stratford SLP, Inc. as a .01% special limited partner.
- d) The Application indicated fifteen (15) residential buildings and all dwelling units within the development containing one bathroom. The actual number of residential buildings is twenty-one (21) and all three bedroom units have two bathrooms (24 units).
- e) A Final Credit Underwriting Report dated May 26, 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 May 26, 2011, recommending that \$7,540,000 in tax exempt bonds and a \$1,625,942 HOME loan 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 Winchester Gardens Apartments

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Winchester Gardens Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Applicant”):</b>	<b>Winchester Gardens Preservation, LP/Winchester Gardens Preservation GP, LLC/Winchester Gardens Preservation GP II. LLC/ The Related Companies, LLC</b>
<b>NUMBER OF UNITS:</b>	<b>117</b>
<b>LOCATION (“County”):</b>	<b>Miami-Dade</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental/Family (MMRB, HOME and HC)</b>
<b>SET ASIDE:</b>	<b>85% @ 60% (MMRB) 40% @ 50% (HC) 60% @ 60% (HC) 40% @ 50% (HOME)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$6,500,000 of Tax Exempt Bonds and \$1,450,000 HOME Loan Extension</b>
<b>ADDITIONAL COMMENTS: Acquisition/Rehabilitation with Extension of Existing HOME Loan</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 \$6,500,000 in order to construct the Development. The Applicant also requested an extension of the Development’s existing HOME loan in the amount of \$1,450,000.

#### 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 \$107,413 from the Application. This increase is the result of additional storm drain and sewer line repair, additional tub replacement, vinyl floor replacement at rehabilitation and carpet replacement at time of individual unit turnover, as recommended in the physical needs assessment.
- c) A Final Credit Underwriting Report dated April 18, 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 April 18, 2011, recommending that \$6,500,000 in tax exempt bonds be issued and \$1,450,000 in a HOME loan extension be procured 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 Request for Consent to Substitute the General Partner Interest and Approval of New Management Agent in Deer Meadow Apartments**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Deer Meadow Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Applicant”):</b>	<b>Deer Meadows, Inc./Marcliff Montgomery Inc./MG CAPREIT LLC/MG CAPREIT Guilford LLC</b>
<b>NUMBER OF UNITS:</b>	<b>200</b>
<b>LOCATION (“County”):</b>	<b>Duval</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental/Family (MMRB and HC)</b>
<b>SET ASIDE:</b>	<b>50% @ 60% (MMRB) 100% @ 60% (HC)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$7,405,000 of Tax Exempt Bonds</b>
<b>ADDITIONAL COMMENTS: Substitute a General Partnership Interest and Approval of New Management Agent</b>	

**1. Background**

Florida Housing financed the construction of the above referenced Development in 1999 with \$8,640,000 in tax exempt bonds designated as 1999 Series R.

**2. Present Situation**

- a) Marcliff Montgomery Inc. and CAPREIT Residential, in a letter dated April 11, 2011, attached as [Exhibit D](#), requested the consent of Florida Housing to the proposed substitution of a general partner (from Deer Meadow Inc. to Marcliff Montgomery Inc.) and a new management agent (from WRH Reality Company to CAPREIT Residential Management).
- b) The Credit Underwriter has reviewed the request and by letter, dated May 26, 2011, attached as [Exhibit E](#), recommends that Florida Housing approve the request.

**3. Recommendation**

That the Board approve the request for consent to substitute a General Partnership Interest and to approve a new management agent in 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*

#### E. Request Approval of the Bond and HOME LURA Amendments for BCC Apartments

<b>DEVELOPMENT NAME (“Development”):</b>	<b>BCC Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Applicant”):</b>	<b>SP BCC LP,/SP BCC GP, Inc./ Southport Financial Services, Inc./J. David Page, individually</b>
<b>NUMBER OF UNITS:</b>	<b>103</b>
<b>LOCATION (“County”):</b>	<b>Miami-Dade</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental/Elderly (MMRB,HOME and HC)</b>
<b>SET ASIDE:</b>	<b>20% @ 50% (MMRB) 65% @ 60% (MMRB) 21% @ 60% (HOME) 79% @ 65% (HOME) 20% @ 50% (HC) 80% @ 60% (HC)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$6,100,000 of Tax Exempt Bonds and \$1,136,319 HOME Loan</b>
<b>ADDITIONAL COMMENTS: LURA Amendments</b>	

#### 1. Background

Florida Housing financed the construction of the above referenced Development in 2010 with \$6,100,000 in tax-exempt bonds designated as 2009 Series F and a HOME loan in the amount of 1,136,319.

#### 2. Present Situation

- a) The Developer, in a letter dated March 16, 2011, attached as [Exhibit F](#), requested an amendment of the LURA to substitute garbage disposals in each unit for marble window sills in each unit. Both amenities receive one point when scoring the Application. The change is requested by the Developer as the elimination of a double compartment kitchen sinks including a garbage disposal will provide more space for drawers which would be more efficient for the tenants.
- b) The Credit Underwriter has reviewed the request and by letter, dated April 11, 2011, attached as [Exhibit G](#), 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

**F. Request Approval of the Bond and HOME LURA Amendments for Vista 400 Apartments f/k/a Methodist Place Apartments**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Vista 400 Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Applicant”):</b>	<b>SP Three, Ltd./Sage Investment Company/SP Three Holdings, Inc./Sage Partners Investment Company/Debra F. Koehler/Todd S. Turner, individually</b>
<b>NUMBER OF UNITS:</b>	<b>200</b>
<b>LOCATION (“County”):</b>	<b>Hillsborough</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental/Elderly (MMRB,HOME and HC)</b>
<b>SET ASIDE:</b>	<b>85% @ 60% (MMRB) 20% @ 50% (HOME) 80% @ 60% (HOME) 100% @ 60% (HC)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$9,250,000 of Tax Exempt Bonds and \$3,923,000 HOME Loan</b>
<b>ADDITIONAL COMMENTS: LURA Amendments</b>	

**1. Background**

- a) Florida Housing financed the construction of the above referenced Development as Methodist Place in 2010 with \$9,250,000 in tax-exempt bonds designated as 2009 Series A-1 and A-2 and a HOME loan in the amount of 3,923,000.
- b) Florida Housing staff approved a change in the name of the Development from Methodist Place to Vista 400 on March 31, 2011.

**2. Present Situation**

- a) The Developer, in a letter dated March 22, 2011, attached as [Exhibit H](#), requested an amendment of the LURA to substitute Energy Star certified refrigerators and dishwashers in each unit with wall insulation with a minimum of R-10. Both amenities receive one point when scoring the Application. The change is requested by the Developer as plumbing systems in the Development were not engineered to provide for dishwashers.
- b) The Credit Underwriter has reviewed the request and by letter, dated April 11, 2011, 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. Assignment of Bond Underwriters and Structuring Agents**

#### **1. Background**

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

#### **2. Present Situation**

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

#### **3. Recommendation**

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

<b>Development Name</b>	<b>Location of Development</b>	<b>Number of Units</b>	<b>Method of Bond Sale</b>	<b>Recommended Professional</b>
<b>Groves of Delray II</b>	<b>Palm Beach</b>	<b>158</b>	<b>Negotiated</b>	<b>RBC Capital Markets, Inc.</b>
<b>Kings Terrace</b>	<b>Miami-Dade</b>	<b>300</b>	<b>Negotiated</b>	<b>Stern Brothers &amp; Company</b>
<b>Winchester Gardens</b>	<b>Miami-Dade</b>	<b>117</b>	<b>Negotiated</b>	<b>RBC Capital Markets, Inc.</b>
<b>Sand Dunes</b>	<b>Bay</b>	<b>104</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 J](#).

<b>Development Name</b>	<b>Location of Development</b>	<b>Number of Units</b>	<b>Method of Bond Sale</b>
<b>Groves of Delray II</b>	<b>Palm Beach</b>	<b>158</b>	<b>Negotiated</b>
<b>Kings Terrace</b>	<b>Miami-Dade</b>	<b>300</b>	<b>Negotiated</b>
<b>Winchester Gardens</b>	<b>Miami-Dade</b>	<b>117</b>	<b>Negotiated</b>
<b>Sand Dunes</b>	<b>Bay</b>	<b>104</b>	<b>Negotiated</b>

#### 2. Recommendation

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

**PUBLIC HOUSING MITIGATION INITIATIVE (PHMI)**

*Consent*

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

**A. Request Approval of Credit Underwriting Report for Tarpon Springs Housing Authority (RFP 2009-07-12)**

<b>Public Housing Authority (“PHA”):</b>	<b>Tarpon Springs Housing Authority</b>
<b>Location:</b>	<b>Pinellas County</b>
<b>Number of Units ≥ 30 Years Old:</b>	<b>175</b>
<b>Grant Amount:</b>	<b>\$109,168</b>

**1. Background/Present Situation**

- a) On November 13, 2009, Florida Housing Finance Corporation issued a request for proposal (RFP) for the Public Housing Mitigation Initiative to assist in the preservation and rehabilitation of dwellings which are 30 years or older under control by Public Housing Authorities.
- b) On January 22, 2010, the Board approved the final scores and ranking and directed staff to proceed with all necessary credit underwriting activities.
- c) On February 5, 2010, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Public Housing Mitigation Initiative funds in the amount of \$109,168 to Tarpon Springs Housing Authority.
- d) On April 14, 2011 , staff received a credit underwriting report with a positive recommendation for a Public Housing Mitigation Initiative grant in the amount of \$109,168 ([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.

**PREDEVELOPMENT LOAN PROGRAM (PLP)**

*Consent*

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

**A. Request Approval of Revised Development Plan and One Year Loan Maturity Extension for MBCDC: The London, LLC, a Not-for-Profit Entity for The London Apartments (PLP 05-123)**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>The London Apartments</b>
<b>APPLICANT/DEVELOPER (“Developer”):</b>	<b>MBCDC: The London, LLC., a not-for-profit entity</b>
<b>CO-DEVELOPER (“Co-Developer”)</b>	<b>N/A</b>
<b>NUMBER OF UNITS:</b>	<b>31</b>
<b>LOCATION (“County”):</b>	<b>Miami-Dade County</b>
<b>TYPE:</b>	<b>Rental</b>
<b>SET ASIDE:</b>	<b>60% @ or below 60% AMI</b>
<b>PLP LOAN AMOUNT:</b>	<b>\$500,000</b>
<b>ADDITIONAL COMMENTS:</b>	

**1. Background**

On May 28, 2008, the Developer closed on a PLP Loan in the amount of \$500,000. To date, the Developer has drawn \$292,269.16 for eligible predevelopment expenses.

**2. Present Situation**

- a) On April 8, 2011, Florida Housing received a revised development plan and budget from the technical assistance provider (TAP) including a recommendation for a one year loan maturity extension ([Exhibit A](#)) as requested by the Developer ([Exhibit B](#)). The attached development plan and budget provide the detail of the requested changes including a reduction in the number of units from 31 to 30. The unit reduction is due to the State’s Historic Preservation Office (SHPO) limiting the number of units to 30, stating the proposed plans required to accommodate 31 units would alter the historic character of the building. As a result, the project was reconfigured and the new 30-unit plan was approved by SHPO in January 2011.
- b) Generally, when the number of units is reduced, the PLP loan is reduced proportionally. However, in this case, the required decrease of one unit has created a change in the design of the project which has resulted in increased costs in certain budget line items, including: architect’s fees, engineering & testing, insurance, permits/fees, and surveys. Other line items (appraisal, closing costs, consultant, environmental, exterminating, market study, property taxes, title insurance, and underwriting) have been reduced to maintain the overall PLP budget at \$500,000.
- c) Staff has reviewed the request and believes that the request is reasonable in order to allow the Developer to complete the development and repay the PLP Loan.

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

### *Consent*

#### **3. Recommendation**

Approve the requested revised development plan and budget including a reduction in the number of units from 31 to 30 and a one year loan maturity extension from May 29, 2011, to May 29, 2012, and allow staff to proceed with loan amendment activities.

## PREDEVELOPMENT LOAN PROGRAM (PLP)

### *Consent*

**B. Request Approval of Credit Underwriting Report for Ability Oakland, LLC, a not-for-profit entity, for Oakland Terrace Apartments (2010-006P-09)**

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

**1. Background**

- a) On May 28, 2010, Florida Housing received a PLP Application from the Applicant for Oakland Terrace Apartments an existing development built in 1973 that is proposed for preservation. The Development is located in Duval County.
- b) On June 15, 2010, Florida Housing issued an Invitation to Participate in the PLP to Ability Oakland, LLC, a not-for-profit organization.
- c) On July 30, 2010, the Board approved a PLP loan in the amount of \$750,000. Included in the loan was \$358,250 requested for the acquisition of the property. Under requirements of the PLP program rule, this portion is subject to a positive recommendation from the assigned credit underwriter.

**2. Present Situation**

- a) Although the developer was originally approved for \$358,250 for the acquisition financing from the total PLP loan, during the credit underwriting process, the overall purchase price of the property was reduced to \$254,135. The developer subsequently reduced their request for PLP funds for acquisition to \$200,135. Additionally, two existing mortgages will be assumed as part of the acquisition of the property. The credit underwriter has recommended that the PLP loan be placed in a third lien position. By rule, this subordinate lien position must be approved by the Board.
- b) The \$104,115 reduction in the line item for land acquisition financing has been reallocated to cover other eligible pre-development expenses. Therefore, the overall PLP loan remains at \$750,000.
- c) The credit underwriter has issued a positive recommendation subject to the conditions outlined in the report ([Exhibit C](#)) for the acquisition portion of the PLP loan.

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

### *Consent*

#### **3. Recommendation**

Approve the Credit Underwriter's recommendation and authorize staff to proceed with loan closing activities on the site acquisition portion of the PLP Loan in the amount of \$200,135 for Oakland Terrace Apartments and amend loan documents for the non-site acquisition portion of the PLP loan which will be placed in a third lien position.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Consent*

#### VIII. PROFESSIONAL SERVICES SELECTION (PSS)

##### A. Auditing Services Contract Renewal

###### 1. Background

- a) At its September 2008 meeting, the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with Ernst & Young LLP to provide Auditing Services.
- b) The initial three (3) year term of the contract began on November 14, 2008. Contingent upon the auditing firm satisfactorily performing its obligations under the contract as determined by Florida Housing, the contract may be renewed once for a three (3) year term.

###### 2. Present Situation

Florida Housing staff supports a renewal to extend the term of the contract for three years as provided for by the contract. The extension will cover audits of years 2011, 2012, and 2013.

###### 3. Recommendation

Staff believes that it is in the best interests of Florida Housing to continue to retain Ernst & Young LLP as auditors pursuant to the existing contract and recommends the Board direct staff to proceed with the contract renewal.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Consent*

#### **B. Structuring Agent Services Contract Renewal**

##### **1. Background**

At its August 2008 meeting the Board authorized Florida Housing staff to enter into contract negotiations with Morgan Keegan, Stern Brothers & Co., RBC Capital Markets Corporation and Raymond James to provide Structuring Agent services.

##### **2. Present Situation**

- a) The initial term of the contracts began in August 2008 for a three year term and expires in August of 2011. Contingent upon the Structuring Agents satisfactorily performing their obligations under the contract as determined by Florida Housing, the contracts may be renewed twice. Each renewal shall be for an additional one (1) year period.
- b) Florida Housing staff supports a renewal to extend the term of the contract for the initial one-year period for all four firms: Morgan Keegan, Stern Brothers & Co., RBC Capital Markets Corporation and Raymond James.

##### **3. Recommendation**

Staff believes that it is in the best interests of Florida Housing to continue to retain the structuring agents and recommends the Board direct staff to proceed with the initial contract renewal.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Consent*

#### C. Environmental Engineers Contract Renewal

##### 1. Background

- a) At its June 2008 meeting, the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with ARCADIS U.S., Inc. f/k/a Malcolm Pirnie, Genesis Group, Florida Planning Group and Professional Services Industries to provide Environmental Engineering Services.
- b) The initial term of the contracts began in July 2008 for a three year term and expires in July of 2011. Contingent upon Environmental Engineers satisfactorily performing their obligations under the contract as determined by Florida Housing, the contracts may be renewed twice. Each renewal shall be for an additional one (1) year period.

##### 2. Present Situation

Florida Housing staff supports a renewal to extend the term of the contract for the initial one-year period for all four firms currently under contract.

##### 3. Recommendation

Staff believes that it is in the best interests of Florida Housing to continue to retain the environmental engineers and recommends the Board direct staff to proceed with the initial contract renewal.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Consent*

#### **D. Specialty Promotional Printing Services Contract Renewal**

##### **1. Background**

In June 2006 Florida Housing entered into contracts for Specialty Promotional Printing Services with the following entities: Awards 4U, Bowman Promotional Specialties, CorpLogoWare and Office Depot. Florida Housing renewed the contracts for the initial one-year renewal in 2010 with Awards 4U, Bowman Promotional Specialties and Office Depot. CorpLogoWare did not respond to the request for the renewal of the contract. Specialty Promotional Printing Services are for items such as pens, calculators, paper clip holders, etc.

##### **2. Present Situation**

Florida Housing Florida Housing requires the services of the specialty promotional printing companies and would like to renew the contracts for the final one-year renewal.

##### **3. Recommendation**

Florida Housing requests permission to enter into the final one-year renewal for the specialty promotional printing contracts with Awards 4U, Bowman Promotional Specialties, and Office Depot.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Consent*

#### **E. Financial Advisor Services Contract Renewal**

##### **1. Background**

- a) At its July 2007 meeting, the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with Tibor Partners, Inc. to provide Financial Advisor Services.
- b) The initial three (3) year term of the contract began on August 23, 2007. Contingent upon the Financial Advisor firm satisfactorily performing its obligations under the contract as determined by Florida Housing, the contract may be renewed twice. Florida Housing renewed the contract for its initial one-year term in August of 2010. Each renewal shall be for an additional one (1) year period.

##### **2. Present Situation**

Florida Housing staff supports a renewal to extend the term of the contract for the final one-year period.

##### **3. Recommendation**

Staff believes that it is in the best interests of Florida Housing to continue to retain Tibor Partners, Inc. as a Financial Advisor pursuant to the existing contract and recommends the Board direct staff to proceed with the final contract renewal.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Consent*

#### **F. Bond Counsel Contract Renewal**

##### **1. Background**

- a) At its July 2007 meeting, the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with Hawkins, Delafield & Wood LLP, Kutak Rock LLP, Bryant Miller Olive, P.A., and Greenberg Traurig, P.A. to provide Bond Counsel Services.
- b) The initial term of the contracts began in August of 2007 for a three year term and expired at the end of August 2010. Contingent upon Bond Counsel satisfactorily performing its obligations under the contract as determined by Florida Housing, the contracts may be renewed twice. Each renewal shall be for an additional one (1) year period. Florida Housing extended the contracts for the initial one-year period in June of 2010.

##### **2. Present Situation**

Florida Housing staff supports a renewal to extend the term of the contract for the final one-year period.

##### **3. Recommendation**

Staff believes that it is in the best interests of Florida Housing to continue to retain the current bond counsel and recommends the Board direct staff to proceed with the final contract renewal.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Consent*

#### **G. Affordable Housing Catalyst Program Renewal of Contract**

##### **1. Background**

The Affordable Housing Catalyst Program provides training and technical assistance to local governments, non-profits and community based organizations on state and federal housing programs including SHIP and the Hardest Hit Fund.

##### **2. Present Situation**

- a) The term of the Affordable Housing Catalyst Program contract between Florida Housing and the current service provider, the Florida Housing Coalition, expires June 30, 2011. The contract allows for two one-year renewals.
- b) The technical assistance and training provided through the Catalyst program is critical to the success of the SHIP program as it allows local government staffs to access professional guidance in managing all aspects of their local SHIP programs. Catalyst is also used to provide technical assistance for other housing programs and to advise non-profit developers on various aspects of the affordable housing industry.
- c) Staff is requesting permission to renew the Affordable Housing Catalyst Program contract for the initial one-year period to expire on June 30, 2012.

##### **3. Recommendation**

Staff recommends that the Board authorize staff to enter into a contract renewal for the initial one-year period with the Florida Housing Coalition for the provision of Catalyst Program training and technical assistance services.

## SPECIAL ASSETS

### *Consent*

#### IX. SPECIAL ASSETS

- A. Request Approval of the Extension of the SAIL Loan for Ellenton Housing Associates, Ltd., a Florida Limited Partnership for Oaks at Ellenton (96S-028/94L-077)

<b>Development Name: Oaks at Ellenton (“Development”)</b>	<b>Location: Manatee County</b>
<b>Developer/Principal: Cornerstone Group (“Developer”) Ellenton Housing Associates, Ltd (“Borrower”)</b>	<b>Set-Aside: SAIL &amp; HC 20% @ 40% &amp; 80% @ 60% AMI LURA: 50 years; EUA: 50 years</b>
<b>Number of Units: 168</b>	<b>Allocated Amount: SAIL - \$1,020,000</b>
<b>Demographics: Farmworker/Family</b>	<b>Housing Credits: \$982,449</b>

#### 1. Background

- a) During the 1995-1996 SAIL Cycle VIII, Florida Housing awarded a \$1,020,000 construction/permanent loan to Ellenton Housing Associates, Ltd., a Florida limited partnership (“Borrower”), for the development of a 168-unit development in Manatee County. The SAIL loan closed on October 25, 1995 and matured on May 31, 2011. The Development also received a 1994 allocation of low-income housing tax credits of \$982,449. The Development was placed in service on December 26, 1996.
- b) In April 2010, the Board approved a request from the Borrower for a one-year SAIL loan extension to May 31, 2011 to allow the Borrower sufficient time to refinance the property to maintain the Development’s affordability. The Borrower applied for 223(f) refinancing through HUD. The borrower encountered significant delays with the proposed financing and was not able to refinance during 2010 as originally planned.

#### 2. Present Situation

The Borrower has requested approval to extend the SAIL loan, at its current terms, to May 31, 2012. The Borrower is moving forward with underwriting approval but does not expect to be able to close for at least another twelve (12) months. This additional time is needed to allow them to complete refinancing the development. The borrower plans to pay-off the SAIL loan with the refinancing proceeds.

#### 3. Recommendation

Approve the extension of the SAIL loan, at its current terms, to May 31, 2012, and extend the LURA for an equal amount of time, and direct staff to proceed with loan modification activities.

## SPECIAL ASSETS

### *Consent*

- B. Request Approval of the Refinancing and Transfer of the Development, and the Renegotiation, Subordination, and Assumption of the HOME Loan for Winchester Gardens, Ltd., a Florida Limited Partnership for Winchester Gardens Apartments (94DRHR-011 / 94L-087)**

<b>Development Name: Winchester Gardens Apartments (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal: Related Group/Winchester Gardens, Ltd. (“Borrower”)</b>	<b>Set-Aside: HOME: 40% @ 50%; HC: 40% @ 50%; 60% @ 60% AMI LURA: 50 years; EUA 50 years</b>
<b>Number of Units: 117</b>	<b>Allocated Amount: HOME: \$1, 450,000; HC \$553,572</b>
<b>Demographics: Family</b>	<b>CU/Service: First Housing</b>

#### **1. Background**

During the 1994 funding cycle, Florida Housing awarded a \$1,450,000 HOME loan to Winchester Gardens, Ltd., a Florida limited partnership (“Borrower”), for the development of a 117-unit apartment complex in Miami-Dade County, Florida. The HOME loan closed on August 14, 1995, and will mature on July 30, 2015. The Development also received a 1994 allocation of low-income housing tax credits of \$553,572.

#### **2. Present Situation**

- a) The Borrower requested approval for the refinancing of the first mortgage using FHFC bonds, transfer of ownership of the Development to an affiliate and the assumption of the HOME loan. The Borrower also requested that the HOME loan term and the affordability period in the LURA be extended to be co-terminus with the new first mortgage financing, and for the HOME loan to be subordinated to the new first mortgage. The loan terms will be changed from interest only to a cash flow loan with an interest rate of 3%.
- b) The Borrower submitted a request for Rule Waiver which is being presented simultaneously at this Board Meeting. This request is to waive the required annual fixed interest payment on the existing FHFC HOME Loan to be assumed and to provide as an alternative that its annual payment be based on available cash flow.
- c) Staff has received a credit underwriting report with a positive recommendation. The credit underwriting report is further addressed in the MMRB section of the Board package.

#### **3. Recommendation**

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

## SPECIAL ASSETS

### *Consent*

- C. **Request Approval of the Refinancing and Transfer of the Development, and the Renegotiation, Subordination, and Assumption of the SAIL Loan for Groves of Delray, Ltd., a Florida Limited Partnership for Groves of Delray (93S-012/94L-007)**

<b>Development Name: Groves of Delray (“Development”)</b>	<b>Location: Palm Beach County</b>
<b>Developer/Principal: Auburn Group (“Developer”)</b>	<b>Set-Aside: SAIL: 100% @ 50%, AMI; HC: 100% @ 60% AMI; LURA 15 years; EUA 50 years</b>
<b>Number of Units: 158</b>	<b>Allocated Amount: SAIL - \$1,502,000</b>
<b>Demographics: 75% Elderly &amp; 25% Family</b>	<b>Housing Credits: \$768,931</b>

1. **Background**

During the 1992-93 SAIL Cycle V, Florida Housing awarded a \$1,502,000 construction/permanent loan to Groves of Delray, Ltd., a Florida limited partnership (“Borrower”), for the development of a 158-unit apartment complex in Palm Beach County. The SAIL loan closed on May 3, 1994 and will mature on September 25, 2011. The Development also received an allocation of low-income housing tax credits of \$769,831.

2. **Present Situation**

- a) The Borrower requested approval for the refinancing of the first mortgage using FHFC tax-exempt bonds, transfer of ownership of the Development to an affiliate entity, renegotiation of the terms of the SAIL loan, assumption of the SAIL loan and subordination to the new first mortgage. The Borrower requested the SAIL loan term be extended 15 years at 3% interest based on cash flow upon payment of all accrued interest on the existing note. The affordability period in the LURA will be extended for 50 years.
- b) Staff has 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 renegotiation, subordination, and assumption 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 Loan Workout for Independent Living for Retarded Adults, Inc., a Florida Corporation for Shady Acres (95HR-007)**

<b>Development Name: Shady Acres ("Development")</b>	<b>Location: Marion</b>
<b>Developer/Principal: Independent Living for Retarded Adults, Inc. ("Developer")</b>	<b>Set-Aside: 100% @ 50% AMI LURA: 50 years</b>
<b>Number of Units: 12</b>	<b>Allocated Amount: HOME - \$210,000</b>
<b>Demographics: Family</b>	<b>Servicer: Seltzer Management Group</b>

**1. Background**

During the 1995 HOME Cycle, Florida Housing awarded a \$210,000 construction/permanent loan to Independent Living for Retarded Adults, Inc., a Florida corporation ("Borrower"), for the rehabilitation of a 12-unit development in Marion County. The HOME loan closed on February 27, 1996 and matured on February 27, 2011.

**2. Present Situation**

- a) In a letter dated October 20, 2010, the Borrower has requested that the HOME loan be restructured as an amortizing loan with monthly payments at the current 0% interest rate until the balance is repaid. The Borrower has also agreed to extend the LURA's affordability term for an additional 15 years beyond the current 50 years.
- b) Florida Housing Staff has reviewed the Development operating and financial information and have provided a positive recommendation for the restructured terms of the loan.

**3. Recommendation**

Staff recommends that the Board approve the workout proposal to renew the principal at 0% interest for thirty five years, with monthly amortization of principal and extension of the LURA for an additional 15 years and direct staff to proceed with loan closing activities.

## SPECIAL ASSETS

### *Consent*

**E. Request Approval of Transfer of General Partnership Interest for Dixie Court II Apartments (MR2008D/RRLP2006-357HR/2007-525C)**

<b>Development Name: Dixie Court II Apartments (“Development”)</b>	<b>Location: Broward County</b>
<b>Developer/Principal: Carlisle Group/Dixie Court II, Ltd. (“Developer”)</b>	<b>Set-Aside: MMRB 85% @ 60%; RRLP 21% @ 30%, 79% @ 60%; HC 100% @ 60% MMRB 30 years; RRLP 50 years; HC 30 years</b>
<b>Number of Units: 32</b>	<b>Allocated Amount: MMRB \$4,750,000; RRLP \$5,436,305; HC \$260,000</b>
<b>Demographics: Family</b>	<b>Servicer: Seltzer Management Group</b>

**1. Background**

During the 2006 funding cycle, Florida Housing awarded \$5,346,305 in RRLP funds to Dixie Court II, Ltd., a Florida limited partnership (Borrower), for the development of a 32-unit property in Broward County, Florida. The development also received \$4,750,000 in MMRB funding and the bonds were redeemed in April 2009. The development was allocated tax credits of \$260,000. The RRLP loan was closed on February 21, 2008, and will mature on February 21, 2058.

**2. Present Situation**

- a) By correspondence dated March 17, 2011, the Borrower requested approval to transfer and assign the non-managing co-GP interest in Dixie Court II, Ltd. from Dixie Court GP, Inc. to HEF-Dixie Court II, 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 subject to the conditions provided in the credit underwriting report dated May 23, 2011 and direct staff to proceed with loan document modification activities as needed.

## SPECIAL ASSETS

### *Consent*

**F. Request Approval of Transfer of General Partnership Interest for Dixie Court III Apartments (2007 Supplemental/2007-123C/2008-001C)**

<b>Development Name: Dixie Court III Apartments (“Development”)</b>	<b>Location: Broward County</b>
<b>Developer/Principal: Carlisle Group/Dixie Court III, Ltd. (“Developer”)</b>	<b>Set-Aside: 2007 Supplemental: 10% @ 30%; HC: 20% @ 30%, 80% @ 60%; Supplemental: 15 years; HC: 50 years</b>
<b>Number of Units: 100</b>	<b>Allocated Amount: Supplemental \$850,000; HC \$1,672,290</b>
<b>Demographics: Family</b>	<b>Servicer: Seltzer Management Group</b>

**1. Background**

During the 2007 funding cycle, Florida Housing awarded \$850,000 in Supplemental funds to Dixie Court III, Ltd., a Florida limited partnership (Borrower), for the development of a 100-unit property in Broward County, Florida. The development also received a Housing Credit allocation of \$1,672,290. The loan was closed on December 8, 2008.

**2. Present Situation**

- a) By correspondence dated March 17, 2011, the Borrower requested approval to transfer and assign the non-managing co-GP interest in Dixie Court III, Ltd. from Dixie Court GP, Inc. to HEF-Dixie Court III, Inc.
- b) Florida Housing received a positive recommendation from the credit underwriter ([Exhibit B](#)).

**3. Recommendation**

Staff recommends that the Board approve the transfer of the GP interest subject to the conditions provided in the credit underwriting report dated May 23, 2011 and direct staff to proceed with loan document modification activities as needed.