

*Housing Finance Authority of St. Johns County*

102 M. L. KING AVE., SUITE B  
SAINT AUGUSTINE, FLORIDA  
32084



PHONE: (904) 827-6890  
FAX: (904) 827-6899

May 22, 2008

*FHFC Case No. 2008-01700*

Florida Housing Finance Corporation  
City Centre Building  
227 N. Bronough Street, Suite 5000  
Tallahassee, FL 32301-1329  
Attn: Corporation Clerk ✓

Joint Administrative Procedures Committee  
Room 120 Holland Building  
600 S. Calhoun Street  
Tallahassee, FL 32399-1300

Homeownership Programs Administrator

Re: PETITION FOR WAIVER OF RULE 67-58.020(6)/67-58.070(6)/1% EXTENSION FEE  
(Homes of West Augustine – CWHIP 06/Request for Time Extension and Fee Waiver)

Ladies and Gentlemen:

As you know, the Housing Finance Authority of St. Johns County (HFA) has requested that the Board of Florida Housing Finance Corporation (FHFC) grant the HFA an extension to enable us to complete the CWHIP underwriting process and deal with other complexities of the CWHIP program. We also respectfully requested that the FHFC Board waive the 1% extension fee ordinarily charged for such requests. In our letter dated April 29, 2008, a copy of which is attached, we explained, among other things, that many of the complexities of our innovative single family project have been worked out, although there are some issues that remain to be resolved; that the nature of the CWHIP program created the need for the extension we requested; and that the HFA has expended a significant amount of its own funds on project related expenses. Please see the attached letter for more detail about the HFA's CWHIP project.

We want to specifically state in this letter that payment of the 1% extension fee (i.e., \$50,000) would result in a "substantial hardship," as defined by 120.542(2) Fla. Stat., for the HFA. The HFA has already spent about over \$100,000 of its own very limited funds on the CWHIP project since 2006. The HFA's remaining total liquid assets are only about \$131,000 and its total annual income is only about \$40,000.

We also want to specifically state in this letter that the HFA has been diligently proceeding with the credit underwriting process (which is almost complete) and will diligently proceed with completing that process, requesting FHFA Board approval and closing the CWHIP loan. The HFA expects to complete the underwriting process in the next few months and, if no unexpected delays occur, to request FHFC's approval of the credit underwriting reports for the HFA's CWHIP project at the FHFC's October 2008 Board meeting. The HFA then expects to quickly proceed to closing upon its receipt and review of the required FHFC documents.

These requests for a time extension and a fee waiver will serve the purposes of Section 420.5095, Fla. Stat. (2006), as stated in Section 420.5095(2), Fla. Stat. (2006):

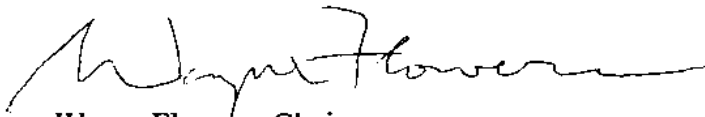
“The Community Workforce Housing Innovation Pilot Program is created to provide affordable rental and home ownership community workforce housing for essential services personnel affected by the high cost of housing, using regulatory incentives and state and local funds to promote local public-private partnerships and leverage government and private resources.”

Granting the HFA’s requests will allow the HFA to complete the CWHIP process and preserve its very limited funds and thereby enable the HFA and its multiple project participants to construct 111 new affordable single-family homes in St. Johns County for our workforce, especially our essential services personnel, as was the primary objective of the original CWHIP request for proposals.

Therefore, please consider this letter and the attached April 29 letter as a formal petition from the HFA respectfully requesting a nine (9) month extension of time under the CWHIP 2006 Rules, Fla. Admin. Code Rules 67-58.020(6) and 67-58.070(6), and a permanent waiver of the 1% extension fee described therein, pursuant to the requirements of Section 120.542, Fla. Stat., and Fla. Admin. Code Rule 28-104.002, in the interest of fulfilling the intent of the 2006 statute establishing the CWHIP program.

If you have any questions or need any additional information, please contact me or Tom Crawford, the HFA’s Director, at our contact information above, or Jean M. Mangu, Esq., the HFA’s attorney, at Edwards Cohen, 6 East Bay Street, Suite 500, Jacksonville, FL 32202, phone: (904) 633-7979, fax: (904) 633-9026.

Sincerely yours,



Wayne Flowers, Chairman

Attachment

*Via Federal Express*

cc: Nicole Gibson/David Westcott  
HFA Board

# ST. JOHNS COUNTY, FLORIDA

**Housing Finance Authority**

102 M. L. King Ave., Suite B  
Saint Augustine, Florida 32084



Phone: (904) 827-6890  
Fax: (904) 827-6899

April 29, 2008

Nicole Gibson  
Homeownership Programs Administrator  
Florida Housing Finance Corporation  
City Centre Building  
227 N. Bronough Street, Suite 5000  
Tallahassee, FL 32301-1329

Re: Homes of West Augustine – CWHIP 06

Dear Ms. Gibson:

As you know, the Housing Finance Authority of St. Johns County (HFA) has been working diligently to be included in the agenda for the June Board meeting of FHFC. Unfortunately, dealing with the complexities of the CWHIP program has taken considerably more time for our staff and consultants to work through than any of us originally anticipated. Neither the underwriter nor our organization has any prior experience with this innovative pilot program; thus, there was no clear model to follow in navigating the processes necessary to bring the finalized project to FHFC Board.

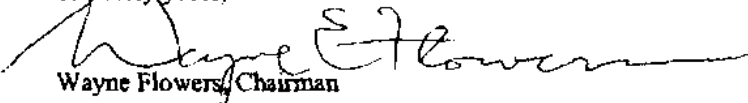
We have worked hard to submit, together with our other project participants, a significant amount of the required information to the underwriter and develop our plans and specifications which are under review by CASI. We are now firming up our pricing for the various models. All of this information will be worked into the required spreadsheets. The spreadsheets are part of an overall process that was initially designed for a typical multifamily apartment complex. Our single-family project involves several models using multiple small local builders including Habitat for Humanity, and the homes will be built on previously platted single family scattered site lots.

Many of the resulting issues for this innovative single family project have been worked out, although there are others that remain to be resolved. The County has committed millions of dollars for the construction of the new roads, water and sewer that will serve these lots. Construction will commence on this infrastructure in June. Our HFA has expended tens of thousands of dollars of its very limited funds on project related consulting, accounting, design, engineering, legal and other related expenses. The participants in our project have also expended time and resources to bring this project to fruition.

We request that the FHFC Board grant the HFA an extension to enable us to complete this process and thereby to enable us to construct 111 new homes for our workforce, especially our essential services personnel. We believe that this program is important for homebuyers in our community. Equally important is the fact that this project will provide jobs that will bolster our local economy. This project will demonstrate how FHFC and local HFA's can work together for the common good.

We also respectfully request that the FHFC Board waive the 1% fee ordinarily charged for such requests. This \$50,000 fee is an unnecessary and detrimental development expense. The HFA's objective is to provide the FHFC with an effective and efficient model for future development utilizing community partners. This was the primary objective of the original CWHIP request for proposals. The nature of this program creates the need for the extension we request and we hope that the Board will consider our requests favorably.

Sincerely yours,

  
Wayne Flowers, Chairman

cc: David Westcott  
HFA Board