

**FLORIDA HOUSING FINANCE CORPORATION**  
**Board Meeting**  
December 15, 2006  
Consent Items



# GUARANTEE PROGRAM

## *Consent*

### I. GUARANTEE PROGRAM

#### A. Request Approval Of Transfers Of General Partnership Interests In Seven (7) Housing Trust Group Developments, Representing Over \$86.5 Million In Guaranteed Mortgages, To Shelter Corporation And Community Housing Corporation Of America Jointly

##### 1. Background

- a) Between 2000 and 2003, Housing Trust Group of Florida, LLC (previously known as Clinton Communities, LLC) received funding from FHFC, as well as several County HFA's, for the new construction of eight affordable multifamily housing developments within the Guarantee Program. Construction is 100% complete on all of the subject developments. Each transaction has been credit-enhanced by the Guarantee Program by virtue of its guarantee of the payment of the underlying first mortgage. Additionally, six of the eight developments participate in HUD's Risk-Sharing program. However, one of the "risk-sharing" developments, Malibu Bay, a "Brownfield" transaction closed in 2000 and initially financed with bonds issued by the HFA of Palm Beach County, is not included in the proposed transfer of general partnership interests.
- b) Funding sources from FHFC, specifically, have included Housing Credits, SAIL and Guarantee. The developments are as follows:

|                          |                                     |                    |                              |
|--------------------------|-------------------------------------|--------------------|------------------------------|
| <b>Development Name:</b> | <b>Grande Pointe</b>                |                    |                              |
| <b>Issuer:</b>           | Florida Housing Finance Corporation | <b>Location:</b>   | Orlando, Orange County       |
| <b>Developer:</b>        | Clinton Communities, LLC            | <b>Set-Asides:</b> | 100% @ 60% AMI, HC 30 yrs    |
| <b>Borrower:</b>         | Grande Pointe Associates, Ltd.      |                    |                              |
| <b>Funding Sources:</b>  | MMRB 2000 Series Q1 & Q2            | <b>Amounts:</b>    | \$12,985,000                 |
|                          | GUAR 56 (HUD Risk-Sharing)          |                    | \$12,483,000 (mtg guarantee) |
|                          | HC 2000-535C                        |                    | \$777,803 (annually)         |
| <b>Number of Units:</b>  | 276                                 | <b>Type:</b>       | Family                       |

|                          |                                     |                    |                               |
|--------------------------|-------------------------------------|--------------------|-------------------------------|
| <b>Development Name:</b> | <b>Marina Bay</b>                   |                    |                               |
| <b>Issuer:</b>           | Florida Housing Finance Corporation | <b>Location:</b>   | Lake Worth, Palm Beach County |
| <b>Developer:</b>        | Clinton Communities, LLC            | <b>Set-Asides:</b> | 100% @ 60% AMI, HC 30 yrs     |
| <b>Borrower:</b>         | Marina Clinton Associates, Ltd.     |                    |                               |
| <b>Funding Sources:</b>  | MMRB 2000 Series S bonds            | <b>Amounts:</b>    | \$11,255,000                  |
|                          | GUAR 59 (HUD Risk-Sharing)          |                    | \$10,885,000 (mtg guarantee)  |
|                          | HC 2000-542C                        |                    | \$514,116 (annually)          |
| <b>Number of Units:</b>  | 192                                 | <b>Type:</b>       | Family                        |

## GUARANTEE PROGRAM

### Consent

|                          |  |                    |   |
|--------------------------|--|--------------------|---|
| <b>Development Name:</b> | <b>Venice Cove (fka: Venice Homes)</b> |                    |   |
| <b>Issuer:</b>           | HFA of Broward County                  | <b>Location:</b>   | Ft. Lauderdale, Broward County                      |
| <b>Developer:</b>        | Housing Trust Group of Florida, LLC    | <b>Set-Asides:</b> | 2% @ 25% AMI, 98% @ 60% AMI, SAIL 50 yrs, HC 30 yrs |
| <b>Borrower:</b>         | Venice Partners, Ltd.                  |                    |   |
| <b>Funding Sources:</b>  | GUAR 68 (non Risk-Sharing)             | <b>Amounts:</b>    | \$10,220,000 (mtg guarantee)                        |
|                          | SAIL 2001-073S                         |                    | \$1,548,000   |
|                          | HC 2001-519C                           |                    | \$466,991 (annually)                                |
| <b>Number of Units:</b>  | 150                                    | <b>Type:</b>       | Family  |

|                          |                                     |                    |   |
|--------------------------|-------------------------------------|--------------------|---|
| <b>Development Name:</b> | <b>Colony Park</b>                  |                    |   |
| <b>Issuer:</b>           | HFA of Palm Beach                   | <b>Location:</b>   | West Palm Beach, Palm Beach County                      |
| <b>Developer:</b>        | Housing Trust Group of Florida, LLC | <b>Set-Asides:</b> | 97.67% @ 60 AMI, 2.33% @ 25 AMI, SAIL 50 yrs, HC 30 yrs |
| <b>Borrower:</b>         | Colony Park, Ltd.                   |                    |   |
| <b>Funding Sources:</b>  | GUAR 75                             | <b>Amounts:</b>    | \$9,765,000 (mtg guarantee)                             |
|                          | SAIL 2001-075S                      |                    | \$1,340,000   |
|                          | HC 2001-521C                        |                    | \$444,906 (annually)                                    |
| <b>Number of Units:</b>  | 130                                 | <b>Type:</b>       | Family  |

|                          |   |                    |                              |
|--------------------------|---|--------------------|------------------------------|
| <b>Development Name:</b> | <b>Venetian Isles I (fka: Westlake I)</b> |                    |                              |
| <b>Issuer:</b>           | Florida Housing Finance Corporation       | <b>Location:</b>   | Lake Park, Palm Beach County |
| <b>Developer:</b>        | Housing Trust Group of Florida, LLC       | <b>Set-Asides:</b> | 100% @ 60% AMI, HC 50 yrs    |
| <b>Borrower:</b>         | Trust Lake Park, Ltd.                     |                    |                              |
| <b>Funding Sources:</b>  | MMRB 2002 Series D1 & D2                  | <b>Amounts:</b>    | \$18,740,000                 |
|                          | GUAR 80 (HUD Risk-Sharing)                |                    | \$18,740,000 (mtg guarantee) |
|                          | HC 2002-504C                              |                    | \$1,220,381 (annually)       |
| <b>Number of Units:</b>  | 288                                       | <b>Type:</b>       | Family                       |

|                          |   |                    |                                  |
|--------------------------|---|--------------------|----------------------------------|
| <b>Development Name:</b> | <b>Venetian Isles II (fka: Westlake II)</b> |                    |                                  |
| <b>Issuer:</b>           | HFA of Palm Beach                           | <b>Location:</b>   | Lake Park, Palm Beach County     |
| <b>Developer:</b>        | Housing Trust Group of Florida, LLC         | <b>Set-Asides:</b> | 100% @ 60% AMI, SAIL & HC 50 yrs |
| <b>Borrower:</b>         | Trust Lake Park Two, Ltd.                   |                    |                                  |
| <b>Funding Sources:</b>  | GUAR 89 (HUD Risk-Sharing)                  | <b>Amounts:</b>    | \$8,250,000 (mtg guarantee)      |
|                          | SAIL 2002-007S                              |                    | \$905,230                        |
|                          | HC 2003-519C                                |                    | \$598,716 (annually)             |
| <b>Number of Units:</b>  | 112   | <b>Type:</b>       | Family                           |

## GUARANTEE PROGRAM

### *Consent*

|                          |                                     |                    |                              |
|--------------------------|-------------------------------------|--------------------|------------------------------|
| <b>Development Name:</b> | <b>Chapel Trace</b>                 |                    |                              |
| <b>Issuer:</b>           | Florida Housing Finance Corporation | <b>Location:</b>   | Orlando, Orange County       |
| <b>HC</b>                | Housing Trust Group of Florida, LLC | <b>Set-Asides:</b> | 100% @ 60% AMI, HC 50 yrs    |
| <b>Borrower:</b>         | Chapel Trust, Ltd.                  |                    |                              |
| <b>Funding Sources:</b>  | MMRB 2003 Series C1 & C2            | <b>Amounts:</b>    | \$16,220,000                 |
|                          | GUAR 94 (HUD Risk-Sharing)          |                    | \$16,220,000 (mtg guarantee) |
|                          | HC 2001-536C                        |                    | \$838,543 (annually)         |
| <b>Number of Units:</b>  | 312                                 | <b>Type:</b>       | Family                       |

### 2. Present Situation

- a) By letter dated September 7, 2006 ([Exhibit A](#)), the borrower is requesting Florida Housing's approval of the transfer of the general partnership interests to Shelter Corporation of Minnesota and Community Housing Corporation of America jointly.
- b) Staff has received a written recommendation from Seltzer Management Group (SMG) dated November 15, 2006 ([Exhibit B](#)) providing a positive recommendation for the proposed transfers.

### 3. Recommendation

Approve the transfer of general partnership interest in these seven (7) developments subject to satisfactory resolution of all requirements in SMG's recommendation and subject to further approvals and verifications by SMG, Bond Counsel, Guarantee Program Counsel, and other parties as may be necessary to facilitate closing.

# HOMEOWNERSHIP PROGRAMS

## Consent

### II. HOMEOWNERSHIP PROGRAMS

#### A. Request for Approval of the Credit Underwriting Report for Housing Partnership, Inc. (Non-Profit) / CLTRFP05-04-3

|   |   |
|---|---|
| <b>Applicant Name (“Applicant”):</b>      | <b>Housing Partnership, Inc. (Non-Profit)</b> |
| <b>Developer/Principal (“Developer”):</b> | <b>Patrick McNamara</b>                       |
| <b>Number of Units: 9</b>                 | <b>Location: Palm Beach County, Florida</b>   |
| <b>Type: Community Land Trust Loan</b>    | <b>Allocated Amount: \$1,314,000</b>          |

#### 1. Background

On March 3, 2006, the Board approved the final rankings for the 2005 Community Land Trust Request for Proposals (CLTRFP-05) and Florida Housing issued the Applicant an invitation into credit underwriting on March 16, 2006.

#### 2. Present Situation

- a) The Credit Underwriter has provided staff with a Credit Underwriting Report (CUR) outlining the parameters of the proposal, which is attached as [Exhibit A](#).
- b) Staff has reviewed the CUR and concurs with the Credit Underwriter’s recommendation to award \$1,314,000 for a Community Land Trust Loan to assist with the development of 9 homes, subject to the conditions contained in the CUR.

#### 3. Recommendation

Staff recommends that the Board approve the CUR and authorize staff to issue a loan commitment letter in the amount of \$1,314,000 to the Developer for a Community Land Trust Loan, subject to further approvals by the credit underwriter, counsel, and the appropriate corporation staff.

## HOMEOWNERSHIP PROGRAMS

### *Consent*

- B. Authorize Staff to De-obligate HOME Funds for Lou C. & John Arthur Ginn, Jr. Family Limited Partnership for Glen Eagle Park / HH02-014**

|  |  |
|--|--|
| <b>Applicant Name (“Applicant”):</b>       | <b>Lou C. &amp; John Arthur Ginn, Jr. Family Limited Partnership</b> |
| <b>Development Name (“Development”):</b>   | <b>Glen Eagle Park</b>   |
| <b>Developer/Principal (“Developer”):</b>  | <b>Lou C. &amp; John Arthur Ginn, Jr.</b>                            |
| <b>Number of Units: 43</b>                 | <b>Location: Putnam County, Florida</b>                              |
| <b>Type: HOME Purchase Assistance Loan</b> | <b>Allocated Amount: \$1,156,250</b>                                 |

**1. Background**

- a) The Applicant submitted an application during the 2002 Homeownership Loan Program Cycle, which scored within the funding range and was invited into credit underwriting on October 30, 2002.
- b) The final credit underwriting report, dated February 19, 2003, was approved at the March 2, 2003 Board Meeting.

**2. Present Situation**

On November 9, 2006, the Developer requested that the remaining HOME funds be de-obligated due to the inability to obtain qualified, income-eligible homebuyers. The letter is attached as [Exhibit B](#).

**3. Recommendation**

Staff recommends that the remaining \$859,915.83 in HOME funds be de-obligated and made available for future use in other homeownership programs.

## HOMEOWNERSHIP PROGRAMS

### *Consent*

C. **Request for Approval to Extend the Construction Period for the Housing Authority of Tarpon Springs (Non-Profit) for Trails End / HAP02-304**

|   |   |
|---|---|
| <b>Applicant Name (“Applicant”):</b>      | <b>Housing Authority of Tarpon Springs (Non-Profit)</b> |
| <b>Development Name (“Development”):</b>  | <b>Trails End</b>                                       |
| <b>Developer/Principal (“Developer”):</b> | <b>Pat Weber</b>  |
| <b>Number of Units: 11</b>                | <b>Location: Pinellas County, Florida</b>               |
| <b>Type: HAP Purchase Assistance Loan</b> | <b>Allocated Amount: \$302,500</b>                      |

1. **Background**

- a) The Applicant submitted an application during the 2002 Homeownership Loan Program Cycle, which scored within the funding range and was invited into credit underwriting on October 30, 2002.
- b) The final credit underwriting report, dated May 19, 2003, was approved at the June 20, 2003 Board Meeting.
- c) On June 25, 2003, a firm commitment letter was issued to the Developer which stipulated a 3-year construction period, scheduled to end on December 31, 2006.
- d) The Developer has constructed and closed upon 4 homes and utilized \$169,000 out of the original \$302,500 that was awarded.
- e) Pursuant to rule 67-50.040(11) a one-year extension is permissible with approval by the Board.

2. **Present Situation**

On October 24, 2006, the Developer requested an extension from December 31, 2006 to June 30, 2007, advising that 3 homes have been completed and 2 homes are very near beginning construction. The letter is attached as [Exhibit C](#).

3. **Recommendation**

Staff recommends that the Board grant an extension of the construction period from December 31, 2006 through December 31, 2007.

# HOMEOWNERSHIP PROGRAMS

## Consent

### D. Request for Approval to Extend the Construction Period for Ocala Housing Authority (Non-Profit) for Paradise Trails / 00HH-012

|  |   |
|--|---|
| <b>Applicant Name (“Applicant”):</b>       | <b>Ocala Housing Authority (Non-Profit)</b>   |
| <b>Development Name (“Development”):</b>   | <b>Paradise Trails (f.k.a. Kings Estates)</b> |
| <b>Developer/Principal (“Developer”):</b>  | <b>Gwendolyn Dawson</b>                       |
| <b>Number of Units: 18</b>                 | <b>Location: Marion County, Florida</b>       |
| <b>Type: HOME Purchase Assistance Loan</b> | <b>Allocated Amount: \$285,000</b>            |

#### 1. Background

- a) The Applicant submitted an application during the 2000-2001 HOME Construction Loan Program Cycle, which scored within the funding range and was invited into credit underwriting on October 12, 2001.
- b) On December 6, 2002, the Board approved the substitution of the Paradise Trails property due to the environmental hazards found at the King Estates site which were discovered during the environmental review process.
- c) The final credit underwriting report, dated June 5, 2003, was approved at the June 20, 2003 Board Meeting. A firm commitment letter was issued to the Developer which stipulated that the homes were to be completed no later than December 31, 2005.
- d) On July 8, 2005, the Developer advised of several construction delays, including the unavailability of contractors, and requested an extension until December 31, 2006, which was approved at the August 25, 2005 Board Meeting.

#### 2. Present Situation

On October 24, 2006, the Developer requested an extension from December 31, 2006 to December 31, 2007, advising that the infrastructure had been completed and that they have begun construction on 13 homes, 9 of which have received Certificates of Occupancy from the city of Ocala. Additionally, financing has been approved for 7 homebuyers. The letter is attached as [Exhibit D](#).

#### 3. Recommendation

Staff recommends that the Board grant an extension of the construction period from December 31, 2006 through December 31, 2007.



# HOMEOWNERSHIP PROGRAMS

## Consent

### E. Request for Approval to Extend the Construction Period for Northwest Jacksonville CDC (Non-Profit) for NJCDC Scattered Sites - 29<sup>th</sup> & Chase / HAP03-313

|   |  |
|---|--|
| <b>Applicant Name (“Applicant”):</b>      | <b>Northwest Jacksonville CDC (Non-Profit)</b>             |
| <b>Development Name (“Development”):</b>  | <b>NJCDC Scattered Sites - 29<sup>th</sup> &amp; Chase</b> |
| <b>Developer/Principal (“Developer”):</b> | <b>Paul Tutwiler</b>                                       |
| <b>Number of Units: 9</b>                 | <b>Location: Duval County, Florida</b>                     |
| <b>Type: HAP Purchase Assistance Loan</b> | <b>Allocated Amount: \$225,000</b>                         |

#### 1. Background

- a) The Applicant submitted an application during the 2003 Homeownership Loan Program Cycle, which scored within the funding range and was invited into credit underwriting on September 15, 2003.
- b) The final credit underwriting report, dated November 12, 2003, was approved at the December 12, 2003 Board Meeting.
- c) On December 15, 2003, a firm commitment letter was issued to the Developer which stipulated a 3-year construction period, scheduled to end on December 31, 2006.
- d) The Developer has constructed and closed upon 7 homes and utilized \$175,000 out of the original \$225,000 that was awarded.
- e) Pursuant to rule 67-50.040(11) a one-year extension is permissible with approval by the Board.

#### 2. Present Situation

On November 20, 2006, the Developer requested an extension from December 31, 2006, advising that the remaining 2 homes are under construction and should close by the first of the year (2007). The letter is attached as [Exhibit E](#).

#### 3. Recommendation

Staff recommends that the Board grant an extension of the construction period from December 31, 2006 through December 31, 2007.

## HOMEOWNERSHIP PROGRAMS

### *Consent*

**F. Request for Approval to Extend the Construction Period for Broward Alliance for Neighborhood Development, Inc. (Non-Profit) for Hollywood Neighborhood / HH02-008**

|  |   |
|--|---|
| <b>Applicant Name (“Applicant”):</b>       | <b>Broward Alliance for Neighborhood Development, Inc. (Non-Profit)</b> |
| <b>Development Name (“Development”):</b>   | <b>Hollywood Neighborhood</b>   |
| <b>Developer/Principal (“Developer”):</b>  | <b>Katharine Barry</b>  |
| <b>Number of Units: 18</b>                 | <b>Location: Broward County, Florida</b>                                |
| <b>Type: HOME Purchase Assistance Loan</b> | <b>Allocated Amount: \$532,650</b>                                      |

**1. Background**

- a) The Applicant submitted an application during the 2002 Homeownership Loan Program Cycle, which scored within the funding range and was invited into credit underwriting on March 12, 2003.
- b) The final credit underwriting report, dated November 6, 2003, was approved at the December 12, 2003 Board Meeting.
- c) On December 15, 2003, a firm commitment letter was issued to the Developer which stipulated a 3-year construction period, scheduled to end on December 31, 2006.
- d) The Developer has constructed and closed upon 13 homes and utilized \$384,683 out of the original \$532,650 that was awarded.
- e) Pursuant to rule 67-50.040(11) a one-year extension is permissible with approval by the Board.

**2. Present Situation**

On November 16, 2006, the Developer requested an extension from December 31, 2006, due to the need to reposition a utility pole because it interfered with the placement of the driveway and the substitution of the proposed homebuyer. The letter is attached as [Exhibit E](#).

**3. Recommendation**

Staff recommends that the Board grant an extension of the construction period from December 31, 2006 through December 31, 2007.

# HOMEOWNERSHIP PROGRAMS

## *Consent*

**G. Request for Approval to Extend the Construction Period for Eagle Ridge Subdivision, LLC (Non-Profit) for Eagle Ridge / HH02-007**

|   |  |
|---|--|
| <b>Applicant Name (“Applicant”):</b>      | <b>Eagle Ridge Subdivision, LLC (Non-Profit)</b> |
| <b>Development Name (“Development”):</b>  | <b>Eagle Ridge</b>                               |
| <b>Developer/Principal (“Developer”):</b> | <b>Bowen Arnold</b>                              |
| <b>Number of Units: 20</b>                | <b>Location: Collier County, Florida</b>         |
| <b>Type: HOME Construction Loan</b>       | <b>Allocated Amount: \$911,000</b>               |

**1. Background**

- a) The Applicant submitted an application during the 2002 Homeownership Loan Program Cycle, which scored within the funding range and was invited into credit underwriting on October 30, 2002.
- b) The final credit underwriting report, dated July 11, 2003, was approved at the August 1, 2003 Board Meeting.
- c) The Construction Loan closed on February 4, 2004, and the Construction Loan Agreement stipulated that the construction period end on December 31, 2006.
- d) The Developer has constructed and closed upon 13 homes and utilized \$486,486.78 out of the original \$911,000 that was awarded.
- e) Pursuant to rule 67-50.040(11) a one-year extension is permissible with approval by the Board.

**2. Present Situation**

On October 26, 2006, the Developer requested an extension from December 31, 2006 through August 31, 2007, due to delays caused by increased building costs and a change in contractors. The letter is attached as [Exhibit G](#).

**3. Recommendation**

Staff recommends that the Board grant an extension of the construction period from December 31, 2006 through December 31, 2007.

## HOMEOWNERSHIP PROGRAMS

### *Consent*

**H. Request Approval to Transfer a Lot for Florida Low Income Housing Associates, Inc. (Non-Profit) for the Citrus County Scattered Sites II Development / HH02-003**

|  |   |
|--|---|
| <b>Applicant Name (“Applicant”):</b>       | <b>Florida Low Income Housing Associates, Inc. (Non-Profit)</b> |
| <b>Development Name (“Development”):</b>   | <b>Citrus County Scattered Sites II</b>                         |
| <b>Developer/Principal (“Developer”):</b>  | <b>Pat Kenney</b>   |
| <b>Number of Units: 57</b>                 | <b>Location: Citrus County, Florida</b>                         |
| <b>Type: HOME Purchase Assistance Loan</b> | <b>Allocated Amount: \$1,000,000</b>                            |

**1. Background**

- a) The Applicant submitted an application during the 2002 Homeownership Loan Program Cycle, which scored within the funding range and was invited into credit underwriting on October 30, 2003.
- b) The final credit underwriting report, dated January 8, 2003, was approved at the January 24, 2003 Board Meeting.

**2. Present Situation**

On November 16, 2006, the Developer requested approval to transfer a lot, advising that they have an approved homebuyer interested in building on Lot 35 in Citrus Springs, which was originally part of the Citrus II Development, and which will utilize the remaining \$26,375 in HOME funds. The letter is attached as [Exhibit H](#).

**3. Recommendation**

Staff recommends approval of the transfer of Lot 35 to the Citrus County Scattered Sites II Development.

## HOME RENTAL

### *Consent*

### III. HOME RENTAL

#### A. Request Approval of Credit Underwriting Report for Nature Walk (2005-008H)

|   |  |
|---|--|
| <b>Development Name: Nature Walk (“Development”)</b>                                  | <b>Location: Citrus County</b>                               |
| <b>Developer/Principal: Florida Low Income Housing Associates, Inc. (“Developer”)</b> | <b>Set-Aside: 20% @ 50% AMI / 80% @ 60% AMI<br/>49 Units</b> |
| <b>Number of Units: 50</b>  | <b>Allocated Amount: \$4,220,000</b>                         |
| <b>Type: Duplex /New Construction</b>   | <b>Demographics: Family</b>                                  |

#### 1. Background/Present Situation

- a) On August 25, 2005, the Board approved the final scores and ranking for the 2005 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On September 29, 2005, staff issued a preliminary commitment letter and invitation to credit underwriting for a HOME loan in an amount up to \$4,220,000 for this 50-unit family development in Citrus County.
- c) On November 16, 2006, staff received a credit underwriting report with a positive recommendation for a HOME Rental loan in the amount of \$4,220,000 ([Exhibit A](#)), to be secured by a second mortgage. Staff has reviewed this report and finds that the Development meets all of the requirements of HOME Rule Chapter 67-48, F.A.C.

#### 2. Recommendation

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

## HOME RENTAL

### *Consent*

**B. Request Approval to Modify Existing Terms of First Mortgage HOME Loan 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: The Related Group of Florida (“Developer”)</b> | <b>Set-Aside: 100% @ 50% AMI 47 HOME Units and 40% @ 50% and 60% @ 60% AMI Housing Credits</b> |
| <b>Number of Units: 117</b>  | <b>Allocated Amount: \$1,450,000</b>   |
| <b>Type: Garden Apartments</b>   | <b>Housing Credits: \$553,572</b>  |
| <b>Demographics: Family</b>  |  |

**1. Background/Present Situation**

- a) On August 14, 1995, a 1994 Disaster HOME Rental loan closed in the amount of \$1,450,000 for a 117-unit family development in Miami-Dade County.
- b) On October 17, 2006, staff received a letter ([Exhibit B](#)) from the borrower requesting Florida Housing’s approval to modify the existing terms of the first mortgage. The Development is currently experiencing severe financial hardships and operating at a substantial deficit. Citibank has agreed to modify the first mortgage and defer the principal for the next twelve months. Pursuant to Rule Chapter 67-48.020 (13) F.A.C.; the Applicant shall not refinance, increase the principal amount, or alter any terms or conditions of any mortgage superior or inferior to the HOME mortgage without prior approval of the Corporation’s Board of Directors.
- c) On November 8, 2006, staff received a credit underwriting report with a positive recommendation of the requested first mortgage modification ([Exhibit C](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of HOME Rule Chapter 67-48, F.A.C.

**2. Recommendation**

Approve the Developer’s requested first mortgage modification.

## HOME RENTAL

### *Consent*

**C. Request Approval for Temporary Construction Easement and Partial Release for Outrigger Village Apartments (92HR-007/92L-093)**

|  |   |
|--|---|
| <b>Development Name: Outrigger Village Apartments (“Development”)</b>      | <b>Location: Osceola County</b>   |
| <b>Developer/Principal: Royal American Development, Inc. (“Developer”)</b> | <b>Set-Aside: 20% @ 50% AMI 39 HOME Units and 80% @ 60% AMI 153 HOME Units and 100% @ 60% AMI 192 Housing Credits Units</b> |
| <b>Number of Units: 192</b>  | <b>Allocated Amount: \$2,017,730</b>  |
| <b>Type: Garden Apartments</b>   | <b>Housing Credits: \$153,586</b>   |
| <b>Demographics: Family</b>  |   |

**1. Background/Present Situation**

- a) On December 28, 1992, a 1992 HOME Rental loan closed in the amount of \$2,017,730 for a 192-unit family development in Osceola County.
- b) On November 1, 2006, staff received a letter ([Exhibit D](#)) from the Borrower requesting that Florida Housing approve a temporary construction easement and partial release (5ft) of the development to the City of Kissimmee. The City of Kissimmee is acquiring property needed for the construction of Martin Luther King Boulevard.
- c) On November 7, 2006, staff received a credit underwriting report from First Housing with a positive recommendation to release a 3,101 square foot parcel of land upon sale to the City of Kissimmee (“City”) and to temporarily release an additional 6,207 square foot parcel for use by the City during the construction of an expanded Martin Luther King Boulevard. The recommendation also includes that the net proceeds of the sale be deposited in an escrow account with the servicer until used to replace the fencing and landscaping that are being removed during the construction process. Due to the HOME Loan reaching maturity prior to anticipated completion of road construction any remaining funds will be deposited into the replacement reserve account for this Development ([Exhibit E](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of HOME Rule Chapter 67-48, F.A.C.

**2. Recommendation**

Approve the request for a temporary construction easement and partial release of the Development and direct staff to proceed with loan documentation modification activities.

## LEGAL

### Consent

#### IV. LEGAL

##### A. In Re: Maple Crest, Limited Partnership

FHFC Case No. 2006-066VW

|  |   |
|--|---|
| <b>Development Name: (“Development”):</b>  | <b>Maple Crest Apartments</b>             |
| <b>Developer/Principal: (“Developer”):</b> | <b>RLI Beneficial Development 6 LLC</b>   |
| <b>Number of Units: 120</b>                | <b>Location: Lee County</b>               |
| <b>Type: Garden</b>                        | <b>Set Aside: 15% @ 35%<br/>85% @ 60%</b> |
| <b>Demographics: Family</b>                | <b>Allocated Amount: n/a</b>              |
| <b>MMRB: n/a</b>                           | <b>Housing Credits: \$1,300,000.00</b>    |

##### 1. Background

- a) During the 2006 Universal Application Cycle, Florida Housing awarded an allocation of housing credits to Maple Crest, Limited Partnership, in connection with the Development known as Maple Crest Apartments, a 120-unit multifamily rental complex intended to serve the Family demographic in Lee County, Florida (“Development”).
- b) On September 20, 2006, Florida Housing received a “Petition for “Waiver from Rules 67-48.004(1)(a), 67-48.004(14)(b) and (15)”(the “Petition”), from Maple Crest, Limited Partnership (“Petitioner”). A copy of the Petition is attached as [Exhibit A](#).
- c) Petitioner seeks a waiver of the rule that prohibits changes in the identity of an applicant’s ownership structure and an applicant’s developer. Petitioner seeks to modify the ownership interest of the sole member, RLI Beneficial Holdings 6 LLC, of its General Partner, Beneficial Maple Crest, LLC, and to modify the Developer entity.
- d) On September 29, 2006, the Notice of Petition was published in the Florida Administrative Weekly in Volume 32, Number 39.

##### 2. Present Situation

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

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- b) Rule 67-48.004(1)(a) incorporates the “Universal Application Package” and adopts the Universal Application Instructions. Part II.A.2.a.(1) of it provides in part:



## LEGAL

### *Consent*

“If applying for HC, the Applicant must be a limited partnership (including a limited liability limited partnership) or a limited liability company. The Applicant entity shall be the recipient of the Housing Credits and cannot be changed until after a Final Housing Credit Allocation has been issued. Replacement of the Applicant or a material change (33.3% or more of the Applicant, a General Partner of the Applicant, or a member of the Applicant) in the ownership structure of the named Applicant prior to this time shall result in disqualification from receiving an allocation and shall be deemed a material misrepresentation. Changes to the limited partner of a limited partnership will not result in disqualification.”

- c) The Universal Application Instructions. Part II.B.1 provides in part:

Developer or principal of Developer (Threshold)

The identity of the Developer(s) listed in this Application may not change until the construction or Rehabilitation/Substantial Rehabilitation of the Development is complete, unless approved by the Board.

- d) Rule 67-48.004(14) Fla. Admin. Code provides in part:

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

(b) Identity of each Developer, including all co-Developers;...”

- e) Rule 67-48.004(15), Florida Administrative Code provides in pertinent part:

A Development will be withdrawn from funding and any outstanding commitments for funds or HC will be rescinded if at any time the Board determines that the Applicant’s Development or Development Team is no longer the Development or Development Team described in the Application, and the changes made are prejudicial to the Development or to the market to be served by the Development.

## LEGAL

### *Consent*

#### 3. **Recommendation**

Staff recommends that the Board grant the waiver of Rule 67-48.004(1)(a), Rule 67-48.004(14)(b) and (15) and Part II.A.2.a.(1) and Part II.B.1. of the Universal Application Instructions. Petitioner demonstrated that changing the ownership structure and Developer will not impact the Development. Petitioner demonstrated that the Developer has the required experience to develop and complete the Development. The purpose of the underlying statute will be served by granting this waiver, in that granting this waiver request will further Florida Housing's statutory mandate to provide safe, sanitary and affordable housing to the citizens of Florida. Moreover, not granting this waiver will create a substantial hardship for Petitioner. Petitioner demonstrated that denial of this relief would result in a substantial hardship as Petitioner's tax credit syndicator will not proceed forward with an equity closing and permit commencement of construction until as such time as such relief is granted.

**LEGAL**

*Consent*

**B. In Re: McCurdy Center, Ltd.**

**FHFC Case No. 2006-071VW**

|  |   |
|--|---|
| <b>Development Name: (“Development”):</b>  | <b>McCurdy Center</b>   |
| <b>Developer/Principal: (“Developer”):</b> | <b>Greater Miami Neighborhoods, Inc./McCurdy Senior Housing Corporation</b> |
| <b>Number of Units: 93</b>                 | <b>Location: Palm Beach County</b>  |
| <b>Type: Garden Apartments</b>             | <b>Set Aside: 24% @ 30% AMI<br/>76% @ 60%</b>                               |
| <b>Demographics: Homeless/Elderly</b>      | <b>Allocated Amount: \$1,750,000 SAIL<br/>\$1,363,350 HC</b>                |

**1. Background**

- a) During the 2005 Universal Cycle, Florida Housing awarded an allocation of SAIL funds and Low Income Housing Tax Credits (“HC”) to McCurdy Center, Ltd. (“Petitioner”), for Application #2005-106CS (the “Application”).
- b) On November 1, 2006, Florida Housing received a “Petition for Waiver” (the “Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit B](#). Petitioner requests a waiver of a requirement found in the 2005 Universal Application instructions, incorporated by reference into Chapter 67-48, via Rule 67-48.004(1)(a), Fla. Admin. Code (2005).
- c) Part III B.1.b. of the 2005 Universal Application Instructions requires that in all developments excepting Single Room Occupancy (SRO) units there be “[B]athub with shower in at least one bathroom in at least 90% of the new construction of non-Elderly units.”
- d) Specifically, Petitioner requests a waiver of the above requirement to permit construction of the development with showers only in all units. To date, Florida Housing has not received any comments concerning the Petition.

**2. Present Situation**

- a) Petitioner selected the Homeless demographic in its application, but did not select the Elderly category. Despite not making this express commitment in its Application, Petitioner now intends to serve the elderly homeless population, and to that end has determined to design the development with the needs of this population in mind and to configure the development as an Assisted Living Facility (ALF). Accordingly, developing units with bathtubs and showers (versus roll-in showers only) is inconsistent with this goal. Petitioner asserts that permitting this change will better serve the underlying purposes of Chapter 420, Part V, Fla. Stat. and enable them to serve the targeted population in a more appropriate manner, as well as avoiding potential injury and hardship to tenants.

## **LEGAL**

### ***Consent***

- 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.

### **3. Recommendation**

Staff recommends that the Board GRANT Petitioner's request for a waiver of Part III B.1.b. of the 2005 Universal Application Instructions to permit the construction of the Development with roll-in showers in all units.

**LEGAL**

*Consent*

**C. In Re: Pollywog Creek, LLC**

**FHFC Case No. 2006-044VW**

|  |   |
|--|---|
| <b>Development Name: (“Development”):</b>  | <b>Pollywog Creek Commons</b>   |
| <b>Developer/Principal: (“Developer”):</b> | <b>Everglades Community Association, Inc./Rural Neighborhoods, Inc.</b> |
| <b>Number of Units: 40</b>                 | <b>Location: Hendry County</b>  |
| <b>Type: Single Family</b>                 | <b>Set Aside: 70% @ 50% AMI</b>   |
| <b>Demographics: Farmworker (16 units)</b> | <b>Allocated Amount: \$2,000,000 SAIL</b>                               |

**1. Background**

a) In March, 2005, Pollywog Creek, LLC (the “Petitioner”) received an allocation of \$2,000,000 in State Apartment Incentive Loan (SAIL) funds via RFP #2004-011, titled “The Development and Rehabilitation of Farmworker Housing” (the “RFP”). SAIL funds awarded via this RFP are subject to the SAIL rules effective at the time, as found in Chapter 67-48, Fla. Admin. Code (2004). On August 8, 2006, Florida Housing received a “Petition for Waiver From Rule 67-48.004(14)(m)” (the “Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit C](#).

b) Rule 67-48.004(14)(m), Fla. Admin. Code (2004) (the “Rule”) provides, in pertinent part:

Notwithstanding any other provision of these rules, there are certain items that must be included in the [RFP proposal] and cannot be revised, corrected or supplemented after the [RFP proposal] Deadline... Any attempted changes to these items will not be accepted. Those items are as follows:

(m) Funding Request.

c) Specifically, Petitioner requests a waiver of the above Rule to permit an increase of their request amount from \$2,000,000 to \$4,000,000. On August 18, 2006, notice of the original Petition was published in the Florida Administrative Weekly. To date, Florida Housing has not received any comments concerning the Petition.

**2. Present Situation**

a) Petitioner asserts that strict application of the above Rule will cause Petitioner to suffer substantial hardship and would violate principles of fairness. Specifically, Petitioner cites to recent increases in impact fees imposed by Hendry County as well as increases in construction costs, which together exceed \$2 million. On the issue of fairness, Petitioner cites to a provision of the 2006 Universal Cycle through which developers could increase their request for SAIL funds through a program known as ‘End-of-the-Line SAIL.’ This program permits developments in Hendry County to increase allocated funding up to \$4 million in SAIL funds, but no provision was made for those developments whose initial allocation of SAIL funds was obtained via an RFP. Moreover, Petitioner asserts that the granting of this waiver request would serve the underlying purposes of

## LEGAL

### *Consent*

Chapter 420, Part V, Fla. Stat., by enabling them to increase the supply of affordable housing to the farmworker demographic category.

- b) On September 7, 2006, Florida Housing issued a request for additional information from Petitioner, pursuant to Section 120.542(7), Fla. Stat., asking for documentation of the increased development costs and Hendry County impact fees. Petitioner provided such documentation on October 6, 2006. A copy of this documentation is attached hereto as [Exhibit D](#).

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

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

### **3. Recommendation**

Staff recommends that the Board GRANT Petitioner's request for a waiver of Rule 67-48.004(14)(m), Fla. Admin. Code (2004), to permit an increase of its request from \$2,000,000 to \$4,000,000 in SAIL funds.

**LEGAL**

**Consent**

**D. In Re: Andrews Place II, LLC**

**FHFC Case No. 2006-057VW**

|  |                                   |
|--|-----------------------------------|
| <b>Development Name: (“Development”):</b>  | <b>Andrews Place II</b>           |
| <b>Developer/Principal: (“Developer”):</b> | <b>Nantahala Housing, LLC</b>     |
| <b>Number of Units: 120</b>                | <b>Location: Bay County</b>       |
| <b>Type: Garden Apartments</b>             | <b>Set Asides: 100% @ 60% AMI</b> |
| <b>Demographics: Family</b>                | <b>SAIL: \$1,000,000</b>          |

**1. Background**

- a) During the 2004 Universal Cycle, Florida Housing awarded an allocation of SAIL funds to Andrews Place II, LLC. (“Petitioner”), for Application #2004-068S (the “Application”).
- b) On September 19, 2006, Florida Housing received a “Petition for Waiver of SAIL Rule 67-48.010(6)(a)” from Petitioner. Petitioner subsequently filed an “Amended Petition for Waiver of SAIL Rule 67-48.010(6)(a)” (the “Amended Petition”) on November 9, 2006, which is attached as [Exhibit E](#).
- c) Rule 67-48.010(6)(a), Fla. Admin. Code (2004) (the “Rule”), states in pertinent part:

By May 31 of each year of the SAIL loan term, the Applicant shall provide the Corporation with audited financial statements and a certification detailing the information needed to determine the annual payment to be made. However, this certification requirement will be waived until May 31 following the calendar year within which the first unit is occupied. The certification shall require submission of audited financial statements and the SAIL annual reporting form, Cash Flow Reporting Form SR-1, Rev. 12/02, which is incorporated by reference.

...

A late fee of \$500 will be assessed by the Corporation for failure to submit the required audited financial statements and certification by May 31 of each year of the SAIL loan term.

- d) Petitioner requests a waiver of the above Rule. Specifically, Petitioner requests that it not be required to submit the audited financial statements due May 31, 2006, and that Florida Housing also waive the \$500 late fee mandated by the Rule.
- e) On September 29, 2006, the Notice of the original Petition was published in the Florida Administrative Weekly. To date, Florida Housing has received no comments concerning the Amended Petition.

## LEGAL

### *Consent*

#### 2. Present Situation

- a) Petitioner asks for relief from the requirements of the Rule, as the late fee, on the grounds that it would suffer substantial hardship if it were applied to Petitioner's circumstances. Petitioner reports that as of the filing of the Petition, only three of the five planned buildings of the Development have been placed in service, all within December, 2005, and that as a result its gross rental receipts were only \$6001.00. Petitioner has obtained a bid for a certified financial audit in the amount of \$8,500.00 or \$2,499 more than Petitioner's gross rental receipts. To require Petitioner to bear the cost of performing this audit would result in substantial hardship and violate the principles of fairness, as the fee for the audit far exceeds rental receipts. Petitioner's financial partners involved in this Development either do not require such an audit, or have already agreed to waive the requirement. The waiver requested by Petitioner is for only that period ending May 31, 2006. Instead, Petitioner asks that it be permitted to submit unaudited from a third-party management company. In conjunction with this request, Petitioner also seeks a waiver of the \$500 late fee.

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

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

#### 3. Recommendation

Staff recommends the Board **GRANT** the Petitioner's request for a waiver of Rule 67-48.001(6)(a), Fla. Admin. Code, to the extent that the Corporation will accept the SAIL Cash Flow Reporting Form (SR-1), based on unaudited financial statements prepared by Royal American Management, in lieu of audited financial statements for the period ending May 31, 2006, and that Petitioner shall not be required to pay the assessed \$500 late fee



# LEGAL

## Consent

### E. In Re: Pinnacle Park, Ltd.

FHFC Case No. 2006-064VW

|  |   |
|--|---|
| <b>Development Name: (“Development”):</b>  | <b>Pinnacle Park</b>                              |
| <b>Developer/Principal: (“Developer”):</b> | <b>Pinnacle Housing Group, LLC</b>                |
| <b>Number of Units: 128</b>                | <b>Location: Miami-Dade County</b>                |
| <b>Type: High-Rise</b>                     | <b>Set Aside: 13% @ 30% AMI<br/>87% @ 60% AMI</b> |
| <b>Demographics: Family</b>                | <b>Allocated Amount: N/A</b>                      |
| <b>MMRB: N/A</b>                           | <b>Housing Credits: \$2,320,500.00</b>            |

#### 1. Background

a) During the 2005 Universal Cycle, Florida Housing awarded an allocation of Housing Credits to Pinnacle Park, Ltd. (“Petitioner”). On September 20, 2006, Florida Housing received a “Petition for Waiver of Qualified Allocation Plan’s Requirement for Returning Housing Credit Allocations, and for an Immediate Allocation of 2007 Housing Credits” (the “Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit F](#).

b) Rule 67-48.025(1), Fla. Admin. Code (2005) requires that Florida Housing’s allocation of Housing Credits “shall be in accordance with the Corporation’s Qualified Allocation Plan.”

c) Rule 67-48.002(83), Fla. Admin. Code (2005) defines the QAP as follows:

“QAP” of “Qualified Allocation Plan” means, with respect to the HC Program, the 2005 Qualified Allocation Plan which is adopted and incorporated herein by reference, effective upon approval by the Governor of the state of Florida, pursuant to Section 42(m)(1)(B) of the IRC and sets forth the selection criteria and the preferences of the Corporation for Developments which will receive Housing Credits.

d) The 2005 QAP provides, in pertinent part:

[W]here a development has not been placed in service by the date required or it is apparent that a development will not be placed in service by the date required [December 31, 2007], such failure is due to circumstances beyond the Applicant’s control, and the Applicant has returned its housing credit allocation in the last calendar quarter of the year in which it was otherwise required to be placed in service, the Corporation may reserve allocation in an amount not to exceed the amount of credits returned, and may allocate such housing credits to the Applicant for the year after the year in which the Development was otherwise required to be placed in service provided [certain] conditions have been met.

## LEGAL

### *Consent*

- e) Specifically, Petitioner requests a variance of the above QAP provision (as incorporated by reference into Chapter 67-48, Fla. Admin. Code) to permit the return of its allocated credits at this time instead of within the last quarter of 2007, and to permit the immediate allocation of 2007 housing credits in exchange for its 2005 allocation.
- f) On September 29, 2006, Notice of the Petition was published in the Florida Administrative Weekly.
- g) To date, Florida Housing has received no comments concerning the Petition.

### 2. Present Situation

- a) Petitioner cites substantial hardship and circumstances beyond its control to justify the granting of this waiver, including the effects of Hurricane Wilma (October 24, 2005) on Miami-Dade County, which was declared as major disaster area. Petitioner states that the effects of Hurricanes Dennis, Katrina and Wilma resulted in an unforeseen construction delays and an increase in construction costs. Petitioner had to re-budget the Development and demonstrated that its tax credit investor has serious concerns whether the Development will meet its placed-in-service date of December 31, 2007.
- b) IRS Revenue Procedure 95-28 allows extensions of time for the placed-in-service date of a development only after a major disaster area has been declared, for which a carryover allocation for the development is already in place prior to the disaster area being declared. Hurricane Wilma struck shortly before this Development received its carryover allocation and Petitioner is not eligible for relief under IRS Procedure 95-28. Absent a waiver from Florida Housing, Petitioner will not receive a one-year extension of the placed in service date. It would violate the principles of fairness to not allow Petitioner to have an extension of time for the placed-in-service date because it did not have its carryover allocation at the time the area had been declared a major disaster area. Petitioner also demonstrated that it is necessary to waive the QAP requirement that such returns be made only in the last quarter of the year the project is to be placed in service, to allow sufficient lead time to complete construction of the project.
- c) Section 120.542(2), Florida Statutes provides in pertinent part:

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

### 3. Recommendation

Staff recommends that the Board GRANT Petitioner's request as a variance to the above-cited provision of the 2005 QAP, to permit Petitioner to return its 2005 tax credit allocation, and to receive a binding commitment for an allocation of 2007 housing tax credits in an amount not to exceed its 2005 allocation, at any time after the filing of this order, with a placed-in-service date of December 31, 2008.

**LEGAL**

*Consent*

**F. In Re: Villa Aurora, LLLP**

**FHFC Case No. 2006-065VW**

|  |   |
|--|---|
| <b>Development Name: (“Development”):</b>  | <b>Villa Aurora</b>                               |
| <b>Developer/Principal: (“Developer”):</b> | <b>Carrfour Supportive Housing, Inc.</b>          |
| <b>Number of Units: 76</b>                 | <b>Location: Miami-Dade County</b>                |
| <b>Type: High-Rise</b>                     | <b>Set Aside: 21% @ 30% AMI<br/>79% @ 60% AMI</b> |
| <b>Demographics: Homeless</b>              | <b>Allocated Amount: \$3,000,000.00</b>           |
| <b>MMRB: N/A</b>                           | <b>Housing Credits: \$2,189,896.00</b>            |

**1. Background**

- a) During the 2005 Universal Cycle, Florida Housing awarded an allocation of Housing Credits and State Apartment Incentive Loan (“SAIL”) funds to Villa Aurora, LLLP. (“Petitioner”). On September 20, 2006, Florida Housing received a “Petition for Waiver of Qualified Allocation Plan’s Requirement for Returning Housing Credit Allocations, and for an Immediate Allocation of 2007 Housing Credits” (the “Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit G](#).
- b) Rule 67-48.025(1), Fla. Admin. Code (2005) requires that Florida Housing’s allocation of Housing Credits “shall be in accordance with the Corporation’s Qualified Allocation Plan.”
- c) Rule 67-48.002(83), Fla. Admin. Code (2005) defines the QAP as follows:

“QAP” of “Qualified Allocation Plan” means, with respect to the HC Program, the 2005 Qualified Allocation Plan which is adopted and incorporated herein by reference, effective upon approval by the Governor of the state of Florida, pursuant to Section 42(m)(1)(B) of the IRC and sets forth the selection criteria and the preferences of the Corporation for Developments which will receive Housing Credits.
- d) The 2005 QAP provides, in pertinent part:

[W]here a development has not been placed in service by the date required or it is apparent that a development will not be placed in service by the date required [December 31, 2007], such failure is due to circumstances beyond the Applicant’s control, and the Applicant has returned its housing credit allocation in the last calendar quarter of the year in which it was otherwise required to be placed in service, the Corporation may reserve allocation in an amount not to exceed the amount of credits returned, and may allocate such housing credits to the Applicant for the year after the year in which the Development was otherwise required to be placed in service provided [certain] conditions have been met.

## LEGAL

### *Consent*

- e) Specifically, Petitioner requests a variance of the above QAP provision (as incorporated by reference into Chapter 67-48, Fla. Admin. Code) to permit the return of its allocated credits at this time instead of within the last quarter of 2007, and to permit the immediate allocation of 2007 housing credits in exchange for its 2005 allocation.
- f) On September 29, 2006, the Notice of the Petition was published in the Florida Administrative Weekly.
- g) To date, Florida Housing has received no comments concerning the Petition.

### **2. Present Situation**

- a) Petitioner cites substantial hardship and circumstances beyond its control to justify the granting of this waiver, including the effects of Hurricane Wilma (October 24, 2005) on Miami-Dade County, which was declared as major disaster area. Petitioner states that the effects of Hurricanes Dennis, Katrina and Wilma resulted in an unforeseen construction delays and an increase in construction costs. Petitioner had to re-budget the Development and demonstrated that its tax credit investor has serious concerns whether the Development will meet its placed-in-service date of December 31, 2007.
- b) IRS Revenue Procedure 95-28 allows extensions of time for the placed-in-service date of a development only after a major disaster area has been declared, for which a carryover allocation for the development is already in place prior to the disaster area being declared. Hurricane Wilma struck shortly before this Development received its carryover allocation and Petitioner is not eligible for relief under IRS Procedure 95-28. Absent a waiver from Florida Housing, Petitioner will not receive a one-year extension of the placed in service date. It would violate the principles of fairness to not allow Petitioner to have an extension of time for the placed-in-service date because it did not have its carryover allocation at the time the area had been declared a major disaster area. Petitioner also demonstrated that it is necessary to waive the QAP requirement that such returns be made only in the last quarter of the year the project is to be placed in service, to allow sufficient lead time to complete construction of the project.
- c) Section 120.542(2), Florida Statutes provides in pertinent part:

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

### **3. Recommendation**

Staff recommends that the Board GRANT Petitioner's request as a variance to the above-cited provision of the 2005 QAP, to permit Petitioner to return its 2005 tax credit allocation, at any time after the filing of this order and to receive a binding commitment for an allocation of 2007 housing tax credits in an amount not to exceed its 2005 allocation, with a placed-in-service date of December 31, 2008.

**LEGAL**

*Consent*

**G. In Re: Coral Place Limited Partnership**

**FHFC Case No.: 2006-068VW**

|  |   |
|--|---|
| <b>Development Name: (“Development”):</b>  | <b>Coral Place</b>  |
| <b>Developer/Principal: (“Developer”):</b> | <b>Mastko Development</b>   |
| <b>Number of Units: 100</b>                | <b>Location: Miami-Dade County</b>                                  |
| <b>Type: High-Rise</b>                     | <b>Set Aside: 47% @ or below 50% AMI<br/>53% @ or below 60% AMI</b> |
| <b>Demographics: Family</b>                | <b>Allocated Amount: N/A</b>  |
| <b>MMRB: N/A</b>                           | <b>Housing Credits: \$1,568,262</b>                                 |

**1. Background**

- a) During the 2005 Universal Cycle, Florida Housing awarded an allocation of Housing Credits of \$1,568,262 to Coral Place Limited Partnership (“Petitioner”). On October 4, 2006, Florida Housing received a “Petition for Waiver of Section 11 of the 2005 Qualified Allocation Plan,” (the “Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit H](#).
- b) Rule 67-48.025, Fla. Admin. Code (2005) requires that Florida Housing’s allocation of Housing Credits “shall be in accordance with the Corporation’s Qualified Allocation Plan.”
- c) Rule 67-48.002(83), Fla. Admin. Code (2005) defines the QAP as follows:

“QAP” of “Qualified Allocation Plan” means, with respect to the HC program, the 2005 Qualified Allocation Plan which is adopted and incorporated herein by reference, effective upon approval by the Governor of the state of Florida, pursuant to Section 42(m)(1)(B) of the IRC and sets forth the selection criteria and the preferences of the Corporation for Developments which will receive Housing Credits.
- d) The 2005 QAP provides, in pertinent part:

[W]here a development has not been placed in service by the date required or it is apparent that a development will not be placed in service by the date required [December 31, 2007], such failure is due to circumstances beyond the Applicant’s control, and the Applicant has returned its housing credit allocation in the last calendar quarter of the year in which it was otherwise required to be placed in service, the Corporation may reserve allocation in an amount not to exceed the amount of credits returned, and may allocate such housing credits to the Applicant for the year after the year in which the Development was otherwise required to be placed in service provided [certain] conditions have been met.

## LEGAL

### *Consent*

- e) Specifically, Petitioner requests a variance from the above QAP provision (as incorporated by reference into Chapter 67-48, Fla. Admin. Code) to permit the return of its allocated credits at this time instead of within the last quarter of 2007, and to permit the immediate allocation of 2007 housing credits in exchange for its 2005 allocation
- f) On October 20, 2006, Notice of the Petition was published in Volume 32, Number 45, of the Florida Administrative Weekly.
- g) To date, Florida Housing has received no comments concerning the Petition.

### 2. Present Situation

- a) Petitioner cites substantial hardship and circumstances beyond its control to justify the granting of this variance, including the effects of Hurricane Wilma (October 24, 2005) on Miami-Dade County, which was declared a major disaster area. Petitioner states that the effects of Hurricanes Dennis, Katrina and Wilma and the increased costs of crude oil prices have resulted in an unforeseen increase in construction costs in the past 12 months. Petitioner has been unable to secure additional funding necessary to cover the increased development costs, in order to meet its construction completion date of December 31, 2007. Additionally, Petitioner demonstrated that a denial of its requested variance would result in its tax credit syndicator being unwilling to provide equity financing for the Development.
- b) IRS Revenue Procedure 95-28 allows extensions of time for the placed-in-service date of a development only after a major disaster area has been declared, for which a carryover allocation for the development is already in place prior to the disaster area being declared. Hurricane Wilma struck shortly before this Development received its carryover allocation and Petitioner is not eligible for relief under IRS Procedure 95-28. Absent a waiver from Florida Housing, Petitioner will not receive a one-year extension of the placed in service date. It would violate the principles of fairness to not allow Petitioner to have an extension of time for the placed-in-service date because it did not have its carryover allocation at the time the area had been declared a major disaster area. Petitioner also demonstrated that it is necessary to waive the QAP requirement that such returns be made only in the last quarter of the year the project is to be placed in service, to allow sufficient lead time to complete construction of the project.
- c) Section 120.542(2), Florida Statutes provides in pertinent part:

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

## **LEGAL**

### *Consent*

#### **3. Recommendation**

Staff recommends that the Board GRANT Petitioner's requested variance from the requirements of the 2005 QAP, as follows: Petitioner shall be permitted to return its 2005 Housing Credit allocation at any time after the order granting a variance is filed, and to receive a Binding Commitment for an allocation of 2007 Housing Credits in an amount not to exceed its 2005 allocation, with a Placed-in Service Date of December 31, 2008.

**LEGAL**

*Consent*

**H. In Re: Gulf Breeze Apartments Partners, Ltd.**

**FHFC Case No. 2006-073VW**

|  |   |
|--|---|
| <b>Development Name: (“Development”):</b>  | <b>Gulf Breeze Apartments</b>                                       |
| <b>Developer/Principal: (“Developer”):</b> | <b>Gulf Breeze Apartments Partners, Ltd.</b>                        |
| <b>Number of Units: 184</b>                | <b>Location: Escambia County</b>                                    |
| <b>Type: Garden Apartments</b>             | <b>Set Aside: 15% @ or below 40% AMI<br/>85% @ or below 60% AMI</b> |
| <b>Demographics: Family</b>                | <b>Allocated Amount: \$2,400,000 - RRLP</b>                         |

**1. Background**

- a) During the 2005 Rental Recovery Loan Program (“RRLP”) Cycle, Petitioner was awarded an allocation of RRLP financing in the amount of \$2,400,000 for the construction of Gulf Breeze Apartments, a 184-unit apartment development intended to serve the Elderly demographic to be located in Escambia County, Florida (the “Development”).
- b) On November 3, 2006, Florida Housing received a “Petition for Variance of Emergency Rule 67ER-05(17)(3)(b), F. A. C. (2005),” (“Petition”) from Gulf Breeze Apartment Partners, Ltd. (“Petitioner”). A copy of the Petition is attached as [Exhibit I](#).
- c) The 2005 RRLP Emergency Rule 67ER05-17, F.A.C. (2005), states in pertinent part:

“(3) The base loan shall be non-amortizing and shall have interest rates as follows:

(a) 0% simple interest per annum on the pro-rata portion of the base loan attributable to ELI units over the life of the loan; and

(b) 3% simple interest per annum on the pro-rata portion of the base loan attributable to non-ELI units.

...”

- d) The 2006 RRLP Emergency Rule 67ER06-34, F.A.C. (2006), provides the following:

“(3) The base loan shall be non-amortizing and shall have interest rates as follows:

(a) 0% simple interest per annum on the pro-rata portion of the base loan attributable to ELI units over the life of the loan; and

(b) 1% simple interest per annum on the pro-rata portion of the base loan attributable to non-ELI units.”



## LEGAL

### *Consent*

- e) Escambia County was one of the Florida counties impacted by the 2004 hurricane season. Petitioner was awarded 2005 RRLP financing for the Development under emergency rule 67ER05-17, F.A.C, which provided funding to assist in hurricane recovery resulting from the 2004 hurricane season. The interest rate on the 2005 RRLP loan awarded the Petitioner was three percent (3%).
- f) Subsequent to Petitioner's award of the 2005 RRLP financing, Florida Housing adopted emergency rule 67ER06-34, F.A.C., to allocate funds to assist in hurricane recovery efforts resulting from both the 2004 and 2005 hurricane seasons. The Corporation increased the subsidy limits and decreased the interest rate for the 2006 RRLP loans from 3% to 1% under Emergency Rule 67ER06-34(3)(b), F.A.C.
- g) As a result of the change in interest rate from the 2005 to the 2006 RRLP rules, the Petitioner is subject to the higher 3% interest rate, whereas, those who applied for RRLP funds in the 2006 cycle for recovery assistance for the same 2004 storms received the lower 1% interest rate.
- h) Petitioner requests a variance of the foregoing rule to allow Petitioner to receive the 1% interest rate on the pro-rata portion of the base loan attributable to the non-ELI units, as permissible under the 2006 RRLP rule, rather than the 3% rate applicable under the 2005 RRLP rule.
- i) On November 9, 2006, the Notice of Petition's filing was published in the Florida Administrative Weekly.
- j) To date, Florida Housing has received no comments concerning the Petition.
- k) Section 120.542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- l) Strict application of the Emergency Rule will lead to unreasonable, unfair and unintended consequences, and create a substantial hardship for Petitioner since it is subject to the same increased construction and insurance costs as those who received assistance in the 2006 RRLP cycle, yet pay a higher interest rate. The variance will mitigate some of the financial stress resulting from these increased costs. The granting of this request for variance will serve the purpose of the underlying statute by ensuring the viability of this affordable housing development by allowing Petitioner the benefit of the lower interest rate making it more likely that the project will be completed on time and in budget, and, in turn, will further Florida Housing's statutory mandate to provide safe, sanitary and affordable housing to the citizens of Florida.

## **LEGAL**

### ***Consent***

#### **2. Recommendation**

Staff recommends the Board GRANT the Petitioner's request for a variance of Emergency Rule 67ER05-17(3)(b), F.A.C. (2005), and allow Petitioner to receive the 1% interest rate on the pro-rata portion of the base loan attributable to non-ELI units, as permissible under the 2006 RRLP rule, rather than the 3% provided under the 2005 RRLP rule.

# LEGAL

## Consent

### I. In Re: MerryPlace at Pleasant City Associates, Ltd.

FHFC Case No.: 2006-69VW

|  |  |
|--|--|
| <b>Development Name: (“Development”):</b>  | <b>MerryPlace</b>                                  |
| <b>Developer/Principal: (“Developer”):</b> | <b>Banc of America Community Development Corp.</b> |
| <b>Number of Units: 128</b>                | <b>Location: Palm Beach County</b>                 |
| <b>Type: Garden Apartments</b>             | <b>Set Aside: 15% @ 30% AMI<br/>85% @ 60% AMI</b>  |
| <b>Demographics: Family</b>                | <b>Allocated Amount: N/A</b>                       |
| <b>MMRB: N/A</b>                           | <b>Housing Credits: \$1,309,044</b>                |

#### 1. Background

- a) During the 2005 Universal Cycle, Florida Housing awarded an allocation of Housing Credits to MerryPlace at Pleasant City Associates, Ltd. (“Petitioner”). On October 13, 2006, Florida Housing received a “Petition for a Variance of the 2005 Qualified Allocation Plan’s Requirement for Returning Housing Credit Allocations, and to Immediately Receive a Binding Commitment for an Allocation of 2007 Housing Credits” (the “Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit J](#).
- b) Rule 67-48.025, Fla. Admin. Code (2005) requires that Florida Housing’s allocation of Housing Credits “shall be in accordance with the Corporation’s Qualified Allocation Plan.”
- c) Rule 67-48.002(83), Fla. Admin. Code (2005) defines the QAP as follows:

“QAP” or “Qualified Allocation Plan” means, with respect to the HC program, the 2005 Qualified Allocation Plan which is adopted and incorporated herein by reference, effective upon approval by the Governor of the state of Florida, pursuant to Section 42(m)(1)(B) of the IRC and sets forth the selection criteria and the preferences of the Corporation for Developments which will receive Housing Credits.
- d) The 2005 QAP provides, in pertinent part:

[W]here a development has not been placed in service by the date required or it is apparent that a development will not be placed in service by the date required [December 31, 2007], such failure is due to circumstances beyond the Applicant’s control, and the Applicant has returned its housing credit allocation in the last calendar quarter of the year in which it was otherwise required to be placed in service, the Corporation may reserve allocation in an amount not to exceed the amount of credits returned, and may allocate such housing credits to the Applicant for the year after the year in which the Development was otherwise required to be placed in service provided [certain] conditions have been met.

## LEGAL

### *Consent*

- e) Specifically, Petitioner requests a variance from the above QAP provision (as incorporated by reference into Chapter 67-48, Fla. Admin. Code) to permit the return of its allocated credits at this time instead of within the last quarter of 2007, and to permit the immediate allocation of 2007 housing credits in exchange for its 2005 allocation.
- f) On November 9, 2006, Notice of the Petitions was published in volume 32, Number 45, Florida Administrative Weekly.
- g) To date, Florida Housing has received no comments concerning the Petition.

### 2. Present Situation

- a) Petitioner cites substantial hardship and circumstances beyond its control to justify the granting of this variance, including the effects of Hurricanes Katrina (August 23, 2005) and Wilma (October 24, 2005) on Palm Beach County, which was declared a major disaster area. Petitioner states that due to the effects of Hurricanes Katrina and Wilma and the increased costs of in crude oil prices has resulted in a unforeseen increase construction costs in the past 12 months. Petitioner has been unable to secure additional funding necessary to cover the increased development costs, in order to meet its construction completion date of December 31, 2007. Petitioner further states that the water/sewer infrastructure serving the MerryPlace project is at least 50 years old, and is being replaced by and at the expense of the Community Development Authority of West Palm Beach. The infrastructure replacement must be complete before construction on the MerryPlace project can commence. The infrastructure replacement work has begun, but is behind schedule, such that completion of MerryPlace's construction and placing units in service by December 31, 2007, is not a reasonable expectation.
- b) IRS Revenue Procedure 95-28 allows extensions of time for the placed-in-service date of a development only after a major disaster area has been declared, for which a carryover allocation for the development is already in place prior to the disaster area being declared. Hurricane Wilma struck shortly before this Development received its carryover allocation and Petitioner is not eligible for relief under IRS Procedure 95-28. Absent a waiver from Florida Housing, Petitioner will not receive a one-year extension of the placed in service date. It would violate the principles of fairness to not allow Petitioner to have an extension of time for the placed-in-service date because it did not have its carryover allocation at the time the area had been declared a major disaster area. Petitioner also demonstrated that it is necessary to waive the QAP requirement that such returns be made only in the last quarter of the year the project is to be placed in service, to allow sufficient lead time to complete construction of the project
- c) For practical reasons, Florida Housing cannot "immediately" allocate 2007 Housing Credits to Petitioner, as the Internal Revenue Service has not yet issued allocation authority regarding 2007 Housing Credits. However, Florida Housing may issue a binding commitment to Petitioner for 2007 Housing Credits, in an amount not to exceed Petitioner's 2005 allocation, with a Placed-in- Service date of December 31, 2008.

## **LEGAL**

### ***Consent***

- d) Section 120.542(2), Florida Statutes provides in pertinent part:
  - (1) Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.

### **3. Recommendation**

Staff recommends that the Board GRANT Petitioner's requested variance from the requirements of the 2005 QAP, as follows: Petitioner shall be permitted to return its 2005 Housing Credit allocation and its 2006 Binding Commitment, and shall receive a Binding Commitment for an allocation of 2007 Housing Credits in an amount not to exceed its 2005 allocation; and the Placed-in Service Date for the project shall be extended to December 31, 2008.

**LEGAL**

***Consent***

**J. In Re: Pinnacle Square, Ltd.**

**FHFC Case No.: 2006-072VW**

|  |   |
|--|---|
| <b>Development Name: (“Development”):</b>  | <b>Pinnacle Square</b>  |
| <b>Developer/Principal: (“Developer”):</b> | <b>Pinnacle Development</b>   |
| <b>Number of Units: 114</b>                | <b>Location: Miami-Dade County</b>                                  |
| <b>Type: High-Rise</b>                     | <b>Set Aside: 18% @ or below 30% AMI<br/>82% @ or below 60% AMI</b> |
| <b>Demographics: Elderly</b>               | <b>Allocated Amount: \$1,800,000</b>                                |
| <b>MMRB: N/A</b>                           | <b>Housing Credits: \$2,435,000</b>                                 |

**1. Background**

- a) During the 2006 Universal Cycle, Florida Housing awarded an allocation of Housing Credits to Pinnacle Square, Ltd.. (“Petitioner”). On November 1, 2006, Florida Housing received a “Petition for Variance/Waiver From Florida Administrative Code Rule 67-48.004(14),” (the “Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit K](#).
- b) Rule 67-48.004(14), Fla. Admin. Code (2005), provides:
  - (14) Notwithstanding any other provision of these rules, there are certain items that must be included in the Application and cannot be revised, corrected or supplemented after the Application Deadline. Failure to submit these items in the Application at the time of the Application Deadline shall result in rejection of the Application without opportunity to submit additional information. Any attempted changes to these items will not be accepted. Those items are as follows:
    - (j) Total Number of Units; ...
    - (m) Funding Request...
- c) Specifically, Petitioner requests a waiver of the Rules 67-48.004(14)(j) and 67-48.004(m), F.A.C., to the extent that the Rules prohibit changing the Applicant’s total number of units; and Applicant’s funding request amount, as applied to its 2006 HC Application, to allow the reduction in units from 114 to 110, with a proportional reduction in its Preliminary HC Allocation from \$2,435,000.00 to \$2,349,561.40.
- d) On November 9, 2006, Notice of the Petitions was published in Volume 32, Number 45, of the [Florida Administrative Weekly](#).
- e) To date, Florida Housing has received no comments concerning the Petition.

## LEGAL

### *Consent*

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

a) Petitioner states that the proposed reduction in the total number of units is necessary to preserve the integrity and amount of space in the common areas of the development, and to preserve the square footage amount of the apartment units. Petitioner proposes, in conjunction with the reduction in units, to reduce its annual tax credit amount from \$2,435,000.00 to \$2,349,561.40, resulting in the return of \$85,438.60 in annual tax credit allocation. The reduction in units and allocation would not have changed Petitioner's score on its 2006 Universal Cycle Application.

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

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

#### 3. **Recommendation**

Staff recommends that the Board GRANT Petitioner's requested waiver from the requirements of Rule 67-48.004(14)(j) and 67-48.004(14)(m), F.A.C. (2005), to the extent necessary to allow Petitioner to reduce the total number of units from 114 to 110; and to reduce the funding through its Preliminary Low Income Housing Tax Credit allocation from \$2,435,000.00 to \$2,349,561.40.

## MULTIFAMILY BONDS

### *Consent*

#### V. MULTIFAMILY BONDS

- A. Request Approval Of The Final Credit Underwriting Report For The Development In The Amount Of \$2,067,500 Of Tax-Exempt Bonds And \$2,500,000 HOME Loan, Consisting Of 225 Units, Located In St. Petersburg, Pinellas County, Florida

|   |   |
|---|---|
| <b>DEVELOPMENT NAME (“Development”):</b>                                      | <b>Lutheran Apartments</b>  |
| <b>DEVELOPER/PRINCIPAL (“Applicant”):</b>                                     | <b>Lutheran Residences, Inc./Federal Housing Administration-Section 231 Guarantee</b> |
| <b>NUMBER OF UNITS:</b>   | <b>225</b>  |
| <b>LOCATION (“County”):</b>   | <b>Pinellas</b>   |
| <b>TYPE (Rental, Homeownership):</b>  | <b>Rental/Family (MMRB and HOME)</b>  |
| <b>SET ASIDE:</b>   | <b>85% @ 60% (MMRB)<br/>20% @ 50% (HOME)<br/>80% @ 60% (HOME)</b>                     |
| <b>ALLOCATED AMOUNT:</b>  | <b>\$2,067,500 of Tax-Exempt Bonds and<br/>\$2,500,000 HOME Loan</b>                  |
| <b>ADDITIONAL COMMENTS: HUD 202 Refinancing/Rehabilitation with HOME Loan</b> |   |

1. **Background**

Applicant submitted an Application on behalf of the proposed Development in response to Request for Proposals 2005-03 on June 22, 2005. Applicant applied for tax-exempt bonds in the amount of \$2,150,000 in order to acquire and rehabilitate the Development.

2. **Present Situation**

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to advise it of any such changes. The report noted no changes.
- b) A Final Credit Underwriting Report dated November 20, 2006, is attached as [Exhibit A](#).

3. **Recommendation**

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated November 20, 2006 recommending that \$2,067,500 in bonds and \$2,500,000 HOME loan be issued for the purpose of acquiring and rehabilitating the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.



## MULTIFAMILY BONDS

### *Consent*

**B. Request Approval Of The Final Credit Underwriting Report For Refunding Of The Bonds For The Stoddert Place**

|   |   |
|---|---|
| <b>DEVELOPMENT NAME (“Development”):</b>            | <b>Stoddert Place</b>   |
| <b>DEVELOPER/PRINCIPAL (“Developer”) (“Owner”):</b> | <b>Blue Angel, LP/The Richman Group of Florida, Inc./The Richman Group of Connecticut, LLC/Richard P. Richman</b> |
| <b>NUMBER OF UNITS:</b>                             | <b>320</b>  |
| <b>LOCATION (“County”):</b>                         | <b>Escambia</b>   |
| <b>TYPE (Rental, Homeownership):</b>                | <b>Rental</b>   |
| <b>SET ASIDE:</b>                                   | <b>40% @ 60%</b>  |
| <b>ALLOCATED AMOUNT:</b>                            | <b>\$10,896,000 Tax-Exempt Bonds</b>  |
| <b>ADDITIONAL COMMENTS:</b>                         | <b>Refunding</b>  |

**1. Background**

In 1996, Florida Housing financed the construction of the Development with \$10,896,000 in tax-exempt bonds designated as 1996 Series O.

**2. Present Situation**

- a) The Owner, through their counsel, in a letter dated October 5, 2006, attached as [Exhibit B](#), requested a refunding of the bonds. The proposed structure will be a variable rate loan with Fannie Mae credit enhancement. Fannie Mae will also provide a taxable second mortgage loan to provide funds for improvements to the development.
- b) A Final Credit Underwriting Report dated December 1, 2006, attached as [Exhibit C](#) recommends that Florida Housing allow the refunding.

**3. Recommendation**

That the Board approve the Final Credit Underwriting Report for refunding of the bonds for the Development subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

C. **Request Approval Of The Replacement Of General Partnership Interest In The Development**

|   |  |
|---|--|
| <b>DEVELOPMENT NAME (“Development”):</b>        | <b>Grand Savannah Club Apartments</b>  |
| <b>DEVELOPER/PRINCIPAL (“Developer/Owner”):</b> | <b>Grand Savannah Club, Ltd./MBS GP 32 LLC/Sun America Housing Fund 465, Ltd.(“SHF”)/McCormack Baron Salazar, Inc. (“MBS”)</b> |
| <b>NUMBER OF UNITS:</b>                         | <b>320</b>   |
| <b>LOCATION (“County”):</b>                     | <b>St. Lucie</b>   |
| <b>TYPE (Rental, Homeownership):</b>            | <b>Rental</b>  |
| <b>SET ASIDE:</b>                               | <b>50 @ 60% (MMRB)</b>   |
| <b>ALLOCATED AMOUNT:</b>                        | <b>\$13,060,000 Tax-Exempt Bonds</b>   |
| <b>ADDITIONAL COMMENTS:</b>                     | <b>Replacement of General Partnership Interest</b>   |

1. **Background**

In 1998, Florida Housing financed the construction of the Development with \$13,650,000 in tax-exempt bonds designated as 1998 Series A.

2. **Present Situation**

- a) The counsel for SHF, in a letter dated September 26, 2006, attached as [Exhibit D](#), requests approval of the replacement of the general partnership interest from SLP Housing II LLC, to MBS GP 32 LLC.
- b) A Final Credit Underwriting Report dated November 9, 2006, attached as [Exhibit E](#), recommends that Florida Housing allow the replacement of the General Partnership Interest.

3. **Recommendation**

That the Board approve the replacement of general partnership for the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

**D. Request Approval Of The Replacement Of General Partnership Interest In The Development**

|   |  |
|---|--|
| <b>DEVELOPMENT NAME (“Development”):</b>        | <b>Buchanan Bay Apartments</b>   |
| <b>DEVELOPER/PRINCIPAL (“Developer/Owner”):</b> | <b>Buchanan Bay, Ltd./MBS GP 133 LLC/Sun America Housing Fund 576, Ltd.(“SHF”)/McCormack Baron Salazar, Inc. (“MBS”)</b> |
| <b>NUMBER OF UNITS:</b>                         | <b>228</b>   |
| <b>LOCATION (“County”):</b>                     | <b>Orange</b>  |
| <b>TYPE (Rental, Homeownership):</b>            | <b>Rental</b>  |
| <b>SET ASIDE:</b>                               | <b>50 @ 60% (MMRB)</b>   |
| <b>ALLOCATED AMOUNT:</b>                        | <b>\$10,119,000 Tax-Exempt Bonds</b>   |
| <b>ADDITIONAL COMMENTS:</b>                     | <b>Replacement of General Partnership Interest</b>   |

**1. Background**

In 1998, Florida Housing financed the construction of the Development with \$10,725,000 in tax-exempt bonds designated as 1998 Series S.

**2. Present Situation**

- a) The counsel for SHF, in a letter dated September 26, 2006, attached as [Exhibit E](#), requests approval of the replacement of the general partnership interest from SLP Housing II LLC, to MBS GP 133 LLC.
- b) A Final Credit Underwriting Report dated November 9, 2006, attached as [Exhibit G](#) recommends that Florida Housing allow the replacement of the General Partnership Interest.

**3. Recommendation**

That the Board approve the replacement of general partnership for the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

# MULTIFAMILY BONDS

## *Consent*

### **E. Assignment Of Bond Underwriters And Structuring Agents**

#### **1. Background**

- a) Pursuant to staff's request for approval to issue bonds to finance the construction of the proposed Development referenced below, a Final Credit Underwriting Report is being presented to the Board for approval simultaneously with this request to assign the appropriate professionals to this transaction. A brief description of the Development is detailed below along with the Staff's recommendation for the assignment.
- b) Additionally, the Corporation's Senior Financial Advisor has prepared a method of bond sale letter. Staff has reviewed the method of sale letter and Board approval is requested at the current meeting.

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

- a) The Credit Underwriters, the Senior Financial Advisor and Florida Housing staff have reviewed the financing structure for the proposed Development.
- b) The Senior Financial Advisor's recommendation for the method of bond sale is 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 approve the assignment of the recommended professionals as shown in the chart for the proposed Development.

| <b>Development Name</b> | <b>Development Location</b> | <b>Number of Units</b> | <b>Method of Bond Sale</b> | <b>Recommended Professional</b> |
|-------------------------|-----------------------------|------------------------|----------------------------|---------------------------------|
| Stoddert Place          | Escambia                    | 320                    | Negotiated                 | RBC Dain Rauscher, Inc.         |
| Lutheran Residences     | Pinellas                    | 225                    | Negotiated                 |                                 |

# MULTIFAMILY BONDS

## *Consent*

### **F. Request Approval Of The Method Of Bond Sale Recommendation From Florida Housing's Senior Financial Advisor**

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

- a) The Credit Underwriter has provided a Final Credit Underwriting Report for the proposed Development 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 structure by the Senior Financial Advisor in order to make a recommendation to the Board for the method of bond sale.
- c) CSG Advisors has prepared an analysis and recommendation for the method of bond sale for the Development. The recommendation letter is attached as [Exhibit H](#).

| <b>Development Name</b> | <b>Development Location</b> | <b>Number of Units</b> | <b>Method of Bond Sale</b> |
|-------------------------|-----------------------------|------------------------|----------------------------|
| Lutheran Residences     | Pinellas                    | 225                    | Negotiated                 |

#### **2. Recommendation**

That the Board approve the recommendation of the Senior Financial Advisor for the method of bond sale for the above Development.

**PREDEVELOPMENT LOAN PROGRAM (PLP)**

*Consent*

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

**A. Request Approval of Applicant Name Change for El Capitan Crossings (PLP 05-078)**

|   |   |
|---|---|
| <b>DEVELOPMENT NAME (“Development”):</b>                                  | <b>El Capitan Crossings</b>   |
| <b>APPLICANT/DEVELOPER (“Developer”):</b>                                 | <b>Housing &amp; Education Alliance, Inc., a Non-Profit Corporation</b> |
| <b>CO-DEVELOPERS:</b>   | <b>n/a</b>  |
| <b>NUMBER OF UNITS:</b>   | <b>36</b>   |
| <b>LOCATION (“County”):</b>   | <b>Hillsborough</b>   |
| <b>TYPE:</b>  | <b>Homeownership</b>  |
| <b>SET ASIDE:</b>   | <b>100% @ 80% AMI</b>   |
| <b>PLP LOAN AMOUNT:</b>   | <b>\$ 500,000</b>   |
| <b>ADDITIONAL COMMENTS: The Board approved the loan on April 21, 2006</b> |   |

**1. Background/Present Situation**

- a) The Board approved a PLP loan in the amount of \$500,000 on April 21, 2006 to the Housing and Education Alliance, Inc., a Non-Profit Corporation (Developer) for El Capitan Crossings.
- b) The Developer subsequently formed a single asset, Limited Liability Company (LLC) for the development and has requested that the new LLC, Housing and Education Alliance Redevelopment Team II, LLC be substituted as the borrower for purposes of loan closing.
- c) The credit underwriter has evaluated the request and recommends approval ([Exhibit A](#)).

**2. Recommendation**

Approve the Credit Underwriter’s recommendation and authorize staff to proceed with loan closing activities on the PLP Loan.

**PREDEVELOPMENT LOAN PROGRAM (PLP)**

*Consent*

**B. Request Approval of PLP Loan to DGN, Inc. II, a Non-Profit Corporation, for Douglas Gardens (PLP 05-100)**

|   |   |
|---|---|
| <b>DEVELOPMENT NAME (“Development”):</b>  | <b>Douglas Gardens</b>                        |
| <b>APPLICANT/DEVELOPER (“Developer”):</b> | <b>DGN, Inc. II, a non-profit corporation</b> |
| <b>NUMBER OF UNITS:</b>                   | <b>52</b>                                     |
| <b>LOCATION (“County”):</b>               | <b>Broward</b>                                |
| <b>TYPE:</b>                              | <b>Rental</b>                                 |
| <b>SET ASIDE:</b>                         | <b>60% @ 60% AMI</b>                          |
| <b>PLP LOAN AMOUNT:</b>                   | <b>\$ 500,000</b>                             |

**1. Background/Present Situation**

- a) On September 12, 2006, Florida Housing issued an Invitation to Participate in the PLP to the non-profit Developer. The Development will be located in Broward County.
- b) The Technical Assistance Provider (TAP) has approved the development plan and has recommended a loan amount of \$500,000 for PLP eligible activities ([Exhibit B](#)). The TAP assisted the Developer in preparing the development plan and budget ([Exhibit C](#)). Staff has reviewed them and determined that all budget items are PLP eligible.

**2. Recommendation**

Approve a PLP Loan in the total amount of \$500,000 to the Developer for predevelopment expenses as recommended by the TAP and allow staff to issue the commitment letter and begin loan closing proceedings.

**PREDEVELOPMENT LOAN PROGRAM (PLP)**

*Consent*

**C. Request Approval of PLP Loan to Grove House of Jacksonville, Inc., a Non-Profit Corporation, for Timuquana (PLP 05-104)**

|   |  |
|---|--|
| <b>DEVELOPMENT NAME (“Development”):</b>  | <b>Timuquana</b>   |
| <b>APPLICANT/DEVELOPER (“Developer”):</b> | <b>Grove House of Jacksonville, Inc., a non-profit corporation</b> |
| <b>NUMBER OF UNITS:</b>                   | <b>46</b>  |
| <b>LOCATION (“County”):</b>               | <b>Duval</b>   |
| <b>TYPE:</b>                              | <b>Rental</b>  |
| <b>SET ASIDE:</b>                         | <b>60% @ 60% AMI</b>   |
| <b>PLP LOAN AMOUNT:</b>                   | <b>\$ 500,000</b>  |

**1. Background/Present Situation**

- a) On September 25, 2006, Florida Housing issued an Invitation to Participate in the PLP to the non-profit Developer. The Development will be located in Duval County.
- b) The Technical Assistance Provider (TAP) has approved the development plan and has recommended a loan amount of \$500,000 for PLP eligible activities ([Exhibit D](#)). The TAP assisted the Developer in preparing the development plan and budget ([Exhibit E](#)). Staff has reviewed them and determined that all budget items are PLP eligible.

**2. Recommendation**

Approve a PLP Loan in the total amount of \$500,000 to the Developer for predevelopment expenses as recommended by the TAP and allow staff to issue the commitment letter and begin loan closing proceedings.



**PREDEVELOPMENT LOAN PROGRAM (PLP)**

*Consent*

**D. Request Approval Of PLP Loan To Miami Beach Community Development Corporation, Inc., A Non-Profit Corporation, For Villa Maria West (PLP 05-102)**

|   |   |
|---|---|
| <b>DEVELOPMENT NAME (“Development”):</b>  | <b>Villa Maria West</b>   |
| <b>APPLICANT/DEVELOPER (“Developer”):</b> | <b>Miami Beach Community Development Corporation Inc., a non-profit corporation</b> |
| <b>NUMBER OF UNITS:</b>                   | <b>36</b>   |
| <b>LOCATION (“County”):</b>               | <b>Miami-Dade</b>   |
| <b>TYPE:</b>                              | <b>Rental</b>   |
| <b>SET ASIDE:</b>                         | <b>60% @ 60% AMI</b>  |
| <b>PLP LOAN AMOUNT:</b>                   | <b>\$ 451,000</b>   |

**1. Background/Present Situation**

- a) On September 12, 2006, Florida Housing issued an Invitation to Participate in the PLP to the non-profit Developer. The Development will be located in Miami-Dade County.
- b) The Technical Assistance Provider (TAP) has approved the development plan and has recommended a loan amount of \$451,000 for PLP eligible activities ([Exhibit F](#)). The TAP assisted the Developer in preparing the development plan and budget ([Exhibit G](#)). Staff has reviewed them and determined that all budget items are PLP eligible.

**2. Recommendation**

Approve a PLP Loan in the total amount of \$451,000 to the Developer for predevelopment expenses as recommended by the TAP and allow staff to issue the commitment letter and begin loan closing proceedings.

**PREDEVELOPMENT LOAN PROGRAM (PLP)**

*Consent*

**E. Request Approval Of PLP Loan To Lake Wales Housing Authority, Inc., A Public Housing Authority, For Sunrise Park (PLP 05-089)**

|   |   |
|---|---|
| <b>DEVELOPMENT NAME (“Development”):</b>  | <b>Sunrise Park</b>                       |
| <b>APPLICANT/DEVELOPER (“Developer”):</b>   | <b>Lake Wales Housing Authority, Inc.</b> |
| <b>NUMBER OF UNITS:</b>   | <b>100</b>                                |
| <b>LOCATION (“County”):</b>   | <b>Polk</b>                               |
| <b>TYPE:</b>  | <b>Rental</b>                             |
| <b>SET ASIDE:</b>   | <b>60% @ 60% AMI</b>                      |
| <b>PLP LOAN AMOUNT:</b>   | <b>\$ 500,000</b>                         |
| <b>ADDITIONAL COMMENTS: The Applicant originally applied for \$395,000. The TAP adjusted the loan amount to \$500,000 to address necessary predevelopment costs not originally contemplated by the Applicant.</b> |   |

**1. Background/Present Situation**

- a) On December 9, 2005, Florida Housing issued an Invitation to Participate in the PLP to the non-profit Developer. The Development will be located in Polk County.
  
- b) The Technical Assistance Provider (TAP) has approved the development plan and has recommended a loan amount of \$500,000 for PLP eligible activities ([Exhibit H](#)). The TAP assisted the Developer in preparing the development plan and budget ([Exhibit I](#)). Staff has reviewed them and determined that all budget items are PLP eligible.

**2. Recommendation**

Approve a PLP Loan in the total amount of \$500,000 to the Developer for predevelopment expenses as recommended by the TAP and allow staff to issue the commitment letter and begin loan closing proceedings.

**PREDEVELOPMENT LOAN PROGRAM (PLP)**

*Consent*

**F. Request Approval Of PLP Loan To Coalition For The Hungry And Homeless Of Brevard County, Inc., A Non Profit Corporation, For Tropic Hammock (PLP 05-101)**

|   |   |
|---|---|
| <b>DEVELOPMENT NAME (“Development”):</b>  | <b>Tropic Hammock</b>   |
| <b>APPLICANT/DEVELOPER (“Developer”):</b>   | <b>Coalition for the Hungry and Homeless of Brevard County, Inc., a non-profit corporation.</b> |
| <b>NUMBER OF UNITS:</b>   | <b>10</b>   |
| <b>LOCATION (“County”):</b>   | <b>Brevard</b>  |
| <b>TYPE:</b>  | <b>Rental</b>   |
| <b>SET ASIDE:</b>   | <b>60% @ 60% AMI</b>  |
| <b>PLP LOAN AMOUNT:</b>   | <b>\$ 243,545</b>   |
| <b>ADDITIONAL COMMENTS: The Applicant originally applied for \$214,611. The TAP adjusted the loan amount to \$243,545 to address necessary predevelopment costs not originally contemplated by the Applicant.</b> |   |

**1. Background/Present Situation**

- a) On December 9, 2005, Florida Housing issued an Invitation to Participate in the PLP to the non-profit Developer. The Development will be located in Brevard County.
- b) The Technical Assistance Provider (TAP) has approved the development plan and has recommended a loan amount of \$243,545 for PLP eligible activities ([Exhibit J](#)). The TAP assisted the Developer in preparing the development plan and budget ([Exhibit K](#)). Staff has reviewed them and determined that all budget items are PLP eligible.

**2. Recommendation**

Approve a PLP Loan in the total amount of \$243,545 to the Developer for predevelopment expenses as recommended by the TAP and allow staff to issue the commitment letter and begin loan closing proceedings.

# RENTAL RECOVERY LOAN PROGRAM

## Consent

### VII. RENTAL RECOVERY LOAN PROGRAM (RRLP)

#### A. Request Approval of Additional Subordinate Financing for Johnson Lakes Apartments (2005-313HR)

|  |   |
|--|---|
| <b>Development Name: Johnson Lakes Apartments (“Development”)</b>        | <b>Location: Escambia County</b>                  |
| <b>Developer/Principal: Johnson Lakes Development, LLC (“Developer”)</b> | <b>Set-Aside: 25% @ 35% AMI and 75% @ 60% AMI</b> |
| <b>Number of Units: 160</b>  | <b>Allocated Amount: \$6,141,214</b>              |
| <b>Type: Garden Apartments</b>   | <b>Total Housing Credit Equity: \$5,827,000</b>   |
| <b>Demographics: Elderly</b>   | <b>MMRB: \$9,000,000 (Local)</b>                  |

#### 1. Background/Present Situation

- a) On September 28, 2006, an RRLP loan in the amount of \$6,141,214 for this 160-unit elderly development in Escambia County closed.
- b) On November 6, 2006, staff received a letter from the Borrower requesting approval for additional subordinate financing from Escambia County ([Exhibit A](#)).
- c) On November 6, 2006, staff received a credit underwriting review with a positive recommendation for additional subordinate financing in the amount of \$800,000 ([Exhibit B](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of RRLP Rule Chapter 67-ER06-13, F.A.C.

#### 2. Recommendation

Approve the request for additional subordinate financing and direct staff to proceed with loan documentation modification activities.

## SPECIAL ASSETS

### *Consent*

#### VIII. SPECIAL ASSETS

- A. **Request Approval For The Transfer Of General Partnership Interest From The Richman Group Of Florida, Inc. (TRGOF) Entity To RMS GP, LLC. (93 HRR-009) (93L-108) (94 DRHR-001)**

|  |  |
|--|--|
| <b>Development Name: The Landings (“Development”)</b>                        | <b>Location: Dade County</b>   |
| <b>Developer/Principal: The Richman Group of Florida, Inc. (“Developer”)</b> | <b>Set-Aside: 20% @ 40% AMI<br/>80% @ 60% AMI<br/>SAIL LURA: 50 years; EUA:<br/>Perpetuity</b> |
| <b>Number of Units: 101</b>  | <b>Allocated Amount:<br/>SAIL/HRR: \$33,399 HR:<br/>\$981,294-15yrs</b>                        |
| <b>Demographics: Family</b>  | <b>Housing Credits: \$454,348</b>  |

1. **Background**

During the 1993 SAIL/HRR Cycle V, Florida Housing awarded a \$33,399 construction/permanent loan to Homestead Housing Partnership I, Ltd., a Florida Limited Partnership (“Borrower”), for the development of a 101-unit development in Dade County. The SAIL/HRR loan closed on May 6, 1994 and matures on May 6, 2009. The Development also received a 1993 allocation of low-income housing tax credits and was placed in service February 1, 1995. Along with the SAIL/HRR loan, Florida Housing also awarded a HOME loan of \$981,294, which closed on May 6, 1994.

2. **Present Situation**

In a letter dated October 3, 2006 ([Exhibit A](#)), the General Partner, TRGOF, has requested a transfer of general partnership interest to an affiliated entity, RMS GP, LLC.

3. **Recommendation**

Approve the request to transfer General Partner Interest to the affiliated entity.

**SPECIAL ASSETS**

*Consent*

**B. Request Approval For The Transfer Of General Partnership Interest From The Richman Group Of Florida, Inc. (TRGOF) Entity To RMS GP, LLC. (93 HRR-001) (96L-005)**

|  |  |
|--|--|
| <b>Development Name: San Sherri Villas<br/>("Development")</b>               | <b>Location: Dade County</b>   |
| <b>Developer/Principal: The Richman Group of Florida, Inc. ("Developer")</b> | <b>Set-Aside: 100% @ 60% or less of AMI<br/>SAIL LURA: 50 years; EUA:<br/>Perpetuity</b> |
| <b>Number of Units: 80</b>   | <b>Allocated Amount:<br/>SAIL/HRR: \$2,373,200</b>                                       |
| <b>Demographics: Family</b>  | <b>Housing Credits: \$670,096</b>  |

**1. Background**

During the 1993 SAIL/HRR Cycle, Florida Housing awarded a \$2,373,200 rehabilitation/permanent loan to Homestead Housing Partnership II, Ltd., a Florida Limited Partnership ("Borrower"), for the development of an 80-unit development in Dade County. The SAIL/HRR loan was executed on February 19, 1996. The Development also received a 1996 allocation of low-income housing tax credits of \$671,096.

**2. Present Situation**

In a letter dated October 3, 2006 ([Exhibit B](#)), the General Partner, TRGOF, has requested a transfer of general partnership interest to an affiliated entity, RMS GP, LLC.

**3. Recommendation**

Approve the request to transfer General Partner Interest to the affiliated entity.

**SPECIAL ASSETS**

*Consent*

**C. Request Approval For The Transfer Of General Partnership Interest From The Richman Group Of Florida, Inc. (TRGOF) Entity To RMS GP, LLC. (97L-067) (97HR-006)**

|   |  |
|---|--|
| <b>Development Name: Mira Verde (“Development”)</b>                         | <b>Location: Hendry County</b>                                       |
| <b>Developer/Principal: The Richman Group of Florida, Inc (“Developer”)</b> | <b>Set-Aside: 100% @ 60% AMI<br/>LURA: 50 years; EUA: Perpetuity</b> |
| <b>Number of Units: 140</b>   | <b>Allocated Amount: HR: \$1,360,000</b>                             |
| <b>Demographics: Family/Farmworker</b>                                      | <b>Housing Credits: \$975,000</b>                                    |

**1. Background**

During the HOME loan 1997 FY Cycle, Florida Housing awarded \$1,360,000 to Mira Verde Limited Partnership, a Florida Limited Partnership (“Borrower”), for the development of a 140-unit development in Hendry County, which closed on December 17, 1997 and matures on December 17, 2017. The Development also received a 1997 allocation of low-income housing tax credits of \$975,000.

**2. Present Situation**

In a letter dated October 3, 2006 ([Exhibit C](#)), the General Partner, TRGOF, has requested a transfer of general partnership interest to an affiliated entity, RMS GP, LLC.

**3. Recommendation**

Approve the request to transfer General Partner Interest to the affiliated entity.