

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
January 25, 2008
Action Items



COMMUNITY WORKFORCE HOUSING INNOVATION PILOT PROGRAM (CWHIP)

Action

I. COMMUNITY WORKFORCE HOUSING INNOVATION PILOT PROGRAM (CWHIP)

A. 2007 Community Workforce Housing Innovation Pilot (CWHIP) Program Review Committee

1. Background/Present Situation

Section 420.5095(5), Florida Statutes, provide for a CWHIP review committee which will make recommendations to the Board regarding program participation.

2. Recommendation

Staff recommends and requests Board approval for a review committee for the 2007 Community Workforce Housing Innovation Pilot (CWHIP) Program Application cycle to be comprised of the following FHFC staff: Steve Auger, Barb Goltz, Nancy Muller, David Westcott, and Nicole Gibson.

HOMEOWNERSHIP LOAN PROGRAM

Action

I. HOMEOWNERSHIP LOAN PROGRAM

A. Request for Approval for the Extension of the Construction Period for We Help Community Development Corporation for Abidjan Estates / HH03-017

Applicant Name (“Applicant”):	We Help Community Development Corporation (Non-Profit)
Development Name (“Development”):	Abidjan Estates
Developer/Principal (“Developer”):	Dr. D.M. Walker
Number of Units: 76	Location: Palm Beach County, Florida
Type: HOME Purchase Assistance Loan	Allocated Amount: \$2,000,000

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 February 2, 2004.
- b) The final credit underwriting report, dated September 2, 2004, was approved at the September 10, 2004 Board Meeting. On September 13, 2004, a firm commitment letter was issued to the Developer which specified a 3-year construction period scheduled to end on September 13, 2007.
- c) To date, the Developer has not closed on any homes.
- d) Pursuant to rule 67-50.040(11) a one-year extension is permissible with approval by the Board.

2. Present Situation

- a) On November 9, 2007, the Developer submitted a request for an extension, advising of significant problems which included the 2004 and 2005 hurricanes, zoning issues, and delays in obtaining approval for a purchase price increase from the servicer. The letter is attached as [Exhibit “A.”](#)
- b) The servicer has been working with the Developer for an extended period of time on the price increase documentation required for their review. In addition, there are significant issues identified in the market study from Value Tech Realty Services, Inc., dated November 5, 2007.
- c) While Palm Beach County has stated that homebuyers in Abidjan Estates are eligible for county down payment assistance, they have been unable to provide a commitment letter stating that there are specific and sufficient funds committed to Abidjan Estates for each of the homes in this Development.

HOMEOWNERSHIP LOAN PROGRAM

Action

3. **Recommendation**

Staff recommends that the Board grant an extension of the construction period from September 13, 2007 until September 13, 2008, contingent upon satisfactory resolution of the issues identified in the market study and appraisal, the purchase price increase, a firm commitment from Palm Beach County for down payment assistance for all homes in this Development, and proof that the developer will be able to repay the PLP loan, subject to further approvals by the credit underwriter, counsel, and the appropriate corporation staff.

LEGAL

Action

II. LEGAL

A. In Re: DeSoto County Homeless Coalition, Inc and Hardee County Housing Authority v. Florida Housing Finance Corporation - FHFC Case No.: 2007-052FHRP

Development Name: (“Development”):	Rosene’s Success House
Developer/Principal: (“Developer”):	DeSoto County Homeless Coalition, Inc.
Number of Units: 17	Location: DeSoto County
Type: Garden style apartment	Set Aside: 50% of units for Homeless 100% @ or below 60% AMI
Demographics: Homeless	Allocated Amount: N/A
MMRB: N/A	Housing Credits: N/A
Development Name: (“Development”):	Chester’s Pointe
Developer/Principal: (“Developer”):	Hardee County Housing Authority
Number of Units: 20	Location: Hardee County
Type: single family complex	Set Aside: 80% of units for Elderly of which 50% for Frail Elderly 100% @ or below 60% AMI
Demographics: Frail Elderly	Allocated Amount: N/A
MMRB: N/A	Housing Credits: N/A

1. Background

- a) On or before June 22, 2007, Petitioner, DeSoto County Homeless Coalition, Inc., submitted an application to Florida Housing for \$1,500,000 of Special Housing Assistance Development (“SHADP”) funding, and Petitioner, Hardee County Housing Authority submitted an application to Florida Housing for \$2,645,000 of SHADP funding in the 2007 FRHP/SHADP program. On August 31, 2007, Florida Housing notified Petitioners of the results of the scoring of Petitioners’ applications and provided Petitioners with a Notice of Rights pursuant to Sections 120.569 and 120.57, Florida Statutes. On September 24, 2007, Petitioner timely filed its “Petition for Informal Administrative Proceeding”. A copy of the Petition is attached as [Exhibit “A.”](#)
- b) The Petition challenged Florida Housing’s decision through issuance of final scores, to award Catholic Charities Housing of the Diocese of Venice, Inc. (“Catholic Charities”), Farmworker Housing Recovery Program (“FHRP”) funding; and Aids Help Inc., and Realty America, Inc., SHADP funding from the 2007 FHRP/SHADP cycle.
- c) On October 15, 2007, counsel for Florida Housing filed a Motion to Dismiss for Lack of Standing to dismiss that portion of the Petition challenging the scoring of Catholic Charities application for FHRP funding.
- d) Oral Argument on the Motion was heard on November 6, 2007, before Florida Housing’s appointed Hearing Officer, Diane D. Tremor. The Hearing Officer’s Recommended Order was filed on November 28, 2007. A copy of the Recommended Order is attached hereto as [Exhibit “B.”](#)

LEGAL

Action

- e) An informal hearing on the merits was also conducted on November 6, 2007, before Florida Housing's appointed Hearing Officer, Diane D. Tremor, concerning the issuance of final scores of Aids Help Inc., and Realty America, Inc. The Hearing Officer's Recommended Order was filed on December 10, 2007. A copy of the Recommended Order is attached hereto as [Exhibit "C."](#)
- f) On December 17, 2007, Respondent, Realty America, Inc., submitted a Written Argument in response to the Recommended Order. A copy of the Written Argument is attached hereto as [Exhibit "D."](#)

2. **Present Situation**

The Recommended Order, Exhibit "C", recommends that a Final Order be entered dismissing that portion of the Petitioner's Petition for Informal Administrative Proceedings relating to the scoring of Catholic Charities' application for funding under the FHRP for the project denominated as Casa San Juan Bosco. The Recommended Order, Exhibit "D", recommends that a Final Order be entered placing Aids Help Inc., in Group B for failure to adequately demonstrate site control; and rejecting Realty America, Inc., application for failure to meet the threshold requirement of a firm financing commitment.

3. **Recommendation**

Staff recommends that the Board adopt the conclusions of the Recommended Order as its conclusions of law in this case, and that the Board enter a Final Order determining that Petitioner failed to demonstrate their standing to challenge the scoring of Catholic Charities' application for funding under the FHRP program, and dismissing the Petition; placing Aids Help Inc., in Group B for failure to adequately demonstrate site control; and rejecting Realty America, Inc., application for failure to meet the threshold requirement of a firm financing commitment; and reject the Written Argument from Respondent, Realty America, Inc. as unpersuasive. Realty America, Inc., received proper notice of the hearing, and although an appraisal is not required as part of demonstrating a firm commitment, the Hearing Officer determined that where a third-party lender includes one as part of its firm commitment, it must be provided during the application process in order for it to meet the firm financing threshold requirement. The Hearing Officer's determination is consistent with Florida Housing's application instructions and rules and Realty America's Written Argument does not establish grounds to overturn the Hearing Officer's Recommended Order.

MINUTES

Action

III. MINUTES

- A. Consider Approval of the [December 7, 2007, Board of Directors' Meeting Minutes.](#)

PROFESSIONAL SERVICES SELECTION (PSS)

Action

IV. PROFESSIONAL SERVICES SELECTION (PSS)

A. Media Planning and Buying Services Request for Qualifications (RFQ) 2007-04

1. Background

At its October 26, 2007 meeting the Board authorized staff to enter into contract negotiations with Kidd Group Communication Design who was selected by the Review Committee through RFQ 2007-03. The Board further authorized staff to issue a second RFQ for media planning and buying services in order to increase Florida Housing's pool of providers.

2. Present Situation

- a) An RFQ process was initiated and RFQ 2007-04 was issued on Friday, November 9, 2007. The deadline for receipt of proposals was 2:00 p.m., Friday, December 14, 2007. The RFQ is provided as [Exhibit A](#).
- b) Four (4) proposals were received in response to the RFQ from the following entities:
 - (1) ADVO, Inc.
 - (2) O'Kelley-Sammons Advertising
 - (3) Taproot Creative
 - (4) Uzzell Group
- c) The Review Committee members, designated by the Executive Director, were Cecka Green, Communications Director (Chairman); Taylore Maxey, Marketing/Communications Coordinator; Jerad Yates; Communications Analyst; Fran Pheeny, Single Family Programs Administrator; and Chip White, Single Family Bonds Manager.
- d) Each member of the Review Committee individually reviewed the proposals submitted prior to convening for the Review Committee meeting which was held on Thursday, January 3, 2008. Results of the Review Committee's scores and ranking are provided as [Exhibit B](#).

3. Recommendation

The Review Committee recommends that the Board authorize staff to enter into contract negotiations with the top two ranked entities which are Taproot Creative and O'Kelley-Sammons Advertising contingent upon receiving certification from the Department of State that they are authorized to do business in the State of Florida. The Review Committee further recommends that the Board authorize staff to enter into contract negotiations with the third ranked entity, Uzzell Group, contingent upon receiving certification from the Department of State that they are authorized to do business in the State of Florida, if contract negotiations fail with Taproot Creative or O'Kelley-Sammons Advertising.

PROFESSIONAL SERVICES SELECTION (PSS)

Action

B. Request for Qualification (RFQ) for Environmental Engineering/Consultant Services

1. Background

- a) Florida Housing entered contracts for environmental engineering/consultant services with Malcolm Pirnie, Inc., Florida Planning Group, Inc. and Genesis Group in 2003.
- b) The initial term provided in the Contracts was for three (3) years. The Contracts could be renewed twice for an additional one (1) year period.
- c) The Contracts were renewed for an additional one (1) year period in July 2006 and again in July 2007.'

2. Present Situation

- a) The current contracts expire in July 2008.
- b) Florida Housing requires the services of environmental engineers/consultants to perform environmental assessment review of developments and applicable activities and to assist Florida Housing's Multifamily Mortgage Revenue Bond and HOME Program staff in the identification and evaluation of the likely impacts of the developments on the environment.

3. Recommendation

Florida Housing staff recommends the issuance of an RFQ for environmental engineering/consultant services and authorization for the Executive Director to establish a Review Committee to make a recommendation to the Board.

STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM

Action

V. STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM

A. Request Approval of Revisions to Rule Chapter 67-37, Florida Administrative Code

1. Background/Present Situation

- a) On July 27, 2007, the Board approved Staff's request to proceed with the rule development process for Rule Chapter 67-37, F.A.C., which governs the SHIP Program.
- b) On September 28, 2007, a Notice was published in the *Florida Administrative Weekly* announcing Rule Development Workshop to be held October 16, 2007. On October 19, 2007, a Notice of Rule Development telephonic meeting was published in the *Florida Administrative Weekly* scheduled for November 5, 2007.
- c) On December 7, 2007, the rule incorporating changes was presented to the board for comments and questions.
- d) The rule in underline/strikethrough version denoting changes is attached as [Exhibit A](#).
- e) On January 4, 2008, the Notice of Proposed Rule-Making was published in the *Florida Administrative Weekly* announcing the Rule Hearing to be held on January 28, 2008. If there are no changes, the rule will be filed for adoption on February 1, 2008, with an effective date of February 21, 2008.
- f) If changes are required, a Notice of Change will publish in the *Florida Administrative Weekly* on February 8, 2008. In this case, Rule Chapter 67-37, F.A.C., as revised will be filed for adoption on March 3, 2008, with an effective date of March 23, 2008.

2. Recommendation

Approve Rule Chapter 67-37, Florida Administrative Code, as revised.

SPECIAL PROGRAMS

Action

VI. SPECIAL PROGRAMS

A. Request Approval of the 2007 Farmworker Housing Recovery and Special Housing Assistance and Development Programs Application Ranking

1. Background/Present Situation

- a) The 2006 Florida Legislature passed House Bill 1363 (Ch. 2006-69, s. 27, Laws of Fla.), a bill focused on addressing the affordable housing challenges faced by the State. This included \$15 million to fund two hurricane recovery programs originally recommended by the 2005 Hurricane Housing Work Group: the Farmworker Housing Recovery Program (FHRP) and the Special Housing Assistance and Development Program (SHADP). [Exhibit A](#) outlines these programs.
- b) The first Application cycle for these two programs was conducted in 2006. Three developments were awarded funds in that Application cycle. A second application cycle was held in 2007 to award the remaining funds. These funds include de-obligated funds from one of the three 2006 developments.
- c) After applications were submitted in the 2007 cycle, the applicants had an opportunity to cure their own applications as well as challenge the scoring of other applications. This process is now complete.
- d) Upon Board approval of the recommended orders, staff will present the final ranking of the Applications for the Board's consideration and approval. Staff will provide supplemental materials at the Board meeting.

2. Recommendation

Approve the ranking and direct staff to proceed with the issuing of preliminary commitment letters and invitations to credit underwriting to those Applicants that are in the funding range.

UNIVERSAL CYCLE

Action

VII. UNIVERSAL CYCLE

A. 2008 Universal Cycle

1. Background/Present Situation

- a) A public meeting was held on July 27, 2007, and rule development workshops were held on September 21, 2007, October 26, 2007 and December 7, 2007, in order to solicit comments on Rule Chapters 67-21 and 67-48, F.A.C., and proposed changes to the Universal Application.
- b) As a result of these meetings, staff has revised the Universal Application and the rules governing the multifamily programs. A supplement to the Board Package will be provided which contains the proposed Rules, Application and Qualified Allocation Plan (QAP).
- c) After the Board's approval of the proposed Rules, Application and QAP, the Notice of Proposed Rulemaking (NOPR) will be published in the February 1, 2008 edition of the Florida Administrative Weekly. The NOPR will announce the Rule Hearing which is scheduled for February 22, 2008, in Tallahassee.
- d) Following review of the public comments received at the February 22, 2008 Rule Hearing and the comments received from the Joint Administrative Procedures Committee following its review of the NOPR, staff will proceed as follows:
 - (1) If modification of the proposed rules is not required, staff will file the rules for adoption. It is anticipated that the application cycle will open on March 7, 2008.
 - (2) If modification of the proposed rules is required, staff will prepare a Notice of Change (NOC) to incorporate all proposed modifications to the proposed rules and, if required, will submit the NOC for Board approval. Opening of the application cycle would then be delayed until April 2008.

2. Recommendation

Approve the proposed underline/strike through Rules, Universal Application and QAP, and authorize staff to file the rules for adoption if a NOC is not required, and, if a NOC is required, authorize the Chair to determine whether a NOC makes material, substantive changes to the rule chapters. If she determines that it does not, staff recommends that the Board approve such NOC without the requirement of another Board meeting. In the alternative, if the Chair determines that any NOC does make material, substantive changes to the rule chapters, staff recommends that a telephonic board meeting be called to obtain Board approval for any required changes.