

FLORIDA HOUSING FINANCE CORPORATION

Board Meeting

September 12, 2003

Consent Items



ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)

Consent

I. ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)

A. Request Approval of Credit Underwriting Report for Lake Worth Towers (EHCL 2001-002E)

1. Background/Present Situation

- a) In June 15, 2001, the Board approved the final scores and allocation for the 2001 EHCL Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On August 22, 2001, staff issued a preliminary commitment letter and invitation to credit underwriting for an EHCL mortgage loan in an amount up to \$200,000 for this 195-unit development in Palm Beach County for installation of a fire sprinkler and fire alarm system, in conjunction with upgrading existing elevators.
- c) On August 26, 2003, staff received a credit underwriting report with a positive recommendation for an EHCL loan in the amount of \$200,000. ([Exhibit A](#))

2. Recommendation

Approve credit underwriting report and direct staff to proceed with loan closing activities.

HOMEOWNERSHIP LOAN PROGRAM

Consent

II. HOMEOWNERSHIP LOAN PROGRAM

A. Request for Change of Use of Funds for Tower View Homes/HH02-016

Applicant Name (“Applicant”):	12 Florida City Corp.
Development Name (“Development”):	Tower View Homes
Developer/Principal (“Developer”):	12 Florida City Corp.
Number of Units: 22	Location: Miami-Dade County
Type: HOME Construction Loan	Allocated Amount: \$816,757

1. Background

- a) The Applicant submitted an application on behalf of Tower View Homes during Round One of the 2002 Homeownership Loan Program Cycle for a HOME Construction Loan.
- b) The Developer received a preliminary funding allocation in the amount of \$816,757 for HOME Construction funds to build 22 homes in Miami-Dade County.

2. Present Situation

- a) On August 15, 2003, the Developer requested a change in the use of the funds from Construction to Purchase Assistance ([Exhibit A](#)).
- b) The underwriter has reviewed the Application and has determined that the Developer has adequate financial commitments and does not require HOME funds for construction purposes.
- c) Allowing the funds to be used as purchase assistance would expedite the timeline for building the homes. However, the homebuyers will still be approved based on the guidelines set forth in Rule Chapter 67-50, F.A.C. (2002).

3. Recommendation

Allow 12 Florida City Corp. to utilize the HOME funds as Purchase Assistance for the Tower View Homes Development.

HOMEOWNERSHIP LOAN PROGRAM

Consent

B. Request to Reallocate Funding for Kathy's Pointe/HH02-017

Applicant Name ("Applicant"):	Kathy's Pointe, Ltd.
Development Name ("Development"):	Kathy's Pointe
Developer/Principal ("Developer"):	Kathy's Pointe, Ltd.
Number of Units: 120	Location: Miami-Dade County
Type: HOME Purchase Assistance Loan	Allocated Amount: \$3,078,038

1. Background

- a) The Applicant submitted an application on behalf of Kathy's Pointe during Round One of the 2002 Homeownership Loan Program Cycle.
- b) The Analytical Review was approved by the Board at its March 7, 2003 meeting, and a firm commitment in the amount of \$3,078,038 was provided to the Developer for a HOME Purchase Assistance Loan to assist in the building of 120 homes in Miami-Dade County.

2. Present Situation

On August 20, 2003, Staff received a letter from the Developer requesting that the funds be de-obligated for this Development due to the adverse changes in market conditions ([Exhibit B](#)).

3. Recommendation

Staff recommends that the Board accepts the Developer's request to de-obligate the funds and approve the return of the funds to the Homeownership Loan Program.

HOMEOWNERSHIP LOAN PROGRAM

Consent

C. Request to Extend Loan Closing Date for Arrowhead Estates/HH02-006

Applicant Name (“Applicant”):	Arrowhead Estates, LLC
Development Name (“Development”):	Arrowhead Estates
Developer/Principal (“Developer”):	National Development of America / Bowen Arnold
Number of Units: 52	Location: Immokalee, Collier County
Type: HOME Construction Loan	Allocated Amount: \$1,740,000

1. Background

- a) The Applicant submitted an application on behalf of Arrowhead Estates during Round One of the 2002 Homeownership Loan Program Cycle for a HOME Construction Loan
- b) The Developer received a preliminary funding allocation in the amount of \$1,740,000 for HOME Construction funds to build 52 homes in Immokalee, Collier County.
- c) At its June 20, 2003 meeting, the Board of Directors authorized Staff to issue a firm commitment to the Developer in the amount of \$1,740,000.
- d) On July 1, 2003, a firm commitment letter was sent to the Developer which required that the loan closing occur no later than September 18, 2003; however, there is a provision for a ninety (90) day extension, in accordance with Rule Chapter 67-50.080, F.A.C.

2. Present Situation

On August 22, 2003, Staff received a request to extend the loan closing date from September 18, 2003 to December 18, 2003. The Developer has advised that the 52 single family lots to be purchased are to be “fully-developed,” with water/sewer and roads to the site. Due to the size and scope of the overall project, completing the improvements is not viable, and therefore, the Seller must bond the improvements. The Board of County Commissioners must grant final plat approval and the plat must be recorded prior to closing on the land purchase, which is anticipated to take up to 90 days ([Exhibit C](#)).

3. Recommendation

Staff recommends that the Board grant the loan closing extension until December 18, 2003.

HOMEOWNERSHIP LOAN PROGRAM

Consent

D. Request to Extend Loan Closing Date for Lee County Housing Scattered Site Development / HH02-009

Applicant Name (“Applicant”):	Lee County Housing Development Corporation
Development Name (“Development”):	Lee County Housing Scattered Site Development
Developer/Principal (“Developer”):	Lee County Housing Development Corporation
Number of Units: 10	Location: Fort Myers, Lee County
Type: HOME Construction Loan	Allocated Amount: \$206,833

1. Background

- a) The Applicant submitted an application on behalf of Lee County Housing Scattered Site Development during Round One of the 2002 Homeownership Loan Program Cycle for a HOME Construction Loan.
- b) The Developer received a preliminary funding allocation in the amount of \$206,833 for HOME Construction funds to build 10 homes in Fort Myers, Lee County.
- c) At its June 20, 2003 meeting, the Board of Directors authorized staff to issue a firm commitment to the Developer in the amount of \$206,833.
- d) On June 30, 2003, a firm commitment letter was sent to the Developer which required that the loan closing occur no later than September 18, 2003; however, there is a provision for a ninety (90) day extension, in accordance with Rule Chapter 67-50.080, F.A.C.

2. Present Situation

On August 25, 2003, Staff received a request for a ninety (90) day extension. The Developer has advised that they cannot obtain the necessary house plans from the Contractor and the title policies within the allotted timeframe ([Exhibit D](#)).

3. Recommendation

Staff recommends that the Board grant the loan closing extension until December 18, 2003.

HOUSING CREDITS

Consent

III. HOUSING CREDITS

A. Request from the Applicant of The Crossings of Leesburg to Modify an Amenity Selected in the Application

DEVELOPMENT NAME (“Development”):	The Crossings of Leesburg
DEVELOPER/PRINCIPAL (“Developer”):	Community Housing Partners
NUMBER OF UNITS:	168
LOCATION (County):	Lake
TYPE:	New Construction
SET ASIDE:	100%
ALLOCATED AMOUNT:	\$1,105,000

1. Background/Present Situation

- a) The Crossings of Leesburg is a Competitive Housing Credit New Construction Development providing 168 set-aside units in Lake County. Florida Housing allocated \$1,105,000 in Housing Credits to this development in December of 2002.
- b) On August 21, 2003, Florida Housing received a request from the Applicant to change an amenity selected in the Application ([Exhibit A](#)). The Applicant would like to change “gas water heaters with an energy factor of .58 or better” to “gas water heaters with an energy factor of .57 or better,” and in addition, provide “ceiling fans in all bedrooms and living areas.”
- c) It is the Applicant’s intention to provide gas water heaters in the units, but the water heaters needed to meet City requirements carry an energy factor of .57. These water heaters are closed chamber, which are safer models, but are not equivalent in energy efficiency. This is .01 short of the application requirement. The Applicant agrees to additionally provide ceiling fans which has an Application point value of two, while the gas water heaters have a one point value. An opinion from Consultec is provided at [Exhibit B](#).

2. Recommendation

Staff recommends that the Board approve this request.

LEGAL

Consent

IV. LEGAL

A. In Re: Island Place Apartments

Development Name:	Island Place
Developer/Principal:	Island Place Apartments, LLC
Number of Units: 199	Location: North Miami Beach
Type: Two Mid-Rise Buildings	Set Aside: 15.15% @ 33%, 5.05% @ 50%, 50% @ 60%, 29.8% @ 80%
Demographics: Family	Allocated Amount: \$2,800,000
MMRB: Local	Housing Credits: N/A

1. Background

- a) Island Place Apartments, LLC (“Petitioner”) is the developer of Island Place Apartments a 199-unit multifamily residential rental housing project, to be located in Miami, Florida.
- b) Island Place was awarded a SAIL loan FHFC in the amount of \$2,800,000 during the 2002 Universal Application Cycle. Island Place closed on its SAIL loan on November 12, 2002. The Compliance Period commenced on that date and compliance monitoring began. However, tenants who occupied Island Place prior to the rehabilitation and closing of the SAIL loan were not verified as being a qualified under the set-aside requirements. As grounds for its request, Island Place asserts that additional time is required to verify that all tenants are in compliance with the terms of the SAIL loan and complete the rehabilitation of the Development. Island Place requests that the period for Compliance with the requirement that all tenant qualification for set aside, be waived until final disbursement of the SAIL loan proceeds, in September, 2003. A copy of the Petition is attached as [Exhibit A](#).
- c) On July 18, 2003, Notice of the Petition was published in the Florida Administrative Weekly. No comments have been received regarding this Petition.

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 67-48.002 (24), F.A.C. provides in pertinent part:

“Compliance Period” means, with respect to a SAIL Development, a minimum period of 15 years from the date the first residential unit is occupied... However, for SAIL... Developments which contain occupied units to be rehabilitated, the Compliance Period shall begin at closing of the SAIL...loan.

LEGAL

Consent

c) Rule 67-48.006(7)(c), F.A.C. provides in pertinent part:

(7) The Applicant shall submit Program Reports pursuant to the following: (2) (c) The initial SAIL Program Report shall be submitted prior to the time of loan closing, if the Development is occupied, or by the 25th of the month following rental of the initial unit in the Development. Subsequent Program Reports shall be submitted each month and are due no later than the 25th of each month thereafter. The Program Reports shall be accompanied by copies of all Tenant Income Certifications executed since the last Program Report (to be sent to the monitoring agent).

d) Rule 67-48.006(9)(a), F.A.C. provides in pertinent part:

(9) Compliance monitoring for each program will begin: (2) (a) For the SAIL Program, regardless of whether the Development also received an HC allocation, following the SAIL loan closing or, if the Development is occupied, prior to the SAIL loan closing.

3. **Recommendation**

Staff recommends that the Board grant the Petition. Island Place has demonstrated that it is bringing the Development into compliance. Proceeds are being used to ensure all set-aside requirements are being met by providing housing to qualified individuals and families. Island Place is in the process of obtaining third party verification of income for all current occupants and this process is anticipated to be completed in September, 2003. Island Place is also continuing in the rehabilitation of the Development. The granting of this waiver request would serve the purpose of the underlying statute, in that the additional financing anticipated for the project 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 result in a substantial hardship to Island Place, in that it will cause the Development be economically unable to determine the qualifications of the tenants, complete the rehabilitation of the Development and meet its obligations under the SAIL loan.

LEGAL

Consent

B. In Re: Lakeland-Polk Housing Corporation (The Homes at Washington Ridge)

Applicant Name (“Applicant”):	Lakeland-Polk Housing Corporation
Development Name (“Development”):	The Homes at Washington Ridge / HH02-018
Developer/Principal (“Developer”):	Lakeland-Polk Housing Corporation
Number of Units: 40	Location: Polk County
Set-Aside: Front Porch; < 80% AMI	Allocated Amount: \$873,600 (Preliminary)
Type: HOME Construction Loan	

1. Background

- a) Lakeland-Polk Housing Corporation is the developer of The Homes at Washington Ridge, a 40-unit single family development in Lakeland, Florida. On December 3, 2002, Petitioner received notice of the preliminary commitment for a HOME loan, and immediately requested and was granted a 60-day extension to submit documentation to the Credit Underwriter, pursuant to the Rule above on January 17, 2003. This extension expired on March 3, 2003. Petitioner now requests an additional extension of time (“Petition”). Petitioner asks for an extension until October 31, 2003, in order for Petitioner to provide certain information to the Credit Underwriter. Certain alterations to the site design have been incorporated to allow for the construction of garages to be included with the homes. Waivers may be required from the City of Lakeland, Florida relating to side-yard setbacks to allow for the construction of the garages and additional time is required to prepare final designs and obtain approval from the City of Lakeland, Florida. Petitioner requests additional time to complete the design of The Homes at Washington Ridge and submit all required documentation to the Credit Underwriter. A copy of the Petition is attached as [Exhibit B](#).
- b) On July 18, 2003, Notice of the Petition was published in the Florida Administrative Weekly. No comments have been received regarding this Petition.

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 67-50.080(2), Florida Administrative Code, provides in pertinent part:

The Applicant shall submit the required information to the Credit Underwriter within sixty (60) days of the date of the notification letter. If an extension is needed, a written request substantiating the need for the extension must be provided to the Corporation prior to the sixty (60) day initial deadline, subject to approval by the Credit Underwriter and the Corporation Staff. However, the extension shall not exceed a period of sixty (60) days. In the event the time limitation expires, the

LEGAL

Consent

Corporation will request that the Applicant relinquish the preliminary allocation and it will be made available to the next ranked Applicant.

3. Recommendation

- a) Staff recommends that the Board grant the Petition. The purpose of the underlying statute will be served by granting this waiver, in that the waiver will allow Petitioner additional time to complete the design of the development site and submit all required documentation to the Credit Underwriter, which will further Florida Housing's statutory mandate of providing safe, sanitary and affordable housing to the citizens of Florida. Not granting this waiver will create a substantial hardship for Petitioner because the loss of the HOME loan subsidy will cause the development to become economically infeasible for potential low income home buyers in Polk County.

LEGAL

Consent

C. In Re: St. John's Housing Partnership, Inc. (Hancock Place)

Applicant Name ("Applicant"):	St. Johns Housing Partnership
Development Name ("Development"):	Hancock Place / HAP02-308
Developer/Principal ("Developer"):	St. Johns Housing Partnership
Number of Units: 32	Location: Santa Rosa County
Set-Aside: Front Porch 11 @ % <50% AMI and 21 @ <80% AMI	Allocated Amount: \$840,000 (Preliminary)
Type: HAP Construction Loan	

1. Background

- a) St. John's Housing Partnership, Inc. ("Petitioner") is the developer of Hancock Place, a 32-unit single family development in St. Augustine, Florida. On November 4, 2002, Petitioner received notice of the preliminary commitment for a HOME loan, and immediately requested a 60-day extension to submit documentation to the Credit Underwriter, pursuant to Rule 67-50.080(2), Florida Administrative Code. The extension expired on March 3, 2003. Petitioner sought and was granted a waiver of the above Rule for additional extension of time. That waiver was approved on June 20, 2003 in FHFC Case No. 2003-0016. Petitioner now requests an additional extension of time ("Petition"). Petitioner asks that the deadline for submission of required documentation to the Credit Underwriter be extended to November 15, 2003 in order for Petitioner to resolve ongoing issues regarding an ongoing storm water engineering study undertaken by local government agencies that may effect the location of a retention pond, and time to complete a market study and appraisal. A copy of the Petition is attached as [Exhibit C](#).
- b) On July 18, 2003, Notice of the Petition was published in the Florida Administrative Weekly. No comments have been received regarding this Petition.

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 67-50.080(2), Florida Administrative Code, provides in pertinent part:

The Applicant shall submit the required information to the Credit Underwriter within sixty (60) days of the date of the notification letter. If an extension is needed, a written request substantiating the need for the extension must be provided to the Corporation prior to the sixty (60) day initial deadline, subject to approval by the Credit Underwriter and the Corporation staff. However, the extension shall not exceed a period of sixty (60) days. In the event the time limitation expires, the Corporation will request that the Applicant relinquish the preliminary allocation and it will be made available to the next ranked Applicant.

LEGAL

Consent

3. Recommendation

- a) Staff recommends that the Board grant the Petition. The statute's intent will be served by granting this waiver because the completion of the market study and proper layout of the development site with attention to the environmental and drainage issues regarding the planned retention pond will further Florida Housing's statutory mandate of providing safe, sanitary and affordable housing to the citizens of Florida. Not granting this waiver will create a substantial hardship for Petitioner because the loss of the HOME loan subsidy will cause the development to become economically infeasible for potential low income home buyers in St. John's County. Lastly, a strict application of this Rule to Petitioner under these circumstances may violate the principles of fairness, as Petitioner has been delayed in submitting the required documentation to the Credit Underwriter by circumstances beyond Petitioner's control.

LEGAL

Consent

D. In Re: Utility Easement, Veteran's Park Community Center, f/k/a Jake Belin Park, Liberty County, Florida

1. Background

- a) In February, 2003, Liberty County requested that Florida Housing grant an easement to the City of Bristol, to allow construction of a waste water lift station, on the subject property. The parcel, which is within the City of Bristol, was acquired by the Department of Community Affairs by foreclosure in 1991. In 1995, the Legislature appropriated \$100,000 for the Jake Belin Park, contingent on enabling legislation which authorized the Florida Housing Finance Agency to enter into a 99-year lease with Liberty County for the land to be used for the purpose of public recreation. (See, Ch. 95-429, Laws of Fla. [Line Item 1389], and sec. 11, Ch. 95-396, Laws of Fla.).
- b) Florida Housing staff could not determine that Florida Housing held any right or title in the property. On May 12, 2003, DCA executed a Quit Claim deed to Florida Housing, which was subsequently recorded in the Official Records of Liberty County.

2. Present Situation

Florida Housing may grant the requested easement.

3. Recommendation

That the Board authorize staff to grant the easement requested by Liberty County.

MULTIFAMILY BONDS

Consent

V. MULTIFAMILY BONDS

- A. **Request Approval of the change in Construction and Stabilization Period for Somerset Housing Apartments (“Development”), \$4,600,000 Tax-Exempt Bonds and \$300,000 Taxable Bonds, 148 Units, located in Orlando, Orange County, Florida**

DEVELOPMENT NAME (“Development”):	Sumerset Housing
DEVELOPER/PRINCIPAL (“Developer”):	Richelson Enterprises, LLC/Eric Richelson
NUMBER OF UNITS:	148
LOCATION (County):	Orange
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	40% @ 60%
ALLOCATED AMOUNT:	\$4,600,000 tax-exempt bonds
ADDITIONAL COMMENTS:	Change to the Credit Underwriting Report

1. Background

- a) Somerset Apartments, LLC (“Applicant”) submitted an application (“Application”) on behalf of the proposed Development during the 2002 Application Cycle. Applicant applied for tax-exempt bonds in the amount of \$4,600,000 and taxable bonds in the amount of \$500,000 in order to acquire and rehabilitate the Development.
- b) On October 22, 2002, SAIL staff issued a preliminary commitment letter and invitation to credit underwriting for a SAIL loan in an amount up to \$2,000,000 for the Development.
- c) At the August 1, 2003 Board meeting, the Board approved a Credit Underwriting Report for the issuance of tax-exempt Bonds in an amount not to exceed \$4,600,000 to finance the Development with a construction/stabilization period of eighteen (18) months and an option for a six (6) month extension.

2. Present Situation

- a) The Applicant, in a letter dated August 22, 2003 ([Exhibit A](#)), has requested a twenty-four (24) month construction and stabilization period with an option for a six month extension to satisfy a requirement from the credit enhancer, Fannie Mae.
- b) The credit underwriter, in a letter dated August 20, 2003 ([Exhibit B](#)), recommends that Florida Housing allow this change.
- c) SAIL staff has reviewed this letter and finds that the change meets all of the requirements of SAIL Rule 67-48, F.A.C.

3.

MULTIFAMILY BONDS

Consent

Recommendation

Approve the change in the construction and stabilization period for the Development subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff for both the Multifamily Mortgage Revenue Bond program and the SAIL program.

MULTIFAMILY BONDS

Consent

B. Request Approval to Transfer Bonds to Custodial Trust Receipts Structure The Park at Palm Bay, 2000 Series R-1 and R-2 Bonds, 234 Units, Brevard County

DEVELOPMENT NAME (“Development”):	Park at Palm Bay Apartments
DEVELOPER/PRINCIPAL (“Developer”):	SunAmerica, Inc.
NUMBER OF UNITS:	234
LOCATION (County):	Brevard
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	80% @ 60%
ALLOCATED AMOUNT:	\$8,095,000 of Tax-Exempt Bonds \$2,960,000 of Taxable Bonds
ADDITIONAL COMMENTS: Release of Irrevocable Letter of Credit	

1. Background

- a) The Park at Palm Bay is a 234 unit development located in Brevard County, Florida which received an \$11,055,000 loan from the proceeds of the Corporation’s 2000 Series R-1 and R-2 Bonds, which mature January 1, 2033.
- b) The Bonds are credit enhanced during construction and initial rent up until a ‘Release Notice’ is given by Financial Security Assurance Inc. (the Credit Enhancer) and by an SAI Credit Facility from AIG SunAmerica Inc. (SunAmerica), and after the Release Notice is given on a permanent basis with bond insurance from the Credit Enhancer. Affiliates of SunAmerica (or its parent company, American International Group, Inc.) purchased the low income housing tax credits for the property.
- c) The Park at Palm Bay was developed by an affiliate of The Brisben Companies and has underperformed. At the June 20, 2003 meeting, the Board approved the substitution of a new general partner to take control of the property.
- d) At the April 26, 2002 meeting, the Board approved an amendment to the Land Use Restriction Agreement conforming the description of The Park at Palm Bay property to what was built. This amendment was never executed by all of the necessary parties, and accordingly, this property is out of compliance with program documents.

2. Present Situation

- a) SunAmerica has advised Florida Housing that it will exercise its rights under the bond documents to call the outstanding 2000 Series R Bonds for mandatory purchase from current bondholders using funds drawn from the SAI Credit Facility. The Bonds will be converted to non-credit enhanced “SAI Purchased Bonds” which, under the bond documents, can only be held by SunAmerica, the Borrower, its general partner or, with the prior written consent of the Corporation, any other person.

MULTIFAMILY BONDS

Consent

- b) The issuance of SAI Purchased Bonds requires a revision to the note payment schedule attached to the original bond documents. The revised note payment schedule must provide for fully amortizing, level debt service unless the holder of the SAI Purchased Bonds approves a different schedule, with the consent of the holder of a majority of the outstanding principal amount of SAI Purchased Bonds.
- c) SunAmerica has requested (see letter attached as [Exhibit C](#)) that Florida Housing consent to the transfer of the SAI Purchased Bonds to a custodial trust structure. The custodian will issue Class A certificates that bear interest at a weekly floating rate and Class B certificates that will bear interest equal to the remaining interest paid on the Bonds. SunAmerica will commit to place the Class A certificates with 'qualified institutional buyers' consistent with Florida Housing's private placement rule.
- d) SunAmerica has advised that it intends to approve new note payment schedules that provides for interest only payments for no more than 5 years. This action does not require Florida Housing's consent.

3. **Recommendation**

Approve the transfer of SAI Purchased Bonds to a custodial trust structure, subject to review by the Credit Underwriter, Bond Counsel, Special Counsel and appropriate Florida Housing staff, and subject to delivery of the previously approved amendment to Land Use Restriction Agreement.

MULTIFAMILY BONDS

Consent

- C. **Request Approval to amend the Land Use Restriction Agreement (“LURA”) for Hunter’s Run Apartments, 2001 Series M in the amount of \$10,080,000 Tax-Exempt Bonds, 304 Units, located in Clay County, Florida**

DEVELOPMENT NAME (“Development”):	Hunters Run Apartments
DEVELOPER/PRINCIPAL (“Developer”):	Hunters Run, Ltd. / Otis Pitts
NUMBER OF UNITS:	304
LOCATION (County):	Clay
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	40% @ 60%
ALLOCATED AMOUNT:	\$10,080,000 of Tax-Exempt Bonds
ADDITIONAL COMMENTS: LURA Amendment	

1. **Background**

- a) In 2001, Florida Housing financed the construction of Hunter’s Run Apartments with \$10,080,000 in Tax-Exempt Bonds, designated as 2001 Series M.
- b) In the Application and the LURA, the Developer committed to provide single pane windows with a shading coefficient of .67 or better. The Developer also committed to a unit mix of 84 one bedroom/one bath units, 152 two bedroom/two bath units, and 68 three bedroom/two bath units.

2. **Present Situation**

- a) Developer’s counsel submitted a July 30, 2003 letter to Florida Housing proposing to substitute double pane windows in lieu of the single pane windows with a shading coefficient of .67 or better ([Exhibit D](#)). Both amenities were worth the same number of points in the Application.
- b) Additionally, the Developer has changed the unit mix originally committed to in the Application. Twelve (12) three bedroom/two bath units were substituted for twelve (12) one bedroom/one bath units in the original unit mix. There are no points associated with unit mix in the Application.
- c) The Credit Underwriter has reviewed the requests, and by letter dated August 14, 2003 ([Exhibit E](#)), recommends that Florida Housing allow the substitutions of amenities.

3. **Recommendation**

Approve the LURA amendment for Hunter’s Run Apartments 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 to amend the Land Use Restriction Agreement (“LURA”) for Mallard’s Landing Apartments n/k/a Mission Pointe Apartments, 2002 Series C in the amount of \$12,550,000 Tax-Exempt Bonds and \$4,180,000 Taxable Bonds, 388 Units, located in Duval County, Florida**

DEVELOPMENT NAME (“Development”):	Mallards Landing Apartments n/k/a Mission Pointe Apartments
DEVELOPER/PRINCIPAL (“Developer”):	JL Mallards Landing, LLC / Jorge Lopez
NUMBER OF UNITS:	388
LOCATION (County):	Duval
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	40% @ 60%
ALLOCATED AMOUNT:	\$12,550,000 of Tax-Exempt Bonds \$4,180,000 of Taxable Bonds
ADDITIONAL COMMENTS: LURA Amendment	

1. **Background**

- a) In 2002, Florida Housing financed the construction of Mallard’s Landing Apartments with \$12,550,000 in Tax-Exempt Bonds, and \$4,180,000 Taxable Bonds, designated as 2002 Series C.
- b) In the Application and the LURA, the Developer committed to provide heat pumps with an HSPF of 7.4 in all units. Although each unit has a heat pump, in the 84 one bedroom units the HSPF is only 7.0.

2. **Present Situation**

- a) Developer’s counsel submitted a July 30, 2003 letter to Florida Housing proposing air conditioning units with a SEER of 12 in lieu of the heat pumps ([Exhibit F](#)). Both amenities were worth the same number of points in the Application.
- b) The Credit Underwriter has reviewed the request, and by letter dated August 14, 2003 ([Exhibit G](#)), recommends that Florida Housing allow the substitution of amenities.

3. **Recommendation**

Approve the LURA amendment for Mallard’s Landing Apartments subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

VI. PREDEVELOPMENT LOAN PROGRAM (PLP)

DEVELOPMENT NAME (“Development”):	Wakulla Senior Housing
DEVELOPER/PRINCIPAL (“Developer”):	Wakulla Senior Citizens Council, Inc.
NUMBER OF UNITS:	30
LOCATION (County):	Wakulla County
TYPE:	Rental, Assisted Living Facility
SET ASIDE:	60% @ 60% AMI
ALLOCATED AMOUNT:	\$499,853
ADDITIONAL COMMENTS:	Technical Assistance Provider has recommended loan amount.

A. Approval of Loan from PLP funds for Wakulla Senior Citizens Council, Inc. (PLP 00-032)

1. Background/Present Situation

- a) On February 19, 2003, Florida Housing issued an invitation to participate in the PLP program to Wakulla Senior Citizens Council, Inc. (the “Developer”). The development (Wakulla Senior Housing), located in Wakulla County, will be a 30-unit Assisted Living Facility.
- b) The Technical Assistance Provider (TAP) assisted Light and Life Homes in preparing a development plan and budget ([Exhibit A](#)). Staff has reviewed the development plan and budget and has determined that all budget items are PLP eligible. The TAP has approved the development plan and has recommended a loan amount of \$499,853 for PLP eligible activities ([Exhibit B](#)).

2. Recommendation

Approve a loan from PLP funds for \$499,853 for Wakulla Senior Citizens Council, Inc. for predevelopment costs as recommended by the TAP.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

VII. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval to Amend the Land Use Restriction Agreement (LURA) for Florence N. Davis Center (1995-045S)

Development Name: (“Development”):	Florence N. Davis Center
Developer/Principal: (“Developer”):	YWCA of Jacksonville
Number of Units: 79	Location: Jacksonville, Duval County
Type: Four Story Building	Set Aside: 20% @ 40, 55% @ 50%, 25% @ 60%
Demographics: Family	Allocated Amount: \$288,200
MMRB: No	Housing Credits: No

1. Background/Present Situation

- a) YWCA of Jacksonville (“Developer”) received a SAIL loan in the amount of \$288,200 from the 1995 application cycle for the construction of a 79-unit family development in Duval County.
- b) On July 15, 2003, the Developer requested approval to remove the requirement to reserve a room for a child care clinic/exam room from the LURA ([Exhibit A](#)). They have found more timely and efficient ways to handle the children’s exams by utilizing local facilities within the vicinity of the development and hospital mobile units.
- c) Under Special Features in the application, applicants were required to choose features totaling at least 12 points (2 points for each feature). The applicant chose features totaling 16 points, therefore, exceeding the requirements in the application for Special Features.

2. Recommendation

Approve the developer’s request to amend the LURA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval of Credit Underwriting Report for Mariner’s Cove Apartments (“Development”), Cycle XIV (2002-063CS)

Development Name: (“Development”):	Mariner’s Cover Apartments
Developer/Principal: (“Developer”):	Cornerstone Group Development, LLC
Number of Units: 208	Location: Tampa, Hillsborough County
Type: Garden Apartments	Set Aside: 11% @ 50% and 89% @ 60%
Demographics: Large Family	Allocated Amount: \$2,000,000
MMRB: No	Housing Credits: Yes \$4,090,000
General Contractor (“GC”): Alliance Construction, LLC	Affiliated

1. Background/Present Situation

- a) On October 10, 2002, the Board approved the final scores and ranking for the 2002 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 22, 2002, staff issued a preliminary commitment letter and invitation to credit underwriting for a SAIL loan in an amount up to \$2,000,000 for this 208-unit Large Family development in Hillsborough County.
- c) On August 22, 2003, staff received a credit underwriting report with a positive recommendation for a permanent SAIL loan in the amount of \$2,000,000 ([Exhibit B](#)). The SAIL loan will be secured by a second mortgage on the property.

2. Recommendation

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