

FLORIDA HOUSING FINANCE CORPORATION

Board Meeting

April 21, 2006

Consent Items



ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)

Consent

I. ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)

A. Request Approval of Credit Underwriting Report for Baptist Towers, Cycle XVII, (2005-008E)

Development Name: Baptist Towers (“Development”)	Location: Duval County
Developer/Principal: The Towers of Jacksonville, Inc. (“Applicant”)	Set-Aside: N/A
Number of Units: 194	Allocated Amount: \$200,000
Type: High-Rise	Total Housing Credit Equity: N/A
Demographics: Elderly	MMRB: N/A

1. Background/Present Situation

- a) On April 22, 2005, the Board approved the final scores and ranking for the 2005 EHCL Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 20, 2005, staff issued a preliminary commitment letter and an invitation to credit underwriting for an EHCL loan in an amount up to \$200,000 for repairs to this 194-unit Elderly development in Duval County.
- c) On April 7, 2006, staff received a credit underwriting report with a positive recommendation for an EHCL loan in the amount of \$200,000 ([Exhibit A](#)). The EHCL loan will be secured with a second mortgage. Staff has reviewed this report and finds that the Development meets all of the requirements of EHCL Rule 67-32, 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.

ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)

Consent

B. Request Approval of Credit Underwriting Report for Council Towers North & South, Cycle XVII, (2005-007E)

Development Name: Council Towers North & South (“Development”)	Location: Miami-Dade County
Developer/Principal: Elderly Housing Development & Operations Corporation (“Applicant”)	Set-Aside: N/A
Number of Units: 250	Allocated Amount: \$175,740
Type: High-Rise	Total Housing Credit Equity: N/A
Demographics: Elderly	MMRB: N/A

1. Background/Present Situation

- a) On April 22, 2005, the Board approved the final scores and ranking for the 2005 EHCL Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On May 6, 2005, staff issued a preliminary commitment letter and an invitation to credit underwriting for an EHCL loan in an amount up to \$175,740 for repairs to this 250-unit Elderly development in Miami-Dade County.
- c) On April 7, 2006, staff received a credit underwriting report with a positive recommendation for an EHCL loan in the amount of \$175,740 ([Exhibit B](#)). The EHCL loan will be secured with a second mortgage. Staff has reviewed this report and finds that the Development meets all of the requirements of EHCL Rule 67-32, 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.

ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)

Consent

C. Request Approval of Credit Underwriting Report for Mildred and Claude Pepper Towers, Cycle XVII, (2005-006E)

Development Name: Mildred & Claude Pepper Towers (“Development”)	Location: Miami-Dade County
Developer/Principal: Elderly Housing Development & Operations Corporation (“Applicant”)	Set-Aside: N/A
Number of Units: 150	Allocated Amount: \$200,000
Type: High-Rise	Total Housing Credit Equity: N/A
Demographics: Elderly	MMRB: N/A

1. Background/Present Situation

- a) On April 22, 2005, the Board approved the final scores and ranking for the 2005 EHCL Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On May 6, 2005, staff issued a preliminary commitment letter and an invitation to credit underwriting for an EHCL loan in an amount up to \$200,000 for repairs to this 150-unit Elderly development in Miami-Dade County.
- c) On April 7, 2006, staff received a credit underwriting report with a positive recommendation for an EHCL loan in the amount of \$200,000 ([Exhibit C](#)). The EHCL loan will be secured with a second mortgage. Staff has reviewed this report and finds that the Development meets all of the requirements of EHCL Rule 67-32, 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.

ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)

Consent

D. Request Approval of Credit Underwriting Report for Robert Sharp Towers I, Cycle XVII, (2005-005E)

Development Name: Robert Sharp Towers I (“Development”)	Location: Miami-Dade County
Developer/Principal: Elderly Housing Development & Operations Corporation (“Applicant”)	Set-Aside: N/A
Number of Units: 109	Allocated Amount: \$200,000
Type: High-Rise	Total Housing Credit Equity: N/A
Demographics: Elderly	MMRB: N/A

1. Background/Present Situation

- a) On April 22, 2005, the Board approved the final scores and ranking for the 2005 EHCL Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On May 6, 2005, staff issued a preliminary commitment letter and an invitation to credit underwriting for an EHCL loan in an amount up to \$200,000 for repairs to this 109-unit Elderly development in Miami-Dade County.
- c) On April 7, 2006, staff received a credit underwriting report with a positive recommendation for an EHCL loan in the amount of \$200,000 ([Exhibit D](#)). The EHCL loan will be secured with a second mortgage. Staff has reviewed this report and finds that the Development meets all of the requirements of EHCL Rule 67-32, 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.

GUARANTEE

Consent

II. GUARANTEE

A. Consideration of Application by the Housing Finance Authority of Charlotte County to become a Qualified Lending Institution

1. Background

- a) Rule 67-39.0025 provides for a Commitment to Guarantee to be issued only to a Qualified Lending Institution.
- b) Rule 67-39.0045 addresses the information that applicants are required to submit to the Guarantee Program to attain Qualified Lending Institution status.

2. Present Situation

- a) On March 10, 2006, Guarantee Program Staff received from the Charlotte County Housing Finance Authority (“Authority”) the information required for consideration as a Qualified Lending Institution. This information is provided for review in [Exhibit A](#).
- b) **Following is an analysis of the information submitted by the Authority:**
 - (1) The Authority was created as a public body corporate and politic in accordance with the Florida Housing Finance Authority Law, Part IV of Chapter 159, Florida Statutes (1979), following the adoption of an approving ordinance No. 81-21, dated August 25, 1981 by the Board of County Commissioners of Charlotte County, Florida (the “BOCC”). The purpose of the Authority is the encouragement of investment by private enterprise and the stimulation of construction and rehabilitation of housing for low income families through the use of public financing.
 - (2) The Authority is authorized to issue bonds in principal amounts specifically authorized by the BOCC to fulfill its corporate purpose. The BOCC appoints the Authority members; may alter or change the organization, structure, activities or programs of the Authority; may remove a member of the Authority from office; terminate the Authority; and, review the budget of the Authority. For financial reporting purposes, the Authority is considered a reporting entity of the BOCC. The BOCC provides financial oversight and accountability to the citizens of Charlotte County.
 - (3) In March 2000, the Authority issued its only multi-family bond, a \$10,500,000 issue used to construct Murdock Circle Apartments in Port Charlotte. Also, the Authority has participated in numerous multi-county single family bond issues with the Escambia, Pinellas and Lee County Housing Finance Authorities.
 - (4) Members of the Authority Board are composed of five members, one of whom shall be designated chairman, appointed by the BOCC. The members serve four year terms without compensation. James Sweeney is the current Chairman and also serves as Development Director of Punta Gorda Housing Authority.

GUARANTEE

Consent

- (5) The Authority has no staff, but utilizes qualified professionals to implement its programs. The Charlotte County Attorney's Office will be acting as Issuer's counsel. Serving as bond counsel to the Authority is Nabors, Giblin & Nickerson, P.A. The Authority's bond underwriter is RBC Dain Rauscher Inc., represented by Helen Feinberg, who has structured bond issues for over 100 multifamily developments and has completed 19 transactions with Florida Housing since 2001. The Authority utilizes First Housing Development Corporation as credit underwriters in connection with the review of proposed transactions. Serving as Financial Advisor to the Authority is Marianne Edmonds of Public Resources Advisory Group.
- (6) The Authority has submitted audited financial statements as of September 30, 2003, 2004 and 2005. Guarantee Program Staff and TIBOR Partners Inc. have reviewed the financial statements, including the unqualified opinion of the CPA.
- (7) Charlotte County HFA will be the 15th local HFA approved by the Guarantee Program as a QLI to date.
- (8) The Authority has awarded 2005 tax-exempt bond allocation to Picerne Affordable Development, L.L.C. to finance a proposed multifamily rental development, totaling 192 units of affordable housing in Charlotte County.

3. Recommendation

Guarantee Program staff and TIBOR recommend the Board approve the Housing Finance Authority of Charlotte County as a Qualified Lending Institution.

HOME RENTAL

Consent

III. HOME RENTAL

A. Request Approval of Credit Underwriting Report for Pueblo Bonito III (2004-016H)

Development Name: Pueblo Bonito III (“Development”)	Location: Lee County
Developer/Principal: National Development of America, LLC (“Developer”)	Set-Aside: 20% @ 50% AMI / 80% @ 60% AMI
Number of Units: 30	Allocated Amount: \$2,450,000
Type: Duplex/NC	MMRB: N/A
Demographics: Family	

1. Background/Present Situation

- a) On October 14, 2004 the Board approved the final scores and ranking for the 2004 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 26, 2004 staff issued a preliminary commitment letter and invitation to credit underwriting for a HOME loan in the amount up to \$2,450,000 for this 30-unit family development in Lee County.
- c) On April 6, 2006 staff received a credit underwriting report with a positive recommendation for a HOME Rental loan in the amount of \$2,450,000 ([Exhibit A](#)). The HOME Rental loan will 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 for Partial Property Conveyance of Maxwell Manor Phase II (2003-133H)

Development Name: Maxwell Manor Phase II (“Development”)	Location: St. Johns County
Developer/Principal: Halo Homes, LLC (“Developer/Borrower”)	Set-Aside: 22% @ 50% AMI / 78% @ 60% AMI
Number of Units: 36	Allocated Amount: \$2,496,000
Type: Townhome/NC	MMRB: N/A
Demographics: Family	

1. Background/Present Situation

- a) At the January 20, 2006 the Board approved the final credit underwriting report and directed staff to proceed with issuance of a firm loan commitment and loan closing activities. A firm loan commitment was issued on January 24, 2006 and the loan closed on March 27, 2006.
- b) On April 6, 2006 the Borrower requested that Florida Housing Finance Corporation approve the conveyance of a small portion of the encumbered development site due to a building in Maxwell Manor Phase I encroaching on the Phase II site ([Exhibit B](#)).

2. Recommendation

Approve the Borrower’s request subject to review of the updated survey and legal description by the Credit Underwriter and legal counsel.

HOUSING CREDITS

Consent

IV. HOUSING CREDITS

A. Request Approval to Exchange Amenities for Brittany Bay Apartments, Phase II (2001-085C)

Development Name: Brittany Bay Apartments, Phase II (“Development”)	Location: Collier County
Developer/Principal: CED Capital Holdings (“Developer”)	Set-Aside: 15% @ 25% AMI & 85% @ 60% AMI
Applicant (“Owner”): Brittany Bay Partners II, Ltd.	Allocated Amount: \$995,256
Number of Units: 208	Category: New Construction
Type: Garden Apartments	Demographics: Family

1. Background/Present Situation

- a) Brittany Bay Apartments, Phase II is a Competitive Housing Credit, New Construction Development providing 208 set-aside units in Collier County, Florida. Florida Housing issued an allocation of \$995,256 in housing credits in December of 2001. The project was completed and received the final allocation (Forms 8609) in February of 2004.
- b) Florida Housing received a request from the Owner on March 7, 2006 to change the Energy Conservation Features in the Extended Use Agreement ([Exhibit A](#)). The Applicant requests that it be allowed to change “Gas Water Heaters with Energy Factor of .58 or better” to “Air Conditioning with SEER rating of 12 or better.” The proposed change is of equal point value as each of these items was worth five points in the 2001 Application.

2. Recommendation

Staff recommends that the Board approve the requested changes reflected above and direct staff to amend the Extended Use Agreement to reflect the changes.

HOUSING CREDITS

Consent

B. Request Approval to Exchange Amenities for Stock Island Apartments (2003-025CS)

Development Name: Stock Island Apartments (“Development”)	Location: Monroe County
Developer/Principal: Creative Choice Homes, Inc. (“Developer”)	Set-Aside: 14% @ 30% AMI & 86% @ 60% AMI
Applicant (“Owner”): Creative Choice Homes XXVI, Ltd.	HC Allocated Amount: \$1,300,000 SAIL Loan Amount: \$2,000,000
Number of Units: 130	Category: Acquisition/Rehab
Type: Garden Apartments	Demographics: Family/Florida Keys

1. Background/Present Situation

- a) Stock Island Apartments is a Competitive Housing Credit/SAIL Development providing 130 set-aside units in Monroe County, Florida. Florida Housing issued an allocation of \$1,300,000 in housing credits in December of 2003. The project is not complete and has not received the final allocation (Forms 8609).
- b) Florida Housing received a request from the Owner on March 27, 2006 to change the Optional Features for Rehabilitation/Substantial Rehabilitation Developments in the Extended Use Agreement ([Exhibit B](#)) and the Land Use Restriction Agreement. The Applicant requests that it be allowed to change “Steel exterior entry door frames” to “New bathroom cabinet(s), excluding medicine cabinet.” The proposed change is of equal point value as each of these items was worth one point in the 2003 Application.

2. Recommendation

Staff recommends that the Board approve the requested changes reflected above and direct staff to amend the Extended Use Agreement and the Land Use Restriction Agreement to reflect the changes.

LEGAL

Consent

V. LEGAL

A. In Re: Alabaster Gardens, Ltd. - FHFC Case No. 2006-008VW

Development Name: (“Development”):	Alabaster Gardens
Developer/Principal: (“Developer”):	Alabaster Gardens, Ltd.
Number of Units: 147	Location: Escambia County
Type: Garden Apartments w/ elevator	Set Asides: 100% @ 60% (SAIL) 85% @ 60% (MMRB)
Demographics: Elderly	SAIL: \$3,000,000
MMRB: \$7,500,000	Housing Credits: N/A

1. Background

- a) During the 2004 Universal Cycle, Florida Housing awarded an allocation of MMRB and SAIL funding to Alabaster Gardens, Ltd. (“Petitioner”). The Development is currently undergoing construction.
- b) On March 22, 2006, Florida Housing received a “Petition for Waiver of Rule 67-48.002(31) and 67-48.004(14)(b), Florida Administrative Code” (“Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit A](#).
- c) Rule 67-48.002(31), Florida Administrative Code (2004), states in pertinent part:

The Developer, as identified in an Application, may not change until the construction of the Development is complete.

- d) Rule 67-48.004(14)(b), Florida Administrative Code (2004), states in pertinent part:

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....those items are as follows:

(b) Name of each Developer, including all co-Developers;

- e) Petitioner requests a waiver of the above Rules to permit a change in the Developer entity prior to the completion of construction. On March 31, 2006, the Notice of Petition was published in the Florida Administrative Weekly. To date, Florida Housing has not received any comments concerning the 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.

LEGAL

Consent

- b) Petitioner specifically requests this waiver to change the current Developer entity, Carlisle Development Group, LLC, (CDG) to a new legal entity, Alabaster Garden Development, LLC, in which CDG is the sole member and owner. The new entity would be comprised of the same principals, and would rely upon and benefit from the identical expertise, experience, services, resources and support personnel of CDG. Petitioner states that this waiver is necessary and that denial thereof would create a substantial hardship for Petitioner, in that CDG would be subjected to additional tax, accounting and corporate liability that could otherwise be avoided by the creation of the new legal entity.

3. **Recommendation**

Staff recommends the Board grant the Petitioner's request for a waiver of Rules 67-48.002(31) and 67-48.004(14)(b), Florida Administrative Code, to permit a change of Developer prior to the completion of construction, from Carlisle Development Group, LLC, to Alabaster Garden Development, LLC.

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B. In Re: Royalton Apartments, Ltd. - FHFC Case No. 2006-006VW

Development Name: (“Development”):	Royalton Apartments
Developer/Principal: (“Developer”):	Royalton Apartments, Ltd.
Number of Units: 100	Location: Miami-Dade County
Type: SRO	Set Asides: 16% @ 30% and 84% @ 60% (SAIL) 16% @ 30% and 84% @ 60% (HC)
Demographics: Homeless	SAIL: \$2,000,000
MMRB: N/A	Housing Credits: \$921,555

1. Background

- a) During the 2004 Universal Cycle, Florida Housing awarded an allocation of Low Income Tax Credits and SAIL funding to Royalton Apartments, Ltd. (“Petitioner”). The Development is currently undergoing rehabilitation.
- b) On March 21, 2006, Florida Housing received a “Petition for Waiver of Rule 67-48.002(31) and 67-48.004(14)(b), Florida Administrative Code” (“Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit B](#).
- c) Rule 67-48.002(31), Florida Administrative Code (2004), states in pertinent part:

The Developer, as identified in an Application, may not change until the construction of the Development is complete.

- d) Rule 67-48.004(14)(b), Florida Administrative Code (2004), states in pertinent part:

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....those items are as follows:

(b) Name of each Developer, including all co-Developers;

- e) Petitioner requests a waiver of the above Rules to permit a change in a co-Developer entity prior to the completion of construction. On March 31, 2006, the Notice of Petition was published in the Florida Administrative Weekly. To date, Florida Housing has not received any comments concerning the 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.

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Consent

- b) Petitioner specifically requests this waiver to change the current co-Developer entity, Carlisle Development Group, LLC, (CDG) to a new legal entity, Royalton Development, LLC, a single-purpose, wholly owned subsidiary of CDG. The new entity would be comprised of the same principals, and would rely upon and benefit from the identical expertise, experience, services, resources and support personnel of CDG. Petitioner states that this waiver is necessary and that denial thereof would create a substantial hardship for Petitioner, in that CDG would be subjected to additional tax, accounting and corporate liability that could otherwise be avoided by the creation of the new legal entity. No changes are requested for the remaining co-Developer, Carrfour Supportive Housing, Inc.

3. Recommendation

Staff recommends the Board grant the Petitioner's request for a waiver of Rules 67-48.002(31) and 67-48.004(14)(b), Florida Administrative Code, to permit a change of Developer prior to the completion of construction, from Carlisle Development Group, LLC, to Royalton Development, LLC.

LEGAL

Consent

C. In Re: Harbour Cove Associates, Ltd. - FHFC Case No. 2006-004VW

Development Name: (“Development”):	Harbour Cove Apartments 2003-040S
Developer/Principal: (“Developer”):	Harbour Cove Associates, Ltd.
Number of Units: 212	Location: Broward County
Type: Mid-Rise with Elevator	Set Aside: 100% @ 60% AMI
Demographics: Family	Allocated Amount: \$2,000,000
MMRB: N/A	Housing Credits: N/A

1. Background/Present Situation

- a) During the 2003 Cycle, Florida Housing awarded an allocation of SAIL funds to the Petitioner.
- b) On March 17, 2006, Florida Housing received a Petition for Variance from Rule 67-48.012(2)(g), Florida Administrative Code (2003), (“Petition”) from Harbour Cove Associates, Ltd. (“Petitioner”). A copy of the Petition is attached as [Exhibit C](#).
- c) Rule 67-48.012(2)(g), Florida Administrative Code (2003), states in pertinent part:

The minimum combined debt service coverage shall be 1.10 and the maximum debt service coverage shall be 1.50, including the SAIL mortgage and all other superior mortgages. In extenuating circumstances, such as when the Development has deep or short term subsidy, the debt service coverage may exceed 1.50 if the Credit Underwriter’s favorable recommendation is supported by the projected cash flow analysis.¹

- d) Petitioner requests a variance from this rule to reduce the combined debt service coverage from the minimum 1.10 required by the rule to 1.00.
- e) Petitioner encountered unforeseen construction delays caused by the discovery of oil on the development site during construction and the ensuing Brownfield remediation process. The site work remediation has recently been concluded. There have been significant increases in the basic material costs during this period of delay, and these additional costs, together with the additional costs associated with the remediation process, have resulted in cost overruns in excess of approximately \$3.5 million to date. The Development is also funded by a MMRB loan from the Housing Finance Authority of Broward County. In order for Petitioner to comply with the minimum SAIL loan combined debt service coverage of 1.10, that loan must be reduced by \$765,000. Petitioner’s request for a variance to reduce the minimum combined debt service to 1.00 could eliminate the requirement of paying down any portion of the bonds at this time and enable Petitioner to use the \$765,000 for payment of development costs, thus offsetting some of the additional costs which have resulted from the delay due to the remediation process. In addition, the Petitioner would be able to obtain 4% tax credits on this additional \$765,000 thus generating approximately \$500,000 in additional limited partner equity.

¹ The current rule, Rule 67-48.0072(10) allows for a 1.00 minimum combined debt service coverage if the Applicant defers at least 35% of the developer fee for at least six months after construction completion.

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- f) On March 31, 2006, the Notice of Petition was published in the Florida Administrative Weekly.
- g) To date, Florida Housing has not received any comments concerning the Petition.
- h) 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.
- i) The granting of this request for variance will serve the purpose of the underlying statute, in that the additional financing available for the Development will enhance the likelihood of its financial success and, in turn, will further Florida Housing's statutory mandate to provide safe, sanitary and affordable housing to the citizens of Florida. Strict application of Rule 67-48.012(2)(g) will create a substantial hardship for Petitioner in that Petitioner will not have the use of approximately \$765,000 of bonds and \$500,000 in equity to offset the cost overruns described above.

2. **Recommendation**

Staff recommends the Board grant the Petitioner's request for a variance from Rule 67-48.012(2)(g), Florida Administrative Code (2003), to reduce the minimum combined debt service coverage for the SAIL loan on the Development from 1.10 to 1.00 conditioned upon the deferral of at least 35% of the developer fee for at least six months after construction completion.

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D. In Re: FF Realty, LLC. - FHFC Case No. 2006-003VW

Development Name: (“Development”):	Mariner’s Club Apartments
Developer/Principal: (“Developer”):	Mariner Club, Ltd.; Mariner Club, Inc.; Thomas and Betsy Spano
Number of Units: 336	Location: Duval County
Type: Apartments	Set Asides: 20% @ 50% (MMRB)
Demographics: Family	SAIL: n/a
MMRB: \$19,475,000 tax-exempt bonds; \$3,375,000 taxable bonds	Housing Credits: n/a

1. Background

- a) In September of 1996, Florida Housing financed the construction of Mariner’s Club Apartments with \$19,475,000 in tax-exempt bonds and \$3,375,000 in taxable bonds. FF Realty, LLC, (“Petitioner”) is in the process of acquiring this development from Mariner Club, Ltd., the current owner. During the 2006 Supplemental Bond Cycle, Florida Housing awarded Petitioner \$30,000,000 in tax-exempt Multifamily Mortgage Revenue Bonds to defease the existing bonds. This transfer of ownership is scheduled to be approved by the Board on April 21, 2006.
- b) On March 20, 2006, Florida Housing received a “Petition for Variance of Rule 67-21.008(1)(b), Florida Administrative Code” (“Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit D](#).
- c) Rule 67-21.008(1)(b), Florida Administrative Code, states in pertinent part:
 - (1) Each Mortgage Loan for a Development made by the Corporation shall:
 - (b) Provide for a fully amortized payment of the Mortgage Loan in full beginning on the earlier of 36 months after closing, or stabilized occupancy, or conversion to permanent financing under the loan documents and ending no later than the expiration of the useful life of the property, and in any event, no later than 45 years from the date of the Mortgage Loan.
- d) Petitioner requests a variance from the above Rule to delay the start of the fully amortized payment of the mortgage loan from 36 months to ten (10) years from the date of closing of the MMRB financing.
- e) On, March 31, 2006, the Notice of Petition was published in the Florida Administrative Weekly. To date, Florida Housing has not received any comments concerning the Petition.

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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) Petitioner states that this variance is necessary and that denial thereof would create a substantial hardship for Petitioner, in that the viability of the Development will be threatened. Petitioner has filed an application for supplemental MMRB funding and has incurred significant expenses in based on that financing structure and in obtaining the subject real property.

3. Recommendation

Staff recommends the Board grant the Petitioner's request for a variance from Rule 67-21.008(1)(b), Florida Administrative Code, and permit the delay of the start of the fully amortized payment of the mortgage loan from 36 months to ten (10) years from the date of closing of the MMRB financing.

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E. In Re: HPT-Cypress Grove Associates, Ltd. - FHFC Case No. 2006-002VW

Development Name: (“Development”):	Sandalgrove Apartments
Developer/Principal: (“Developer”):	HPT-Cypress Grove Associates, LTD
Number of Units: 814	Location: Broward County
Type: Mid-Rise w/elevator	Set Aside: 40% @ 60% AMI
Demographics: Family	Allocated Amount: \$2,000,000
MMRB:	Housing Credits:

1. Background

- a) On February 15, 2006, Florida Housing received a Petition for Waiver from Rule 67-48.004(14)(d), 67-48.002(111) Fla. Admin. Code and Part II.A.2 (b) of the Universal Application Instructions (“Petition”), from HPT-Cypress Grove Associates, Ltd. (“Petitioner”). A copy of the Petition is attached as [Exhibit E](#).
- b) Petitioner is a sole member of a General Partner of a Florida limited partnership and is the developer of an acquisition and rehabilitation of an 814-unit multifamily apartment project in Lauderhill, Broward County, Florida. Petitioner applied for SAIL funding in the 2004 Universal Cycle, intending to use that loan, along with tax-exempt bonds issued by Broward County and equity generated by the sale of tax credits associated with the bonds. To reflect the structural changes required by its tax credit investor, Petitioner sought and was approved by the Board of Directors in an Order dated December 6, 2004, to change its name as well as the name of its General Partner.
- c) Subsequently, Petitioner has applied for 501(c)(4) status with the Internal Revenue Service (“IRS”). To date, Petitioner has not received notification by the IRS that it has obtained non-profit status. Petitioner has been advised by the IRS that it may take a minimum of six months before it receives notification that it has obtained non-profit status. Petitioner has completed credit underwriting, its credit underwriting report has been approved, and with the exception of obtaining non-profit status, all conditions for the SAIL loan closing have been satisfied. Petitioner requests a waiver to allow a modification of its status from non-profit to a for-profit entity and allow it to close on its SAIL loan.
- d) 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.
- e) Rule 67-48.004(14)(d), Fla. Admin. Code, 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:

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(d) Applicant applying as a Non-Profit or for-profit organization;

f) The Universal Application Instructions (“Instructions”) are part of the Universal Application Package, which is adopted by Rule 67-48.00(111), Florida Administrative Code, thus a deviation from the Instructions requires a variance or waiver of the rule.

g) Part II. A. 2(b), of the Universal Application Instructions provides:

If the Applicant applies as a Non-Profit entity it must remain a Non-Profit entity. The Non-Profit entity understands and acknowledges that it is the Non-Profit entity’s responsibility to contractually ensure that it substantially and materially participates in the management and operation of the Development throughout the Compliance Period and the Extended Use Period. If the Applicant is applying as a Non-Profit entity, failure to include the attorney opinion letter behind a tab labeled “Exhibit 4” and the IRS determination letter behind a tab labeled “Exhibit 5” will result in disqualification as a Non-Profit entity and rejection of the Application.

2. Present Situation

a) Petitioner seeks a waiver of Rule 67-48.004(14)(d), Fla. Admin. Code, and Part II. A. 2(b), of the Universal Application Instructions, to the extent that the Rule and Instructions prohibit changing the Applicant’s status from Non-Profit to for-profit. 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. Petitioner demonstrated that there was no advantage in applying for funds as a non-profit in the 2004 Universal Application and a for-profit designation would not have altered its score. Further, Petitioner has pursued its designation with the IRS in good faith and continues to seek its 501(c)(4) designation. Moreover, the denial of this request for waiver will result in a substantial hardship to Petitioner, in that loss of the tax credit investor and the SAIL loan will halt the rehabilitation of this development, and will deprive the residents of Broward County of 814 units of badly needed affordable rental housing.

3. Recommendation

That the Board grant the Petition for Waiver of Rule 67-48.004(14)(d), Florida Administrative Code, and Part II.A.2.(b) of the Universal Application Instructions, to the extent necessary to require Petitioner remain a Non-Profit entity, and modify Petitioner’s Application for SAIL funding in the 2004 Universal Application to reflect a change in Petitioner’s status from a Non-Profit to for-profit entity.

LEGAL

Consent

F. In Re: Valencia Garden Apartments, Ltd. - FHFC Case No. 2006-009VW

Development Name: (“Development”):	Valencia Gardens Apartments
Developer/Principal: (“Developer”):	Carlisle Development Group, LLC
Number of Units: 104	Location: Hardee
Type: Garden Apartments	Set Asides: 7% @ 30% 93% @ 60%
Demographics: Elderly	SAIL: N/A
MMRB: N/A	Housing Credits: \$975,000

1. Background

- a) During the 2005 Universal Cycle, Florida Housing awarded an allocation of Low Income Housing Tax Credits (“HC”) to Valencia Garden Apartments, Ltd. (“Petitioner”), for Application #2005-046C.
- b) On March 21, 2006, Florida Housing received a “Petition for Waiver or Extension of Time for Compliance With Rules 67-48.004(1)(a), 67-48.007, and 67-48.023, Florida Administrative Code” (“Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit F](#).
- c) Rule 67-48.004(1)(a), Florida Administrative Code (2005), states in pertinent part:

The Universal Application Package is adopted and incorporated herein by reference, effective February 7, 2005.

- d) The particular portions of the 2005 Universal Application Instructions which apply to this Petition state, in pertinent part:

5. Administrative Fees:

With respect to the HC Program, each Applicant to which a Preliminary Allocation ... is granted shall submit to the Corporation a **non-refundable** administrative fee in the amount of 8% of the first annual Housing Credit Allocation amount to be received. ... The Corporation must receive the administrative fee within 7 calendar days of the date of the Preliminary Housing Credit Allocation ...

(Emphasis added)

7. Compliance Monitoring Fees:

b. HC:

- (1) Pre-final allocation compliance monitoring fee ... collected within 7 days of the date of the Preliminary Housing Credit Allocation ...

LEGAL

Consent

- e) Rule 67-48.007, Florida Administrative Code (2005), states in pertinent part:

The Corporation ... shall collect via check or money order the following fees and charges in conjunction with the ... HC Program as outlined in the Universal Application Instructions:

(4) Administrative Fees ...

(6) Compliance Monitoring Fees.

- f) Rule 67-48.023, Florida Administrative Code (2005), states in pertinent part:

In order for a Development to qualify for Housing Credits it shall, at a minimum, meet or comply with the following:

(1) Each Applicant shall comply with this rule chapter and with Section 42 of the IRC and federal regulations...

- g) Petitioner requests a waiver of the above Rules and the above portions of the 2005 Universal Application Instructions incorporated therein to seek an extension of the deadline to submit the Preliminary Allocation Fee and Compliance Monitoring Fee. On March 31, 2006, the Notice of Petition was published in the Florida Administrative Weekly. To date, Florida Housing has not received any comments concerning the Petition.

2. Present Situation

- a) 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.

- b) Petitioner states as justification for these waivers that Florida Housing issued the Preliminary Allocation Certificate ("Certificate") dated November 30, 2005. This Certificate was contingent upon, among other things, the payment of the fees that are the subject of this Petition on or before December 7, 2005. Florida Housing did not sign the certificate until December 22, 2005. Valencia subsequently submitted the required fees on February 7, 2006. Petitioner explains the delay in the submission of these non-refundable fees was due to uncertainty on whether the proposed development would be financially feasible due to concerns over rising construction costs, as well as a lack of available general contractors. Petitioner further states that the denial of these requested waivers would constitute a substantial hardship, in that the penalty for late payment of these fees could include loss of their HC allocation, which would have a significant negative economic impact which would threaten the viability of the Development, whereas the granting of the waivers would serve the purpose of the underlying statute by ensuring that the affordable housing units are provided. "In addition, the Preliminary Allocation Agreement provided by Florida Housing was incorrectly completed and therefore created confusion regarding the due date of the Administrative and Initial Compliance Fees.

LEGAL

Consent

3. Recommendation

Staff recommends the Board grant the Petitioner's request for a waivers of Rules 67-48.004(1)(a), 67-48.007, and 67-48.023 Florida Administrative Code, and the above stated portions of the 2005 Universal Application Instructions incorporated therein, to permit the acceptance of the Preliminary Allocation Fee and Compliance Monitoring Fee for Application #2005-046C as timely filed.

LEGAL

Consent

G. In Re: Rohnert Civic, LLC. - FHFC Case #2006-005VW

Development Name: (“Development”):	Sterling Palms Apartments
Developer/Principal: (“Developer”):	Sterling Palms, Ltd.; Sterling Palms, Inc./Thomas and Betsy Spano
Number of Units: 248	Location: Hillsborough County
Type: Apartments	Set Asides: 20% @ 50% (MMRB)
Demographics: Family	SAIL: n/a
MMRB: \$14,450,000 tax-exempt; \$600,000 in taxable bonds	Housing Credits: n/a

1. Background

- a) In June of 1996, Florida Housing financed the construction of Sterling Palms Apartments with \$14,450,000 in tax-exempt bonds and \$600,000 in taxable bonds.
- b) Rohnert Civic, LLC, (“Petitioner”) is in the process of acquiring this development from Sterling Palms, Ltd., the current owner. Petitioner has applied for \$14,385,000 in 2006 taxable Multifamily Mortgage Revenue Bonds (“TMMRB”) to defease the existing bonds. This TMMRB financing is being obtained to defease the Florida Housing’s \$14,450,000 Housing Revenue Bonds 1996 Series D-1 (Sterling Palms Apartment Project) (the “Tax-Exempt Series 1996 Bonds”) which currently finance the Project. The financing structure for the Project will consist of a first mortgage loan from Florida Housing for MMRB proceeds, which will be placed in escrow to defease the Tax-Exempt Series 1996 Bonds, with credit enhancement for the MMRB being provided via a direct pay credit enhancement instrument from Fannie Mae. On or about November 1, 2006, tax-exempt refunding bonds (the “Tax-Exempt MMRB”) will be issued. The Tax-Exempt MMRB will be credit enhanced with a direct pay credit enhancement instrument from Fannie Mae. It is anticipated that the proceeds of the Tax-Exempt MMRB will be used to redeem the Tax-Exempt Series 1996 Bonds. The TMMRB will be paid off with a draw on the Fannie Mae credit enhancement. The defeasance escrow will be used to repay Fannie Mae for the draw on its credit enhancement instrument used to pay off the TMMRB. This transfer of ownership is scheduled to be approved by the Board on April 21, 2006.
- c) On March 22, 2006, Florida Housing received a “Petition for Variance of Rule 67-21.008(1)(b), Florida Administrative Code” from Petitioner. On March 31, 2006, Florida Housing received an “Amended Petition for Variance of Rule 67-21.008(1)(b), Florida Administrative Code” (“Amended Petition”), from Petitioner. A copy of the Petition is attached as [Exhibit G](#).
- d) Rule 67-21.008(1)(b), Florida Administrative Code, states in pertinent part:
- (1) Each Mortgage Loan for a Development made by the Corporation shall:

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Consent

(b) Provide for a fully amortized payment of the Mortgage Loan in full beginning on the earlier of 36 months after closing, or stabilized occupancy, or conversion to permanent financing under the loan documents and ending no later than the expiration of the useful life of the property, and in any event, no later than 45 years from the date of the Mortgage Loan.

- e) Petitioner requests a variance from the above Rule to delay the start of the fully amortized payment of the mortgage loan from 36 months to ten (10) years from the date of closing of the 2006 MMRB financing.
- f) On, March 31, 2006, the Notice of Petition was published in the Florida Administrative Weekly. To date, Florida Housing has not received any comments concerning the 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) Petitioner states that this variance is necessary and that denial thereof would create a substantial hardship for Petitioner, in that the viability of the Development will be threatened. Petitioner has requested MMRB funding and will invest significant sums of its own capital in purchasing the project. Granting the variance will improve the cash flow of the Development and insuring adequacy of funds to properly operate and maintain the Development. Petitioner reports that should this request for a variance be denied, the viability of the Development will be affected and quality affordable housing in Hillsborough County, Florida could be sacrificed.

3. Recommendation

Staff recommends the Board grant the Petitioner's request for a variance from Rule 67-21.008(1)(b), Florida Administrative Code, and permit the delay of the start of the fully amortized payment of the mortgage loan from 36 months to ten (10) years from the date of the issuance of the Series 2006 Bonds, during which period no amortization of the Series 2006 Bonds would be required.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

VI. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Approval of Credit Underwriting Report for Housing & Education Alliance, Inc., a Non-Profit Corporation, for El Capitan Crossings (PLP 05-078)

DEVELOPMENT NAME (“Development”):	El Capitan Crossings
APPLICANT/DEVELOPER (“Developer”):	& Education Alliance, Inc., a Non-Profit Corporation
CO-DEVELOPERS:	n/a
NUMBER OF UNITS:	36
LOCATION (“County”):	Hillsborough
TYPE:	Homeownership
SET ASIDE:	100% @ 80% AMI
PLP LOAN AMOUNT:	\$ 500,000

1. Background/Present Situation

- a) On August 22, 2005, Florida Housing issued an Invitation to Participate in the PLP to the non-profit Developer. The Development will be located in Hillsborough County.
- b) On December 9, 2005, the Board approved the development plan and budget that was submitted by the Technical Assistance Provider (TAP) recommending a loan of \$500,000 for PLP eligible activities. Of this \$500,000, Staff was authorized to proceed with loan closing activities for \$100,000, the non-site acquisition portion of the loan, with the remaining \$400,000 pending a positive recommendation from the Credit Underwriter for site acquisition.
- c) Staff received a credit underwriting report on March 20, 2006 with a positive recommendation for a PLP Loan in the amount of \$500,000, subject to the conditions outlined in the report ([Exhibit A](#)).

2. Recommendation

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

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Request Approval of PLP Loan to Pinellas Habitat for Humanity, Inc., a Non-Profit Corporation, for Highlander Village (PLP 05-090)

DEVELOPMENT NAME (“Development”):	Highlander Village
APPLICANT/DEVELOPER (“Developer”):	Pinellas Habitat for Humanity, Inc., a Non-Profit Corporation
CO-DEVELOPER:	n/a
NUMBER OF SET-ASIDE UNITS:	19
LOCATION (“County”):	Pinellas
TYPE:	Homeownership
SET ASIDE:	100% @ 80% AMI
PLP LOAN AMOUNT:	\$ 431,296
ADDITIONAL COMMENTS: The Technical Assistance Provider (TAP) has recommended approval.	

1. Background/Present Situation

- a) On January 11, 2006, Florida Housing issued an Invitation to Participate in the PLP to the Developer. The Development will be located in Pinellas County.
- b) The Technical Assistance Provider (TAP) has approved the development plan and has recommended a loan amount of \$431,296 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.
- c) Additionally, \$350,000 of the \$431,296 total PLP Loan amount will be utilized for site acquisition. As such, the Development will be undergoing credit underwriting to approve the site acquisition portion of the loan. Upon receipt of such positive recommendation, the credit underwriting report will be presented to the Board for approval. In the interim, the Applicant has other financial obligations related to the Development that will require Florida Housing to close on the initial \$81,296, which is the non-site acquisition portion of the loan.

2. Recommendation

Approve a PLP Loan in the total amount of up to \$431,296 to the Developer, a non-profit corporation, for predevelopment expenses as recommended by the TAP and allow staff to begin loan closing proceedings for the non-site acquisition portion of the PLP Loan in the amount of \$81,296.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

- C. **Request Approval of PLP Loan to Escambia County Community Land Trust, Inc., a Non-Profit Corporation, for ECCLT Affordable Housing Development Phase I (PLP 05-091)**

DEVELOPMENT NAME (“Development”):	ECCLT Affordable Housing Development Phase I
APPLICANT/DEVELOPER (“Developer”):	Escambia County Community Land Trust, Inc., a Non-Profit Corporation
CO-DEVELOPER:	n/a
NUMBER OF SET-ASIDE UNITS:	20
LOCATION (“County”):	Escambia
TYPE:	Homeownership
SET ASIDE:	100% @ 80% AMI
PLP LOAN AMOUNT:	\$ 500,000
ADDITIONAL COMMENTS: The Technical Assistance Provider (TAP) has recommended approval.	

1. **Background/Present Situation**

- a) On December 20, 2005, Florida Housing issued an Invitation to Participate in the PLP to the Developer. The Development will be located in Escambia 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.
- c) Additionally, \$378,300 of the \$500,000 total PLP Loan amount will be utilized for site acquisition. As such, the Development will be undergoing credit underwriting to approve the site acquisition portion of the loan. Upon receipt of such positive recommendation, the credit underwriting report will be presented to the Board for approval. In the interim, the Applicant has other financial obligations related to the Development that will require Florida Housing to close on the initial \$121,700, which is the non-site acquisition portion of the loan.

2. **Recommendation**

Approve a PLP Loan in the total amount of up to \$500,000 to the Developer, a non-profit corporation, for predevelopment expenses as recommended by the TAP and allow staff to begin loan closing proceedings for the non-site acquisition portion of the PLP Loan in the amount of \$121,700.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

D. Request Approval of Credit Underwriting Report for Florida Low Income Housing Associates, Inc., a Non-Profit Corporation, for Rolling Oaks (PLP 05-069)

DEVELOPMENT NAME (“Development”):	Rolling Oaks
APPLICANT/DEVELOPER (“Developer”):	Florida Low Income Housing Associates, Inc., a Non-Profit Corporation
CO-DEVELOPERS:	n/a
NUMBER OF UNITS:	40
LOCATION (“County”):	Citrus
TYPE:	Homeownership
SET ASIDE:	100% @ 80% AMI
PLP LOAN AMOUNT:	\$ 312,103
ADDITIONAL COMMENTS: The Credit Underwriter has approved an amount of \$312,103 versus the \$313,320 previously recommended by the Technical Assistance Provider (TAP) and approved by the Board.	

1. Background/Present Situation

- a) On June 9, 2005, Florida Housing issued an Invitation to Participate in the PLP to the non-profit Developer. The Development will be located in Citrus County.
- b) On August 25, 2005, the Board approved the development plan and budget that was submitted by the Technical Assistance Provider (TAP) recommending a loan of \$313,320 for PLP eligible activities. Of this \$313,320, Staff was authorized to proceed with loan closing activities for \$164,320, the non-site acquisition portion of the loan, with the remaining \$149,000 pending a positive recommendation from the Credit Underwriter for site acquisition.
- c) Staff received a credit underwriting report on March 30, 2006 with a positive recommendation for a PLP Loan in the amount of \$312,103, subject to the conditions outlined in the report ([Exhibit F](#)). The credit underwriter reduced the requested amount by \$1,217, which is the difference between estimated appraisal and underwriting fees with actual amounts paid.

2. Recommendation

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

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

E. Request Approval of Name Change for Applicant/Developer for Cypress Senior Apartments (PLP 05-075)

DEVELOPMENT NAME (“Development”):	Cypress Senior Apartments
APPLICANT/DEVELOPER (“Developer”):	Cypress Senior Village, LLC
CO-DEVELOPERS:	Judd K. Roth
NUMBER OF UNITS:	50
LOCATION (“County”):	DeSoto
TYPE:	Rental, Elderly
SET ASIDE:	60% @ 60% AMI
PLP LOAN AMOUNT:	\$ 350,000
ADDITIONAL COMMENTS: The Housing Authority of the City of Arcadia will be sole managing member of Cypress Senior Village, LLC.	

1. Background/Present Situation

- a) On July 15, 2005, Florida Housing issued an Invitation to Participate in the PLP to the Developer. The Development will be located in DeSoto County.
- b) On December 9, 2005, the Board approved the development plan and budget that was submitted by the Technical Assistance Provider (TAP) recommending a loan of \$350,000 for PLP eligible activities.
- c) Subsequent to Board approval, the Applicant has requested a change to the Applicant entity from Cypress Senior Associates, Ltd. to Cypress Senior Village, LLC. The sole managing member of the LLC is the Housing Authority of the City of Arcadia.

2. Recommendation

Authorize staff to change the name of the Applicant/Developer entity to Cypress Senior Village, LLC in the loan documents and proceed with closing activities.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

F. Request Approval of Name Change for Applicant/Developer for The Oaks and The Palms (PLP 05-076)

DEVELOPMENT NAME (“Development”):	The Oaks and The Palms
APPLICANT/DEVELOPER (“Developer”):	Housing Authority of the City of Arcadia
CO-DEVELOPERS:	Judd K. Roth
NUMBER OF UNITS:	130
LOCATION (“County”):	DeSoto
TYPE:	Rental
SET ASIDE:	60% @ 60% AMI
PLP LOAN AMOUNT:	\$ 500,000

1. Background/Present Situation

- a) On July 28, 2005, Florida Housing issued an Invitation to Participate in the PLP to the Developer. The Development will be located in DeSoto County.
- b) On October 14, 2005, the Board approved the development plan and budget that was submitted by the Technical Assistance Provider (TAP) recommending a loan of \$500,000 for PLP eligible activities.
- c) Subsequent to Board approval, the Applicant has requested a change to the Applicant entity from the Arcadia Oaks Associates, Ltd and the Arcadia Palms Associates, Ltd. to the Housing Authority of the City of Arcadia.

2. Recommendation

Authorize staff to change the name of the Applicant/Developer entity to the Housing Authority of the City of Arcadia in the loan documents and proceed with closing activities.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

VII. PROFESSIONAL SERVICES SELECTION (PSS)

A. Affordable Housing Catalyst Program Services

1. Background

- a) Chapter 2004-243, Laws of Florida, amended Section 420.531, Fla. Stat., authorizing the transfer of the Affordable Housing Catalyst Program from the Department of Community Affairs (DCA) to Florida Housing Finance Corporation effective July 1, 2004.
- b) The Affordable Housing Catalyst Program is funded through the State Housing Trust Fund and provides training and technical assistance mainly to local governments and community based organizations on state and federal housing programs. The Affordable Housing Catalyst Program has been outsourced since its inception, with great success.
- c) At its October 14, 2004 meeting, the Board of Directors of Florida Housing authorized staff to enter into contract with The Florida Housing Coalition, Inc. to provide Affordable Housing Catalyst Program services.
- d) The initial term of the contract ended on November 30, 2005.

2. Present Situation

- a) Effective July 1, 2005 the contract was renewed to extend the term of the contract to be consistent with the state fiscal year and for budget purposes.
- b) The term of the contract will expire on June 30, 2006. The contract may be renewed for an additional one-year period. Either party may request a modification of the provisions of this contract as long as modifications are mutually agreed upon and reduced to writing and signed by the parties.
- c) Both parties support a renewal to extend the term of the contract for an additional one-year period, and both parties agree a minor modification is needed to replace Exhibit B, 2005-2006 Catalyst Program Budget and Workshops, with 2006-2007 Catalyst Program Budget and Workshops.

3. Recommendation

Staff recommends that the Board authorize staff to proceed with the renewal and modification process.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

VIII. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval to Exchange Amenities for Calusa Cove Apartments, Cycle XIV, (2001-039/2002-017S)

Development Name: Calusa Cove Apartments (“Development”)	Location: Miami-Dade County
Developer/Principal: Greater Miami Neighborhoods, Inc. (“Developer”)	Set-Aside: 15% @ 30% AMI and 85% @ 60% AMI
Number of Units: 144	Allocated Amount: \$1,449,387
Type: Mid Rise with Elevators	Total Housing Credit Equity: \$6,888,960
Demographics: Family	MMRB: N/A

1. **Background/Present Situation**

- a) On October 6, 2003, a SAIL loan in the amount of \$1,449,387 for this 144-unit family development in Miami-Dade County closed.
- b) On November 29, 2005, staff received a letter from the Developer requesting approval of a change of amenities from ceramic tile floors in the bathrooms to microwave ovens in each unit and an on-site car care area ([Exhibit A](#)).
- c) On December 20, 2005, staff received a credit underwriting review with a positive recommendation for the exchange in the amenities ([Exhibit B](#)). The ceramic tile floors had a point value of 2 points in the 2002 application and the microwave ovens and the car care area had a point value of 1 point each in the 2002 application. Staff has reviewed this proposal and finds the Development meets all of the requirements of SAIL Rule 67-48, F.A.C.

2. **Recommendation**

Approve the request to change the amenities in this Development and direct staff to amend the Land Use Restriction Agreement and the Extended Use Agreement.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval of a SAIL Credit Underwriting Report for Grande Oaks Pointe Apartments, Cycle XVII, (2005-094S)

Development Name: Grande Oaks Apartments (“Development”)	Location: Hillsborough County
Developer/Principal: The Richman Group of Florida, Inc. (“Developer”)	Set-Aside: 100% @ 60% AMI
Number of Units: 168	Allocated Amount: \$2,000,000 (2004) and \$1,000,000 (2005)
Type: Garden Style	Total Housing Credit Equity: \$3,634,414
Demographics: Family	MMRB: \$7,300,000 (Local)

1. Background/Present Situation

- a) On June 24, 2005, a 2004 SAIL loan closed in the amount of \$2,000,000 for this 168-unit family development in Hillsborough County. In the 2005 Universal Application Cycle, Applicants that were successful in receiving an award of 2004 SAIL funds could apply in 2005 for the difference between the 2004 and 2005 SAIL request limits.
- b) 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.
- c) On September 29, 2005, staff issued a preliminary commitment letter and an invitation to credit underwriting for an additional SAIL loan in an amount up to \$1,000,000 for this 168-unit family development in Hillsborough County.
- d) On March 31, 2006, staff received a credit underwriting report with a positive recommendation for an additional SAIL loan in the amount of \$1,000,000 ([Exhibit C](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of SAIL Rule 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.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

C. Request Approval of a SAIL Credit Underwriting Report for Clarcona Groves Apartments, Cycle XVII, (2005-026S)

Development Name: Clarcona Groves Apartments (“Development”)	Location: Orange County
Developer/Principal: The Richman Group of Florida, Inc. (“Developer”)	Set-Aside: 40% @ 60% AMI and 60% @ 50% AMI
Number of Units: 264	Allocated Amount: \$2,000,000 (2004) and \$1,000,000 (2005)
Type: Garden Style	Total Housing Credit Equity: \$8,774,167
Demographics: Family	MMRB: \$12,650,000

1. Background/Present Situation

- a) On January 26, 2005, a 2004 SAIL loan closed in the amount of \$2,000,000 for this 264-unit family development in Orange County. In the 2005 Universal Application Cycle, Applicants that were successful in receiving an award of 2004 SAIL funds could apply in 2005 for the difference between the 2004 and 2005 SAIL request limits.
- b) 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.
- c) On October 10, 2005, staff issued a preliminary commitment letter and an invitation to credit underwriting for an additional SAIL loan in an amount up to \$1,000,000 for this 264-unit family development in Orange County.
- d) On March 31, 2006, staff received a credit underwriting report with a positive recommendation for an additional SAIL loan in the amount of \$1,000,000 ([Exhibit D](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of SAIL Rule 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.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

D. Request Approval of change to the Credit Underwriting Report for Alhambra Cove Apartments, Cycle XVII, (2005-118S)

Development Name: Alhambra Cove Apartments (“Development”)	Location: Miami-Dade County
Developer/Principal: Cornerstone Group Development, L.L.C. (“Developer”)	Set-Aside: 100% @ 60% AMI
Number of Units: 240	Allocated Amount: \$1,000,000 and \$2,000,000
Type: Garden Style	Total Housing Credit Equity: \$8,007,960
Demographics: Family	MMRB: \$13,170,000 (Local)

1. Background/Present Situation

- a) On June 28, 2005, a 2004 SAIL loan closed in the amount of \$2,000,000 for this 240-unit family development in Miami-Dade County. In the 2005 Universal Application Cycle, Applicants that were successful in receiving an award of 2004 SAIL funds could request additional funding.
- b) On January 20, 2006, the Board approved a final credit underwriting report for an additional \$1,000,000 SAIL loan. This report stated that \$700,000 of the Bonds would be redeemed by May 1, 2006.
- c) On March 31, 2006, staff received an update letter to the credit underwriting report ([Exhibit E](#)) which changes the deadline date for the bond redemption to June 1, 2006.

2. Recommendation

Approve the change to the bond redemption date to June 1, 2006.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

E. Request Approval of a Update to the Credit Underwriting Report for Harbour Cove Apartments, Cycle XV, (2003-040S)

Development Name: Harbour Cove Apartments (“Development”)	Location: Broward County
Developer/Principal: Cornerstone Group Development LLC (“Developer”)	Set-Aside: 25% @ 50% AMI and 75% @ 60% AMI
Number of Units: 212	Allocated Amount: \$2,000,000
Type: Garden Style	Total Housing Credit Equity: \$7,578,000
Demographics: Family	MMRB: \$13,150,000 (Local)

1. Background/Present Situation

- a) On May 6, 2005, a 2003 SAIL loan closed in the amount of \$2,000,000 for this 212-unit family development in Broward County which required a bond paydown in the amount of \$765,000 in order to meet requirements of Rule 67-48.012 (2) (g) (Debt Service Coverage of 1.10).
- b) The Developer has petitioned Florida Housing for a rule variance of Rule 67-48.012 (2) (g) which is on the Legal agenda of this board package. With the approval of the petition for variance, the Developer will no longer be required to pay down \$765,000 in bonds as reflected in the update to the credit underwriting report ([Exhibit F](#)). These funds can be made available to fund construction costs.

2. Recommendation

Approve the update to the credit underwriting report and direct staff to amend documents accordingly.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

F. Request Approval of a SAIL Credit Underwriting Report for Brook Haven Apartments, Cycle XVII, (2005-027BS)

Development Name: Brook Haven Apartments (“Development”)	Location: Hernando County
Developer/Principal: The Richman Group of Florida, Inc. (“Developer”)	Set-Aside: 100% @ 60% AMI
Number of Units: 160	Allocated Amount: \$2,900,000
Type: Garden Style	Total Housing Credit Equity: \$6,419,947
Demographics: Family	MMRB: \$8,400,000

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 an invitation to credit underwriting for an SAIL loan in an amount up to \$2,900,000 for this 160-unit family development in Hernando County. The SAIL Loan will be in second mortgage position. The development was also awarded a MMRB allocation. The credit underwriting report is addressed in the MMRD section of this Board package. Staff has reviewed this report and finds that the Development meets all of the requirements of SAIL Rule 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.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

G. Request Approval of a SAIL Credit Underwriting Report for Spring Haven Apartments, Cycle XVII, (2005-034BS)

Development Name: Spring Haven Apartments (“Development”)	Location: Hernando County
Developer/Principal: The Richman Group of Florida, Inc. (“Developer”)	Set-Aside: 100% @ 60% AMI
Number of Units: 88	Allocated Amount: \$2,000,000
Type: Garden Style	Total Housing Credit Equity: \$4,214,213
Demographics: Family	MMRB: \$4,760,000

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 an invitation to credit underwriting for an SAIL loan in an amount up to \$2,000,000 for this 88-unit family development in Hernando County. The SAIL Loan will be in second mortgage position. The development was also awarded a MMRB allocation. The credit underwriting report is addressed in the MMRD section of this Board package. Staff has reviewed this report and finds that the Development meets all of the requirements of SAIL Rule 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.

SPECIAL ASSETS

Consent

IX. SPECIAL ASSETS

- A. **Request Approval of Extension of SAIL Loan for Lauderdale Lakes Associates, Ltd., a Florida Limited Partnership, for Woodsdale Oaks Apartments (90-028S)**

Development Name: Woodsdale Oaks ("Development")	Location: Broward County
Developer/Principal: The Related Companies of Florida ("Developer")	Set-Aside: 100% @ 60% AMI LURA: 30 years; EUA: 30 years
Number of Units: 172	Allocated Amount: \$720,006
Demographics: Elderly/Family	Housing Credits: \$787,613

1. **Background**

During the 1990 SAIL Cycle II, Florida Housing awarded a \$720,006 construction/permanent loan to Lauderdale Lakes Associates, Ltd., a Florida Limited Partnership ("Borrower"), for the development of a 172-unit development in Broward County. The SAIL loan closed on March 7, 1991 and matured on March 7, 2006. The Development also received a 1990 allocation of low-income housing tax credits and was placed in service December 23, 1991.

2. **Present Situation**

The Borrower has requested a one-year SAIL loan and Land Use Restriction Agreement (LURA) extension to March 7, 2007 and March 7, 2022 respectively, to allow the borrower sufficient time to sell or refinance the property to maintain the Development's affordability.

3. **Recommendation**

Approve the request to extend the SAIL loan and LURA and direct staff to proceed with loan modification activities.

SPECIAL ASSETS

Consent

B. Request Approval of Extension of SAIL Loan for London Arms/Lyn Mar, Ltd., a Florida Limited Partnership, for London Arms Apartments (91S-021)

Development Name: London Arms ("Development")	Location: Miami-Dade County
Developer/Principal: London Arms/Lyn Mar Ltd. ("Developer")	Set-Aside: 40% @ 60% AMI LURA: 30 years; EUA: 30 years
Number of Units: 58	Allocated Amount: SAIL - \$820,000 Bonds - \$2,500,000
Demographics: Elderly/Family	Housing Credits: \$105,763

1. Background

During the 1991 SAIL Cycle III, Florida Housing awarded an \$820,000 construction/permanent loan to London Arms/Lyn Mar, Ltd., a Florida Limited Partnership ("Borrower"), for the development of a 58-unit development in Miami-Dade County. The SAIL loan closed on April 4, 1991 and matured on April 4, 2006. The Development also received FHFC Multifamily Mortgage Revenue Bonds (1990 E) in the amount of \$2,500,000 and a 1990 allocation of low-income housing tax credits of \$105,763. The Development was placed in service April 16, 1992.

2. Present Situation

The Borrower has requested a one-year SAIL loan and Land Use Restriction Agreement (LURA) extension to April 4, 2007 and April 4, 2022 respectively, to allow the borrower sufficient time to refinance the property to maintain the Development's affordability.

3. Recommendation

Approve the request to extend the SAIL loan and LURA and direct staff to proceed with loan modification activities.

MULTIFAMILY BONDS

Consent

X. MULTIFAMILY BONDS

- A. **Request Approval Of The Final Credit Underwriting Report For The Development In The Amount Of \$9,200,000 Of Tax-Exempt Bonds And \$2,900,000 SAIL, Consisting Of 160 Units, Located In Brooksville, Hernando County, Florida**

DEVELOPMENT NAME (“Development”):	Brook Haven Apartments
DEVELOPER/PRINCIPAL (“Applicant”):	Brook Haven, Ltd./Brook Haven GP, LLC/The Richman Group of Florida, Inc./TRG Member, LLC/Richman Group Development Corporation/Richard P. Richman
NUMBER OF UNITS:	160
LOCATION (“County”):	Hernando
TYPE (Rental, Homeownership):	Rental/Family (MMRB, SAIL and HC)
SET ASIDE:	85% @ 60% (MMRB) 100% @60% (SAIL) 100% @60% (HC)
ALLOCATED AMOUNT:	\$9,200,000 of Tax-Exempt Bonds and \$2,900,000 SAIL

1. Background

- a) Applicant submitted an application (“Application”) on behalf of the proposed Development during the 2005 Universal Application Cycle. Applicant applied for tax-exempt bonds in the amount of \$9,200,000 in order to construct the Development.
- b) At the August 25, 2005 Board meeting, the Board approved an Acknowledgement Resolution for the issuance of tax-exempt bonds in an amount not to exceed \$8,520,000 for construction of the Development.
- c) Subsequently, Applicant requested an additional \$680,000 for a total of \$9,200,000.

2. Present Situation

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to advise it of any such changes.
- b) The Credit Enhancer has changed from Citibank Community Development to SunTrust Community Development Corporation (“SunTrust”) during the Construction Phase and Fannie Mae with American Property Financing, Inc. (“APF”), a Fannie Mae Delegated Underwriting and Servicing (“DUS”) Lender during the Permanent Phase. These changes will not be harmful to the Development.
- c) Total Development costs have increased \$1,683,750 since the Application primarily due to increases in total construction and financial costs as well as developer fee.

MULTIFAMILY BONDS

Consent

- d) The General Contractor at the time of Application was First Florida Building Corporation and has since been replaced with First Florida, LLC (“First Florida”) a Florida Limited Liability Company and a subsidiary of First Florida Industries, Inc. First Florida is a joint venture between the Richman Group and First Florida Building Corporation; therefore, this change will not have a material impact on the Development.
- e) A Final Credit Underwriting Report dated April 7, 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 April 7, 2006 recommending that \$9,200,000 in bonds and \$2,900,000 SAIL be issued for the purpose of constructing 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 The Development In The Amount Of \$5,850,000 Of Tax-Exempt Bonds And \$2,000,000 SAIL, Consisting Of 88 Units, Located In Spring Hill, Hernando County, Florida**

DEVELOPMENT NAME (“Development”):	Spring Haven II Apartments
DEVELOPER/PRINCIPAL (“Applicant”):	SHA Associates II, Ltd./SHA Associates II GP, LLC/The Richman Group of Florida, Inc./Richman Group Development Corporation/Richard P. Richman
NUMBER OF UNITS:	88
LOCATION (“County”):	Hernando
TYPE (Rental, Homeownership):	Rental/Family (MMRB, SAIL and HC)
SET ASIDE:	85% @ 60% (MMRB) 100% @60% (SAIL) 100% @60% (HC)
ALLOCATED AMOUNT:	\$5,850,000 of Tax-Exempt Bonds and \$2,000,000 SAIL

1. Background

- a) Applicant submitted an application (“Application”) on behalf of the proposed Development during the 2005 Universal Application Cycle. Applicant applied for tax-exempt bonds in the amount of \$5,010,000 in order to construct the Development.
- b) At the August 25, 2005 Board meeting, the Board approved an Acknowledgement Resolution for the issuance of tax-exempt bonds in an amount not to exceed \$5,010,000 for construction of the Development.
- c) Subsequently, Applicant requested an additional \$840,000 for a total of \$5,850,000.

2. Present Situation

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to advise it of any such changes.
- b) The Development Costs have increased from \$10,228,655 in the Application to \$11,971,638 (an increase of \$1,742,983). The increase is primarily attributable to:
 - (1) An increase of \$985,347 in Construction Hard Costs, from the projected \$5,220,000 in the Application to \$6,205,347 reflected in the February 10, 2006 Construction Contract with First Florida. Construction Hard Costs are \$70,515 per unit, which Consultech (the construction consultant) notes are within the national average range for similar type projects adjusted for local conditions. Consultech further notes increases in costs of concrete, metal and wood materials plus labor as a result of recent hurricanes.

MULTIFAMILY BONDS

Consent

- (2) Along with the increase in Construction Hard Costs, Applicant increased the Hard Cost Contingency by \$49,267 to \$310,267. Applicant thus maintains the Hard Cost Contingency at 5%, a ratio that the credit underwriter considers adequate.
 - (3) Professional Fees related to the Construction Contract increased. Architect' Fees (in total) increased \$63,370 (a 109.11% increase) and Engineering Fees increased \$20,340 (a 57.78% increase).
 - (4) Applicant increased the Furniture and Fixtures budget by \$110,000 (a 122.22% increase) to \$200,000.
 - (5) Applicant added Interest Rate CAP expenses of \$55,000, SWAP Interest of \$50,000 and the 1.00% SAIL Commitment Fee (\$20,000) to the Financial Costs.
 - (6) Total Developer Fees increased by \$290,219 (21.38%), to \$1,647,374.
 - (7) Applicant added Land Carry to the Development Budget, adjusted to \$60,251.
 - (8) The individual adjustments and the increase in Total Development Costs have not materially impacted the credit underwriter's HC recommendation for the development.
- c) A Final Credit Underwriting Report dated April 7, 2006, is attached as [Exhibit B](#).

3. Recommendation

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated April 7, 2006 recommending that \$5,850,000 in bonds and \$2,000,000 SAIL be issued for the purpose of constructing the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

- C. **Request Approval Of The Final Credit Underwriting Report For The Transfer Of Ownership Of The Development, Issuance Of Taxable Bonds And Substitution Of Credit Enhancement To Be Followed In 6 Months By A Reissuance Of The Taxable Bonds As Tax-Exempt Bonds**

DEVELOPMENT NAME (“Development”):	Sterling Palms
DEVELOPER/PRINCIPAL (“Developer”):	Sterling Palms, Ltd./Alliant Holdings of Florida, LLC/Palm Drive Associates, LLC/Jackson Square Properties, LLC/Sterling LLC/Curtis S. Gardner/Thomas J. Coates
NUMBER OF UNITS:	248
LOCATION (“County”):	Hillsborough
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	20% @ 50% (MMRB)
ALLOCATED AMOUNT:	\$14,170,000 Taxable Bonds
ADDITIONAL COMMENTS: Transfer of Ownership/Issuance of Taxable Bonds/ Substitution of Credit Enhancement/Reissuance of Tax-Exempt Bonds	

1. **Background**

In 1996, Florida Housing financed the construction of the Development with \$14,450,000 in tax-exempt bonds and \$600,000 in taxable bonds, designated as 1996 Series D-1 & 2.

2. **Present Situation**

- a) On October 3, 2005, the Developer submitted a request to Florida Housing ([Exhibit C](#)) initiating the process to acquire the property and refund the Bonds. It is anticipated that the taxable bonds will be a variable rate, interest only demand bond for a term of at least 6 months plus 1 day. Subsequently, the bonds will be reissued under a tax-exempt bond structure with approximately 7 years of interest only after which payments will be based on a 30-year amortization period. The taxable and tax-exempt bonds will be credit enhanced by Fannie Mae.
- b) The 7 year interest only period is not currently allowed under the MMRB Rule (Chapter 67-21, F.A.C.). However, the Developer has filed a Petition for Rule Variance for 10 years which is being presented to the Board at this meeting. The Developer may request an additional interest only period from Fannie Mae for a total interest only period of up to 10 years. Staff recommends that the Board approve the requested rule variance.
- c) The Final Credit Underwriting Report dated April 7, 2006, is attached as [Exhibit D](#).

MULTIFAMILY BONDS

Consent

3. **Recommendation**

Approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated April 7, 2006 recommending the transfer of the Development and the issuance of \$14,170,000 in taxable bonds, substitution of Credit Enhancement to be followed in 6 months by a reissuance of the taxable bonds as tax-exempt bonds, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, the appropriate Florida Housing staff and Board approval of the Petition for Rule Variance.

MULTIFAMILY BONDS

Consent

D. Request Approval Of The Supplemental Letter To The Final Credit Underwriting Report For Refunding Of The Bonds For The Development

DEVELOPMENT NAME (“Development”):	College Park
DEVELOPER/PRINCIPAL (“Developer”) (“Owner”):	College Park Holdings, Ltd./TCGI, Inc./TRGII, Inc./Lloyd Boggio/Bruce Greer/Luis Gonzalez/Richard Richman/The Richman Group/The Carlisle Group
NUMBER OF UNITS:	210
LOCATION (“County”):	Collier
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	20% @ 50%; 50% @ 60%
ALLOCATED AMOUNT:	\$9,900,000 Tax-Exempt Bonds
ADDITIONAL COMMENTS: Supplemental Letter	

1. Background

- a) In 1998, Florida Housing financed the construction of the Development with \$10,100,000 in tax-exempt bonds designated as 1998 Series F.
- b) At the December 3, 2005 Board Meeting, the Board approved a Final Credit Underwriting Report dated December 2, 2005 which recommended the issuance of \$9,900,000 in tax-exempt bonds.

2. Present Situation

The Owner’s Counsel, in a letter dated March 23, 2006 ([Exhibit E](#)), requested a modification to the set aside increase requirement in the credit underwriting report. The credit underwriting report reflects an increase to the set asides from 20% @ 50% to 30% @ 50% and 50% @ 60% to 60% @ 60%. The Owner requests that increase instead reflect 80% @ 60% with no increase to the 20% @ 50% set asides.

3. Recommendation

That the Board approve the recommendation of the Credit Underwriter outlined in the Supplemental Letter to the Final Credit Underwriting Report dated April 6, 2006 ([Exhibit E](#)), for refunding of the bonds of the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

E. Request Approval To Amend The Land Use Restriction Agreement (“LURA”)

DEVELOPMENT NAME (“Development”):	Lynn Lake Apartments
DEVELOPER/PRINCIPAL (“Developer” or “Owner”):	Kings Lynn Lake Apartments, LLC/Landmark Residential/Ronald Fieldstone/Michael Denberg/Joe Lubeck/Paul Lester
NUMBER OF UNITS:	807
LOCATION (“County”):	Pinellas County
TYPE (“Rental, Homeownership”):	Rental
SET ASIDE:	20% @ 50% (MMRB)
ALLOCATED AMOUNT:	\$40,580,000 of Tax-Exempt Bonds
ADDITIONAL COMMENTS: LURA Amendment	

1. Background

In April of 2005, Florida Housing financed the acquisition and rehabilitation of the Development with tax exempt bonds in the amount of \$40,580,000 designated as 2005 Series B.

2. Present Situation

- a) The Owner’s consultant, in a letter dated February 21, 2006 ([Exhibit G](#)) requests the LURA be amended to remove the requirement for dishwashers and double compartment sinks due to the physical limitation of the layout of the units. The Owner requests that fully resurfaced and reconditioned kitchen cabinets and counter top(s) and microwave ovens be substituted instead.
- b) The Credit Underwriter has reviewed the request and by letter dated March 14, 2006 ([Exhibit H](#)) recommends that Florida Housing approve the request.

3. Recommendation

That the Board approve the amendment to the LURA 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

F. 2005 Supplemental MMRB Application

1. Background/Present Situation

The 2005 Supplemental MMRB Application cycle opened on April 22, 2005. As of December 30, 2005, two applications have been submitted, requesting \$6,700,000 in bond allocation ([Exhibit I](#)). These applications have been scored and meet the funding requirements.

2. Recommendation

Approve the issuance of Acknowledgement Resolutions and direct that the applications be invited into credit underwriting.

MULTIFAMILY BONDS

Consent

G. Assignment of Bond Underwriters and Structuring Agents

1. Background

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

2. Present Situation

- a) The Credit Underwriters, the Senior Financial Advisor and Florida Housing staff have reviewed the financing structure for the proposed Developments.
- b) The Senior Financial Advisor's recommendation for the methods 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 Developments.

Development Name	Location of Development	Number of Units	Method of Bond Sale	Recommended Professional
Spring Haven Apartments	Hernando	88	Negotiated	Stern Brothers & Co.
Brook Haven Apartments	Hernando	160	Negotiated	Stern Brothers & Co.

MULTIFAMILY BONDS

Consent

H. Request Approval of the Methods of Bond Sale Recommendation from Florida Housing's Senior Financial Advisor

1. Background/Present Situation

- a) The Credit Underwriters have provided Final Credit Underwriting Reports for the proposed Developments below. Florida Housing seeks Board approval pursuant to the recommendations of the Credit Underwriters and the appropriate Florida Housing staff.
- b) Pursuant to Rule 67-21.0045, F.A.C., staff has requested a review of the proposed bond structures by the Senior Financial Advisor in order to make recommendations to the Board for the methods of bond sale.
- c) CSG Advisors has prepared an analysis and recommendation for the methods of bond sale for the Development. The recommendation letters are attached as [Exhibit J](#).

Development Name	Location of Development	Number of Units	Method of Bond Sale
Spring Haven Apartments	Hernando	88	Negotiated
Brook Haven Apartments	Hernando	160	Negotiated

2. Recommendation

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