FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
March 3, 2006
Action Items
I. HOMEOWNERSHIP LOAN PROGRAM

A.Authorize Staff to De-obligate HOME Funds for the Willington Hill Development/HH03-052

<table>
<thead>
<tr>
<th>Applicant Name (“Applicant”):</th>
<th>Willington Hill, Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Name (“Development”):</td>
<td>Willington Hill</td>
</tr>
<tr>
<td>Developer/Principal (“Developer”):</td>
<td>Steven Kropp</td>
</tr>
<tr>
<td>Number of Units: 68</td>
<td>Location: Polk County</td>
</tr>
<tr>
<td>Type: HOME Purchase Assistance Loan</td>
<td>Allocated Amount: $1,983,168</td>
</tr>
</tbody>
</table>

1. Background

a) The Applicant submitted an application during the 2003-2004 Homeownership Loan Program Supplemental Cycle.

b) The Applicant scored within the funding range and was invited into credit underwriting on August 2, 2004.

c) On January 14, 2005, the Board approved the final credit underwriting report, dated December 21, 2004.

2. Present Situation

a) On August 19, 2005, the Developer explained that the Development had been sold to Demetree Builders and requested that the Board approve the change in Developer. The letter is attached as Exhibit A.

b) On August 29, 2005, Florida Housing sent a letter to the Developer citing the supporting documentation necessary to proceed with this request. The letter is attached as Exhibit B.

c) On January 6, 2006, another letter was sent advising that a recommendation to de-obligate the $1,983,168 in HOME funds would be presented to the Board at its March 3, 2006 meeting if the February 3, 2006 deadline to submit the required documentation was not met. The letter is attached as Exhibit C.

d) As of February 3, 2006, all of the required documentation had not been submitted.

3. Recommendation

Staff recommends that the HOME funds for the Willington Hill be de-obligated and made available for future use.
MINUTES

Action

II. MINUTES

A. Consider Approval of the January 20, 2006, Board of Directors’ Meeting Minutes.
III. PROFESSIONAL SERVICES SELECTION (PSS)

A. Acquisition of Land by Community Land Trusts (CLT’s) for Affordable Housing Request for Proposals (RFP)

1. **Background**

   At its August 25, 2005 meeting Florida Housing’s Board of Directors authorized Florida Housing staff to issue an RFP in order to solicit proposals from CLT’s for acquisition of land for affordable housing and authorized the Executive Director to establish a Review Committee.

2. **Present Situation**

   a) An RFP process was initiated and RFP 2005-04 was issued on Friday, October 21, 2005. Originally, responses were due on or before 2:00 p.m., Friday, December 16, 2005. However, on November 28, 2005 staff made several modifications to the RFP and therefore extended the deadline to 2:00 p.m., Tuesday, January 31, 2006.

   b) Twelve (12) Responses were received by the deadline. They are as follows:

   (1) Bonita Springs Area Housing Development Corporation

   (2) Broward Housing Partnership

   (3) Central Florida Community Development Corporation, Inc.

   (4) Escambia County Community Land Trust, Inc.

   (5) Florida Keys Community Housing and Land Trust, Inc.

   (6) Florida Low Income Housing Associates, Inc.

   (7) Good Homes of Manasota, Inc. in partnership with Community Housing Trust of Sarasota County

   (8) Hannibal Square Community Land Trust

   (9) Housing Partnership, Inc.

   (10) Lee County Housing Development Corporation

   (11) Middle Keys Community Land Trust, Inc.

   (12) True Light, Inc. in collaboration with Punta Gorda Community Land Trust

   c) The Review Committee members, designated by the Executive Director, were Laura Cox, Director of Asset Management & Guarantee Program, Vicki Robinson, Multifamily Deputy Development Officer, Todd Fowler, Special Assets Director, David Westcott, Single Family Deputy Development Officer and Elizabeth Radecker, Homeownership Loan Program Administrator.
PROFESSIONAL SERVICES SELECTION (PSS)

Action

d) Each member of the Review Committee individually reviewed the proposals prior to convening for the Review Committee meetings. The Review Committee will meet at 2:00 p.m., on Tuesday, February 14, 2006 and at 10:00 a.m. on Friday, February 17, 2006. Results of the Review Committee’s evaluation of the scored items will be provided as Exhibit A in a supplemental Board write up.

3. Recommendation

The Review Committee’s recommendation will be provided as a supplemental Board write-up.
B. Request for Proposals (RFP) for the Refinancing of Section 202 Program Housing

1. **Background**

   At its December 9, 2005 meeting Florida Housing’s Board of Directors authorized Florida Housing staff to issue a second RFP in order to solicit proposals for the refinancing and rehabilitation of elderly properties originally financed by HUD under its Section 202 Program through the use of Florida Housing bonds and the HOME Program and/or other Florida Housing funds.

2. **Present Situation**

   a) An RFP process was initiated and RFP 2005-09 was issued on Friday, December 30, 2005. Responses were due on or before 2:00 p.m., Friday, January 20, 2006.

   b) One (1) Response was received by the deadline. The Response is for the refinancing and rehabilitation of Casa Santa Marta located in Sarasota, Florida, presented by SPM/BREC Development, Birmingham, Alabama.

   c) The Review Committee members, designated by the Executive Director, are David Woodward, Multifamily Bonds Manager, Raymond Anderson, Bond Administration Manager, and Shannon Rivera, Multifamily Bonds Manager.

   d) Each member of the Review Committee will individually review the proposal prior to convening for the Review Committee meeting. The Review Committee will meet at 2:30 p.m., on Tuesday, February 21, 2006.

3. **Recommendation**

   The Review Committee’s recommendation will be provided as a supplemental Board write up.
I. PROFESSIONAL SERVICES SELECTION (PSS)

A. Acquisition of Land by Community Land Trusts (CLT’s) for Affordable Housing Request for Proposals (RFP)

1. Background

At its August 25, 2005 meeting Florida Housing’s Board of Directors authorized Florida Housing staff to issue an RFP in order to solicit proposals from CLT’s for acquisition of land for affordable housing and authorized the Executive Director to establish a Review Committee.

2. Present Situation

a) An RFP process was initiated and RFP 2005-04 was issued on Friday, October 21, 2005. Originally, responses were due on or before 2:00 p.m., Friday, December 16, 2005. However, on November 28, 2005 staff made several modifications to the RFP and therefore extended the deadline to 2:00 p.m., Tuesday, January 31, 2006.

b) Twelve (12) Responses were received by the deadline. They are as follows:

(1) Bonita Springs Area Housing Development Corporation
(2) Broward Housing Partnership
(3) Central Florida Community Development Corporation, Inc.
(4) Escambia County Community Land Trust, Inc.
(5) Florida Keys Community Housing and Land Trust, Inc.
(6) Florida Low Income Housing Associates, Inc.
(7) Good Homes of Manasota, Inc. in partnership with Community Housing Trust of Sarasota County
(8) Hannibal Square Community Land Trust
(9) Housing Partnership, Inc.
(10) Lee County Housing Development Corporation
(11) Middle Keys Community Land Trust, Inc.
(12) True Light, Inc. in collaboration with Punta Gorda Community Land Trust

c) The Review Committee members, designated by the Executive Director, were Laura Cox, Director of Asset Management & Guarantee Program, Vicki Robinson, Multifamily Deputy Development Officer, Todd Fowler, Special Assets Director, David Westcott, Single Family Deputy Development Officer and Elizabeth Radecker, Homeownership Loan Program Administrator.

d) Each member of the Review Committee individually reviewed the proposals prior to convening for the Review Committee meetings. The Review Committee met at 2:00 p.m., on Tuesday, February 14, 2006 to discuss the proposals submitted; answer any questions the Review Committee had about the proposals; and to discuss anything else the Review Committee deemed relevant.
PROFESSIONAL SERVICES SELECTION (PSS)

Action Supplement

e) Section Four, paragraph G., of the RFP provided “Failure to include and provide the certification statement bearing an original signature shall result in rejection of the Response.” The Review Committee unanimously rejected the proposals submitted by Escambia County Community Land Trust and True Light, Inc. in collaboration with Punta Gorda Community Land Trust for failure to provide a certification statement as provided in the RFP.

f) Section Four, paragraph A.2., as modified, provided “Legal business status (individual, partnership, corporation, non-profit, etc.) and address and telephone number of the Offeror. The Offeror must also provide a completed Florida Housing Finance Corporation CHDO Checklist, including all required documentation. If the Offeror has not received their CHDO certification from Florida Housing at the time of submittal of their Response, a copy of the completed Florida Housing CHDO Checklist, including all required documentation, must be submitted.” In several instances Offerors did not submit their CHDO Checklist but did provide the CHDO certification letter from Florida Housing which provided evidence of certification at the time of submittal of their Response. The Review Committee unanimously voted to accept the submission of a certification letter in lieu of the completed Florida Housing CHDO checklist, finding that failure to file the checklist is a minor irregularity pursuant to Fla. Admin. Code R. 67-49.001(15) and 67-49.009.

g) Section Three, paragraph F., of the RFP provided “Florida Housing expects to make up to $10 Million (with $4 Million of this amount available to support housing in the Florida Keys) available as forgivable loans to one or more Offerors selected to acquire vacant land or land with improvements using the CLT model.” The Review Committee unanimously voted to reject the following proposals for being non-responsive to the intent of the use of funds as reflected in the RFP:

(1) Bonita Springs Area Housing Development Corporation
(2) Central Florida Community Development Corporation, Inc.
(3) Lee County Housing Development Corporation

h) The Review Committee met again at 10:00 a.m., on Friday, February 17, 2006 to discuss the proposals that were still under consideration for funding.

i) Section Two of the RFP provides the definition of an Offeror as “Any CHDO that is a CLT or that agrees to use the CLT Model and that has the capability in all respects to perform fully the requirements contained in this RFP and is seeking funding from Florida Housing for the purpose of providing CLT housing under this RFP; and who submits a response to this RFP.” The Review Committee unanimously voted to reject the following proposals due to the fact that they were not “qualified” Offerors because they had not received CHDO certification from Florida Housing:

(1) Broward Housing Partnership
(2) Florida Keys Community Land Trust, Inc.
(3) Hannibal Square Community Land Trust
PROFESSIONAL SERVICES SELECTION (PSS)

Action Supplement

j) Results of the Review Committee’s evaluation of the scored items are provided as Exhibit A.

3. Recommendation

   a) The Review Committee recommends funding the following proposals for the acquisition of vacant land or the acquisition of land with existing improvements subject to Florida Housing’s approval of all terms and conditions; assignment of Technical Assistance Providers; contingent upon positive recommendations from Florida Housing’s Credit Underwriters; and compliance with the relocation provisions of the RFP, if applicable:

      (1) Florida Low Income Housing Associates, Inc.
      (2) Good Homes of Manasota, Inc. in partnership with Community Housing Trust of Sarasota County
      (3) Housing Partnership, Inc.
      (4) Middle Keys Community Land Trust, Inc.

   b) Florida Housing staff further recommends that the Board authorize staff to reissue and modify the RFP in order to make the uncommitted funds available to other CLT’s for acquisition of land for affordable housing, and authorize the Executive Director to establish a Review Committee.
B. Request for Proposals (RFP) for the Refinancing of Section 202 Program Housing

1. **Background**

   At its December 9, 2005 meeting Florida Housing’s Board of Directors authorized Florida Housing staff to issue a second RFP in order to solicit proposals for the refinancing and rehabilitation of elderly properties originally financed by HUD under its Section 202 Program through the use of Florida Housing bonds and the HOME Program and/or other Florida Housing funds.

2. **Present Situation**

   a) An RFP process was initiated and RFP 2005-09 was issued on Friday, December 30, 2005. Responses were due on or before 2:00 p.m., Friday, January 20, 2006.

   b) One (1) Response was received by the deadline. The Response is for the refinancing and rehabilitation of Casa Santa Marta located in Sarasota, Florida, presented by SPM/BREC Development, Birmingham, Alabama.

   c) The Review Committee members, designated by the Executive Director, were David Woodward, Multifamily Bonds Manager, Raymond Anderson, Bond Administration Manager, Carolyn Hayse, HOME Rental Manager, and Shannon Rivera, Multifamily Bonds Manager.

   d) Each member of the Review Committee individually reviewed the proposal prior to convening for the Review Committee meeting. The Review Committee met at 2:30 p.m., on Tuesday, February 21, 2006.

3. **Recommendation**

   The Review Committee recommends that the Board accept the proposal for the refinancing and rehabilitation of Casa Santa Marta located in Sarasota, Florida, presented by SPM/BREC Development, Birmingham, Alabama.
IV. SINGLE FAMILY BONDS

A. Homeownership Assistance for Moderate Income Loan (HAMI) Program

1. Background
   a) Rule 67-51, Florida Administrative Code (“FAC”) governs the HAMI down payment and closing costs assistance program.
   b) This program was designed to assist eligible first-time home buyers with incomes above 80% of the area median income (“AMI”).
   c) These loans are originated in conjunction with the Single Family Mortgage Revenue Bond Program at an interest rate of 5% in an amount up to $5,000. The rule currently allows the Corporation to lend at an interest rate between 3% and 5%.

2. Present Situation

   Staff has recognized that Rule 67-51, FAC is in need of revisions to reflect current program administration and market conditions (Exhibit A).

3. Recommendation

   Authorize Staff to proceed with the Rule Development process for Rule 67-51, FAC as needed.
V. UNIVERSAL CYCLE

A. 2006 Universal Cycle – Review Committee

1. Background/Present Situation

Chapter 420, Florida Statutes, and Rule Chapter 67-48, F.A.C., provide for a review committee to be comprised of FHFC staff persons and at least one DCA staff person. The review committee will make recommendations to the Board regarding program participation.

2. Recommendation

Staff recommends and requests Board approval for a review committee for the 2006 Universal Application cycle to be comprised of the following FHFC staff: Vicki Robinson, Wayne Conner, Barb Goltz, and Laura Cox, with Jack Gaskins as the DCA representative.
I. SPECIAL ASSETS

A. Request Approval to Release Six (6) Acres of Land from the Auburn Trace Apartments
   SAIL LURA (92S-087, 89L-87)

<table>
<thead>
<tr>
<th>Development Name: Auburn Trace Apartments (&quot;Development&quot;)</th>
<th>Location: Palm Beach County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developer/Principal: Auburn Trace, Ltd. (&quot;Developer&quot;) (&quot;Borrower&quot;)</td>
<td>Set-Aside: SAIL 75% @ 60% AMI</td>
</tr>
<tr>
<td></td>
<td>HC 100% @ 60% AMI</td>
</tr>
<tr>
<td></td>
<td>Terms: SAIL 50 years (2043)</td>
</tr>
<tr>
<td></td>
<td>HC 15 years (2005) Expired</td>
</tr>
<tr>
<td>Funding Sources: SAIL 92S-087</td>
<td>Amounts: SAIL: $1,765,000; 8/01/2022</td>
</tr>
<tr>
<td></td>
<td>HC: $955,530</td>
</tr>
<tr>
<td>Number of Units: 256 (Garden Style)</td>
<td>625 Auburn Circle West, Delray Beach, FL 33444</td>
</tr>
<tr>
<td>Demographics: Family</td>
<td></td>
</tr>
</tbody>
</table>

1. **Background**
   
   During the 1992 SAIL Cycle, Florida Housing awarded a $1,765,000 loan to Auburn Trace, Ltd., a Florida Limited Partnership for the development of a 256-unit apartment complex in Palm Beach County, Florida. The Development also received a 1989 allocation of low-income housing tax credits in the amount of $955,530. The Development is located on approximately 37.06 acres. This land is divided into two separate parcels. The residential units are located on one parcel. The other parcel is reserved for a retention pond and is separated from the first parcel by a street.

2. **Present Situation**

   The Borrower is requesting Florida Housing’s approval to release approximately 6.02 acres from the SAIL Land Use Restriction Agreement ("LURA"). These six acres are in the parcel of land across the street from the residential units. No housing units are located on this parcel of land. The Borrower has entered into a Purchase and Sale Agreement with the City of Delray Beach. The Borrower intends to use the proceeds from the sale of the land and refinancing of the first mortgage to pay off the SAIL loan. The Borrower requests the partial release of the 6.02 acres from the SAIL LURA to facilitate the land sale.

3. **Recommendation**

   Approve the partial release of the referenced six acres from the LURA simultaneous with the closing for the land sale, subject to the following conditions and instruct staff to proceed with LURA modification activities.

   (1) The Borrower must pay off the SAIL loan principal and interest due prior to or simultaneously with the land closing.

   (2) All requirements of the LURA will continue through the Compliance period.
SPECIAL ASSETS

Action Supplement

(3) Borrower shall agree that through the Compliance Period, Florida Housing and their compliance monitoring agent shall have access to the property to perform their compliance audits.

(4) Borrower will be responsible at closing for Compliance Monitoring fees for the remaining period of the LURA after closing subject to verification and approval by the Servicer.

(5) Confirmation at closing that all fees due and owing to FHFC are current.

(6) Determination that the subject development is in compliance with the LURA and that any outstanding past-due and non-compliance items are resolved prior to closing.

(7) Expenses for all fees for professional services rendered shall be paid by the Borrower prior to closing.

(8) Review and approval of the final land transfer, use agreements and easements for the subject property by Florida Housing’s legal counsel.

(9) Legal documents reviewed and approved by FHFC’s legal counsel.

(10) Any other reasonable conditions established by FHFC, its Servicer and legal counsel.
I. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of a Change to the Permanent First Mortgage Lender for Lenox Court Apartments, Cycle XIV, 2002-053S

<table>
<thead>
<tr>
<th>Development Name: Lenox Court Apartments (&quot;Development&quot;)</th>
<th>Location: Duval County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developer/Principal: The Carlisle Group, Inc. Associates, Ltd. (&quot;Developer&quot;)</td>
<td>Set-Aside: 15.04% @ 30%, AMI 5.01% @ 50% AMI and 79.95% @ 60% AMI</td>
</tr>
<tr>
<td>Number of Units: 360</td>
<td>Allocated Amount: $2,000,000</td>
</tr>
<tr>
<td>Type: Garden Style</td>
<td>Total Housing Credit Equity: $12,070,000</td>
</tr>
<tr>
<td>Demographics: Large Family</td>
<td>MMRB: N/A</td>
</tr>
</tbody>
</table>

1. Background/Present Situation

   a) On May 9, 2003, a SAIL loan in the amount of $2,000,000 for this 360-unit family development in Duval County closed.

   b) On February 15, staff received a letter from the Developer requesting approval of a new permanent first mortgage lender for this development (Exhibit A).

   c) On February 23, 2006, staff received a credit underwriting review with a positive recommendation for SunAmerica as the new permanent first mortgage lender (Exhibit B). 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 for the new permanent first mortgage lender and direct staff to amend the appropriate SAIL loan documents.

March 3, 2006 Florida Housing Finance Corporation