

**FLORIDA HOUSING FINANCE CORPORATION**  
**Board Meeting**  
January 25, 2008  
Consent Items



**COMMUNITY WORKFORCE HOUSING INNOVATION PILOT PROGRAM (CWHIP)**

*Consent*

**I. COMMUNITY WORKFORCE HOUSING INNOVATION PILOT PROGRAM (CWHIP)**

**A. Request for Approval of the Credit Underwriting Report for Highlands County Florida and Partners / Highlands County BCC for Las Villas at Kenilworth / CWHIP06-17**

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|---|---|
| <b>Applicant Name (“Applicant”):</b>      | <b>Highlands County Florida and Partners / Highlands County BCC</b> |
| <b>Development Name (“Development”):</b>  | <b>Las Villas at Kenilworth</b>                                     |
| <b>Developer/Principal (“Developer”):</b> | <b>Penny Phillippi</b>  |
| <b>Number of Units: 50</b>                | <b>Location: Highlands County, Florida</b>                          |
| <b>Type: CWHIP Loan</b>                   | <b>Allocated Amount: \$2,500,000</b>                                |

**1. Background**

- a) On April 27, 2007, the Board approved the final rankings for the 2006 Community Workforce Housing Innovation Pilot (CWHIP) Program / RFP2006-05.
- b) On April 30, 2007, Florida Housing issued an invitation to the Developer to enter into credit underwriting.

**2. Present Situation**

- a) The Developer’s Response consisted of 2 separate Developments, the Ridgeview Subdivision and Las Villas at Kenilworth, which will be separately underwritten and closed.
- b) The Credit Underwriter has provided staff with a Credit Underwriting Report (CUR) dated January 11, 2008, outlining the parameters of the proposal for Las Villas at Kenilworth, which is attached as [Exhibit A](#).
- c) Staff has reviewed the CUR and concurs with the Credit Underwriter’s recommendation to award \$2,500,000 for a CWHIP Loan to assist with the development of 50 homes, subject to the conditions contained in the CUR.

**3. Recommendation**

Staff recommends that the Board approve the CUR and authorize staff to issue a loan commitment letter in the amount of \$2,500,000 to the Developer for a CWHIP Loan, subject to further approvals by the credit underwriter, counsel, and the appropriate corporation staff.

**COMMUNITY WORKFORCE HOUSING INNOVATION PILOT PROGRAM (CWHIP)**

*Consent*

**B. Request for Approval of the Credit Underwriting Report for Boynton Village, LLC / CRA of Boynton Beach for The Preserve of Boynton Beach / CWHIP06-05**

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| <b>Applicant Name (“Applicant”):</b>      | <b>Boynton Village, LLC / CRA of Boynton Beach for The Preserve of Boynton Beach</b> |
| <b>Development Name (“Development”):</b>  | <b>The Preserve of Boynton Beach</b>   |
| <b>Developer/Principal (“Developer”):</b> | <b>Mara S. Mades</b>   |
| <b>Number of Units: 115</b>               | <b>Location: Palm Beach County, Florida</b>  |
| <b>Type: CWHIP Loan</b>                   | <b>Allocated Amount: \$5,000,000</b>   |

**1. Background**

On April 27, 2007, the Board approved the final rankings for the 2006 Community Workforce Housing Innovation Pilot (CWHIP) Program / RFP2006-05, with The Preserve of Boynton Beach being put on the “waitlist”. Due to the withdrawal of the GDC Verde Affordable, LLC / Verde / CWHIP06-16 project, Florida Housing issued an invitation to the Developer to enter into credit underwriting on October 29, 2007.

**2. Present Situation**

- a) The Credit Underwriter has provided staff with a Credit Underwriting Report (CUR) dated January 10, 2008, outlining the parameters of the proposal, which is attached as [Exhibit B](#).
- b) Staff has reviewed the CUR and concurs with the Credit Underwriter’s recommendation to award \$5,000,000 for a CWHIP Loan to assist with the development of 60 homes, subject to the conditions contained in the CUR.

**3. Recommendation**

Staff recommends that the Board approve the CUR and authorize staff to issue a loan commitment letter in the amount of \$5,000,000 to the Developer for a CWHIP Loan, subject to further approvals by the credit underwriter, counsel, and the appropriate corporation staff.

**ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)**

*Consent*

**II. ELDERLY HOUSING COMMUNITY LOAN PROGRAM (EHCL)**

**A. Request Approval of Credit Underwriting Report for Heritage Presbyterian Apartments, Cycle XIX (2007-005E)**

|  |   |
|--|---|
| <b>Development Name: Heritage Presbyterian Apartments (“Development”)</b>                            | <b>Location: Pinellas County</b>        |
| <b>Developer/Principal: Presbyterian Homes and Housing Foundation of Florida, Inc. (“Applicant”)</b> | <b>Set-Aside: 20% @ 50%</b>             |
| <b>Number of Units: 400</b>  | <b>Allocated Amount: \$103,776</b>      |
| <b>Type: Garden Style Apartments</b>   | <b>Total Housing Credit Equity: N/A</b> |
| <b>Demographics: Elderly</b>   | <b>MMRB: N/A</b>                        |

**1. Background/Present Situation**

- a) On July 27, 2007, the Board approved the final scores and ranking for the 2007 EHCL Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On August 2, 2007, staff issued a preliminary commitment letter and an invitation to credit underwriting for an EHCL loan in an amount up to \$103,776 for this 400-unit elderly Development in Pinellas County.
- c) On December 28, 2007, staff received a credit underwriting report with a positive recommendation for an EHCL loan in the amount of \$103,776 ([Exhibit A](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of EHCL Rule Chapter 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 Plymouth Apartments, Cycle XIX (2007-001E)**

|  |   |
|--|---|
| <b>Development Name: Plymouth Apartments (“Development”)</b>                                 | <b>Location: Orange County</b>          |
| <b>Developer/Principal: Orlando neighborhood Improvement Corporation, Inc. (“Applicant”)</b> | <b>Set-Aside: 20% @ 50%</b>             |
| <b>Number of Units: 196</b>  | <b>Allocated Amount: \$597,384</b>      |
| <b>Type: High-Rise</b>   | <b>Total Housing Credit Equity: N/A</b> |
| <b>Demographics: Elderly</b>   | <b>MMRB: N/A</b>                        |

**1. Background/Present Situation**

- a) On July 27, 2007, the Board approved the final scores and ranking for the 2007 EHCL Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On August 2, 2007, staff issued a preliminary commitment letter and an invitation to credit underwriting for an EHCL loan in an amount up to \$597,384 for this 196-unit elderly Development in Orange County.
- c) On January 9, 2008, staff received a credit underwriting report with a positive recommendation for an EHCL loan in the amount of \$597,384 ([Exhibit B](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of EHCL Rule Chapter 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.

# HOMEOWNERSHIP LOAN PROGRAM

## Consent

### III. HOMEOWNERSHIP LOAN PROGRAM

#### A. Request for Approval to Extend the Construction Period for Lakeland-Polk Housing Corporation (Non-Profit) for the Homes at Lake Ridge / HH02-018

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|--|--|
| <b>Applicant Name (“Applicant”):</b>       | <b>Lakeland-Polk Housing Corporation (Non-Profit)</b>          |
| <b>Development Name (“Development”):</b>   | <b>Homes at Lake Ridge (fka The Homes at Washington Ridge)</b> |
| <b>Developer/Principal (“Developer”):</b>  | <b>Herb Hernandez</b>  |
| <b>Number of Units: 50</b>                 | <b>Location: Polk County, Florida</b>                          |
| <b>Type: HOME Purchase Assistance Loan</b> | <b>Allocated Amount: \$873,600</b>                             |

#### 1. Background

- a) The Applicant submitted an application during the 2002 Homeownership Loan Program Cycle, which scored within the funding range and was invited into credit underwriting on October 30, 2002.
- b) Credit underwriting was delayed due to a change in the co-Developer and a financing shortfall. The final credit underwriting report, dated April 5, 2005, was approved at the April 22, 2005 Board Meeting.
- c) On April 25, 2005, a loan commitment was issued to the Developer with the construction period scheduled to end by April 25, 2008.

#### 2. Present Situation

- a) On December 14, 2007, the Developer requested an extension from April 25, 2008 until April 25, 2009, advising of stricter underwriting guidelines due to the softening of the real estate market. The letter is attached as [Exhibit A](#).
- b) To date, the Developer has completed 20 homes and closed on 17 homes, utilizing \$565,000 out of the original \$873,600 that was awarded.

#### 3. Recommendation

Staff recommends that the Board grant an extension of the construction period from April 25, 2008 until April 25, 2009.

# HOMEOWNERSHIP LOAN PROGRAM

## Consent

### B. Request for Approval to Extend the Construction Period for Florida Low Income Housing Associates, Inc. (Non-Profit) for Marion County Scattered Sites III / HH02-004

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|-------------------------------------|--|
| Applicant Name (“Applicant”):       | Florida Low Income Housing Associates, Inc. (Non-Profit) |
| Development Name (“Development”):   | Marion County Scattered Sites III                        |
| Developer/Principal (“Developer”):  | Pat Kenney   |
| Number of Units: 50                 | Location: Marion County, Florida                         |
| Type: HOME Purchase Assistance Loan | Allocated Amount: \$1,000,000                            |

#### 1. Background

- a) The Applicant submitted an application during the 2002 Homeownership Loan Program Cycle, which scored within the funding range and was invited into credit underwriting on October 30, 2002.
- b) The final credit underwriting report, dated April 17, 2003, was approved at the May 2, 2003 Board Meeting.
- c) On May 7, 2003, a conditional loan commitment was issued to the Developer with the construction period scheduled to end by December 31, 2005, which was conditioned upon receiving environmental clearance from HUD
- d) At the December 3, 2004 meeting, the Board approved the Developer’s request to increase the HOME down payment assistance available to Homebuyers to the maximum of 25% of the sales price, while maintaining the HOME allocation amount and reducing the number of units accordingly.
- e) On July 8, 2005, a firm commitment letter was issued to the Developer with the construction period scheduled to end on February 6, 2007.
- f) On March 1, 2007, the Developer requested a one-year extension, advising of past difficulties with an unreliable builder and that they had contracted with a new builder, Boutwell Construction and Development.
- g) On April 27, 2007, the Board approved the extension of the construction period until February 6, 2008.

#### 2. Present Situation

- a) On January 2, 2008, the Developer requested an extension from February 6, 2008 until February 6, 2009, advising of difficulties in selling their new homes due to the current housing market. The letter is attached as [Exhibit B](#).
- b) To date, the Developer has completed and closed on 18 homes, utilizing \$448,953 out of the original \$1,000,000 that was awarded.

#### 3. Recommendation

Staff recommends that the Board grant an extension of the construction period until from February 6, 2008 until February 6, 2009.

## HOMEOWNERSHIP LOAN PROGRAM

### *Consent*

#### C. Request for Approval to Extend the Construction Period for Ravenswood Forest Development LLC for Ravenswood Forest / HH02-015

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|--|--|
| <b>Applicant Name (“Applicant”):</b>       | <b>Ravenswood Forest Development LLC</b>   |
| <b>Development Name (“Development”):</b>   | <b>Ravenswood Forest</b>                   |
| <b>Developer/Principal (“Developer”):</b>  | <b>Jay Ginn</b>                            |
| <b>Number of Units: 65</b>                 | <b>Location: St. Johns County, Florida</b> |
| <b>Type: HOME Purchase Assistance Loan</b> | <b>Allocated Amount: \$2,110,225</b>       |

#### 1. **Background**

- a) The Applicant submitted an application during the 2002 Homeownership Loan Program Cycle, which scored within the funding range and was invited into credit underwriting on October 30, 2002.
- b) The final credit underwriting report, dated April 10, 2003, was approved at the May 2, 2003 Board Meeting.
- c) On May 7, 2003, a conditional loan commitment was issued to the Developer with the construction period scheduled to end by December 31, 2005, which was conditioned upon receiving environmental clearance from HUD.
- d) On June 10, 2005, the Board approved the Developer’s request to reduce the number of units from 81 to 65, while maintaining the same level of funding in order to maximize the use of HOME dollars for the Homebuyer for up to 25% of the purchase price. This allowed the Developer and the homebuyers to hedge against the unprecedented rise of construction costs and impact fees.
- e) On June 13, 2005, a firm commitment letter was issued to the Developer with the construction period scheduled to end on December 21, 2007.

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

On January 3, 2008, the Developer requested an extension from December 21, 2007 until March 30, 2008. The developer has constructed all 65 units and has closed 62 units utilizing \$1,954,503 out of the original \$2,110,225. The remaining three units all have applicants and one has been approved for closing. The letter is attached as [Exhibit C](#).

#### 3. **Recommendation**

Staff recommends that the Board grant an extension of the construction period until from December 21, 2007 until December 21, 2008.



## HOME RENTAL

### *Consent*

#### IV. HOME RENTAL

##### A. Request Approval to Extend HOME Loan Closing Deadline For Casa Santa Marta, DeSoto Towers and Lutheran Apartments

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|---|--|
| <b>Development Name: Casa Santa Marta, DeSoto Towers and Lutheran Apartments (“Development”)</b>  | <b>Location (“County”): Sarasota, Manatee, Pinellas</b>  |
| <b>Developer/Principal (“Applicant”): St. Martha’s Housing, Inc./BREC Development, Inc./DeSoto Towers, Inc./Lutheran Residences, Inc./Federal Housing Administration-Section 221 and Section 231 Guarantees</b> | <b>Set-Aside: HOME –Assisted Units 20% @ 50% AMI-and 80% @ 60% AMI<br/>Casa Santa Marta-29 HOME Assisted Units<br/>DeSoto Towers-129 HOME Assisted Units<br/>Lutheran-115 HOME Assisted Units</b>  |
| <b>Number of Units: 78, 204, 225</b>  |  |
| <b>Type: (MMRB) (HOME Rental) Rehabilitation /Refinancing</b>   | <b>Allocated Amount: \$4,338,500 of Tax Exempt Bonds and \$2,500,000 HOME Loan (Casa Santa Marta)<br/>\$2,137,500 of Tax Exempt Bonds and \$5,200,000 HOME Loan (DeSoto Towers)<br/>\$2,067,500 of Tax Exempt Bonds and \$2,500,000 HOME Loan (Lutheran)</b> |
| <b>Demographics: Elderly</b>  |  |

##### 1. Background/Present Situation

- a) Applicant submitted responses on behalf of the proposed Developments for Request for Proposals 2005-03 and 2005-09 on June 22, 2005 and January 19, 2006, respectively. Applicants applied for tax-exempt bonds in the amount of \$4,338,500 for Casa Santa Marta, \$2,137,500 for DeSoto Towers and \$2,067,500 for Lutheran Apartments in order to refinance and rehabilitate the Developments. Applicants also submitted requests for HOME loans in the amount of \$2,500,000 for Casa Santa Marta, \$5,200,000 for DeSoto Towers and \$2,500,000 for Lutheran Apartments.
- b) On June 22, 2007, March 16, 2007 and December 15, 2006, Florida Housing approved the final credit underwriting reports for the issuance of tax exempt bonds and HOME financing for the purpose of refinancing and rehabilitating Casa Santa Marta, DeSoto Towers and Lutheran Apartments.
- c) On November 26, 2007 staff issued firm commitments for a HOME loan in an amount up to \$2,500,00 for Casa Santa Marta, \$5,200,000 for DeSoto Towers and \$2,500,00 for Lutheran Apartments. Pursuant to Rule Chapter 67-48, F.A.C., the loans must close within 60 days of issuance of the firm commitment letters. The deadline for the loans to close is January 24, 2008.

## HOME RENTAL

### *Consent*

- d) On December 14, 2007, staff received a letter ([Exhibit A](#)) from the HUD lender, First Housing Development Corporation, requesting an extension until January 31, 2008 to close the HOME Loan. The extension is necessary based on HUD's request for an additional week to review all closing documents. Staff has reviewed the request and finds that it meets all requirements of HOME Rule Chapter 67-48, F.A.C.

### 2. **Recommendation**

Approve the Borrower's request to extend the loan closing deadlines until January 31, 2008.

## HOME RENTAL

### *Consent*

#### B. Request Approval to Extend HOME Loan Closing Deadline For Heron Cove (2006-099H)

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| <b>Development Name: Heron Cove<br/>("Development")</b>                             | <b>Location: De Soto County</b>                                  |
| <b>Developer/Principal: National Development<br/>Foundation, Inc. ("Developer")</b> | <b>Set-Aside: 20% @ 50% AMI / 80% @<br/>60% AMI<br/>64 Units</b> |
| <b>Number of Units: 64</b>  | <b>Allocated Amount: \$7,550,000</b>                             |
| <b>Type: Townhome Style/New Construction</b>  | <b>Demographics: Family</b>                                      |

#### 1. Background/Present Situation

- a) On August 4, 2006, staff issued a preliminary commitment letter and invitation to credit underwriting for a HOME loan in an amount up to \$7,550,000 for this 64-unit family development in De Soto County.
- b) On October 26, 2007, the Board approved the final credit underwriting report with the condition that the HOME Loan is in first position during both the construction/stabilization and the permanent phase of financing.
- c) On November 26, 2007 staff issued firm commitments for a HOME loan in an amount up to \$7,550,000 for Heron Cove. Pursuant to Rule Chapter 67-48, F.A.C., the loans must close within 60 days of issuance of the firm commitment letters. The deadline for the loans to close is January 24, 2008.
- d) On January 7, 2008, staff received a letter ([Exhibit B](#)) from the Borrower, National Development Foundation, Inc., requesting an extension of thirty days to close the HOME Loan. The extension is necessary due to the delay in finalizing the funding of the Federal Home Loan Bank. Such a delay in a response from the Federal Home Loan Bank of Atlanta (FHL) is uncharacteristic and is likely attributable to the FHL Bank staff vacations during the holidays. Staff has reviewed the request and finds that it meets all requirements of HOME Rule Chapter 67-48, F.A.C.

#### 2. Recommendation

Approve the Borrower's request to extend the loan closing deadline until February 23, 2008.

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#### V. LEGAL

##### A. In Re: Winter Haven Lakeside Terrace, Ltd., LLLP - FHFC Case No. 2007-068VW

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| <b>Development Name: (“Development”):</b>  | <b>Lakeside Terrace Senior Apartments<br/>Application # 2006-057C</b>                    |
| <b>Developer/Principal: (“Developer”):</b> | <b>Winter Haven Housing Developers,<br/>Inc.<br/>Picerne Affordable Development, LLC</b> |
| <b>Number of Units: 84</b>                 | <b>Location: Polk County</b>   |
| <b>Type: Other</b>                         | <b>Set Aside: 15% @ 40% AMI<br/>85% @ 60% AMI</b>  |
| <b>Demographics: Elderly</b>               | <b>Housing Credits: \$1,235,623</b>  |

##### 1. Background

- a) During the 2006 Universal Cycle, Winter Haven Lakeside Terrace, Ltd., LLLP, (“Petitioner”) applied for and was awarded competitive low-income housing tax credits (“Housing Credits”) to finance the construction of Lakeside Terrace Senior Apartments (the “Development”) located in Polk County, Florida.
- b) On December 19, 2007, Florida Housing received a “Petition for Variance of the 2006 Qualified Allocation Plan Requirements for Returning Housing Credit Allocations and for an Immediate Allocation of 2008 Housing Credits and for Waiver of Rule 67-48.004(14)(e), Florida Administrative Code” (“Petition”). A copy of the Petition is attached as [Exhibit A](#).
- c) Rule 67-48.004(14)(e), Florida Administrative Code (2006), provides in pertinent part:

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

...(e) Site for the Development;

- d) Petitioner requests a waiver of the above provision to allow a change in the legal description of the Development site which has been caused by the City of Winter Haven vacating an existing right-of-way known as Orrin Circle Northeast. While the legal description will change, the location of the Development on the site and thus the tie-breaker measurement point will be unaffected.

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- e) Section 10 of the 2006 Qualified Allocation Plan, provides in pertinent part:
- ... where a Development has not been placed in service by the date required or it is apparent that a development will not be placed in service by the date required, such failure is due to circumstances beyond the Applicant's control, and the Applicant has returned its housing credit allocation in the last calendar quarter of the year in which otherwise required to be placed in service, the Corporation may reserve allocation in an amount not to exceed the amount of credits returned, and may allocate such housing credits to the Applicant for the year after the year in which the Development was otherwise required to be placed in service, provided the following conditions have been met...
- f) Petitioner requests a variance from the above provision to allow Petitioner to return its 2006 Housing Credit Allocation now, rather than wait until the last calendar quarter of 2008, as required by the QAP, and to receive an immediate allocation of 2008 Housing Credits rather than a reservation of 2009 Housing Credits.
- g) On January 4, 2008, the Notice of the Petition was published in Volume 34, Number 01, of the Florida Administrative Weekly. Florida Housing received no comments regarding 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 has demonstrated that strict application of the rule prohibiting changing of the site for the Development under these circumstances, where the city has vacated an existing right-of-way and thus modified the metes and bounds of the property, would cause substantial hardship and violate the principles of fairness, especially considering that the Tie Breaker Measurement Point for the Development remains unchanged and thus Petitioner will not gain any unfair advantage over other applicants. Petitioner has further demonstrated that permitting the requested action would also serve the underlying purpose of the statute.
- c) Petitioner has also demonstrated that strict application of the above Rule contained in the Qualified Allocation Plan under these circumstances would cause substantial hardship to Petitioner and violate the principles of fairness in that unless the petition is granted, Petitioner will not be able to complete construction of the Development before its existing placed-in-service deadline. Petitioner has demonstrated that substantial delays caused by friction between the Winter Haven Housing Authority and HUD officials, and by no fault of Petitioner, resulted in significant delays in the commencement of construction of the Development. Now, the friction has dissipated, however the Tax Credit Syndicator has become fearful that the existing December 31, 2008 placed-in-service deadline will not be met and has indicated unwillingness to undertake

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the equity financing necessary to begin construction. Petitioner's requested variance would also serve the underlying purpose of the statute by ensuring that the Development not fail in the face of these substantial delays which arose outside of Petitioner's control.

### 3. Recommendation

- a) Staff recommends the Board **GRANT** the Petitioner's request for a waiver of Rule 67-48.004(14)(e) to allow Petitioner to update the legal description of the property in light of the City's retreat from the existing right-of-way, but only to the extent that the Tie Breaker Measurement Point for the Development remains unchanged.
- b) Staff recommends the Board **GRANT** the Petitioner's request for a variance from the requirements of Section 10 of the 2006 Qualified Allocation Plan, only to the extent that Petitioner shall be permitted to return its 2006 Housing Credit allocation now, rather than wait to the last calendar quarter of 2008, and to receive an allocation of 2008 Housing Credits rather than a reservation of 2009 Housing Credits. Petitioner's new placed-in-service deadline shall be December 31, 2009.

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#### B. In Re: Eastridge Partners, Ltd. - FHFC Case No. 2007-070VW

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|--|---|
| <b>Development Name: (“Development”):</b>  | <b>Villas of Capri Apartments<br/>App. No. 96-004</b> |
| <b>Developer/Principal: (“Developer”):</b> | <b>Related Homestead, Inc.</b>                        |
| <b>Number of Units: 235</b>                | <b>Location: Collier County</b>                       |
| <b>Type: Garden Apartments</b>             | <b>Set Aside: 40% at 60% AMI</b>                      |
| <b>Demographics: Family</b>                | <b>HOME: \$2,585,000<br/>MMRB: \$9,800,000</b>        |

#### 1. Background

- a) During the 1996 Combined Cycle, Eastridge Partners, Ltd. (“Petitioner”) applied for and received multifamily mortgage revenue bonds (“MMRB”) and HOME funds to finance the construction of Villas of Capri Apartments (the “Development”) in Collier County, Florida.
- b) On December 21, 2007, Florida Housing received a “Petition for Variance from Rule 67-21.018(4)(f)”, (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit B](#).
- c) Rule 67-21.018(4)(f), Florida Administrative Code, provides in pertinent part:
  - (4) In connection with all refundings, the following shall apply:
    - (f) The MMRB Loan shall immediately, on the earlier of 24 months after closing or stabilized occupancy in the case of major rehabilitation, begin full amortization over the remaining life of the Bonds; and in no event shall it exceed the economic remaining life of the property, provided that, in the case of a refunding relating to a pending financial default, such amortization may be delayed to the extent recommended in the Credit Underwriting Report;
- d) Petitioner requests a variance from the above rule in order to suspend the amortized payment of the Mortgage Loan for an additional 36 months beyond the 24 months prescribed by the Rule. Petitioner has negotiated loan terms with its permanent financing lender to allow time for rents to stabilize in the market prior to servicing the principal on the debt. To achieve this, Petitioner and its permanent financing lender have agreed to stabilize rents over a longer term to ensure the economic viability of the Development and to ensure sufficient revenue for payment of taxes, insurance, principal and interest for the MMRB loan.
- e) On January 4, 2008, the Notice of Petition was published in the Florida Administrative Weekly. To date, Florida Housing has received no comments concerning the Petition.
- f) 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

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### *Consent*

of a rule would create a substantial hardship or would violate principles of fairness.

- g) Strict application of the above Rule under these circumstances—where Petitioner is attempting delay the start of the fully amortized payments in order to ensure the economic stability of the Development—would cause substantial hardship to Petitioner and violate the principles of fairness. Permitting this change in Development would also serve the underlying purpose of the statute.

### 2. **Recommendation**

Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-21.018(4)(f), Florida Administrative Code, to permit Petitioner to delay the start of payment of the fully amortized mortgage payments for a period of up an additional 36 months beyond the 24 months prescribed in the Rule.



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#### C. In Re: Lamson Avenue Apartments, Ltd. - FHFC Case No. 2007-072VW

|  |   |
|--|---|
| <b>Development Name: (“Development”):</b>  | <b>Lamson Avenue Apartments<br/>Application No. 2007-035BS</b>  |
| <b>Developer/Principal: (“Developer”):</b> | <b>The Richman Group of Fla, Inc.</b>   |
| <b>Number of Units: 160</b>                | <b>Location: Hernando County</b>  |
| <b>Type: Garden Apartments</b>             | <b>Set Aside:<br/><u>MMRB</u>: 10% at 33% AMI; 75% at 60%<br/>AMI<br/><u>SAIL</u>: 10% at 33% AMI; 90% at 60%<br/>AMI<br/><u>(4%) credits</u>: 10% at 33% AMI; 90% at<br/>60% AMI</b> |
| <b>Demographics: Family</b>                | <b>Housing Credits (4%) \$990,216<br/>SAIL \$4,700,000<br/>MMRB \$12,500,000</b>  |

#### 1. Background

- a) During the 2007 Universal Cycle, Lamson Avenue Apartments, Ltd. (“Petitioner”) applied for MMRB, SAIL, and non-competitive (4%) housing credits funds to finance the construction of Lamson Avenue Apartments (the “Development”) in Hernando County, Florida.
- b) On December 21, 2007, Florida Housing received a “Petition for Variance of Rule 67-21.008(1)(b), Florida Administrative Code (2007)”, (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit C](#).
- c) Rule 67-21.008(1)(b), Florida Administrative Code (2007), provides 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 in order to suspend the amortized payment of the Mortgage Loan for an additional 72 months beyond the 36 months prescribed by the Rule. Petitioner has negotiated loan terms with its permanent financing lender to allow time for rents to stabilize in the market prior to servicing the principal on the debt. To achieve this, Petitioner and its permanent financing lender have agreed to stabilize rents over a longer term to ensure the economic viability of the Developments and to ensure sufficient revenue for payment of taxes, insurance, principal and interest for the MMRB loan.

## LEGAL

### *Consent*

e) On January 4, 2008, the Notice of Petition was published in the Florida Administrative Weekly. To date, Florida Housing has received no comments concerning the Petition.

f) 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.

g) Strict application of the above Rule under these circumstances—where Petitioner is attempting delay the start of the fully amortized payments in order to ensure the economic stability of the Development—would cause substantial hardship to Petitioner and violate the principles of fairness. Permitting this change in Development would also serve the underlying purpose of the statute.

### 2. **Recommendation**

Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-21.008(1)(b), Florida Administrative Code, to permit Petitioner to delay the start of payment of the fully amortized mortgage payments for a period of up an additional 72 months beyond the 36 months prescribed in the Rule.

## LEGAL

### Consent

**D. In Re: St. Giles Manor, Ltd. - FHFC Case No. 2007-069VW**

|  |  |
|--|--|
| <b>Development Name: (“Development”):</b>  | <b>St. Giles Manor<br/>Application # 2007-112C</b> |
| <b>Developer/Principal: (“Developer”):</b> | <b>BREC Development, Inc.</b>                      |
| <b>Number of Units: 106</b>                | <b>Location: Pinellas</b>                          |
| <b>Type: Garden Apartments</b>             | <b>Set Aside: 10% @ 33% AMI<br/>90% @ 60% AMI</b>  |
| <b>Demographics: Elderly</b>               | <b>Housing Credits: \$1,590,000</b>                |

**1. Background**

- a) During the 2007 Universal Cycle, St. Giles Manor, Ltd., (“Petitioner”) applied for and was awarded competitive low-income housing tax credits (“Housing Credits”) to finance the acquisition and rehabilitation of St. Giles Manor (the “Development”) located in Pinellas County.
- b) On December 21, 2007, Florida Housing received a “Petition for Waiver From Rule 67-48.004(1)(a), F.A.C.”. A copy of the Petition is attached as [Exhibit D](#).
- c) Rule 67-48.004(1)(a), Florida Administrative Code (2007), provides in pertinent part:

(1) When submitting an Application, Applicants must utilize the Universal Application in effect at the Application Deadline.

(a) The Universal Application Package or UA1016 (Rev. 03-07) is adopted and incorporated herein by reference and consists of the forms and instructions, obtained from the Corporation, for a fee, at 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329, or available, without charge, on the Corporation’s Website under the 2007 Universal Application link labeled Instructions and Application, which shall be completed and submitted to the Corporation in accordance with this rule chapter in order to apply for the SAIL, HOME, HC, or SAIL and HC Program(s).

- d) Part II.A.2.a.(1), of the 2007 Universal Application Instructions provides in pertinent part:

If applying for HC, the Applicant must be a limited partnership (including a limited liability limited partnership) or a limited liability company. The Applicant entity shall be the recipient of the Housing Credits and cannot be changed until after the Carryover Allocation Agreement is in effect. Once the Carryover Allocation has been executed by all parties, replacement of the Applicant or a material change (33.3% or more of the Applicant, a General Partner of the Applicant, or a member of the Applicant) in the ownership structure of the named Applicant will require Board approval prior to this change.

- e) Currently, the Applicant Entity is St. Giles Manor, Ltd. and its sole General Partner is St. Giles Manor, GP, Inc. Petitioner requests a variance or waiver of the above provisions to allow the change of the General Partner of the applicant entity from St. Giles Manor GP, Inc. to St. Giles Manor Partners GP, LLC, a

## LEGAL

### *Consent*

non-profit entity. The requested change is necessary in order to maintain the tax-exempt status of the Development.

- f) On January 4, 2008, the Notice of the Petition was published in Volume 34, Number 01, of the Florida Administrative Weekly. Florida Housing received no comments regarding 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 has demonstrated that strict application of the above Rule under these circumstances would cause substantial hardship to Petitioner and violate the principles of fairness in that, unless the petition is granted, Petitioner will face unnecessary and negative tax consequences. Petitioner has further demonstrated that permitting this change in Development would also serve the underlying purpose of the statute.
- c) As of December 18, 2007 at the signing of the Carryover Allocation Agreement, only Board approval is needed to authorize this change. However, since a Petition for Waiver was filed almost simultaneously with the execution of the Carryover Allocation Agreement, the Order Granting Petition for Waiver appended hereto will serve as authorization by the Board.

### 3. Recommendation

Staff recommends the Board **GRANT** the Petitioner's request for a waiver of Rule 67-48.004(1)(a), Florida Administrative Code (2007), and Part II.A.2.A.(1) of the 2007 Universal Application Instructions to allow Petitioner to change its ownership structure by replacing its sole General Partner, St. Giles Manor GP, Inc. with St. Giles Manor Partners GP, LLC, a non-profit entity.

# LEGAL

## Consent

### E. In Re: Maple Crest Limited Partnership - FHFC Case No. 2007-066VW

|  |   |
|--|---|
| <b>Development Name: (“Development”):</b>  | <b>Maple Crest Apartments, 2006-103C</b>            |
| <b>Developer/Principal: (“Developer”):</b> | <b>RLI Beneficial Development 6, LLC</b>            |
| <b>Number of Units: 120</b>                | <b>Location: Lee County</b>                         |
| <b>Type: Garden Apartments</b>             | <b>Set Aside: 15% at 35% AMI<br/>85% at 60% AMI</b> |
| <b>Demographics: Family</b>                | <b>Credits: \$1,300,000</b>                         |

#### 1. Background

- a) During the 2006 Universal Cycle, Maple Crest, Limited Partnership, (“Petitioner”) applied for and was awarded competitive low-income housing tax credits (“Housing Credits”) to finance the construction of Maple Crest Apartments (the “Development”) located in Lee County, Florida.
- b) On November 6, 2007, Florida Housing received a “Petition for Waiver from Rule 67-48.004(14)(j), Florida Administrative Code (2006)” (“Petition”). The Petition is attached hereto as [Exhibit E](#).
- c) Rule 67-48.004(14)(j), Florida Administrative Code (2006), provides in pertinent part:

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

(j) Total number of units;

- d) In Petitioner’s original Application, Petitioner indicated that the Development would consist of 120 units, however subsequent reports detailing engineering and design analysis revealed that the Development could support only a maximum of 118 units. Therefore, Petitioner requests a waiver of Rule 67-48.004(14)(j), F.A.C. (2006) to allow it to reduce the number of units in the Development from 120 to 118.
- e) On November 16, 2007, the Notice of the Petition was published in Volume 33, Number 46, of the [Florida Administrative Weekly](#). Florida Housing received no comments regarding 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.

## LEGAL

### *Consent*

- b) Petitioner has demonstrated that unless this Petition is granted, it will incur substantial economic and technological hardships in re-engineering the entire Development to include two additional units. Moreover, such an undertaking would forestall construction progress and delay the completion of the Development.
- c) Petitioner has demonstrated that strict application of the above Rule under these circumstances would cause substantial hardship to Petitioner and violate the principles of fairness in that unless the petition is granted, Petitioner will not be able to complete construction of the Development. Petitioner has further demonstrated that permitting this change in Development would also serve the underlying purpose of the statute.

### 3. **Recommendation**

Staff recommends the Board **GRANT** the Petitioner's request for a waiver of Rule 67-48.004(14)(j) Florida Administrative Code (2006) to allow Petitioner to reduce the number of units in the Development from 120 to 118, with the following set-aside modification: Petitioner must set-aside 19 units for households with incomes not exceeding 35% of Area Median Income, and Petitioner must set-aside 99 units for households with incomes not exceeding 60% Area Median Income. Further, Staff recommends a pro rata reduction in Petitioner's Housing Credit allocation by the amount of \$21,666.67.

## LEGAL

### *Consent*

F. In Re: Pebble Hill Estates, LP - FHFC Case No. 2007-073VW

|  |  |
|--|--|
| <b>Development Name: (“Development”):</b>  | <b>Pebble Hill Estates<br/>Application # 2005-123C</b> |
| <b>Developer/Principal: (“Developer”):</b> | <b>RLI Beneficial Development 5, LLC</b>               |
| <b>Number of Units: 80</b>                 | <b>Location: Jackson County</b>                        |
| <b>Type: Single Family Rental</b>          | <b>Set Aside: 50% @ 50% AMI<br/>50% @ 60% AMI</b>      |
| <b>Demographics: Family</b>                | <b>Housing Credits: \$941,011</b>                      |

1. **Background**

- a) During the 2005 Universal Cycle, Pebble Hill Estates, LP, (“Petitioner”) applied for and was awarded competitive low-income housing tax credits (“Housing Credits”) to finance the construction of Pebble Hill Estates (the “Development”) located in Jackson County, Florida.
- b) On December 21, 2007, Florida Housing received a “Petition for Variance [from] the 2005 Qualified Allocation Plan Requirements for Returning Housing Credit Allocations and for an Immediate Allocation of 2008 Housing” (“Petition”). A copy of the Petition is attached as [Exhibit F](#).
- c) Section 10 of the 2006 Qualified Allocation Plan, provides in pertinent part:

... where a Development has not been placed in service by the date required or it is apparent that a development will not be placed in service by the date required, such failure is due to circumstances beyond the Applicant’s control, and the Applicant has returned its housing credit allocation in the last calendar quarter of the year in which otherwise required to be placed in service, the Corporation may reserve allocation in an amount not to exceed the amount of credits returned, and may allocate such housing credits to the Applicant for the year after the year in which the Development was otherwise required to be placed in service, provided the following conditions have been met...
- d) In March 2007, Petitioner filed a Petition for Variance from the 2005 Qualified Allocation Plan to exchange its 2005 Housing Credit Allocation for a reservation of 2008 Housing Credits. The Board granted this request in part, however instead of granting Petitioner a reservation of 2008 Housing Credits, it granted Petitioner an immediate allocation of 2007 Housing Credits.
- e) Later, it was determined that Jackson County was not designated a Difficult Development Area (“DDA”) in 2007, though it had been in both 2005 and 2008. Developments located in DDAs are eligible for additional tax benefits of up to thirty percent beyond the normal tax credit subsidy. Because Petitioner exchanged 2005 Housing Credits for 2007 Housing Credits, it failed to qualify for its additional DDA subsidy. Jackson County, Florida is designated as a DDA in 2008.
- f) Petitioner requests a variance from the above provision to allow Petitioner to return its 2007 Housing Credit Allocation now, rather than wait until the last calendar quarter of 2008, as required by the QAP, and to receive an immediate allocation of 2008 Housing Credits.

## LEGAL

### *Consent*

- g) On January 4, 2008, the Notice of the Petition was published in Volume 34, Number 01, of the Florida Administrative Weekly. Florida Housing received no comments regarding 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 has demonstrated that strict application of the above Rule contained in the Qualified Allocation Plan under these circumstances would cause substantial hardship to Petitioner and violate the principles of fairness in that unless the petition is granted, Petitioner will not be able to complete construction in a cost-efficient manner because it has lost its additional DDA subsidy through no fault of its own. Thus, denial of this Petition would defeat the underlying purpose of the statute.
- c) Petitioner has demonstrated the Board's March 2007 Order granting Petitioner an immediate allocation of 2007 Housing Credits rather than a reservation of 2008 Housing Credits resulted in substantial hardship and fundamental unfairness to Petitioner and that granting its Petition would serve the underlying purpose of the statute.
- d) This decision is made only to rectify substantial hardship and fundamental unfairness which Petitioner has suffered as a result of this Board's March 2007 Order coupled with Jackson County's lack of DDA status in 2007.

### 3. Recommendation

Staff recommends the Board **GRANT** the Petitioner's request for a variance from the requirements of Section 11 of the 2005 Qualified Allocation Plan, only to the extent that Petitioner shall be permitted to return its 2007 Housing Credit allocation now, rather than wait to the last calendar quarter of 2008, and to receive an immediate allocation of 2008 Housing Credits.



## MULTIFAMILY BONDS

### *Consent*

#### VI. MULTIFAMILY BONDS

##### A. Request Approval Of The Final Credit Underwriting Report For Mariner's Cay Apartments

|   |   |
|---|---|
| <b>DEVELOPMENT NAME ("Development"):</b>  | <b>Mariner's Cay Apartments</b>   |
| <b>DEVELOPER/PRINCIPAL ("Applicant"):</b> | <b>Lamson Avenue Apartments, Ltd./Lamson GP, LLC/ The Richman Group Development Corporation/The Richman Group of Florida, Inc./Richard P. Richman</b> |
| <b>NUMBER OF UNITS:</b>                   | <b>160</b>  |
| <b>LOCATION ("County"):</b>               | <b>Hernando</b>   |
| <b>TYPE (Rental, Homeownership):</b>      | <b>Rental/Family (MMRB, SAIL and HC)</b>  |
| <b>SET ASIDE:</b>                         | <b>10% @ 33% (ELI, MMRB, SAIL, HC)<br/>75% @ 60% (MMRB)<br/>90% @ 60% (SAIL, HC)</b>  |
| <b>ALLOCATED AMOUNT:</b>                  | <b>\$11,000,000 of Tax-Exempt Bonds and<br/>\$ 4,700,000 SAIL<br/>\$ 1,360,000 ELI</b>  |

##### 1. Background

Applicant submitted an application ("Application") on behalf of the proposed Development during the 2007 Universal Cycle. Applicant applied for tax-exempt bonds in the amount of \$12,500,000, SAIL funds in the amount of \$4,700,000 and ELI funds in the amount of \$1,360,000 in order to construct the Development.

##### 2. Present Situation

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to advise it of any such changes.
- b) The credit enhancement for the bonds has changed from a \$12,500,000 credit enhancement facility from Citibank Community Development to a private placement purchase of the bonds in the initial amount of \$11,000,000 by Citicorp Municipal Mortgage Inc. At permanent loan conversion, the bonds will be paid down to \$8,280,000.
- c) A Final Credit Underwriting Report dated January 14, 2008, 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 January 14, 2008 recommending that \$11,000,000 in bonds, \$4,700,000 in SAIL funds, and \$1,360,000 in ELI funds 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 Riverwalk I Apartments**

|   |   |
|---|---|
| <b>DEVELOPMENT NAME (“Development”):</b>  | <b>Riverwalk I Apartments</b>   |
| <b>DEVELOPER/PRINCIPAL (“Applicant”):</b>   | <b>Riverwalk I Preservation, L.P./Riverwalk I Preservation GP, LLC/RAP FL, LLC/ Riverwalk I Preservation GP II, LLC/Related Companies, L.P.</b> |
| <b>NUMBER OF UNITS:</b>   | <b>123</b>  |
| <b>LOCATION (“County”):</b>   | <b>Miami-Dade</b>   |
| <b>TYPE (Rental, Homeownership):</b>  | <b>Rental/Family (MMRB, SAIL and HC)</b>  |
| <b>SET ASIDE:</b>   | <b>5% @ 50% (MMRB)<br/>80% @ 60% (MMRB)<br/>20% @ 50% (SAIL)<br/>20% @ 50% (HC)<br/>80% @ 60% (HC)</b>  |
| <b>ALLOCATED AMOUNT:</b>  | <b>\$5,075,000 of Tax Exempt Bonds and \$843,000 SAIL Loan Extension</b>  |
| <b>ADDITIONAL COMMENTS: Acquisition/Rehabilitation with Extension of Existing SAIL Loan</b> |   |
| <b>DEVELOPMENT NAME (“Development”):</b>  | <b>Riverwalk I Apartments</b>   |
| <b>DEVELOPER/PRINCIPAL (“Applicant”):</b>   | <b>Riverwalk I Preservation, L.P./Riverwalk I Preservation GP, LLC/RAP FL, LLC/ Riverwalk I Preservation GP II, LLC/Related Companies, L.P.</b> |
| <b>NUMBER OF UNITS:</b>   | <b>123</b>  |
| <b>LOCATION (“County”):</b>   | <b>Miami-Dade</b>   |
| <b>TYPE (Rental, Homeownership):</b>  | <b>Rental/Family (MMRB, SAIL and HC)</b>  |
| <b>SET ASIDE:</b>   | <b>5% @ 50% (MMRB)<br/>80% @ 60% (MMRB)<br/>20% @ 50% (SAIL)<br/>20% @ 50% (HC)<br/>80% @ 60% (HC)</b>  |
| <b>ALLOCATED AMOUNT:</b>  | <b>\$5,075,000 of Tax Exempt Bonds and \$843,000 SAIL Loan Extension</b>  |
| <b>ADDITIONAL COMMENTS: Acquisition/Rehabilitation with Extension of Existing SAIL Loan</b> |   |

**1. Background**

Applicant submitted an application (“Application”) on behalf of the proposed Development during the 2007 MMRB Supplemental Cycle. Applicant applied for tax-exempt bonds in the amount of \$4,155,000 in order to acquire and rehabilitate the Development.

**2. Present Situation**

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to notify it of any such changes.

## MULTIFAMILY BONDS

### *Consent*

- b) Sources and uses have been changed to reflect the extension of an existing \$843,000 SAIL Loan and an increase of \$920,000 in the Tax Exempt Bond amount from \$4,155,000 to \$5,075,000. A commitment to extend the existing Farmworker set aside of 20% at 50% of AMI to match the new maturity date of the SAIL has been made as well.
- c) Total Development costs have increased from \$7,244,008 to \$9,016,817. The primary reasons for the increased costs are the impact of the accrued interest payable on the SAIL Loan, increase in the acquisition cost of the property and increase in revisions to the scope of work, including parking lot resurfacing and restriping, work to sidewalks and additional fence replacement.
- d) The credit underwriter has determined that these changes have no material impact on their loan recommendation for this development.
- e) A Final Credit Underwriting Report dated January 10, 2008 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 January 10, 2008, recommending that \$5,075,000 in tax exempt bonds and \$843,000 in a SAIL Loan extension be issued for the acquiring and rehabilitating 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

#### C. Request Approval Of The Final Credit Underwriting Report For Silurian Pond Apartments

|   |  |
|---|--|
| <b>DEVELOPMENT NAME (“Development”):</b>  | <b>Silurian Pond Apartments</b>  |
| <b>DEVELOPER/PRINCIPAL (“Applicant”):</b> | <b>Silurian Pond, Ltd./TCG Silurian Pond, LLC/Circle Silurian Pond, LLC/TCG Silurian Pond Development, LLC/Circle, Inc./Carlisle Development Group, LLC/ Lloyd J. Boggio</b> |
| <b>NUMBER OF UNITS:</b>                   | <b>72</b>  |
| <b>LOCATION (“County”):</b>               | <b>Escambia</b>  |
| <b>TYPE (Rental, Homeownership):</b>      | <b>Rental/Family (MMRB, RRLP and HC)</b>   |
| <b>SET ASIDE:</b>                         | <b>85% @ 60% (MMRB)<br/>25% @ 35% (RRLP)<br/>75% @ 60% (RRLP)<br/>100% @ 60% (HC)</b>  |
| <b>ALLOCATED AMOUNT:</b>                  | <b>\$7,000,000 of Tax-Exempt Bonds and \$8,490,000 RRLP</b>  |
| <b>ADDITIONAL COMMENTS:</b>               |  |

#### 1. Background

Applicant submitted an application (“Application”) on behalf of the proposed Development during the 2006 MMRB Supplemental Cycle. Applicant applied for Tax-Exempt Bonds in the amount of \$9,000,000 and \$9,240,000 in RRLP loans (consisting of \$8,000,000 base loan and \$1,240,000 supplemental loan for a total loan amount of \$9,240,000) in order to construct the Development.

#### 2. Present Situation

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to notify it of any such changes.
- b) The Bonds will be privately placed with PNC Bank, NA, rather than Bank of America NA, as stated in the Application.
- c) The Equity Limited Partner has changed from The Richmond Group Affordable Housing Corporation, as listed in the Application, to PNC Bank, N.A.
- d) The Development’s unit mix in the Application consisted of one, two and three bedroom units. The Developer subsequently changed the mix to two and three bedroom units and added an additional layer of set-aside at 30% or less of AMI.
- e) The general contractor of the Development has changed from Rodda Construction, Inc. to Regions Contractors, Inc.
- f) Applicant filed a Petition for Rule Waiver to Florida Housing, reducing the size of the site from 19.41 acres, as stated in the Application, to 14.91 acres. The Petition for Rule Waiver was approved at the December 7, 2007 Board meeting.

## MULTIFAMILY BONDS

### *Consent*

- g) The credit underwriter has determined that these changes have no material impact on their loan recommendation for this development.
- h) A Final Credit Underwriting Report dated January 11, 2008 is attached as [Exhibit C](#).

### **3. Recommendation**

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated January 11, 2008, recommending that \$7,000,000 in tax-exempt bonds and \$8,490,000 in RRLP loan funds 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*

#### D. Request Approval Of The Final Credit Underwriting Report For Willow Lakes Apartments

|   |   |
|---|---|
| <b>DEVELOPMENT NAME (“Development”):</b>  | <b>Willow Lakes Apartments</b>  |
| <b>DEVELOPER/PRINCIPAL (“Applicant”):</b> | <b>CEC Willow Lakes, LLC/Credit Equal Communities, LLC/Jeffrey Damavandi/Nick Kanieff</b>   |
| <b>NUMBER OF UNITS:</b>                   | <b>304</b>  |
| <b>LOCATION (“County”):</b>               | <b>Duval</b>  |
| <b>TYPE (Rental, Homeownership):</b>      | <b>Rental/Family (MMRB, SAIL and HC)</b>  |
| <b>SET ASIDE:</b>                         | <b>10% @ 30% (MMRB)<br/>40% @ 50% (MMRB)<br/>35% @ 60% (MMRB)<br/>10% @ 30% (SAIL &amp; HC)<br/>40% @ 50% (SAIL &amp; HC)<br/>50% @ 60% (SAIL &amp; HC)</b> |
| <b>ALLOCATED AMOUNT:</b>                  | <b>\$11,200,000 of Tax-Exempt Bonds and \$7,635,000 SAIL</b>  |

#### 1. Background

Applicant submitted an application (“Application”) on behalf of the proposed Development during the 2007 Universal Cycle. Applicant applied for Tax-Exempt Bonds in the amount of \$9,800,000 and \$7,550,000 in SAIL loans (consisting of \$5,000,000 base loan and \$2,635,000 supplemental loan for a total loan amount of \$7,635,000) in order to acquire and rehabilitate the Development.

#### 2. Present Situation

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to notify it of any such changes.
- b) Total Development costs have increased \$5,104,920 primarily due to the addition of a bond redemption reserve and increases in financial and building acquisition costs. Additional costs to repair the asphalt parking lot and replace the exterior metal stairs will be incurred during rehabilitation.
- c) Since the Application was submitted, the Jacksonville Housing Commission approved a commitment for a \$1,250,000 SHIP construction and permanent loan for the financing of the Development, according to a commitment dated September 25, 2007.
- d) The Applicant requested an increase in its MMRB loan amount from \$9,800,000 to \$11,200,000 during the construction period. The Bonds will be paid down to \$5,500,000 for the permanent financing of the Development with proceeds from the SAIL and SHIP loans.
- e) The credit underwriter has determined that these changes have no material impact on their loan recommendation for this development.
- f) A Final Credit Underwriting Report dated January 11, 2008 is attached as [Exhibit D](#).

## MULTIFAMILY BONDS

### *Consent*

3. **Recommendation**

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated January 11, 2008, recommending that \$11,200,000 in tax-exempt bonds and \$7,550,000 in SAIL loan funds be issued for the purpose of acquiring and rehabilitating the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

**E. Request Approval For An Assumption And Amendment Of LURA Obligations Of Driftwood Terrace Apartments**

|  |  |
|--|--|
| <b>DEVELOPMENT NAME (“Developments”):</b>                                | <b>Driftwood Terrace Apartments</b>  |
| <b>DEVELOPER/PRINCIPAL (“Developer”)/ (“Owner”):</b>                     | <b>Driftwood Preservation, Ltd./Driftwood Michaels, LLC/Michaels Development Company/Michael J. Levitt</b> |
| <b>NUMBER OF UNITS:</b>  | <b>176</b>   |
| <b>LOCATION (“County”):</b>  | <b>Broward</b>   |
| <b>TYPE (Rental, Homeownership):</b>                                     | <b>Rental</b>  |
| <b>SET ASIDE:</b>  | <b>40% @ 60%; 60% @ 150%</b>   |
| <b>ALLOCATED AMOUNT:</b>   | <b>\$7,205,000 Tax-Exempt Bonds</b>  |
| <b>ADDITIONAL COMMENTS: Assumption and Amendment of LURA Obligations</b> |  |

**1. Background**

In 1989, Florida Housing financed the acquisition and rehabilitation of the Development with \$7,205,000 in Tax-Exempt Bonds, designated as 1989 Series I.

**2. Present Situation**

- a) The Owner, in a letter dated November 20, 2007, attached as [Exhibit E](#), requests approval to transfer the ownership of the Development. Simultaneously with the transfer, the Owner will redeem the bonds.
- b) The Credit Underwriter has reviewed the Owner’s request and by letter dated January 9, 2008, attached as [Exhibit F](#) recommends that Florida Housing approve the request.

**3. Recommendation**

That the Board approve the Assumption and Amendment of LURA Obligations 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*

**F. Request Approval Of The Supplemental Letter To The Final Credit Underwriting Report For The Villas at Carver Park Apartments**

|   |   |
|---|---|
| <b>DEVELOPMENT NAME (“Development”):</b>  | <b>The Villas at Carver Park</b>  |
| <b>DEVELOPER/PRINCIPAL (“Applicant”):</b>   | <b>The Villas at Carver park, LLLP/The Villas at Carver Park GP, LLC/The Villas at Carver Park, Inc./Finlay Development, LLC/Finlay, LLC/Christopher Finlay</b> |
| <b>NUMBER OF UNITS:</b>   | <b>64</b>   |
| <b>LOCATION (“County”):</b>   | <b>Orange</b>   |
| <b>TYPE (Rental, Homeownership):</b>  | <b>Rental/Elderly (MMRB and HC)</b>   |
| <b>SET ASIDE:</b>   | <b>100% @ 60% (MMRB and HC)</b>   |
| <b>ALLOCATED AMOUNT:</b>  | <b>\$6,700,000 of Tax-Exempt Bonds</b>  |
| <b>ADDITIONAL COMMENTS: Request Approval of the Supplemental Letter to the Final Credit Underwriting Report (“CUR”)</b> |   |

**1. Background**

- a) Applicant submitted an application (“Application”) on behalf of the proposed Development during the 2006 MMRB Supplemental Cycle. Applicant applied for tax-exempt bonds in the amount of \$6,700,000 in order to construct the Development.
- b) At the July 2007 Board Meeting, Florida Housing approved a Final Credit Underwriting Report indicating the Development would receive a grant of HOPE VI funds.

**2. Present Situation**

- a) A draft Mortgage Note between the Applicant and the Housing Authority of the City of Orlando indicates the HOPE VI funds will be in the form of a loan to the Applicant. The loan will be based solely upon net cash flow, if any, therefore the credit underwriter anticipates this change will not have a significant material impact.
- b) The Credit Underwriter’s recommendation, dated January 4, 2008 is attached as [Exhibit G](#).

**3. Recommendation**

That the Board approve the Supplemental Letter to the Final Credit Underwriting Report dated July 13, 2007 recommending that \$6,700,000 in bonds 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*

**G. Request Approval To Allocate \$120,540,000 In Tax-Exempt, Private Activity Bond Allocation To The Developments**

|  |   |
|--|---|
| <b>DEVELOPMENT NAME (“Developments”):</b>  | <b>Riverwalk I</b><br><b>Shirley H. Gould Heritage House</b><br><b>College Park Towers</b><br><b>Cutler Riverside Apartments</b><br><b>Royal Arms Apartments</b><br><b>Outrigger Village Apartments</b><br><b>Grove Park Manor</b><br><b>Sound Side</b><br><b>Desert Winds Apartments</b><br><b>The Fountains at Falkenburg – Phase I</b><br><b>Fairview Cove Phase II</b><br><b>Fairview Cove Phase III</b><br><b>Mallard Cove Apartments</b><br><b>Otter Run Apartments</b><br><b>Citrus Meadows Apartments</b>   |
| <b>DEVELOPER/PRINCIPAL (“Developers”):</b> | <b>Riverwalk I Preservation, LP</b><br><b>Fed-Gulfstream Limited Partnership</b><br><b>College Park Towers, Ltd.</b><br><b>Cutler Riverside Preservation, LP</b><br><b>Royal Arms Redevelopment, Ltd.</b><br><b>Outrigger Village Redevelopment, Ltd.</b><br><b>Grove Park Redevelopment, Ltd.</b><br><b>Germany Terrace Partnership, LLLP</b><br><b>Summit Desert Winds Apartments, Ltd.</b><br><b>Fountains at Falkenburg, LLLP</b><br><b>Fairview Cove II, Ltd.</b><br><b>Fairview Cove III, Ltd.</b><br><b>Eastwind Mayport Holdings, LLC</b><br><b>Eastwind Mayport Holdings, LLC</b><br><b>Cascade Citrus Meadows, LP</b> |
| <b>NUMBER OF UNITS:</b>                    | <b>123 – respectively</b><br><b>101 – respectively</b><br><b>102 – respectively</b><br><b>200 – respectively</b><br><b>88 – respectively</b><br><b>192 – respectively</b><br><b>150 – respectively</b><br><b>200 – respectively</b><br><b>304 – respectively</b><br><b>106 – respectively</b><br><b>30 – respectively</b><br><b>35 – respectively</b><br><b>160 – respectively</b><br><b>192 – respectively</b><br><b>200 – respectively</b>  |
| <b>LOCATION (“Counties”):</b>              | <b>Dade – respectively</b><br><b>Palm Beach – respectively</b><br><b>Orange – respectively</b><br><b>Dade – respectively</b><br><b>Bay – respectively</b>   |

**MULTIFAMILY BONDS**

*Consent*

|  |  |
|--|--|
|  | <p>Osceola - respectively<br/>                 Hillsborough – respectively<br/>                 Okaloosa – respectively<br/>                 Duval – respectively<br/>                 Hillsborough – respectively<br/>                 Hillsborough – respectively<br/>                 Hillsborough – respectively<br/>                 Duval – respectively<br/>                 Duval – respectively<br/>                 Manatee – respectively</p>   |
| <b>TYPE (Rental, Homeownership):</b>                 | <b>Rental</b>  |
| <b>SET ASIDE:</b>                                    | <p>5% @ 50%<br/>                 80% @ 60% – respectively<br/>                 85% @ 60% – respectively<br/>                 85% @ 60% – respectively<br/>                 85% @ 60% – respectively<br/>                 85% @ 60% – respectively<br/>                 85% @ 60% – respectively<br/>                 85% @ 60% – respectively<br/>                 80% @ 60% – respectively<br/>                 85% @ 60% – respectively<br/>                 70% @ 60% – respectively<br/>                 70% @ 60% – respectively<br/>                 70% @ 60% – respectively<br/>                 20% @ 50% – respectively<br/>                 20% @ 50% – respectively<br/>                 40% @ 60% – respectively</p>  |
| <b>ALLOCATED AMOUNT:</b>                             | <p>\$4,155,000 – respectively<br/>                 \$5,530,000 – respectively<br/>                 \$5,500,000 – respectively<br/>                 \$10,815,000 – respectively<br/>                 \$2,635,000 – respectively<br/>                 \$6,000,000 – respectively<br/>                 \$4,550,000 – respectively<br/>                 \$13,750,000 – respectively<br/>                 \$15,000,000 – respectively<br/>                 \$10,100,000 – respectively<br/>                 \$3,400,000 – respectively<br/>                 \$3,700,000 – respectively<br/>                 \$11,500,000 – respectively<br/>                 \$13,450,000 – respectively<br/>                 \$10,455,000 – respectively all of Tax<br/>                 Exempt Bonds – respectively</p> |
| <b>ADDITIONAL COMMENTS: Award of bond allocation</b> |  |

# MULTIFAMILY BONDS

## *Consent*

### 1. **Background**

At the March 16, 2007 meeting, the Board authorized the MMRB Program to conduct a supplemental application cycle.

### 2. **Present Situation**

- a) As of January 1, 2008, Florida Housing received \$363,463,914 in tax-exempt, private activity bond allocation that is not committed to a specific multifamily development.
- b) The Developments are 2007 Supplemental MMRB Applications (“Applications”) to acquire and rehabilitate or construct new affordable developments in the Counties.
- c) The rules governing the 2007 Supplemental MMRB Application cycle require an application to achieve a perfect score of sixty-six (66) points in order to be funded. However, the rules further state: “If there is private activity bond allocation remaining after all eligible Applications are funded, then this allocation will be applied to the Corporation’s single-family bond program or otherwise used as directed by the Board.”
- d) The Applications for these Developments are only requesting MMRB and 4% non-competitive HC. These requests do not require any other Florida Housing funding. Staff believes that the public policy purposes served by obtaining these Developments as affordable for thirty (30) years far outweigh any failure to achieve a perfect score on the Application.

### 3. **Recommendation**

Approve the request to allocate \$120,450,000 in tax exempt, private activity bonds to the Developments, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

# MULTIFAMILY BONDS

## Consent

### H. Assignment Of Bond Underwriters And Structuring Agents

#### 1. Background

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

#### 2. Present Situation

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

| Development Name | Location of Development | Number of Units | Method of Bond Sale | Recommended Professional       |
|------------------|-------------------------|-----------------|---------------------|--------------------------------|
| Mariner's Cay    | Hernando                | 160             | Private Placement   | Citigroup Global Markets, Inc. |
| Riverwalk I      | Miami-Dade              | 123             | Negotiated          | RBC Dain Rauscher, Inc.        |
| Silurian Pond    | Escambia                | 72              | Private Placement   | Stern Brothers & Company       |
| Willow Lakes     | Duval                   | 304             | Negotiated          | Morgan Keegan & Company        |

# MULTIFAMILY BONDS

## *Consent*

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

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

- a) The Credit Underwriter has provided a Final Credit Underwriting Report for the proposed Development below. Florida Housing seeks Board approval pursuant to the recommendation of the Credit Underwriter and the appropriate Florida Housing staff.
- b) Pursuant to Rule 67-21.0045, F.A.C., staff has requested a review of the proposed bond structure by the Senior Financial Advisor in order to make a recommendation to the Board for the method of bond sale.
- c) TIBOR PARTNERS, Inc. has prepared an analysis and recommendation for the method of bond sale for the Development. The recommendation letter is attached as [Exhibit H](#).

| <b>Development Name</b> | <b>Location of Development</b> | <b>Number of Units</b> | <b>Method of Bond Sale</b> |
|-------------------------|--------------------------------|------------------------|----------------------------|
| Mariner's Cay           | Hernando                       | 160                    | Private Placement          |
| Riverwalk I             | Miami-Dade                     | 123                    | Negotiated                 |
| Silurian Pond           | Escambia                       | 72                     | Private Placement          |
| Willow Lakes            | Duval                          | 304                    | Negotiated                 |

#### **2. Recommendation**

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

**PREDEVELOPMENT LOAN PROGRAM (PLP)**

*Consent*

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

**A. Request Approval of PLP Loan for Goldenrule Housing and Community Development Corporation, Inc., a Not-For-Profit Entity, for Coleman Estates (05-106)**

|   |   |
|---|---|
| <b>DEVELOPMENT NAME (“Development”):</b>  | <b>Coleman Estates</b>  |
| <b>APPLICANT/DEVELOPER (“Developer”):</b> | <b>Goldenrule Housing and Community Development Corporation, Inc., a not-for-profit entity,</b> |
| <b>CO-DEVELOPER (“Co-Developer”)</b>      | <b>N/A</b>  |
| <b>NUMBER OF UNITS:</b>                   | <b>6</b>  |
| <b>LOCATION (“County”):</b>               | <b>Seminole County</b>  |
| <b>TYPE:</b>                              | <b>Homeownership</b>  |
| <b>SET ASIDE:</b>                         | <b>100% @ 80% AMI</b>   |
| <b>PLP LOAN AMOUNT:</b>                   | <b>\$93,700</b>   |

**1. Background**

- a) On October 20, 2006, Florida Housing Finance Corporation received a PLP application from the Applicant.
- b) On January 18, 2007, Florida Housing issued an Invitation to Participate in the PLP to the Developer, a not-for profit organization. The Development will be located in Seminole County.

**2. Present Situation**

- a) The Technical Assistance Provider (TAP) has approved the Development Plan and recommended a loan amount of \$93,700 for PLP eligible activities ([Exhibit A](#)), as well as assisted the Developer in preparing the Development Plan and budget ([Exhibit B](#)). Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.

**3. Recommendation**

Approve the PLP Loan in the amount of \$93,700 to the Developer, a not-for-profit organization, for predevelopment expenses as recommended by the TAP and allow staff to issue the Commitment Letter and commence with loan closing proceedings.

**PREDEVELOPMENT LOAN PROGRAM (PLP)**

*Consent*

**B. Request Approval of PLP Loan for St. Petersburg Neighborhood Housing Services, Inc., a Not-For-Profit Entity, for Community Land Trust (05-130)**

|   |  |
|---|--|
| <b>DEVELOPMENT NAME (“Development”):</b>  | <b>Community Land Trust</b>  |
| <b>APPLICANT/DEVELOPER (“Developer”):</b>   | <b>St. Petersburg Neighborhood Housing Services, Inc., a not-for-profit entity</b> |
| <b>CO-DEVELOPER (“Co-Developer”)</b>  | <b>N/A</b>   |
| <b>NUMBER OF UNITS:</b>   | <b>10</b>  |
| <b>LOCATION (“County”):</b>   | <b>Pinellas County</b>   |
| <b>TYPE:</b>  | <b>Homeownership</b>   |
| <b>SET ASIDE:</b>   | <b>100% @ 80% AMI</b>  |
| <b>PLP LOAN AMOUNT:</b>   | <b>\$56,100</b>  |
| <b>ADDITIONAL COMMENTS: The purpose of the PLP is to cover costs during the due diligence period.</b> |  |

**1. Background**

- a) On September 14, 2007, Florida Housing Finance Corporation (FHFC) received a PLP application from the Applicant.
- b) On December 27, 2007, Florida Housing issued an Invitation to Participate in the PLP to the Developer, a not-for profit organization. The Development will be located in Pinellas County.
- c) The Technical Assistance Provider (TAP) has approved the Development Plan and recommended a loan amount of \$56,100 for PLP eligible activities ([Exhibit C](#)), as well as assisted the Developer in preparing the Development Plan and budget ([Exhibit D](#)). Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.
- d) The Applicant was awarded HOME funds under FHFC’s Community Land Trust Request For Proposal on July 30, 2007. HOME regulations require the Applicant to purchase land by June 30, 2008, and commence with construction by July 30, 2008.

**2. Recommendation**

Approve the PLP Loan in the amount of \$56,100 to the Developer, a not-for-profit organization, for predevelopment expenses as recommended by the TAP and allow staff to issue the Commitment Letter and commence with loan closing proceedings.



## PREDEVELOPMENT LOAN PROGRAM (PLP)

### Consent

C. **Request Approval of PLP Loan for Reliance-Progresso Associates, Ltd., a Not-For-Profit Entity, for Progresso Point (05-131)**

|   |   |
|---|---|
| <b>DEVELOPMENT NAME (“Development”):</b>  | <b>Progresso Point</b>  |
| <b>APPLICANT/DEVELOPER (“Developer”):</b>   | <b>Reliance-Progresso Associates, Ltd., a not-for-profit entity</b> |
| <b>CO-DEVELOPER (“Co-Developer”)</b>  | <b>N/A</b>  |
| <b>NUMBER OF UNITS:</b>   | <b>96</b>   |
| <b>LOCATION (“County”):</b>   | <b>Broward County</b>   |
| <b>TYPE:</b>  | <b>Rental</b>   |
| <b>SET ASIDE:</b>   | <b>100% @ 60% AMI</b>   |
| <b>PLP LOAN AMOUNT:</b>   | <b>\$500,000</b>  |
| <b>ADDITIONAL COMMENTS: Progresso Point will be targeted to the lower income Fort Lauderdale workforce. The income set aside will be 20% at 30% AMI or less and 80% at 60% AMI or less.</b> |   |

1. **Background**

- a) On September 24, 2007, Florida Housing Finance Corporation (FHFC) received a PLP application from the Applicant.
- b) On November 7, 2007, Florida Housing issued an Invitation to Participate in the PLP to the Developer, a not-for profit organization. The Development will be located in Broward County.

2. **Present Situation**

- a) The Technical Assistance Provider (TAP) has approved the Development Plan and recommended a loan amount of \$500,000 for PLP eligible activities ([Exhibit E](#)), as well as assisted the Developer in preparing the Development Plan and budget ([Exhibit F](#)). Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.
- b) As indicated in Exhibit D, Reliance-Progresso Associates, Ltd. will apply for funding in the upcoming FHFC Universal Application Cycle in 2008. This will be the second submittal for the Progresso Point project. The 2007 Universal Application received a perfect score but was not funded because of a low lottery score. Reliance has recently entered into a partnership with the Broward County Housing Authority (BCHA). BCHA and Reliance Housing Services, LLC (RHS) will serve as Co-General Partners to the Applicant. However, RHS with 51% ownership will act as managing partner.

3. **Recommendation**

Approve the PLP Loan in the amount of \$500,000 to the Developer, a not-for-profit organization, for predevelopment expenses as recommended by the TAP and allow staff to issue the Commitment Letter and commence with loan closing proceedings.

**PREDEVELOPMENT LOAN PROGRAM (PLP)**

*Consent*

**D. Request Approval of PLP Loan for Lakeland Housing Authority, a Public Housing Authority (PHA), for The Manor at West Bartow (05-132)**

|  |   |
|--|---|
| <b>DEVELOPMENT NAME (“Development”):</b>   | <b>The Manor at West Bartow</b>                                     |
| <b>APPLICANT/DEVELOPER (“Developer”):</b>  | <b>Lakeland Housing Authority, a Public Housing Authority (PHA)</b> |
| <b>CO-DEVELOPER (“Co-Developer”)</b>   | <b>Polk County Housing Developers, Inc.</b>                         |
| <b>NUMBER OF UNITS:</b>  | <b>100</b>  |
| <b>LOCATION (“County”):</b>  | <b>Polk County</b>  |
| <b>TYPE:</b>   | <b>Rental</b>   |
| <b>SET ASIDE:</b>  | <b>60% @ 60% AMI</b>  |
| <b>PLP LOAN AMOUNT:</b>  | <b>\$500,000</b>  |
| <b>ADDITIONAL COMMENTS: The Development was awarded Housing Credits in the 2007 Universal Application Cycle.</b> |   |

**1. Background**

- a) On September 27, 2007, Florida Housing Finance Corporation received a PLP application from the Applicant.
- b) On November 7, 2007, Florida Housing issued an Invitation to Participate in the PLP to the Developer, an established PHA. The Development will be located in Polk County.

**2. Present Situation**

The Technical Assistance Provider (TAP) has approved the Development Plan and recommended a loan amount of \$500,000 for PLP eligible activities ([Exhibit G](#)), as well as assisted the Developer in preparing the Development Plan and budget ([Exhibit H](#)). Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.

**3. Recommendation**

Approve the PLP Loan in the amount of \$500,000 to the Developer, a Public Housing Authority, for predevelopment expenses as recommended by the TAP and allow staff to issue the Commitment Letter and commence with loan closing proceedings.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Consent*

#### VIII. PROFESSIONAL SERVICES SELECTION (PSS)

##### A. Arbitrage Rebate Services

###### 1. Background

- a) At its December 12, 2003 meeting, the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with Bondlogistix LLC and The Arbitrage Group to provide arbitrage rebate services.
- b) The initial term of the contracts was for three years. The contracts could be renewed twice. Each renewal is for an additional one-year period.
- c) The initial term of the contract with Bondlogistix LLC expired March 18, 2007. The initial term of the contract with The Arbitrage Group expired February 18, 2007.
- d) At its January 26, 2007 meeting Florida Housing's Board approved extending the contracts for an additional one-year period.

###### 2. Present Situation

- a) The Bondlogistix contract expires on March 18, 2008. The Arbitrage Group contract expires on February 18, 2008.
- b) Florida Housing staff supports a renewal to extend the term of the contracts for the final one-year period.

###### 3. Recommendation

Staff believes that it is in the best interests of Florida Housing to continue to retain our current Arbitrageurs pursuant to the existing contracts, and recommends the Board direct staff to proceed with the final contract renewals.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Consent*

#### **B. Printing, Reproduction and or Copying Services**

##### **1. Background**

- a) At its October 14, 2004 meeting, the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with Rapid Press, Inc. and Target Copy to provide printing, reproduction and or copying services.
- b) The initial term of the contracts was for three years. The contracts could be renewed twice. Each renewal is for an additional one-year period.

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

- a) Both contracts expire on February 28, 2008.
- b) Florida Housing staff supports a renewal to extend the term of the contracts for an additional one-year period.

##### **3. Recommendation**

Staff believes that it is in the best interests of Florida Housing to continue to retain our current Contractors pursuant to the existing contracts, and recommends the Board direct staff to proceed with contract renewals for an additional one-year period.

**RENTAL RECOVERY LOAN PROGRAM (RRLP)**

*Consent*

**IX. RENTAL RECOVERY LOAN PROGRAM (RRLP)**

**A. Request Approval of RRLP Credit Underwriting Report for Golden Villas (2006-322HR)**

|  |   |
|--|---|
| <b>Development Name: Golden Villas “Development”</b>   | <b>Location: Broward County</b>                   |
| <b>Developer/Principal: Pinnacle Housing Group Phase, LLC and The Housing Authority of Pompano Beach (“Developer”)</b> | <b>Set-Aside: 25% @ 30% AMI and 75% @ 60% AMI</b> |
| <b>Number of Units: 120</b>  | <b>Allocated Amount: \$11,474,872</b>             |
| <b>Type: Garden Style</b>  | <b>Total Housing Credit Equity: \$6,790,184</b>   |
| <b>Demographics: Family</b>  | <b>MMRB: \$11,000,000 (Local)</b>                 |

**1. Background/Present Situation**

- a) On October 20, 2006, the Board approved the final scores and ranking for the 2006 RRLP Application cycle.
- b) On March 2, 2007, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for an RRLP Loan in an amount up to \$12,070,000 for this 120-unit family Development located in Broward County. During credit underwriting the RRLP loan amount was reduced to \$11,474,872.
- c) On January 11, 2008, staff received a credit underwriting report with a positive recommendation for an RRLP loan in the amount of \$11,446,220 ([Exhibit A](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of RRLP Rule 67-ER06-25, 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.

**RENTAL RECOVERY LOAN PROGRAM (RRLP)**

*Consent*

**B. Request Approval of RRLP Credit Underwriting Report for Silurian Pond (2006A-226, 2006-358HR)**

|   |   |
|---|---|
| <b>Development Name: Silurian Pond (“Development”)</b>  | <b>Location: Escambia County</b>                  |
| <b>Developer/Principal: TCG Silurian Pond Development, LLC and Circle, Inc. (“Developer”)</b> | <b>Set-Aside: 75% @ 60% AMI and 25% @ 35% AMI</b> |
| <b>Number of Units: 72</b>  | <b>Allocated Amount: \$8,490,000</b>              |
| <b>Type: Garden Style</b>   | <b>Total Housing Credit Equity: \$3,251,143</b>   |
| <b>Demographics: Family</b>   | <b>MMRB: \$7,000,000</b>                          |

**1. Background/Present Situation**

- a) On October 20, 2006, the Board approved the final scores and ranking for the 2006 RRLP Application cycle.
- b) On March 2, 2007, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for an RRLP Loan in an amount up to \$9,240,000 for this 72-unit family Development located in Escambia County. During credit underwriting the RRLP loan amount was reduced to \$8,490,000. The Development was also awarded an MMRB allocation. The credit underwriting report is addressed in the MMRB section of this board package.

**2. Recommendation**

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

**RENTAL RECOVERY LOAN PROGRAM (RRLP)**

*Consent*

**C. Request Approval for the Extension of the Closing Deadline for Morris Court III Apartments (2006A-224B, 2006-356HR)**

|   |   |
|---|---|
| <b>Development Name: Morris Court III Apartments (“Development”)</b>  | <b>Location: Escambia County</b>                  |
| <b>Developer/Principal: MC Development, a single-purpose affiliate of Carlisle Development Group, LLC (“Developer”)</b> | <b>Set-Aside: 15% @ 35% AMI and 85% @ 60% AMI</b> |
| <b>Number of Units: 50</b>  | <b>Allocated Amount: \$4,286,269</b>              |
| <b>Type: Garden Style</b>   | <b>Total Housing Credit Equity: \$2,727,727</b>   |
| <b>Demographics: Elderly</b>  | <b>MMRB: \$4,500,000</b>                          |

**1. Background/Present Situation**

- a) On October 20, 2006, the Board approved the final scores and ranking for the 2006 RRLP Application cycle.
- b) On March 2, 2007, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for an RRLP Loan in an amount up to \$5,520,000 for this 50-unit family Development located in Escambia County. During credit underwriting the RRLP loan amount was reduced to \$4,286,269.
- c) On October 11, 2007, staff received a credit underwriting report with a positive recommendation for an RRLP loan in the amount of \$4,286,269, which was approved by the Board on October 26, 2007. On November 19, 2007, staff issued a firm commitment letter with a closing deadline of January 18, 2008.
- d) On January 4, 2008, staff received a letter from the Developer ([Exhibit B](#)) requesting an extension until March 1, 2008 due to the possibility that an executed subordination agreement with the County may not be provided by January 18, 2008.

**2. Recommendation**

Approve the Developer’s request for an extension of the closing deadline until March 1, 2008 subject to payment of the loan closing extension fee pursuant to RRLP Rule Chapter 67ER06, F.A.C.

**STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)**

*Consent*

**X. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)**

**A. Request Approval to Exchange Amenities for Allapattah Gardens Apartments, Cycle XIV (2002-060S)**

|  |  |
|--|--|
| <b>Development Name: Allapattah Gardens Apartments (“Development”)</b> | <b>Location: Miami-Dade County</b>                     |
| <b>Developer/Principal: The Carlisle Group, LLC (“Developer”)</b>      | <b>Set-Aside: 4.69% @ 35% AMI and 95.31% AMI @ 60%</b> |
| <b>Number of Units: 128</b>  | <b>Allocated Amount: \$1,500,000</b>                   |
| <b>Type: Townhomes</b>   | <b>Housing Credit Equity: \$3,671,000</b>              |
| <b>Demographics: Family (Urban In-Fill)</b>                            | <b>MMRB: Local</b>                                     |

**1. Background/Present Situation**

- a) On May 9, 2003, a SAIL Loan in the amount of \$1,500,000 for this 128-unit urban in-fill Development in Miami-Dade County closed.
- b) On December 11, 2007, staff received a letter from the Developer requesting approval of a change of amenities from a playground/tot lot to a car care area and a library in the clubhouse ([Exhibit A](#)).
- c) On January 7, 2008, staff received a credit underwriting review with a positive recommendation for the exchange of the amenities ([Exhibit B](#)). The playground/tot lot had a point value of 2 points. The car care area had a point value of 1 point and the library in the clubhouse had a point value of 1 point in the 2002 application. Staff has reviewed the 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.



STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval of Credit Underwriting Report for Mariner’s Cay Apartments, Cycle XIX (2007-035BS)

|  |  |
|--|--|
| <b>Development Name: Mariner’s Cay Apartments (“Development”)</b>            | <b>Location: Hernando County</b>   |
| <b>Developer/Principal: The Richman Group of Florida, Inc. (“Developer”)</b> | <b>Set-Aside: 10% @ 33% AMI and 90% @ 60% AMI</b>                          |
| <b>Number of Units: 160</b>  | <b>Allocated Amount: \$4,700,000 (SAIL) and \$1,360,000 (Supplemental)</b> |
| <b>Type: Garden Style Apartments</b>   | <b>Housing Credit Equity \$7,623,677 (permanent)</b>                       |
| <b>Demographics: Family</b>  | <b>MMRB: \$11,000,000 (construction)</b>                                   |

1. Background/Present Situation

- a) On September 21, 2007, the Board approved the final scores and ranking for the 2007 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 1, 2007, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for a SAIL loan in an amount up to \$4,700,000 and a Supplemental loan in the amount of \$1,360,000 for this 160-unit family Development located in Hernando County. The Development was also awarded an MMRB allocation. The credit underwriting report is addressed in the MMRB section of this board package. Staff has reviewed this report and finds that the Development meets all of the requirements of SAIL 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.

**STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)**

*Consent*

**C. Request Approval of Credit Underwriting Report for Willow Lakes, Cycle XIX (2007-108BS)**

|  |  |
|--|--|
| <b>Development: Willow Lakes (“Development”)</b>                         | <b>Location: Duval County</b>  |
| <b>Developer/Principal: Created Equal Communities, LLC (“Developer”)</b> | <b>Set-Aside: 10% @ 30% AMI , 40% @ 50% AMI and 50% @ 60 AMI</b>           |
| <b>Number of Units: 304</b>  | <b>Allocated Amount: \$5,000,000 (SAIL) and \$2,635,000 (Supplemental)</b> |
| <b>Type: Garden Style Apartments</b>                                     | <b>Housing Credit Equity \$6,574,000 (permanent)</b>                       |
| <b>Demographics: Family</b>  | <b>MMRB: \$11,200,000 (construction)</b>                                   |

**1. Background/Present Situation**

- a) On September 21, 2007, the Board approved the final scores and ranking for the 2007 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 1, 2007, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for a SAIL loan in an amount up to \$5,000,000 and a Supplemental loan in the amount of \$2,635,000 for this 304-unit family development located in Duval County. The Development was also awarded an MMRB allocation. The credit underwriting report is addressed in the MMRB section of this board package. Staff has reviewed this report and finds that the Development meets all of the requirements of SAIL 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.

**STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)**

*Consent*

**D. Request Approval of Credit Underwriting Report for Green Cay Village, Cycle XIX (2007-051S/2007-504C)**

|   |  |
|---|--|
| <b>Development Name: Green Cay Village (“Development”)</b>                    | <b>Location: Palm Beach County</b>       |
| <b>Developer/Principal: Green Cay Village Development, LLLP (“Developer”)</b> | <b>Set-Aside: 100% @ 60% AMI</b>         |
| <b>Number of Units: 160</b>   | <b>Allocated Amount: \$5,000,000</b>     |
| <b>Type: Garden Style Apartments</b>  | <b>Housing Credit Equity \$8,778,000</b> |
| <b>Demographics: Family</b>   | <b>MMRB: \$12,070,000 (Local)</b>        |

**1. Background/Present Situation**

- a) On September 21, 2007, the Board approved the final scores and ranking for the 2007 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 1, 2007, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for a SAIL loan in an amount up to \$5,000,000 for this 160-unit family Development located in Palm Beach County.
- c) On January 11, 2008, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$5,000,000 ([Exhibit C](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of SAIL 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.

## STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

### *Consent*

**E. Request Approval of Additional Source of Funding for Royalton, Cycles XVI and XVII (2004-037CS/2005-048S)**

|  |  |
|--|--|
| <b>Development Name: Royalton (“Development”)</b>                                | <b>Location: Miami-Dade County</b>                                 |
| <b>Developer/Principal: Royalton Development, LLC and Carrfour (“Developer”)</b> | <b>Set-Aside: 16% @ 30% AMI and 84% @ 60% AMI</b>                  |
| <b>Number of Units: 100</b>  | <b>Allocated Amount: \$2,000,000 (2004) and \$1,000,000 (2005)</b> |
| <b>Type: Single Room Occupancy (SRO)</b>   | <b>Housing Credit Equity: \$7,832,434</b>                          |
| <b>Demographics: Homeless</b>  | <b>Historic Tax Credit Equity: \$1,823,407</b>                     |
| <b>MMRB: N/A</b>   |  |

**1. Background/Present Situation**

- a) On October 11, 2006, a SAIL loan in the amount of \$3,000,000 for this 100-unit homeless Development in Miami-Dade County closed.
- b) On October 22, 2007, staff received a letter from the Borrower requesting approval of additional funding in the form of a Homeless Housing Assistance Grant from the State of Florida Department of Children and Families ([Exhibit D](#)).
- c) On December 21, 2007, staff received a credit underwriting review with a positive recommendation for additional subordinate financing in the amount of \$750,000 ([Exhibit E](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of Rule Chapter 67-48, F.A.C.

**2. Recommendation**

Approve the request for additional funding and direct staff to proceed with the modification of closing documents.

**STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)**

*Consent*

**F. Request Approval of Credit Underwriting Report for Quiet Waters f/k/a McCurdy Center, Cycle XVII (2005-106CS)**

|   |   |
|---|---|
| <b>Development Name: Quiet Waters f/k/a McCurdy Center (“Development”)</b>  | <b>Location: Palm Beach County</b>                |
| <b>Developer/Principal: McCurdy Senior Housing Corporation &amp; Landmark Development Corporation (“Developer”)</b> | <b>Set-Aside: 24% @ 30% AMI and 76% @ 60% AMI</b> |
| <b>Number of Units: 93</b>  | <b>Allocated Amount: \$1,750,000</b>              |
| <b>Type: Garden Style</b>   | <b>Housing Credit Equity \$12,375,000</b>         |
| <b>Demographics: Homeless</b>   | <b>MMRB: N/A</b>                                  |

**1. Background/Present Situation**

- a) On August 25, 2005, the Board approved the final scores and ranking for the 2005 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On September 30, 2005, staff issued a preliminary commitment letter and an invitation to credit underwriting for a SAIL loan in an amount up to \$1,750,000 for this 93-unit homeless Development in Palm Beach County.
- c) On October 17, 2006, staff received a credit underwriting report that did not provide a positive recommendation for a SAIL loan due to concerns relating to construction costs.
- d) On October 20, 2006, the Board approved this Development for funding based on the satisfactory resolution of outstanding issues presented in the credit underwriting report and directed staff to proceed with issuance of a firm loan commitment and loan closing activities.
- e) On October 26, 2006, a firm commitment letter was issued with a closing deadline of December 27, 2006.
- f) On December 26, 2006, the Credit Underwriter received 2006 financial statements that revealed defaults on two properties that the Borrower previously failed to disclose. Staff, the Credit Underwriter, and Florida Housing’s legal counsel found it unacceptable to close without further due diligence.
- g) On December 28, 2006, staff received a letter from the Developer requesting an extension of the SAIL loan closing deadline until April 4, 2007.
- h) On January 26, 2007, the Board approved an extension of the SAIL loan closing deadline until April 4, 2007.
- i) On April 14, 2007, staff received a letter from the Borrower stating that negotiations have been undertaken to restructure the partnership in order to admit a new General Partner/Developer.
- j) On December 7, 2007, the Board approved a waiver request to allow a change to the ownership and Developer structure by allowing Greater Miami Neighborhoods, Inc. to withdraw as co-Developer and GMN McCurdy, Inc. to

## STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

### *Consent*

withdraw as co-General Partner. Further, the Board approved a request to add Landmark Development Corporation as co-Developer.

- k) On January 10, 2008, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$1,750,000 ([Exhibit F](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of SAIL Rule Chapter 67-48, F.A.C.

### 2. **Recommendation**

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

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

G. Request Approval of Additional Source of Funding for Pinnacle Park, Wilma Go Zone (RFP 2006-04-08/2005-100C)

|  |  |
|--|--|
| Development Name: Pinnacle Park (“Development”)                | Location: Miami-Dade County                    |
| Developer/Principal: Pinnacle Housing Group, LLC (“Developer”) | Set-Aside: 12.6% @ 30% AMI and 82.2% @ 60% AMI |
| Number of Units: 135   | Allocated Amount: \$1,040,000                  |
| Type: High-Rise  | Housing Credit Equity \$23,782,646             |
| Demographics: Family   | MMRB: N/A                                      |

1. Background/Present Situation

- a) On January 10, 2007, a Wilma Go Zone SAIL loan in the amount of \$1,040,000 for this 135-unit family Development in Miami-Dade County closed.
- b) On January 4, 2008, staff received a letter from the Developer requesting approval of additional funding in the form of Miami-Dade County Surtax funds in the amount of \$1,448,608. Additionally, the Developer has requested approval of additional HOME loan funds from the City of Miami in the amount of \$275,938 ([Exhibit G](#)).
- c) On January 9, 2008, staff received a credit underwriting review with a positive recommendation for additional subordinate financing ([Exhibit H](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of Rule Chapter 67-48, F.A.C.

2. Recommendation

Approve the request for additional funding and direct staff to proceed with the modification of closing documents.

**SPECIAL HOUSING ASSISTANCE DEVELOPMENT PROGRAM (SHADP)**

*Consent*

**XI. SPECIAL HOUSING ASSISTANCE DEVELOPMENT PROGRAM (SHADP)**

**A. Request Approval of Revision to the Credit Underwriting Report for Coalition for the Hungry and Homeless of Brevard County, Inc., a not-for-profit organization, for Tropic Hammock (2006-001FHSB)**

|   |   |
|---|---|
| <b>DEVELOPMENT NAME (“Development”):</b>  | <b>Tropic Hammock</b>   |
| <b>DEVELOPER/PRINCIPAL (“Developer”):</b> | <b>Coalition for the Hungry and Homeless of Brevard County, Inc., a not-for-profit organization</b> |
| <b>NUMBER OF UNITS:</b>                   | <b>10</b>   |
| <b>LOCATION (County):</b>                 | <b>Brevard County</b>   |
| <b>TYPE:</b>                              | <b>Rental, Homeless</b>   |
| <b>SET ASIDE:</b>                         | <b>30% at or below 30% AMI<br/>30% at or below 50% AMI<br/>40% at or below 60% AMI</b>              |
| <b>DEMONSTRATION LOAN AMOUNT:</b>         | <b>\$623,895</b>  |
| <b>ADDITIONAL COMMENTS:</b>               |   |

**1. Background/Present Situation**

- a) On October 26, 2007, the Board approved the Credit Underwriting Report (CUR) for the Development with a recommendation to award \$623,895 for a SHADP loan for the development of homeless rental units, subject to the conditions outlined in the CUR.
- b) Under the conditions of the approved credit underwriting report a 100% payment and performance bond or a letter of credit in an amount not less than 25% of the construction contract is required in order to secure the construction contract between the General Contractor and the Borrower (Developer).
- c) On January 4, 2008, staff received a letter ([Exhibit A](#)) from the credit underwriter recommending the General Contractor, Kinley Construction Group, Ltd, on behalf of Kinley Corporation-Florida be permitted to sign a guarantee of completion which is permitted as alternate security in lieu of the above approved requirement in Rule 67ER06-55.

**2. Recommendation**

Approve the credit underwriter’s recommendation to allow a guarantee of completion to be provided to secure the construction contract between the Developer, Coalition for the Hungry and Homeless of Brevard County and the contractor in lieu of a payment and performance bond or letter of credit.



## SPECIAL ASSETS

### *Consent*

## XII. SPECIAL ASSETS

### A. Request Approval of the Transfer of the Property and the Assumption and Extension of the SAIL Loan for Homestead Apartments Associates, Ltd., a Florida Limited Partnership for Riverwalk I Apartments (91S-072)

|   |  |
|---|--|
| <b>Development Name: Riverwalk I (“Development”)</b>  | <b>Location: Miami-Dade County</b>   |
| <b>Developer/Principal: Homestead Apartments Associates, Ltd./Related Companies (“Developer”)</b> | <b>Set-Aside: 20% @ 50% AMI Farmworker, 80% @ 60% AMI Family<br/>LURA: 15 years; EUA: 30 years</b> |
| <b>Number of Units: 123</b>   | <b>Allocated Amount: SAIL - \$843,000</b>  |
| <b>Demographics: Farmworker/Family</b>  | <b>Housing Credits: \$471,638</b>  |

#### 1. Background

- a) During the 1991 SAIL Cycle III, Florida Housing awarded an \$843,000 construction/permanent loan to Homestead Apartments Associates, Ltd., a Florida Limited Partnership (“Borrower”), for the development of a 123-unit development in Miami-Dade County. The SAIL loan closed on March 10, 1992 and will mature on March 10, 2007. The Development also received a 1991 allocation of low-income housing tax credits of \$471,638. The Development was placed in service in November of 1993.
- b) The Borrower requested and the Board approved at its January 26, 2007 Board meeting a SAIL loan and Land Use Restriction Agreement (LURA) extension to March 10, 2008, to allow the new Borrower sufficient time to arrange financing in order to acquire and rehabilitate the Development.
- c) The Borrower applied for MMRB financing from Florida Housing and the Board approved that request at the October 26, 2007 Board meeting.

#### 2. Present Situation

- a) The Borrower requested approval to assume the SAIL loan. Additionally, it requested that the SAIL loan term and the affordability period in the LURA be extended to be co-terminus with the new MMRB financing. The loan will require full amortization with monthly payments of both principal and interest, a fixed base rate of 3.00%, an all-in rate of 3.30% that includes servicing fees, and a Debt Service Coverage (“DSC”) ratio of not less than 1.00 to 1.00. Borrower will be required to pay all accrued interest owing at loan closing. Staff has received a credit underwriting report with a positive recommendation.
- b) The credit underwriting report is further addressed in the MMRB section of the Board package.

#### 3. Recommendation

Approve the transfer of the property, assumption and extension of the SAIL loan with the new terms, extension of the affordability period all with the conditions provided in the credit underwriting report and direct staff to proceed with loan closing activities.

## SPECIAL ASSETS

### *Consent*

**B. Request Approval to Refinance the First Mortgage of the SAIL Loan for Edisto Group, Ltd., a Florida Limited Partnership, for Edisto Lake Apartments (94S-042)**

|  |   |
|--|---|
| <b>Development Name: Edisto Lake Apartments (“Development”)</b>  | <b>Location: Lee County</b>                                       |
| <b>Developer/Principal: Edisto Group Limited (“Owner”); Edisto Development Group, Inc. (“Developer”)</b> | <b>Set-Aside: 20% @ 40% AMI and 80% @ 60% AMI; Term: 50 years</b> |
| <b>Number of Units: 376</b>  | <b>Allocated Amount: SAIL \$ 2,822,781</b>                        |
| <b>Demographics: Family</b>  | <b>Housing Credits: \$1,688,643</b>                               |
| <b>Notes: HC 95L-006</b>   | <b>Servicer: First Housing Development Corp.</b>                  |

**1. Background**

During the 1994 Cycle, Florida Housing awarded a \$2,822,781 SAIL loan to Edisto Group, Ltd., a Florida Limited Partnership (Borrower) for the development of a 376-unit apartment complex in Lee County, Florida. The Development also received a 1995 allocation of low-income housing tax credits for \$1,688,643 and was placed in service in 1996.

**2. Present Situation**

- a) By letter dated October 11, 2007, the Borrower is requesting Florida Housing’s approval of the refinancing of the first mortgage. The refinancing involves converting the present adjustable rate mortgage to a lower fixed rate mortgage. The Borrower is also requesting Florida Housing’s approval to modify the SAIL loan maturity date to be co-terminus with the new first mortgage.
- b) Staff has received a credit underwriting report from First Housing Development Corporation ([Exhibit A](#)) providing a positive recommendation for the refinancing and SAIL loan modification.

**3. Recommendation**

Approve the recommendation of the Credit Underwriter outlined in the final Credit Underwriting Report dated January 4, 2007 recommending approval of the proposed refinancing of the first mortgage, modification of SAIL and LURA maturity date, and direct staff to proceed with loan modification activities subject to the conditions outlined in the credit underwriting report.

## SPECIAL ASSETS

### *Consent*

#### C. Request Approval of the Transfer and Assumption of the SAIL Loan for Ravenwood Apartments (1998-001S)

|   |   |
|---|---|
| <b>Development Name: Ravenwood Apartments (“Development”)</b>                             | <b>Location: Duval County</b>                     |
| <b>Developer/Principal: First Coast Family and Housing Foundation, Inc. (“Developer”)</b> | <b>Set-Aside: SAIL 71 % @ 50% AMI</b>             |
| <b>Number of Units: 112</b>   | <b>Allocated Amount: \$2,500,000</b>              |
| <b>Demographics: Family</b>   | <b>Servicer: AmeriNational Community Services</b> |

#### 1. Background

During the 1996 Application Cycle, Florida Housing awarded a \$2,500,000 SAIL construction/permanent loan to First Coast Family and Housing Foundation, Inc., a Florida not for profit corporation (“Borrower”), for the development of a 112-unit development in Duval County. The SAIL loan closed on December 4, 1997 and matures on March 4, 2014.

#### 2. Present Situation

- a) On October 26, 2007 the Development was sold. In a letter dated December 8, 2007 ([Exhibit B](#)), the new owner has requested approval of the transfer of the Development and assumption of the SAIL loan.
- b) Staff has received a credit underwriting report from AmeriNational Community Services ([Exhibit C](#)) dated January 10, 2008 providing a positive recommendation for the transfer and assumption of the SAIL loan.

#### 3. Recommendation

Approve the transfer of the property and assumption of the SAIL loan as recommended by the Credit Underwriter in the report dated January 10, 2008 with the conditions provided in the credit underwriting report and direct staff to proceed with loan modification activities.

## SPECIAL ASSETS

### *Consent*

**D. Request Approval to Purchase the First Mortgage on Two Properties Owned by United Development Communities, Inc., (PLP 03-048) and Maintain the Properties Until Sold**

|  |  |
|--|--|
| <b>Development Name: UDC AHRP (“Development”)</b>                              | <b>Location: Miami-Dade County</b>     |
| <b>Developer/Principal: United Development Communities, Inc. (“Developer”)</b> | <b>Set-Aside: PLP 100% @ 80% AMI</b>   |
| <b>Number of Units: 7 Homes</b>  | <b>Allocated Amount: PLP \$500,000</b> |
| <b>Demographics: Home Ownership</b>  | <b>Servicer: N/A</b>                   |

**1. Background**

United Development Communities, Inc. applied for Pre-Development Loan Program (PLP) funds in 2004 and was awarded a PLP loan in the amount of \$500,000 for acquisition and rehabilitation of seven properties in Miami-Dade County. The PLP loan closed on September 16, 2004. As of June 31, 2006 the Borrower has acquired and rehabilitated seven properties and of the seven, five have been sold to affordable home buyers and the proportionate amount of the PLP loan was repaid from the sales of each property.

**2. Present Situation**

The Borrower has been unable to sell the two remaining properties. In a letter dated July 20, 2007 the Borrower requested that Florida Housing purchase the first mortgage on the two remaining properties to allow time for the properties to be sold and repay the PLP loan. On November 21, 2007 the first lien holder filed a motion for summary judgment of foreclosure. Staff has analyzed the financial position of the two properties and concluded that Florida Housing can purchase the first mortgage and maintain them until a qualified purchaser can be found and the properties can be sold as affordable housing. Upon sale of the properties staff expects to recoup all costs associated with purchasing the first mortgage and maintaining the properties.

**3. Recommendation**

Approve the use of Florida Housing funds to purchase the first mortgage and maintain the two properties and direct staff to proceed with all necessary activities to retain these properties until qualified affordable buyers can be found.