

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
December 4, 2009
Consent Items



AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Consent

I. AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

A. Request Approval of Credit Underwriting Report for Dr. Barbara Carey-Shuler Manor (2009-04-038X/2007-036CS)

Development Name: Dr. Barbara Carey-Shuler Manor (“Development”)	Location: Miami-Dade County
Developer/Principal: Carrfour Supportive Housing, Inc. (“Developer”)	Set-Aside: 20% @ 33% AMI & 80% @ 60%
Number of Units: 100	SAIL/Supplemental: 2,535,274/\$765,000
Type: High Rise	Tax Credit Exchange Amount: \$21,768,500
Demographics: Homeless	MMRB: N/A

1. Background/Present Situation

- a) On August 20, 2009, the Board approved the award list of the Request for Proposals (RFP) 2009-04 and directed staff to proceed with all necessary credit underwriting activities.
- b) On August 21, 2009, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Exchange Program funds. Additionally, this development has a SAIL and Supplemental loan.
- c) On November 20, 2009, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$2,535,274, a Supplemental loan in the amount of \$765,000 and a 2009 Tax Credit Exchange Program award in the amount of \$21,768,500, which is equivalent to an annual housing credit allocation of \$2,561,000 ([Exhibit A](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C and RFP 2009-04.

2. Recommendation

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

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Consent

B. Request Approval of Credit Underwriting Report for Labre Place (2009-04-063CTX/2006-074CS)

Development Name: Labre Place ("Development")	Location: Miami-Dade County
Developer/Principal: St. David Development, LLC ("Developer")	Set-Aside: 15% @ 33% AMI and 85% @ 60%
Number of Units: 90	SAIL: \$4,000,000
Type: High Rise	Tax Credit Exchange Amount: \$22,574,540
Demographics: Homeless	MMRB: N/A

1. Background/Present Situation

- a) On August 20, 2009, the Board approved the award list of the Request for Proposals (RFP) 2009-04 and directed staff to proceed with all necessary credit underwriting activities.
- b) On August 21, 2009, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Exchange Program funds. Additionally, this development has a SAIL loan.
- c) On November 20, 2009, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$4,000,000, and a 2009 Tax Credit Exchange Program award in the amount of \$22,574,540 which is equivalent to an annual housing credit allocation of \$2,257,454 ([Exhibit B](#)). This report is based on a rule waiver to be approved at the February 19, 2010 Board meeting, which will allow a change in the interest rate from three percent as required in the 2006 Rule to a zero percent interest rate for the pro rata share of units set-aside for homeless individuals as required in the 2009 Rule. Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C and RFP 2009-04.

2. Recommendation

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

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Consent

C. Request Approval of Credit Underwriting Report for Renaissance Preserve (2009-04-059CXT/2008-215C)

Development Name: Renaissance Preserve (“Development”)	Location: Lee County
Developer/Principal: Norstar Development USA, LP and Renaissance Preserve Developers, LLC (“Developer”)	Set-Aside: 20% @ 33% AMI & 80% @ 60%
Number of Units: 96	Supplemental Loan: \$850,000
Type: Townhomes	Tax Credit Exchange Amount: \$12,266,364
Demographics: Family	Tax Credit Assistance Program: \$221,882

1. Background/Present Situation

- a) On August 20, 2009, the Board approved the award list of the Request for Proposals (RFP) 2009-04 and directed staff to proceed with all necessary credit underwriting activities.
- b) On August 21, 2009, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Exchange Program funds and Tax Credit Assistance Program funds. Additionally, this development has a Supplemental loan.
- c) On November 20, 2009, staff received a credit underwriting report with a positive recommendation for a Supplemental Loan in the amount of \$850,000, a 2009 Tax Credit Assistance Program loan in the amount of \$221,882, and a 2009 Tax Credit Exchange Program award in the amount of \$12,266,364, which is equivalent to an annual housing credit allocation of \$1,446,632 ([Exhibit C](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2009-04.

2. Recommendation

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

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Consent

D. Request Approval of Credit Underwriting Report for St. Giles Manor (2009-04-039X)

Development Name: St. Giles Manor ("Development")	Location: Pinellas County
Developer/Principal: BREC Development, Inc. ("Developer")	Set-Aside: 10% @ 35% AMI & 90% @ 60%
Number of Units: 106	Tax Credit Exchange Amount: \$12,838,965
Type: Mid Rise	MMRB: N/A
Demographics: Elderly	

1. Background/Present Situation

- a) On August 20, 2009, the Board approved the award list of the Request for Proposals (RFP) 2009-04 and directed staff to proceed with all necessary credit underwriting activities.
- b) On August 21, 2009, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Exchange Program funds.
- c) On November 20, 2009, staff received a credit underwriting report with a positive recommendation for a 2009 Tax Credit Exchange Program award in the amount of \$12,838,965, which is equivalent to an annual housing credit allocation of \$1,510,466 ([Exhibit D](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C and RFP 2009-04.

2. Recommendation

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

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Consent

I. AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

E. Request Approval of Credit Underwriting Report for Beach Village at Palm Coast Apartments Phase I (2009-03-033CT)

Development Name: Beach Village at Palm Coast Apartments Phase I (“Development”)	Location: Flagler County
Developer/Principal: Atlantic Housing Partners, L.L.L.P. (“Developer”)	Set-Aside: 10% @ 35% AMI & 84% @ 60%
Number of Units: 106	Tax Credit Assistance Program: \$7,298,648
Type: Garden Style	Housing Credit Allocation: \$1,070,000
Demographics: Family	MMRB: N/A

1. Background/Present Situation

- a) On August 20, 2009 the Board approved the award list of the Request for Proposals (RFP) 2009-03 and directed staff to proceed with all necessary credit underwriting activities.
- b) On August 21, 2009, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Assistance Program funds and a Housing Credit Allocation.
- c) On November 24, 2009, staff received a credit underwriting report with a positive recommendation for a 2009 Tax Credit Assistance Program loan in the amount of \$7,298,648 and an annual Housing Credit Allocation of \$1,070,000 ([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. and RFP 2009-03.

2. Recommendation

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

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Consent

F. Request Approval of Credit Underwriting Report for Villages at Delray (2009-03-037CT)

Development Name: Villages at Delray (“Development”)	Location: Palm Beach County
Developer/Principal: Auburn Development, LLC (“Developer”)	Set-Aside: 11% @ 28% AMI & 89% @ 60%
Number of Units: 144	Tax Credit Assistance Program: \$7,500,000
Type: Garden Style	Housing Credit Allocation: \$2,110,000
Demographics: Family	MMRB: N/A

1. Background/Present Situation

- a) On August 20, 2009 the Board approved the award list of the Request for Proposals (RFP) 2009-03 and directed staff to proceed with all necessary credit underwriting activities.
- b) On August 21, 2009, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Assistance Program funds and a Housing Credit Allocation.
- c) On November 24, 2009, staff received a credit underwriting report with a positive recommendation for a 2009 Tax Credit Assistance Program loan in the amount of \$7,500,000 and an annual Housing Credit Allocation of \$2,110,000 ([Exhibit F](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2009-03.

2. Recommendation

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

HOME RENTAL

Consent

II. HOME RENTAL

A. Request Approval of HOME Credit Underwriting Report for SCLAD Plaza (2008-082H)

Development Name: SCLAD Plaza ("Development")	Location: Miami-Dade County
Developer/Principal: Spinal Cord Living Assistance (SCLAD) (Principal)	Set-Aside: 20% @ 50% AMI /80% @ 60% AMI 18 HOME Units
Number of Units: 18	Allocated Amount: \$1,200,000
Type: Mid-Rise-4 Story /New Construction	Demographics: Family

1. Background/Present Situation

- a) On September 26, 2008, the Board approved the final scores and ranking for the 2008 Universal Application Cycle and directed Staff to proceed with all necessary credit underwriting activities.
- b) SCLAD Plaza was issued a preliminary commitment letter and an invitation to enter credit underwriting for a HOME loan in an amount up to \$1,200,000 for this 18-unit family Development located in Miami-Dade County.
- c) Rule Chapter 67-48.0072(4)(c), F.A.C. states the HOME loan must close within 14 months of the issuance of the preliminary commitment. Applicants may request one (1) extension of up to 10 months.
- d) On September 29, 2009, staff received a letter from the Developer requesting an extension of 10 months to close the HOME loan. At the October 23, 2009 meeting, the Board approved to extend the deadline until September 29, 2010 to close the HOME loan, subject to payment of the extension fee pursuant to Rule Chapter 67-48.0072(4)(c), F.A.C.
- e) On November 13, 2009, staff received a final credit underwriting report with a positive recommendation for a HOME loan in the amount of \$1,200,000 ([Exhibit A](#)). 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 final credit underwriting report and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

HOME RENTAL

Consent

B. Request Approval of HOME Loan Closing Extension for North Central Heights II (2008-057H)

Development Name: North Central Heights II (“Development”)	Location: Highlands County
Developer/Principal: Affordable Housing Solutions for Florida, Inc. (Principal)	Set-Aside: 20% @ 50% AMI /80% @ 60% AMI 32 HOME Units
Number of Units: 32	Allocated Amount: \$4,108,672
Type: Single Family /New Construction	Demographics: Family

1. Background/Present Situation

- a) On September 26, 2008, the Board approved the final scores and ranking for the 2008 Universal Application Cycle and directed Staff to proceed with all necessary credit underwriting activities.
- b) On November 5, 2008, North Central Heights II was issued a preliminary commitment letter and an invitation to enter credit underwriting for a HOME loan in an amount up to \$4,108,672 for this 32-unit family Development located in Highlands County.
- c) Rule Chapter 67-48.0072(4)(c), F.A.C. states the HOME loan must close within 14 months of the issuance of the preliminary commitment. Applicants may request one (1) extension of up to 10 months.
- d) On November 9, 2009, staff received a letter from the Developer requesting an extension of 10 months to close the HOME loan ([Exhibit B](#)).

2. Recommendation

Approve the request for a 10 month extension until November 4, 2010 to close the HOME loan, subject to payment of the extension fee pursuant to Rule Chapter 67-48.0072(4)(c), F.A.C.

HOMEOWNERSHIP PROGRAMS

Consent

III. HOMEOWNERSHIP PROGRAMS

A. COMMUNITY LAND TRUST - Authorize Staff to De-obligate HOME funds for Middle Keys Community Land Trust, Inc. (Non-Profit) / CLTRFP05-04-4

Applicant Name (“Applicant”):	Middle Keys Community Land Trust, Inc. (Non-Profit)
Developer/Principal (“Developer”):	Richard Casey, Jr.
Number of Units: 8	Location: Monroe County, Florida
Type: Community Land Trust Loan	Allocated Amount: \$1,405,624 <i>*original request was for \$1,756,920</i>

1. Background/Present Situation

- a) On March 3, 2006, the Board approved the final rankings for the 2005 Community Land Trust Request for Proposals (CLTRFP-05) and Florida Housing issued the Applicant an invitation into credit underwriting on March 16, 2006.
- b) Although the Developer’s original request was for \$1,756,920 for 10 units, the request was modified to 8 units for \$1,405,624 due to the inability to purchase one of the parcels.
- c) On March 16, 2007, the Board approved the Credit Underwriting Report (CUR) for a total of \$1,405,624 for 8 units. The loan closed on July 23, 2007. The development consisted of 6 buildings for a total of 16 units, 8 of which were HOME-assisted and part of the CLT loan and 8 of which were SHIP-assisted and not subject to the CLT loan.
- d) Staff has been in contact with the Developer, credit underwriter, and the technical assistance provider regarding the Developer’s request to utilize an additional \$351,296, the difference between their original request and what was approved by the Board.
- e) The Developer currently owns two lots for which he wants to use CLT funds to refinance the outstanding debt and build new homes. However, the Developer owes approximately \$290,000 on these lots which have now appraised for only \$50,000 each. The Developer has not provided requested information to the credit underwriter from the current lien holder, Orion Bank. In addition, staff cannot recommend that CLT funds be used to refinance the Developer on two lots that are now worth only a fraction of the amount that he borrowed to purchase them.
- f) A letter from the credit underwriter is attached as [Exhibit A](#).

2. Recommendation

Staff recommends that the \$351,296 in remaining HOME funds be de-obligated.

HOMEOWNERSHIP PROGRAMS

Consent

B. COMMUNITY LAND TRUST - Request for Approval to Extend the Loan for GoodHomes / CLTRFP05-04-2

Applicant Name (“Applicant”):	GoodHomes of Manasota, Inc. (Non-Profit)
Developer/Principal (“Developer”):	Laura Carter / Peggy Roberts
Type: Community Land Trust Loan (land acquisition)	Allocated Amount: \$290,000 / 6 lots
Location:	Sarasota County, Florida

1. Background

- a) On March 3, 2006, the Board approved the final rankings for the 2005 Community Land Trust Request for Proposals (“CLTRFP-05”) and Florida Housing issued the Applicant an invitation into credit underwriting on March 13, 2006.
- b) The final credit underwriting report, dated August 24, 2006, was approved at the September 8, 2006 Board Meeting, which specified that construction must commence within 12 months following the purchase of the land.
- c) The Developer closed on a loan with a term of two years for the purchase of 6 lots for \$290,000 on October 31, 2006.
- d) On October 26, 2007, the Board granted an extension until October 31, 2008 for the commencement of construction.
- e) On August 4, 2008, the Developer advised they were unable to continue with the project and requested resolution of the \$290,000 in CLT funds provided for the purchase of the 6 lots.
- f) At the September 26, 2008 meeting, the Board approved the request to de-obligate the remaining \$210,000 in CLT funds and directed program staff to negotiate a “work-out” strategy for the \$290,000 in CLT funds received.
- g) On October 31, 2008, the Board granted an extension of the Loan until October 31, 2009.

2. Present Situation

- a) On November 12, 2009, the Developer provided a letter requesting an extension of the Loan to pursue a suitable option for the lots. The letter is attached as [Exhibit B](#).
- b) The technical assistance provider has reviewed their request and has given a positive recommendation. The letter is attached as [Exhibit C](#).

3. Recommendation

Staff recommends that the Board grant an extension of the Loan until October 31, 2010

HOMEOWNERSHIP PROGRAMS

Consent

C. Request for Approval to Extend the Construction Period for Approval for Carolina Oaks / HAPC99-004

Applicant Name (“Applicant”):	City of Tallahassee
Development Name (“Development”):	Carolina Oaks (a.k.a. Carolina Place)
Developer/Principal (“Developer”):	Tom Lewis
Number of Units: 13	Location: Leon County
Type: HAP Purchase Assistance Loan	Allocated Amount: \$350,000

1. Background

- a) The Developer submitted an application during the 1999-2000 HAP Construction Loan Program Application Cycle and was invited into credit underwriting on March 15, 2001.
- b) The credit underwriting report, dated January 8, 2004, was approved at the January 23, 2004 Board meeting. On January 27, 2004, a firm commitment letter was issued to the Developer, with the construction period scheduled to end on December 31, 2007.
- c) On December 7, 2007, the Board granted an extension until December 31, 2008, and at the January 23, 2009 meeting, granted an extension until December 31, 2009.

2. Present Situation

- a) The Developer has completed 13 homes and closed upon 11 homes, utilizing \$290,000 out of the original \$350,000 in HAP funds for 10 of these homes, with \$60,000 remaining. In order to meet the requirements of the Florida Homeownership Assistance Program (HAP), Section 420.5088, FS, the Developer must sell 1 of the remaining homes to a very low income homebuyer, whose income does not exceed 50% AMI.
- b) On November 19, 2009, the Developer requested a one-year extension, advising of difficulties in obtaining qualified very low income homebuyers. The letter is attached as [Exhibit D](#). In addition to HAP funds, the Applicant has also committed to provide the down payment assistance necessary to assist a very low income buyer with the purchase of the home. The Applicant has already reduced the sales price of the units by approximately 20%.

3. Recommendation

Staff recommends that the Board grant an extension of the construction period from December 31, 2009 until December 31, 2010, and, in order to fulfill the requirements of the HAP statute, requiring the sale to a very low income homebuyer whose income does not exceed 50% AMI, to occur first.

HOMEOWNERSHIP PROGRAMS

Consent

D. Request for Approval to Extend the Construction Period for Hancock Place / HAP02-007

Applicant Name (“Applicant”):	St. Johns Housing Partnership, Inc. (Non-Profit)
Development Name (“Development”):	Hancock Place
Developer/Principal (“Developer”):	Bill Lazar
Number of Units: 32	Location: St. Augustine, St. Johns County
Type: HAP Construction Loan	Allocated Amount: \$840,000

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 March 17, 2004, was approved at the April 2, 2004 Board Meeting. The construction loan closed on October 29, 2004, with the construction period scheduled to end on October 29, 2007.
- c) On September 21, 2007, the Board granted an extension until June 29, 2008 and at the September 22, 2008 meeting, granted an extension until September 26, 2009.
- d) To date, the Developer has closed upon 27 homes, utilizing \$795,107 out of the original \$840,000 in HAP funds, with \$44,893 remaining.

2. Present Situation

On November 19, 2009, the Developer requested an additional six-month extension, advising of the difficulties in obtaining qualified homebuyers. The letter is attached as [Exhibit E](#). The Developer has voluntarily incorporated the highest green building standards into his homes and has used his HAP funds in a responsible manner that gives the proper benefit to homebuyers.

3. Recommendation

Staff recommends that the Board grant an extension of the construction period until June 3, 2010.

LEGAL

Consent

IV. LEGAL

A. In Re: Liberty Gateway, Ltd. – FHFC Case No. 2009-033 VW

Development Name: (“Development”):	Dr. Barbara Carey-Shuler Manor
Developer/Principal: (“Developer”):	Carrfour Supportive Housing, Inc.
Number of Units: 100	Location: Miami-Dade County
Type: High-Rise	Set Aside: 20% @ 33% AMI 80% @ 60% AMI
Demographics: Homeless	HC: \$2,561,000 ELI: \$765,000 SAIL: 2,974,923.50

1. Background/Present Situation

- a) During the 2007 Universal Cycle, Florida Housing awarded an allocation of Housing Credits, State Apartment Incentive Loan (“SAIL”) funds and supplemental funds (“ELI”) to Liberty Gateway, Ltd. (“Petitioner”) to construct Dr. Barbara Carey-Shuler Manor (the “Development”) in Miami-Dade County, Florida. Petitioner’s Application was #2007-036CS.
- b) On August 14, 2009, Petitioner sought funding from Request for Proposal 2009-04, Tax Credit Exchange Program Funding, due to the loss of its tax credit equity syndicator. On August 20, 2009, Petitioner was issued an invitation into credit underwriting for Exchange Program Funds.
- c) On September 22, 2009, Florida Housing received a “Petition for Waiver of Rule 67-48.0072(4)(c), Florida Administrative Code (2007).” (“Petition”) A copy of the Petition is attached as [Exhibit A](#).
- d) Rule 67-48.0072(4)(c), F.A.C., (2007) states in pertinent part:

(4)If the credit underwriting invitation is accepted:

(c) For SAIL and HOME Applicants and Applicant/s eligible for a supplemental loan, the loan(s) must close within 14 months of the issuance of the preliminary commitment. Applicants may request one (1) extension for up to 10 months. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting an extension and shall detail the time frame to close the loan. The written request will then be submitted to the Corporation’s Board for consideration. The Board shall consider the facts and circumstances of each Applicant’s request and any credit underwriting report, if available, prior to determining whether to grant the requested extension. The Corporation shall charge a non-refundable extension fee of 1 percent of each loan amount if the Board approves the request to extend the commitment beyond the initial 14 month period. In the event the loan does not close within 24 months of the issuance of the preliminary commitment, the preliminary commitment or firm commitment, as applicable, will be deemed void and the funds will be de-obligated.

LEGAL

Consent

- e) Petitioner requests a waiver of the Rule requiring it to close the SAIL loan within twenty-four months of the issuance of the preliminary commitment. Specifically, Petitioner received a preliminary commitment from Florida Housing on September 28, 2007, and an invitation to credit underwriting. On October 31, 2008, Florida Housing approved the final credit underwriting report for the Development and granted a ten month extension to close the SAIL and ELI loan. The deadline to close the loans was September 28, 2009.
- f) Petitioner was unable to meet this deadline due to the loss of its original tax credit equity syndicator and inability to secure another tax credit equity investor. On August 14, 2009, Petitioner submitted its response to Request for Proposal 2009-04, seeking funds under the Tax Credit Exchange Program (“Exchange Funds”). On August 20, 2009, Petitioner received an invitation to enter credit underwriting for these funds.
- g) Petitioner requests a further extension of the closing date for its SAIL and ELI loan to allow it to complete credit underwriting for the Exchange Funds, to avoid the application of the rule which provides for the de-obligation of the funds in the event the loans are not closed within twenty-four months of the issuance of the preliminary commitment.
- h) On October 2, 2009, the Notice of Petition was published in the Florida Administrative Weekly in Volume 35, Number 39. To date, Florida Housing has received no comments concerning the Petition.
- i) 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.
- j) Under these circumstances, strict application of the above Rule to this Petitioner would violate the principals of fairness. Petitioner demonstrated that it has expended substantial funds in the pre-development of the Development, including the acquisition of the land and through no fault of its own, was unable to locate a tax credit investor to provide the equity funds necessary to close the SAIL and ELI loans. Granting this request furthers Florida Housing's statutory mandate to provide safe, sanitary and affordable housing to the citizens of Florida.

2. Recommendation

Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rule 67-48.0072(4)(c), F.A.C., which requires Florida Housing to de-obligate SAIL and supplemental loan funds if not closed within twenty-four months of the preliminary commitment. The new closing date for such funds is April 30, 2010.

LEGAL

Consent

B. In Re: Oviedo Town Centre II Partners, LLP – FHFC Case No. 2009-045VW

Development Name: (“Development”):	Oviedo Town Centre – Phase II Application No. 2008-262S
Developer/Principal: (“Developer”):	Atlantic Housing Group, LLC
Number of Units: 34	Location: Seminole County
Type: Garden Apartments	Set Asides: SAIL: 10% @ 33% AMI 60% @ 60% AMI 30% @ 120% AMI
Demographics: Family	SAIL: \$1,200,000

1. Background

- a) During the 2008 Universal Cycle, Oviedo Town Centre II Partners, LLLP (“Petitioner”) applied for and was awarded State Apartment Incentive Loan (SAIL) funding to finance the construction of Oviedo Town Centre – Phase II (the “Development”) located in Seminole County, Florida.
- b) On October 22, 2009, Florida Housing received a Petition for Waiver from Florida Administrative Code Rule 67-48.010(8) (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit B](#).

2. Present Situation

- a) Rule 67-48.010(8), Fla. Admin. Code (2008) provides, in pertinent part:

(8) The determination of Development Cash Flow, determination of payment priorities, and payment of interest on SAIL loans shall occur annually. Any payments of accrued and unpaid interest due annually on SAIL loans shall be deferred to the extent that Development Cash Flow is insufficient to make said payments pursuant to the payment priority schedule established in this rule chapter. If Development Cash Flow is under-reported and such report causes a deferral of SAIL interest, such under-reporting shall constitute an event of default on the SAIL loan. A penalty of 5 percent of any required payment shall be assessed.
- b) Petitioner has requested a waiver of the above Rule to permit the annual interest payment on this SAIL loan to be “hard pay”, without such payment of interest being contingent on available Development Cash Flow. Petitioner’s tax-exempt (local) bond financing is cross-collateralized with adjacent developments owned by affiliates of Petitioner. As a result of this cross-collateralization, Florida Housing required Petitioner to agree that the annual interest payment would be paid notwithstanding Rule 67-48.010(8), Fla. Admin. Code (2008), which allows such interest payment to be deferred to the extent that Development Cash Flow is insufficient to make the interest payments pursuant to the payment priority schedule set forth in subsection (6) of the Rule. This Petition is filed to meet the terms of the agreement reached by Petitioner and Florida Housing as a condition of closing.

LEGAL

Consent

- c) The requested change would neither affect the scoring of Petitioner's application nor allow Petitioner to gain an unfair advantage over other applicants.
- d) On November 6, 2009, the Notice of Petition was published in the Florida Administrative Weekly. To date, Florida Housing has received no comments concerning the Petition.
- e) 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.
- f) 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 Florida Housing would not agree to close the SAIL loan under these circumstances absent this request for a waiver of Rule 67-48-010(8), Fla. Admin. Code. Petitioner has further demonstrated that permitting this change in Development would also serve the underlying purpose of the statute by permitting Petitioner to cross-collateralize with adjacent Developments owned by affiliates of Petitioner.

3. Recommendation

Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-48.010(8), Fla. Admin. Code (2008), to require the annual payment of SAIL loan interest without deferment of such payment of interest based on the amount of available Development Cash Flow.

LEGAL

Consent

C. In Re: Oviedo Town Centre Development Group, LLLP - FHFC Case No. 2009-046VW

Development Name: (“Development”):	Oviedo Town Centre – Phase I Application No. 2005-082S
Developer/Principal: (“Developer”):	Atlantic Housing Group, LLC
Number of Units: 120	Location: Seminole County
Type: Garden Apartments	Set Asides: SAIL: 70% @ 60% AMI
Demographics: Family	SAIL: \$2,650,000

1. Background

- a) During the 2005 Universal Cycle, Oviedo Town Centre Development Group, LLLP (“Petitioner”) applied for and was awarded State Apartment Incentive Loan (SAIL) funding to finance the construction of Oviedo Town Centre – Phase I (the “Development”) located in Seminole County, Florida.
- b) On October 22, 2009, Florida Housing received a Petition for Waiver from Florida Administrative Code Rule 67-48.010(6) (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit C](#).

2. Present Situation

- a) Rule 67-48.010(6), Fla. Admin. Code (2005) provides, in pertinent part:
 - (6) The determination of Development Cash Flow, determination of payment priorities, and payment of interest on SAIL loans shall occur annually. Any payments of accrued and unpaid interest due annually on SAIL loans shall be deferred to the extent that Development Cash Flow is insufficient to make said payments pursuant to the payment priority schedule established in this rule chapter. If Development Cash Flow is under-reported and such report causes a deferral of SAIL interest, such under-reporting shall constitute an event of default on the SAIL loan. A penalty of 5 percent of any required payment shall be assessed.
- b) Petitioner has requested a waiver of the above Rule to permit the annual interest payment on this SAIL loan to be “hard pay”, without such payment of interest being contingent on available Development Cash Flow. Petitioner’s tax-exempt (local) bond financing is cross-collateralized with adjacent developments owned by affiliates of Petitioner. As a result of this cross-collateralization, Florida Housing required Petitioner to agree that the annual interest payment would be paid notwithstanding Rule 67-48.010(6), Fla. Admin. Code (2005), which allows such interest payment to be deferred to the extent that Development Cash Flow is insufficient to make the interest payments pursuant to the payment priority schedule set forth in subsection (4) of the Rule. This Petition is filed to meet the terms of the agreement reached by Petitioner and Florida Housing as a condition of closing.

LEGAL

Consent

- c) The requested change would neither affect the scoring of Petitioner's application nor allow Petitioner to gain an unfair advantage over other applicants.
- d) On November 6, 2009, the Notice of Petition was published in the Florida Administrative Weekly. To date, Florida Housing has received no comments concerning the Petition.
- e) 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.
- f) 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 Florida Housing would not agree to close the SAIL loan under these circumstances absent this request for a waiver of Rule 67-48-010(6), Fla. Admin. Code. Petitioner has further demonstrated that permitting this change in Development would also serve the underlying purpose of the statute by permitting Petitioner to cross-collateralize with adjacent Developments owned by affiliates of Petitioner.

3. Recommendation

Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-48.010(6), Fla. Admin. Code (2005), to require the annual payment of SAIL loan interest without deferment of such payment of interest based on the amount of available Development Cash Flow.

LEGAL

Consent

D. In Re: Oviedo Town Centre III Partners, LLLP - FHFC Case No. 2009-047VW

Development Name: (“Development”):	Oviedo Town Centre – Phase III Application No. 2007-132BS
Developer/Principal: (“Developer”):	Atlantic Housing Group, LLC
Number of Units: 72	Location: Seminole County
Type: Garden Apartments	Set Asides: SAIL and MMRB: 10% @ 33% AMI 60% @ 60% AMI
Demographics: Family	SAIL: \$4,630,000

1. Background

- a) During the 2007 Universal Cycle, Oviedo Town Centre III Partners, LLLP (“Petitioner”) applied for and was awarded State Apartment Incentive Loan (SAIL) funding to finance the construction of Oviedo Town Centre – Phase III (the “Development”) located in Seminole County, Florida.
- b) On October 22, 2009, Florida Housing received a Petition for Waiver from Florida Administrative Code Rule 67-48.010(8) (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit D](#).

2. Present Situation

- a) Rule 67-48.010(8), Fla. Admin. Code (2007) provides, in pertinent part:
 - (8) The determination of Development Cash Flow, determination of payment priorities, and payment of interest on SAIL loans shall occur annually. Any payments of accrued and unpaid interest due annually on SAIL loans shall be deferred to the extent that Development Cash Flow is insufficient to make said payments pursuant to the payment priority schedule established in this rule chapter. If Development Cash Flow is under-reported and such report causes a deferral of SAIL interest, such under-reporting shall constitute an event of default on the SAIL loan. A penalty of 5 percent of any required payment shall be assessed.
- b) Petitioner has requested a waiver of the above Rule to permit the annual interest payment on this SAIL loan to be “hard pay”, without such payment of interest being contingent on available Development Cash Flow. Petitioner’s tax-exempt (local) bond financing is cross-collateralized with adjacent developments owned by affiliates of Petitioner. As a result of this cross-collateralization, Florida Housing required Petitioner to agree that the annual interest payment would be paid notwithstanding Rule 67-48.010(8), Fla. Admin. Code (2007), which allows such interest payment to be deferred to the extent that Development Cash Flow is insufficient to make the interest payments pursuant to the payment priority schedule set forth in subsection (6) of the Rule. This Petition is filed to meet the terms of the agreement reached by Petitioner and Florida Housing as a condition of closing.

LEGAL

Consent

- c) The requested change would neither affect the scoring of Petitioner's application nor allow Petitioner to gain an unfair advantage over other applicants.
- d) On November 6, 2009, the Notice of Petition was published in the Florida Administrative Weekly. To date, Florida Housing has received no comments concerning the Petition.
- e) 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.
- f) 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 Florida Housing would not agree to close the SAIL loan under these circumstances absent this request for a waiver of Rule 67-48-010(8), Fla. Admin. Code. Petitioner has further demonstrated that permitting this change in Development would also serve the underlying purpose of the statute by permitting Petitioner to cross-collateralize with adjacent Developments owned by affiliates of Petitioner.

3. **Recommendation**

Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-48.010(8), Fla. Admin. Code (2007), to require the annual payment of SAIL loan interest without deferment of such payment of interest based on the amount of available Development Cash Flow.

LEGAL

Consent

E. In Re: Cape Morris Cove II Partners, LLLP - FHFC Case No. 2009-048VW

Development Name: (“Development”):	Cape Morris Cove – Phase II Application No. 2008-238BS
Developer/Principal: (“Developer”):	Atlantic Housing Group, LLC
Number of Units: 47	Location: Volusia County
Type: Garden Apartments	Set Asides: SAIL: 10% @ 35% AMI 60% @ 60% AMI 30% @ 120% AMI
Demographics: Family	SAIL: \$1,500,000

1. Background

- a) During the 2008 Universal Cycle, Cape Morris Cove II Partners, LLLP (“Petitioner”) applied for and was awarded State Apartment Incentive Loan (SAIL) funding to finance the construction of Cape Morris Cove – Phase II (the “Development”) located in Volusia County, Florida.
- b) On October 22, 2009, Florida Housing received a Petition for Waiver from Florida Administrative Code Rule 67-48.010(8) (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit E](#).

2. Present Situation

- a) Rule 67-48.010(8), Fla. Admin. Code (2008) provides, in pertinent part:
 - (8) The determination of Development Cash Flow, determination of payment priorities, and payment of interest on SAIL loans shall occur annually. Any payments of accrued and unpaid interest due annually on SAIL loans shall be deferred to the extent that Development Cash Flow is insufficient to make said payments pursuant to the payment priority schedule established in this rule chapter. If Development Cash Flow is under-reported and such report causes a deferral of SAIL interest, such under-reporting shall constitute an event of default on the SAIL loan. A penalty of 5 percent of any required payment shall be assessed.
- b) Petitioner has requested a waiver of the above Rule to permit the annual interest payment on this SAIL loan to be “hard pay”, without such payment of interest being contingent on available Development Cash Flow. Petitioner’s tax-exempt (local) bond financing is cross-collateralized with adjacent developments owned by affiliates of Petitioner. As a result of this cross-collateralization, Florida Housing required Petitioner to agree that the annual interest payment would be paid notwithstanding Rule 67-48.010(8), Fla. Admin. Code (2008), which allows such interest payment to be deferred to the extent that Development Cash Flow is insufficient to make the interest payments pursuant to the payment priority schedule set forth in subsection (6) of the Rule. This Petition is filed to meet the terms of the agreement reached by Petitioner and Florida Housing as a condition of closing.

LEGAL

Consent

- c) The requested change would neither affect the scoring of Petitioner's application nor allow Petitioner to gain an unfair advantage over other applicants.
- d) On November 6, 2009, the Notice of Petition was published in the Florida Administrative Weekly. To date, Florida Housing has received no comments concerning the Petition.
- e) 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.
- f) 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 Florida Housing would not agree to close the SAIL loan under these circumstances absent this request for a waiver of Rule 67-48-010(8), Fla. Admin. Code. Petitioner has further demonstrated that permitting this change in Development would also serve the underlying purpose of the statute by permitting Petitioner to cross-collateralize with adjacent Developments owned by affiliates of Petitioner.

3. **Recommendation**

Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-48.010(8), Fla. Admin. Code (2008), to require the annual payment of SAIL loan interest without deferment of such payment of interest based on the amount of available Development Cash Flow.

LEGAL

Consent

F. In Re: Cape Morris Cove Partners, LLLP - FHFC Case No. 2009-049VW

Development Name: (“Development”):	Cape Morris Cove – Phase II Application No. 2007-142S
Developer/Principal: (“Developer”):	Atlantic Housing Group, LLC
Number of Units: 128	Location: Volusia County
Type: Garden Apartments	Set Asides: SAIL: 10% @ 35% AMI 60% @ 60% AMI
Demographics: Family	SAIL: \$5,000,000

1. Background

- a) During the 2007 Universal Cycle, Cape Morris Cove Partners, LLLP (“Petitioner”) applied for and was awarded State Apartment Incentive Loan (SAIL) funding to finance the construction of Cape Morris Cove – Phase I (the “Development”) located in Volusia County, Florida.
- b) On October 22, 2009, Florida Housing received a Petition for Waiver from Florida Administrative Code Rule 67-48.010(8) (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit F](#).

2. Present Situation

- a) Rule 67-48.010(8), Fla. Admin. Code (2007) provides, in pertinent part:

(8) The determination of Development Cash Flow, determination of payment priorities, and payment of interest on SAIL loans shall occur annually. Any payments of accrued and unpaid interest due annually on SAIL loans shall be deferred to the extent that Development Cash Flow is insufficient to make said payments pursuant to the payment priority schedule established in this rule chapter. If Development Cash Flow is under-reported and such report causes a deferral of SAIL interest, such under-reporting shall constitute an event of default on the SAIL loan. A penalty of 5 percent of any required payment shall be assessed.
- b) Petitioner has requested a waiver of the above Rule to permit the annual interest payment on this SAIL loan to be “hard pay”, without such payment of interest being contingent on available Development Cash Flow. Petitioner’s tax-exempt (local) bond financing is cross-collateralized with adjacent developments owned by affiliates of Petitioner. As a result of this cross-collateralization, Florida Housing required Petitioner to agree that the annual interest payment would be paid notwithstanding Rule 67-48.010(8), Fla. Admin. Code (2007), which allows such interest payment to be deferred to the extent that Development Cash Flow is insufficient to make the interest payments pursuant to the payment priority schedule set forth in subsection (6) of the Rule. This Petition is filed to meet the terms of the agreement reached by Petitioner and Florida Housing as a condition of closing.

LEGAL

Consent

- c) The requested change would neither affect the scoring of Petitioner's application nor allow Petitioner to gain an unfair advantage over other applicants.
- d) On November 6, 2009, the Notice of Petition was published in the Florida Administrative Weekly. To date, Florida Housing has received no comments concerning the Petition.
- e) 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.
- f) 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 Florida Housing would not agree to close the SAIL loan under these circumstances absent this request for a waiver of Rule 67-48-010(8), Fla. Admin. Code. Petitioner has further demonstrated that permitting this change in Development would also serve the underlying purpose of the statute by permitting Petitioner to cross-collateralize with adjacent Developments owned by affiliates of Petitioner.

3. Recommendation

Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-48.010(8), Fla. Admin. Code (2007), to require the annual payment of SAIL loan interest without deferment of such payment of interest based on the amount of available Development Cash Flow.

LEGAL

Consent

G. In Re: Fairview Cove, LLLP - FHFC Case No. 2009-050VW

Development Name: (“Development”):	Fairview Cove – Phase I Application No. 2007-137BS
Developer/Principal: (“Developer”):	Atlantic Housing Group, LLC
Number of Units: 88	Location: Hillsborough County
Type: Garden Apartments	Set Asides: SAIL: 10% @ 33% AMI 60% @ 60% AMI
Demographics: Family	SAIL: \$5,000,000

1. Background

- a) During the 2007 Universal Cycle, Fairview Cove, LLLP (“Petitioner”) applied for and was awarded State Apartment Incentive Loan (SAIL) funding to finance the construction of Fairview Cove – Phase I (the “Development”) located in Hillsborough County, Florida.
- b) On October 22, 2009, Florida Housing received a Petition for Waiver from Florida Administrative Code Rule 67-48.010(8) (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit G](#).

2. Present Situation

- a) Rule 67-48.010(8), Fla. Admin. Code (2007) provides, in pertinent part:
 - (8) The determination of Development Cash Flow, determination of payment priorities, and payment of interest on SAIL loans shall occur annually. Any payments of accrued and unpaid interest due annually on SAIL loans shall be deferred to the extent that Development Cash Flow is insufficient to make said payments pursuant to the payment priority schedule established in this rule chapter. If Development Cash Flow is under-reported and such report causes a deferral of SAIL interest, such under-reporting shall constitute an event of default on the SAIL loan. A penalty of 5 percent of any required payment shall be assessed.
- b) Petitioner has requested a waiver of the above Rule to permit the annual interest payment on this SAIL loan to be “hard pay”, without such payment of interest being contingent on available Development Cash Flow. Petitioner’s tax-exempt (local) bond financing is cross-collateralized with adjacent developments owned by affiliates of Petitioner. As a result of this cross-collateralization, Florida Housing required Petitioner to agree that the annual interest payment would be paid notwithstanding Rule 67-48.010(8), Fla. Admin. Code (2007), which allows such interest payment to be deferred to the extent that Development Cash Flow is insufficient to make the interest payments pursuant to the payment priority schedule set forth in subsection (6) of the Rule. This Petition is filed to meet the terms of the agreement reached by Petitioner and Florida Housing as a condition of closing.

LEGAL

Consent

- c) The requested change would neither affect the scoring of Petitioner's application nor allow Petitioner to gain an unfair advantage over other applicants.
- d) On November 6, 2009, the Notice of Petition was published in the Florida Administrative Weekly. To date, Florida Housing has received no comments concerning the Petition.
- e) 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.
- f) 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 Florida Housing would not agree to close the SAIL loan under these circumstances absent this request for a waiver of Rule 67-48-010(8), Fla. Admin. Code. Petitioner has further demonstrated that permitting this change in Development would also serve the underlying purpose of the statute by permitting Petitioner to cross-collateralize with adjacent Developments owned by affiliates of Petitioner.

3. **Recommendation**

Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-48.010(8), Fla. Admin. Code (2007), to require the annual payment of SAIL loan interest without deferment of such payment of interest based on the amount of available Development Cash Flow.

LEGAL

Consent

H. In Re: Malabar Cove, LLLP - FHFC Case No. 2009-051VW

Development Name: (“Development”):	Malabar Cove – Phase I Application No. 2007-197BS
Developer/Principal: (“Developer”):	Atlantic Housing Group, LLC
Number of Units: 76	Location: Brevard County
Type: Garden Apartments	Set Asides: SAIL: 10% @ 33% AMI 60% @ 60% AMI
Demographics: Family	SAIL: \$4,000,000

1. Background

- a) During the 2007 Universal Cycle, Malabar Cove, LLLP (“Petitioner”) applied for and was awarded State Apartment Incentive Loan (SAIL) funding to finance the construction of Malabar Cove – Phase I (the “Development”) located in Brevard County, Florida.
- b) On October 22, 2009, Florida Housing received a Petition for Waiver from Florida Administrative Code Rule 67-48.010(8) (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit H](#).

2. Present Situation

- a) Rule 67-48.010(8), Fla. Admin. Code (2007) provides, in pertinent part:

(8) The determination of Development Cash Flow, determination of payment priorities, and payment of interest on SAIL loans shall occur annually. Any payments of accrued and unpaid interest due annually on SAIL loans shall be deferred to the extent that Development Cash Flow is insufficient to make said payments pursuant to the payment priority schedule established in this rule chapter. If Development Cash Flow is under-reported and such report causes a deferral of SAIL interest, such under-reporting shall constitute an event of default on the SAIL loan. A penalty of 5 percent of any required payment shall be assessed.
- b) Petitioner has requested a waiver of the above Rule to permit the annual interest payment on this SAIL loan to be “hard pay”, without such payment of interest being contingent on available Development Cash Flow. Petitioner’s tax-exempt (local) bond financing is cross-collateralized with adjacent developments owned by affiliates of Petitioner. As a result of this cross-collateralization, Florida Housing required Petitioner to agree that the annual interest payment would be paid notwithstanding Rule 67-48.010(8), Fla. Admin. Code (2007), which allows such interest payment to be deferred to the extent that Development Cash Flow is insufficient to make the interest payments pursuant to the payment priority schedule set forth in subsection (6) of the Rule. This Petition is filed to meet the terms of the agreement reached by Petitioner and Florida Housing as a condition of closing.

LEGAL

Consent

- c) The requested change would neither affect the scoring of Petitioner's application nor allow Petitioner to gain an unfair advantage over other applicants.
- d) On November 6, 2009, the Notice of Petition was published in the Florida Administrative Weekly. To date, Florida Housing has received no comments concerning the Petition.
- e) 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.
- f) 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 Florida Housing would not agree to close the SAIL loan under these circumstances absent this request for a waiver of Rule 67-48-010(8), Fla. Admin. Code. Petitioner has further demonstrated that permitting this change in Development would also serve the underlying purpose of the statute by permitting Petitioner to cross-collateralize with adjacent Developments owned by affiliates of Petitioner.

3. **Recommendation**

Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-48.010(8), Fla. Admin. Code (2007), to require the annual payment of SAIL loan interest without deferment of such payment of interest based on the amount of available Development Cash Flow.

LEGAL

Consent

I. In Re: Rolling Acres Club II, LLLP - FHFC Case No. 2009-052VW

Development Name: (“Development”):	Rolling Acres Club – Phase II Application No. 2007-129S
Developer/Principal: (“Developer”):	Atlantic Housing Group, LLC
Number of Units: 35	Location: Lake County
Type: Garden Apartments	Set Asides: SAIL: 10% @ 33% AMI 60% @ 60% AMI
Demographics: Elderly	SAIL: \$2,289,000

1. Background

- a) During the 2007 Universal Cycle, Rolling Acres Club II, LLLP (“Petitioner”) applied for and was awarded State Apartment Incentive Loan (SAIL) funding to finance the construction of Rolling Acres Club – Phase II (the “Development”) located in Lake County, Florida.
- b) On October 22, 2009, Florida Housing received a Petition for Waiver from Florida Administrative Code Rule 67-48.010(8) (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit I](#).

2. Present Situation

- a) Rule 67-48.010(8), Fla. Admin. Code (2007) provides, in pertinent part:
 - (8) The determination of Development Cash Flow, determination of payment priorities, and payment of interest on SAIL loans shall occur annually. Any payments of accrued and unpaid interest due annually on SAIL loans shall be deferred to the extent that Development Cash Flow is insufficient to make said payments pursuant to the payment priority schedule established in this rule chapter. If Development Cash Flow is under-reported and such report causes a deferral of SAIL interest, such under-reporting shall constitute an event of default on the SAIL loan. A penalty of 5 percent of any required payment shall be assessed.
- b) Petitioner has requested a waiver of the above Rule to permit the annual interest payment on this SAIL loan to be “hard pay”, without such payment of interest being contingent on available Development Cash Flow. Petitioner’s tax-exempt (local) bond financing is cross-collateralized with adjacent developments owned by affiliates of Petitioner. As a result of this cross-collateralization, Florida Housing required Petitioner to agree that the annual interest payment would be paid notwithstanding Rule 67-48.010(8), Fla. Admin. Code (2007), which allows such interest payment to be deferred to the extent that Development Cash Flow is insufficient to make the interest payments pursuant to the payment priority schedule set forth in subsection (6) of the Rule. This Petition is filed to meet the terms of the agreement reached by Petitioner and Florida Housing as a condition of closing.

LEGAL

Consent

- c) The requested change would neither affect the scoring of Petitioner's application nor allow Petitioner to gain an unfair advantage over other applicants.
- d) On November 6, 2009, the Notice of Petition was published in the Florida Administrative Weekly. To date, Florida Housing has received no comments concerning the Petition.
- e) 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.
- f) 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 Florida Housing would not agree to close the SAIL loan under these circumstances absent this request for a waiver of Rule 67-48-010(8), Fla. Admin. Code. Petitioner has further demonstrated that permitting this change in Development would also serve the underlying purpose of the statute by permitting Petitioner to cross-collateralize with adjacent Developments owned by affiliates of Petitioner.

3. **Recommendation**

Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-48.010(8), Fla. Admin. Code (2007), to require the annual payment of SAIL loan interest without deferment of such payment of interest based on the amount of available Development Cash Flow.

LEGAL

Consent

J. In Re: Rolling Acres Club, LLLP - FHFC Case No. 2009-053VW

Development Name: (“Development”):	Rolling Acres – Phase I Application No. 2007-127S
Developer/Principal: (“Developer”):	Atlantic Housing Group, LLC
Number of Units: 88	Location: Lake County
Type: Garden Apartments	Set Asides: SAIL: 5% @ 33% AMI 65% @ 60% AMI
Demographics: Family	SAIL: \$5,000,000

1. Background

- a) During the 2007 Universal Cycle, Rolling Acres Club, LLLP (“Petitioner”) applied for and was awarded State Apartment Incentive Loan (SAIL) funding to finance the construction of Rolling Acres – Phase I (the “Development”) located in Lake County, Florida.
- b) On October 22, 2009, Florida Housing received a Petition for Waiver from Florida Administrative Code Rule 67-48.010(8) (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit J](#).

2. Present Situation

- a) Rule 67-48.010(8), Fla. Admin. Code (2007) provides, in pertinent part:

(8) The determination of Development Cash Flow, determination of payment priorities, and payment of interest on SAIL loans shall occur annually. Any payments of accrued and unpaid interest due annually on SAIL loans shall be deferred to the extent that Development Cash Flow is insufficient to make said payments pursuant to the payment priority schedule established in this rule chapter. If Development Cash Flow is under-reported and such report causes a deferral of SAIL interest, such under-reporting shall constitute an event of default on the SAIL loan. A penalty of 5 percent of any required payment shall be assessed.
- b) Petitioner has requested a waiver of the above Rule to permit the annual interest payment on this SAIL loan to be “hard pay”, without such payment of interest being contingent on available Development Cash Flow. Petitioner’s tax-exempt (local) bond financing is cross-collateralized with adjacent developments owned by affiliates of Petitioner. As a result of this cross-collateralization, Florida Housing required Petitioner to agree that the annual interest payment would be paid notwithstanding Rule 67-48.010(8), Fla. Admin. Code (2007), which allows such interest payment to be deferred to the extent that Development Cash Flow is insufficient to make the interest payments pursuant to the payment priority schedule set forth in subsection (6) of the Rule. This Petition is filed to meet the terms of the agreement reached by Petitioner and Florida Housing as a condition of closing.

LEGAL

Consent

- c) The requested change would neither affect the scoring of Petitioner's application nor allow Petitioner to gain an unfair advantage over other applicants.
- d) On November 6, 2009, the Notice of Petition was published in the Florida Administrative Weekly. To date, Florida Housing has received no comments concerning the Petition.
- e) 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.
- f) 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 Florida Housing would not agree to close the SAIL loan under these circumstances absent this request for a waiver of Rule 67-48-010(8), Fla. Admin. Code. Petitioner has further demonstrated that permitting this change in Development would also serve the underlying purpose of the statute by permitting Petitioner to cross-collateralize with adjacent Developments owned by affiliates of Petitioner.

3. Recommendation

Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-48.010(8), Fla. Admin. Code (2007), to require the annual payment of SAIL loan interest without deferment of such payment of interest based on the amount of available Development Cash Flow.

LOW INCOME HOUSING TAX CREDITS

Consent

V. LOW INCOME HOUSING TAX CREDITS

A. Request Approval to Swap Features and Amenities for The Palms at Lake Tulane (2004-042C)

DEVELOPMENT NAME (“Development”):	The Palms at Lake Tulane APPLICATION # 2004-042C
DEVELOPER/PRINCIPAL (“Developer”):	BL Beneficial Development Partners, LLC
APPLICANT: (“Owner”)	The Palms at Lake Tulane Limited Partnership
NUMBER OF UNITS:	80
LOCATION (“County”):	Highlands County
TYPE:	New Construction
SET ASIDE:	40% @ 50% AMI 60% @ 60% AMI (MMRB, SAIL, HC)
ALLOCATED AMOUNT:	\$673,659.00

1. Background/Present Situation

- a) The Palms at Lake Tulane is a 9% Competitive Housing Credit, New Construction Development providing 80 set-aside units in Highlands County, Florida. Florida Housing issued a Final Allocation Certificate in the amount of \$673,659 in housing credits in October 2007.
- b) Florida Housing received a request from the Owner on October 21, 2009 to swap features and amenities ([Exhibit A](#)). The Applicant requests the following exchanges:

“Steel exterior entry door frames for all units” (1 pt.) exchanged for
“Marble window sills in all units” (1 pt.)
- c) The proposed change is of equal point value to the amenities originally chosen in the application.

2. Recommendation

Approve the requested changes reflected above and direct staff to amend the Extended Use Agreement accordingly.

MULTIFAMILY BONDS

Consent

VI. MULTIFAMILY BONDS

A. Request Approval to Allocate \$24,670,000 in Tax-Exempt, Private Activity Bond Allocation to the Developments

Development Name: Methodist Place (“Development”)	Location: Hillsborough
Developer/Principal: SP Three, Ltd./SP Three Development, Inc./Debra F. Koehler (“Developer”, “Principal”, or “Owner”)	Set-Aside: 85% @ 60% AMI (MMRB)
Funding Sources: MMRB	Amounts: \$8,300,000 Tax-Exempt Bonds
Number of Units: 200	Type: Rental/Elderly
Development Name: Oak Pointe Apartments (“Development”)	Location: Leon
Developer/Principal: Summit Oak Pointe Apartments, Ltd./Summit Housing Partners Management, LLC/Tom D. Champion (“Developer”, “Principal”, or “Owner”)	Set-Aside: 85% @ 60% AMI (MMRB)
Funding Sources: MMRB	Amounts: \$7,600,000 Tax-Exempt Bonds
Number of Units: 184	Type: Rental/Family
Development Name: Biscayne Palm Club (“Development”)	Location: Miami-Dade
Developer/Principal: Biscayne Palm Preservation, L.P./Biscayne Palm Developer, LLC (“Developer”, “Principal”, or “Owner”)	Set-Aside: 85% @ 60% AMI (MMRB)
Funding Sources: MMRB	Amounts: \$3,320,000 Tax-Exempt Bonds
Number of Units: 114	Type: Rental/Family
Development Name: Riverwalk II Apartments (“Development”)	Location: Miami-Dade
Developer/Principal: Riverwalk II Preservation, L.P./Riverwalk II Developer, LLC (“Developer”, “Principal”, or “Owner”)	Set-Aside: 85% @ 60% AMI (MMRB)
Funding Sources: MMRB	Amounts: \$5,450,000 Tax-Exempt Bonds
Number of Units: 112	Type: Rental/Family

1. Background

At the January 23, 2009 meeting, the Board authorized the MMRB Program to conduct a supplemental application cycle.

2. Present Situation

- a) The Developments are 2009 Supplemental MMRB Applications (the “Applications”) to acquire and rehabilitate or construct new affordable developments in the Counties.
- b) The rules governing the 2009 Supplemental MMRB Application cycle require an application to achieve a perfect score of seventy (70) 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.”

MULTIFAMILY BONDS

Consent

- c) 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 Applications.

3. **Recommendation**

Approve the request to allocate \$24,670,000 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

B. Request Approval to Amend the Requirements for Stabilization Set Forth in the Bond Documents for Alabaster Gardens Apartments

DEVELOPMENT NAME ("Developments"):	Alabaster Gardens Apartments
DEVELOPER/PRINCIPAL ("Developer" or "Owner"):	Alabaster Gardens, Ltd./Alabaster Gardens, LLC/Circle, Inc./Carlisle Development Group, LLC/Lloyd Boggio/Bruce Greer
NUMBER OF UNITS:	147
LOCATION ("County"):	Escambia
TYPE ("Rental, Homeownership"):	Rental
SET ASIDE:	85% @ 60% (MMRB) 100% @60% (SAIL) 100% @60% (HC)
ALLOCATED AMOUNT:	\$9,000,000 of Tax Exempt Bonds and \$4,000,000 SAIL
ADDITIONAL COMMENTS: Deferred Bond Principal Payment	

1. Background

- a) In 2006, Florida Housing financed the construction of Alabaster Gardens Apartments with \$9,000,000 in tax exempt bonds, designated as 2006 Series E and \$4,000,000 in a SAIL loan.
- b) On December 12, 2008, Florida Housing approved the deferral of \$2,367,000 in Bond principal payments from December 1, 2008 until December 31, 2009. The deferral was necessary to allow for the final disbursement from the tax credit investor, SunAmerica Affordable Housing Partners, LLP ("SunAmerica").

2. Present Situation

- a) The Bond Trust Indenture requires a total principal reduction of \$5,150,000 by January 1, 2010. The Developer has paid \$2,783,000 of the principal reduction to be applied towards redemption of the Bonds by December 31, 2009. The remaining principal amount of the redemption due on December 1, 2009, is \$2,367,000.
- b) The Bond Purchaser, California Bank & Trust ("Cal Bank"), in a letter dated October 9, 2009, requested that the Final Loan Balancing Date be changed from June 30, 2009 to December 1, 2009. The change is necessary to allow for the Stabilization payment to occur no later than December 31, 2009 as approved by the Board in December 2009.
- c) A forbearance agreement will be signed between Cal Bank, a subsidiary of Zions Bancorporation and the Developer preventing a default on the Bonds as a result of such deferral. Also attached as [Exhibit A](#), is a resolution allowing for the amending of certain Bond Documents, to incorporate the revised payment schedule.

MULTIFAMILY BONDS

Consent

3. **Recommendation**

That the Board approve amending the Bond document requirements allowing for stabilization (the Final Loan Balancing) to be extended until December 1, 2009, 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 Revised Credit Underwriting Recommendation for Walden Pond Villas

DEVELOPMENT NAME (“Development”):	Walden Pond Villas
DEVELOPER/PRINCIPAL (“Applicant”):	Walden Pond Developer, LLC/Walden Pond Preservation, L.P./RAP FL, LLC/Walden Pond Preservation GP, LLC/Walden Pond Preservation GPM II, LLC/Walden Pond Preservation GP II, LLC/RAP FL 6, LLC//Related Companies, L.P.
NUMBER OF UNITS:	290
LOCATION (“County”):	Miami-Dade
TYPE (Rental, Homeownership):	Rental/Family (MMRB and HC)
SET ASIDE:	85% @ 60% (MMRB) 100% @ 60% (HC)
ALLOCATED AMOUNT:	\$13,700,000 of Tax Exempt Bonds
ADDITIONAL COMMENTS: Request Approval of the Revised Credit Underwriting Recommendation	

1. Background

- a) Applicant submitted an Application (“Application”) on behalf of the proposed Development during the 2009 MMRB Supplemental Cycle. Applicant applied for tax-exempt bonds in the amount of \$13,700,000 in order to acquire and rehabilitate the Development.
- b) At the October 23, 2009 Board Meeting, Florida Housing approved a Final Credit Underwriting Report for the financing of the Development’s tax-exempt bonds in the amount of \$13,700,000.
- c) The Developer, Related Companies (“Related”), has requested Florida Housing approve financial modifications to the transaction. Related has requested that the credit-enhanced Bond structure be replaced by the private placement of a Multifamily Mortgage Revenue Note (the “Note), which will evidence the loan from Citibank, NA (“Citibank”) to Florida Housing, pursuant to a funding loan agreement. Attached as [Exhibit B](#) are resolutions approving the issuance of the Note and related documents.
- d) The Citibank commitment requires that \$500,000 of the total \$13,700,000 loan to Florida Housing be held back in escrow for up to six months following loan closing. During this time period, Related will work with the subordinate lender (Miami-Dade County) to negotiate soft repayment terms for the HOME loan. If Related is successful and the soft repayment terms are acceptable to Citibank, the \$500,000 will be released from escrow, but if they are not, the loan will be reduced by \$500,000.

MULTIFAMILY BONDS

Consent

2. **Present Situation**

The Revised Credit Underwriting Report, recommending the replacement of the Bond structure with a Multifamily Mortgage Revenue Note and the escrowing of \$500,000 for six months to negotiate the repayment terms of the Miami-Dade County HOME loan, dated November 15, 2009 is attached as [Exhibit C](#). The credit underwriter has determined that this change is not material to the original Credit Underwriting Report, poses no adverse risk to Florida Housing funds or to the success of the Development.

3. **Recommendation**

That the Board approve the recommendation of the Credit Underwriter outlined in the Revised Credit Underwriting Report dated November 15, 2009, recommending that \$13,700,000 in a tax exempt Note 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

D. Request Approval of a Restructuring of the Bonds and a LURA Amendment for Whistler’s Cove Apartments

DEVELOPMENT NAME (“Development”):	Whistler’s Cove Apartments
DEVELOPER/PRINCIPAL (“Developer” or “Owner”):	Whistler’s Cove, Inc./Jonathan L. Wolf/Affordable/Whistler’s Cove, Ltd.
NUMBER OF UNITS:	240
LOCATION (“County”):	Collier
TYPE (“Rental, Homeownership”):	Rental/Family (MMRB, SAIL and HC)
SET ASIDE:	20% @ 50% 50% @ 60%
ALLOCATED AMOUNT:	\$14,500,000 of Tax-Exempt Bonds \$ 500,000 of Taxable Bonds
ADDITIONAL COMMENTS: Restructuring of the Bonds and Amendment to the Land Use Restriction Agreement (“LURA”)	

1. Background

- a) In 1998, Florida Housing financed the construction of Whistler’s Cove Apartments with \$14,500,000 in tax-exempt bonds and \$500,000 in taxable bonds, designated as 1998 Series T-1 and T-2. The taxable bonds have since been redeemed.
- b) On June 11, 2009, the Owner entered into a Forbearance Agreement with the sole bondholders, Van Kampen High Yield Municipal Fund and Van Kampen Strategic Municipal Income Fund (the “Bondholder”).

2. Present Situation

- a) The Owner’s counsel, in a letter dated October 6, 2009, attached as [Exhibit D](#) requested a restructuring of the bonds into a senior series (“Senior Bonds”) and a subordinate series (“Subordinate Bonds”). Counsel states the restructuring is necessary due to declining occupancy levels within the Collier County market which resulted in a decline in the economics of the Development. The Senior Bonds will have a principal amount of \$7,020,000, will hold a first mortgage lien position, will have an interest rate of 6%, and will amortize over 30 years. The Subordinate Bonds, in the amount of \$7,020,000, secured by a subordinate mortgage lien, will have a 0% interest rate and principal will be repaid from 50% of available Development cash flow. The Bondholder has consented to the restructuring.
- b) Additionally, the Owner, in a letter dated November 19, 2009, attached as [Exhibit E](#) requested an amendment to the LURA to substitute the Homeownership Opportunity Program for removal of the gated entry due to continued vandalism. The Owner states over the years as quickly as the gate is repaired, it is vandalized requiring further repairs.
- c) The credit underwriter has reviewed both requests and by letter dated November 17, 2009, attached as [Exhibit F](#) recommends approval.

MULTIFAMILY BONDS

Consent

3. **Recommendation**

That the Board approve a Restructuring of the Bonds and a LURA Amendment for the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, Bondholders and the appropriate Florida Housing staff.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

VII. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Approval of Loan Maturity Extension Florida Low Income Housing Associates, Inc., a Not-for-Profit Entity, for Rolling Oaks (PLP 05-069)

DEVELOPMENT NAME (“Development”):	Rolling Oaks
APPLICANT/DEVELOPER (“Developer”):	Florida Low Income Housing Associates, Inc., a not-for-profit entity
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	40
LOCATION (“County”):	Citrus County
TYPE:	Homeownership
SET ASIDE:	100% @ 80% AMI
PLP LOAN AMOUNT:	\$313,320

1. Background

- a) On December 8, 2005, the Developer closed on a PLP Loan in the amount of \$313,320.
- b) To date, the Developer has drawn \$42,766.68 for eligible predevelopment expenses.
- c) On October 31, 2008, the Board approved a one-year loan maturity extension for the PLP Loan from December 8, 2008, to December 8, 2009.

2. Present Situation

- a) On March 23, 2009, June 23, 2009, and September 23, 2009, Florida Housing’s Special Assets Department sent the Developer letters informing of the approaching maturity of its PLP Loan and requesting a written response detailing the Developer’s ability and plan for repayment of the PLP Loan.
- b) On November 10, 2009, the Developer submitted a request for a second one-year loan maturity extension ([Exhibit A](#)). This extension is being requested to allow the Developer to continue working on resolving the concurrency issues for the Development.
- c) The assigned Technical Assistance Provider recommends approval of the Developer’s request to extend the maturity date of the PLP Loan for an additional year ([Exhibit B](#)). Citrus County has made some improvements to the intersection and proposed road improvements may resolve the Development’s required concurrency standards.
- d) Staff has reviewed the correspondence and believes that an extension is reasonable and necessary to allow the Developer to successfully resolve its concurrency issues and repay the PLP Loan.

3. Recommendation

Approve the extension of the PLP Loan term from December 8, 2009, to December 8, 2010, and allow staff to proceed with the loan amendment activities.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Request Approval of Credit Underwriting Report for Ridgewood Apartments (PLP 07-149)

DEVELOPMENT NAME (“Development”):	Ridgewood Apartments
APPLICANT/DEVELOPER (“Developer”):	Ridgewood Apartments of Winter Haven, LLC, a not-for-profit entity
CO-DEVELOPERS:	Florence Villa Community Development Corporation and Tri-County Human Services, Inc.
NUMBER OF UNITS:	33
LOCATION (“County”):	Polk County
TYPE:	Rental
SET ASIDE:	60% @ 60% AMI
PLP LOAN AMOUNT:	\$615,452

1. Background

- a) On May 30, 2008, Florida Housing issued an Invitation to Participate in the PLP to the Developer, a not-for profit organization, for the preservation of an existing development, Ridgewood Apartments. The Development will be located in Polk County.

- b) On August 8, 2008, the Board approved the development plan and budget that was submitted by the Technical Assistance Provider (TAP) recommending a loan in the amount of \$615,452 for PLP eligible activities. Of this \$615,452, staff was authorized to proceed with loan closing activities for up to \$215,452, for the non-site acquisition portion of the loan. The remaining \$400,000 was approved pending a positive recommendation from the Credit Underwriter for site acquisition. The site is currently operated under a Housing Assistance Contract (project-based rental assistance) with the U.S. Department of Housing and Urban Development (HUD).

2. Present Situation

On November 12, 2009, staff received a credit underwriting report with a positive recommendation for a PLP Loan in the amount of \$400,000, for site acquisition subject to the conditions outlined in the report and up to \$215,452 for non-site acquisition eligible PLP expenses ([Exhibit C](#)). The recommendation includes an approval for a name change from Florence Villa Community Development Corporation to Ridgewood Apartments of Winter Haven, LLC. Ridgewood Apartments of Winter Haven, LLC is the entity that will hold title to the development property.

3. Recommendation

Approve the Credit Underwriter’s recommendations and authorize staff to proceed with loan closing activities on the site acquisition portion of the PLP Loan in the amount of \$400,000 for Ridgewood Apartments.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

C. **Request Approval of PLP Loan for Northwest Jacksonville Community Development Corporation, a Not-For-Profit Entity, for Grand Park Manor (2009-001P-07)**

DEVELOPMENT NAME (“Development”):	Grand Park Manor
APPLICANT/DEVELOPER (“Developer”):	Northwest Jacksonville Community Development Corporation, a Not-For-Profit Entity, a not-for-profit entity
CO-DEVELOPERS:	N/A
NUMBER OF UNITS:	19
LOCATION (“County”):	Duval County
TYPE:	Homeownership
SET ASIDE:	50% @ 80% AMI 50% up to 120% AMI
PLP LOAN AMOUNT:	\$750,000

1. **Background**

- a) On February 19, 2009, Florida Housing received a PLP Application from the Applicant for Grand Park Manor.
- b) On July 29, 2009, Florida Housing issued an Invitation to Participate in the PLP to the Developer, a not-for profit organization. The Development will be located in Duval County.

2. **Present Situation**

- a) The Technical Assistance Provider (TAP) has approved the Development Plan and recommended a loan amount of \$750,000 for PLP eligible activities ([Exhibit D](#)), as well as assisted the Applicant in preparing the Development Plan and budget ([Exhibit E](#)). Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.
- b) Additionally, \$484,506 of the recommended \$750,000 PLP Loan is being requested for site acquisition. The site acquisition portion of the loan requires credit underwriting. Upon receipt of a positive recommendation from the assigned Credit Underwriter, the Credit Underwriting Report will be presented to the Board for approval. Staff recommends that the non-site acquisition portion loan amount of up to \$265,494 be approved to provide the Applicant with available funds for eligible non-site predevelopment expenses.

3. **Recommendation**

Approve the PLP Loan in the amount of \$750,000 to Northwest Jacksonville Community Development Corporation, a not-for-profit organization, for predevelopment expenses as recommended by the TAP, allow staff to issue the Commitment Letter and commence loan closing proceedings on the non-site acquisition portion of the PLP Loan in the amount of up to \$265,494.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

D. Request Approval of Credit Underwriting Report for North Central Heights II (2009-003P-07)

DEVELOPMENT NAME (“Development”):	North Central Heights II
APPLICANT/DEVELOPER (“Developer”):	North Central Heights II, LLC., a not-for-profit entity
CO-DEVELOPERS:	JR Beneficial Holdings 7, LLC.
NUMBER OF UNITS:	32
LOCATION (“County”):	Highlands County
TYPE:	Rental
SET ASIDE:	60% @ 60% AMI
PLP LOAN AMOUNT:	\$634,000
ADDITIONAL COMMENTS: The Applicant/Developer has committed to set-aside 100% of the units for households at or below 60% AMI. There is a funded PLP Application for North Central Heights, which is the first phase of this Development. Both phases have been awarded 2007 and 2008 HOME funds, respectively.	

1. Background

- a) On June 10, 2009, Florida Housing issued an Invitation to Participate in the PLP to North Central Heights II, LLC., a not-for-profit organization.
- b) On September 18, 2009, the Board approved the development plan and budget that was submitted by the Technical Assistance Provider (TAP) recommending a loan in the amount of \$634,000 for PLP eligible activities. Of this \$634,000, staff was authorized to proceed with loan closing activities for up to \$284,000, for the non-site acquisition portion of the loan. The remaining \$350,000 was approved pending a positive recommendation from the Credit Underwriter for site acquisition.

2. Present Situation

On November 6, 2009, staff received a credit underwriting report with a positive recommendation for the PLP Loan subject to the conditions outlined in the report ([Exhibit F](#)).

3. Recommendation

Approve the Credit Underwriter’s recommendation and authorize staff to proceed with loan closing activities on the site acquisition portion of the PLP Loan in the amount of \$350,000 for North Central Heights II.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

- E. **Request Approval of PLP Loan and Credit Underwriting Report for Florida Non Profit Services, Inc., a Not-For-Profit Entity, for Esperanza Place Apartment – Phase II (2009-010P-07)**

DEVELOPMENT NAME (“Development”):	Esperanza Place Apartments – Phase II
APPLICANT/DEVELOPER (“Developer”):	Florida Non Profit Services, Inc., a not-for-profit entity
CO-DEVELOPERS:	N/A
NUMBER OF UNITS:	64
LOCATION (“County”):	Collier County
TYPE:	Elderly, Rental
SET ASIDE:	60% @ 60% AMI
PLP LOAN AMOUNT:	\$300,000
ADDITIONAL COMMENTS: The site will be developed in three phases. Phase I has been Board approved for funding under RFP 2007-10. It is anticipated that the commitment will be issued in December 2009, but is contingent upon Board approval of the site acquisition for Phase II and evidence of financing for the entire parcel of land for all three phases.	

1. **Background**

- a) On June 30, 2009, Florida Housing received a PLP Application from the Applicant for Esperanza Place Apartments – Phase II. The Development will be located in Collier County.
- b) On July 21, 2009, Florida Housing issued an Invitation to Participate in the PLP to the Developer, a not-for profit organization. The Developer has applied for Low Income Housing Tax Credits in the 2009 Universal Application Cycle.
- c) While this agenda item is just for Phase II, there are two separate PLP Applications for Esperanza Place Apartments: one for rental elderly development (Phase II) and one for family rental development (Phase III). The development sites are adjacent but distinctive projects requiring two separate applications.

2. **Present Situation**

- a) The Technical Assistance Provider (TAP) has approved the Development Plan and recommended a loan amount of \$300,000 for PLP eligible activities ([Exhibit G](#)), as well as assisted the Applicant in preparing the Development Plan and budget ([Exhibit H](#)). Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.
- b) Additionally, \$250,000, of the recommended \$300,000 PLP Loan is being requested for site acquisition. The site acquisition portion of the loan has been simultaneously underwritten by Seltzer Management Group. The Applicant paid the credit underwriting fee prior to Board approval of the PLP Loan at its own risk.
- c) On November 6, 2009, staff received a Credit Underwriting Report with a positive recommendation for the PLP Loan subject to the conditions outlined in the report ([Exhibit I](#)).

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

3. Recommendation

Approve the PLP Loan recommended by the TAP and Credit Underwriter's final recommendation in the amount of \$300,000 to Florida Non Profit Services, Inc., a not-for-profit entity, authorize staff to issue the Commitment Letter and commence with loan closing proceedings on the site acquisition and non-site acquisition portions of the PLP Loan in the amount of \$250,000 and \$50,000, respectively, for Esperanza Place Apartments – Phase II.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

- F. **Request Approval of PLP Loan and Credit Underwriting Report for Florida Non Profit Services, Inc., a Not-For-Profit entity, for Esperanza Place Apartment – Phase III (2009-018P-07)**

DEVELOPMENT NAME (“Development”):	Esperanza Place Apartments – Phase III
APPLICANT/DEVELOPER (“Developer”):	Florida Non Profit Services, Inc., a not-for-profit entity
CO-DEVELOPERS:	N/A
NUMBER OF UNITS:	64
LOCATION (“County”):	Collier County
TYPE:	Family, Rental
SET ASIDE:	60% @ 60% AMI
PLP LOAN AMOUNT:	\$300,000
ADDITIONAL COMMENTS: The site will be developed in three phases. Phase I has been Board approved for funding under RFP 2007-10. It is anticipated that the commitment will be issued in December 2009, but is contingent upon Board approval of the site acquisition for Phase III and evidence of financing for the entire parcel of land for all three phases.	

1. **Background**

- a) On October 6, 2009, Florida Housing received a PLP Application from the Applicant for Esperanza Place Apartments – Phase III. The Development will be located in Collier County.
- b) On October 12, 2009, Florida Housing issued an Invitation to Participate in the PLP to the Developer, a not-for profit organization.
- c) As noted in the previous agenda item, there are two separate PLP Applications for Esperanza Place Apartments: one for rental elderly development (Phase II) and this one for family rental development (Phase III). The development sites are adjacent but distinctive projects requiring two separate applications.

2. **Present Situation**

- a) The Technical Assistance Provider (TAP) has approved the Development Plan and recommended a loan amount of \$300,000 for PLP eligible activities ([Exhibit J](#)), as well as assisted the Applicant in preparing the Development Plan and budget ([Exhibit K](#)). Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.
- b) Additionally, \$250,000, of the recommended \$300,000 PLP Loan is being requested for site acquisition. The site acquisition portion of the loan was simultaneously underwritten by Seltzer Management Group. The Applicant paid the credit underwriting fee prior to Board approval of the PLP Loan at its own risk.
- c) On November 6, 2009, staff received a Credit Underwriting Report with a positive recommendation for the PLP Loan subject to the conditions outlined in the report ([Exhibit L](#)).

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

- d) The Developer has proposed a three phase development with all construction/permanent funding commitments in place for Phase I; an application for low income housing tax credits submitted in the 2009 Universal Application Cycle for Phase II; and a conceptual plan for Phase III. The Developer is required to close on the land for all three phases simultaneously. In order to mitigate Florida Housing's risk on the Phase III PLP loan, staff recommends an additional condition on the Developer requiring that the PLP loan for this development (Phase III) be repaid from the proceeds of a HUD Rural Housing and Economic Development (RHED) program grant awarded to the Developer in September 2009, or at the time of closing on construction financing on the Phase II development, whichever occurs first.

3. Recommendation

Approve the PLP Loan recommended by the TAP and the Credit Underwriter in the amount of \$300,000 to Florida Non Profit Services, Inc., a not-for-profit entity; authorize staff to issue the Commitment Letter; and commence with loan closing proceedings on the site acquisition and non-site acquisition portions of the PLP Loan in the amount of \$250,000 and \$50,000, respectively, for Esperanza Place Apartments – Phase III. The additional condition for approval of the PLP loan for this development is that the loan shall be repaid from the proceeds of a HUD Rural Housing and Economic Development (RHED) program grant awarded to the Developer in September 2009, or at the time of closing on construction financing on the Phase II development, whichever occurs first.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

VIII. PROFESSIONAL SERVICES SELECTION (PSS)

A. Request Approval to Renew Technical Assistance Provider Services for Predevelopment Loan Program and Demonstration Loans

1. Background

- a) At the October 26, 2007, Board Meeting, Florida Housing's Board of Directors selected the Florida Housing Coalition, Inc., to provide technical assistance provider services for the predevelopment loan program (PLP) and Demonstration loans under Request for Proposals 2007-07, and authorized staff to enter into contract negotiations.
- b) The Contract states in Paragraph (4), "The initial term of this Contract shall begin on the Effective Date. The term of the Contract shall be for one (1) year, subject to satisfactory performance at the sole discretion of Florida Housing. If the parties mutually agree in writing, the Contract may be renewed twice. Each renewal shall be for an additional one-year period."
- c) A contract for these services was signed between Florida Housing and the Florida Housing Coalition, Inc., on January 11, 2008, for an initial one-year term. At the March 13, 2009, Board meeting, the Board ratified a renewal of the contract for one year. The contract renewal was signed by both parties on February 9, 2009.

2. Present Situation

Staff believes that the Florida Housing Coalition has provided excellent service in providing technical assistance to non-profit and community based developers in their pursuit to provide affordable housing and believes the contract should be renewed for a third year.

3. Recommendation

Staff recommends that the Board allow the second renewal of the PLP and Demonstration technical assistance provider contract with the Florida Housing Coalition, Inc., for one year through January 11, 2011.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

IX. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

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

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

1. Background/Present Situation

- a) On October 6, 2003, a SAIL loan in the amount of \$1,449,387 for this 144 unit family development in Miami-Dade County closed. One of the requirements of the LURA and EUA is that all of the 2 bedroom units have at least one full-bath and one half-bath with at least a toilet and sink.
- b) On October 13, 2009, staff received a letter from the Borrower indicating that two of the 2 bedroom units will have only one full-bathroom and no half-bath ([Exhibit A](#)). The Borrower requests to provide health care services, showerheads that use less than 2.5 gallons of water per minute and daylight sensors or timers on all outdoor lighting in order to replace the two half-bath shortages.
- c) On November 9, 2009, staff received a review from the credit underwriter with a positive recommendation for the exchange of amenities ([Exhibit B](#)).

2. Recommendation

Approve the request to exchange amenities and direct staff to proceed with amending the Housing Credit EUA and SAIL LURA.

SPECIAL ASSETS

Consent

X. SPECIAL ASSETS

A. Request Affirmation of SAIL Short-Pay for Ann-Ell Apartments Associates, Ltd. (89S-007/89L-513)

Development Name: Ann-Ell Apartments (“Development”)	Location: Miami-Dade
Developer/Principal: Limited Ventures, Inc. (“Developer”)	Set-Aside: SAIL 20% @ 60% AMI, 15 Years; HC 20% @ 60% AMI,* (*HC’s not monitored - prior to IRS issuance)
Number of Units: 54	Allocated Amount: SAIL \$300,000 Housing Credits (annual) \$59,786
Demographics: Family	Servicer: First Housing

1. Background

During the 1988-89 Cycle, Florida Housing awarded a \$300,000 SAIL loan to Ann Ell Apartments Associates, Ltd.; a Florida limited partnership, for the rehabilitation of a 54-unit apartment complex in Miami-Dade County, Florida. The SAIL loan closed on January 27, 1990. The Development also received an annual Housing Credit allocation of \$59,786. The SAIL loan was amended for a one-year extension which matured on February 27, 2006. The LURA restrictions have expired as of 2005. The housing credits were issued prior to the IRS Issuance of mandatory compliance oversight, so EUA restrictions do not apply to this property.

2. Present Situation

- a) The Borrower now has a purchaser that has agreed to purchase the Development for the appraised value. The appraised value provides enough funds to payoff the first mortgage amount in full and the principal balance on the SAIL loan. The accrued interest on the SAIL loan would not be paid under this scenario.
- b) Fla. Admin. Code R. 9I-28.006 (1)(d) allows that upon sale of the development if there is not adequate project income nor proceeds from the sale, “no Agency loan to the Project shall be satisfied until the Agency has received:” An appraisal...indicating that the purchase price...is reasonable and consistent with existing market conditions; A certificate from the Seller that the purchase price reported is the actual price paid for the project and that no other consideration passed between the parties and that the income reported to the Agency during the life of the loan was true and accurate; and A certificate that there are no other funds available to repay the loan and that the Seller knows of no other source of funds that could or would be forthcoming so as to pay off the loan. Florida Housing has received each of these requirements from the Borrower. The appraisal is over six months old and FHFC would require an updated appraisal.
- c) The Borrower requests that Florida Housing approved the sale at the appraised value and provide a satisfaction of the mortgage upon payment of the principal balance of the SAIL loan of \$300,000.

SPECIAL ASSETS

Consent

3. **Recommendation**

Affirm the conditions pursuant to Fla. Admin. Code R. 9I-28.006 (1)(d) and direct staff to release the mortgage upon payment of the SAIL principal amount of \$300,000, subject to receipt of a copy of an updated appraisal and staff review of same indicating that the sale proceeds are sufficient only to pay the first mortgage and SAIL principal amount of \$300,000.

SPECIAL ASSETS

Consent

B. Request Approval to Refinance the First Mortgage for Jamestown Woods, Ltd., a Florida Limited Partnership for Jamestown Woods Apartments (2002-120CS)

Development Name: Jamestown Woods Apts. (“Development”)	Location: Leon County
Developer/Principal: Gatehouse Group/Jamestown Woods, Ltd. (“Borrower”)	Set-Aside: SAIL & HC: 19% @ 30% & 81% @ 60% AMI LURA: 50 years; EUA 50 years
Number of Units: 150	Allocated Amount: SAIL: \$1,125,000, HC \$629,996
Demographics: Elderly	Servicer: Seltzer Management Group

1. Background

During the 2002 funding cycle, Florida Housing awarded \$1,125,000 SAIL loan to Jamestown Woods, Ltd., a Florida Limited Partnership (“Borrower”), for the development of a 150-unit apartment complex in Leon County, Florida. The SAIL loan closed on March 31, 2003 and will mature on July 1, 2019. The Development also received a 2002 allocation of low-income housing tax credits of \$629,996.

2. Present Situation

- a) In a letter dated October 27, 2009, the Borrower requests consent from the Board to refinance the existing first mortgage and subordinate the SAIL loan to the new first mortgage. The Borrower also requests the SAIL loan term be extended to be co-terminus with the new first mortgage and the SAIL LURA would be extended by the length of time equal to the extension of the SAIL loan term.
- b) On November 9, 2009, ([Exhibit A](#)) Staff received a credit underwriting report from Seltzer Management Group recommending approval for the new financing, subordination of the SAIL loan to the new first mortgage, and extension of the SAIL loan term and extension of the SAIL LURA’s affordability period.

3. Recommendation

Approve the refinancing of the first mortgage, extension of the SAIL loan to be co-terminus with the refinanced first mortgage, extension of the SAIL LURA term and subordination of the SAIL loan to the new first mortgage subject to the conditions outlined in the credit underwriter’s report and verification of the required SAIL pay down amount per Rule 67-48 all subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities.