

FLORIDA HOUSING FINANCE CORPORATION

Board Meeting

June 18, 2004

Consent Items



HOMEOWNERSHIP LOAN PROGRAM

Consent

I. HOMEOWNERSHIP LOAN PROGRAM

A. Request for Approval of the Analytical Review for Falcon's Landing/HH03-019

Applicant Name ("Applicant"):	DFC Homes of Florida, Inc.
Development Name ("Development"):	Falcon's Landing
Developer/Principal ("Developer"):	Kenny Davis
Number of Units: 11	Location: Broward County
Type: HOME Purchase Assistance Loan	Allocated Amount: \$385,000

1. Background

- a) The Applicant submitted an application during Round Two of the 2003 Homeownership Loan Program Cycle.
- b) On February 2, 2004, Florida Housing issued an invitation into credit underwriting and a preliminary commitment letter to the Applicant for a HOME Purchase Assistance Loan in the amount of \$385,000 to assist in the construction of 11 homes in Broward County.

2. Present Situation

- a) The credit underwriter provided staff with an Analytical Review outlining the parameters of the proposed Development. The Analytical Review is attached as [Exhibit A](#).
- b) Staff has reviewed the report and concurs with the credit underwriter's recommendation to reserve HOME funds in the amount of \$385,000 for a HOME Purchase Assistance Loan.

3. Recommendation

Staff recommends that the Board approve the Analytical Review and authorize staff to issue a firm commitment letter in the amount of \$385,000 to the Developer for a HOME Purchase Assistance Loan, subject to further approvals by the credit underwriter, counsel, and the appropriate corporation staff.

HOMEOWNERSHIP LOAN PROGRAM

Consent

B. Request for Approval of the Analytical Review for Miami-Dade Infill Housing/HAP03-315

Applicant Name (“Applicant”):	The Housing League, Inc.
Development Name (“Development”):	Miami-Dade Infill Housing
Developer/Principal (“Developer”):	Jerry Flick
Number of Units: 23	Location: Miami-Dade County
Type: HOME Purchase Assistance Loan	Allocated Amount: \$672,750

1. Background

- a) The Applicant submitted an application during the 2003 Homeownership Loan Program Cycle.
- b) On September 19, 2003, Florida Housing issued an invitation into credit underwriting and a preliminary commitment letter to the Applicant for a HAP Purchase Assistance Loan in the amount of \$1,000,000 to assist in the construction of 40 homes in Miami-Dade County.

2. Present Situation

- a) Pursuant to Rule 67-50, F.A.C., applications for scattered site developments needed to submit site control documentation to the underwriter within 60 days of the preliminary commitment letter. The Developer indicated that site control information could not be provided on all 40 lots due to issues encountered at the local level. Staff advised the Developer that the underwriting report would be based on the sites identified. The Developer was able to secure site control on 23 of the 40 lots and the funding was sized accordingly, from \$1,000,000 to \$672,750.
- b) The credit underwriter provided staff with an Analytical Review outlining the parameters of the proposed Development. The Analytical Review is attached as [Exhibit B](#).
- c) Staff has reviewed the report and concurs with the credit underwriter’s recommendation to reserve HAP funds in the amount of \$672,750 for a HAP Purchase Assistance Loan.

3. Recommendation

Staff recommends that the Board approve the Analytical Review and authorize staff to issue a firm commitment letter in the amount of \$672,750 to the Developer for a HAP Purchase Assistance Loan, subject to further approvals by the credit underwriter, counsel, and the appropriate corporation staff.

HOMEOWNERSHIP LOAN PROGRAM

Consent

C. **Request for Approval of the Analytical Reviews for Arrowhead Estates I / HH02-006, Arrowhead Estates II / HH03-004 and Arrowhead Estates III / HH03-003**

Applicant Name (“Applicant”):	Arrowhead Estates, LLC
Development Name (“Development”):	Arrowhead Estates I, II, III
Developer/Principal (“Developer”):	Arrowhead Estates, LLC/ Bowen Arnold
Number of Units: Arrowhead Estates I: 52 Arrowhead Estates II: 50 Arrowhead Estates III: 50	Location: Collier County
Type: HOME Purchase Assistance Loans	Allocated Amount: Arrowhead I: \$1,740,000 Arrowhead II: \$1,848,000 Arrowhead III: \$1,848,000

1. **Background - Arrowhead Estates I**

- a) The Applicant submitted during Round One of the 2002 Homeownership Loan Program Cycle for a HOME Construction Loan.
- b) On November 4, 2002, the Developer was issued a preliminary funding commitment in the amount of \$1,740,000 for a HOME Construction Loan.
- c) On July 1, 2003, the Developer received a firm commitment in the amount of \$1,740,000, which indicated a loan closing deadline of September 18, 2003. However, the Board approved a loan closing extension until March 18, 2004 as a result of the December 10, 2003 request which also included a request to change the ownership structure of the Developing entity.

2. **Background - Arrowhead Estates II and III**

- a) Subsequently, applications were submitted for Arrowhead Estates II and III during the 2003 Homeownership Loan Program Cycle for HOME Construction Loans.
- b) On September 19, 2003, Preliminary funding commitments were issued in the amount of \$1,848,000 for each Development.
- c) On March 16, 2004, the Developer provided a memorandum outlining the proposed changes for Arrowhead Estates I, II, and III Developments, which included:
 - (1) Change the general contractor from O.N.E. Construction, Inc. to KB Homes;
 - (2) Reduce the size of the lots from an average width of 60 feet to 42 feet;
 - (3) Reduce the total square footage of the homes, but not to less than what was originally proposed in the applications;
 - (4) Reduce the HOME amount allocated to each house;

HOMEOWNERSHIP LOAN PROGRAM

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- (5) Substitute lots for all three phases so that they are all located within the same section of the overall Arrowhead PUD;
 - (6) Re-underwriting of Arrowhead I; and
 - (7) Use of funds from construction to purchase assistance
- d) The proposed changes were reviewed by the credit underwriter and staff and were approved at the April 2, 2004 Board Meeting.

3. **Present Situation**

- a) The credit underwriter provided staff with Analytical Reviews outlining the parameters for all three Developments. The Analytical Reviews are attached as: Arrowhead Estates I ([Exhibit C](#)), Arrowhead Estates II ([Exhibit D](#)) and Arrowhead Estates III ([Exhibit E](#)).
- b) Staff has reviewed the reports and concurs with the credit underwriter's recommendation to reserve HOME funds for HOME Purchase Assistance Loans for Arrowhead Estates I for \$1,740,000; Arrowhead Estates II for \$1,848,000; and Arrowhead Estates III for \$1,848,000.

4. **Recommendation**

Staff recommends that the Board approve the Analytical Reviews for Arrowhead Estates I, II, and III, and authorize staff to issue firm commitment letters to the Developer for HOME funds to be utilized for HOME Purchase Assistance Loans for Arrowhead Estates I for \$1,740,000; Arrowhead Estates II for \$1,848,000; and Arrowhead Estates III for \$1,848,000, subject to further approvals by the credit underwriter, counsel, and the appropriate corporation staff.

HOUSING CREDITS

Consent

II. HOUSING CREDITS

A. Request from the Applicant of the Santa Clara Apartments II (SC Phase II) Development, to Build Features that were Previously Approved at the April 2, 2004 Board Meeting on the Santa Clara Apartments (SC Phase I) Site

DEVELOPMENT NAME (“Development”):	Santa Clara Apartments II
DEVELOPER/PRINCIPAL (“Developer”):	The Carlisle Group, Inc.
NUMBER OF UNITS:	204
LOCATION (“County”):	Miami Dade County
TYPE:	New Construction
SET ASIDE:	13% @ 30% AMI & 87% @ 60% AMI
ALLOCATED AMOUNT:	\$2,210,000.00
ADDITIONAL COMMENTS: Urban In-Fill	

1. Background

- a) SC Phase II is a Competitive Housing Credit, New Construction Development providing 204 set-aside units in Miami Dade County. Florida Housing issued the Development a preliminary allocation of \$2,210,000 in Housing Credits in December of 2003.
- b) SC Phase I is a recently completed 208 affordable unit Development which is adjacent to SC Phase II. SC Phase I received a \$1,500,000 housing credit allocation in 2001. SC Phase I has a long-term lease with Miami-Dade County for the property on which it stands. It sub-leases a portion of the property to SC Phase II.
- c) The Board of Directors approved a change to the original features chosen by the Applicant at the April 2, 2004 Board meeting, [Exhibit A](#), [Exhibit B](#), [Exhibit C](#). When Florida Housing received the Applicant’s request on behalf of SC Phase II on March 3rd, 2004 to substitute its commitment to provide “Emergency Call Service in all units” with a “Playground/tot lot” and a “Picnic area,” the Applicant did not specify that the new features would be constructed on the adjacent SC Phase I site and not the site for which the Application was submitted. The Applicant stated that, at the time of application for the SC Phase II Development, they were unsure whether the site would be of sufficient size to accommodate a playground and picnic area so they chose the “Emergency Call Service in all units” feature. The Applicant then stated that, in finding that the site could accommodate the playground and picnic area, they felt that the proposed features would better serve the tenants. The information provided in the Applicant’s March 3rd request was poorly worded. It now appears that the Applicant when talking about “site” was referring to the combined site for SC Phase I and SC Phase II. Therefore, when it stated in its request that it had been successful in incorporating the playground and picnic area into the site, it actually meant it had found sufficient space on the entire site but specifically the SC Phase I section of the site.

HOUSING CREDITS

Consent

- d) As such, the Applicant now comes before the Board to request approval that the previously Board approved playground/tot lot and picnic area, for SC Phase II be allowed to be constructed on the SC Phase I portion of the site and additionally requests approval of a Recreational Facilities Easement Agreement between the SC Phase I property and the SC Phase II property which grants the SC Phase II property "...a perpetual, non-exclusive easement for the use and enjoyment of the picnic area and playground amenities constructed on the Phase I Property..." ([Exhibit D](#)). It is the Applicant's intent that the proposed playground/tot lot and picnic area will be used by the tenants of both properties.
- e) NOTE: The Optional Features and Amenities section of the Application states that "All items selected must be located on the Development site."

2. **Recommendation**

Staff recommends that the Board approve this request.

LEGAL

Consent

III. LEGAL

A. In Re: Emerald Dunes Apartments, Ltd.

Development Name: (“Development”):	Emerald Dunes Apartments
Developer/Principal: (“Developer”):	Landmark Development Corp.
Number of Units: 141	Location: Miami-Dade
Type: garden style apartments	Set Aside: 40% at 60% AMI
Demographics: family	Allocated Amount: n/a
MMRB: n/a	Housing Credits: \$1,093,404

1. Background

- a) During the 2002 Cycle, Florida Housing awarded an allocation of Housing Credits to Emerald Dunes Apartments, Ltd.
- b) On May 18, 2004, Florida Housing received a Request for a Waiver of Rule 67-48.002(111), F.A.C. (“Petition”), from Emerald Dunes Apartments, Ltd. (“Petitioner”). A copy of the Petition is attached as [Exhibit A](#).
- c) Rule 67-48.002 (111) Florida Administrative Code, states in pertinent part:

“Universal Application Package”... means the forms and instructions, obtained from the Corporation... which shall be completed and submitted to the Corporation in accordance with this rule chapter in order to apply for the SAIL, HOME and/or HC Program(s). The Universal Application Package is adopted and incorporated herein by reference...

- d) Instruction 2.a(1) of the Universal Application Package provides in pertinent part:

If applying for HC, the Applicant must be a limited partnership (including a limited liability limited partnership) or a limited liability company. The Applicant entity shall be the recipient of the Housing Credits and cannot be changed until after a Final Housing Credit Allocation has been issued. Replacement of the Applicant of a material change (33.3% or more of the Applicant, a General Partner of the Applicant, or a member of the Applicant) in the ownership structure of the named Applicant prior to this time shall result in disqualification from receiving an allocation and shall be deemed a material misrepresentation. Changes to the limited partner of a limited partnership will not result in disqualification.

LEGAL

Consent

- e) Petitioner requests a waiver to change the General Partner from Emerald Dunes Apartments, Inc., to Emerald Dunes Apartments LLC.
- f) On May 28, 2004, the Notice of Petition was published in the Florida Administrative Weekly.
- g) Only the business entity will change. There will be no change in the principals, ownership, or control of the General Partner entity, and no financial benefit will accrue to any individual as a result of the change.
- h) To date, Florida Housing has not received any comments concerning the Petition.

2. Present Situation

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.

3. Recommendation

Staff recommends the Board grant the Petitioner's request for a waiver of Rule 67-48.002(111), Florida Administrative Code.

LEGAL

Consent

B. In Re: Lakeside Commons, Ltd.

Development Name: (“Development”):	Lakeside Commons Apartments
Developer/Principal: (“Developer”):	Landmark Development Corp.
Number of Units: 141	Location: West Palm Beach
Type: garden style apartments	Set Aside: 40% at 60% AMI/15% at 30% AMI
Demographics: large family	Allocated Amount: n/a
MMRB: n/a	Housing Credits: \$793,839

1. Background

- a) During the 2002 Cycle, Florida Housing awarded an allocation of Housing Credits to Lakeside Commons, Ltd.
- b) On May 18, 2004, Florida Housing received a Request for a Waiver of Rule 67-48.002(111), F.A.C. (“Petition”), from Lakeside Commons, Ltd. (“Petitioner”). A copy of the Petition is attached as [Exhibit B](#).
- c) Rule 67-48.002 (111) Florida Administrative Code, states in pertinent part:

“Universal Application Package”... means the forms and instructions, obtained from the Corporation... which shall be completed and submitted to the Corporation in accordance with this rule chapter in order to apply for the SAIL, HOME and/or HC Program(s). The Universal Application Package is adopted and incorporated herein by reference...
- d) Instruction 2.a(1) of the Universal Application Package provides in pertinent part:

If applying for HC, the Applicant must be a limited partnership (including a limited liability limited partnership) or a limited liability company. The Applicant entity shall be the recipient of the Housing Credits and cannot be changed until after a Final Housing Credit Allocation has been issued. Replacement of the Applicant of a material change (33.3% or more of the Applicant, a General Partner of the Applicant, or a member of the Applicant) in the ownership structure of the named Applicant prior to this time shall result in disqualification from receiving an allocation and shall be deemed a material misrepresentation. Changes to the limited partner of a limited partnership will not result in disqualification.
- e) Petitioner requests a waiver to change the General Partner from Lakeside Commons, Inc., to Lakeside Commons, LLC.
- f) On May 28, 2004, the Notice of Petition was published in the Florida Administrative Weekly.
- g) Only the business entity will change. There will be no change in the principals, ownership, or control of the General Partner entity, and no financial benefit will accrue to any individual as a result of the change.

LEGAL

Consent

- h) To date, Florida Housing has not received any comments concerning the Petition.

2. Present Situation

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.

3. Recommendation

Staff recommends the Board grant the Petitioner's request for a waiver of Rule 67-48.002(111), Florida Administrative Code.

LEGAL

Consent

C. In Re: HH03-026 Leon South HOME

Development Name: (“Development”):	Leon South HOME
Developer/Principal: (“Developer”):	Three Rivers Housing Foundation, Inc.
Number of Units: 30	Location: Leon County
Type: single family detached	Set Aside: 100%
Demographics: family	Allocated Amount: \$720,000
MMRB: n/a	Housing Credits: n/a

1. Background

- a) The Development, a 30 single-family detached homes development, is being funded with \$720,000 in HOME Purchase Assistance Only loan funds awarded by Florida Housing in the 2003 HOME application cycle. On May 4, 2004, a Petition for Waiver of Rule 67-50.005(6), Florida Administrative Code, was received by Florida Housing. Specifically, Petitioner is seeking a waiver of the requirement that all the roads within the Leon South HOME Application be paved.
- b) A copy of the Petition is attached as [Exhibit C](#).
- c) On May 14, 2004, the Notice of the Petition was published in Volume 30, Number 20, of the Florida Administrative Weekly. Florida Housing did not receive any comments regarding the Petition.

2. Present Situation

- a) Section 120.542(2), Florida Statutes, provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- b) Rule 67-50.005(6), Florida Administrative Code provides in pertinent part:

“Application” means the completed forms from the Application Package together with all exhibits submitted to the Corporation in order to apply for either HAP or HOME Loan funds, in accordance with this rule chapter and the Application Package instructions, which is adopted and incorporated herein by reference.
- c) Exhibit 21 of the Application Package, Verification of Availability of Infrastructure Roads, states in pertinent part:

The undersigned local government representative confirms that the existing paved roads provide access to the proposed Development or paved roads will be constructed as part of the proposed Development.

LEGAL

Consent

- d) Petitioner demonstrated that there are rural areas where the roads are owned and maintained by local governments but are not paved and these rural areas are still acceptable to the U.S. Department of Housing and Urban Development, the Veterans Administration, and U.S. Department of Agriculture-Rural Development to provide financial assistance for those homeowners who live in these rural areas. Petitioner would suffer substantial hardship, as it is a not for profit and would suffer severe financial consequences if it is unable to proceed with the development of the Leon South HOME project. The grant of the waiver would serve the underlying purpose of the statute as Petitioner would be able to complete the construction and purchase of thirty new homes, made available to low income home buyers.

3. Recommendation

Staff recommends that the Board grant this Petition.

MULTIFAMILY BONDS

Consent

IV. MULTIFAMILY BONDS

A. Request approval to modify the allocation of initial 2004 Private Activity Bond allocation between the Multifamily Mortgage Revenue Bond (MMRB) Program and the Single-Family Mortgage Revenue Bond (SFMRB) Program

1. Background

- a) Florida Housing received a spreadsheet dated December 19, 2003 from the Division of Bond Finance assigning the Corporation \$316,006,360 in initial 2004 private activity bond allocation.
- b) At the February 27, 2004 meeting, the Board approved an allocation of \$266,006,360 to the MMRB Program and \$50,000,000 to the SFMRB Program. Since that time, all Universal Application Cycle applications have been received and the MMRB Program has opened the 2004 Supplemental MMRB Application Cycle.

2. Present Situation

- a) At this time it appears that there will not be enough eligible MMRB applications from both of these application cycles to account for the entire \$266,006,360 in private activity bond allocation assigned to the MMRB Program in time to meet the June 30, 2004 filing deadline with the Division of Bond Finance.
- b) The SFMRB Program is able to use additional allocation that cannot be used by the MMRB Program.

3. Recommendation

That the Board allocate an amount of initial 2004 private activity bond allocation to the MMRB Program sufficient to account for all eligible applications from the 2004 Universal and Supplemental MMRB Application cycles, with the remainder allocated to the SFMRB Program.

MULTIFAMILY BONDS

Consent

- B. Request Approval to amend the Land Use Restriction Agreement (“LURA”) for Gables Town Place (“Development”), 1985 Series EE in the amount of \$21,000,000 Tax-Exempt Bonds, 312 Units, located in Boca Raton, Palm Beach County, Florida**

DEVELOPMENT NAME (“Development”):	Gables Town Place (Town Colony II)
DEVELOPER/PRINCIPAL (“Developer”):	Town Colony Associates/Gables Residential Trust
NUMBER OF UNITS:	312
LOCATION (County):	Boca Raton, Palm Beach County
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	20% @ 80% MMRB
ALLOCATED AMOUNT:	\$21,000,000 of Tax-Exempt Bonds
ADDITIONAL COMMENTS: LURA Amendment	

1. Background

In 1985, Florida Housing financed the construction of the Development with \$21,000,000 Tax-Exempt Bonds, designated as 1985 Series EE.

2. Present Situation

- a) On May 3, 2004, the Owner requested ([Exhibit A](#)) an amendment to the LURA to eliminate the spa at the main pool area, as it has become an ongoing health and safety issue. The Owner would like to convert the spa area into a picnic and barbeque area for its residents. No points were awarded for these amenities in the 1985 application.
- b) The Credit Underwriter has reviewed the benefit to the tenants ([Exhibit B](#)) of the exchange of these features. The Credit Underwriter states that based upon the correspondence submitted for review, it appears that the spa has become a health hazard. In addition, replacement costs as well as operating costs related to maintaining a spa this old is most likely significantly higher than maintenance relating to a picnic and barbeque area. Therefore, the removal of the spa and replacement with the proposed picnic and barbeque area is recommended.

3. Recommendation

That the Board approve the LURA amendment for the Development subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

- C. **Request Approval to amend the Land Use Restriction Agreement (“LURA”) for Hunters Run II Apartments (“Development”), 2003 Series G in the amount of \$9,000,000 in Tax-Exempt Bonds and a \$2,000,000 SAIL Loan, 192 Units, located in Tampa, Hillsborough County, Florida**

DEVELOPMENT NAME (“Development”):	Hunters Run II Apartments
DEVELOPER/PRINCIPAL (“Developer”):	Sandspur Housing Partners, Ltd./ Hunters Run Partners II, Ltd., CED
NUMBER OF UNITS:	192
LOCATION (County):	Tampa, Hillsborough
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	11% @ 50% MMRB 74% @ 60% MMRB 11% @ 50% SAIL 88% @ 60% SAIL 100% @ 60% HC
ALLOCATED AMOUNT:	\$9,000,000 of Tax-Exempt Bonds \$2,000,000 of SAIL Loan
ADDITIONAL COMMENTS: LURA Amendment	

1. **Background**

In 2003, Florida Housing financed the construction of the Development with \$9,000,000 in Tax-Exempt Bonds, designated as 2003 Series G and a \$2,000,000 SAIL Loan.

2. **Present Situation**

- a) On May 5, 2004, the owner requested ([Exhibit C](#)) an amendment to the MMRB and SAIL LURAs to substitute the amenity of two are more parking spaces per total number of units with two replacement amenities; a car care area and a volleyball court. The original amenity was worth 1 point in the application; the substituted amenities are worth 3 points in total.
- b) The Credit Underwriter has reviewed the exchange of these features and recommends ([Exhibit D](#)) that the exchange be allowed, since it is beneficial to both the Development and the residents.

3. **Recommendation**

That the Board approve the MMRB and SAIL LURA amendments for the Development subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

- D. **Request approval of the Transfer of Member Interest of TRG GP LLC, the General Partner (“GP”) of Lakeshore Apartments, LLC (“Applicant”) for \$7,900,000 in Tax-Exempt Bonds and \$2,000,000 in SAIL Funds, in order to finance the development known as Lake Shore Apartments (“Development”), 192 units, located in West Palm Beach, Palm Beach County, Florida. Approval of the Transfer is requested by both the MMRB and SAIL Programs**

DEVELOPMENT NAME (“Development”):	Lakeshore Apartments
DEVELOPER/PRINCIPAL (“Developer”):	Lakeshore Apartments, LLC, TRG GP LLC, The Richman Group Development Corporation, Richard Richman, The Richman Group of Florida, Inc.
NUMBER OF UNITS:	192
LOCATION (“County”):	Palm Beach
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	7% @ 30%, 78% @ 60% (MMRB) & 7% @ 30%, 93% @ 60% (SAIL) & 100% @ 60% (HC)
ALLOCATED AMOUNT:	\$7,900,000 of Tax-Exempt Bonds
ADDITIONAL COMMENTS:	Transfer of GP Member Interest

1. Background

- a) At the October 9, 2003 Board Meeting, the Board authorized the adoption of an Acknowledgement Resolution in the amount not to exceed \$7,900,000 in tax-exempt bonds to construct the Development.
- b) At the February 27, 2004 Board Meeting, the Board approved a Final Credit Underwriting Report (“CUR”) dated February 13, 2004 which recommended the issuance of \$7,900,000 in tax-exempt bonds, \$3,560,000 in taxable bonds and \$2,000,000 in SAIL funds, for a 33 year term (36 month construction/stabilization period and a 30 year permanent period).
- c) At the April 2, 2004 Board Meeting, the Board approved a Supplemental Letter to the CUR changing the taxable bonds to a second position Fannie Mae DUS taxable loan in an amount not to exceed \$4,040,000 which will amortize at a faster rate than the tax-exempt bonds.
- d) At the May 21, 2004 Board Meeting, the Board approved a Waiver of Rule 67-48.010(4)(a), F.A.C., subordinating priority of payment of the SAIL Loan to the Fannie Mae DUS taxable loan.

2. Present Situation

- a) The Applicant, in a letter dated May 26, 2004 ([Exhibit E](#)), requested approval of a transfer of member interest of the GP. The CUR stated interest in the GP as Richard R. Richman (95%) and David Salzman (5%). The new interest transfer is proposed to be Richard R. Richman (62.3%), Richman Family Irrevocable Grantor Trust (17.8%), Richman Family Irrevocable Grantor Trust II (14.9%) and David Salzman (5%).
- b) The Credit Underwriter has reviewed the request and by letter dated June 1, 2004 ([Exhibit F](#)) recommends that Florida Housing allow the transfer of GP member interest.

MULTIFAMILY BONDS

Consent

3. **Recommendation**

That the Board approve the transfer of GP member interest for both the MMRB and SAIL programs subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

- E. **Request Approval to extend the closing deadline to September 30, 2004, for Pineview Villas Apartments (“Development”), a 2001 Bond Application in the amount of \$7,500,000 Tax-Exempt Bonds and \$2,000,000 in Taxable Bonds, consisting of 200 Units, located in Leon County, Florida**

DEVELOPMENT NAME (“Development”):	Pineview Villas Apartments
DEVELOPER/PRINCIPAL (“Developer”):	JBM Properties, LLC
NUMBER OF UNITS:	200
LOCATION (County):	Tallahassee, Leon
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	20% @ 50% MMRB 100% @ 60% HC
ALLOCATED AMOUNT:	\$7,500,000 of Tax-Exempt Bonds \$2,000,000 of Taxable Bonds
ADDITIONAL COMMENTS: Extension of Closing Deadline	

1. **Background**

Pineview Villas, L.P. (“Applicant”) submitted an Application on behalf of the proposed Development during the 2001 Application Cycle. Applicant applied for tax-exempt bonds in the amount of \$7,500,000 and \$2,000,000 in taxable bonds in order to acquire and rehabilitate the Development. A Final Credit Underwriting Report (“CUR”) for the Development, dated July 18, 2003 was approved by the Board at the August 2003 Board Meeting. A subsequent Supplemental Credit Underwriting Memorandum dated March 22, 2004, was approved at the April 2004 Board Meeting.

2. **Present Situation**

Applicant is continuing to negotiate with the owners of the Development regarding the purchase price and have requested that the closing deadline be extended to September 30, 2004.

3. **Recommendation**

Approve the request to extend the closing deadline for Pineview Villas until September 30, 2004.

MULTIFAMILY BONDS

Consent

- F. **Request Approval to amend the Land Use Restriction Agreement (“LURA”) for The Villas at Lake Smart Apartments (“Development”), 2002 Series P in the amount of \$7,975,000 Tax-Exempt Bonds and \$1,000,000 Taxable Bonds, 220 Units, located in Winter Haven, Polk County, Florida**

DEVELOPMENT NAME (“Development”):	The Villas at Lake Smart
DEVELOPER/PRINCIPAL (“Developer”):	Lakesmart Associates, Ltd./The Carlisle Group, Inc./Lloyd J. Boggio/Bruce Greer/Luis Gonzalez
NUMBER OF UNITS:	220
LOCATION (“County”):	Polk
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	40% @ 60% (MMRB) 100% @ 60% (HC)
ALLOCATED AMOUNT:	\$7,975,000 of Tax-Exempt Bonds
ADDITIONAL COMMENTS: LURA Amendment	

1. **Background**

- a) In 2002, Florida Housing financed the construction of the Development with \$7,975,000 in tax-exempt bonds and \$1,000,000 in taxable bonds, designated as 2002 Series P.
- b) At the time of application submission, the Developer committed to two parking spaces per unit (worth 2 points in the application).

2. **Present Situation**

- a) The Developer submitted a request, dated May 14, 2004 ([Exhibit G](#)) requesting the LURA be amended to substitute an exercise room with appropriate equipment (2 points) for the commitment to provide two parking spaces per unit (2 points). The Developer states that since the bond closing, the Army Corps of Engineers has made several modifications to the site plan due to strict wetlands criteria. The final, as built, site plan was eleven parking spaces short from the required four hundred forty (440) spaces (two parking spaces per unit).
- b) The Credit Underwriter has reviewed the request and by letter dated May 24, 2004 ([Exhibit H](#)) recommends that Florida Housing allow the substitution.

3. **Recommendation**

That the Board approve the LURA amendment for the Development subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

- G. Request Approval to release a parcel of land for Westchase Apartments (“Development”), 1998 Series B in the amount of \$16,510,000 Tax-Exempt Bonds, 352 Units, located in Lee County, Florida

DEVELOPMENT NAME (“Development”):	Westchase Apartments
DEVELOPER/PRINCIPAL (“Developer”):	The Wilson Companies
NUMBER OF UNITS:	352
LOCATION (County):	Lee County
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	50% @ 60% MMRB 100% @ 60% HC
ALLOCATED AMOUNT:	\$16,510,000 of Tax-Exempt Bonds
ADDITIONAL COMMENTS:	Partial Release of Land

1. **Background**

In 1998, Florida Housing financed the construction of the Development with \$16,510,000 Tax-Exempt Bonds designated as 1998 Series B.

2. **Present Situation**

- a) On May 12, 2004, the owner requested ([Exhibit I](#)) a release of a portion of land as a condition of a settlement in lieu of an “order of taking” by the State of Florida Department of Transportation. The parcel is approximately 9,800 sq. ft. and was in the process of being acquired by the State through the process of eminent domain.
- b) The settlement amount of \$93,500 (net of closing cost) will be used to relocate 6 affected parking spaces with the remaining funds used in accordance with the bond documents.
- c) The Credit Underwriter has reviewed the request and by letter dated May 17, 2004 ([Exhibit J](#)) recommends that Florida Housing allow the release of land.

3. **Recommendation**

That the Board approve the partial release of land from 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

- H. **Request Approval to amend the Trust Indenture for Hunters Run II Apartments (“Development”), 2003 Series G in the amount of \$9,000,000 in Tax-Exempt Bonds and a \$2,000,000 SAIL Loan, 192 Units, located in Tampa, Hillsborough County, Florida**

DEVELOPMENT NAME (“Development”):	Hunters Run II Apartments
DEVELOPER/PRINCIPAL (“Developer”):	Sandspur Housing Partners, Ltd./ Hunters Run Partners II, Ltd., CED
NUMBER OF UNITS:	192
LOCATION (County):	Tampa, Hillsborough
TYPE (Rental, Homeownership):	Rental
SET ASIDE:	11% @ 50% MMRB 74% @ 60% MMRB 11% @ 50% SAIL 88% @ 60% SAIL 100% @ 60% HC
ALLOCATED AMOUNT:	\$9,000,000 of Tax-Exempt Bonds \$2,000,000 of SAIL Loan
ADDITIONAL COMMENTS: Amendment to the Trust Indenture	

1. **Background**

In 2003, Florida Housing financed the construction of the Development with \$9,000,000 in Tax-Exempt Bonds, designated as 2003 Series G and a \$2,000,000 SAIL Loan.

2. **Present Situation**

- a) On May 26, 2004, the owner requested an amendment to the Trust Indenture ([Exhibit K](#)) that would permit the release of certain funds held in the Borrower Equity sub-account of the Capitalized Funds account of the Loan Fund. The Borrower closed its bond financing transaction with Florida Housing in March of 2003, and converted to permanent credit enhancement by Fannie Mae on May 17, 2004. Consequently, such moneys are no longer needed to fund interest and fees during the construction period.
- b) The Credit Underwriter has reviewed the requested amendment to the Trust Indenture and recommends, in a letter dated June 1, 2004 (Exhibit L), that the amendment be allowed.

3. **Recommendation**

That the Board approve the amendment to the Trust Indenture for the Development subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

V. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Approval of Loan from PLP funds to Carrfour Corporation for Royalton Apartments (PLP 00-047)

DEVELOPMENT NAME (“Development”):	Royalton Apartments
DEVELOPER/PRINCIPAL (“Developer”):	Carrfour Corporation
NUMBER OF UNITS:	100
LOCATION (County):	Miami-Dade
TYPE:	Rental, Homeless
SET ASIDE:	60% @ 60% AMI
ALLOCATED AMOUNT:	\$443,200
ADDITIONAL COMMENTS: This developer has received PLP funds in the past and is progressing on all developments successfully.	

1. Background/Present Situation

- a) On March 24, 2004, Florida Housing invited the Developer to participate in the PLP program. The Development will be located in Miami-Dade County.
- b) The Technical Assistance Provider (TAP) assisted the Developer in preparing a development plan and budget ([Exhibit A](#)). Staff has reviewed the development plan and budget and has determined that all budget items are PLP eligible. The TAP has approved the development plan and has recommended a loan amount of \$443,200 for PLP eligible activities ([Exhibit B](#)).

2. Recommendation

Approve a loan from PLP funds for \$443,200 to the Developer for predevelopment costs as recommended by the TAP.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Approval of Loan from PLP funds to United Development Communities, Inc. for UDC-AHRP Homeownership Units (PLP 00-048)

DEVELOPER/PRINCIPAL (“Developer”):	United Development Communities, Inc.
NUMBER OF UNITS:	8
LOCATION (County):	Miami-Dade
TYPE:	Homeownership
SET ASIDE:	100% @80% AMI
ALLOCATED AMOUNT:	\$500,000
ADDITIONAL COMMENTS: This developer has successfully used this model through PLP completing 7 homes in Miami-Dade and three in Broward County. Funds for those previous loans have been repaid according to terms of the loan documents.	

1. Background/Present Situation

- a) On May, Florida Housing invited the Developer to participate in the PLP Program. The Development will be located in Miami-Dade County.
- b) The Technical Assistance Provider (TAP) assisted the Developer in preparing a development plan and budget ([Exhibit C](#)). Staff has reviewed the development plan and budget and has determined that all budget items are PLP eligible. The TAP has approved the development plan and has recommended a loan amount of \$500,000 for PLP eligible activities ([Exhibit D](#)).

2. Recommendation

Approve a loan from PLP funds for \$500,000 to the Developer for predevelopment costs as recommended by the TAP.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

C. Approval of Loan from PLP funds to Bonita Springs Area Housing Development Corporation for New Moon Estates Homeownership Units (PLP 00-043)

DEVELOPMENT NAME (“Development”):	New Moon Estates
DEVELOPER/PRINCIPAL (“Developer”):	Bonita Springs Area Housing Development Corporation
NUMBER OF UNITS:	6
LOCATION (County):	Lee
TYPE:	Homeownership
SET ASIDE:	100% @80% AMI
ALLOCATED AMOUNT:	\$115,071.14
ADDITIONAL COMMENTS: Number of units reduced due to land restrictions	

1. Background/Present Situation

- a) On November 6, 2003, Florida Housing invited the Developer to participate in the PLP program. The development will be located in Lee County.
- b) The Technical Assistance Provider (TAP) assisted the Developer in preparing a development plan and budget ([Exhibit E](#)). Staff has reviewed the development plan and budget and has determined that all budget items are PLP eligible. The TAP has approved the development plan and has recommended a loan amount of \$115,071.14 for PLP eligible activities ([Exhibit F](#)).

2. Recommendation

Approve a loan from PLP funds for \$115,071.14 to the Developer for predevelopment costs as recommended by the TAP.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

VI. PROFESSIONAL SERVICES SELECTION (PSS)

A. Withdrawal of Response for Request for Qualifications (RFQ) 2003-04 for Arbitrage Rebate Analyst Services

1. Background

At its December 12, 2003 meeting the Board authorized staff to enter into contract negotiations with Deloitte & Touche LLP for arbitrage rebate analyst services subject to receiving additional information.

2. Present Situation

a) On May 4, 2004, during contract negotiations, Deloitte & Touche LLP notified Florida Housing's Contract Administrator in writing that they had decided not to pursue the contract for arbitrage rebate services because the fees stipulated by Florida Housing in the proposed contract were lower than the fee quote submitted by them in their response to the RFQ. Deloitte & Touche also indicated that they were not given an opportunity to negotiate the fees.

b) Florida Housing entered into contract with Bondlogistix LLC effective February 18, 2004 and The Arbitrage Group, Inc. effective March 18, 2004. Both entities agreed to provide arbitrage rebate analyst services for the fees stipulated by Florida Housing.

3. Recommendation

Staff recommends that the Board authorize staff to accept the request by Deloitte & Touche LLP to not pursue the contract for arbitrage rebate services and consider their response withdrawn.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

B. Feasibility Study Services

1. Background

At its October 9, 2003 meeting Florida Housing's Board of Directors authorized staff to begin the Request for Proposals (RFP) process and establish a review committee in order to select an entity to provide feasibility study services for the Guarantee Program.

2. Present Situation

- a) Florida Housing staff issued RFP's on February 27, 2004 and again on April 2, 2004. No responses were received to either RFP.
- b) Fla. Admin. Code R. 67-49.002(4) provides that commodities or contractual services which exceed or are estimated to exceed twenty-five thousand dollars (\$25,000), in any twelve (12) month period, are exempt from competitive solicitation upon a written determination by the Executive Director of the Corporation that such commodities or services are most readily available from a single source or that the best interests of the Corporation or the public are served by obtaining such commodities or services from a single source.

3. Recommendation

Staff recommends that Florida Housing's Board of Directors authorize the Executive Director to negotiate with a single source provider for the feasibility study services.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

VII. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Credit Underwriting Report for The Oaks at Riverview, Cycle XV, (2003-089S)

Development Name: The Oaks at Riverview Apartments (“Development”)	Location: Hillsborough County
Developer/Principal: Riverview-Dyer Redevelopment, LLC (“Developer”)	Set-Aside: 5% @ 30% AMI and 95% @ 60% AMI
Number of Units: 250	Allocated Amount: \$886,600
Type: One Mid-Rise with Elevator, Two Garden Style Buildings, Twelve Quadruplexes, Two Town Home Apartments, Sixteen Single Family Residences	Total Housing Credit Equity: \$7,590,000
Demographics: Family	
MMRB: \$1,550,000 (Local) Hope VI: \$13,854,000	

1. Background/Present Situation

- a) On October 9, 2003, the Board approved the final scores and ranking for the 2003 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 16, 2003, staff issued a preliminary commitment letter and an invitation to credit underwriting for a SAIL loan in an amount up to \$886,600 for this 250-unit family development in Hillsborough County.
- c) On June 3, 2004, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$886,600 ([Exhibit A](#)). The SAIL loan will be secured by a third mortgage. Staff has reviewed this report and finds that the Development meets all of the requirements of SAIL Rule 67-48, F.A.C.

2. Recommendation

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

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request to Extend Closing Deadline for Lee Vista Club Apartments, Cycle XV, (2003-072S)

Development Name: Lee Vista Club Apartments (“Development”)	Location: Orange
Developer/Principal: Sandspur Housing Partners, Ltd. (“Developer”)	Set-Aside: 17% @ 50% AMI and 83% @ 60% AMI
Number of Units: 312	Allocated Amount: \$2,000,000
Type: Garden Apartments	Housing Credits: \$9,243,000
Demographics: Family	
MMRB: \$16,000,000 Local	

1. Background/Present Situation

- a) On October 9, 2003, the Board approved the final scores and ranking for the 2003 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 16, 2003, staff issued a preliminary commitment letter and an invitation to credit underwriting for a SAIL loan in an amount up to \$2,000,000 for this 312-unit family development in Orange County.
- c) On April 2, 2004, the Board approved the final credit underwriting report for this Development for a SAIL loan in the amount of \$2,000,000. On April 5, 2004, a firm commitment letter was issued in the amount of \$2,000,000 for the Development.
- d) On May 20, 2004, staff received a request from the Developer for a 90 day extension for the SAIL loan in order to reduce the amount of time the Letter of Credit in lieu of a Payment and Performance bond will be outstanding ([Exhibit B](#)). Under the applicable rules, the SAIL loan closing must occur within sixty (60) days from the date that the firm loan commitment is issued unless an extension is approved by the Board and the Applicant pays an extension fee of one-half of one percent of the SAIL loan amount.

2. Recommendation

Approve the closing extension until September 2, 2004 for the Development, subject to the payment of the loan closing extension fee as required by Rule 67-48 Florida Administrative Code (already paid).

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

C. Request Approval of Credit Underwriting Report for Saxon Trace Apartments, Cycle XV, (2003-153S)

Development Name: Saxon Trace Apartments (“Development”)	Location: Volusia County
Developer/Principal: Sandspur Housing Partners, Ltd. (“Developer”)	Set-Aside: 17% @ 50% AMI and 83% @ 60% AMI
Number of Units: 192	Allocated Amount: \$1,500,000
Type: Garden Style	Total Housing Credit Equity: \$4,327,744
Demographics: Family	
MMRB: \$9,500,000 (Local)	

1. Background/Present Situation

- a) On October 9, 2003, the Board approved the final scores and ranking for the 2003 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 16, 2003, staff issued a preliminary commitment letter and an invitation to credit underwriting for a SAIL loan in an amount up to \$1,500,000 for this 192-unit family development in Volusia County.
- c) On June 3, 2004, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$1,500,000 ([Exhibit C](#)). The SAIL loan will be secured by a second mortgage. Staff has reviewed this report and finds that the Development meets all of the requirements of SAIL Rule 67-48, F.A.C.

2. Recommendation

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

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

D. Request Approval for Refinancing and SAIL Loan Term Extension for Siena Gardens, Cycle XIV, (2002-119CS)

Development Name: Siena Gardens ("Development")	Location: Bay County
Developer/Principal: The Gatehouse Group, Inc. ("Developer")	Set-Aside: 15% @ 30% AMI and 85% @ 60% AMI
Number of Units: 150	Allocated Amount: \$1,061,700
Type: Three Story Residential Buildings	Total Housing Credit Equity: \$6,150,300
Demographics: Elderly	MMRB: N/A

1. Background/Present Situation

- a) On March 31, 2003, the SAIL loan closed in the amount of \$1,061,700.
- b) On April 21, 2004, staff received a letter ([Exhibit D](#)) from the Developer requesting a change in permanent financing from First Housing to AmeriSphere Multifamily Finance, L.L.C. Wachovia Securities has requested that the SAIL loan maturity date be extended to be co-terminus with the first mortgage.
- c) On June 1, 2004, staff received an updated letter to the credit underwriting report ([Exhibit E](#)) from the credit underwriter regarding this change and deemed it acceptable per SAIL Rule 67-48.

2. Recommendation

Approve the refinancing and extend the maturity date of the SAIL loan to be co-terminus with the new first mortgage.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

E. Request Approval of Transfer of General Partnership Member Interest for Summer Lakes Apartments, Cycle XV, (2003-005S)

Development Name: Summer Lakes Apartments (“Development”)	Location: Collier County
Developer/Principal: The Richman Group of Florida, Inc. (“Developer”)	Set-Aside: 40% @ 60% AMI and 60% @ 50% AMI
Number of Units: 140	Allocated Amount: \$1,500,000
Type: Garden Apartments	Total Housing Credit Equity: \$3,187,104
Demographics: Family	
MMRB: \$9,215,000	

1. Background/Present Situation

- a) On October 9, 2003, the Board approved the final scores and ranking for the 2003 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 16, 2003, staff issued a preliminary commitment letter and an invitation to credit underwriting for a SAIL second mortgage loan in an amount up to \$1,500,000 for this 140-unit family development in Collier County.
- c) On February 27, 2004, the Board approved the final credit underwriting report for this Development for a SAIL loan in the amount of \$1,500,000. On March 4, 2004, a firm commitment letter was issued in the amount of \$1,500,000 for the Development.
- d) On May 21, 2004, the Board approved an update to the credit underwriting report concerning the financial structure and a sixty (60) day loan closing extension.
- e) The Applicant (Sawgrass Pines, LLC), in a letter dated May 26, 2004 ([Exhibit E](#)), requested approval of a transfer of member interest of the GP. The Credit Underwriting Report stated interest in the General Partnership member interest as Richard R. Richman (95%) and David Salzman (5%). The new interest transfer is proposed to be Richard R. Richman (62.3%), Richman Family Irrevocable Grantor Trust (17.8%), Richman Family Irrevocable Grantor Trust II (14.9%) and David Salzman (5%).
- f) The Credit Underwriter has reviewed the request and by letter dated June 1, 2004 ([Exhibit G](#)) recommends that Florida Housing allow the transfer of General Partnership member interest.

2. Recommendation

The Board approves the transfer of General Partnership member interest subject to further approvals and verifications by the Credit Underwriter, Special Counsel, and the appropriate Florida Housing staff.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

F. Request Approval of Loan Closing Extension for St. Croix Apartments, Cycle XIV, (2002-034S)

Development Name: St. Croix Apartments (“Development”)	Location: Broward County
Developer/Principal: Cornerstone Group Development, LLC (“Developer”)	Set-Aside: 80% @ 60% AMI and 20% @ 50% AMI
Number of Units: 246	Allocated Amount: \$2,000,000
Type: Garden Apartments	Total Housing Credit Equity: \$6,453,000
Demographics: Large Family	
MMRB: \$16,400,000 (Local)	

1. Background/Present Situation

- a) On October 10, 2002, the Board approved the final scores and ranking for the 2003 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 14, 2002, staff issued a preliminary commitment letter and an invitation to credit underwriting for a SAIL loan in an amount up to \$2,000,000 for this 246-unit Large Family development in Broward County.
- c) October 9, 2003, the Board approved the final credit underwriting report for this Development for a SAIL loan in the amount of \$2,000,000. On March 25, 2004, a firm commitment letter was issued in the amount of \$2,000,000 for the Development.
- d) On February 27, 2004, the Board approved the final credit underwriting report for this Development for a SAIL loan in the amount of \$2,000,000. On March 1, 2004, a firm commitment letter was issued in the amount of \$2,000,000 for the Development with a loan closing deadline of May 24, 2004.
- e) On May 28, 2004, staff received a letter ([Exhibit H](#)) requesting a SAIL loan closing extension until August 30, 2004 from the Developer. Under the applicable rules, the SAIL loan closing must occur within sixty (60) days from the date that the firm loan commitment is issued unless an extension is approved by the Board and the Applicant pays an extension fee of one-half of one percent of the SAIL loan amount.

2. Recommendation

Approve the SAIL loan closing extension for St. Croix Apartments based on the information provided by the Developer, subject to payment of the loan closing extension fee as required by Rule 67-48 Florida Administrative Code.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

G. Request Approval to Accept Future Advance for Bonita Pointe Apartments, Cycle XV, (2003-049S)

Development Name: Bonita Pointe Apartments (“Development”)	Location: Miami-Dade County
Developer/Principal: Cornerstone Group, L.L.C. (“Developer”)	Set-Aside: 17% @ 50% AMI and 83% @ 60% AMI
Number of Units: 164	Allocated Amount: \$2,000,000
Type: Garden Apartments	Housing Credits: \$4,963,000
Demographics: Family	
MMRB: \$7,980,000 Local	

1. Background/Present Situation

- a) On October 9, 2003, the Board approved the final scores and ranking for the 2003 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On October 16, 2003, staff issued a preliminary commitment letter and an invitation to credit underwriting for a SAIL loan in an amount up to \$2,000,000 for this 164-unit family development in Miami-Dade County.
- c) On April 2, 2004, the Board approved a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$2,000,000. A commitment letter was issued on April 5, 2004 with a closing deadline of June 4, 2004.
- d) On June 2, 2004, the Developer submitted a request to approve a future advance on an existing subordinate SURTAX loan in the amount of \$1,250,000 from Miami-Dade County ([Exhibit I](#)). The total outstanding principal amount of the SURTAX loan will be \$2,250,000.
- e) In a letter dated June 3, 2004, the credit underwriter analyzed this request and recommended that Florida Housing consent to the Developer’s request for a future advance on the existing SURTAX loan in the amount of \$1,250,000 ([Exhibit J](#)).

2. Recommendation

Approve the request for a future advance in the amount of \$1,250,000.

SPECIAL ASSETS

Consent

VIII. SPECIAL ASSETS

A. Request for Transfer of General Partnership Interest – Winchester Gardens Apartments (94DRHR-011 & 94L-087)

Development Name: Winchester Gardens Apartments (“Development”)	Location: Miami-Dade County
Developer/Principal: Winchester Gardens, Ltd. (“Developer”)	Set-Aside: HOME: 100% of 47 HOME units @ 50%AMI and Housing Credits: 40% @ 50% AMI and 60% @ 60% AMI
Number of Units: 110	Allocated Amount: \$1,450,000
Type: Garden Apartments	Housing Credits: \$553,572
Demographics: Family	

1. Background

- a) In 1994, Florida Housing provided \$1,450,000 in HOME funding to the Development. This Development is located in Miami-Dade County and consists of a 110 unit family development.
- b) By letter dated March 22, 2004 ([Exhibit A](#)), Apartment Investment and Management Co. (“AIMCO”), the general partner, requested to sell its general partner interests to RAP FL, LLC, an affiliated entity of The Related Companies (“Purchaser”).

2. Present Situation

Staff has received a draft opinion letter from Borrower’s counsel ([Exhibit B](#)) and a credit underwriting report ([Exhibit C](#)) regarding this transfer of general partnership interest with a positive recommendation subject to the following conditions:

- (1) Confirmation that all FHFC properties owned or operated by the Purchaser and its affiliates, are in good standing.
- (2) Review by FHFC legal staff confirming First Housing’s interpretation that the transaction is consistent with the applicable HOME Program rule.
- (3) Assumption of all related obligations under the HOME loan documents by RAP FL, LLC, and its members, The Related Companies, LP, The Related Companies, Inc., and JMP, LLC.

3. Recommendation

Staff recommends and requests the Board approve the Developer’s request to transfer AIMCO’s general partnership interest subject to the conditions recommended by the credit underwriter described above, receipt of a signed opinion letter from Developer’s counsel and a positive recommendation from HOME legal counsel.

SPECIAL ASSETS

Consent

B. Request for Transfer of General Partnership Interest – Colony Lakes Apartments (f/k/a Riverwalk III (93HD-020 & 93L-103))

Development Name: Colony Lakes Apartments (“Development”)	Location: Miami-Dade County
Developer/Principal: Homestead III Associates, Ltd. (“Developer”)	Set-Aside: 50% @ 50% AMI and 50% @ 60% AMI
Number of Units: 220	Allocated Amount: \$4,800,000
Type: Garden Apartments	Housing Credits: \$579,600
Demographics: Family	

1. Background

- a) In 1993, Florida Housing provided \$4,800,000 in HOME funding to the Development. This Development is located in Miami-Dade County and consists of a 220 unit family development.
- b) By letter dated March 22, 2004 ([Exhibit D](#)), Apartment Investment and Management Co. (“AIMCO”), the general partner, requested to sell its general partner interests to RAP FL, LLC, an affiliated entity of The Related Companies (“Purchaser”).

2. Present Situation

Staff has received a draft opinion letter from Borrower’s counsel ([Exhibit B](#)) and a credit underwriting report ([Exhibit E](#)) regarding this transfer of general partnership interest with a positive recommendation subject to the following conditions:

- (1) Confirmation that all FHFC properties owned or operated by the Purchaser and its affiliates are in good standing.
- (2) Review by FHFC legal staff confirming First Housing’s interpretation that the transaction is consistent with the applicable HOME Program rule.
- (3) Assumption of all related obligations under the HOME loan documents by RAP FL, LLC, and its members, The Related Companies, LP, The Related Companies, Inc., and JMP, LLC.

3. Recommendation

Staff recommends and requests the Board approve the Developer’s request to transfer AIMCO’s general partnership interest subject to the conditions recommended by the credit underwriter described above, receipt of a signed opinion letter from Developer’s counsel and a positive recommendation from HOME legal counsel.

SPECIAL ASSETS

Consent

C. **Request for Transfer of General Partnership Interest – Hainlin Mills Apartments (93-HRR-015 & 95L-001/94L-008)**

Development Name: Hainlin Mills Apartments (“Development”)	Location: Miami-Dade County
Developer/Principal: Hainlin Mill Associates, Ltd. (“Developer”)	Set-Aside: 20% @ 40% AMI and 80% @ 60% AMI
Number of Units: 144	Allocated Amount: \$1,564,000
Type: Garden Apartments	Housing Credits: \$835,124
Demographics: Family	

1. **Background**

- a) In 1993, Florida Housing provided \$1,564,000 in SAIL funding to the Development. This Development is located in Miami-Dade County and consists of a 144 unit family development.
- b) By letter dated March 22, 2004 ([Exhibit F](#)), Apartment Investment and Management Co. (“AIMCO”), the general partner, requested to sell its general partner interests to RAP FL, LLC, an affiliated entity of The Related Companies (“Purchaser”).

2. **Present Situation**

Staff has received a draft opinion letter from Borrower’s counsel ([Exhibit B](#)) and a credit underwriting report ([Exhibit G](#)) regarding this transfer of general partnership interest with a positive recommendation subject to the following conditions:

- (1) Confirmation that all FHFC properties owned or operated by the Purchaser and its affiliates are in good standing.
- (2) Review by FHFC legal staff confirming First Housing’s interpretation that the transaction is consistent with the applicable SAIL PROGRAM rule.
- (3) Completion of needed repairs, including power washing of concrete breezeways, repairs to broken concrete sidewalks, and painting of all building exteriors recommended.
- (4) Assumption of all related obligations under the SAIL loan documents by RAP FL, LLC, and its members, The Related Companies, LP, The Related Companies, Inc., and JMP, LLC.

3. **Recommendation**

Staff recommends and requests the Board approve the Developer’s request to transfer AIMCO’s general partnership interest subject to the conditions recommended by the credit underwriter described above, receipt of a signed opinion letter from Developer’s counsel and a positive recommendation of SAIL legal counsel.

SPECIAL ASSETS

Consent

D. Request for Transfer of General Partnership Interest – Regency Gardens Apartments (2002-090S & 2000-033C)

Development Name: Regency Gardens Apartments (“Development”)	Location: Broward County
Developer/Principal: A & S Development, Inc. (“Developer”)	Set-Aside: SAIL: 15.96% @ 30% AMI and 84.04% @ 60% AMI and Housing Credits: 15.96% @ 25% AMI and 84.04% @ 60% AMI
Number of Units: 94	Allocated Amount: \$700,000
Type: Garden Apartments	Housing Credits: \$488,800
Demographics: Urban In-Fill	

1. Background

- a) In 2002, Florida Housing provided \$700,000 in SAIL funding to the Development. This Development is located in Broward County and consists of a 94 unit urban in-fill development.
- b) By letter dated March 2, 2004 ([Exhibit H](#)), Regency Gardens, Inc., the co-general partner, requested to withdraw as co-general partner and transfer its general partner interests to Alliant Holdings of Regency, LLC (“Purchaser”).

2. Present Situation

Staff has received a opinion letter from Borrower’s counsel ([Exhibit I](#)) and a credit underwriting report ([Exhibit J](#)) regarding this transfer of general partnership interest with a positive recommendation subject to the following conditions:

- (1) Confirmation that all FHFC properties owned or operated by Alliant and/or Reliance are in good standing.
- (2) Review by FHFC legal staff confirming First Housing’s interpretation that the transaction is consistent with the applicable SAIL Program rule.
- (3) Replacement of the current management team with Reliance Management Services, Inc.
- (4) Assumption of all related obligations under the SAIL loan documents by Alliant Holdings of Regency, LLC, and Alliant Investment Partners, LLC.
- (5) Receipt and satisfactory review of an Executed copy of the Third Amendment to the Amended and Restated Agreement of Limited Partnership.

3.

SPECIAL ASSETS

Consent

Recommendation

Staff recommends and requests the Board approve the Developer's request to transfer Regency Gardens, Inc.'s general partnership interest subject to the conditions recommended by the credit underwriter described above, receipt of a signed opinion letter from Developer's counsel and a positive recommendation from SAIL legal counsel.