

**FLORIDA HOUSING FINANCE CORPORATION**

**Board Meeting**

April 27, 2007

Consent Items



## DEMONSTRATION LOANS

### *Consent*

#### I. DEMONSTRATION LOANS

##### A. Request Approval of Credit Underwriting Letter for Turtle Nest Village, a Non-Profit/Community Based Organization, for Transitional Development for Youths Aging Out of Foster Care (RFP 2006/01-05)

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Transitional Development for Youths Aging Out of Foster Care</b>
<b>DEVELOPER/PRINCIPAL (“Developer”):</b>	<b>Turtle Nest Village, a non-profit/community based organization</b>
<b>NUMBER OF UNITS:</b>	<b>3 two bedroom units (12 youths served at any time)</b>
<b>LOCATION (County):</b>	<b>Palm Beach County</b>
<b>TYPE:</b>	<b>Rental, Transitional</b>
<b>SET ASIDE:</b>	<b>Youths Aging Out of Foster Care</b>
<b>DEMONSTRATION LOAN AMOUNT:</b>	<b>\$400,000</b>

#### 1. Background/Present Situation

- a) On June 9, 2006, the Board approved funding not to exceed a total of \$400,000 for the Turtle Nest Village development. This approval was subject to a positive recommendation from the Credit Underwriter.
- b) On December 27, 2006, staff received a credit underwriting report for the proposed development with a positive recommendation for a loan of \$400,000 subject to the conditions outlined in the report. The land for the development is owned by Lake Worth Community Development Corporation (CDC). This property was not going to be transferred to the Applicant prior to closing on the demonstration loan; therefore, the CDC was going to be required to sign the loan documents along with the Applicant.
- c) On April 2, 2007, staff received a letter ([Exhibit A](#)) from the credit underwriter stating that the CDC would transfer the property to the Applicant prior to closing. Therefore, there is no longer a need for the CDC to sign the loan documents. The credit underwriter has recommended that the Applicant be the only signatory on the loan documents.

#### 2. Recommendation

Approve the credit underwriter’s recommendation to allow the Applicant, Turtle Nest Village, to be the only signatory on the demonstration loan.

# HOMEOWNERSHIP LOAN PROGRAM

## Consent

### II. HOMEOWNERSHIP LOAN PROGRAM

#### A. Request for Approval to Extend the Construction Period for Marion County Scattered Sites III/HH02-004

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

#### 1. Background

- a) The Applicant submitted an application during the 2002 Homeownership Loan Program Cycle, which scored within the funding range and was invited into credit underwriting on October 30, 2002.
- b) The final credit underwriting report, dated April 17, 2003, was approved at the May 2, 2003 Board Meeting.
- c) On May 7, 2003, a conditional loan commitment was issued to the Developer with the construction period scheduled to end by December 31, 2005, which was conditioned upon receiving environmental clearance from HUD.
- d) At the December 3, 2004 meeting, the Board approved the Developer’s request to increase the HOME down payment assistance available to Homebuyers to the maximum of 25% of the sales price, while maintaining the HOME allocation amount and reducing the number of units accordingly.
- e) On July 8, 2005, a firm commitment letter was issued to the Developer with the construction period scheduled to end on February 6, 2007.
- f) To date, the Developer has constructed and closed upon 17 homes and has utilized \$413,952.95 out of the original \$1,000,000 that was awarded. At the current sales price of \$140,000 and rate of subsidy of \$35,000 per home, it is anticipated that an additional 16 homes can be funded.
- g) Pursuant to rule 67-50.040(11) a one-year extension is permissible with approval by the Board.

#### 2. Present Situation

On March 1, 2007, the Developer requested a one-year extension, advising of past difficulties with an unreliable builder. The Developer has contracted with a new builder, Boutwell Construction and Development. The letter is attached as [Exhibit A](#).

#### 3. Recommendation

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

## HOME RENTAL

### *Consent*

### III. HOME RENTAL

#### A. Request Approval to Allow Additional Subordinate Financing for Pueblo Bonito III (2004-016H)

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

#### 1. Background/Present Situation

- a) On August 31, 2006, a HOME loan closed in the amount of \$2,450,000 for this 30-unit Family development in Lee County.
- b) On April 11, 2007, staff received a letter from the Developer requesting approval to allow additional subordinate financing from the City of Bonita Springs and the Lee County SHIP Funds ([Exhibit A](#)). Pursuant to Rule Chapter 67-48.020 (13) F.A.C.; the Applicant shall not refinance, increase the principal amount, or alter any terms of conditions of any mortgage superior or inferior to the HOME mortgage without prior approval of the Corporation’s Board of Directors.
- c) On April 12, 2007, staff received a positive recommendation from the credit underwriter for an increase in the grant amount from Lee County Ship Funds and to allow additional subordinate financing with a forgivable loan from the City of Bonita Springs for Pueblo Bonito III ([Exhibit B](#)).

#### 2. Recommendation

Approve the Developer’s request to allow additional subordinate financing from the City of Bonita Springs and the Lee County SHIP Funds.

## HOME RENTAL

### *Consent*

#### B. Request Approval of Credit Underwriting Report for Parkside Gardens (2006-017H)

<b>Development Name: Parkside Gardens ("Development")</b>	<b>Location: Marion County</b>
<b>Developer/Principal: Florida Low Income Housing Associates, Inc. ("Developer")</b>	<b>Set-Aside: 20% @ 50% AMI-29 units / 80% @ 60% AMI-115 units</b>
<b>Number of Units: 144</b>	<b>Allocated Amount: \$8,196,828</b>
<b>Type: Garden Style/Acquisition/Rehabilitation</b>	<b>Demographics: Family</b>

#### 1. Background/Present Situation

- a) On July 28, 2006, the Board approved the final scores and ranking for the 2006 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On August 4, 2006, staff issued a preliminary commitment letter and invitation to credit underwriting for a HOME loan in an amount up to \$8,196,828 for this 144-unit Family development in Marion County.
- c) On April 6, 2007, staff received a credit underwriting report with a positive recommendation for a HOME Rental loan in the amount of \$8,196,828 ([Exhibit C](#)), to be secured by a second mortgage. Staff has reviewed this report and finds that the Development meets all of the requirements of HOME Rule Chapter 67-48, F.A.C.

#### 2. Recommendation

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

# HOME RENTAL

## Consent

### C. Request Approval to De-obligate HOME Funds for Southland Suites at Apopka, RFP 2006-02-01

<b>Development Name: Southland Suites at Apopka (“Development”)</b>	<b>Location: Orange County</b>
<b>Developer/Principal: Senior Investments LLC (“Developer”)</b>	<b>Set-Aside: 20% @ 30% AMI and 80% @ 60% AMI</b>
<b>Number of Units: 36</b>	<b>Allocated Amount: \$2,440,000</b>
<b>Type: New Construction</b>	<b>Demographics: Frail Elderly</b>

#### 1. Background/Present Situation

- a) The Developer submitted an application for Southland Suites at Apopka during the Request for Proposals (RFP) 2006-02 for Housing for Special Needs Populations in the amount of \$2,440,000 for this 36-unit Frail Elderly development in Orange County.
- b) On June 9, 2006, the Board awarded funding for the (RFP) 2006-02 for Housing for Special Needs Populations.
- c) On June 22, 2006, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for a HOME loan in an amount up to \$2,440,000. The applicant failed to submit items required by the underwriter for completing a credit underwriting report.
- d) On August 31, 2006, the credit underwriter advised Florida Housing that Mr. Norman Huey, President of Senior Investments LLC, had passed away. After several attempts from the credit underwriter and Florida Housing to determine if Southland Suites at Apopka would be going forward, no information has been revealed. The contact for Southland Suites at Apopka, Fran James, advised Florida Housing on January 5, 2007, that she provided to the investor, Dan Thomason, the applications and material for beginning credit underwriting. The investor has not been in contact with Ms. James for some time and has ignored her proposal to assist in completing the HOME credit underwriting and loan closing requirements.
- e) On January 23, 2007, staff advised the contact person of the Applicant that failure to submit the required material to the credit underwriter within the appropriate time frame had resulted in the withdrawal of the preliminary commitment dated June 22, 2006. ([Exhibit D](#))
- f) On March 20, 2007, staff received a recommendation from the credit underwriter to proceed with the de-obligation of HOME funds ([Exhibit E](#)). Mr. Norman L. Huey had approximately 30 years of development experience and was Key Principal of Senior Investments LLC. Ownership in Senior Investments LLC passed to Ms. Myra Huey, his wife; however, Ms. Huey has insufficient development experience. According to Ms. Fran James, President and CEO of Partnership for Community Preservation, Inc. (PCPI), the non-profit who completed the Request for Proposal 2006-02, neither she nor PCPI is involved any longer in the development of the Southland Suites at Apopka.

## HOME RENTAL

### *Consent*

2. **Recommendation**

Approve staff's request that the \$2,440,000 in HOME funds be de-obligated and made available for future use in the HOME program.

## HOME RENTAL

### *Consent*

**D. Request Approval to De-obligate HOME Funds for Southland Suites at Lake Wales, RFP 2006-02-02**

<b>Development Name: Southland Suites at Lake Wales (“Development”)</b>	<b>Location: Polk County</b>
<b>Developer/Principal: Senior Investments LLC (“Developer”)</b>	<b>Set-Aside: 20% @ 30% AMI and 80% @ 60% AMI</b>
<b>Number of Units: 36</b>	<b>Allocated Amount: \$1,000,000</b>
<b>Type: New Construction</b>	<b>Demographics: Frail Elderly</b>

**1. Background/Present Situation**

- a) The Developer submitted an application for Southland Suites at Lake Wales during the Request for Proposals (RFP) 2006-02 for Housing for Special Needs Populations in the amount of \$1,000,000 for this 36-unit Frail Elderly development in Polk County.
- b) On June 9, 2006, the Board awarded funding for the (RFP) 2006-02 for Housing for Special Needs Populations.
- c) On June 22, 2006, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for a HOME loan in an amount up to \$1,000,000. The applicant failed to submit items required by the underwriter for completing a credit underwriting report.
- d) On August 31, 2006, the credit underwriter advised Florida Housing that Mr. Norman Huey, President of Senior Investments LLC, had passed away. After several attempts from the credit underwriter and Florida Housing to determine if Southland Suites at Lake Wales would be going forward, no information has been revealed. The contact for Southland Suites at Lake Wales, Fran James, advised Florida Housing on January 5, 2007, that she provided to the investor, Dan Thomason, the applications and material for beginning credit underwriting. The investor has not been in contact with Ms. James for some time and has ignored her proposal to assist in completing the HOME credit underwriting and loan closing requirements.
- e) On January 23, 2007, staff advised the contact person of the Applicant that failure to submit the required material to the credit underwriter within the appropriate time frame had resulted in the withdrawal of the preliminary commitment dated June 22, 2006. ([Exhibit F](#))
- f) On March 20, 2007, staff received a recommendation from the credit underwriter to proceed with the de-obligation of HOME funds (Exhibit E). Mr. Norman L. Huey had approximately 30 years of development experience and was Key Principal of Senior Investments LLC. Ownership in Senior Investments LLC passed to Ms. Myra Huey, his wife; however, Ms. Huey has insufficient development experience. According to Ms. Fran James, President and CEO of Partnership for Community Preservation, Inc. (PCPI), the non-profit who completed the Request for Proposal 2006-02, neither she nor PCPI is involved any longer in the development of the Southland Suites at Lake Wales.



## HOME RENTAL

### *Consent*

2. **Recommendation**

Approve staff's request that the \$1,000,000 in HOME funds be de-obligated and made available for future use in the HOME program.

## LEGAL

### Consent

#### IV. LEGAL

##### A. In Re: Oviedo Town Center Partners, Ltd. - FHFC Case No. 2007-007VW

<b>Development Name: (“Development”):</b>	<b>Oviedo Town Center Apartments Application # 2005-082S</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Sandspur Housing Partners, Ltd.</b>
<b>Number of Units: 120</b>	<b>Location: Seminole County</b>
<b>Type: Garden Apartments</b>	<b>Set Aside: 70% at 60%AMI</b>
<b>Demographics: Family</b>	<b>Allocated Amount: \$3,000,000</b>
<b>MMRB: N/A</b>	<b>Housing Credits: N/A</b>

##### 1. Background

- a) During the 2005 Universal Cycle, Florida Housing awarded SAIL funds to the Petitioner.
- b) On February 13, 2007, Florida Housing received a Petition for Waiver from Rules 67-48.004(1)(a), 67-48.004(14)(a),(b),(j) and (k), and 67-48.004(15), Florida Administrative Code (2005), from Oviedo Town Center Partners, Ltd. (“Petitioner”). On March 26, 2007, Florida Housing received an Amended Petition for Waiver from Rules 67-48.004(1)(a), 67-48.004(14)(a),(b),(j) and (k), and 67-48.004(15), Florida Administrative Code (2005), (“Amended Petition”) from Petitioner. A copy of the Amended Petition is attached as [Exhibit A](#).
- c) Rule 67-48.004(1)(a) provides:
  - (1)
    - (a) The Universal Application Package or UA1016 (Rev. 2-05) consists of the forms and instructions, obtained from the Corporation, at 227 North Bronough Street, Suite 5000, Tallahassee, FL 32301-1329, which shall be completed and submitted to the Corporation in accordance with this rule chapter in order to apply for the SAIL, HOME, HC or SAIL and HC Programs(s). The Universal Application Package is adopted and incorporated herein by reference, effective February 7, 2005.
- d) The Specific Instructions of the Universal Application Instructions provides under Part II A.2.a.(2):
  - (2) If applying for MMRB, SAIL or HOME, the Applicant entity shall be the borrowing entity and cannot be changed until after loan closing. Replacement of the Applicant or a material change (33.33% 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 funding and shall be deemed a material misrepresentation. Changes after loan closing require Board approval.

## LEGAL

### *Consent*

- e) The Specific Instructions of the Universal Application Instructions further provides under Part II.B.1.:

#### **B. Development Team**

\* \* \*

1. Developer or principal of Developer (Threshold).

The identity of the Developer(s) listed in this Application may not change until the construction or Rehabilitation/Substantial Rehabilitation of the Development is complete.

\* \* \*

- f) Rule 67-48.004(14)(a) provides:

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

(a) Name of Applicant;

(b) Identity of each Developer, including all Co-Developers;

\* \* \*

(j) Total number of units;

(k) With regard to the SAIL and HC programs, the Total Set-Aside Percentage as stated in the last row of the total set-aside breakdown chart for the program(s) applied for in the Set-Aside Commitment section of the Application . . .

- g) Rule 67-48.004(15) provides:

(15) A Development will be withdrawn from funding and any outstanding commitments for funds or HC will be rescinded if at any time the Board determines that the Applicant's Development or Development team is no longer the Development or Development team described in the Application, and the changes made are prejudicial to the Development or to the market to be served by the Development.

## LEGAL

### *Consent*

- h) Petitioner requests a waiver from Rules 67-48.004(1)(a) and (14)(a), restricting the ability of Petitioner to change the name of the Applicant prior to loan closing. The Applicant Entity is Oviedo Town Center Partners, Ltd. The Petitioner desires this Waiver to change the Applicant Entity to Oviedo Town Centre Development Group, L.L.L.P., with an ownership structure as reflected on Exhibit B attached to the Amended Petition.
- i) Petitioner is also requesting a waiver from Rules 67-48.004(1)(a), (14)(b) and (15), restricting the ability of the Petitioner to change the identity of the Developer until construction is complete. The Developer is Sandspur Housing Partners, Ltd. The Petitioner desires this waiver to change the Developer entity to Atlantic Housing Partners, L.L.L.P., with an ownership structure as shown on Exhibit D attached to the Amended Petition.
- j) Additionally, the Petitioner is requesting a waiver from Rules 67-48.004(14)(j) and (k), prohibiting a change in the total number of units and the total set-aside percentage after application deadline. The Development, as submitted in the Application, reflects a total set-aside percentage of seventy percent (70%) (or 84 affordable units) based on a total of 120 units. Subsequent to final engineering it was determined that Petitioner could not design the site to accommodate the number of units originally anticipated due to certain requirements of the City of Oviedo in its permitting process for this Development. As a result of the City of Oviedo permitting requirements, the number of units within the Development had to be decreased. Petitioner seeks to reduce the number of total units by 19, but does not seek a corresponding decrease in the number of affordable units.<sup>1</sup> Since the number of affordable units will not be reduced, the total set-aside percentage will actually increase to eighty-three percent (83%).
- k) On February 23, 2007, the Notice of Petition was published in the Florida Administrative Weekly.
- l) To date, Florida Housing has not received any comments concerning the Petition.
- m) 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.
- n) The granting of this request for waiver to change the Applicant and Developer entities will serve the purpose of the underlying statute in that the development will be able to go forward as proposed without violating the intent and purposes of the rules for which waiver is sought. Denial of the Amended Petition will result in substantial hardship to the applicant and developer entities in that strict application of the rules in this case will lead to an unreasonable and unintended result. The intent of the rules is to prevent third parties entering into the

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<sup>1</sup> The reduction of units will result in the unit mix changing from 20 1-bedroom units, 60 2-bedroom units, and 40 4-bedroom units to 24 1-bedroom units, 18 2-bedroom units, and 59 3-bedroom units.

## LEGAL

### *Consent*

transaction after the application process. In this case, no third parties are entering into the transaction but rather only internal restructuring will occur.

- o) The credit underwriter has reviewed the proposed changes to the Applicant and Developer entities with a favorable recommendation.
- p) The granting of this request for waiver to reduce the total units in the Development by 19 with the number of affordable units remaining unchanged will not adversely impact the Development or the delivery of affordable units. Strict application of the rule in this case will lead to an unreasonable and unintended result. In part, the rule is intended to prevent a developer from changing the total set-aside percentage as set forth in the application. In this case the number of affordable units that will be provided remains the same as that set forth in the Petitioner's Application. The total set-aside percentage actually increases as a result of the unit modification. Denial of the Petition will result in substantial hardship to the applicant because the Development cannot proceed as originally contemplated at the time of Application.
- q) However, because the number of total units (not only affordable units) affects the SAIL application loan and ranking process, the rule is also intended to ensure that the number of *total* units proposed by a developer at the time of application remains consistent with the total development cost for the development as submitted by the developer in its application.<sup>2</sup> The granting of the Petition to allow a reduction in the number of total units should, therefore, be conditioned upon a corresponding per-unit reduction in the SAIL loan amount for the Development resulting in a total loan reduction of \$475,000 (\$25,000 x 19 units) for the Development from \$3,000,000 to \$2,525,000.<sup>3</sup>

## 2. Recommendation

Staff recommends the Board grant the Petitioner's request for waiver from Rules 67-48.004(1)(a), 67-48.004(14) (a),(b),(j) and (k), and 67-48.004(15), Florida Administrative Code (2005), and the applicable Specific Instructions of the Universal Cycle Instructions to allow: (1) A change in the Applicant to Oviedo Town Centre Development Group, L.L.L.P., with an ownership structure as reflected on Exhibit B attached to the Amended Petition; (2) a change in the Developer to Atlantic Housing Partners, L.L.L.P., with an ownership structure as shown on Exhibit D attached to the Amended Petition; and (3) a reduction in the total number of units in the Development by 19, but with the number of affordable set-aside units remaining unchanged at 84, and an increase in the Total Set-Aside Percentage from seventy percent (70%) to eighty-three percent (83%), conditioned upon a reduction in the SAIL loan amount for the Development from \$3,000,000 to \$2,525,000.

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<sup>2</sup> For example, SAIL leveraging as a percentage of development cost is used as a tie-breaker in the ranking process. *See*, 2005 Universal Application Instructions, page 88.

<sup>3</sup> The current SAIL loan amount for the Development is \$3,000,000 which, based on 120 units, yields a per-unit SAIL loan amount of \$25,000.

# LEGAL

## Consent

### B. Liberty Center III - FHFC Case No. 2006-081VW

<b>Development Name: (“Development”):</b>	<b>Liberty Center III</b>
<b>Developer/Principal: (“Developer”):</b>	<b>The Harris Group, Inc.</b>
<b>Number of Units: 100</b>	<b>Location: Duval County</b>
<b>Type: Garden Apartments</b>	<b>Set Aside: 20% @ 50% AMI; 80% @ 60% AMI; 75 years</b>
<b>Demographics: Family (SRO-Homeless)</b>	<b>Allocated Amount: \$1,800,000</b>
<b>MMRB: N/A</b>	<b>Housing Credits: N/A</b>

#### 1. Background

- a) During the 1996-1997 SAIL IX Cycle, Florida Housing awarded an allocation of \$1,800,000 in SAIL funds to the Petitioner for the Development described above. The SAIL loan closed on March 27, 1997, with an original maturity date of November 30, 2006.
- b) The Petitioner and Florida Housing, through its Special Assets department, have been in negotiations regarding the Petitioner’s request to renegotiate and extend the loan. In the meantime, Florida Housing, at its October 20, 2006, Board meeting granted Petitioner’s request to extend the SAIL loan for six (6) months to May 31, 2007, in order to allow time to complete the renegotiations. The Petitioner and Florida Housing have reached a tentative agreement to extend the loan and the Special Assets department is presenting its recommendation in that regard contemporaneously herewith.<sup>4</sup>
- c) On December 1, 2006, Florida Housing received a Petition for Waiver/Variance of Rule 9I – 35.006(6), Florida Administrative Code, (“Petition”) from Liberty Center for the Homeless, Inc. (“Petitioner”). A copy of the Petition is attached as [Exhibit B](#). The Petitioner waived the 90-day time period imposed by Section 120.542(8), F.S., for granting or denying the Petition and agreed to have the Petition considered at this Board meeting.
- d) Rule 9I – 35.006(6), F.A.C., states:
  - (6) If, in its application, the Applicant agrees to a very low-income set-aside for a term longer than that required by law, the deferred SAIL interest due pursuant to Rule 9I – 35.006, F.A.C., shall be forgiven in an amount equal to the amount of interest due pursuant to Rule 9I – 35.006, F.A.C., multiplied by .05 multiplied by the number of years, not to exceed 15, that the very low-income set aside was extended beyond that required by law.
    - (a) The amount of interest to be forgiven shall be completed upon maturity of the note.
    - (b) Only interest which is in excess of the base interest rates specified in Rule Chapter 9I-35.006, F.A.C. shall be eligible for forgiveness.

<sup>4</sup>Rule 9I-35.006(14) provides that Florida Housing “may renegotiate and extend the loan in order to extend the availability of housing for the target population.”

## LEGAL

### *Consent*

- e) In its original application for the Development, the Petitioner committed to extend the low income housing set-aside to 75 years. Pursuant to Rule 9I – 35.006(6), F.A.C. (1996), \$823,536.99 of the total deferred interest of \$1,552,898.21 is, or will be, eligible for forgiveness under the Rule as of the May 31, 2007, extended loan maturity date.
- f) Petitioner requests a variance of the rule in order to obtain forgiveness of all deferred SAIL interest on the maturing loan.
- g) The Development is a homeless housing development operating in Jacksonville. The residents are all formerly homeless single adult women. Under the rules that applied to SAIL at the time the Development was approved, there was no homeless set-aside category and, thus, no preferential loan terms such as a reduced interest rate available to accommodate the unique financial situations of homeless housing developments. While the Development has operated successfully for 10 years, it does not generate significant cash flow because the residents have incomes and rents are charged that barely cover expenses of operation.
- h) The SAIL statutes have since been amended to create a homeless set-aside and to authorize SAIL loans for homeless developments to be made at an interest rate of zero to 3 percent. *See*, Sections 420.507(22)(a)1. and 2., 420.5087(3)(c) and 420.5087 (6)(a), F.S. The 2007 SAIL rule establishes a 0% interest rate on loans to developments that set aside at least 80% of the units for Homeless residents. Rule 67-48.010(3)(a), F.A.C. (2007). While the Development has always operated as one committed to serving the homeless, the Petitioner, as part of its negotiations to extend the term of its SAIL loan, has agreed to formalize the Development as one committed to serving the Homeless, as that term is defined by statute and rule, and has committed to set aside 100% of the units in the Development for the Homeless. With that set-aside, the Development would have qualified for a 0% interest rate loan at its inception had the SAIL statute and rule in effect at that time recognized Homeless developments as they do currently.
- i) On December 15, 2006, the Notice of Petition was published in the Florida Administrative Weekly.
- j) To date, Florida Housing has not received any comments concerning the Petition.

## 2. Present Situation

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

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- b) Recognizing the unique financial circumstances faced by homeless developments, the granting of this request for variance (with respect to interest forgiveness) will serve the purpose of the underlying statute in that it will

## LEGAL

### *Consent*

enhance the financial viability of the Development and thus ensure the continued availability of affordable housing to the homeless currently being provided by the Development, and will facilitate a new loan structure going forward wherein the principal balance of the Petitioner's SAIL loan will amortize. Denial of the Petition would result in substantial hardship to the Petitioner in that the Development could not continue to operate as a homeless development without relief from the original repayment terms of the SAIL loan and the limitation on interest forgiveness as set forth in Rule 9I-35.006(6), F.A.C. (1996).

### 3. **Recommendation**

Staff recommends the Board grant the Petitioner's request for variance from Rule 9I-35.006(6), F.A.C. (1996), to forgive all deferred SAIL interest due on the maturing loan with the variance conditioned upon and subject to the closing of the loan modification and extension in accordance with the workout proposal as approved by the Board concurrently herewith and a positive credit underwriting report.



# LEGAL

## Consent

### C. In Re: Greenview Manor LP - FHFC Case No. 2007-015VW

<b>Development Name: (“Development”):</b>	<b>Greenview Manor Application No. 2006A-247B</b>
<b>Developer/Principal: (“Developer”):</b>	<b>American Opportunity for Housing— Greenview Manor LP</b>
<b>Number of Units: 52</b>	<b>Location: Pinellas</b>
<b>Type: Apartments</b>	<b>Set Aside: 40% at 60% MMRB 100% at 60% HC</b>
<b>Demographics: Elderly</b>	

#### 1. Background

- a) During the 2006 Supplemental Cycle, American Opportunity for Housing-Greenview Manor L.P. (“Petitioner”) applied for MMRB funds to finance the rehabilitation of Greenview Manor Apartments (the “Development”) in St. Petersburg, Florida.
- b) On March 23, 2007, Florida Housing received a “Petition for Waiver from Florida Administrative Code Rules 67-21.003(1)(a), 67-21.006(2), and 67-48.004(1)(a)”, (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit C](#).
- c) Rule 67-21.006(2), Florida Administrative Code (2006), provides in pertinent part:

A Development shall at a minimum meet the following requirements or an Applicant shall be able to certify that the following requirements shall be met with respect to the Development:

- (2) Must be owned, managed and operated as a Development to provide multifamily residential rental property comprised of a building or structure or several proximate buildings or structures, each containing five or more dwelling units and functionally related facilities, in accordance with Section 142(d) of the IRC.
- d) Petitioner requests a waiver of the above rule to permit less than the minimum number of dwelling units per building required under the rule. Because the residential buildings in the Development are pre-existing development which is being rehabilitated, Petitioner is not able to meet the above requirement. Out of eight total residential buildings within the Development, six of the residential buildings meet the requirement of having five or more dwelling units per building, and two of the residential buildings within the Development have only four units per residential building.
  - e) On April 6, 2007, the Notice of Petition was published in the Florida Administrative Weekly. To date, Florida Housing has not received any comments concerning the Petition.

## LEGAL

### *Consent*

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

Variations and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.

- g) Strict application of the above Rule under these circumstances, where the Petitioner is attempting to rehabilitate a pre-existing development, would cause substantial hardship to Petitioner and violate the principles of fairness. Permitting this change in Development would also serve the underlying purpose of the statute.

### 2. **Recommendation**

Staff recommends the Board grant Petitioner's request for a waiver of Rule 67-21.006(2), Florida Administrative Code, to permit Petitioner rehabilitate the Development even though two of the eight buildings contain less than the minimum five dwelling units per building required by the Rule.

## MULTIFAMILY BONDS

### Consent

#### V. MULTIFAMILY BONDS

##### A. Request Approval Of The Final Credit Underwriting Report For Clear Harbor Apartments

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Clear Harbor Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Applicant”):</b>	<b>Clear Harbor, Ltd./Clear Harbor, LLC/TRG Member, LLC/The Richman Group Development Corporation/Richard P. Richman</b>
<b>NUMBER OF UNITS:</b>	<b>84</b>
<b>LOCATION (“County”):</b>	<b>Pinellas</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental/Family (MMRB, SAIL and HC)</b>
<b>SET ASIDE:</b>	<b>85% @ 60% (MMRB) 100% @ 60% (SAIL &amp; HC)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$5,950,000 of Tax-Exempt Bonds and \$3,000,000 SAIL</b>

##### 1. Background

Applicant submitted an application (“Application”) on behalf of the proposed Development during the 2006 Universal Cycle. Applicant applied for tax-exempt bonds in the amount of \$5,200,000 and SAIL funds in the amount of \$3,000,000 in order to construct the Development. The Applicant subsequently requested an additional \$750,000 in tax-exempt bonds for a total amount of \$5,950,000.

##### 2. Present Situation

- a) While the current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting, the Board has directed staff to advise it of any such changes.
- b) Total Development Costs have decreased \$9,462 since the Application.
- c) The Application indicated there would be 52 two-bedroom units and 32 three-bedroom units; however, the unit mix has changed by adding 12 one-bedroom units and reducing the number of the two and three bedroom units to 48 and 24 respectively. The total number of units remains unchanged.
- d) A Final Credit Underwriting Report dated April 13, 2007, is attached as [Exhibit A](#).

##### 3. Recommendation

That the Board approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated April 13, 2007 recommending that \$5,950,000 in bonds and \$3,000,000 in SAIL funds be issued for the purpose of constructing the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

**B. Request Approval Of The Final Credit Underwriting Report For Refunding Of The Bonds For The Augustine Club, Plantations At Killlearn And Woodlake At Killlearn**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Augustine Club/Plantations at Killlearn/Woodlake at Killlearn</b>
<b>DEVELOPER/PRINCIPAL (“Developer”) (“Owner”):</b>	<b>TCB Tallahassee Augustine, LLC/TCB Tallahassee Plantations, LLC/TCB Tallahassee Woodlake, LLC/TCB Florida Affordable Housing, Inc./The Community Builders, Inc.</b>
<b>NUMBER OF UNITS:</b>	<b>762</b>
<b>LOCATION (“County”):</b>	<b>Leon</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental</b>
<b>SET ASIDE:</b>	<b>20% @ 50%; 55% @ 80%</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$41,500,000 Tax-Exempt Bonds</b>
<b>ADDITIONAL COMMENTS: Refunding</b>	

**1. Background**

In 2000, Florida Housing financed the acquisition and rehabilitation of the Developments with \$35,815,000 in Tax-Exempt Bonds and \$2,970,000 in Taxable Bonds (collectively the “Bonds”) designated as 2000 Series D.

**2. Present Situation**

- a) The Owner, in a letter dated January 31, 2007, requested a refunding of the bonds. The proposed structure will be a fixed rate, private placement with RBC Dain Rauscher, Inc. The refunding will provide funds for improvements to the developments.
- b) A Final Credit Underwriting Report dated April 13, 2007 attached as [Exhibit B](#) recommends that Florida Housing allow the refunding.

**3. Recommendation**

That the Board approve the Final Credit Underwriting Report for refunding of the bonds for 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*

- C. **Request Approval Of The Final Credit Underwriting Report For Northbridge At Millenia Apartments In The Amount Of \$46,520,000 Of Tax Exempt Refunding Bonds And \$5,620,000 Taxable Refunding Bonds And An Additional \$1,980,000 Of Tax Exempt Bonds and \$15,880,000 Of Taxable Bonds, Consisting Of 607 Units, Located In Orlando, Orange County, Florida**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>NorthBridge at Millenia Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Applicant”):</b>	<b>NorthBridge at Millenia Partners, Ltd/ NorthBridge at Millenia Partners II, Ltd/ CED Capital Holdings 2002 RR, LLC/ CED Capital Holdings 2003 E, LLC/CED Capital Holdings XVI, Ltd/Michael J. Sciarrino Revocable Trust/Alan H. Ginsburg Revocable Trust/Edward J. Kleiman Revocable Trust/Susan H. Kleiman Revocable Trust/Alan H. Ginsburg</b>
<b>NUMBER OF UNITS:</b>	<b>607</b>
<b>LOCATION (“County”):</b>	<b>Orange</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental/Family (MMRB)(SAIL)</b>
<b>SET ASIDE:</b>	<b>20% @ 50% (MMRB and SAIL)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$46,520,000 of Refunding Tax Exempt Bonds and \$5,620,000 Taxable Refunding Bonds; \$1,980,000 of Tax Exempt Bonds and \$15,880,000 of Taxable Bonds</b>
<b>ADDITIONAL COMMENTS: Refunding of Tax Exempt and Taxable Bonds; Additional Tax Exempt Bonds and Taxable Bonds</b>	

1. **Background**

- a) In 2003, Florida Housing financed Phase I of the development with \$30,020,000 in tax exempt bonds and \$3,300,000 in taxable bonds designated as 2003 Series V-1 and 2 (the “Florida Housing Bonds”). Additionally, the development was financed with a \$2,000,000 SAIL loan.
- b) Also in 2003, Orange County Housing Finance Authority financed Phase II of the development with \$16,500,000 in tax exempt bonds and \$2,320,000 in taxable bonds designated as 2003 Series A and B (the “Orange County HFA Bonds”).
- c) The Developer committed to set aside 20% of the units for residents earning 50% or less of the area median income (the “AMI”) for the Florida Housing Bonds. Additionally, the Developer committed to set aside 20% of the units for residents earning 50% or less of the AMI and 60% of the units for residents earning 150% of the AMI for the Orange County HFA Bonds.

## MULTIFAMILY BONDS

### *Consent*

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

- a) The total bond refunding will consist of \$46,520,000 in tax exempt bonds and \$5,620,000 in taxable bonds. The developers have also requested an additional \$1,980,000 of tax exempt bonds and \$15,880,000 of taxable bonds.
- b) The Refunding Bonds are anticipated to be variable rate bonds with a term of no more than thirty-five years. The Bonds will be credit enhanced for five years with a letter of credit provided by Key Bank. Rule 67-21.008(1)(h) requires Board approval for any credit enhancement instrument of less than ten years.
- c) Rule 67-21.018(4)(b) requires the original set asides described in the Florida Housing Bonds' Land Use Restriction Agreement (the "LURA") be increased by an amount and extended by a period determined by the Corporation. The developer is proposing to extend the current set asides of the Orange County HFA Bonds of 60% of the units at or below 150% of AMI (including the units set aside for 50% at or below AMI) for a minimum of 15 years (or the length of the Florida Housing Bonds' Qualified Project Period, the "QPP"), where the Orange County HFA Bonds set asides would otherwise expire at the end of the Orange County HFA QPP.
- d) The developer has also agreed to spread the existing SAIL mortgage on the Florida Housing Bonds to the Orange County HFA Bonds. This change will provide additional security to the existing SAIL mortgage. The SAIL Rule criteria for refinancing the Florida Housing Bonds in Chapter 67-48.009(15) have been satisfied.
- e) A Final Credit Underwriting Report dated April 13, 2007, is attached as [Exhibit C](#).

#### 3. **Recommendation**

Final Credit Underwriting Report dated April 12, 2007 recommending that an aggregate of \$48,500,000 in tax-exempt bonds and \$21,500,000 in taxable bonds be issued for the purpose of refinancing the Development and spread the SAIL mortgage to the portion of the Development financed with proceeds of the Orange County HFA Bonds included in the refunding, 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 Extension Of Bond Maturity Of Waterford At Orange Park For \$10,220,000 Tax Exempt Bond Financing, Consisting Of 280 Units Located In Clay County Florida**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Waterford at Orange Park Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Developer”):</b>	<b>Merry Land Downreit I, LP/EQR-The Waterford at Orange Park, LLC/ERP Operating LP/Equity Residential (EQR)</b>
<b>NUMBER OF UNITS:</b>	<b>280</b>
<b>LOCATION (“County”):</b>	<b>Clay</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental</b>
<b>SET ASIDE:</b>	<b>20% @ 80% (MMRB) 80% @ 150% (MMRB)</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$10,220,000 Tax-Exempt Bonds</b>
<b>ADDITIONAL COMMENTS: Extension of Bond Maturity</b>	

1. **Background**

- a) In 1985, Florida Housing financed the construction of the Development with \$10,300,000 in tax exempt Bonds, designated as 1985 Series Q.
- b) In 1990, Florida Housing refunded the 1985 Series Q Bonds with \$10,220,000 in tax exempt Bonds, designated as 1990 Series A.

2. **Present Situation**

- a) Purchaser, in a letter dated March 22, 2007 ([Exhibit D](#)), requested approval of the extension of the Bond maturity for the 1990 Series A Bonds from July 1, 2007 to July 1, 2008.
- b) A Final Credit Underwriting Letter dated April 13, 2007 ([Exhibit E](#)) recommends that Florida Housing allow the extension of the Bond maturity for the 1990 Series A Bonds from July 1, 2007 to July 1, 2008.

3. **Recommendation**

That the Board approve the extension of the Bond maturity for the 1990 Series A Bonds from July 1, 2007 to July 1, 2008, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

**E. Request Approval For An Assumption And Amendment Of LURA Obligations Of Cimarron Apartments And Sunset Place Apartments**

<b>DEVELOPMENT NAME (“Developments”):</b>	<b>Cimarron Apartments Sunset Place</b>
<b>DEVELOPER/PRINCIPAL (“Developer”)/ (“Owner”):</b>	<b>Miles Properties, Inc./MPI Cimarron, LLC (“MPIC”)/MPI Sunset Place, LLC (“MPISP”)</b>
<b>NUMBER OF UNITS:</b>	<b>400 – respectively 138 – respectively</b>
<b>LOCATION (“County”):</b>	<b>Hillsborough – respectively Pinellas – respectively</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental</b>
<b>SET ASIDE:</b>	<b>20% @ 80%; 75% @ 150%</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$17,570,000 Tax-Exempt Bonds \$ 3,300,000 Taxable Bonds</b>
<b>ADDITIONAL COMMENTS: Assumption and Amendment of LURA Obligations</b>	

**1. Background**

In 1999, Florida Housing financed the acquisition of the Developments with \$17,570,000 in Tax-Exempt Bonds and \$3,300,000 in Taxable Bonds (collectively the “Bonds”), designated as 1999 Series K. The bonds were subsequently redeemed on July 25, 2005.

**2. Present Situation**

- a) The Owner, requests approval to transfer the Developments to an entity of Miles Properties, Inc. together with other entities controlled by principals of Miles Properties, Inc. that will be refinanced by Wachovia Bank, N.A.
- b) The Credit Underwriter has reviewed the Owner’s request and by letter dated April 12, 2007 ([Exhibit F](#)) recommends that Florida Housing approve the request.

**3. Recommendation**

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

**F. Request Approval To Change Remarketing Agents For River Oaks Apartments And Lynn Lake Apartments**

<b>DEVELOPMENT NAME (“Developments”):</b>	<b>River Oaks Apartments Lynn Lake Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Developer” or “Owner”):</b>	<b>Picerne Development Corporation Landmark Residential Management, LLC</b>
<b>NUMBER OF UNITS:</b>	<b>168 – respectively 806 – respectively</b>
<b>LOCATION (“County”):</b>	<b>Seminole – respectively Pinellas – respectively</b>
<b>TYPE (“Rental, Homeownership”):</b>	<b>Rental</b>
<b>SET ASIDE:</b>	<b>20% @ 80%; 80% @ 150% - respectively 20% @ 50% - respectively</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$6,385,000 - respectively \$40,580,000 – respectively</b>
<b>ADDITIONAL COMMENTS: Change in Remarketing Agent</b>	

**1. Background**

- a) In 1985, Florida Housing financed the construction of River Oaks with \$6,385,000 in tax-exempt bonds, designated as 1985 Series TT.
- b) In 2005, Florida Housing financed the acquisition and rehabilitation of Lynn Lake with \$40,580,000 in tax-exempt bonds, designated as 2005 Series B.

**2. Present Situation**

The Owners of the Developments have requested a change in the remarketing agent for the Developments from Capmark Securities, Inc. to Stern Brothers & Co (“Stern”) and the credit enhancer[s] have consented to such change. Stern is an approved bond underwriter for Florida Housing. With respect to each of the referenced developments, the documents related to the bonds provide that a change in the remarketing agreement can be made only by Florida Housing.

**3. Recommendation**

That the Board approve the Change of Remarketing Agents for 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*

**G. Request Approval To Change Remarketing Agents For Reflections Apartments, Island Club Apartments, Charleston Landings Apartments, Lighthouse Bay Apartments and Cypress Lake Apartments**

<b>DEVELOPMENT NAME (“Developments”):</b>	Reflections Apartments Island Club Apartments Charleston Landings Apartments Lighthouse Bay Apartments Cypress Lake Apartments
<b>DEVELOPER/PRINCIPAL (“Developer” or “Owner”):</b>	Hillsborough-Oxford Assoc., Ltd. Beville-Island Club Apartments Partners, LP Brandon-Oxford Associates, Ltd. Lighthouse Bay Holdings, Ltd. Cypress Lake Apartments Ltd
<b>NUMBER OF UNITS:</b>	348 – respectively 204 - respectively 300 - respectively 320 – respectively 152 – respectively
<b>LOCATION (“County”):</b>	Hillsborough – respectively Volusia – respectively Hillsborough – respectively Hillsborough – respectively Hillsborough – respectively
<b>TYPE (“Rental, Homeownership”):</b>	Rental
<b>SET ASIDE:</b>	20% @ 80%; 80% @ 150% - respectively 20% @ 80%; 80% @ 150% - respectively 20% @ 80%; 80% @ 150% - respectively 35% @ 80%; 65% @ 150% - respectively 35% @ 80%; 65% @ 150% - respectively
<b>ALLOCATED AMOUNT:</b>	\$13,500,000 in tax-exempt bonds and \$6,735,000 in taxable bonds – respectively \$11,270,000 in tax-exempt bonds – respectively \$10,750,000 in tax-exempt bonds and \$6,935,000 in taxable bonds – respectively \$8,800,000 in tax-exempt bonds and \$1,750,000 in taxable bonds – respectively \$6,500,000 in tax-exempt bonds and \$200,000 in taxable bonds - respectively
<b>ADDITIONAL COMMENTS: Change in Remarketing Agent</b>	

# MULTIFAMILY BONDS

## *Consent*

### 1. **Background**

- a) In 1985, Florida Housing financed the construction of Reflections with \$20,460,000 in tax-exempt bonds, designated as 1985 Series DDD. The bonds were subsequently refunded in 1990 with \$20,235,000 in tax-exempt bonds, designated as 1990 Series D and refunded again in 2001 with \$13,500,000 in tax-exempt bonds and \$6,735,000 in taxable bonds, designated at 2001 Series K.
- b) In 1985, Florida Housing financed the construction of Island Club with \$11,340,000 in tax-exempt bonds, designated as 1985 Series CCC. The bonds were subsequently refunded in 1990 with \$11,270,000 in tax-exempt bonds, designated as 1990 Series B and refunded again in 2001 with \$11,270,000 in tax-exempt bonds, designated at 2001 Series J.
- c) In 1985, Florida Housing financed the construction of Charleston Landings with \$14,685,000 in tax-exempt bonds, designated as 1985 Series O. The bonds were subsequently refunded in 1990 with \$14,685,000 in tax-exempt bonds, designated as 1990 Series C and refunded again in 2001 with \$10,750,000 in tax-exempt bonds and \$6,935,000 in taxable bonds, designated at 2001 Series I.
- d) In 1985, Florida Housing financed the construction of Lighthouse Bay with \$8,800,000 in tax-exempt bonds, designated as 1985 Series V. The bonds were subsequently refunded in 1993 with \$8,800,000 in tax-exempt bonds and \$750,000 in taxable bonds, designated as 1993 Series A & B and refunded again in 2002 with \$8,800,000 in tax-exempt bonds and \$1,750,000 in taxable bonds, designated at 2002 Series N.
- e) In 1985, Florida Housing financed the construction of Cypress Lake with \$6,500,000 in tax-exempt bonds, designated as 1985 Series WWW. The bonds were subsequently refunded in 2002 with \$6,500,000 in tax-exempt bonds and \$200,000 in taxable bonds, designated as 2002 Series M.

### 2. **Present Situation**

Capmark Securities, Inc., (“Capmark”) the current Remarketing Agent, in a letter dated January 12, 2007 ([Exhibit G](#)) requested a change in the remarketing agent for the Developments from Capmark to Citigroup Global Markets, Inc. and Citibank, N.A. (“Citigroup”). Capmark Securities, Inc. and certain affiliates have entered into a transaction pursuant to a Purchase Agreement dated December 20, 2006 to sell, assign or otherwise convey to Citigroup certain assets, including the rights in and to the remarketing agreements relating to bonds previously issued in connection with the affordable housing debt financing business of Capmark. Citigroup is an approved bond underwriter for Florida Housing.

### 3. **Recommendation**

That the Board approve the Change of Remarketing Agents for the Developments, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

## MULTIFAMILY BONDS

### *Consent*

#### H. Request Approval To Allocate \$1,985,000 In Tax-Exempt, Private Activity Bond Allocation To Greenview Manor Apartments

<b>DEVELOPMENT NAME (“Developments”):</b>	<b>Greenview Manor Apartments</b>
<b>DEVELOPER/PRINCIPAL (“Developers”):</b>	<b>American Opportunity for Housing – Greenview Manor LP/American Opportunity for Housing, Inc.</b>
<b>NUMBER OF UNITS:</b>	<b>52</b>
<b>LOCATION (“Counties”):</b>	<b>Pinellas</b>
<b>TYPE (Rental, Homeownership):</b>	<b>Rental</b>
<b>SET ASIDE:</b>	<b>85% @ 60%</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$1,985,000 Tax Exempt Bonds</b>
<b>ADDITIONAL COMMENTS: Award of bond allocation</b>	

#### 1. Background

At the March 3, 2006 meeting, the Board authorized the MMRB Program to conduct a supplemental application cycle.

#### 2. Present Situation

- a) As of December 29, 2006, the MMRB Program has approximately \$300,000,000 in tax-exempt, private activity bond allocation that is not committed to a specific multifamily development.
- b) The Development is a 2006 Supplemental MMRB Application (“Application”) to acquire and rehabilitate the development in Pinellas County.
- c) The rules governing the 2006 Supplemental MMRB Application cycle require an application to achieve a perfect score of sixty-six (66) points in order to be funded. Therefore, the Application is ineligible for funding under the 2006 Supplemental MMRB Application cycle. However, the rules further state: “If there is private activity bond allocation remaining after all eligible Applications are funded, then this allocation will be applied to the Corporation’s single-family bond program or otherwise used as directed by the Board.”
- d) Staff recommends that the Board use its discretion to award private activity bond allocation to the Development even though it did not obtain a perfect score on its Application. Staff believes that the public policy purposes served by obtaining this Development as affordable for thirty (30) years far outweigh any failure to achieve a perfect score on the Application.

#### 3. Recommendation

Approve the request to allocate \$1,985,000 in tax exempt, private activity bonds to 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*

### **I. Assignment Of Bond Underwriters And Structuring Agents**

#### **1. Background**

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

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

- a) The Credit Underwriters, the Senior Financial Advisor and Florida Housing staff have reviewed the financing structure for the proposed Developments.
- b) The Senior Financial Advisor's recommendations for the method of bond sale are being presented to the Board at the current meeting during the Multifamily Mortgage Revenue Bond Program Update of items on the agenda.

#### **3. Recommendation**

That the Board approve the assignment of the recommended professionals as shown in the chart for the proposed Developments.

<b>Development Name</b>	<b>Location of Development</b>	<b>Number of Units</b>	<b>Method of Bond Sale</b>	<b>Recommended Professional</b>
<b>Augustine Club/Plantations at Killlearn/Woodlake at Killlearn</b>	<b>Leon</b>	<b>762</b>	<b>Private Placement</b>	<b>RBC Dain Rauscher, Inc.</b>
<b>Clear Harbor</b>	<b>Pinellas</b>	<b>84</b>	<b>Negotiated</b>	<b>Stern Brothers &amp; Co.</b>
<b>Northbridge at Millenia</b>	<b>Orange</b>	<b>607</b>	<b>Negotiated</b>	<b>Morgan Keegan &amp; Company, Inc.</b>

# MULTIFAMILY BONDS

## *Consent*

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

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

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

<b>Development Name</b>	<b>Location of Development</b>	<b>Number of Units</b>	<b>Method of Bond Sale</b>
<b>Augustine Club/Plantations at Killearn/Woodlake at Killearn</b>	<b>Leon</b>	<b>762</b>	<b>Private Placement</b>
<b>Clear Harbor</b>	<b>Pinellas</b>	<b>84</b>	<b>Negotiated</b>
<b>Northbridge at Millenia</b>	<b>Orange</b>	<b>607</b>	<b>Negotiated</b>

#### **2. Recommendation**

That the Board approve the recommendations of the Senior Financial Advisor for the method of bond sale for the above Developments.

**PREDEVELOPMENT LOAN PROGRAM (PLP)**

*Consent*

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

**A. Request Approval of Applicant Name Change from Miami Beach Community Development Corporation, Inc. to MBCDC: Villa Maria, LLC for Villa Maria West (PLP 05-102)**

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Villa Maria West</b>
<b>APPLICANT/DEVELOPER (“Developer”):</b>	<b>Miami Beach Community Development Corporation, Inc. MBCDC: Villa Maria, LLC</b>
<b>NUMBER OF UNITS:</b>	<b>36</b>
<b>LOCATION (“County”):</b>	<b>Miami-Dade</b>
<b>TYPE:</b>	<b>Rental</b>
<b>SET ASIDE:</b>	<b>60% @ 60% AMI</b>
<b>PLP LOAN AMOUNT:</b>	<b>\$ 451,000</b>

**1. Background/Present Situation**

- a) On September 12, 2006, Florida Housing issued an Invitation to Participate in the PLP to the non-profit Developer. The Development will be located in Miami-Dade County.
- b) On December 15, 2006, the Board approved the predevelopment loan to Miami Beach Community Development Corporation, Inc., for the Development of Villa Maria West in the amount of \$451,000.
- c) The developer formed a limited liability corporation for the development of this property. This limited liability corporation (MBCDC: Villa Maria, LLC) is the owner of the subject property. The Developer has requested that this entity be allowed to replace Miami Beach Community Development Corporation, Inc. as the Applicant entity ([Exhibit A](#)).

**2. Recommendation**

Approve a change in the name of the Applicant entity for Villa Maria West from Miami Beach Community Development Corporation, Inc. to MBCDC: Villa Maria, LLC.

## PROFESSIONAL SERVICES SELECTION

### *Consent*

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

##### A. Printing Services – Official Statements

###### 1. Background

- a) At its December 6, 2002 meeting Florida Housing's Board authorized staff to enter into contract negotiations with i-Deal LLC to provide printing services.
- b) The initial term of the contract with i-Deal LLC expired May 13, 2006.
- c) The contract may be renewed twice. Each renewal is for an additional one-year period.
- d) Effective May 13, 2006 the contract was renewed until May 13, 2007.

###### 2. Present Situation

- a) The current contract expires May 13, 2007. Florida Housing staff supports a renewal to extend the term of the contract for the final one-year period.

###### 3. Recommendation

Staff recommends that the Board direct staff to proceed with the final contract renewal.



**RENTAL RECOVERY LOAN PROGRAM (RRLP)**

*Consent*

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

**A. Request Approval of Loan Closing Extension for Palmetto Ridge Estates (2005-321HR)**

<b>Development Name: Palmetto Ridge Estates (“Development”)</b>	<b>Location: Brevard County</b>
<b>Developer/Principal: Gandolf Group, LLC &amp; Timothy J. Oliver (“Developer”)</b>	<b>Set-Aside: 25% @ 35% AMI and 75% @ 60% AMI</b>
<b>Number of Units: 192</b>	<b>Allocated Amount: \$7,400,000</b>
<b>Type: Garden Style</b>	<b>Housing Credit Equity \$9,016,210</b>
<b>Demographics: Family</b>	<b>MMRB: \$11,500,000</b>

**1. Background/Present Situation**

- a) On January 26, 2007, the Board approved an extension of the RRLP closing deadline until April 1, 2007, for this 192-unit family development in Brevard County.
- b) On March 30, 2007, staff received a letter from the Applicant requesting a second extension of the loan closing deadline until August 1, 2007, due to the lack of performance of the civil engineer ([Exhibit A](#)). Since the final credit underwriting report will be a year old in August, this extension is subject to an update to the credit underwriting report.

**2. Recommendation**

Approve the request for an extension of the closing deadline until August 1, 2007, subject to the payment of the extension fee pursuant to Rule Chapter 67ER06-13, F.A.C., and a update to the credit underwriting report.

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

*Consent*

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

**A. Request Approval of Credit Underwriting Report for Clear Harbor Apartments, Cycle XVIII (2006-012BS)**

<b>Development Name: Clear Harbor Apartments (“Development”)</b>	<b>Location: Pinellas County</b>
<b>Developer/Principal: The Richman Group of Florida, Inc. (“Developer”)</b>	<b>Set-Aside: 100% @ 60% AMI</b>
<b>Number of Units: 84</b>	<b>Allocated Amount: \$3,000,000</b>
<b>Type: Garden Style</b>	<b>Housing Credit Equity \$4,125,371</b>
<b>Demographics: Family</b>	<b>MMRB: \$5,950,000</b>

**1. Background/Present Situation**

- a) On July 28, 2006, the Board approved the final scores and ranking for the 2006 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On August 7, 2006, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for a SAIL loan in an amount up to \$3,000,000 for this 84-unit family development located in Pinellas County. The Development was also awarded an MMRB allocation. The credit underwriting report is addressed in the MMRB section of this board package. Staff has reviewed this report and finds that the Development meets all of the requirements of SAIL Rule Chapter 67-48, F.A.C.

**2. Recommendation**

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

## STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

### *Consent*

**B. Request Approval to Extend the SAIL Loan Closing Deadline for Merry Place Apartments, Wilma Go Zone (RFP 2006-04-06/2005-036C)**

<b>Development Name: Merry Place (“Development”)</b>	<b>Location: Palm Beach County</b>
<b>Developer/Principal: Banc of America Community Development Corporation and Baobab Development, Inc. “Developer”)</b>	<b>Set-Aside: 15% @ 30% AMI, 85% @ 60% AMI</b>
<b>Number of Units: 128</b>	<b>Allocated Amount: \$1,024,000</b>
<b>Type: Garden Apartments</b>	<b>Housing Tax Credit Equity: \$13,744,000</b>
<b>Demographics: Family</b>	<b>MMRB: N/A</b>

**1. Background/Present Situation**

- a) Through an RFP process in April, 2006, developments that were located in the counties damaged by Hurricane Wilma and were awarded an allocation of only Competitive Housing Credits (HC) in the 2005 Universal Application Cycle were allowed to request 2006 SAIL funds. The Applicant applied for a SAIL loan in the amount of \$1,024,000 for this 128-unit family development in Palm Beach County. On June 9, 2006, the Board approved tentative funding and directed staff to proceed with an invitation to credit underwriting.
- b) On June 28, 2006, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for a SAIL loan in an amount up to \$1,024,000.
- c) On January 26, 2007, the Board approved an underwriting report for Merry Place Apartments and staff issued a firm commitment letter that provided a closing deadline of April 2, 2007 for the SAIL loan.
- d) On March 28, 2007, staff received a letter from the Developer requesting an extension of the closing deadline until Thursday, May 17, 2007 due to delays in obtaining the final building permits ([Exhibit A](#)).

**2. Recommendation**

Approve the request to extend the closing deadline until May 17, 2007, subject to the payment of the loan closing extension fee pursuant to Rule Chapter 67-48, F.A.C.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

C. Request Approval of Credit Underwriting Report for Lake Kathy Apartments, Cycle XVIII (2006-02-SEL)

<b>Development Name: Lake Kathy Apartments (“Development”)</b>	<b>Location: Hillsborough County</b>
<b>Developer/Principal: The Richman Group of Florida, Inc. (“Developer”)</b>	<b>Set-Aside: 100% @ 60% AMI</b>
<b>Number of Units: 360</b>	<b>Allocated Amount: \$3,000,000 (2005) &amp; \$1,000,000 (2006)</b>
<b>Type: Garden Style</b>	<b>Housing Credit Equity \$15,045,697</b>
<b>Demographics: Family</b>	<b>MMRB: \$20,670,000 (Local)</b>

1. Background/Present Situation

- a) During the 2005 Universal Application Cycle, the Applicant applied for a SAIL loan in the amount of \$3,000,000 for this 360-unit family development in Hillsborough County.
- b) On August 25, 2005, the Board approved the final scores and ranking for the 2005 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- c) On September 29, 2005, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for a SAIL loan in an amount up to \$3,000,000.
- d) On January 20, 2006, the Board approved the final credit underwriting report and directed staff to proceed with loan closing activities. The closing has not taken place as of this date.
- e) In the 2006 Universal Application Cycle, Applicants that were successful in receiving an award of 2005 SAIL funds could request additional funding for the difference in the 2005 request and the 2006 request limits.
- f) During the 2006 Universal Application Cycle, the Applicant applied for an additional SAIL loan in the amount of \$1,000,000.
- g) On August 21, 2006, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for an additional SAIL loan in an amount up to \$1,000,000.
- h) On April 13, 2007, staff received a credit underwriting report with a positive recommendation for a combined SAIL loan in the amount of \$4,000,000 ([Exhibit B](#)). Staff has reviewed this report and finds that the development meets all of the requirements of SAIL Rule Chapter 67-48, F.A.C.

2. Recommendation

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

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

D. Request Approval of Credit Underwriting Report for Claymore Crossings Apartments, Cycle XVII (2005-032S)

Development Name: Claymore Crossings Apartments (“Development”)	Location: Hillsborough County
Developer/Principal: The Richman Group of Florida, Inc. (“Developer”)	Set-Aside: 100% @ 60% AMI
Number of Units: 260	Allocated Amount: \$3,000,000
Type: Garden Style	Housing Credit Equity \$9,809,112
Demographics: Family	MMRB: \$14,530,000 (Local)

1. Background/Present Situation

- a) On August 25, 2005, the Board approved the final scores and ranking for the 2005 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On September 29, 2005, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for a SAIL loan in an amount up to \$3,000,000 for this 260-unit family development in Hillsborough County.
- c) On April 12, 2007, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$3,000,000 ([Exhibit C](#)). Staff has reviewed this report and finds that the development meets all of the requirements of SAIL Rule Chapter 67-48, F.A.C.

2. Recommendation

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

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

*Consent*

E. Request Approval of a SAIL Credit Underwriting Report for Timber Trace Apartments, Cycle XVIII (2006-014S)

<b>Development Name: Timber Trace Apartments (“Development”)</b>	<b>Location: Brevard County</b>
<b>Developer/Principal: The Richman Group of Florida, Inc. (“Developer”)</b>	<b>Set-Aside: 100% @ 60% AMI</b>
<b>Number of Units: 204</b>	<b>Allocated Amount: \$4,000,000</b>
<b>Type: Garden Style</b>	<b>Housing Credit Equity: \$9,496,863</b>
<b>Demographics: Family</b>	<b>MMRB: \$14,100,000 (Local)</b>

1. Background/Present Situation

- a) On July 28, 2006, the Board approved the final scores and ranking for the 2006 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
- b) On August 7, 2006, staff issued a preliminary commitment letter and an invitation to credit underwriting for a SAIL loan in an amount up to \$4,000,000 for this 204-unit family development in Brevard County.
- c) On April 13, 2007, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$4,000,000 ([Exhibit D](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of SAIL Rule Chapter 67-48, F.A.C.

2. Recommendation

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

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

F. Request Approval of SAIL Loan Closing Extension for McCurdy Center, Cycle XVII (2005-106CS)

Development Name: McCurdy Center (“Development”)	Location: Palm Beach County
Developer/Principal: Greater Miami Neighborhoods, Inc., & McCurdy Senior Housing Corporation (“Developer”)	Set-Aside: 24% @ 30% AMI and 76% @ 60% AMI
Number of Units: 93	Allocated Amount: \$1,750,000
Type: Garden Style	Housing Credit Equity \$13,257,000
Demographics: Homeless	MMRB: N/A

1. Background/Present Situation

- a) On January 26, 2007, the Board approved an extension of the SAIL closing deadline until April 4, 2007, subject to the Developer providing a Letter of Credit (LOC) in the amount of 5% of the construction contract or funding being withheld until 100% lien free completion if a LOC cannot be provided.
- b) On April 13, 2007, staff received a letter from the Developer requesting a second extension of the loan closing deadline until June 11, 2007 ([Exhibit E](#)).

2. Recommendation

Approve the request for an extension of the closing deadline until June 11, 2007, subject to the conditions stated above and payment of an extension fee pursuant to Rule Chapter 67-48, F.A.C.

## SPECIAL ASSETS

### *Consent*

#### X. SPECIAL ASSETS

##### A. Request Approval of Workout Proposal for Liberty Center III (SAIL 97S-018)

<b>Development Name: Liberty Center III (“Development”)</b>	<b>Location: Duval</b>
<b>Developer/Principal: The Harris Group, Inc. (“Developer”)</b>	<b>Set-Aside: SAIL 20% @ 50% AMI; 80% @ 60% AMI; 75 Years</b>
<b>Number of Units: 100</b>	<b>Allocated Amount: SAIL \$1,800,000, Maturity 10 Years</b>
<b>Demographics: Family* (SRO-Homeless)</b>	

##### 1. Background

- a) During the 1996 Cycle, Florida Housing awarded a \$1,800,000 SAIL loan to Liberty Center for the Homeless, Inc., a Florida Corporation, (Borrower) for the development of a 100-unit SRO apartment complex in Jacksonville, Duval County, Florida. The SAIL loan closed on March 27, 1997. The Developer is also the general partner for a \$719,899 SAIL loan and an allocation of \$232,959 in Housing Credits for Liberty Center I, a 109-unit SRO development for the Homeless; \$1,429,329 SAIL loan and an allocation of \$269,428 of Housing Credits for Liberty Center II, a 134-unit SRO development for the Homeless; and a \$2,000,000 SAIL loan and Housing Credit allocation of \$401,534 for Liberty Center IV, a 100 unit SRO development for the Homeless also in Jacksonville.
- b) In its original application, the Borrower committed to extend the low income set-aside for the Development to 75 years. Pursuant to Fla. Admin. Code R. 9I-35.006(6) (1996), \$823,536.99 of the total deferred interest of \$1,552,898.21, is eligible for forgiveness. During the term of the loan the Borrower paid \$94,175.76 in SAIL interest

##### 2. Present Situation

- a) In a letter dated May 6, 2006 the Borrower requested that the terms of the loan be renegotiated and extended and Staff subsequently entered into negotiations. Florida Housing, at its October 20, 2006, Board meeting approved the Borrower’s request to extend the SAIL loan for six (6) months to May 31, 2007, in order to allow time to complete the renegotiation of the loan.
- b) By letter dated August 24, 2006, the Borrower submitted their workout proposal requesting Florida Housing forgive all deferred interest on the maturing loan; and renew the principal at 0% interest for thirty years, with monthly amortization of principal beginning on June 1, 2007. The Borrower has also agreed to modification of the LURA to homeless designation since there was no homeless designation at inception of the loan.
- c) Florida Housing has received a positive recommendation from the credit underwriter ([Exhibit A](#)).



## SPECIAL ASSETS

### *Consent*

3. **Recommendation**

Staff recommends that the Board approve the workout proposal to renew the principal at 0% interest for thirty years, with monthly amortization of principal beginning on June 1, 2007 and modification of the LURA to homeless designation subject to review and approval of a petition for rule waiver to forgive all deferred SAIL interest on the maturing loan.

## SPECIAL ASSETS

### *Consent*

**B. Request Approval of the extension of the SAIL loan for Florida Low-Income Housing Associates, Inc., a Florida Non-Profit Corporation for Atlantic Pines Apartments (90S-002)**

<b>Development Name: Atlantic Pines (“Development”)</b>	<b>Location: Big-Pine Key, Monroe County, FL</b>
<b>Developer/Principal: Florida Low-Income Housing Associates, Inc. (“Developer”)</b>	<b>Set-Aside: 40% @ 60% AMI – Farmworker (6 Units) 60% @ 60% AMI – Family (8 Units) To keep special financing at 3% Farmworker: 80% @ 60% (12 units) LURA: Perpetuity; EUA: Perpetuity</b>
<b>Number of Units: 14</b>	<b>Allocated Amount: SAIL #1 - \$425,242 (90S-002) SAIL #2 - \$187,640 (SL93-01)</b>
<b>Demographics: Farmworker/Family</b>	<b>Housing Credits: \$60,015 (91L-001)</b>

**1. Background**

During the 1989-90 SAIL Cycle II, Florida Housing awarded a \$425,242 construction/permanent loan to Florida Low-Income Housing Associates, Inc., a Florida non-profit corporation (“Borrower”), for the construction and financing of a 14-unit development in Monroe County, FL. The subject SAIL loan closed on June 26, 1992 and will mature on June 26, 2007. The Development also received a 1991 allocation of low-income housing tax credits of \$60,015, along with an additional SAIL loan in 1993 for \$187,640. The Development was placed in service in May of 1993.

**2. Present Situation**

In a letter dated March 30, 2007 ([Exhibit B](#)), the Borrower has requested a one-year SAIL loan extension to June 26, 2008 to allow the Borrower sufficient time to refinance the property to maintain the Development’s affordability.

**3. Recommendation**

Approve the request to extend the SAIL loan one-year and direct staff to proceed with loan modification activities.

## SPECIAL ASSETS

### *Consent*

C. **Request Approval of extension of HOME Loan for Magnolia Pointe of Bay, Ltd., a Florida Limited Partnership for Magnolia Pointe Apartments (HOME 96HR-021)**

<b>Development Name: Magnolia Pointe (“Development”)</b>	<b>Location: Bay</b>
<b>Developer/Principal: Royal American Development (“Developer”)</b>	<b>Set-Aside: HOME 20% @ 45% AMI, 20% @ 50% AMI, and 60% @ 60% AMI; 50 Years</b>
<b>Number of Units: 100</b>	<b>Allocated Amount: HOME \$900,000, (0%), 10 Years</b>
<b>Demographics: Family</b>	<b>Housing Credits: \$477,974 (96L-054)</b>

1. **Background**

During the 1996 Cycle, Florida Housing awarded a \$900,000 HOME loan to Magnolia Pointe of Bay, Ltd., a Florida Limited Partnership (“Borrower”), for the development of a 100-unit development in Bay County. The HOME loan closed on June 4, 1997 and will mature on June 4, 2007. The Development also received a 1996 allocation of low-income housing tax credits of \$477,974. The Development was placed in service on August 8, 1998.

2. **Present Situation**

In a letter dated April 5, 2007 ([Exhibit C](#)) the Borrower has requested a one-year HOME loan extension to June 4, 2008 to allow the Borrower sufficient time to refinance the property to maintain the Development’s affordability.

3. **Recommendation**

Approve the request to extend the HOME loan and LURA one year and direct staff to proceed with loan document modification activities.