

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
March 13, 2009
Consent Items



COMMUNITY WORKFORCE HOUSING INNOVATION PILOT (CWHIP) PROGRAM

Consent

I. COMMUNITY WORKFORCE HOUSING INNOVATION PILOT (CWHIP) PROGRAM

A. Request Approval of Design Change for Las Villas at Kenilworth / CWHIP06-17

Applicant Name (“Applicant”):	Highlands County Florida and Partners / Highlands County BCC
Development Name (“Development”):	Las Villas at Kenilworth
Developer/Principal (“Developer”):	Caribbean Real Estate Developers, LLC
Number of Units: 50	Location: Highlands County, Florida
Type: CWHIP Loan	Allocated Amount: \$2,500,000

1. Background

- a) On April 27, 2007, the Board approved the final rankings for the 2006 Community Workforce Housing Innovation Pilot (CWHIP) Program / RFP2006-05.
- b) On April 30, 2007, Florida Housing issued an invitation to the Developer to enter into credit underwriting.
- c) On January 28, 2008, the Board approved the Final Credit Underwriting Report naming Highlands County Board of County Commissioners (Highlands County BOCC) as the Applicant/Borrower and Guarantor for the CWHIP Loan.
- d) On March 14, 2008, the Board approved a change in Applicant/Borrower for Las Villas at Kenilworth from Highlands County BOCC to Caribbean Real Estate Developers, LLC, because it was determined that Highlands County BOCC could not act as a Guarantor on the CWHIP Loan without a referendum.
- e) The loan closed on June 23, 2008.
- f) To date, 12 units have been completed, 7 have closed and 2 more are anticipated to close by the end of February.

2. Present Situation

- a) The Developer has requested that the remaining 18 duplexes be changed to 36 single family homes, advising that the first mortgage lender will only fund vertical on a duplex if both sides are sold.
- b) The credit underwriter has reviewed the request and the recommendation is attached as [Exhibit A](#).

3. Recommendation

Staff recommends that the Board approve the change from duplexes to single family homes for the remaining CWHIP units, subject to final approval of the change in design by the first mortgage lender NLP, the City of Sebring City Council, and the Planning & Zoning Board, and further approvals by the credit underwriter, counsel, and the appropriate corporation staff.

HOMEOWNERSHIP LOAN PROGRAM

Consent

II. HOMEOWNERSHIP LOAN PROGRAM

A. Authorize Staff to De-obligate HOME funds for Columbia HOME / HH03-027

Applicant Name (“Applicant”):	Three Rivers Housing Foundation, Inc. (Non-Profit)
Development Name (“Development”):	Columbia HOME
Developer/Principal (“Developer”):	Forrest Boone
Number of Units: 11	Location: Columbia, Florida
Type: HOME Purchase Assistance Loan	Allocated Amount: \$233,750

1. Background

- a) The Applicant submitted an application during the 2003 Homeownership Loan Program Cycle, which scored within the funding range and was invited into credit underwriting on February 17, 2004.
- b) The final credit underwriting report, dated November 18, 2004, was approved at the December 3, 2004 Board Meeting, with the loan commitment contingent upon completion of the environmental review process.
- c) On March 7, 2005, a loan commitment was issued to the Developer with the construction period scheduled to end March 7, 2008.
- d) On May 2, 2008, the Board granted the Developer’s request for a one-year extension from March 7, 2008 until March 7, 2009.
- e) To date, the Developer has closed on 4 homes, utilizing \$95,500, with \$138,250 in HOME funds remaining.

2. Present Situation

On January 23, 2009, the Developer requested that the remaining \$138,250 in HOME funds be de-obligated. The letter is attached as [Exhibit A](#).

3. Recommendation

Staff recommends that the remaining \$138,250 in HOME funds be de-obligated.

HOMEOWNERSHIP LOAN PROGRAM

Consent

B. Authorize Staff to De-obligate HOME Funds 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. On July 8, 2005, a firm commitment letter was issued to the Developer with the construction period scheduled to end on February 6, 2007.
- d) The Board has previously approved two (2) one-year extensions of the construction period, on April 27, 2007 and January 25, 2008, respectively.
- e) To date, the Developer has closed on 20 homes, utilizing \$525,252, with \$474,747 in HOME funds remaining.

2. Present Situation

On January 26, 2009, the Developer requested that the remaining \$474,747 in HOME funds be de-obligated. The letter is attached as [Exhibit B](#).

3. Recommendation

Staff recommends that the remaining \$474,747 in HOME funds be de-obligated.

HOMEOWNERSHIP LOAN PROGRAM

Consent

- C. **Authorize Staff to De-obligate HOME funds for St. Petersburg Neighborhood Housing Services, Inc. (Non-Profit) / CLTRFP06-03-6**

Applicant Name (“Applicant”):	St. Petersburg Neighborhood Housing Services, Inc. (Non-Profit)
Development Name (“Development”):	CLTRFP06-03-6
Developer/Principal (“Developer”):	Deborah Scanlan
Number of Units: 10	Location: Pinellas County, Florida
Type: Community Land Trust Loan (HOME/CLT Demo)	Allocated Amount: \$440,000

1. **Background**

- a) On June 9, 2006, the Board approved the final rankings for the 2006 Community Land Trust Request for Proposals (“CLTRFP-06”) and Florida Housing issued the Applicant an invitation into credit underwriting on June 16, 2006.
- b) The final credit underwriting report (“CUR”), dated July 12, 2007, was approved at the July 27, 2007 Board Meeting. The CUR specified that the Applicant must identify, complete purchase and draw funds for all individual sites no later than one year from Board approval of the CUR, and further, limited closing on a maximum of 2 lots at a time until HOP or other acceptable form of down payment assistance is approved for the lots that have closed.
- c) On July 30, 2007, a firm commitment letter was issued to the Developer, which specified that construction must commence within 12 months of the commitment letter.
- d) On August 8, 2008, the Board granted an extension until March 31, 2009 to purchase the land and an extension until June 30, 2009 to commence construction.

2. **Present Situation**

On February 25, 2009, the Developer requested that the \$440,000 in HOME / CLT Demo funds be de-obligated. The letter is attached as [Exhibit C](#).

3. **Recommendation**

Staff recommends that the \$440,000 in HOME/CLT Demo funds be de-obligated.

HOME RENTAL

Consent

III. HOME RENTAL

A. Request Approval for a Second Revised Credit Underwriting Report Nature Walk (2005-008H)

Development Name: Nature Walk (“Development”)	Location: Citrus County
Developer/Principal: Florida Low Income Housing Associates, Inc. (“Developer”)	Set-Aside: 20% @ 50% AMI /80% @ 60% AMI 49 HOME Units
Number of Units: 50	Allocated Amount: \$4,220,000
Type: Duplex /New Construction	Demographics: Family

1. Background/Present Situation

- a) On December 15, 2006, the Board approved the final credit underwriting report and directed staff to proceed with issuance of a firm loan commitment and loan closing activities.
- b) On December 19, 2006, staff issued a firm commitment letter for a HOME loan in an amount up to \$4,220,000. Pursuant to Rule Chapter 67-48, F.A.C., the loan must close within 60 days of issuance of the firm commitment letter.
- c) On February 23, 2007, staff received a letter from the Developer requesting a loan closing extension based upon issues created by the City of Crystal River. Pending further underwriting activity in review of new information regarding future use of the development site concerning an unrelated single-family development, staff did not request the Board to approve the loan closing extension.
- d) On August 8, 2008, the Board approved the revised final credit underwriting report and directed staff to proceed with issuance of a firm loan commitment and loan closing activities.
- e) On August 22, 2008 staff issued a firm commitment for a HOME loan in an amount up to \$4,220,000. Pursuant to Rule Chapter 67-48, F.A.C., the loans must close within 60 days of issuance of the firm commitment letters. The deadline for the loan to close was October 22, 2008.
- f) On October 15, 2008, staff received a letter from the Developer, Florida Low Income Housing Associates, Inc., requesting an extension of sixty days to close the HOME Loan. The extension was required as the first mortgage lender, Neighborhood Lending Partners, withdrew their commitment. The extension of the deadline to close the loan was approved. However, this deadline was not met due to the changes requiring re-underwriting.
- g) On February 26, 2009, staff received a second revised final credit underwriting report addressing a change in the first mortgage lender and a change in the general contractor ([Exhibit A](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of Rule Chapter 67-48, F.A.C.

HOME RENTAL

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2. **Recommendation**

Approve the second revised final credit underwriting report and direct staff to proceed with loan closing activities.

HOUSING CREDITS

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IV. HOUSING CREDITS

A. Request Approval to Amend Square Footage for Lansdowne Terrace (2004-112C)

DEVELOPMENT NAME (“Development”):	Lansdowne Terrace APPLICATION # 2004-112C
DEVELOPER/PRINCIPAL (“Developer”):	Todd Borck
APPLICANT: (“Owner”)	Park Ridge Apartments, Ltd.
NUMBER OF UNITS:	160
LOCATION (“County”):	Hillsborough County
TYPE:	New Construction
SET ASIDE:	47% @ 50% AMI & 53% @ 60% AMI
ALLOCATED AMOUNT:	\$975,000

1. Background/Present Situation

- a) Lansdowne Terrace is a Competitive Housing Credit, New Construction Development providing 160 set-aside units in Hillsborough County, Florida. Florida Housing issued an allocation of \$975,000 in housing credits in December of 2004.
- b) Due to a scrivener’s error, the square footage for each unit type is incorrect in the Extended Use Agreement due to a scrupulous error. Therefore, Florida Housing requests that the square footage in the Extended Use Agreement be amended to the following:

Square Footage in EUA:

81 1 bedroom/1 bath units
containing 650sf

55 2 bedroom/2 bath units
containing 850sf

24 3 bedroom/2 bath units
containing 1000sf

Correct Square Footage:

81 1 bedroom/1 bath units
containing 572sf

55 2 bedroom/2 bath units
containing 824sf

24 3 bedroom/2 bath units
containing 1058sf

2. Recommendation

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

HOUSING CREDITS

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B. Request Approval of Supplemental Loan Closing Extension for Biscayne Court, Cycle XIX (2007-081C)

Development Name: Biscayne Court (“Development”)	Location: Miami-Dade County
Biscayne Court Development, LLC (“Developer”)	Set-Aside: 20% @ 33% AMI and 80% @ 60% AMI
Number of Units: 60	Allocated Amount: \$510,000 Supplemental
Type: High-Rise	Housing Credit Equity: \$13,161,000
Demographics: Elderly	MMRB: N/A

1. Background/Present Situation

- a) On October 31, 2008, the Board approved the final credit underwriting report and directed staff to proceed with issuance of a firm loan commitment and loan closing activities.
- b) On November 4, 2008, staff issued a firm commitment letter with a closing deadline of January 5, 2009.
- c) On January 23, 2009, the Board approved an extension of the loan closing deadline until March 6, 2009.
- d) On February 25, 2009 staff received a letter from the Developer requesting a 60-day extension of the loan closing deadline ([Exhibit A](#)).

2. Recommendation

Approve the 60-day loan closing extension request and extend the Supplemental loan closing deadline until May 5, 2009, pursuant to Rule Chapter 67-48, F.A.C.

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V. LEGAL

A. In Re: Villa Patricia Phase II, LLC - FHFC Case No. 2009-004VW

Development Name: (“Development”):	Villa Patricia Phase II, LLC Application # 2006-060C
Developer/Principal: (“Developer”):	Carlisle Development Group, LLC
Number of Units: 125	Location: Miami-Dade County
Type: High-Rise	Set Aside: 15% @ 33% AMI 85% @ 60% AMI
Demographics: Elderly	SAIL: \$0.00 Competitive HC: \$2,435,000

1. Background/Present Situation

- a) During the 2006 Universal Cycle, Villa Patricia Phase II, LLC (“Petitioner”) applied for and was awarded competitive low-income housing credits (“HC”) to finance a portion of the costs to develop Villa Patricia Phase II (the “Development”) located in Miami-Dade County, Florida.
- b) On February 11, 2009, Florida Housing received a “Petition for Waiver of Part III.1.f of the 2006 Universal Application Instructions to Provide Specific Features in Units Developed for Elderly Residents” (the “Petition”). A copy of the Petition is attached as [Exhibit A](#).
- c) Rule 67-48.004(1)(a), Fla. Admin. Code (2006), states in pertinent part:

In order for a proposed Development to be classified as Elderly (ALF or non-ALF), the Development must meet the following requirements...
- d) Part III.D.1.f. of the Universal Application Instructions, provides in pertinent part:

The Applicant must provide the following features in the specified percentages of all units in new construction (NC) and Rehabilitation/Substantial Rehabilitation (SR) Developments.

The requirement to provide the following features is in addition to the features committed to by the Applicant in the Construction Features and amenities section of this Application...

Tight-napped Berber-type carpet...
- e) Petitioner has requested a waiver of the above rule to allow Petitioner to install Non-skid ceramic tile flooring instead of the tight-napped Berber-type carpet. Petitioner asserts that the non-skid ceramic tile flooring will provide greater mobility by elderly individuals who rely on walkers, wheelchairs and other forms of ambulatory assistance.

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- f) Furthermore, Petitioner contends that its proposed non-skid ceramic tile flooring is easier to maintain and relatively less problematic for allergic and respiratory ailments, as carpet is prone to accumulation of dust, molds, and other pollutants.
- g) The requested change would neither affect the scoring of Petitioner's application nor allow Petitioner to gain an unfair advantage over other applicants.
- h) On February 13, 2009, the Notice of the (original) Petition was published the Florida Administrative Weekly. To date, Florida Housing has received no comments regarding the Petition.
- i) Section 120.542(2), Florida Statutes, provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.
- j) Petitioner has demonstrated that strict application of the above Rule under these circumstances would cause substantial hardship to Petitioner and violate the principles of fairness by denying Petitioner the opportunity to provide a healthier environment for the Development's elderly residents. Petitioner has further demonstrated that permitting this change in Development would serve the underlying purpose of the statute.

2. Recommendation

Staff recommends the Board **GRANT** Petitioner's request for a waiver of Part III.D.1.f of the 2006 Universal Application Instructions, to allow Petitioner to install non-skid, ceramic tile flooring in lieu of the required tight-napped Berber-type carpet, with the additional condition that the non-skid, ceramic tile must also be non-glossy.

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B. In Re: Magnolia Landing Apartments, Ltd. - FHFC Case No. 2009-001VW

Development Name: (“Development”):	Magnolia Landing Apartments, Ltd. 2008-177C/2009-002C
Developer/Principal: (“Developer”):	Gatehouse Group, Inc.
Number of Units: 156	Location: Miami-Dade
Type: Garden Apartments	Set Aside: 40% @ 60% AMI
Demographics: Family	Competitive HC: \$2,561,000

1. Background/Present Situation

a) During the 2008 Universal Cycle, Magnolia Landing Apartments, Ltd. (“Petitioner”) applied for and was awarded competitive low-income housing tax credits (“HC”) to finance a portion of the costs to develop Magnolia Landing (the “Development”) located in unincorporated Miami-Dade County, Florida.

b) On January 30, 2009, Florida Housing received a “Petition for Waiver from Rule 67-48.004(14), Florida Administrative Code” (the “Petition”). On February 13, 2009, Petitioner submitted an “Amended and Restated Petition for Waiver from Rule 67-48.004(14), Florida Administrative Code” (“Amended Petition”), wherein Petitioner changed its request for unit reduction from a total of 148 units to 150 units. A copy of the Amended Petition is attached as [Exhibit B](#).

c) Rule 67-48.004(14), Fla. Admin. Code (2006), states in pertinent part:

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 the opportunity to submit additional information. Any attempted changes to these items will not be accepted. Those items are as follows:

(i) Total number of units;

d) Petitioner has requested a waiver of the above Rule to permit the reduction of the Development’s units from 156 to 150. As grounds, Petitioner states that the preliminary engineering and associated reports allowed for 156 units under the current design of the development. Subsequent reports have revised this figure downward to 150 units.

e) On February 13, 2009, the Notice of the Petition was published the [Florida Administrative Weekly](#). To date, Florida Housing has received no comments regarding the Petition.

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

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

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- g) Petitioner has demonstrated that strict application of the above Rule under these circumstances would cause substantial hardship to Petitioner, in that the Petitioner will be required to redesign and re-engineer the development to accommodate the six units in question, incurring significant technological and financial hardship, as well as creating substantial delays in construction.

2. Recommendation

Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-48.004(14), Florida Administrative Code, to permit Developer to reduce the total number of units in the Development to 150. This reduction shall result in a pro rata reduction of the Development's HC allocation.

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C. In Re: Malabar Cove, L.L.L.P. - FHFC Case No. 2008-115VW

Development Name: (“Development”):	Malabar Cove Phase I
Developer/Principal: (“Developer”):	Atlantic Housing Partners, L.L.L.P.
Number of Units: 76	Location: Brevard
Type: Garden	Set Aside: 10% at or below 33% AMI 60% at or below 60% AMI
Demographics: Family	SAIL: 4,000,000
MMRB: 9,800,000	Housing Credits (4%): \$532,716

1. Background/Present Situation

- a) During the 2007 Universal Application Cycle, Malabar Cove, L.L.L.P., (“Petitioner”) applied for and was awarded State Apartment Incentive Loan (“SAIL”), Multifamily Mortgage Revenue Bonds and non-competitive Housing Credits to finance a portion of the costs to construct Malabar Phase I (the “Development”) in Brevard County, Florida. Petitioner’s Application was #2007-197BS.
- b) On December 17, 2008, Florida Housing received a “Petition for Waiver from Florida Administrative Code Rule 67-48.0072(4)(c).” (“Petition”) A copy of the Petition is attached as [Exhibit C](#).
- c) Rule 67-48.0072(4)(c), F.A.C, (2007) states in pertinent part:

(4) If the credit underwriting invitation is accepted:

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

- d) Petitioner requests a waiver of the Rule requiring it to pay the one percent extension fee. Specifically, Petitioner received a preliminary commitment from Florida Housing on October 1, 2007 and an invitation to credit underwriting. Petitioner’s loan closing deadline was December 1, 2008. Petitioner contends that notwithstanding that it requested an extension in writing to close its SAIL loan, it was at all times capable of closing its loan on or before December 1, 2008 and should not have to pay the extension fee, as it requested the extension

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to accommodate further review by Florida Housing. On December 12, 2008, the Board approved the final credit underwriting report for the Development.

e) On December 26, 2008, the Notice of Petition was published in the Florida Administrative Weekly in Volume 34, Number 52. To date, Florida Housing has not received any comments concerning the Petition.

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

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

g) Under these circumstances, strict application of the above Rule to this Petitioner would create a substantial hardship and violate the principals of fairness. Petitioner demonstrated that the delay in presenting the underwriting report to the Board was due to the scheduling of the credit underwriters and Florida Housing's review of competing applications. Granting this request furthers Florida Housing's statutory mandate to provide safe, sanitary and affordable housing to the citizens of Florida.

2. Recommendation

Staff recommends the Board **GRANT** Petitioner's request for a waiver of Rule 67-48.0072(4)(c), F.A.C., to forego requiring Petitioner to pay the one percent extension fee for the Development.

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D. In Re: Florida Low Income Housing Associates, Inc. - FHFC Case No. 2008-037VW

Development Name: (“Development”):	Atlantic Pines Apartments
Developer/Principal: (“Developer”):	Fla. Low Income Housing Ass., Inc.
Number of Units: 14	Location: Monroe County
Type: Garden Apartment	Set Aside: 40% @ 60 % AMI, Farm worker; 60% @ 60% AMI, Family
Demographics: Farm worker, Family	SAIL: \$ 425,242.00

1. Background

- a) During the 1989-1990 SAIL II Cycle, Florida Low Income Housing Associates, Inc. (“Petitioner”) applied for and was awarded a State Apartment Incentive Loan (“SAIL”) loan (90S-002) to finance the construction of Atlantic Pines, a farm worker/family housing development located in Big Pine Key, Monroe County, Florida (the “Development”).
- b) On May 28, 2008, Florida Housing received a “Petition for Waiver/Variance of Rule 9I–28.007, Florida Administrative Code¹,” (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit D](#).
- c) Rule 9I – 28.006, F.A.C. (1990), states:

(7) If, in their 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 – 28.006(6)(g), F.A.C., shall be forgiven in an amount equal to the amount of interest due pursuant to Rule 9I –28.006(6)(g), 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.

The amount of interest to be forgiven shall be computed upon maturity of the note.

Only interest which is in excess of the base interest rates specified in Rule Chapter 9I-28.006(2)(b), F.A.C. shall be eligible for forgiveness.

- d) Petitioner and Florida Housing have been in negotiations regarding the Petitioner’s request to renegotiate and extend the loan, which matured on June 26, 2007. Petitioner and Florida Housing have reached a tentative agreement to extend the loan.
- e) Petitioner requests a variance from the rule in order to obtain forgiveness of the entire \$84,080.50 deferred SAIL interest, not forgiven by Rule 9I-28.006 on the maturing loan and to re-amortize the outstanding principal balance on the loan over a thirty year term at a rate of 0% interest.

¹ The citation to Rule 9I-28.007 is incorrect. The correct citation is Rule 9I-28.006, F.A.C. (1990)

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- f) The Development is a farm worker/family housing development operating in Big Pine Key. Monroe County has the highest housing costs in Florida, so continuing to provide affordable housing is critical. Under the Rules applicable when the Development was approved, the interest rate for a farm worker and family development was 9%. The Development has operated successfully for fifteen years, but does not generate significant cash flow because the rental revenue barely covers the expenses of operation.
- g) The SAIL statutes now include a commercial fishing workers set-aside and authorize SAIL loans for commercial fishing worker developments to be made at an interest rate of zero to three percent. *See*, Sections 420.507(22)(a)(1) and (2), 420.5087(3)(c) and 420.5087 (6)(a), Florida Statutes. The 2008 SAIL rule establishes a 0% interest rate on loans to developments that set aside at least 80% of the units for commercial fishing worker residents. Rule 67-48.010(3)(a), F.A.C. (2008).
- h) While the Development has always operated as one committed to serving the commercial fishing worker, Petitioner has agreed to formalize this commitment in exchange for the loan extension, and to commit to set aside 80% of the units in the Development for commercial fishing workers. This commitment would have qualified the Development for a 0% interest rate loan at its inception had the SAIL statute and rule in effect at that time recognized commercial fishing worker developments.
- i) On June 6, 2008, the Notice of Petition was published in Volume 34, Number 23 of the *Florida Administrative Weekly*. To date, Florida Housing has received no 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) Granting this request for a waiver forgiving all deferred interest will serve the purpose of the underlying statute in that it will enhance the financial viability of the Development and thus ensure the continued availability of affordable housing to the commercial fishing workers in this Development. Granting Petitioner's request will also facilitate a new loan structure with Petitioner's SAIL loan interest at 0%, and with the principal balance amortized over a new thirty year term. Denial of the Petition would result in substantial hardship to the Petitioner in that the Development could not continue to operate as a fishing worker development without relief from the terms of the existing SAIL loan and the limitation on interest forgiveness as set forth in Rule 9I-28.006, F.A.C. (1990)

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3. Recommendation

Staff recommends the Board GRANT the Petitioner's request for waiver from Rule 9I-28.006(7), F.A.C. (1990), to forgive all deferred SAIL interest due on the loan with the waiver conditioned upon and subject to the closing of the loan modifications and extension in accordance with the proposal submitted by Special Assets contemporaneous herewith.

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E. In Re: New Singletary Scattered Sites, L.P. - FHFC Case No. 2009-003VW

Development Name: (“Development”):	Bradenton Village II Application # 2007-145C
Developer/Principal: (“Developer”):	Bradenton Development LLC
Number of Units: 36	Location: Manatee County
Type: Garden	Set Aside: 11% @ 30% AMI 89% @ 60% AMI
Demographics: Family	Housing Credits: \$675,474

1. Background

- a) During the 2007 Universal Cycle, New Singletary Scattered Sites Limited Partnership (“Petitioner”) applied for and was awarded competitive low-income housing tax credits (“Housing Credits”) in the amount of \$675,474 to finance the construction of Bradenton Village II Apartments (the “Development”) located in Manatee County, Florida.
- b) On February 9, 2009, Florida Housing received a “Petition for Waiver or Variance from the 2007 Qualified Allocation Plan Requirements for Returning Housing Credit Allocations and for an Immediate Allocation of 2009 Housing Credits” (“Petition”). A copy of the Petition is attached as [Exhibit E](#).
- c) Rule 67-48.002(88), Fla. Admin. Code (2007), states in pertinent part:

“QAP” or “Qualified Allocation Plan” means, with respect to the HC Program, the 2007 Qualified Allocation Plan which is adopted and incorporated by reference...
- d) Section 11 of the 2007 Qualified Allocation Plan, provides in pertinent part:

... where a Development has not been placed in service by the date required or it is apparent that a development will not be placed in service by the date required, such failure is due to circumstances beyond the Applicant’s control, and the Applicant has returned its housing credit allocation in the last calendar quarter of the year in which otherwise required to be placed in service, the Corporation may reserve allocation in an amount not to exceed the amount of credits returned, and may allocate such housing credits to the Applicant for the year after the year in which the Development was otherwise required to be placed in service, provided the following conditions have been met...
- e) Petitioner requests a variance from the above provision to allow Petitioner to return its 2007 Housing Credit Allocation now, rather than wait until the last calendar quarter of 2009, as required by the QAP, and obtain an immediate reservation of 2009 Housing Credit Allocations, instead of an allocation in 2010, the year after the current Placed-in-Service Date, in an amount not to exceed the amount of the returned Housing Credit Allocation.

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- f) On February 20, 2009, the Notice of the Petition was published in Volume 35, Number 07, of the Florida Administrative Weekly. Florida Housing received no comments regarding the Petition.

2. Present Situation

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

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

- b) Petitioner demonstrated that strict application of the above Rule contained in the Qualified Allocation Plan under these circumstances would cause substantial hardship to Petitioner and violate the principles of fairness. As a result of the Carryover Allocation Agreement, the Development's Placed-in-Service Date is December 31, 2009. Due to economic circumstances and changes in the housing credit and syndication market, the Development's equity partner indicated an unwillingness to undertake the initial closing of the equity financing as the Development may not be completed by December 31, 2009.
- c) The equity partner will not proceed with the closing absent an extension of the placed-in-service-requirement. Additionally, Petitioner demonstrated that it has expended in excess of \$125,000 on the Development to date and failure to receive the extension will result in a financial hardship.

3. Recommendation

Staff recommends the Board **GRANT** the Petitioner's request for a waiver from the requirements of Section 11 of the 2007 Qualified Allocation Plan, only to the extent that Petitioner shall be permitted to immediately return its 2007 Housing Credit allocation now, rather than wait to the last calendar quarter of 2009, waive the 2007 Qualified Allocation Plan's requirement that a Housing Credit Allocation cannot be reserved until the year after the Development's Placed-in-Service Date, and receive an immediate allocation of 2009 Housing Credits in an amount not to exceed the amount of the 2007 Housing Credit Allocation. Staff further recommends that the Board grant the Petitioner's request contingent upon Petitioner providing (i) a copy of their executed and closed tax credit partnership agreement between the Petitioner and its tax credit investor and (ii) a copy of the notice of commencement, both by June 30, 2009 or their credits shall be deemed returned. The Placed-in-Service deadline shall be June 30, 2010.

LEGAL

Consent

F. In Re: Cypress Senior Village, LLC - FHFC Case No. 2009-002VW

Development Name: (“Development”):	Cypress Senior Village Application # 2006-020H
Developer/Principal: (“Developer”):	Judd K. Roth
Number of Units: 50	Location: De Soto County
Type: Garden Apartments	Set Aside: 100%
Demographics: Elderly	HOME: \$4,000,000
MMRB: N/A	Housing Credits: N/A

1. Background/Present Situation

- a) During the 2006 Universal Cycle, Florida Housing awarded HOME funds to Cypress Senior Village, LLC, (“Petitioner”).
- b) On February 09, 2009, Florida Housing received a “Petition for Waiver or Variance from Rule 67-48.020(2)(b) or in the Alternative, for Waiver or Variance from Rule 67-48.004(14)(a) & Corresponding Application Instructions,” (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit F](#).
- c) Rule 67-48.004(14)(a) (2006) 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;
- 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) Petitioner requests a waiver of the above rules to change the applicant entity. Specifically, Petitioner requests a waiver of Rules 67-48.004(14)(a), restricting the ability to change the name of the Applicant prior to closing. The Applicant Entity is Cypress Senior Village, LLC. The Petitioner desires this Waiver to change the Applicant Entity to Arcadia Housing Development Corporation, with an ownership structure identical to what Petitioner stated in its Application. Petitioner applied for funding as a for-profit entity and contends that the Development will not be financially viable unless it receives the HOME loan with a zero percent interest rate, the rate for a non-profit Applicant. The interest rate for for-profit Applicant is one and one half percent.
- f) On February 20, 2009, the Notice of Petition was published in the *Florida Administrative Weekly* in Volume 35, Number 07. To date, Florida Housing has received no comments concerning the Petition.
- g) 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.
- h) The granting of this request for waiver to change the applicant entity will serve the purpose of the underlying statute. Denial of the Petition will result in substantial hardship to the applicant 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 transaction after the application process. In this case, no third parties are entering into the transaction but rather only internal restructuring will occur. Petitioner demonstrated that without the waiver, it will not be able to proceed with construction of the Development and would lead to a loss of substantial funds already invested in the Development. Petitioner further demonstrated that it did not gain a competitive advantage in the 2006 Universal Cycle by applying as a for-profit entity.

2. **Recommendation**

Staff recommends the Board GRANT the Petitioner's request for waiver from Rules 67-48.004(14)(a), Florida Administrative Code (2006), and Part II A.2.a.(2) of the Universal Application Instructions (2006), to allow a change in the applicant from Cypress Senior Village LLC, to Arcadia Housing Development Corporation, contingent upon Petitioner providing an updated Exhibit 4, attorney opinion letter; Exhibit 5, IRS determination letter; Exhibit 6, description/explanation of role of non-profit entity; Exhibit 7, name and addresses of governing board; Exhibit 8, articles of incorporation demonstrating purpose of entity is to provide affordable housing, from the 2006 Universal Cycle Application by October 1, 2009.

LEGAL

Consent

G. In Re: Hidden Grove, Ltd. - FHFC Case No. 2008-114VW

Development Name: (“Development”):	Hidden Grove Apartments
Developer/Principal: (“Developer”):	Greater Miami Neighborhoods, Inc.; Pinnacle Housing Group, Inc.
Number of Units: 222	Location: Miami-Dade County
Type: Garden Apartments	Set Asides: 3% @ 33%; 97% @ 60%
Demographics: Family	SAIL: \$2,239,000

1. Background

- a) During the 2000 Combined Cycle, Florida Housing awarded an allocation of SAIL funds to Hidden Grove, Ltd. (“Petitioner”), for Application #2000-041S (the “Application”).
- b) On December 16, 2008, Florida Housing received a “Petition for Waiver of Rule 67-48.010(6)(a)’s Requirement to Provide the 2006 Financial Statement,” (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit G](#).
- c) Rule 67-48.010(6)(a), Fla. Admin. Code (2000), (the “Rule”) states in pertinent part:

By April 15 of each year of the SAIL loan term, the Developer shall provide the Corporation and its servicer with a certification detailing the information needed to determine the annual payment to be made...The certification shall require submission of audited financial statements and the SAIL annual reporting form...The financial statements are to be prepared in accordance with generally accepted accounting principles for the 12 months ended December 31... Failure to submit the required financial certifications by April 15 of each year of the SAIL loan term shall constitute an event of default on the SAIL loan.

- d) Petitioner requests a waiver of the above Rule. Specifically, Petitioner requests that Florida Housing waive the requirement to provide a certification of information, including an audited financial statement and the SAIL annual reporting form for the Development for the year ending December 31, 2006.
- e) On December 26, 2008, the Notice of Petition was published in Volume 34, Number 41, of the [Florida Administrative Weekly](#). To date, Florida Housing received no comments regarding the Petition.

2. Present Situation

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

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

LEGAL

Consent

- b) Petitioner demonstrated that Greater Miami Neighborhoods, Inc., the Applicant's parent entity suffered significant financial and administrative issues, resulting with it seeking protection under Chapter 11 of the United States Bankruptcy Code. Petitioner remains a viable provider of affordable housing and is not part of the bankruptcy proceedings and provided a certification of information, including an audited financial statement and the SAIL annual reporting form for the Development for the year ending December 31, 2007. It has not however, been able to reconstruct the information necessary to provide the 2006 Financial Statement and is thus in technical default on the SAIL loan as a result.
- c) Granting the waiver will serve the purpose of the underlying statute, Chapter 420, Part V, Florida Statutes, by making it possible for Petitioner to continue to provide decent, safe and affordable housing.

3. **Recommendation**

Staff recommends the Board grant the Petitioner's request for a waiver of Rule 67-48.010(6)(a), Fla. Admin. Code (2000), to waive the requirement that Petitioner provide submission of audited financial statements and the SAIL annual reporting form for the year ending December 31, 2006 and instruct staff to account for SAIL interest as if there were no SAIL available Cash Flow for the year ending December 31, 2006.

MULTIFAMILY BONDS

Consent

VI. MULTIFAMILY BONDS

A. Request Approval of the LURAs and EUA Amendments for Avalon Reserve Apartments for the MMRB, SAIL And HC Programs

DEVELOPMENT NAME (“Development”):	Avalon Reserve Apartments
DEVELOPER/PRINCIPAL (“Developer”/“Owner”):	Avalon Reserve, Ltd./Avalon Reserve, Inc./LCA Development, Inc./Lee Chira/Lou Vogt/Scott Zimmerman/Banyan Realty Management, LLC
NUMBER OF UNITS:	300
LOCATION (“County”):	Orange
TYPE (Rental, Homeownership):	Rental/Family
SET ASIDE:	4% @ 30% (MMRB and SAIL) 81% @ 60% (MMRB) 96% @ 60% (SAIL) 100% @ 60% (HC)
ALLOCATED AMOUNT:	\$15,000,000 Tax-Exempt Bonds, \$970,000 Taxable Bonds, \$1,447,600 SAIL Funds and \$ 750,672 HC (4%, 2003-516C)
ADDITIONAL COMMENTS: MMRB and SAIL LURAs and EUA Amendments	

1. Background

In 2003, Florida Housing financed the construction of the Development with \$15,000,000 in tax-exempt bonds and \$970,000 in taxable bonds, designated as 2003 Series R, SAIL funds in the amount of \$1,447,600 (2002-151BS).

2. Present Situation

- a) The Owner, in a letter dated November 7, 2008, attached as [Exhibit A](#), requested an amendment of the MMRB and SAIL LURAs and EUA from steel exterior entry door frames to a gated community with carded entry. The Owner states the community was built prior to their ownership and was not built with steel door frames.
- b) The credit underwriter has reviewed this request and by letter dated February 9, 2009, attached as [Exhibit B](#) recommends approval.

3. Recommendation

That the Board approve LURAs and EUA Amendments for the Development, for the MMRB, SAIL and HC Programs, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, Credit Enhancer of Bondholder (if required or applicable) and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

B. Request Approval to Change Remarketing Agents for Northbridge at Millenia Apartments

DEVELOPMENT NAME (“Developments”):	NorthBridge at Millenia
DEVELOPER/PRINCIPAL (“Developer” or “Owner”):	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
NUMBER OF UNITS:	607
LOCATION (“County”):	Orange
TYPE (“Rental, Homeownership”):	Rental (MMRB)(SAIL)
SET ASIDE:	20% @ 50% (MMRB/SAIL)
ALLOCATED AMOUNT:	\$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
ADDITIONAL COMMENTS: Change in Remarketing Agent	

1. Background

- a) In 2003, Florida Housing financed the construction of Northbridge at Millenia I with \$30,020,000 in tax-exempt bonds and \$3,300,000 in taxable bonds designated as 2003 Series V.
- b) In 2007, Florida Housing refinanced Northbridge at Millenia I and Northbridge at Millenia II (financed with Orange County Bonds) with \$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, designated as 2007 Series G.
- c) In December 2008, Florida Housing approved a change in the remarketing agent for the Development from Merrill Lynch to Stern Brothers.

2. Present Situation

Atlantic Housing Partners, LLPP, (“Atlantic Housing”), in a letter dated February 5, 2009 attached as [Exhibit C](#), requested a change in the remarketing agent for the Development from Stern Brothers to KeyBank. Atlantic Housing anticipates KeyBank will be more successful in remarketing the bonds at a more favorable rate in the current market environment. KeyBank is an approved underwriter for Florida Housing.

3. Recommendation

That the Board approve the Change of Remarketing Agents 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 Of A Transfer Of A 2 Acre Parcel Of Boynton Bay Apartments

DEVELOPMENT NAME (“Development”):	Boynton Bay Apartments
DEVELOPER/PRINCIPAL (“Applicant”):	Boynton Bay, Ltd./Boynton Bay GP, LLC/Eric Weiner/Apollo Housing Capital, LLC
NUMBER OF UNITS:	240
LOCATION (“County”):	Palm Beach
TYPE (Rental, Homeownership):	Rental/Family (MMRB, SAIL and HC)
SET ASIDE:	85% @ 60% (MMRB) 100% @ 60% (SAIL & HC)
ALLOCATED AMOUNT:	\$17,690,000 of Tax-Exempt Bonds
ADDITIONAL COMMENTS: Transfer of 2 Acre Parcel	

1. Background

In 2007, Florida Housing financed the acquisition and rehabilitation of the Development with \$17,690,000 in tax-exempt bonds, designated as 2007 Series I.

2. Present Situation

- a) The Owner, in a letter dated February 6, 2008, attached as [Exhibit D](#) requests approval to transfer a certain 2-acre parcel to The Hamlet, Ltd., the prior owner of the development. The Owner states the parcel will be used to provide affordable age restricted rental units for seniors.
- b) The Credit Underwriter has reviewed the request and by letter, dated February 27, 2009, attached as [Exhibit E](#) recommends that Florida Housing approve the request.

3. Recommendation

That the Board approve the transfer of a 2-acre parcel of the Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, Credit Enhancer (if applicable) and the appropriate Florida Housing staff.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

VII. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Approval of PLP Loan for Westside Ministries, Inc., a not-for-profit entity, for Lundy-Cox Community-Phase I (05-126)

DEVELOPMENT NAME (“Development”):	Lundy-Cox Community-Phase I
APPLICANT/DEVELOPER (“Developer”):	Westside Ministries, Inc., a not-for-profit entity
CO-DEVELOPER (“Co-Developer”)	TBD
NUMBER OF UNITS:	75
LOCATION (“County”):	Duval County
TYPE:	Rental, Elderly
SET ASIDE:	60% @ or below 60% AMI
PLP LOAN AMOUNT:	\$500,000

1. **Background**

- a) On July 23, 2007, Florida Housing received a PLP Application from the Applicant for Lundy-Cox Community Phase I. The Development will be located in Duval County.
- b) On September 19, 2007, Florida Housing issued an Invitation to Participate in the PLP to the Developer, a not-for profit organization.

2. **Present Situation**

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

3. **Recommendation**

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

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Request Approval of PLP Loan for Ability Housing of Northeast Florida, Inc., a not-for-profit entity, for Mayfair Village Apartments (07-159)

DEVELOPMENT NAME (“Development”):	Mayfair Village Apartments
APPLICANT/DEVELOPER (“Developer”):	Ability Housing of Northeast Florida, Inc., a not-for-profit entity
CO-DEVELOPER (“Co-Developer”)	Ability Mayfair II, LLC.
NUMBER OF UNITS:	83
LOCATION (“County”):	Duval County
TYPE:	Rental, Homeless
SET ASIDE:	60% @ or below 60% AMI
PLP LOAN AMOUNT:	\$424,475

1. Background

- a) On September 21, 2008, Florida Housing received a PLP Application from the Applicant for Mayfair Village Apartments. The Development will be located in Duval County.
- b) On October 21, 2008, Florida Housing issued an Invitation to Participate in the PLP to the Developer, a not-for profit organization.

2. Present Situation

The Technical Assistance Provider (TAP) has approved the Development Plan and recommended a loan amount of \$424,475 for PLP eligible activities ([Exhibit C](#)), as well as assisted the Applicant in preparing the Development Plan and budget ([Exhibit D](#)). Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.

3. Recommendation

Approve the PLP Loan in the amount of \$424,475 to Ability Housing of Northeast Florida, Inc., a not-for-profit organization, for predevelopment expenses as recommended by the TAP and allow staff to issue the Commitment Letter and commence with loan closing proceedings.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

C. Request Approval of PLP Loan for Mt. Zion Developments, Inc., a not-for-profit entity, for The Carver Apartments and Shoppes (07-164)

DEVELOPMENT NAME (“Development”):	The Carver Apartments and Shoppes
APPLICANT/DEVELOPER (“Developer”):	Mt. Zion Developments, Inc., a not-for-profit entity
CO-DEVELOPER (“Co-Developer”)	N/A, currently negotiating
NUMBER OF UNITS:	10
LOCATION (“County”):	Miami-Dade County
TYPE:	Rental, Other
SET ASIDE:	60% @ or below 60% AMI
PLP LOAN AMOUNT:	\$485,978

1. Background

- a) On October 17, 2008, Florida Housing received a PLP Application from the Applicant for The Carver Apartments and Shoppes. The Development will be located in Miami-Dade County.
- b) On November 25, 2008, Florida Housing issued an Invitation to Participate in the PLP to the Developer, a not-for profit organization.

2. Present Situation

- a) The Technical Assistance Provider (TAP) has approved the Development Plan and recommended a loan amount of \$485,978 for PLP eligible activities and site acquisition ([Exhibit E](#)), as well as assisted the Applicant in preparing the Development Plan and budget ([Exhibit F](#)). Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.
- b) Of the \$485,978, the Applicant has requested \$333,000 for site acquisition. The Development will be required to enter credit underwriting for approval of the site acquisition portion of the loan. Upon receipt of a positive recommendation, the Credit Underwriting Report will be presented to the Board for approval. In the interim, staff recommends that the non-site acquisition loan amount of up to \$152,978 be approved to provide the Applicant with funds for eligible non-site predevelopment expenses.

3. Recommendation

Approve the PLP Loan in the amount of \$485,978 to Mt. Zion Developments, Inc., a not-for-profit organization, for predevelopment expenses as recommended by the TAP and allow staff to issue the Commitment Letter and commence with loan closing proceedings on the non-site portion of the PLP Loan in the amount of up to \$152,978.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

D. Request Approval of PLP Loan for TOJ GP, LLC., a not-for-profit entity, for Towers of Jacksonville (07-168)

DEVELOPMENT NAME (“Development”):	Towers of Jacksonville (TOJ)
APPLICANT/DEVELOPER (“Developer”):	TOJ GP, LLC., a not-for-profit entity
CO-DEVELOPER (“Co-Developer”)	N/A
NUMBER OF UNITS:	194
LOCATION (“County”):	Duval County
TYPE:	Rental, Elderly
SET ASIDE:	60% @ or below 60% AMI
PLP LOAN AMOUNT:	\$300,000
ADDITIONAL COMMENTS: This is an Acquisition and Rehab project.	

1. Background

- a) On November 25, 2008, Florida Housing received a PLP Application from the Applicant for Towers of Jacksonville (TOJ). The Development will be located in Duval County.
- b) On December 9, 2008, Florida Housing issued an Invitation to Participate in the PLP to the Developer, a not-for profit organization.

2. Present Situation

The Technical Assistance Provider (TAP) has approved the Development Plan and recommended a loan amount of \$300,000 for PLP eligible activities ([Exhibit G](#)), as well as assisted the Applicant in preparing the Development Plan and budget ([Exhibit H](#)). Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.

3. Recommendation

Approve the PLP Loan in the amount of \$300,000 to TOJ GP, LLC., a not-for-profit organization, for predevelopment expenses as recommended by the TAP and allow staff to issue the Commitment Letter and commence with loan closing proceedings.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

VIII. PROFESSIONAL SERVICES SELECTION (PSS)

A. Printing, Reproduction, and/or Copying Services

1. Background

- a) At its October 14, 2004 meeting, Florida Housing's Board of Directors authorized staff to enter into contract negotiations with Rapid Press, Inc. and Target Copy to provide printing and copying services. The Board also authorized staff to issue a revised RFQ to solicit additional proposals in order to increase the pool of vendors from which Florida Housing staff may choose to purchase printing and copying services.
- b) An RFQ process was initiated and RFQ 2005-05 was issued on October 28, 2005. The RFQ solicited responses from qualified firms for printing and reproduction, specialty promotional printing and copying services.
- c) At its January 20, 2006 meeting, the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with Global Docugraphix, Inc, to provide printing, reproduction and/or copying services.
- d) The initial term of the contract began April 5, 2006 and expires April 5, 2009. The contract may be renewed twice for an additional one-year period.

2. Present Situation

- a) Florida Housing utilizes the services of Global Docugraphix, Inc., to provide printing, reproduction, and specialty promotional printing services.
- b) Florida Housing staff supports a renewal to extend the term of the contract for an additional one-year period.

3. Recommendation

Staff believes that it is in the best interests of Florida Housing to continue to retain its printing, reproduction and/or copying services company and the Board direct staff to proceed with the contract renewal.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

IX. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval to Amend the SAIL LURA and the Housing Credits EUA for Mariner’s Cove, Cycle VI and VII (94S-018/95S-031 and 94L-030/96L-002)

Development Name: Mariner’s Cove (“Development”)	Location: Monroe County
Developer/Principal: Mariner’s Cove Apartments Associates, Ltd. (“Developer”)	Set-Aside: SAIL 40% @ 60% AMI (Fishing Worker) & 60% @ 60% AMI; HC 100% @ 60% AMI
Number of Units: 78	Allocated Amount: \$499,000 (1994) and \$1,055,000 (1995)
Type: Garden Style	Housing Credit Allocated: \$791,156
Demographics: Fishing Worker	MMRB: N/A

1. Background/Present Situation

- a) On March 10, 1995, a SAIL loan in the amount of \$499,000 closed, and on January 12, 1996, an additional SAIL loan in the amount of \$1,055,000 closed for this 78-unit fishing worker development in Monroe County.
- b) On January 22, 2009, staff received a letter from the Developer requesting a modification to the Land Use Restriction Agreement and the Extended Use Agreement to allow metal pedestal-type barbeque grills currently installed on site to replace the requirement of the concrete barbeque pit ([Exhibit A](#)).
- c) On February 3, 2009, staff received a review from the credit underwriter with a positive recommendation for the modification to the LURA and EUA to allow the metal pedestal-type barbeque grills ([Exhibit B](#)).

2. Recommendation

Approve the request to modify the language regarding the barbeque pit and direct staff to proceed with amending the LURA and EUA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval of SAIL Loan Closing Extension for Labre Place, Cycle XVIII (2006-074CS)

Development Name: Labre Place f/k/a St. David (“Development”)	Location: Miami Dade County
Developer/Principal: St. David Development, L.L.C. (“Developer”)	Set-Aside: 50% @ 33% AMI and 50% @ 60% AMI
Number of Units: 90	Allocated Amount: \$4,000,000
Type: High-rise	Housing Credit Equity: 16,641,538
Demographics: Homeless	MMRB: N/A

1. Background/Present Situation

- a) On March 14, 2008, the Board approved a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$4,000,000, and directed staff to proceed with issuance of a firm loan commitment and loan closing activities.
- b) On April 18, 2008, staff issued a firm commitment letter with a closing deadline of June 17, 2008.
- c) On June 13, 2008, the Board approved an extension of the loan closing deadline until August 15, 2008.
- d) On August 8, 2008, the Board approved an extension of the loan closing deadline until October 15, 2008.
- e) On October 31, 2008, the Board approved an extension of the loan closing deadline until December 15, 2008.
- f) On January 23, 2009, the Board approved an extension of the loan closing deadline until February 15, 2009.
- g) On February 23, 2009, staff received a letter from the Developer requesting an extension of the loan closing deadline until April 15, 2009, due to scheduling issues internal to the equity financing partner ([Exhibit C](#)).

2. Recommendation

Approve the request to extend the SAIL closing deadline until April 15, 2009, 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 to Extend Set-Asides in the Amended LURA for La Estancia, Cycle VII (95S-036)

Development Name: La Estancia (“Development”)	Location: Hillsborough County
Developer/Principal: WNC Florida, LLC (“Developer”)	Set-Aside: 80% to Farmworkers; 9 units @ 35%AMI, 8 units @ 40% AMI, and 67 units @ 50% AMI
Number of Units: 84	Allocated Amount: \$1,092,207
Type: Garden Style	Housing Credits Allocated: \$460,666
Demographics: Farmworker	MMRB: N/A

1. Background/Present Situation

- a) On March 12, 1996, a SAIL loan in the amount of \$1,092,207 closed for this 84-unit farmworker development in Hillsborough County.
- b) On June 21, 2002, the Board approved a transfer of the general partnership interest from Wimauma Group, Inc. and Heritage Partners Group XV to WNC Florida, LLC and a LURA amendment to modify the set-aside restrictions agreed to by the Applicant and set forth in the original LURA. The Developer sought relief from the set-aside restrictions due to a sizable water bill imposed on the development by the Hillsborough County Water Department for the conversion of the property’s water supply from well water to city-supplied water. The set-asides were modified as follows: (i) not less than eighty percent (80%) of the units in the development be provided for rental to Farmworkers; (ii) nine (9) units in the development be set-aside for households with incomes not exceeding thirty-five percent (35%) of AMI; (iii) eight (8) units in the development be set-aside for households with incomes not exceeding forty percent (40%) of AMI; and (iv) sixty-seven (67) units in the development be set-aside for households with incomes not exceeding fifty (50%) of AMI.
- c) On December 7, 2007, the Developer appeared before the Board to reassess the set-aside restrictions on the development. Staff recommended that the Board authorize both a LURA and EUA amendment to reflect the goal set-aside as outlined in the amended LURA. The outlined goal set-aside provided that no less than twenty-seven (27) of the sixty-seven (67) dwelling units in the development, which are currently set-aside for households with incomes not exceeding fifty percent (50%) AMI, be set-aside for households with incomes not exceeding forty percent (40%) AMI. The Developer objected to this recommendation and offered to appear at a later date to provide more information.
- d) As of February 2008, the Development was compliant with its Use Restriction Agreements and its financial obligations to Florida Housing, however, the past due water bill continued to burden the cash flow and economic security of the Development.
- e) On May 2, 2008, the Board approved staff’s recommendation to continue the current set-aside arrangement through February 2009 when the water bill was scheduled to be satisfied.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

- f) On February 24, 2009, staff received a review from the credit underwriter with a recommendation to extend the current terms of the amended LURA, dated October 6, 2003, which contains the current set-asides of nine (9) units at thirty-five percent (35%) AMI, eight (8) units at forty percent (40%) AMI and sixty-seven (67) units at fifty percent (50%) AMI for the remaining term of the original LURA ([Exhibit D](#)). The credit underwriter concluded that if the goal set-aside was implemented, the development's debt service coverage would deteriorate considerably.

2. **Recommendation**

Approve the recommendation to extend the current set-asides of the amended LURA for the remaining term of the original LURA and direct Staff to proceed with a second LURA amendment.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

D. Request Approval of SAIL and Supplemental Loan Closing Extension for The Columbian Apartments, Cycle XX (2008-111BS)

Development Name: The Columbian Apartments (“Development”)	Location: Pinellas County
Developer/Principal: SP One Development, Inc. (“Developer”)	Set-Aside: 10% @ 33% AMI and 90% @ 60%
Number of Units: 188	Allocated Amount: \$4,320,000 (SAIL) and \$1,615,000 (Supplemental)
Type: High-Rise	Housing Credit Equity: \$5,363,325
Demographics: Elderly	MMRB: \$9,750,000 (Local)

1. Background/Present Situation

- a) On January 23, 2009, the Board approved a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$4,320,000 and Supplemental Loan in the amount of \$1,615,000, and directed staff to proceed with issuance of a firm loan commitment and loan closing activities.
- b) On January 23, 2009, staff issued a firm commitment letter with a closing deadline of March 24, 2009.
- c) On February 25, 2009, staff received a letter from the Developer requesting an extension of the loan closing deadline until May 23, 2009 ([Exhibit E](#)).

2. Recommendation

Approve the request to extend the SAIL and Supplemental loan closing deadline until May 23, 2009, subject to the payment of the loan closing extension fee pursuant to Rule Chapter 67-48, F.A.C.

SPECIAL ASSETS

Consent

X. SPECIAL ASSETS

A. Request Approval of Workout Proposal for Atlantic Pines Apartments (SAIL 90S-002)

Development Name: Atlantic Pines Apartments (“Development”)	Location: Monroe
Developer/Principal: Florida Low Income Housing Associates, Inc. (“Developer”)	Set-Aside: SAIL 40% @ 60% AMI Farm worker; 60% @ 60% AMI Family, 50 years; HC 100% @ 60% AMI, 50 years
Number of Units: 14	Allocated Amount: SAIL \$425,242; \$187,640 Housing Credit \$60,015
Demographics: Farm worker, Family	

1. Background

- a) During the 1989-90 SAIL Cycle II, Florida Housing awarded a State Apartment Incentive Loan (SAIL) loan (90S-002) of \$425,242 to Florida Low Income Housing Associates, Inc., a non-profit organization (Borrower) for the development of a 14-unit apartment complex in Big Pine Key, Monroe County, Florida. The SAIL loan closed on June 26, 1992. The Development was also awarded a SAIL loan (93S-01) in the 1992-93 SAIL Cycle V for \$187,640 and the loan closed on December 23, 1993. The Development also received a Housing Credit allocation of \$60,015.
- b) The Board approved a one year extension for SAIL loan 90S-002 at its April 2007 Board meeting and at the August 2008 Board meeting the Borrowers request for an additional extension to January 31, 2009 was approved for both loans.
- c) In its original application, the Borrower committed to extend the low income set-aside into perpetuity. Pursuant to Fla. Admin. Code R. 9I-28.006(7) (1989), \$104,330.48 of the total accrued interest of \$188,410.97, is eligible for forgiveness for SAIL loan 90S-002.

2. Present Situation

- a) In a letter dated May 6, 2008 the Borrower requested that the terms of the loan be renegotiated and extended, and Staff subsequently entered into negotiations. The Borrower submitted their workout proposal requesting Florida Housing forgive all deferred interest on the matured loan (Legal is presenting its recommendation for a Petition for Rule Waiver/Variance); and renew the principal at 0% interest for thirty years, with monthly amortization of principal. The Borrower has also agreed to modification of the LURA to increase the present set aside for Farm Workers from 60% to 80% for Commercial Fishing Workers and agreed to extend the LURA’s affordability period for 15 additional years beyond the current 50 years.
- b) Florida Housing 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 and restructure the principal at 0% interest for thirty years, with monthly amortization of principal and modification of the LURA to increase the set aside for Farm Worker from 60% to 80% for Commercial Fishing Workers, and extension of the LURA for an additional 15 years, subject to review and approval of the petition for Rule Waiver to forgive all deferred SAIL interest on the matured loan, all conditions of the credit underwriting report and direct staff to proceed with loan closing activities.

SPECIAL ASSETS

Consent

B. Request Approval for the Extension of the SAIL Loan for Affordable/Citrus Glen, Ltd., a Florida limited partnership for Citrus Glen Apartments (93S-013)

Development Name: Citrus Glen Apartments (“Development”)	Location: Orange County
Developer/Principal: Leland Enterprises, Inc. Borrower/LP: Affordable/Citrus Glen, Ltd. GP: Affordable/Citrus Glen, Inc.	Set-Aside: 100% @ 60% AMI Family LURA: Perpetuity ; EUA: 50 years
Number of Units: 176	Allocated Amount: SAIL \$1,670,000
Demographics: Family	Housing Credits \$848,250

1. Background

- a) During the 1992-93 SAIL Cycle, Florida Housing awarded a \$1,670,000 SAIL loan to Affordable/Citrus Glen, Ltd., a Florida Limited Partnership (“Borrower”), for the construction of a 176-unit development in Orange County. This SAIL loan stands in second lien position. The SAIL loan closed on December 28, 1993 and will mature on June 29, 2009. The Development also received a 1994 allocation of low-income housing tax credits of \$848,250. The Development was placed in service September of 1994.
- b) In addition to Florida Housing’s funds, the Borrower had also secured a first lien mortgage from Homes Savings of America, FSB in which final payment is due February 1, 2010.

2. Present Situation

In a letter date January 14, 2009 ([Exhibit B](#)), the Borrower has requested a one-year SAIL loan extension through June 28, 2010 to allow the Borrower sufficient time to obtain a commitment for 4% Tax Credits for rehabilitation purposes. The LURA will also be extended one year. The Borrower concluded that until the current economic conditions improve, they will be unable to close the current contract.

3. Recommendation

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

SPECIAL ASSETS

Consent

C. **Request Approval of loan workout for Lakeview Housing Limited Partnership, a Florida limited partnership for Lakeview Apartments SAIL loan (91S-033)**

Development Name: Lakeview (“Development”)	Location: Miami-Dade County
Developer/Principal: Lakeview Housing Limited Partnership/ULGM, Inc. (“Developer”)	Set-Aside: 100% @ 60% AMI LURA: 50 years; EUA: 30 years
Number of Units: 40	Allocated Amount: SAIL - \$1,551,248
Demographics: Family	Housing Credits: \$240,208

1. **Background**

- a) During the 1991 SAIL Cycle III, Florida Housing awarded a \$1,551,248 construction/permanent loan to Lakeview Housing Limited Partnership, a Florida Limited Partnership (“Borrower”), for the development of a 40-unit development in Miami-Dade County. The SAIL loan closed on February 25, 1992. The Development also received a 1990 allocation of low-income housing tax credits of \$240,208. The Development was placed in service in December of 1992. At the January 2007 Board meeting the Borrower’s request for a one year extension of the SAIL loan to February 25, 2008 was approved. The Borrower has been unable to refinance the Development and the loan matured on February 25, 2008.

2. **Present Situation**

- a) In a letter dated October 16, 2008 ([Exhibit C](#)) the Borrower has requested that the SAIL loan be restructured as an amortizing loan with monthly payments of interest and principal at 1% interest. The Borrower has also agreed to extend the LURA’s affordability term for an additional 15 years beyond the current 51 years. The terms of the new loan require the payment of the accrued interest on the SAIL loan that is not forgiven by Rule which is approximately \$790,000 as of March 13, 2009. The borrower has secured a \$922,374 loan from Miami-Dade County for the payment of the accrued interest. The remaining funds approximately \$132,374 will be used for roof repair and deferred maintenance.
- b) Florida Housing received a positive recommendation from the credit underwriter ([Exhibit D](#)).

3. **Recommendation**

Staff recommends that the Board approve the workout proposal to renew the principal at 1% interest for thirty five years, with monthly amortization of principal and interest and extension of the LURA for an additional 15 years and direct staff to proceed with loan closing activities with the conditions as outlined in the credit underwriting report dated 2/27/09.

SPECIAL ASSETS

Consent

D. Request Approval of additional extension of Home Loan for Outrigger Village Apartments of Kissimmee, a Florida limited partnership for Outrigger Village Apartments (92HR-007)

Development Name: Outrigger Village (“Development”)	Location: Osceola County
Developer/Principal: Outrigger Village Apartments of Kissimmee/Royal American Development (“Developer”)	Set-Aside: HOME 20% @ 50% & 80% @ 80% AMI, HC 100% @ 60% AMI LURA: 15 years; EUA: 30 years
Number of Units: 192	Allocated Amount: HOME - \$2,017,130
Demographics: Family	Housing Credits: \$153,586

1. Background

- a) During the 1992 HOME Cycle, Florida Housing awarded a \$2,017,130 HOME Loan to Outrigger Village Apartments of Kissimmee, a Florida Limited Partnership (“Borrower”), for the acquisition of a 192-unit development in Osceola County. The HOME loan closed on December 28, 1992. The Development also received a 1992 allocation of low-income housing tax credits of \$153,586. The Development was placed in service in March of 1993.
- b) At the December 2007 FHFC Board meeting the Borrower was approved for a nine-month HOME loan extension to September 28, 2008 to allow the Borrower sufficient time to refinance the property to maintain the Development’s affordability. The Borrower was unable to complete the transaction due to the bond market conditions and declining Housing Credit syndication pricing.

2. Present Situation

The first mortgage lender has agreed to extend the loan one year beyond the current maturity to April 8, 2010. In a letter dated February 13, 2009 ([Exhibit E](#)) the Borrower has requested a HOME loan extension to April 8, 2010 to be coterminous with the first mortgage and to allow the Borrower sufficient time to refinance the property to maintain the Development’s affordability. The LURA will also be extended to April 8, 2010.

3. Recommendation

Approve the request to extend the Home loan and LURA to April 8, 2010 and direct staff to proceed with loan and LURA modification activities.