

**FLORIDA HOUSING FINANCE CORPORATION**  
**Board Meeting**  
February 26, 2010  
Consent Items



**AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)**

*Consent*

**I. AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)**

**A. Request Approval of Credit Underwriting Report for Labre Place (2009-063CTX)**

<b>Development Name: Labre Place (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal: St. David Development, LLC (“Developer”)</b>	<b>Set-Aside: 15% @ 33% AMI and 85% @ 60% AMI</b>
<b>Number of Units: 90</b>	<b>SAIL: \$4,000,000</b>
<b>Type: High Rise</b>	<b>Tax Credit Exchange Amount: \$22,574,539</b>
<b>Demographics: Homeless</b>	<b>MMRB: N/A</b>

**1. Background/Present Situation**

- a) On August 20, 2009, the Board approved the award list of the Request for Proposals (RFP) 2009-04 and directed staff to proceed with all necessary credit underwriting activities.
- b) On August 21, 2009, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Exchange Program funds. Additionally, this development has a SAIL loan.
- c) On January 11, 2010, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of \$4,000,000, and a 2009 Tax Credit Exchange Program award in the amount of \$22,574,539 which is equivalent to an annual housing credit allocation of \$2,257,454 ([Exhibit A](#)). This report is based on a rule waiver to be approved, which will allow a change in the interest rate from three percent as required in the 2006 Rule to a zero percent interest rate for the pro rata share of units set-aside for homeless individuals as required in the 2009 Rule. Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C and RFP 2009-04.

**2. Recommendation**

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

**AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)**

*Consent*

**B. Request Approval of Credit Underwriting Report for Bonnet Shores (2009-034CT)**

<b>Development Name: Bonnet Shores (“Development”)</b>	<b>Location: Polk County</b>
<b>Developer/Principal: Polk County Housing Developers, Inc. (“Developer”)</b>	<b>Set-Aside: 10% @ 40% AMI &amp; 90% @ 60% AMI</b>
<b>Number of Units: 75</b>	<b>Tax Credit Assistance Program: \$3,950,283</b>
<b>Type: Duplexes/Triplexes</b>	<b>Housing Credit Allocation: \$1,262,150</b>
<b>Demographics: Family</b>	<b>MMRB: N/A</b>

**1. Background/Present Situation**

- a) On August 20, 2009, the Board approved the award list of the Request for Proposals (RFP) 2009-03 and directed staff to proceed with all necessary credit underwriting activities.
- b) On August 21, 2009, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Assistance Program funds and a Housing Credit Allocation.
- c) On February 10, 2010, staff received a credit underwriting report with a positive recommendation for a 2009 Tax Credit Assistance Program loan in the amount of \$3,950,283 and an annual Housing Credit Allocation of \$1,262,150 ([Exhibit B](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2009-03.

**2. Recommendation**

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

**AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)**

*Consent*

**C. Request Approval of Credit Underwriting Report for Arbours at Shoemaker Place (2009-042X)**

<b>Development Name: Arbours at Shoemaker Place (“Development”)</b>	<b>Location: Walton County</b>
<b>Developer/Principal: Arbour Valley Development, LLC (“Developer”)</b>	<b>Set-Aside: 20% @ 40% AMI &amp; 80% @ 60% AMI</b>
<b>Number of Units: 80</b>	<b>Supplemental: \$680,000</b>
<b>Type: Garden Style</b>	<b>Tax Credit Exchange Amount: \$9,095,000</b>
<b>Demographics: Family</b>	

**1. Background/Present Situation**

- a) On August 20, 2009, the Board approved the award list of the Request for Proposals (RFP) 2009-04 and directed staff to proceed with all necessary credit underwriting activities.
- b) On August 21, 2009, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Exchange Program funds. Additionally, this development has a Supplemental ELI loan.
- c) On February 12, 2010, staff received a credit underwriting report with a positive recommendation for a Supplemental ELI Loan in the amount of \$680,000 and a 2009 Tax Credit Exchange Program award in the amount of \$9,095,000, which is equivalent to an annual housing credit allocation of \$1,070,000 ([Exhibit C](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2009-04.

**2. Recommendation**

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

**AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)**

*Consent*

**D. Request Approval of Credit Underwriting Report for Paul Colton Villas (2009-062CTX)**

<b>Development Name: Paul Colton Villas (“Development”)</b>	<b>Location: Polk County</b>
<b>Developer/Principal: Polk County Housing Developers, Inc. (“Developer”)</b>	<b>Set-Aside: 10% @ 40% AMI &amp; 90% @ 60% AMI</b>
<b>Number of Units: 72</b>	<b>Tax Credit Assistance Program: \$1,347,324</b>
<b>Type: Duplexes/Quadrplexes</b>	<b>Tax Credit Exchange Amount: \$10,050,213</b>
<b>Demographics: Family</b>	<b>MMRB: N/A</b>

**1. Background/Present Situation**

- a) On August 20, 2009, the Board approved the award list of the Request for Proposals (RFP) 2009-04 and directed staff to proceed with all necessary credit underwriting activities.
- b) On August 21, 2009, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Exchange Program funds and Tax Credit Assistance Program funds.
- c) On February 12, 2010, staff received a credit underwriting report with a positive recommendation for a 2009 Tax Credit Assistance Program loan in the amount of \$1,347,324 and a 2009 Tax Credit Exchange Program award in the amount of \$10,050,213, which is equivalent to an annual housing credit allocation of \$1,182,378 ([Exhibit D](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2009-04.

**2. Recommendation**

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

**AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)**

*Consent*

**E. Request Approval of Credit Underwriting Report for Pine Berry Senior Apartments (2009-03-036CT)**

<b>Development Name: Pine Berry Senior Apartments (“Development”)</b>	<b>Location: Pinellas County</b>
<b>Developer/Principal: RLI Beneficial Development 8 LLC (“Developer”)</b>	<b>Set-Aside: 10% @ 33% AMI &amp; 90% @ 60% AMI</b>
<b>Number of Units: 85</b>	<b>Tax Credit Assistance Program: \$5,590,341</b>
<b>Type: Mid-Rise w/elevator</b>	<b>Housing Credit Allocation: \$1,554,802</b>
<b>Demographics: Elderly</b>	<b>MMRB: N/A</b>

**1. Background/Present Situation**

- a) On August 20, 2009 the Board approved the award list of the Request for Proposals (RFP) 2009-03 and directed staff to proceed with all necessary credit underwriting activities.
- b) On August 21, 2009, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Assistance Program funds and a Housing Credit Allocation.
- c) On February 11, 2010, staff received a credit underwriting report with a positive recommendation for a 2009 Tax Credit Assistance Program loan in the amount of \$5,590,341 and an annual Housing Credit Allocation of \$1,554,802 ([Exhibit E](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2009-03.

**2. Recommendation**

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

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Consent

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

<b>Development Name: Beach Village at Palm Coast Apartments Phase I (“Development”)</b>	<b>Location: Flagler County</b>
<b>Developer/Principal: Atlantic Housing Partners, L.L.P. (“Developer”)</b>	<b>Set-Aside: 10% @ 35% AMI &amp; 84% @ 60% AMI</b>
<b>Number of Units: 106</b>	<b>Tax Credit Assistance Program: \$7,401,934</b>
<b>Type: Garden Style</b>	<b>Housing Credit Allocation: \$1,070,000</b>
<b>Demographics: Family</b>	<b>MMRB: N/A</b>

1. Background/Present Situation

- a) On August 20, 2009, the Board approved the award list of the Request for Proposals (RFP) 2009-03 and directed staff to proceed with all necessary credit underwriting activities.
- b) On August 21, 2009, staff issued a preliminary commitment letter and an invitation to enter credit underwriting for Tax Credit Assistance Program funds and a Housing Credit Allocation.
- c) Tax Credit Assistance Program loan (“TCAP”) in the amount of \$7,401,934 and an annual Housing Credit Allocation of \$1,070,000. The TCAP loan term in the approved credit underwriting report is for a period of 30 years which is coterminous with the loan HMDA II, L.L.C. (“HMDA”) will provide. As indicated in the approved credit underwriting report, HMDA is an affiliate of the Applicant as it is owned and controlled by the same principals who own and control the Applicant. RFP 2009-03 states “the loan structure of TCAP funds shall be non-amortizing with a balloon payment due at maturity which shall be coterminous with the first mortgage. In the case where a traditional first mortgage is not provided, the maturity shall be 15 years after rehab if the Proposed Development is an Acquisition/Rehabilitation or at least 15 years and up to 20 years after construction if it is new construction”. A loan from an affiliate is not considered to be a traditional first mortgage. Considering HMDA is an affiliate of the Applicant the term of the TCAP Loan should be reduced to a period of 20 years in accordance with RFP 2009-03.
- d) On February 11, 2010, staff received a recommendation from the credit underwriter to reduce the term of TCAP loan to a period of 20 years in accordance with RFP 2009-03(Exhibit F). Staff has reviewed this recommendation and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2009-03.

2. Recommendation

Approve the recommendation to modify the TCAP Loan term and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

# COMMUNITY WORKFORCE HOUSING INNOVATION PILOT (CWHIP) PROGRAM

## Consent

### II. COMMUNITY WORKFORCE HOUSING INNOVATION PILOT (CWHIP) PROGRAM

#### A. Request for Approval of an Extension of the CWHIP Loan Maturity Date for Las Villas / CWHIP06-17

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

#### 1. Background

- a) On April 27, 2007, the Board approved the final rankings for the 2006 Community Workforce Housing Innovation Pilot (CWHIP) Program / RFP2006-05.
- b) On 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.
- c) 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 since it was determined that Highlands County BOCC could not act as a Guarantor on the CWHIP Loan.
- d) On September 18, 2009, the Board approved the restructuring of the Acquisition and Development and the revolving line of credit loans with Neighborhood Lending Partners of West Florida, Inc. (“NLP”) and extended the CWHIP loan maturity date to June 1, 2010.

#### 2. Present Situation

On February 1, 2010, the Developer requested a one-year extension of the CWHIP loan maturity date, from June 1, 2010 to June 1, 2011. The letter is attached as [Exhibit A](#). The Credit Underwriter’s recommendation letter is attached as [Exhibit B](#).

#### 3. Recommendation

Staff recommends that the Board approve the one-year extension of the CWHIP loan maturity date, from June 2010 to June 2011, subject to further approvals by the credit underwriter, counsel, and the appropriate corporation staff.



## HOME RENTAL

### *Consent*

### III. HOME RENTAL

#### A. Request Approval of HOME Credit Underwriting Report for North Central Heights (2007-041H)

<b>Development Name: North Central Heights (“Development”)</b>	<b>Location: Highlands County</b>
<b>Developer/Principal: JR Beneficial Holdings 7 LLC (“Developer”) Avon Park Housing Development Corporation (“Principal”)</b>	<b>Set-Aside: 20% @ 50% AMI /80% @ 60% AMI 40 HOME Units</b>
<b>Number of Units: 40</b>	<b>Allocated Amount: \$5,340,560</b>
<b>Type: Single Family /New Construction</b>	
<b>Demographics: Family</b>	

#### 1. Background/Present Situation

- a) On September 21, 2007, the Board approved the final scores and ranking for the 2007 Universal Application Cycle and directed Staff to proceed with all necessary credit underwriting activities.
- b) Due to a higher ranked Applicant withdrawing their preliminary commitment, on January 7, 2008, North Central Heights was issued a preliminary commitment letter and an invitation to enter credit underwriting for a HOME loan in an amount up to \$5,340,560 for this 40-unit family Development located in Highlands County.
- c) Rule Chapter 67-48.0072(4)(c), F.A.C., states the HOME loan must close within 14 months of the issuance of the preliminary commitment. Applicants may request one (1) extension of up to 10 months.
- d) On May 4, 2009, staff received a letter from the Developer requesting an extension of 10 months to close the HOME loan. At the June 5, 2009 meeting, the Board approved to extend the deadline until January 7, 2010 to close the HOME loan, subject to payment of the extension fee pursuant to Rule Chapter 67-48.0072(4)(c), F.A.C.
- e) On November 19, 2009, Florida Housing received a “Petition for Waiver for Rule 67-48.0072(4)(c), Florida Administrative Code (2007).” Subsequently, On December 14, 2009, Petitioner filed with Florida Housing its “Amended Petition for Rule 67-48.0072(4)(c), Florida Administrative Code (2007).” At the January 22, 2010 the Board approved to extend the time period within which the HOME loan must close for an additional 120 days to May 7, 2010.
- f) On February 12, 2010 staff received a final credit underwriting report with a positive recommendation for a HOME loan in the amount of \$5,340,560 ([Exhibit A](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of Rule Chapter 67-48, F.A.C.

#### 2. Recommendation

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

## HOME RENTAL

### *Consent*

#### B. Request Approval of HOME Credit Underwriting Report for North Central Heights II (2008-057H)

<b>Development Name: North Central Heights II (“Development”)</b>	<b>Location: Highlands County</b>
<b>Developer/Principal: JR Beneficial Holdings 7 LLC (Developer) Affordable Housing Solutions for Florida, Inc. (Principal)</b>	<b>Set-Aside: 20% @ 50% AMI /80% @ 60% AMI 32 HOME Units</b>
<b>Number of Units: 32</b>	<b>Allocated Amount: \$4,108,672</b>
<b>Type: Single Family /New Construction</b>	<b>Demographics: Family</b>

#### 1. Background/Present Situation

- a) On September 26, 2008, the Board approved the final scores and ranking for the 2008 Universal Application Cycle and directed Staff to proceed with all necessary credit underwriting activities.
- b) On November 5, 2008, North Central Heights II was issued a preliminary commitment letter and an invitation to enter credit underwriting for a HOME loan in an amount up to \$4,108,672 for this 32-unit family Development located in Highlands County.
- c) Rule Chapter 67-48.0072(4)(c), F.A.C. states the HOME loan must close within 14 months of the issuance of the preliminary commitment. Applicants may request one (1) extension of up to 10 months.
- d) On November 9, 2009, staff received a letter from the Developer requesting an extension of 10 months to close the HOME loan. At the December 4, 2009 meeting, the Board approved to extend the deadline until November 4, 2010 to close the HOME loan, subject to payment of the extension fee pursuant to Rule Chapter 67-48.0072(4)(c), F.A.C.
- e) On February 12, 2010 staff received a final credit underwriting report with a positive recommendation for a HOME loan in the amount of \$4,108,672 ([Exhibit B](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of Rule Chapter 67-48, F.A.C.

#### 2. Recommendation

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

## HOME RENTAL

### *Consent*

**C. Request Approval of HOME Credit Underwriting Report for Steven E. Chaykin Apartments (HOME RFP 2006-02-03)**

<b>Development Name: Steven E. Chaykin Apartments fka 321-327 Michigan Avenue (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal: The Housing Authority of the City of Miami Beach (“Developer”)</b>	<b>Set-Aside: 20% @ 30% AMI /80% @ 60% AMI 30 HOME Units</b>
<b>Number of Units: 30</b>	<b>Allocated Amount: \$2,762,100</b>
<b>Type: New Construction</b>	<b>Demographics: Elderly with Disabilities</b>

**1. Background/Present Situation**

- a) On June 9, 2006, the Board approved the final scores and ranking for the RFP 2006-02, The Development and/or Rehabilitation of Housing for Special Needs Populations, and directed Staff to proceed with all necessary credit underwriting activities.
- b) On June 22, 2006, 321-327 Michigan Avenue was issued a preliminary commitment letter and an invitation to enter credit underwriting for a HOME loan in an amount up to \$2,762,100 for this 30-unit elderly with disabilities Development located in Miami-Dade County.
- c) On January 8, 2010, staff received a letter from the Developer requesting to change the name of the Development to the Steven E. Chaykin Apartments. Staff requested the credit underwriter to address the name change in the credit underwriting report.
- d) On February 12, 2010 staff received a final credit underwriting report with a positive recommendation for a HOME loan in the amount of \$2,762,100 ([Exhibit C](#)). Staff has reviewed this report and finds that the Development meets all of the requirements of Rule Chapter 67-48, F.A.C.

**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*

#### D. Request Approval of HOME Loan Closing Extension for SCLAD Plaza (2008-082H)

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

#### 1. Background/Present Situation

- a) On September 30, 2008, SCLAD Plaza was issued a preliminary commitment letter and an invitation to enter credit underwriting for a HOME loan in an amount up to \$1,200,000 for this 18-unit family Development located in Miami-Dade County.
- b) Rule Chapter 67-48.0072(4)(c), F.A.C. states the HOME loan must close within 14 months of the issuance of the preliminary commitment. Applicants may request one (1) extension of up to 10 months.
- c) On September 29, 2009, staff received a letter from the Developer requesting an extension of 10 months to close the HOME loan. At the October 23, 2009 meeting, the Board approved to extend the deadline until September 29, 2010 to close the HOME loan, subject to payment of the extension fee pursuant to Rule Chapter 67-48.0072(4)(c), F.A.C.
- d) On December 4, 2009, the Board approved a final credit underwriting report with a positive recommendation for a HOME loan in the amount of \$1,200,000 and directed staff to proceed with loan closing activities.
- e) On December 8, 2009, staff issued a firm commitment letter for a HOME loan in an amount up to \$1,200,000. Pursuant to Rule Chapter 67-48, F.A.C. the loan must close within 60 days of issuance of the firm commitment letter. The deadline for the loan to close was February 8, 2010.
- f) On February 8, 2010, staff received a letter from the Developer requesting an extension to close the HOME loan, as all items on the Due Diligence Checklist were not available to submit to the attorney by closing deadline ([Exhibit D](#)).

#### 2. Recommendation

Approve the HOME loan closing extension for SCLAD Plaza to close by April 9, 2010, subject to payment of the extension fee pursuant to Rule Chapter 67-48.0072(26), F.A.C.

## HOME RENTAL

### *Consent*

#### E. Request Approval to Exchange Amenities for Marian Manor (2007-022H)

<b>Development Name: Marian Manor ("Development")</b>	<b>Location: Charlotte County</b>
<b>Principal: Catholic Charities Housing, Diocese of Venice, Inc. Sr. Cathy Buster, SP ("Developer")</b>	<b>Set-Aside: 20% @ 50% AMI / 80% @ 60% AMI 31 Units</b>
<b>Number of Units: 31</b>	<b>Allocated Amount: \$3,973,270</b>
<b>Type: Garden Style/New Construction</b>	<b>Demographics: Family</b>

#### 1. Background/Present Situation

- a) On January 28, 2009, a HOME loan in the amount of \$3,973,270 for this 31-unit family Development in Charlotte County closed.
- b) On February 11, 2010, staff received a letter from the Borrower requesting the exchange of the volleyball court to provide each unit wired for high speed internet and a car care are ([Exhibit E](#)). Staff has reviewed this request and finds it to meet the requirements of Rule Chapter 67-48, F.A.C.

#### 2. Recommendation

Approve the request to exchange amenities and direct staff to proceed with amending the Land Use Restriction Agreement.

**LEGAL**

*Consent*

**IV. LEGAL**

**A. In Re: Village Allapattah Phase II, LLC - FHFC Case No. 2010-001VW**

<b>Development Name: (“Development”):</b>	<b>YMCA Village Allapattah Phase II Apartments Application No. 2006-351CHR/2007-012C</b>
<b>Developer/Principal: (“Developer”):</b>	<b>Village Allapattah Phase II, LLC</b>
<b>Number of Units: 90</b>	<b>Location: Miami Dade</b>
<b>Type: High-rise apartment</b>	<b>Set Asides: RRLP: 15% @ 33% AMI 85% @ 60% AMI</b>
<b>Demographics: Elderly</b>	<b>RRLP: \$5,910,000</b>

**1. Background**

- a) During the 2006 Rental Recovery Loan Program (RRLP), Village Allapattah Phase II, LLC (“Petitioner”) applied for and was awarded RRLP funding to finance the construction of YMCA Village Allapattah Phase II Apartments (the “Development”) located in Miami-Dade County, Florida.
- b) On January 13, 2010, Florida Housing received a “Petition for Waiver of Part III.D.1.f of the 2006 Rental Recovery Loan Program Instructions to Provide Specific Features in Units Developed for Elderly Residents,” (“Petition”) from Petitioner. A copy of the Petition is attached as [Exhibit A](#).

**2. Present Situation**

- a) Rule 67ER05-10(1)(a) Fla. Admin. Code (2007) provides, in pertinent part:
  - (a) The RRLP Application Package or RRLP1016 consists of the forms and instructions, obtained from the Corporation, for a fee, at 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329 or available, without charge, on the Corporation’s Website under the Rental Recovery Loan Program Application and Instructions link, which shall be completed and submitted to the Corporation in accordance with this rule chapter in order to apply for the RRLP Program. The RRLP Application Package is adopted and incorporated herein by reference, effective July 13, 2005.
- b) Part III.D.1.f of the Instructions provides in pertinent part:
  - (d) The Applicant must provide the following features in the specified percentages of all units in new construction (NC) and Rehabilitation (R) 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

## LEGAL

### *Consent*

- c) Petitioner has requested a waiver of the above Rule to allow it to install Non-Skid flooring, instead of tight-napped Berber style carpeting. As justification, Petitioner states that in its experience, the Non-Skid flooring provides a better surface for elderly residents to ambulate within their residential units. Additionally, it is an easier surface to maintain and to keep clean. The Petitioner further provides that the Non-Skid flooring is an upgraded amenity for which it is willing to bear the additional cost.
- d) The requested change would neither affect the scoring of Petitioner's application nor allow Petitioner to gain an unfair advantage over other applicants.
- e) On January 22, 2010, the Notice of Petition was published in the Florida Administrative Weekly in Volume 36, Number 3. To date, Florida Housing has received no comments concerning the Petition.
- f) 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.
- g) Petitioner has demonstrated that strict application of the above Rule under these circumstances would violate the principles of fairness. Petitioner demonstrated that permitting this change in Development would promote participation by experienced developers in efficient construction of new elderly units and also serve the underlying purpose of the statute by permitting upgraded features and amenities within residential units developed for elderly residents.

### 3. Recommendation

Staff recommends the Board **GRANT** Petitioner's request for a waiver of Part III.D.1.f of the Instructions, to allow Petitioner to install Non-Skid Flooring in the residential units in the Development, instead of tight-napped Berber-type carpet.

## LEGAL

### *Consent*

#### B. In Re: 350 NW, LLC. - FHFC Case No. 2009-060 VW

<b>Development Name: (“Development”):</b>	<b>St. David Apartments</b>
<b>Developer/Principal: (“Developer”):</b>	<b>St. David Development, LLC</b>
<b>Number of Units: 90</b>	<b>Location: Miami-Dade County</b>
<b>Type: High-Rise</b>	<b>Set Aside: 55% @ 33% AMI 45% @ 60% AMI</b>
<b>Demographics: Homeless</b>	<b>HC: \$2,435,000 TCAP: \$18,310,182 SAIL: 4,000,000.00</b>

#### 1. Background/Present Situation

- a) During the 2006 Universal Cycle, Florida Housing awarded an allocation of Housing Credits and State Apartment Incentive Loan (“SAIL”) funds to 350 NW, LLC. (“Petitioner”) to construct St. David Apartments (the “Development”) in Miami-Dade County, Florida. Petitioner’s Application was #2007-074CS.
- b) On August 11, 2009, Petitioner sought funding from Request for Proposal 2009-04, Tax Credit Exchange Program Funding, due to the loss of its tax credit equity syndicator. On August 20, 2009, Petitioner was issued an invitation into credit underwriting for Exchange Program Funds.
- c) On December 22, 2009, Florida Housing received a “Petition for Waiver of Rule 67-48.0010(3)(b), as in effect on January 29, 2006.” (“Petition”) A copy of the Petition is attached as [Exhibit B](#). On January 27, 2010, Florida Housing received an “Amended Petition for Waiver of Rule 67-48.0010(3)(b), as in effect on January 29, 2006.” (“Amended Petition”) A copy of the Amended Petition is attached as [Exhibit C](#).<sup>1</sup>
- d) Rule 67-48.0010(3)(b), F.A.C. (2006) states in pertinent part:
  - (3) The loans shall be non-amortizing and shall have interest rates as follows:
    - (a) 1% simple interest per annum on loans to Developments that maintain an 80% occupancy of residents qualifying as Farmworkers, Commercial Fishing Workers or Homeless, over the life of the loan;
    - (b) 3% simple interest per annum on loans to Developments other than those identified in paragraph (a) above;
- e) Petitioner requests a waiver of the Rule requiring, with respect to the terms of the SAIL loan, that the interest rate on the loan be three percent (3%) per annum. Specifically, Petitioner requests that the interest rate for the SAIL loan be reduced to .44%.

<sup>1</sup> The Amended Petition requests substantially the same relief as requested in the Petition and therefore it was not necessary to re-publish it in the Florida Administrative Weekly.



## LEGAL

### *Consent*

- f) On January 8, 2010, the Notice of Petition was published in the Florida Administrative Weekly in Volume 36, Number 01. 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) Under these circumstances, strict application of the above Rule to this Petitioner would create a substantial hardship or violate the principals of fairness. Petitioner demonstrated that for the 2007 Universal Cycle, Rule 67-48.010(3) was amended to allow those developments that had a pro rata share of units set aside for homeless residents, if the total of such units is less than 80% of the total units, to have 0% interest and 1% simple interest per annum on the remaining units. Under the amended rule, Petitioner qualifies for an interest rate of .44%. Without a reduction in the interest rate, Petitioner may have to increase the rent charged to the residents. Granting this request increases the likelihood of success for the Development and 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 67-48.0010(3)(b), F.A.C. (2006), to allow the interest rate on the SAIL loan to be reduced from 3% to .44%.

## LOW INCOME HOUSING TAX CREDITS

### *Consent*

#### V. LOW INCOME HOUSING TAX CREDITS

##### A. Request Approval to Swap Features and Amenities for Camellia Pointe (2002-118C)

<b>DEVELOPMENT NAME (“Development”):</b>	<b>Camellia Pointe APPLICATION # 2002-118C</b>
<b>DEVELOPER/PRINCIPAL (“Developer”):</b>	<b>Banyan Realty Advisors, LLC</b>
<b>APPLICANT: (“Owner”)</b>	<b>Camellia Pointe, Ltd.</b>
<b>NUMBER OF UNITS:</b>	<b>169</b>
<b>LOCATION (“County”):</b>	<b>Orange County</b>
<b>TYPE:</b>	<b>New Construction</b>
<b>SET ASIDE:</b>	<b>15% @ 30% AMI 85% @ 60% AMI</b>
<b>ALLOCATED AMOUNT:</b>	<b>\$861,900.00</b>

##### 1. Background/Present Situation

- a) Camellia Pointe is a 9% Competitive Housing Credit, New Construction Development providing 169 set-aside units in Orange County, Florida. Florida Housing issued a Final Allocation Certificate in the amount of \$861,900 in housing credits in March 2005.
- b) Florida Housing received a request from the Owner on January 27, 2010 to swap features and amenities ([Exhibit A](#)). The Applicant requests the following exchanges:
  - (1) “Steel exterior entry door frames” (1 pt.) exchanged for “30 Year expected life roofing on all buildings” (2 pt.)
- c) The proposed change is of one point greater value to the amenities originally chosen in the application.

##### 2. Recommendation

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

## LOW INCOME HOUSING TAX CREDITS

### *Consent*

#### B. Request Approval to Waive Amenity for Kimbers Cove / #2007-506C

DEVELOPMENT NAME (“Development”):	Kimbers Cove APPLICATION # 2007-506C
DEVELOPER/PRINCIPAL(“Developer”):	MMA Special Limited Partner, Inc.
APPLICANT: (“Owner”)	Kimbers Cove, L.P.
NUMBER OF UNITS:	288
LOCATION (“County”):	Duval
TYPE:	New Construction
SET ASIDE:	100% at 60% AMI
ALLOCATED AMOUNT:	\$905,223.00

#### 1. Background/Present Situation

- a) Kimbers Cove is a Non-Competitive Housing Credit, New Construction Development providing 288 set-aside units in Duval County, Florida. Florida Housing issued an allocation of \$905,223.00 in housing credits in August 2009.
- b) Florida Housing received a request from the Owner on September 22, 2009 requesting the requirement to provide ceiling fans be waived (2 points) in the Extended Use Agreement ([Exhibit B](#)).
- c) The Applicant selected every available amenity option in the application. Therefore, there are no other amenities with which to swap the ceiling fans.
- d) Without the ceiling fan amenity, the application still scores sufficient points to be eligible for non-competitive housing credits.

#### 2. Recommendation

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

## MULTIFAMILY BONDS

### *Consent*

#### VI. MULTIFAMILY BONDS

##### A. Request Approval to Allocate \$7,000,000 in Tax-Exempt, Private Activity Bond Allocation to the Development

<b>Development Name: Artspace Lofts (“Development”)</b>	<b>Location: Leon</b>
<b>Developer/Principal: Artspace Tallahassee, L.P./Artspace Projects, Inc. (“Developer”, “Principal”, or “Owner”)</b>	<b>Set-Aside: 52% @ 50% AMI 48% @ 60% AMI (MMRB)</b>
<b>Funding Sources: MMRB</b>	<b>Amounts: \$7,000,000 Tax-Exempt Bonds</b>
<b>Number of Units: 194</b>	<b>Type: Rental/Family</b>
<b>ADDITIONAL COMMENTS: Award of Bond Allocation</b>	

##### 1. Background

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

##### 2. Present Situation

- a) The Development is a 2009 Supplemental MMRB Application (the “Application”) to acquire and rehabilitate or construct a new affordable development in the County.
- b) The rules governing the 2009 Supplemental MMRB Application cycle require an application to achieve a perfect score of seventy (70) points in order to be funded. However, the rules further state: “If there is private activity bond allocation remaining after all eligible Applications are funded, then this allocation will be applied to the Corporation’s single-family bond program or otherwise used as directed by the Board.”
- c) The Application for this Development is only requesting MMRB and 4% non-competitive HC. This request does not require any other Florida Housing funding. 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 \$7,000,000 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*

**B. Request Approval of Berkadia Commercial Mortgage as Sub-Servicer for Citibank on the Above- Referenced Properties in Connection with the Bond Credit Enhancements**

<b>Development Name: Spanish Trace Apartments (“Development”)</b>	<b>Location: Hillsborough</b>
<b>Developer/Principal: The Richman Group (“Developer” or “Principal”)</b>	<b>Set-Aside: 85% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)</b>
<b>Funding Sources: MMRB 2008 Series A</b>	<b>Amounts: \$8,000,000 Tax-Exempt Bonds</b>
<b>Number of Units: 120</b>	<b>Type: Rental</b>
<b>Development Name: Savannah Springs Apartments (“Development”)</b>	<b>Location: Duval</b>
<b>Developer/Principal: The Richman Group (“Developer” or “Principal”)</b>	<b>Set-Aside: 50% @ 50% AMI; 35% @ 60% AMI (MMRB) 50% @ 50% AMI; 50% @ 60% AMI (HC)</b>
<b>Funding Sources: : MMRB 2006 Series N</b>	<b>Amounts: \$14,450,000 Tax-Exempt Bonds</b>
<b>Number of Units: 234</b>	<b>Type: Rental</b>
<b>Development Name: Spring Haven Apartments (“Development”)</b>	<b>Location: Hernando</b>
<b>Developer/Principal: The Richman Group (“Developer” or “Principal” )</b>	<b>Set-Aside: 11% @ 50% AMI 74% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)</b>
<b>Funding Sources: MMRB 2004 Series F</b>	<b>Amounts: \$6,200,000 Tax-Exempt Bonds</b>
<b>Number of Units: 176</b>	<b>Type: Rental</b>
<b>Development Name: Boynton Bay Apartments (“Development”)</b>	<b>Location: Palm Beach</b>
<b>Developer/Principal: Auburn Development (“Developer” or “Principal” )</b>	<b>Set-Aside: 85% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)</b>
<b>Funding Sources: MMRB 2007 Series I</b>	<b>Amounts: \$17,690,000 Tax-Exempt Bonds</b>
<b>Number of Units: 240</b>	<b>Type: Rental</b>

## MULTIFAMILY BONDS

### *Consent*

<b>Development Name: Clear Harbor Apartments (“Development”)</b>	<b>Location: Pinellas</b>
<b>Developer/Principal: The Richman Group (“Developer” or “Principal”)</b>	<b>Set-Aside: 85% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)</b>
<b>Funding Sources: MMRB 2007 Series H</b>	<b>Amounts: \$5,950,000 Tax-Exempt Bonds</b>
<b>Number of Units: 84</b>	<b>Type: Rental</b>
<b>Development Name: Mariner’s Cay Apartments (“Development”)</b>	<b>Location: Hernando</b>
<b>Developer/Principal: The Richman Group (“Developer” or “Principal”)</b>	<b>Set-Aside: 10% @ 33% AMI; 75% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)</b>
<b>Funding Sources: MMRB 2008 Series M</b>	<b>Amounts: \$10,750,000 Tax-Exempt Bonds</b>
<b>Number of Units: 160</b>	<b>Type: Rental</b>

1. **Background**

Citibank has provided the credit enhancement for the above referenced properties through credit enhancement agreements with Fannie Mae, Freddie Mac, and direct pay letters of credit since the inception of these transactions.

2. **Present Situation**

Citibank, as the Remarketing Agent, has contracted with Berkadia Commercial Mortgage, a newly formed entity owned by Berkshire Hathaway Inc. and Leucadia National Corporation, to sub-service and administer the functions associated with the letters of credit for these properties. Berkadia recently completed the purchase of Capmark Financial Group Inc. and, as a result, is fully authorized by Fannie Mae, Freddie Mac, and Citibank and its affiliated entities to provide the requested sub-servicing function ([Exhibit A](#)). This transfer does not affect the Letters of Credit and/or Credit Enhancements of these transactions.

3. **Recommendation**

Staff recommends that the Board approve the request to allow Berkadia Commercial Mortgage to sub-service the above referenced properties, subject to further approvals and verifications by Bond Counsel, Special Counsel and Florida Housing staff.

**RENTAL RECOVERY LOAN PROGRAM (RRLP)**

*Consent*

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

**A. Request Approval to Exchange Amenities for Village Allapattah II (2006-351CHR, 2007-012C)**

<b>Development Name: Village Allapattah II (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal: Village Allapattah II Development, LLC (“Developer”)</b>	<b>Set-Aside: 15% @ 33% AMI and 85% @ 60% AMI</b>
<b>Number of Units: 90</b>	<b>Allocated Amount: \$3,643,048 (RRLP)</b>
<b>Type: High-Rise</b>	<b>Total Housing Credit Equity: \$22,595,250</b>
<b>Demographics: Elderly</b>	<b>MMRB: N/A</b>

**1. Background/Present Situation**

- a) On September 8, 2008, an RRLP loan in the amount of \$3,643,048 closed for this 90-unit elderly development in Miami-Dade County.
- b) On December 29, 2009, staff received a letter from the Developer requesting the exchange of garbage disposals in all new construction units for steel exterior entry door frames for all units, and picnic area with hard cover permanent roof or a design compatible with the Development, open on all sides, containing at least three permanent picnic tables with benches and an adjoining permanent outdoor grill for domino court ([Exhibit A](#)). The proposed changes are of equal point value to the amenities originally chosen in the application.
- c) On January 26, 2010, staff received a review from the credit underwriter with a positive recommendation for the exchange of amenities ([Exhibit B](#)).

**2. Recommendation**

Approve the request to exchange the amenities and direct staff to proceed with amending the Land Use Restriction Agreement.

## SPECIAL ASSETS

### *Consent*

#### VIII. SPECIAL ASSETS

- A. Request Approval for a Partial Release of the SAIL LURA for London Arms/Lyn Mar, Ltd., a Florida Limited Partnership for London Arms Apartments (91S-021/1990 Series E/90L-500)

<b>Development Name: London Arms (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal: London Arms/Lyn Mar Ltd. (“Developer”)</b>	<b>Set-Aside: 40% @ 60% AMI LURA: 31 years (4/4/2022); EUA: 30 years (terminated)</b>
<b>Number of Units: 58</b>	<b>Allocated Amount: SAIL - \$820,000 Bonds - \$2,500,000</b>
<b>Demographics: Elderly/Family</b>	<b>Housing Credits: \$105,763</b>

1. **Background**

- a) During the 1991 SAIL Cycle III, Florida Housing awarded an \$820,000 construction/permanent SAIL loan to London Arms/Lyn Mar, Ltd., a Florida Limited Partnership (“Borrower”), for the development of a 58-unit development in Miami-Dade County. The SAIL loan closed on April 4, 1991 and matured on April 4, 2006. The Development also received FHFC Multifamily Mortgage Revenue Bonds (1990 E) in the amount of \$2,500,000 and a 1990 allocation of low-income housing tax credits of \$105,763. The Development was placed in service April 16, 1992. The Bonds and SAIL loan have been fully paid. The bond LURA has expired. The Housing Credit Extended Use Agreement (EUA) was terminated March 31, 2009 with the expiration of the qualified contract. The SAIL LURA is the only remaining restrictive agreement on the Development. The Development consists of 58 units in two adjacent buildings in Miami Beach at 727 (33 units) and 735 (25 units) Collins Avenue. The SAIL LURA requires 40% (24 units) of the units to be income restricted at 60% AMI.

2. **Present Situation**

The Borrower has requested FHFC to release the SAIL LURA requirements from 735 Collins Avenue. 727 Collins Avenue has 33 units which can fulfill the 24 units required in the SAIL LURA.

3. **Recommendation**

Approve the request to release the SAIL LURA encumbrance from 735 Collins Avenue retaining the set-aside requirements of 40% at 60% (24) units at 727 Collins Avenue as required in the LURA and direct staff to proceed with document modification activities as necessary.



## SPECIAL ASSETS

### *Consent*

**B. Request Approval of the SAIL Loan Workout for Florida City Apartments, Ltd. Partnership, a Florida Limited Partnership for Florida City Apartments (93-HRR-006)**

<b>Development Name: Florida City Apartments (aka Southpoint Crossings) (“Development”)</b>	<b>Location: Miami-Dade County</b>
<b>Developer/Principal: GMN (“Developer”) Enterprise Community Investments, Inc.</b>	<b>Set-Aside: 20% @ 40% &amp; 80% @ 60% AMI ; LURA 50 years; EUA 50 years</b>
<b>Funding Sources: SAIL 93-HRR-006 HC 94L-125</b>	<b>Amounts: SAIL \$3,850,025 HC \$720,000</b>
<b>Number of Units: 123</b>	<b>Type: Family</b>

**1. Background**

During the 1993 HRR SAIL Cycle, Florida Housing awarded a \$ 3,850,025 SAIL loan to Florida City Apartments, Ltd.; a Florida limited partnership ("Borrower") (aka Southpoint Crossings), a Greater Miami Neighborhoods (GMN) development, for a 123-unit development in Miami-Dade County. The SAIL loan closed on July 5, 1994. The Development also received a 1994 allocation of Low-Income Housing Tax Credits of \$720,000. At the March 2008 Board meeting the Limited Partner's, Enterprise Community Investments, Inc. (Enterprise), request to replace the General Partner was approved and Enterprise assumed the General Partner interest. The loan matures May 31, 2010. There is a first mortgage in the amount of \$250,000 on the development that is in default.

**2. Present Situation**

Staff has received a proposal from a potential purchaser (Purchaser) to renegotiate the loan terms to allow them to acquire and rehabilitate the development. The Purchaser foresees a deed-in-lieu by the first lien holder and transfer to the Purchaser with assumption of the SAIL loan by the Purchaser. The Purchaser will apply for NSP funds from Miami-Dade County for rehabilitation funds for the Development. The Purchaser requests that Florida Housing renegotiate the terms of the SAIL loan extending the loan term for 30 years; deferring the accrued interest and converting to an interest rate of one percent. Because the Purchaser is composed of two national non-profits desiring to provide significant rehabilitation to this development and allow the development to provide safe and decent affordable housing; Staff recommends the following loan terms:

- (1) A one percent cash flow loan. The loan term will be for 30 years and the SAIL loan will be in second position after Miami-Dade County NSP funds.
- (2) Defer all accrued interest to the new maturity date.
- (3) Extend the term of the LURA for an additional 15 years.
- (4) Revise LURA as follows: Five percent of the units or seven (7) units can be set-aside for households at 33% AMI. These units would be in addition to the 20% of the units or 25 units that are now set aside for families earning 40% AMI

## **SPECIAL ASSETS**

### *Consent*

- (5) An additional set aside of 25% of the units or 31 units can be committed to household earning 50% AMI. The combination of all these set-asides means that 50% of the units at Southpoint Crossing will now be committed to ELI and VLI households.

### **3. Recommendation**

Approve the renegotiated loan terms as recommended by staff conditioned upon the Purchaser receiving NSP funds sufficient to rehabilitate the Development as proposed and direct staff to proceed with loan document modification activities as necessary.