

THE PRELIMINARY TEXT OF THE PROPOSED RULE DEVELOPMENT IS NOT AVAILABLE.

**DEPARTMENT OF HEALTH**

**Board of Dentistry**

RULE NO.: 64B5-2.0151  
 RULE TITLE: Review Procedure and Methodology for Certification of Foreign Dental Education Programs

PURPOSE AND EFFECT: The Board proposes to promulgate and adopt rule language to specify the review procedures and methodology for certification of foreign dental education programs.

SUBJECT AREA TO BE ADDRESSED: Review procedures for certification of foreign dental programs.

SPECIFIC AUTHORITY: 466.004, 466.008 FS.

LAW IMPLEMENTED: 466.004, 466.008 FS.

IF REQUESTED IN WRITING AND NOT DEEMED UNNECESSARY BY THE AGENCY HEAD, A RULE DEVELOPMENT WORKSHOP WILL BE NOTICED IN THE NEXT AVAILABLE FLORIDA ADMINISTRATIVE WEEKLY.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE DEVELOPMENT AND A COPY OF THE PRELIMINARY DRAFT, IF AVAILABLE, IS: Sue Foster, Executive Director, Board of Dentistry /MQA, 4052 Bald Cypress Way, Bin #08, Tallahassee, Florida 32399-3258  
 THE PRELIMINARY TEXT OF THE PROPOSED RULE DEVELOPMENT IS NOT AVAILABLE.

**DEPARTMENT OF HEALTH**

**Division of Environmental Health**

RULE CHAPTER NO.: 64E-15  
 RULE CHAPTER TITLE: Mobile Home, Lodging, and Recreational Vehicle Parks, and Recreational Camps

RULE NO.: 64E-15.005  
 RULE TITLE: Sanitary Facilities

PURPOSE AND EFFECT: The proposed change will remove the need for redundant sanitary facilities (showers, toilets, urinals, handwashing fixtures), dump stations and potable water supply stations in RV parks, thereby saving thousands of dollars for the regulated public.

SUBJECT AREA TO BE ADDRESSED: Sanitary facilities, dump stations, and potable water supply station requirements in recreational vehicle parks.

SPECIFIC AUTHORITY: 513.05 FS.

LAW IMPLEMENTED: 513.05 FS.

IF REQUESTED IN WRITING AND NOT DEEMED UNNECESSARY BY THE AGENCY HEAD, A RULE DEVELOPMENT WORKSHOP WILL BE NOTICED IN THE NEXT FLORIDA ADMINISTRATIVE WEEKLY.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE DEVELOPMENT IS: David B. Wolfe, Environmental Health Program Consultant, Bureau of Community Environmental Health, 4052 Bald Cypress Way, BIN A08, Tallahassee, FL 32399-1710, (850)245-4277. An electronic copy of the proposed rule can be obtained without cost by contacting David B. Wolfe at the above address or telephone number (850)245-4277

THE PRELIMINARY TEXT OF THE PROPOSED RULE DEVELOPMENT IS:

64E-15.005 Sanitary Facilities.

(1) through (5) No change.

(6) If a park owner files a letter with the county health department stating the recreational vehicle park has a potable water and sewer hook-up at each site and the park only rents to recreational vehicles that are self contained units, the park will be exempt from the sanitary facilities requirements in subsections 64E-15.005(2), (4), F.A.C., the sewage disposal requirements in subsections 64E-15.004(5), (6), (7), F.A.C., and the water requirements in paragraph 64E-15.003(3)(b), F.A.C.

Specific Authority 381.011, 513.05 FS. Law Implemented 381.006(6), (14), 386.041, 513.012 FS. History—New 5-20-96, Formerly 10D-26.140, Amended \_\_\_\_\_.

**Section II  
 Proposed Rules**

**BOARD OF TRUSTEES OF THE INTERNAL IMPROVEMENT TRUST FUND**

Notices for the Board of Trustees of the Internal Improvement Trust Fund between December 28, 2001 and June 30, 2006, go to <http://www.dep.state.fl.us/> under the link or button titled "Official Notices."

**WATER MANAGEMENT DISTRICTS**

**Southwest Florida Water Management District**

RULE NO.: 40D-3.042  
 RULE TITLE: Multiple Wells Under a Single Permit

PURPOSE AND EFFECT: The purpose of the proposed rule revision is to clarify the requirement that a single permit may be obtained for the construction of a multi-zone monitor well. This type of well, as it is usually constructed, consists of multiple observation tubes for monitoring different depths, all located within a single larger diameter well casing. A separate well completion report is required for each of the monitor tubes. The completion reports identify the zones being monitored in the well. The proposed rule language will help clarify current existing practices.

SUMMARY: Permitting construction of multi-zone monitor wells under a single permit.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No Statement of Estimated Regulatory Cost was prepared.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 373.044, 373.113, 373.171, 373.309, 373.337 FS.

LAW IMPLEMENTED: 373.106(1), 373.309 FS.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FAW.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Karen E. West, Deputy General Counsel, Office of General Counsel, 2379 Broad Street, Brooksville, FL 34604-6899, (352)796-7211, extension 4651

THE FULL TEXT OF THE PROPOSED RULE IS:

40D-3.042 Multiple Wells Under a Single Permit.

(1) The construction, repair, modification or abandonment of:

(a) ~~Up~~ to eight (8) sandpoint irrigation, monitor, recovery, dewatering, or gang wells 4 inches or less in diameter; or

(b) ~~A~~ class V air conditioning heat pump system consisting of one supply well and one return well; may be included under ~~one~~ ~~+~~ permit provided the conditions of subsection (2) are met.

(2) A multiple well permit as described in subsection (1) will be issued provided:

~~(a)~~ The wells are constructed in the same geologic material, completed in the same hydrogeologic unit, and drilled on a contiguous tract of land owned or controlled by the same individual or entity; and

~~(b)~~ Each well is the same diameter and constructed of a similar material.

~~(3)~~ ~~(2)~~ The District requires both a supply well and a return well in the construction of an open heat pump system. A supply well without a return well is not permitted.

(4) The District will authorize multi-zone monitor wells consisting of multiple observation tubes monitoring different depths all located in a single larger diameter well casing under a single permit. Provisions listed in subsection (2) do not apply to this type of well.

(5) When a single well construction permit is issued for multiple wells as described above, a separate well completion report is required for each of the wells or tubes.

Specific Authority 373.044, 373.113, 373.171, 373.309, 373.337 FS. Law Implemented 373.106(1), 373.309 FS. History—New 12-31-92, Amended \_\_\_\_\_.

NAME OF PERSON ORIGINATING PROPOSED RULE: Karen E. West, Deputy General Counsel, Office of General Counsel, 2379 Broad Street, Brooksville, FL 34604-6899, (352)796-7211, extension 4651

NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: Governing Board of the Southwest Florida Water Management District

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: November 30, 2006

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: December 29, 2006

**LAND AND WATER ADJUDICATORY COMMISSION**

RULE NOS.:	RULE TITLES:
42-2.013	Request for Review Pursuant to Section 373.114 or 373.217 F.S.
42-2.0132	Procedure for Filing Petitions from a Water Management District Order

PURPOSE AND EFFECT: Rule amendments update language to reflect statutory changes, remove obsolete rule references, clarify rule references, and amend the rule title to make content clear.

SUMMARY: Rule amendments update language to reflect statutory changes, remove obsolete rule references, clarify rule references, and amend the rule title to make content clear.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No Statement of Estimated Regulatory Cost was prepared.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 373.114 FS.

LAW IMPLEMENTED: 373.114, 373.217 FS.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW (IF NOT REQUESTED, THIS HEARING WILL NOT BE HELD):

DATE AND TIME: Wednesday, February 28, 2007, 10:00 a.m.

PLACE: Room 2103, The Capitol, Tallahassee, Florida 32399-0001

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least five days before the workshop/meeting by contacting: Barbara Leighty, Florida Land and Water Adjudicatory Commission, The Capitol, Room 1801, Tallahassee, Florida 32399-0001, telephone (850)487-1884. If

you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Barbara Leighty, Florida Land and Water Adjudicatory Commission, The Capitol, Room 1801, Tallahassee, Florida 32399-0001, telephone (850)487-1884

THE FULL TEXT OF THE PROPOSED RULES IS:

42-2.013 Request for Review Pursuant to Section 373.114 or 373.217, F.S.

(1) through (3) No change.

(4)(a) With regard to a request for review of an order by a party, if the petition is timely filed, sufficient, and raises issues of conflict with the requirements of Chapter 373, F.S., or rules duly adopted thereunder, then the Commission shall accept the request for review of an order if:

1. ~~Three~~ ~~four~~ members of the Commission determine on a basis of the record below that the activity authorized by the order would substantially affect natural resources of statewide or regional significance; or

2. ~~Three~~ ~~four~~ members of the Commission determine that the order raises issues of policy, statutory interpretation, or rule interpretation that have regional or statewide significance from the standpoint of agency precedent.

(b) No change.

(c) For the purpose of subparagraph ~~42-2.013(4)(a)1.~~ ~~and Rule 42-2.018,~~ F.A.C., it shall be presumed that an activity authorized by an order will not affect resources statewide or regional significance if the proposed activity:

1. through 4. No change.

Specific Authority 373.114, ~~373.217~~ FS. Law Implemented 373.114, 373.217 FS. History–New 6-8-77, Formerly 22G-1.13, Amended 2-7-84, Formerly 27G-1.13, Amended 2-20-94, 3-15-95, \_\_\_\_\_.

42-2.0132 Procedure for Filing Petitions from a Water Management District Order.

(1) Review by the Commission is appellate in nature and shall be based solely on the record below unless the Commission determines that a remand for a formal evidentiary proceeding is necessary to develop additional findings of fact.

(1) through (2) renumbered (2) through (3) No change.

~~(3) Where a proceeding on an order has been initiated pursuant to Section 120.57, F.S., a request for review under Rule 42-2.013 or 42-2.0131, F.A.C., shall be filed no later than 20 days after rendition of the final agency action in the proceeding, except as provided in (1)(b), as applicable.~~

(4) No change.

(5) A request for review under Rule 42-2.013 or 42-2.0131, F.A.C., is not a precondition to seeking judicial review pursuant to Section 120.68, F.S., or seeking administrative determination of rule validity pursuant to

Section 120.56, F.S. ~~However, the filing of a petition under Section 120.57, F.S., or a rule challenge under Section 120.56, F.S., shall result in a stay of review by the Commission.~~

(6) through (13) No change.

Specific Authority 373.114, ~~373.217, 20.255~~ FS. Law Implemented 373.114, 373.217, ~~20.255~~ FS. History–New 2-20-94, Amended 3-15-95, \_\_\_\_\_.

NAME OF PERSON ORIGINATING PROPOSED RULE: Secretary, Florida Land and Water Adjudicatory Commission, Room 1801, The Capitol, Tallahassee, Florida 32399-0001

NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: Florida Land and Water Adjudicatory Commission

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: December 5, 2006

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: December 15, 2006

**AGENCY FOR HEALTH CARE ADMINISTRATION**

**Health Facility and Agency Licensing**

RULE NOS.:	RULE TITLES:
59A-4.200	Definitions
59A-4.201	Gold Seal Award
59A-4.2015	Review Process
59A-4.202	Quality of Care
59A-4.204	Turnover Ratio
59A-4.205	The State Long Term Care Ombudsman Council Review
59A-4.206	Termination and Frequency of Review

PURPOSE AND EFFECT: The purpose of the proposed rule amendment is to update the scoring and ranking of facilities to qualify for the Gold Seal consistent with the Nursing Home Guide. The proposed rule further updates the ways in which a facility may market the Gold Seal. The Agency further proposes a new section changing the review process of applications for the Gold Seal. The changes will effect all nursing homes in Florida wishing to submit an application to the Panel on Excellence in Long Term Care for the award of the Gold Seal.

SUMMARY: The proposed rule amendment will update the scoring and ranking of facilities to qualify for the Gold Seal, changes the way facilities may market the Gold Seal and changes the review process of applications submitted for the Gold Seal.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No Statement of Estimated Regulatory Cost was prepared.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 400.235(9) FS.

LAW IMPLEMENTED: 400.235 FS.

A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW:

DATE AND TIME: March 28, 2007, 10:00 a.m.

PLACE: 2727 Mahan Drive, Agency for health Care Administration, Bldg. 3, Conference Room B, Tallahassee, Florida

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULES IS: Barbara Dombrowski, Bureau of Long Term Care Services, 2727 Mahan Drive, MS51, Tallahassee, FL 32308, (850)414-9707

THE FULL TEXT OF THE PROPOSED RULES IS:

59A-4.200 Definitions.

(1) Agency means Agency for Health Care Administration.

(2) Panel means the Panel on Excellence in Long Term Care.

(3) Parent company means an entity that owns, leases, or through any other device controls a group of two or more health care facilities or at least one health care facility and any other business. A related party management company is considered to be a parent company.

(4) Region means a geographical area of the state of Florida defined by a list of counties reflected by the agency's 11 inspection regions. The regions are defined as part of the Nursing Home Guide Performance Measures Algorithm, July 2000 in the AHCA Gold Seal Scoring and Ranking Algorithm dated August 2000. Copies of this form may be obtained from the Agency for Health Care Administration, Long Term Care Unit, 2727 Mahan Drive, MS 33, Tallahassee, FL 32308 or from the Agency website at <http://ahcaxnet.fdhc.state.fl.us/nhcguid/>.

(5) ~~Quality of Care score means all of the parameters included in the Nursing Home Guide that reflect the results of the overall inspection. Selected tags means a set of deficiency citations which reflect quality of care in nursing homes. The selected tags are listed in the AHCA Gold Seal Scoring and Ranking Algorithm dated August 2000.~~

Specific Authority 400.235 FS. Law Implemented 400.235(9) FS. History--New 8-21-01, Amended \_\_\_\_\_.

59A-4.201 Gold Seal Award.

(1) ~~To be~~ ~~in order~~ to be considered for recommendation nomination for a Gold Seal Award, a nursing home licensee must submit to the Agency's Long Term Care Unit:

~~(a)(2) A letter of recommendation nomination from the agency, a nursing facility industry organization, a consumer, the State Long Term Care Ombudsman Council, or a member of the community;~~

~~(b)(3) A completed application for Gold Seal Award (September 2000), which is incorporated by reference. Copies of this form may be obtained from the Agency for Health Care Administration, Long Term Care Unit, 2727 Mahan Drive, MS 33, Tallahassee, FL 32308 or from the Agency website at [http://ahca.myflorida.com/MCHQ/Long\\_Term\\_Care/LTC/index.shtml](http://ahca.myflorida.com/MCHQ/Long_Term_Care/LTC/index.shtml);~~

~~(c)(4) The financial documentation required by Rule 59A-4.203, F.A.C.; and~~

~~(d)(5) The stable workforce documentation required by Rule 59A-4.204, F.A.C.~~

(2) During the effective dates of the award, a nursing home licensee may use the Gold Seal designation in facility advertising and marketing. All advertising and marketing of the Gold Seal designation must include the range of dates for which the Gold Seal was awarded and should only represent the facility to which it has been designated. Within 90 days after termination or expiration of the Gold Seal award, the Gold Seal designation must be removed from all advertising and marketing materials.

Specific Authority 400.235 FS. Law Implemented 400.235(9) FS. History--New 8-21-01, Amended \_\_\_\_\_.

59A-4.2015 Review Process.

(1) A review process is established which provides submission deadlines for applications, and Panel meeting timeframes to review applications.

(2) Review Period 1 requires applications be submitted by March 15 each year to be eligible for review during this period. The quality of care score for this review period will be obtained from the preceding quarter ending December 31, and will be available by February 15 to ensure facilities qualify for this criterion prior to submitting an application. Application reviews will be complete by April 15. Site visits will be conducted after April 15 and a meeting will be held to determine those licensees to be recommended for the Gold Seal. This meeting must be held prior to June 15.

(3) Review Period 2 requires applications be submitted by September 15 each year to be eligible for review during this period. The quality of care score for this review period will be obtained from the preceding quarter ending June 30 and will be available by August 15 to ensure facilities qualify under this criterion prior to submitting an application. Application reviews will be complete by October 15. Site visits will be conducted after October 15 and a meeting will be held to determine those licensees to be recommended for the Gold Seal. This meeting must be held prior to December 15.

(4) Quality of care scoring information may be obtained by contacting the Bureau of Long Term Care Services at (850)488-5861 or from the Agency website at [http://ahca.myflorida.com/MCHQ/Long\\_Term\\_Care/index.shtml](http://ahca.myflorida.com/MCHQ/Long_Term_Care/index.shtml).

(5) Any nursing home licensee not meeting all requirements or having omissions in financial information will be notified to allow a licensee to submit additional information or withdraw the application. Licensees have 10 business days after the Agency's request to provide required documentation to continue to be eligible for consideration.

(6) If the panel determines that an applicant has failed to meet all Gold Seal criteria and the application is not withdrawn, a recommendation to deny the Gold Seal award will be made to the Governor.

Specific Authority 400.235 FS. Law Implemented 400.235(9) FS. History--New \_\_\_\_\_.

#### 59A-4.202 Quality of Care.

(1) The Agency shall determine how a Gold Seal recommended licensee nominated facility ranks relative to other licensees facilities in the same region in the quality of care provided to residents.

(2) The agency shall consider selected tags, which reflect quality of care, and shall also consider the severity and scope of the selected tags.

(a) For federally certified facilities, the selected tags are a subset of all possible deficiencies.

(b) For facilities that are not federally certified the text of all deficiencies shall be read to determine which if any of the cited deficiencies are equivalent to any of the selected tags.

(3) The agency shall consider all such selected tags received by the facility in all surveys conducted over the most recently available 30-month period prior to the date of the Panel meeting. The date of each Panel meeting shall be published in the Florida Administrative Weekly. The most recently available 30-month period shall be defined as the period that ends on the last workday of the most recent calendar quarter prior to the relevant Panel meeting. For federally certified facilities, the above computations will reflect any changes resulting from the Informal Dispute Resolution process. In as much as the federal Health Care Financing Administration concurs, changes resulting from administrative or appellate proceedings will also be reflected, only if available at the time of the Gold Seal application.

(2)(4) The agency shall compute a quality of care score and rank nursing home licensees (hereafter referred to as the quality of care score), in accordance with the Nursing Home Guide Performance Measures Algorithm, July 2000 based on the selected tags, for all facilities in the applicant's region.

(5) The agency shall score and rank facilities in accordance with the Gold Seal Scoring and Ranking Algorithm, dated August 2000.

(6) The facilities shall be ranked based on this quality of care score. The resulting rank will hereafter be referred to as the quality of care rank.

(4)(7) To be considered further for a Gold Seal Award, the facility's quality of care rank must be in the top 15% 25% of facilities in the applicant's region or top 10% statewide. The facility must also be ranked in the Nursing Home Guide as a five-star facility overall.

Specific Authority 400.235 FS. Law Implemented 400.235(9) FS. History--New 8-21-01, Amended \_\_\_\_\_.

#### 59A-4.204 Turnover Ratio.

(1) An applicant for Gold Seal Award must meet at least one of the following to demonstrate a stable workforce:

(a) Have a turnover rate no greater than 50 85 percent for the most recent 12 month period ending on the last workday of the most recent calendar quarter prior to submission of an application. The turnover rate will be computed in accordance with Section 400.141(15)(b), F.S., or

(b) Have a stability rate indicating that at least 50 percent of its staff has been employed at the facility for at least one year. The stability rate will be computed in accordance with Section 400.141(15)(c), F.S.

(2) Each applicant for Gold Seal Award must submit evidence of an effective recruitment and retention program.

Specific Authority 400.235 FS. Law Implemented 400.235(9) FS. History--New 8-21-01, Amended \_\_\_\_\_.

#### 59A-4.205 The State Long Term Care Ombudsman Council Review.

The State Long Term Care Ombudsman Council shall provide a profile of verified substantiated ombudsman program complaints against licensee's facilities applying for the Gold Seal Award. Upon request, the State Long Term Care Ombudsman Council shall provide the findings of ombudsman program administrative inspections of facilities applying for the Gold Seal Award. The Panel on Excellence in Long Term Care shall make the final determination regarding whether the licensee facility demonstrated an outstanding history in regard to verified substantiated ombudsman complaints.

Specific Authority 400.235 FS. Law Implemented 400.235(9) FS. History--New 8-21-01, Amended \_\_\_\_\_.

#### 59A-4.206 Termination and Frequency of Review.

(1) The occurrence of any one of the following events shall disqualify the licensee a nursing facility from continuing as a Gold Seal facility:

(a) The filing of a petition by or against the owner or its parent company under the Bankruptcy Code;

(b) Failure to participate in the required consumer satisfaction survey as prescribed by the agency;

(b)(e) The issuance of a Class I or Class II deficiency or the assignment of a conditional license.

(2) For federally certified facilities, if the disqualifying event is the issuance of a citation for a Class I or Class II deficiency or the assignment of a conditional license status, the Gold Seal Award shall be withdrawn only after the results of the federal Informal Dispute Resolution (IDR) process are considered, if an IDR is requested.

(3) The termination or correction of a disqualifying event does not cause the Gold Seal to be reinstated. The licensee facility shall resubmit a complete application package and must meet all the conditions necessary to be awarded a Gold Seal.

(4) If a licensee facility receives a Class I or Class II deficiency or is assigned a conditional license status while it is being considered for a Gold Seal Award by the panel, the application will be denied.

(5) Frequency of Review. A Gold Seal licensee facility shall submit a complete renewal application every two years. The renewal application must be received by the agency during the appropriate review period as provided in Rule 59A-4.2015, F.A.C., to ensure the licensee will not have a lapse in the Gold Seal designation six months prior to the two-year anniversary of the Gold Seal designation.

Specific Authority 400.235 FS. Law Implemented 400.235(9) FS. History—New 8-21-01, Amended.

NAME OF PERSON ORIGINATING PROPOSED RULE:  
Barbara Dombrowski  
NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: Molly McKinstry  
DATE PROPOSED RULE APPROVED BY AGENCY HEAD: December 12, 2006  
DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: September 29, 2006

**AGENCY FOR HEALTH CARE ADMINISTRATION  
Medicaid**

RULE NO.: 59G-4.060  
RULE TITLE: Dental Services

PURPOSE AND EFFECT: The purpose of the proposed rule amendment is to incorporate by reference Update January 2007 to the Florida Medicaid Dental Services Coverage and Limitations Handbook. The handbook was revised to include Medicaid coverage of partial dentures for adults, effective July 2006; a revised Behavior Management Report form; and policy clarifications. The effect will be to incorporate by reference Update January 2007 in rule.

In the Notice of Rule Development, published in Vol. 32, No. 33, Florida Administrative Weekly, on August 18, 2006, we stated that the update was effective July 2007. We changed the effective date to January 2007.

SUMMARY: The purpose of the proposed rule amendment is to incorporate by reference Update January 2007 to the Florida Medicaid Dental Services Coverage and Limitations Handbook. The effect will be to incorporate by reference Update January 2007 in rule.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No Statement of Estimated Regulatory Cost was prepared.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 409.919 FS.

LAW IMPLEMENTED: 409.906, 409.908, 409.912 FS.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW (IF NOT REQUESTED, THIS HEARING WILL NOT BE HELD):

DATE AND TIME: Tuesday, February 27, 2007, 2:00 p.m.

PLACE: Agency for Health Care Administration, 2727 Mahan Drive, Building #3, Conference Room D, Tallahassee, Florida  
THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Mary Cerasoli, Bureau of Medicaid Services, 2727 Mahan Drive, Mail Stop 20, Tallahassee, Florida, 32308, (850)922-7328

THE FULL TEXT OF THE PROPOSED RULE IS:

59G-4.060 Dental Services.

(1) No change.

(2) All dental services providers enrolled in the Medicaid program must be in compliance with the Florida Medicaid Dental Services Coverage and Limitations Handbook, January 2006, updated January 2007, and the Florida Medicaid Provider Reimbursement Handbook, Dental 111, October 2003, which are incorporated by reference, and the Florida Medicaid Provider Reimbursement Handbook, CMS-1500, which is incorporated by reference in Rule 59G-4.001, F.A.C. All handbooks are available from the Medicaid fiscal agent's website at <http://floridamedicaid.acs-inc.com>. Click on Provider Support, and then on Handbooks. Paper copies of the handbooks may be obtained by calling the Medicaid fiscal agent Provider Inquiry at (800)377-8216.

(3) The following forms that are included in the Florida Medicaid Dental Services Coverage and Limitations Handbook are incorporated by reference: Medicaid Orthodontic Initial Assessment Form (IAF), AHCA-Med Serv Form 013, January 2006, five pages, located in Appendix A; and the Medical Behavioral Management Report, AHCA-Med Serv Form 012, January 2007 ~~2006~~, one page, located in Appendix F. The forms are available by photocopying them from the handbook.

Specific Authority 409.919 FS. Law Implemented 409.906, 409.908, 409.912 FS. History—New 7-10-80, Amended 2-19-81, 10-27-81, 7-21-83, Formerly 10C-7.523, Amended 9-11-90, 11-3-92, Formerly 10C-7.0523, Amended 6-29-93, Formerly 10P-4.060, Amended 7-19-94, 7-16-96, 3-11-98, 10-13-98, 12-28-98, 6-10-99, 4-23-00, 4-24-01, 7-5-01, 2-20-03, 8-5-03, 1-8-04, 10-12-04, 6-28-05, 7-2-06,

NAME OF PERSON ORIGINATING PROPOSED RULE:  
Mary Cerasoli  
NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: Christa Calamas  
DATE PROPOSED RULE APPROVED BY AGENCY HEAD: December 15, 2006  
DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: August 18, 2006

**AGENCY FOR HEALTH CARE ADMINISTRATION**

**Medicaid**

RULE NO.: 59G-4.280  
RULE TITLE: Rural Health Clinic Services

PURPOSE AND EFFECT: The purpose of this rule amendment is to incorporate by reference the revised Florida Medicaid Rural Health Clinic Services Coverage and Limitations Handbook, January 2007. The revised handbook contains updated policies for the services that are provided by rural health clinics. The effect will be to incorporate by reference in the rule the Florida Medicaid Rural Health Clinic Services Coverage and Limitations Handbook, January 2007.

In the Notice of Rule Development that was published on September 8, 2006, we stated that the Florida Medicaid Rural Health Clinic Services Coverage and Limitations Handbook was effective October 2006. We changed the effective date to January 2007.

SUMMARY: The purpose of this rule amendment is to incorporate by reference in the rule the Florida Medicaid Rural Health Clinic Services Coverage and Limitations Handbook, January 2007.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No Statement of Estimated Regulatory Cost was prepared.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 409.919 FS.

LAW IMPLEMENTED: 409.905, 409.906, 409.908, 409.9081 FS.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW:

DATE AND TIME: Monday, February 26, 2007, 2:00 p.m.

PLACE: Agency for Health Care Administration, 2727 Mahan Drive, Building #3, Conference Room D, Tallahassee, Florida

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Catherine McGrath, Agency for Health Care Administration, Bureau of Medicaid Services, 2727 Mahan Drive, MS 20, Tallahassee, Florida 32308, (850)922-7724

THE FULL TEXT OF THE PROPOSED RULE IS:

59G-4.280 Rural Health Clinic Services.

(1) No change.

(2) All rural health clinic providers enrolled in the Medicaid program must comply with the Florida Medicaid Rural Health Clinic Services Coverage and Limitations Handbook, January 2007 ~~October 2003~~, incorporated by reference, and the Florida Medicaid Provider Reimbursement Handbook, CMS-1500, incorporated by reference in Rule 59G-4.001, F.A.C. Both handbooks are available from the Medicaid fiscal agent's website at <http://floridamedicaid.acs-inc.com> ~~agent~~. Click on Provider Support, and then on Handbooks. Paper copies of the handbooks may be obtained by calling the Medicaid fiscal agent at (800)377-8216.

Specific Authority 409.919 FS. Law Implemented 409.905, 409.906, 409.908, 409.9081 FS. History—New 4-14-80, Amended 12-28-80, Formerly 10C-7.51, Amended 8-11-91, 1-19-93, Formerly 10C-7.051, Amended 6-29-94, 6-10-96, 6-24-98, 12-4-00, 5-31-04, \_\_\_\_\_.

NAME OF PERSON ORIGINATING PROPOSED RULE: Catherine McGrath

NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: Christa Calamas, Secretary

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: December 15, 2006

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: September 8, 2006

**DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION**

**Construction Industry Licensing Board**

RULE NO.: 61G4-18.001  
RULE TITLE: Continuing Education Requirements for Certificateholders and Registrants

PURPOSE AND EFFECT: The Board proposes a rule amendment for consideration of modification of continuing education requirements.

SUMMARY: The Board proposed a rule amendment to amend the hours and courses relating to the continuing education requirements for certificateholders and registrants.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No Statement of Estimated Regulatory Cost was prepared.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 455.213(6), 455.2177, 455.2178, 455.2179, 489.108 FS.

LAW IMPLEMENTED: 455.2123, 455.213(6), 455.2177, 455.2178, 455.2179, 455.271(6), 489.115, 489.116 FS.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FAW.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: G.W. Harrell, Executive Director, Construction Industry Licensing Board, Northwood Centre, 1940 N. Monroe Street, Tallahassee, Florida 32399-0750

THE FULL TEXT OF THE PROPOSED RULE IS:

61G4-18.001 Continuing Education Requirements for Certificateholders and Registrants.

(1) Each person who is certified or registered by the Board must, as a condition of each renewal of the certificate or registration, obtain at least 14 classroom or interactive distance learning hours of continuing education in one or more courses from a continuing education provider approved by the Board. Of the required 14 hours of continuing education, up to four (4) hours of credit may be earned by attending a meeting of the Board wherein disciplinary cases are considered. At least seven (7) days advance notice of the intent to attend the disciplinary case session must be given to the Board, and the licensee must check in with Board staff prior to the beginning of the disciplinary proceedings. The licensee must sign in and out at breaks and at lunchtime. After the conclusion of the meeting, Board staff will issue a certificate of attendance to the licensee. The licensee must submit documentation of such participation to the Department within five (5) days of the date of issuance of the certificate of attendance. A maximum of four (4) hours will be allowed during a renewal cycle. Credit hours shall be awarded on an hour for hour basis up to a maximum of four hours. Credit hours may not be earned when the licensee attends a disciplinary case session as a party to a disciplinary action.

(2) All registered contractors and certified contractors are required to complete fourteen (14) hours of continuing education each renewal cycle. Of the 14 hours, one hour shall be required in each of the following topics: specialized or advanced module course approved by the Florida Building Commission, or the Board, workplace safety; business practices; workers' compensation; three (3) hours shall be required in courses related specifically to laws and rules regulating the construction industry. The remaining seven (7) ~~10~~ hours may include any of the aforementioned subject matter or general topics as defined hereinafter.

(3) The content of Board approved courses must be business, trade, workers' compensation, laws and rules related to the construction industry, or safety topics relevant to the construction industry. For purposes of this rule:

(a) Business practice topics include bookkeeping and accounting practices; managing cash flow; estimating and bidding jobs; negotiating and interpreting contracts and agreements; processing change orders; controlling purchasing; scheduling; controlling expenses; insurance and bonding related to construction; complying with payroll and sales tax laws; interpreting financial statements and reports related to construction; complying with Florida laws and rules related to construction.

(b) Trade related courses may be used to satisfy the "general" requirements. These courses may include topics considered as contract administration and project management activities, including marketing, management and operation of the day-to-day activities of a construction contracting firm and advanced knowledge of the trade in which the contractor is licensed. Examples include, but are not limited to: preconstruction activities, including design and structural loading; project contracts; permits; plan and specification approvals; construction procedures and operations; methods, materials, tools and equipment as codified in the CSI 16 Division Format or ASTM; maintenance and service; reading plans and specifications; code updates pursuant to Chapter 553, F.S., and related statutes.

(c) Safety courses include courses related to job site safety in the following topics: OSHA safety; workplace safety programs; safety manuals; procedure of testing and use of tools and equipment.

(d) Workers' compensation courses include: Compliance with Chapter 440, F.S.; drug free workplace; calculating and assigning workers' compensation costs; premium modification and adjustments.

(e) Laws and rules related to the construction industry found in Chapter 489, Part I, F.S., Chapter 455, F.S. Rules 61G4, F.A.C.

(4) through (12) No change.

THIS RULE SHALL TAKE EFFECT ON SEPTEMBER 1, 2007.

Specific Authority 455.213(6), 455.2177, 455.2178, 455.2179, 489.108, 489.115 FS. Law Implemented 455.2123, 455.213(6), 455.2177, 455.2178, 455.2179, 455.271(6), 489.115, 489.116 FS. History--New 12-2-93, Amended 5-19-94, 8-16-94, 10-12-94, 1-18-95, 2-4-98, 5-11-99, 7-12-99, 1-23-00, 2-1-00, 12-27-00, 3-25-01, 7-26-04, 9-1-05, 9-27-06, 9-1-07.

NAME OF PERSON ORIGINATING PROPOSED RULE: Construction Industry Licensing Board

NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: Construction Industry Licensing Board



DATE PROPOSED RULE APPROVED BY AGENCY HEAD: January 10, 2007  
 DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: November 3, 2006

**DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION**

**Electrical Contractors' Licensing Board**

RULE NO.: 61G6-5.001  
 RULE TITLE: Definitions

PURPOSE AND EFFECT: The Board proposes to amend the rule in order to update the definitions of "experience."

SUMMARY: The definition of "experience" will be updated in the rule.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No Statement of Estimated Regulatory Cost was prepared.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 489.505(2), 489.507(3), 489.511 FS.

LAW IMPLEMENTED: 489.505(10), (12), 489.511(2)(a)3.c. FS.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FAW.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Anthony Spivey, Executive Director, Electrical Contractors' Licensing Board, 1940 North Monroe Street, Tallahassee, Florida 32399-0750

THE FULL TEXT OF THE PROPOSED RULE IS:

61G6-5.001 Definitions.

As used in this chapter:

(1) through (10) No change.

(11) "Experience" means informal exposure to the trade wherein knowledge and skill is obtained ~~via direct observation~~ ~~or~~ by participation in the electrical or alarm contracting trade.

(12) through (16) No change.

Specific Authority 489.505(2), 489.507(3), 489.511 FS. Law Implemented 489.505(10), (12), 489.511(2)(a)3.c. FS. History—New 1-2-80, Amended 2-15-82, Formerly 21GG-5.01, Amended 2-23-86, 3-21-88, 11-26-90, 7-8-91, 5-20-92, 11-3-92, Formerly 21GG-5.001, Amended 12-26-93, 3-24-94, 7-13-95, 5-2-96, 5-6-96, 8-27-96, 2-13-97, 8-3-97, 1-4-98, 9-7-98, 10-1-03,\_\_\_\_\_.

NAME OF PERSON ORIGINATING PROPOSED RULE: Electrical Contractors' Licensing Board

NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: Electrical Contractors' Licensing Board

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: November 17, 2006  
 DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: December 29, 2006

**DEPARTMENT OF ENVIRONMENTAL PROTECTION**

Notices for the Department of Environmental Protection between December 28, 2001 and June 30, 2006, go to <http://www.dep.state.fl.us/> under the link or button titled "Official Notices."

**DEPARTMENT OF ENVIRONMENTAL PROTECTION**

**Division of Recreation and Parks**

RULE NO.: 62D-2.014  
 RULE TITLE: Activities and Recreation

PURPOSE AND EFFECT: To amend the rule as required by HB 1029 (2006) to "allow the possession of weapons [in State Parks] in compliance with all applicable Florida Statutes." The bill provides that subsection 62D-2.014(10), F.A.C., "shall be amended to indicate that such weapons shall be at all times in the possession of a responsible party or properly secured within or to a vehicle or temporary housing, which shall include motor homes, travel trailers, recreational vehicles, campers, tents, or other enclosed structures while in state parks." HB 1029 was designated Ch. 2006-103, Laws of Florida, and was effective October 1, 2006.

SUMMARY: The rule amendment allows possession of weapons in state parks in accordance with HB 1029. The rule amendment provides a definition for "properly secured." The rule amendment provides that use or display of weapons in a state park, and hunting in or shooting into a state park are prohibited, except for capture or control of certain nuisance or exotic animals. The rule amendment clarifies how permission can be obtained to trap or otherwise control certain nuisance or exotic animals within a state park when deemed necessary by the Department for management purposes.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No Statement of Estimated Regulatory Cost was prepared.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: Ch. 2006-103, Laws of Florida.

LAW IMPLEMENTED: Ch. 2006-103, Laws of Florida.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW (IF NOT REQUESTED, THIS HEARING WILL NOT BE HELD):

DATE AND TIME: February 28, 2007, 6:00 p.m.

PLACE: Marjory Stoneman Douglas Building, Conference Room A (1st Floor), 3900 Commonwealth Blvd., Tallahassee, Florida

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 2 days before the workshop/meeting by contacting: Robert Wilhelm, DEP, Bureau of Operational Services, MS 535, 3900 Commonwealth Blvd., Tallahassee FL 32399-3000, (850)245-3076, Robert.Wilhelm@dep.state.fl.us If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Robert Wilhelm at the address above

THE FULL TEXT OF THE PROPOSED RULE IS:

62D-2.014 Activities and Recreation

(1) through (9) No change.

(10) Hunting and Firearms. Hunting, trapping or the pursuit of wildlife is prohibited on all state park property, except in Reserves, as authorized by the Florida Fish and Wildlife Conservation Commission. Weapons shall at all times be in possession of a responsible party or properly secured within or to a vehicle or temporary housing, which shall include motor homes, travel trailers, recreational vehicles, campers, tents, or other enclosed structures, while in state parks. Properly secured means the weapon shall be locked away and not accessible to minors, and if in a tent means the weapon shall be secured in a locked container. No person shall use or openly display, carry, or possess in any state park weapons such as firearms of any type, air rifles, spring guns, cross bows, bows and arrows, gigs (except in areas where gigs may be legally used for saltwater fishing), sling shots, electronic weapons, devices which fire a dart or projectile, or any other forms of weapons or trapping devices potentially dangerous to wildlife or human safety except when such weapons or traps are used for resource management purposes as authorized in this subsection. Shooting weapons into park areas from beyond park boundaries is prohibited. ~~Any device which is employed to kill, immobilize, or capture any wildlife or any device otherwise used in violation of this chapter shall be seized and confiscated by law enforcement officers.~~ The Division may authorize the control of nuisance animals and may remove all nuisance or exotic animals from parks by trapping and other necessary means for park resource management purposes. Such authorization shall be in the form of a letter of authorization, license, permit, or contract negotiated by the parties or made pursuant to an advertised bid by the Division. Authorization may be obtained in the same manner as stated in subsection 62D-2.013(7), F.A.C., herein.

(11) through (18) No change.

Specific Authority 258.007(2) FS. Law Implemented 258.004, 258.007(1), 258.007(2), 258.007(3), 258.014, 258.016, 258.017, 258.037 FS., Ch. 2006-103, Laws of Florida. History--New 4-16-96, Amended 4-14-98, 12-19-99, 10-29-03,\_\_\_\_\_.

NAME OF PERSON ORIGINATING PROPOSED RULE: Robert Wilhelm at the address above

NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: Michael W. Sole, Secretary

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: January 8, 2007

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: September 8, 2006

**DEPARTMENT OF HEALTH**

**Board of Medicine**

RULE NO.: 64B8-1.007  
 RULE TITLE: List of Approved Forms; Incorporation

PURPOSE AND EFFECT: The proposed rule amendments are intended to incorporate revised forms into the current forms rule.

SUMMARY: The proposed rule amendments incorporate revised forms into the Board's rule regarding forms.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No Statement of Estimated Regulatory Cost was prepared.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 120.55(1)(a), (4), 456.013, 456.036(5), 456.048(1), 458.309, 458.311, 458.3124(6), 458.313(4), 458.3145, 458.315(2), 458.320(8), 458.321(2), 458.347(13), 458.3475, 458.351(6) FS.

LAW IMPLEMENTED: 456.013, 456.035, 4456.036, 456.048, 456.073, 458.309, 458.311, 458.3124, 458.313, 458.3145, 458.315, 458.316, 458.317, 458.319, 458.320, 458.321, 458.345, 458.347, 458.3475, 458.348, 458.351, 465.0276 FS.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FAW.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Larry McPherson, Jr., Executive Director, Board of Medicine/MQA, 4052 Bald Cypress Way, Bin #C03, Tallahassee, Florida 32399-3253

THE FULL TEXT OF THE PROPOSED RULE IS:

64B8-1.007 List of Approved Forms; Incorporation.

The following forms used by the Board in its dealings with the public are listed as follows and are hereby adopted and incorporated by reference, and can be obtained from the Board office by writing to the Board of Medicine, 4052 Bald Cypress Way, Bin #C03, Tallahassee, Florida 32399-1753, or by telephoning (850)245-4131:

(1) through (10) No change.

(11) DH-MQA 1014, entitled “~~Florida Statement of Financial Responsibility Form and Exemptions,~~” (12/06) (6/02).

(12) through (28) No change.

(29) DH-MQA 2000, entitled “Application for Licensure as a Physician Assistant,” (12/06) (10/06).

(30) through (32) No change.

Specific Authority 120.55(1)(a), (4), 456.013, 456.036(5), 456.048(1), 458.309, 458.311, 458.3124(6), 458.313(4), 458.3145, 458.315(2), 458.320(8), 458.321(2), 458.347(13), 458.3475, 458.351(6) FS. Law Implemented 456.013, 456.035, 456.036, 456.048, 456.073, 458.309, 458.311, 458.3124, 458.313, 458.3145, 458.315, 458.316, 458.317, 458.319, 458.320, 458.321, 458.345, 458.347, 458.3475, 458.348, 458.351, 465.0276 FS. History—New 4-17-01, Amended 11-20-01, 8-13-02, 11-10-02, 3-19-03, 6-4-03, 11-17-03, 4-19-04, 1-31-05, 9-29-05, 6-29-06, 12-26-06,\_\_\_\_\_.

NAME OF PERSON ORIGINATING PROPOSED RULE: Rules Committee, Council on Physician Assistants, Board of Medicine

NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: Board of Medicine

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: December 2, 2006

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: December 29, 2006

**DEPARTMENT OF HEALTH**

**Board of Nursing Home Administrators**

RULE NO.: 64B10-15.001  
 RULE TITLE: Continuing Education for Licensure Renewal

PURPOSE AND EFFECT: The Board proposes a rule amendment to delete the language in parenthesis (5) of the rule for the requirements for continuing education for licensure renewal.

SUMMARY: The proposed rule amendment eliminates the language in parenthesis (5) of the rule for the requirements for continuing education for licensure renewal.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No Statement of Estimated Regulatory Cost was prepared.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 456.033, 468.1685(1), 468.1715(3), 468.1725 FS.

LAW IMPLEMENTED: 456.013(6), 456.033, 468.1715(3), 468.1725 FS.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FAW.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Joe Baker, Jr., Executive Director, Board of Nursing Home Administrators/MQA, 4052 Bald Cypress Way, Bin #C07, Tallahassee, Florida 32399-3257

THE FULL TEXT OF THE PROPOSED RULE IS:

64B10-15.001 Continuing Education for Licensure Renewal.

(1) through (4) No change.

~~(5) Licensees shall include either the hours obtained from attendance at the HIV/AIDS course required under Section 456.033(1), F.S., or a course in end-of-life care and palliative health care that may be taken in lieu of the HIV/AIDS course pursuant to Section 456.033(9), F.S., as part of the hours required for biennial renewal.~~

~~(5)(6)~~ No change.

~~(6)(7)~~ No change.

Specific Authority 456.033, 468.1685(1), 468.1715(3), 468.1725 FS. Law Implemented 456.013(6), 456.033, 468.1715(3), 468.1725 FS. History—New 12-11-80, Amended 2-20-83, 5-2-84, Formerly 21Z-15.01, Amended 12-31-86, 2-26-89, 11-19-91, Formerly 21Z-15.001, 61G12-15.001, Amended 9-4-96, 10-20-96, 7-21-97, Formerly 59T-15.001, Amended 5-15-00, 11-4-02, 5-7-06,\_\_\_\_\_.

NAME OF PERSON ORIGINATING PROPOSED RULE: Board of Nursing Home Administrators

NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: Board of Nursing Home Administrators

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: October 6, 2006

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: November 22, 2006

**DEPARTMENT OF HEALTH**

**Board of Osteopathic Medicine**

RULE NOS.: 64B15-6.003  
 64B15-6.0035  
 RULE TITLES: Physician Assistant Licensure  
 Physician Assistant Licensure  
 Renewal and Reactivation

PURPOSE AND EFFECT: The purpose and effect of the proposed amendment for Rules 64B15-6.003 and 64B15-6.0035, F.A.C., are to conform the requirements for continuing medical education for initial licensure and licensure renewal to the recent amendments to Sections 456.013 and 456.033, F.S.

SUMMARY: The requirements for continuing medical education for initial licensure and licensure renewal are conformed to the recent amendments to Sections 456.013 and 456.033, F.S.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No Statement of Estimated Regulatory Cost was prepared.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 456.013, 456.033(1), 459.005, 459.022 FS.

LAW IMPLEMENTED: 120.53(1)(a), 456.013, 456.031, 456.033, 459.022 FS.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FAW.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULES IS: Pamela King, Executive Director, Board of Osteopathic Medicine/MQA, 4052 Bald Cypress Way, Bin #C06, Tallahassee, Florida 32399-3256

THE FULL TEXT OF THE PROPOSED RULES IS:

64B15-6.003 Physician Assistant Licensure.

(1) through (3) No change.

(4) The applicant must submit a statements documenting containing the following information:

~~(a) Completion of three hours of all Category I, American Osteopathic Association or American Medical Association Continuing Medical Education which includes the topics of Human Immunodeficiency Virus and Acquired Immune Deficiency Syndrome: the disease and its spectrum of clinical manifestations; epidemiology of the disease; related infections including TB; treatment, counseling, and prevention; transmission from healthcare worker to patient and patient to healthcare worker; universal precautions and isolation techniques; and legal issues related to the disease. If the applicant has not already completed the required continuing medical education, upon submission of an affidavit of good cause, the applicant will be allowed six months to complete this requirement.~~

~~(b) Completion of one hour of continuing medical education on domestic violence which includes information on the number of patients in that professional's practice who are likely to be victims of domestic violence and the number who are likely to be perpetrators of domestic violence, screening procedures for determining whether a patient has any history of being either a victim or a perpetrator of domestic violence, and instruction on how to provide such patients with information on, or how to refer such patient to, resources in the local community, such as domestic violence centers and other advocacy groups, that provide legal aid, shelter, victim counseling, batterer counseling, or child protection services, and which is approved by any state or federal government agency, or nationally affiliated professional association, or any~~

~~provider of Category I or II American Osteopathic Association or American Medical Association Continuing Medical Education. Home study courses approved by the above agencies will be acceptable. If the applicant has not already completed the required continuing medical education, upon submission of an affidavit of good cause, the applicant will be allowed six months to complete this requirement.~~

(e) completion of two hours of continuing medical education relating to prevention of medical errors which includes a study of root cause analysis, error reduction and prevention, and patient safety, and which is approved by any state or federal government agency, or nationally affiliated professional association, or any provider of Category I or II American Osteopathic Association or American Medical Association Continuing Medical Education. One hour of a two hour course which is provided by a facility licensed pursuant to Chapter 395, F.S., for its employees may be used to partially meet this requirement.

(5) No change.

Specific Authority 459.005, 459.022 FS. Law Implemented 120.53(1)(a), 456.013, 456.031, 456.033, 459.022 FS. History—New 10-18-77, Formerly 21R-6.03, Amended 10-28-87, 4-21-88, 4-18-89, 9-26-90, 5-20-91, 10-28-91, 3-16-92, Formerly 21R-6.003, Amended 11-4-93, 3-29-94, Formerly 61F9-6.003, Amended 2-1-95, Formerly 59W-6.003, Amended 6-7-98, 3-10-02, 2-23-04, 10-30-06, \_\_\_\_\_.

64B15-6.0035 Physician Assistant Licensure Renewal and Reactivation.

(1) No change.

(2) Requirements for Renewal.

(a) through (c) No change.

(d) As part of every third biennial renewal licensure period, For all licensees shall complete two (2) hours no more and no less than one hour shall consist of training in domestic violence which includes information on the number of patients in that professional's practice who are likely to be victims of domestic violence and the number who are likely to be perpetrators of domestic violence, screening procedures for determining whether a patient has any history of being either a victim or a perpetrator of domestic violence, and instruction on how to provide such patients with information on, or how to refer such patients to, resources in the local community, such as domestic violence centers and other advocacy groups, that provide legal aid, shelter, victim counseling, batterer counseling, or child protection services, and which is approved by any state or federal government agency, or nationally affiliated professional association, or any provider of Category I or II American Medical Association Continuing Medical Education. Home study courses approved by the above agencies will be acceptable.

(e) Upon a licensee's first renewal of licensure, the licensee must document the completion of one (1) For all licensees one hour of Category I American Medical Association Continuing Medical Education which includes the

topics of Human Immunodeficiency Virus and Acquired Immune Deficiency Syndrome; the modes of transmission, including transmission from healthcare worker to patient and patient to healthcare worker; infection control procedures, including universal precautions; epidemiology of the disease; related infections including TB; clinical management, prevention; and current Florida law on AIDS and its impact on testing, confidentiality of test results, and treatment of patients. Any hours of said CME may also be counted toward the CME license renewal requirements. In order for a course to count as meeting this requirement, licensees practicing in Florida must clearly demonstrate that the course includes Florida law in HIV/AIDS and its impact on testing, confidentiality of test results, and treatment of patients. Only Category I hours shall be accepted.

~~(f) Notwithstanding the provisions of paragraphs (d) and (e), above, a physician assistant may complete continuing education on end of life care and palliative health care in lieu of continuing education in HIV/AIDS or domestic violence, if that physician assistant has completed the HIV/AIDS or domestic violence continuing education in the immediately preceding biennium. This allows for end of life care and palliative health care continuing education to substitute for HIV/AIDS or domestic violence continuing education in alternate biennia.~~

~~(f)(g)~~ Completion of two hours of continuing medical education relating to prevention of medical errors which includes a study of root cause analysis, error reduction and prevention, and patient safety, and which is approved by any state or federal government agency, or nationally affiliated professional association, or any provider of Category I or II American Medical Association Continuing Medical Education. One hour or a two hour course which is provided by a facility licensed pursuant to Chapter 395, F.S., for its employees may be used to partially meet this requirement.

(3) No change.

(4) Reactivation of Inactive License. To reactivate a license that has been inactive for two (2) consecutive biennial cycles, the licensee must:

(a) through (d) No change.

(e) Submit proof of completion of the continuing medical education requirements in compliance with paragraphs 64B15-6.0035(2)(c), (d), (e), and (f) ~~and (g)~~, F.A.C., for each biennium in which the license was inactive; and

(f) No change.

(5) through (8) No change.

Specific Authority 456.013, 456.033(1), 459.005, 459.022 FS. Law Implemented 456.013, 456.031, 459.022(7)(b), (c) FS. History—New 10-28-87, Amended 4-21-88, 1-3-93, Formerly 21R-6.0035, Amended 11-4-93, 3-29-94, Formerly 61F9-6.0035, 59W-6.0035, Amended 6-7-98, 10-16-01, 3-10-02, 7-13-04, 7-27-04, \_\_\_\_\_.

NAME OF PERSON ORIGINATING PROPOSED RULE:  
Board of Osteopathic Medicine

NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: Board of Osteopathic Medicine

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: November 17, 2006

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: January 19, 2007

**DEPARTMENT OF HEALTH**

**Board of Osteopathic Medicine**

RULE NOS.:	RULE TITLES:
64B15-7.001	Anesthesiologist Assistant Licensure Renewal and Reactivation
64B15-7.003	Application for Licensure and Licensure Requirements for Anesthesiologist Assistants

PURPOSE AND EFFECT: The purpose and effect for 64B15-7.003 and 64B15-7.0013, F.A.C., are to conform the requirements for continuing medical education for initial licensure and licensure renewal to the recent amendments to Sections 456.013 and 456.033, F.S.

SUMMARY: The requirements for continuing medical education for initial licensure and licensure renewal are conformed to the recent amendments to Sections 456.013 and 456.033, F.S.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No Statement of Estimated Regulatory Cost was prepared.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 459.023, 459.005 FS.

LAW IMPLEMENTED: 459.023, 456.013(7), 456.031, 456.033 FS.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FAW.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULES IS: Pamela King, Executive Director, Board of Osteopathic Medicine/MQA, 4052 Bald Cypress Way, Bin #C06, Tallahassee, Florida 32399-3256

THE FULL TEXT OF THE PROPOSED RULES IS:

64B15-7.001 Anesthesiologist Assistant Licensure Renewal and Reactivation.

(1) An anesthesiologist assistant must renew his licensure on a biennial basis. Upon request by the Board or Department, the licensee must submit satisfactory documentation of compliance with the requirements set forth below.

(2) Requirements for Renewal.

(a) Completion of the anesthesiologist assistant licensure renewal application on the appropriate form provided by the Department.

(b) Submission of a signed, sworn statement of no felony convictions in the previous two years.

(c) Submission of a written statement attesting to completion of 40 hours of Continuing Medical Education in the previous two years, or provide documentation of current certification issued by the NCCAA.

(d) As part of every third biennial renewal of licensure period, all licensees shall complete two (2) hours of training in domestic violence which includes information on the number of patients in that professional's practice who are likely to be victims of domestic violence and the number who are likely to be perpetrators of domestic violence, screening procedures for determining whether a patient has any history of being either a victim or a perpetrator of domestic violence, and instruction on how to provide such patients with information on, or how to refer such patients to, resources in the local community, such as domestic violence centers and other advocacy groups, that provide legal aid, shelter, victim counseling, batterer counseling, or child protection services, and which is approved by any state or federal government agency, or nationally affiliated professional association, or any provider of Category I or II American Medical Association Continuing Medical Education. Home study courses approved by the above agencies will be acceptable.

(e) Upon a licensee's first renewal of licensure, the licensee must document the completion of three (3) hours of Category I American Medical Association Continuing Medical Education, which includes the topics of Human Immunodeficiency Virus and Acquired Immune Deficiency Syndrome; the modes of transmission, including transmission from healthcare worker to patient and patient to healthcare worker; infection control procedures, including universal precautions; epidemiology of the disease; related infections including TB; clinical management; prevention; and current Florida law on AIDS and its impact on testing, confidentiality of test results, and treatment of patients. Any hours of said CME may also be counted toward the CME license renewal requirement. In order for a course to count as meeting this requirement, licensees practicing in Florida must clearly demonstrate that the course includes Florida law on HIV/AIDS and its impact on testing, confidentiality of test results, and treatment of patients. Only Category I hours shall be accepted.

(f) Completion of two hours of continuing medical education relating to prevention of medical errors which includes a study of root cause analysis, error reduction and prevention, and patient safety, and which is approved by any state or federal government agency, or nationally affiliated professional association, or any provider of Category I or II American Medical Association Continuing Medical Education.

One hour of a two hour course which is provided by a facility licensed pursuant to Chapter 395, F.S., for its employees may be used to partially meet this requirement.

(3) Reactivation of Inactive License. To reactivate an inactive license, the licensee must:

(a) Submit to the Department the original inactive license;

(b) Provide the Department with licensure verification from each state in which the licensee is licensed to practice as an anesthesiologist assistant, or a statement that the licensee is licensed only in Florida;

(c) Provide to the Department a statement of medical activities from the date the licensee became inactive to the present; or, if the licensee has not practiced as an anesthesiologist assistant for at least 2 of the 4 years preceding application for reactivation, the licensee must either:

1. Demonstrate completion of the Nova Southeastern University Anesthesia Competency Assessment or an equivalent anesthesia assessment program approved by the Board; or

2. Re-take and successfully complete the NCCAA certification examination.

(d) Submit to the Department a statement of any criminal or disciplinary actions pending in any jurisdiction;

(e) Submit proof of completion of the continuing medical education requirements in compliance with paragraphs 64B8-31.007(2)(c), (d), (e), and (f), F.A.C., for each biennium in which the license was inactive;

(f) Submit the protocol as set forth in Rule 64B8-31.005, F.A.C.;

(g) Demonstrate financial responsibility as set forth in Rule 64B8-31.006, F.A.C.; and

(h) Pay the appropriate fees, as set forth in Rule 64B8-31.012, F.A.C.

(4) Licensure Renewal or Reactivation.

(a) Application for renewal as a licensed anesthesiologist assistant must be made upon a form supplied by the Department, and incorporated in Rule 64B8-1.007, F.A.C.

(b) Renewal application forms submitted to the Board must be complete in every detail and must be typed or legibly printed in black ink.

(c) Application for reactivation shall be made in writing and in accordance with Section 456.036, F.S.

(5) The renewal or reactivation fees are found in Rule 64B8-31.012, F.A.C.

(6) The failure of any license holder to either renew the license or elect inactive status before the license expires shall cause the license to become delinquent.

(a) The delinquent status licensee must affirmatively apply for active or inactive status during the licensure cycle in which the license becomes delinquent. The failure by the delinquent status licensee to cause the license to be reactivated or made

inactive before the expiration of the licensure cycle in which the license became delinquent shall render the license null and void without further action by the Board or the Department.

(b) The delinquent status licensee who applies for license reactivation or inactive status shall:

1. File with the Department the completed application for inactive status as required by Section 456.036, F.S., or apply for licensure reactivation as required by Section 456.036, F.S.;

2. Pay to the Board either the license reactivation fee or the inactive status fee, the delinquency fee, and if applicable, the processing fee; and

3. If reactivation is elected, demonstrate compliance with the continuing education requirements found in Rule 64B8-31.007, F.A.C.

(7) Licensees who are spouses of members of the Armed Forces of the United States shall be exempt from all licensure renewal provisions for any period of time which the licensee is absent from the State of Florida due to the spouse's duties with the Armed Forces. The licensee must document the absence and the spouse's military status to the Board in order to obtain the exemption. Upon the licensee's return to Florida, the licensee must inform the Department of his or her return within 30 days.

(8) Reactivation of a retired status license. To reactivate the license of a retired status licensee whose license has been on retired status for more than five (5) years or a licensee from another state who has not been in the active practice of medicine within the past five (5) years shall be required to appear before the Board and establish the ability to practice with the care and skill sufficient to protect the health, safety, and welfare of the public. At the time of such appearance, the anesthesiologist assistant must:

(a) Surrender to the Department the original retired status license;

(b) Provide the Department with licensure verification from each state in which the licensee is licensed to practice as an anesthesiologist assistant, or a statement that the licensee is licensed only in Florida;

(c) Provide to the Department a statement of medical activities from the date the licensee entered retired status to the present;

(d) Provide documentation of successful completion of the 16 credit hour Graduate Clerkship offered by Nova Southeastern University Anesthesia Assistant Program or an equivalent program approved by the Board;

(e) Submit proof of completion of the continuing medical education requirements in compliance with paragraphs 64B8-31.007(2)(c)-(g), F.A.C., for each biennium in which the license was inactive; and

(f) Pay the appropriate fees set forth in Section 456.036(4)(b), F.S. and subsections 64B8-31.012(4) and (8), F.A.C.

(g) In lieu of proof of completion of the Graduate Clerkship or the equivalent, the licensee may submit proof of recertification by NCCAA.

(9) The Department shall refuse to reactivate the license of a retired status anesthesiologist assistant who is under investigation or prosecution in any jurisdiction for an action that would constitute a violation of this chapter or the professional practice acts administered by the department and the boards, until 15 days after the Department receives the final results of the investigation or prosecution.

Specific Authority 459.023, 459.005 FS. Law Implemented 459.023, 456.013(7), 456.031, 456.033 FS. History—New \_\_\_\_\_.

64B15-7.003 Application for Licensure and Licensure Requirements for Anesthesiologist Assistants.

(1) through (2)(c) No change.

(d) The applicant must provide documentation of the following:

1. Completion of three hours of all Category I, American Medical Association Continuing Medical Education or American Osteopathic Association approved Category I-A continuing education related to the practice of osteopathic medicine or under osteopathic auspices which includes the topics of Human Immunodeficiency Virus and Acquired Immune Deficiency Syndrome: the disease and its spectrum of clinical manifestations; epidemiology of the disease; related infections including TB; treatment, counseling, and prevention; clinical management; transmission from healthcare worker to patient and patient to healthcare worker; universal precautions and isolation techniques; and legal issues related to the disease. If the applicant has not already completed the required continuing medical education, upon submission of an affidavit of good cause, the applicant will be allowed six months to complete this requirement.

2. Completion of one hour of continuing medical education on domestic violence which includes information on the number of patients in that professional's practice who are likely to be victims of domestic violence and the number who are likely to be perpetrators of domestic violence, screening procedures for determining whether a patient has any history of being either a victim or a perpetrator of domestic violence, and instruction on how to provide such patients with information on, or how to refer such patients to, resources in the local community, such as domestic violence centers and other advocacy groups, that provide legal aid, shelter, victim counseling, batterer counseling, or child protection services, and which is approved by any state or federal government agency, or nationally affiliated professional association, or any provider of Category I or II American Medical Association Continuing Medical Education or American Osteopathic Association approved Category I-A continuing education related to the practice of osteopathic medicine or under osteopathic auspices. Home study courses approved by the

~~above agencies will be acceptable. If the applicant has not already completed the required continuing medical education, upon submission of an affidavit of good cause, the applicant will be allowed six months to complete this requirement.~~

3. completion of two hours of continuing medical education relating to prevention of medical errors which includes a study of root cause analysis, error reduction and prevention, and patient safety, and which is approved by any state or federal government agency, or nationally affiliated professional association, or any provider of Category I or II American Medical Association Continuing Medical Education or American Osteopathic Association approved Category I-A continuing education related to the practice of osteopathic medicine or under osteopathic auspices. One hour of a two hour course which is provided by a facility licensed pursuant to Chapter 395, F.S., for its employees may be used to partially meet this requirement.

(e) No change.

(3) No change.

Specific Authority 459.023, 459.005 FS. Law Implemented 459.023, 456.013(7), 456.031, 456.033 FS. History–New 8-2-05, Amended.

NAME OF PERSON ORIGINATING PROPOSED RULE:  
Board of Osteopathic Medicine

NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: Board of Osteopathic Medicine

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: November 17, 2006

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: January 19, 2007

**DEPARTMENT OF HEALTH**

**Division of Environmental Health**

RULE NOS.:	RULE TITLES:
64E-26.008	Laundry and Dry Cleaning
64E-26.013	Industries
64E-26.014	Plan Review
64E-26.015	Inspection of State and Local Detention Facilities

PURPOSE AND EFFECT: In 1996, The Department of Health and Rehabilitative Services (HRS), repealed Chapter 10D-7, Florida Administrative Code. In June, 2006, the First District Court of Appeal, affirmed the decision of a lower court, which held that HRS’ repeal of the chapter was an invalid exercise of delegated legislative authority. Chapter 10D-7, was thus revived by judicial determination.

Having been repealed before the 1996 and 1999 amendments to the Administrative Procedures Act, this chapter had not previously undergone the scrutiny required by Section 120.542, F.S., (1996-2004), to determine whether there was sufficient legislative authority for existing agency rules. Since the decision reversing the repeal of Chapter 10D-7, F.A.C., the

Department of Health as the successor agency to HRS, has been involved in the process of reviewing what is now Chapter 64E-26, F.A.C., to determine if changes to these rules may be necessary. In the course of this review, the Department has determined that it is without statutory authority to implement Rule 64E-26.014, F.A.C., requiring the department to conduct plan reviews on detention facilities that are built or being remodeled, and Rule 64E-26.015, F.A.C., requiring inspection of state and local detention facilities. The department is also without statutory authority to implement the safety requirements in Rules 64E-26.008 and 64E-26.013, F.A.C.

Thus, the purpose of this proposed rulemaking is to repeal Rules 64E-26.014 and 64E-26.015, F.A.C., and to delete references to safety requirements in Rules 64E-26.008 and 64E-26.013, F.A.C., as they are in excess of the Department’s delegated legislative authority. The effect will be that the Department’s rules will be in compliance with the Administrative Procedure Act’s requirement that each rule of a state agency reflect a specific law the agency is required to implement, interpret, or make specific.

SUMMARY: The Department proposes repeal of Rules 64E-26.014 and 64E-26.015, F.A.C., as the Department has not been given authority by the legislature to perform plan reviews or to inspect state and local detention facilities. The department also proposes to delete references to safety standards related to threshold limit values in Rule 64E-26.008, F.A.C., and safety standards related to noise levels in Rule 64E-26.013, F.A.C.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No Statement of Estimated Regulatory Cost was prepare.

Any person who wishes to provide information regarding the statement of estimated regulatory cost, or to provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 381.006 FS.

LAW IMPLEMENTED: 381.006(6) FS.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FAW.

All written material received by the Department within 21 days of the date of publication of this notice shall be made a part of the official record.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULES IS: Leslie Harris, Environmental Administrator, Bureau of Community Environmental Health, Bin #A08, 4052 Bald Cypress Way, Tallahassee, Florida 32399-1710. E-mail address is Leslie\_Harris@doh.state.fl.us

THE FULL TEXT OF THE PROPOSED RULES IS:



64E-26.008 Laundry and Dry Cleaning.

Where laundry facilities are provided, they shall be adequate to insure an ample quantity of clean clothing, bed linens and towels. Laundry facilities shall be of sound construction and shall be kept clean and in good repair. Laundry rooms shall be well lighted and properly ventilated. Clothes dryers and dry cleaning machines shall be vented to the exterior. ~~Exposure to dry cleaning solvents shall not exceed threshold limit values set by the American Conference of Governmental Hygienists.~~ If laundry facilities are not available, sheets and blankets shall be sent to commercial laundries.

Specific Authority 381.006 FS. Law Implemented 381.006(6) FS. History--New 11-18-76, Formerly 10D-7.08, Amended.

64E-26.013 Industries.

Industrial areas shall be kept clean. ~~Noise levels shall not exceed an average of 90dBA on a time weighted average for an eight (8) hour day as measured on the A scale of a sound level meter set at slow response, unless proper ear protection is provided.~~ Thirty (30) foot candles of illumination shall be provided at task levels. Adequate ventilation shall be provided to prevent exposure to dust and toxic gases or fumes.

Specific Authority 381.006 FS. Law Implemented 381.006(6) FS. History--New 11-18-76, Formerly 10D-7.013, Amended.

64E-26.014 Plan Review.

Specific Authority 381.006 FS. Law Implemented 381.006(6) FS. History--New 11-18-76, Formerly 10D-7.014, Repealed.

64E-26.015 Inspection of State and Local Detention Facilities.

Specific Authority 381.006 FS. Law Implemented 381.006(6) FS. History--New 11-18-76, Formerly 10D-7.015, Repealed.

NAME OF PERSON ORIGINATING PROPOSED RULE: Leslie Harris, Environmental Administrator, Bureau of Community Environmental Health

NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: Eric Grimm, Chief, Bureau of Community Environmental Health

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: December 20, 2006

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: August 18, 2006

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

**Economic Self-Sufficiency Program**

RULE NO.: 65A-1.205 RULE TITLE: Eligibility Determination Process

PURPOSE AND EFFECT: The proposed rule amendment clarifies the department's time standards for determining eligibility and eligibility redetermination applicable to public

assistance programs and provides for the use of a paper or web-based application to apply for public assistance. It also removes reference to the Relative Caregiver Program (RCP), as the provision has been moved to Administrative Rule 65A-4.208, F.A.C., as it is only pertinent to individuals who meet Temporary Cash Assistance eligibility factors.

SUMMARY: The proposed rule amendment provides for the use of a paper or web-based application form to apply for public assistance; clarifies the department's eligibility determination and redetermination process applicable to all public assistance programs; and removes reference to the RCP. SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No Statement of Estimated Regulatory Cost was prepared.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 409.919, 414.45 FS.

LAW IMPLEMENTED: 414.095, 414.31, 409.903, 409.904, 409.919, 410.033 FS.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW (IF NOT REQUESTED, THIS HEARING WILL NOT BE HELD):

DATE AND TIME: February 28, 2007, 1:30 p.m.

PLACE: 1317 Winewood Boulevard, Building 3, Room 455, Tallahassee, Florida 32399-0700

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Lonna Cichon, Government Operations Consultant II, TANF/Food Stamp Policy, 1317 Winewood Boulevard, Building 3, Room 406, Tallahassee, Florida 32399-0700, telephone (850)488-8004

THE FULL TEXT OF THE PROPOSED RULE IS:

65A-1.205 Eligibility Determination Process.

(1) The individual ~~receives a Request for Assistance and completes a department application for assistance~~ to the best of the individual's ability, using either the paper form CF-ES 2337, ACCESS Florida Application, May 06, incorporated in Administrative Rule 65A-1.400, F.A.C., or the web-based form, ACCESS Florida Web Application, CF-ES 2353, Mar 06, incorporated in Administrative Rule 65A-1.400, F.A.C., and submits it to an ACCESS Florida office. An The eligibility specialist determines the ~~potential~~ eligibility of each household member for public assistance. ~~and prints out the data on the Common Application Form (CAF) or alternately, Form CF ES 2327, Common Application Form and Eligibility Questionnaire, May 04, incorporated by reference, can substitute for the CAF. The individual then decides whether or not to apply for assistance. The Common Application Form CF ES 2327 is signed and dated by the individual to complete~~

~~the process of applying.~~ The applicant must be informed of the department's standards of assistance, penalties for fraud, right to appeal and to have a fair hearing, the civil rights provisions and other rights and responsibilities. An applicant may withdraw the application at any time without affecting their right to reapply at any time.

(a) No change.

~~(b) The eligibility specialist determines eligibility and provides services and benefits using the Florida On-Line Recipient Integrated Data Access (FLORIDA) computer system. When the system is unavailable for a 20 minute or for a longer period of time or unresponsive to the point of rendering the system ineffectual and causes a serious backlog of clients, the eligibility specialist will initiate manual procedures to continue unit operations.~~

~~(b)(e)~~ Time standards for processing applications vary by public assistance program in accordance with federal regulations 7 CFR 273.2(g) (food stamps), 45 CFR 206.10(a)(3)(i), (temporary cash assistance), and 42 CFR 435.911 (Medicaid). ~~The~~ Time standards begins on with the date ~~on which the department or an outpost site receives a signed and dated of~~ application and ends on with the date ~~on which~~ benefits are made available or a notice determination of ineligibility is mailed ~~made~~. For the Medicaid program, the time standard ends on the date an eligibility notice is mailed. Applications must be processed and determinations of eligibility made within the following time frames.

Program	Application Processing Time Standards
Expedited Food Stamps	7 days
Food Stamps	30 days
Temporary Cash Assistance, Refugee Assistance and Child In Care Medical Assistance and State Funded Programs for individuals who apply on the basis of disability	45 days
For all other Medical Assistance and State Funded Programs for applicants on the basis of non-disability eligibility, including OSS, OMB, SLMB, and OII	90 days
	45 days

All days counted after the date of application are calendar days. Applicant delay days do not count in determining non-compliance with the time standard. See paragraph ~~(d)(e)~~ of this rule. Information provided on form CF-ES 2930, Screening for Expedited Medicaid Appointments, ~~Oct 05 7/00~~, incorporated by reference in Administrative Rule 65A-1.400, F.A.C., ~~is~~ will be used in determining expedited processing of Medicaid disability-related applications.

~~(c)(d)~~ If the eligibility specialist determines at the interview or at any time during the application process that additional information or verification is required, or that an assistance group member is required to register for employment services, the specialist must grant the assistance group 10 calendar days to furnish the required documentation or to comply with the requirements. For all programs, the verifications are due 10 calendar days from the date of written request (i.e., the date the verification checklist is generated) or 30 days from the date of application, whichever is later. In cases where medical information is requested the return due date is 30 calendar days following the request or 30 days from the date of application whichever is later. If the verification due date falls on a holiday or a weekend, the deadline for the requested information is the next working day. If the verification or information is difficult for the person to obtain, the eligibility specialist must provide assistance in obtaining the verification or information when requested or when it appears necessary. If the required verifications and information are not provided by the deadline date, the application is denied, unless a request for extension is made by the applicant or there are extenuating circumstances justifying an additional extension. The eligibility specialist makes the decision of whether to grant the request for extension based on extenuating circumstances beyond the control of the individual, such as sickness, lack of transportation, etc. When all required information is obtained, the eligibility specialist determines eligibility for the public assistance programs. If the eligibility criteria are met, benefits are authorized.

~~(d)(e)~~ No change.

~~(e)~~ For Medicaid, every individual who indicates they are a U.S. citizen must provide documentation of U.S. citizenship and identity. Exceptions are those who receive or have received SSI or Medicare and presumptively eligible women or newborns.

~~(f) Copies of brochure CF/PI-165-107 and the form CF-ES 2930 may be obtained from the Economic Self Sufficiency Program Office, 1317 Winewood Boulevard, Building 3, Room 406, Tallahassee, Florida 32399-0700.~~

(2) Eligibility must be redetermined at periodic intervals in accordance with federal regulations for each applicable program in 7 CFR 273.14 (food stamps), 42 CFR 435.916 (Medicaid), 45 CFR 206.10(a)(9)(iii) (temporary cash assistance), and Section 414.095, F.S.

(2)(a) through (4) No change.

(5) Information provided by the applicant or ~~recipient~~ must be substantiated, verified or documented as part of each determination of eligibility. The term verification is used generically to represent this process. For any program, it is the sole discretion of the department to determine if ~~(The~~ factor of eligibility and questionable nature of the information dictates whether or not substantiation, verification or documentation is required. Verification or documentation of substantiated

information is not precluded or prohibited under any circumstances, including circumstances where eligibility information provided by an applicant or recipient appears to have been verified. If verification or documentation is requested, the information about which verification or documentation is sought will not be accepted as proof of the truth, validity, or accuracy of the questioned information if verification or documentation is not received.

(a) through (c) No change.

(6) No change.

~~(7) The Notice of Case Action (denial) (automated notice), Request for Assistance Withdrawal (automated notice), and Appointment Letter (automated notice) used in the eligibility determination process are hereby incorporated by reference. Referral to the Family Safety Program for the caregiver home study as to adequacy and readiness of the caregiver to provide permanent care will be on the Relative Caregiver program Request for Eligibility Consideration, CF-ES-2305, Apr 01 (incorporated by reference). Copies of referenced the forms and brochure CF/PI 165-107, Notification of Disability Information and Request may be obtained from the ACCESS Florida Economic Self-Sufficiency Program Office, 1317 Winewood Boulevard, Building 3, Room 406 27, Tallahassee, Florida 32399-0700 or on the department's web site at http://www.state.fl.us/cf\_web/publications using the title of the form.~~

Specific Authority 409.919, 414.45 FS. Law Implemented 409.903, 409.904, 409.919, 410.033, 414.045, 414.095, 414.31 FS. History—New 4-9-92, Amended 11-22-93, 8-3-94, Formerly 10C-1.205, Amended 11-30-98, 9-27-00, 7-29-01, 9-12-04, \_\_\_\_\_.

NAME OF PERSON ORIGINATING PROPOSED RULE:  
Lonna Cichon

NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: Nathan Lewis, Chief, Program Policy, ACCESS Florida

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: January 23, 2007

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: July 28, 2006

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

**Economic Self-Sufficiency Program**

RULE NO.: 65A-4.210  
RULE TITLE: Budgeting

PURPOSE AND EFFECT: This rule amendment will revise the number of weeks used to average income budgeting in determining eligibility for Temporary Cash Assistance (TCA).

SUMMARY: The proposed rule amendment provides for changing income averaging from the past eight weeks to the past four weeks to determine TCA eligibility. A longer period of past time may be used if necessary to provide a more accurate indication of anticipated fluctuations in future income. SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No Statement of Estimated Regulatory Cost was prepared.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 414.45 FS.

LAW IMPLEMENTED: 414.14, 414.085, 424.095(11), (12), (13), (14) FS.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW (IF NOT REQUESTED, THIS HEARING WILL NOT BE HELD):

DATE AND TIME: February 28, 2007, 1:30 p.m.

PLACE: 1317 Winewood Boulevard, Building 3, Room 455, Tallahassee, Florida 32399-0700

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Lonna Cichon, 1317 Winewood Boulevard, Building 3, Room 406, Tallahassee, Florida, 32399-0700, telephone (850)488-8004

THE FULL TEXT OF THE PROPOSED RULE IS:

65A-4.210 Budgeting.

(1) The department uses a prospective budgeting system. In a prospective budgeting system, eligibility and the amount of temporary cash assistance ~~benefit grant~~ for a payment month ~~are is~~ based on the department's best estimate of the assistance group's projected income and circumstances for that month. This estimate shall be based on the department's reasonable expectation and knowledge of current or future circumstances based on income circumstances in the month for which benefits are being calculated. When eligibility or the benefit amount of assistance is being determined for a month which has passed prior to the month of the application authorization, the actual income and circumstances for that month will be used. In converting ~~weekly~~ income to a monthly income, the conversion factor of 4.3 shall be used for weekly income; ~~in converting biweekly income to monthly income,~~ the conversion factor of 2.15 shall be used for biweekly income; ~~and. Converting the conversion factor of 2 shall be used for semi-monthly income.~~ When averaging income to monthly income, all income from the most recent four eight weeks shall be used if it is representative of the individual's future earnings. A longer period of past time may be used if necessary to provide a more accurate indication of anticipated fluctuations in future income in accordance with 7 CFR

273.10(c)(ii). In budgeting income received by an individual on a contractual basis, at the option of the individual, the income is prorated over the period of the contract or counted when received, in the amount received.

(2) The amount of assistance payment is determined by subtracting the net available income amount, rounded to the nearest dollar, from the applicable payment standard found in Section 414.095(10)(4), F.S.

(3) When a change in the receipt of income ~~or an increase in income~~ is reported and documentation or verification is not received by the eligibility specialist in time to adjust ~~reduce~~ the benefit grant and also give a 10-day adequate prior notice of the change in the benefit amount, the budget is computed based on the individual's statement of the amount of income received. The benefit grant amount will be adjusted, ~~auxiliary payment will be authorized benefit recovery referral will be made and the case will be reopened~~ if it is learned that income was incorrectly budgeted following receipt of the documentation or verification through the authorization of an auxiliary payment or referral to benefit recovery.

(4) Self-Employment Income.

(a) through (f) No change.

(g) Income from self employment must be verified. The applicant or recipient must make all business records available to the eligibility public assistance specialist upon request.

(h) Self-employed individuals have the option of having their average income determined based upon the four eight weeks prior to application or redetermination of eligibility or the last twelve months to determine a representative average. A longer period of past time may be used if necessary to provide a more accurate indication of anticipated fluctuations in future income.

(5) Child support payments, received or expected to be received, are counted as income. Fees charged by the court or another agency for collecting the payments are deducted. Child support payments which are collected by the State and retained to offset the individual's public assistance debt are not considered income in the budget except as required by 45 CFR ~~323.20~~ and 302.51. Non-recurring child support is budgeted in accordance with the department's lump sum policy set forth in paragraph (6) below.

(6) Non-earned lump sum income is treated in accordance with 7 CFR 273.9. Lump sum income received as earned income will be treated as an asset earned income in the month of receipt ~~and as an asset in following months~~.

Specific Authority 414.45 FS. Law Implemented 414.14, 414.085, 414.095(11), (12), (13), (14) FS. History--New 5-3-98, Amended

NAME OF PERSON ORIGINATING PROPOSED RULE: Lonna Cichon, Government Operations Consultant II

NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: Nathan Lewis, Chief, Program Policy, ACCESS Florida

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: January 16, 2007

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: October 13, 2006

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

**Agency for Persons with Disabilities**

RULE CHAPTER NO.: RULE CHAPTER TITLE:

65G-1 Application for Services

RULE NOS: RULE TITLES:

65G-1.010 Definitions

65G-1.046 Crisis Determination Procedure

65G-1.047 Crisis Status Criteria

PURPOSE AND EFFECT: Currently procedures relating to the crisis enrollment of eligible person with developmental disabilities in the Medicaid Home and Community-Based Services waiver are included in the Florida Medicaid Developmental Disabilities Waiver Services Coverage & Limitations Handbook, incorporated by reference in rule 59G-13-080, F.A.C. During the 2006 legislative session (ch. 2006-227, Laws of Florida), section 393.065, Florida Statutes, was amended to authorize the Agency for Persons with Disabilities to promulgate rules relating to crisis enrollment for waiver services. The purpose of the proposed rule is to adopt rule providing a procedure for persons with developmental disabilities to be considered for enrollment on a Medicaid Home and Community-Based Services waiver if the applicant demonstrates an immediate need for services.

SUMMARY: The proposed rule provides procedures and criteria for crisis enrollment on a Medicaid Home and Community-Based Services waiver.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No Statement of Estimated Regulatory Cost was prepared.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 393.501(1), 393.065 FS.

LAW IMPLEMENTED: 20.197(3), 393.065 FS.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN FAW.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULES IS: Terri McGarrity, Senior Management Analyst Supervisor, Division of Operations, Suite 360, 4030 Esplanade Way, Tallahassee, Florida, 32399-0950; e-mail: terri\_mcgarrity@apd.state.fl.us.

THE FULL TEXT OF THE PROPOSED RULES IS:

65G-1.010 Definitions.

In this chapter, terms and phrases shall have the meanings defined in Chapter 393, F.S., or this section.

(1) "Area Office" means the local office responsible for managing one of the Agency's 14 service areas.

(2) "Central Office" means the Agency's headquarters located at 4030 Esplanade Way, Suite 380, Tallahassee, FL 32399-0950; main phone number (850)488-4257.

(3) "Crisis enrollment" means expedited enrollment on an Agency operated Medicaid waiver regardless of an applicant's date of application for the waiver or placement on the Agency's waitlist.

(4) "Handbook" means the Florida Medicaid Developmental Disabilities Waiver Services Coverage and Limitations Handbook, incorporated by reference in Agency for Health Care Administration (AHCA) Rule 59G-13.080, F.A.C. The Handbook can be found at: <http://floridamedicaid.acs-inc.com/index.jsp>.

(5) "Protective Services" means the program in the Department of Children and Family Services which responds to reports made to the department's central abuse hotline alleging abuse, abandonment, neglect, or exploitation pursuant to Chapter 39 or 415, F.S.

(6) "Wait list" means a list, maintained by the Central Office, of persons requesting and waiting for waiver services.

(7) "Waiver" means a Home and Community-Based Services (HCBS) waiver, authorized under section 1915(c) of the federal Social Security Act and Section 409.906, F.S., that provides package of Medicaid-funded home and community-based supports and services to eligible persons with developmental disabilities who live at home or in a home-like setting. The Agency currently operates two HCBS waivers:

(a) The Developmental Disabilities Home and Community-Based Services (DD) waiver, which provides home and community-based supports and services to eligible persons with developmental disabilities who are able to live at home or in a home-like setting. The DD waiver offers services without a dollar cap.

(b) The Family and Supported Living (FSL) waiver, which provides home and community-based supports and services to eligible persons with developmental disabilities who are able to live in their own home or family home. The FSL waiver offers limited services with an annual dollar cap.

Specific Authority 393.501(1), 393.065 FS. Law Implemented 20.197(3), 393.065 FS. History--New \_\_\_\_\_.

65G-1.046 Crisis Determination Procedure.

(1) Subject to the availability of funding, the Agency will accept oral or written requests for crisis enrollment in a HCBS waiver. Such request may be made by the applicant or the applicant's family, guardian, guardian advocate, or support coordinator.

(2) The request shall be made to the Area Office in the service area where the applicant resides. If the applicant is not already a client of the Agency, or is not already on the waitlist, the applicant must apply and be determined eligible for Agency services as provided in Section 393.065, F.S. No person may be enrolled on the waiver unless the person has been determined by the Agency to have a qualifying diagnosis of a developmental disability and meet waiver criteria as provided in the Handbook.

(3) The Area Office shall collect any pertinent information and supporting documentation relevant to a crisis determination, and conduct an initial assessment based on the crisis status criteria specified in Rule 65G-1.047, F.A.C.

(a) If the Area Office concludes that the applicant does not meet crisis status or that needed services are currently available from other agencies or programs or covered by other third party payors, the Area Office shall deny crisis enrollment and provide notification to the applicant or other authorized representative of the denial in writing.

(b) If the Area Office concludes that the applicant may meet crisis status and does not have access to insurance, or other agencies or programs for needed services, or that programs in which the applicant is currently participating are unable to meet the applicant's service needs, the initial assessment and supporting documentation shall be submitted to the Agency's Central Office for review and final determination as to whether the applicant meets crisis status. Upon request, the applicant, or the person requesting enrollment on behalf of the applicant, may review the information to be sent to the Central Office to determine whether all necessary information is included.

(4) The Central Office shall notify the area offices of the date all crisis enrollment requests that have not been denied must be submitted to the Central Office for consideration of crisis enrollment. Once all crisis applications are received and reviewed by the Central Office, the Central Office will notify the Area Office whether each request is approved or denied. The Area Office shall be responsible for notifying the applicant, or the person requesting enrollment on behalf of the applicant, of the Central Office's decision.

(a) APPROVAL.

1. If funding is available and the applicant is approved for crisis enrollment, the applicant shall be offered placement on the FSL waiver unless the specific identified service needs of

the applicant that qualify the applicant as in crisis cannot reasonably be met by the FSL waiver. In such instances the person may be offered placement on the DD waiver. Factors to be considered are the availability of services that cannot be provided under the FSL waiver that are needed to resolve the crisis situation including the need for residential habilitation services, the need for nursing services beyond the coverage provided through the Medicaid State Plan, or placement in a residential facility.

2. The Area Office shall notify the applicant in writing. If the applicant is not enrolled in Medicaid, the Area Office shall make appropriate referrals for the determination of Medicaid eligibility. Once the applicant is determined eligible for Medicaid, the Area Office shall complete waiver enrollment. If the Area Office subsequently determines that the applicant cannot be enrolled due to Medicaid or waiver ineligibility, the approval will be rescinded.

(b) DENIAL. The Area Office shall notify the applicant in writing of denial of crisis enrollment. If the application was denied due to the lack of documentation and the additional documentation becomes available, or there is a change in the applicant's situation that may affect the applicant's status for crisis determination, the applicant may reapply when funding is available and the Agency is accepting requests.

Specific Authority 393.501(1), 393.065 FS. Law Implemented 20.197(3), 393.065 FS. History--New \_\_\_\_\_.

#### 65G-1.047 Crisis Status Criteria.

The presence of the following factors are indicators of crisis status. Additional factors to be considered include the severity and immediacy of the need for services.

(1) The applicant does not have a place to live and is homeless, or is living in a temporary or unsafe environment that poses an immediate threat to the health and safety of the applicant or others with whom the applicant is living. The presence of the following factors are indicators of crisis status:

(a) The applicant is currently homeless or living in a homeless shelter.

(b) The applicant is currently staying with friends or relatives, but the situation is temporary and not expected to last beyond the month and no other alternatives are readily available.

(c) The commitment of the applicant's caregiver to shelter the applicant is low.

(d) The applicant's living situation is not providing sufficient supervision and support to prevent the applicant's exposure to perilous situations.

(e) The applicant's living situation is not providing sufficient supervision and support to prevent the applicant's behavior from threatening other vulnerable persons living with the applicant.

(f) Given the presence of others in the home and the size and configuration of the home, there is insufficient room to provide adequate shelter to the applicant or the applicant is sharing a room with another in a situation inappropriate based on the age, sex and condition of the persons sharing the room.

(g) The applicant's present living environment is substandard and the applicant's safety is in peril.

(h) The applicant's health status has been or is in jeopardy because of his or her current living situation.

(i) There has been law enforcement involvement.

(j) Protective Services has been involved.

(2) The applicant is either in danger of abuse or neglect, or poses an immediate threat to the health and safety of others. The presence of the following factors are indicators of crisis status:

(a) There have been confirmed instances of abuse towards the applicant, or others in the home.

(b) The level of care, supervision or services that the applicant is currently receiving are not sufficient to maintain the health and safety of the applicant.

(c) The applicant is exhibiting behaviors that may result in a life-threatening situation for the applicant or others, or result in bodily harm to the applicant or others that will require emergency medical care from a physician.

(d) The frequency and intensity of the applicant's behavior is likely to result in serious injury or permanent damage to the applicant or others.

(e) There is a reasonable possibility for a fatal or life-threatening injury, or there has been documented injury to the applicant or others requiring medical treatment.

(f) Other reasonable behavioral assessments and interventions have been attempted but have proven ineffective.

(g) The relative age, sex, and size of the aggressor and other persons subject to his or her aggression places the others at great risk.

(h) The caregiver has insufficient ability or capabilities to handle the applicant's behavior.

(i) The age or disability of the applicant or caregiver exacerbates the problem.

(j) There has been law enforcement involvement.

(k) Protective Services has been involved.

(3) The applicant's current caregiver is in extreme duress and is no longer able to provide for the applicant's health and safety. The presence of the following factors are indicators of crisis status:

(a) The age, illness or injury of the caregiver prevents rendering necessary care to the applicant.

(b) Due to the caregiver's physical or mental condition, the applicant's health and safety are at imminent risk.

(c) Other caregivers, such as another parent, stepparent, brother, sister or other relative or person willing and able to assume care are not available.

(d) The caregiver’s age has resulted in significant impairment of his or her physical or mental ability to provide care and supervision to the applicant.

(e) The caregiver is unable to provide sufficient care due to the age, size or physical, functional, or behavioral demands of the applicant.

(f) The intensity and scope of services that the caregiver can provide results in the applicant’s remaining semi-independent or totally dependent.

(g) The caregiver has an unstable economic situation in part because of the care giving demands required by the applicant and the situation is unlikely to change.

(h) The caregiver serves others who also require care, and due to these other demands the caregiver is unable to provide adequate care to the applicant or the demands of providing care to the applicant places the others at risk of insufficient care.

(i) The disability of the caregiver is permanent, or the caregiver is deceased or about to expire.

(j) There has been law enforcement involvement.

(k) Protective Services has been involved.

Specific Authority 393.501(1), 393.065 FS. Law Implemented 20.197(3), 393.065 FS. History—New \_\_\_\_\_.

NAME OF PERSON ORIGINATING PROPOSED RULE:  
Terri McGarrity, Senior Management Analyst Supervisor,  
Division of Operations, Suite 360, 4030 Esplanade Way,  
Tallahassee, Florida 32399-0950; e-mail: terri\_mcgarrity@  
apd.state.fl.us.

NAME OF SUPERVISOR OR PERSON WHO APPROVED  
THE PROPOSED RULE: Mac McCoy, Interim Deputy  
Director of Operations

DATE PROPOSED RULE APPROVED BY AGENCY  
HEAD: January 10, 2007

DATE NOTICE OF PROPOSED RULE DEVELOPMENT  
PUBLISHED IN FAW: Two workshops were noticed. The  
first was noticed September 29, 2006, Vol. 32, No. 39, p. 4543,  
and held in Tallahassee on October 17, 2007. The second was  
noticed October 6, 2006, Vol. 32, No. 40, p. 4701, and held in  
Orlando on October 24, 2006

**FLORIDA HOUSING FINANCE CORPORATION**

RULE NOS.:	RULE TITLES:
67-21.002	Definitions
67-21.003	Application and Selection Process for Developments
67-21.0035	Applicant Administrative Appeal Procedures
67-21.004	Federal Set-Aside Requirements
67-21.0045	Determination of Method of Bond Sale
67-21.006	Development Requirements
67-21.007	Fees

67-21.008	Terms and Conditions of MMRB Loans
67-21.009	Interest Rate on Mortgage Loans
67-21.010	Issuance of Revenue Bonds
67-21.013	Non-Credit Enhanced Multifamily Mortgage Revenue Bonds
67-21.014	Credit Underwriting Procedures
67-21.015	Use of Bonds with Other Affordable Housing Finance Programs
67-21.017	Transfer of Ownership
67-21.018	Refundings and Troubled Development Review
67-21.019	Issuance of Bonds for Section 501(c)(3) Entities

PURPOSE AND EFFECT: The purpose of this Rule Chapter is to establish the procedures by which the Corporation shall administer the Application process, determine bond allocation amounts and implement the provisions of the Multifamily Mortgage Revenue Bond (MMRB) Program authorized by Section 142 of the Code and Section 420.509, F.S.

The intent of this Rule Chapter is to encourage public-private partnerships to invest in residential housing; to stimulate the construction and rehabilitation of residential housing which in turn will stimulate the job market in the construction and related industries; and to increase and improve the supply of affordable housing in the State of Florida.

SUMMARY: Prior to the opening of an Application Cycle, the Corporation (1) researches the market need for affordable housing throughout the state of Florida and (2) evaluates prior Application Cycles to determine what changes or additions should be added to the Rule and/or Application. The proposed amendments to the Rule and adopted reference material include changes that will create a formulated process for selecting Developments that will apply in the 2007 Application Cycle.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No Statement of Estimated Regulatory Cost was prepared.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 420.507, 420.508 FS.

LAW IMPLEMENTED: 420.507, 420.508, 420.509 FS.

A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW:

DATE AND TIME: February 23, 2007, 10:00 a.m.

PLACE: Florida Housing Finance Corporation, 227 North Bronough Street, 6th Floor Seltzer Room, Tallahassee, Florida 32301

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the

agency at least 5 days before the workshop/meeting by contacting: Wayne Conner, Deputy Development Officer, Florida Housing Finance Corporation, 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32031-1329, (850)488-4197. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULES IS: Wayne Conner, Deputy Development Officer, Florida Housing Finance Corporation, 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32031-1329, (850)488-4197

THE FULL TEXT OF THE PROPOSED RULES IS:

67-21.002 Definitions.

(1) "Acknowledgment Resolution" means the official action taken by the Corporation to reflect its intent to finance a Development provided that the requirements of the Corporation, the terms of the MMRB Loan Commitment, and the terms of the Credit Underwriting Report are met.

(2) "Act" means the Florida Housing Finance Corporation Act, Chapter 420, Part V, F.S.

(3) "Address" means the address assigned by the United States Postal Service and must include address number, street name, city, state and zip code. If the address has not yet been assigned, include, at a minimum, street name and closest designated intersection, city, state and zip code.

(4) "Affiliate" means any person that (i) directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the Applicant (ii) serves as an officer or director of the Applicant or of any Affiliate of the Applicant, or (iii) is the spouse, parent, child, sibling, or relative by marriage of a person described in (i) or (ii) above.

(5) "ALF" or "Assisted Living Facility" means a Florida licensed living facility that complies with Sections 429.01 ~~400.401~~ through 429.54 ~~400.454~~, F.S., and Rule Chapter 58A-5, F.A.C.

(6) "Annual Household Income" means the gross income of a person, together with the gross income of all persons who intend to permanently reside with such person in the Development to be financed by the Corporation, as of the date of occupancy shown on the Income Certification promulgated by the Corporation.

(7) "Applicant" means any person or legally formed entity that is seeking a loan or funding from the Corporation by submitting an Application for one of the Corporation's programs.

(8) "Application" means the forms and exhibits created by the Corporation for the purpose of providing the means to apply for one or more of the Corporation's programs. A completed Application may include additional supporting documentation provided by an Applicant.

(9) "Application Deadline" means 5:00 p.m., Eastern Time, on the final day of the Application Period.

(10) "Application Period" means a period during which Applications shall be accepted, as posted on the Corporation's website and with a deadline no less than thirty days from the beginning of the Application Period.

(11) "Board" or "Board of Directors" means the Board of Directors of the Corporation.

(12) "Bond Counsel" means the attorney or law firm retained by the Corporation to provide the specialized services generally described in the industry as the role of bond counsel.

(13) "Bond" or "Bonds" means Bond as defined in Section 420.503, F.S.

(14) "Bond Trustee" or "Trustee" means a financial institution with trust powers which acts in a fiduciary capacity for the benefit of the bond holders, and in some instances the Corporation, in enforcing the terms of the Program Documents.

(15) "Calendar Days" means the seven (7) days of the week.

(16) "Catchment Area" means the geographical area covered under a Local Homeless Assistance Continuum of Care Plan, as designated and revised as necessary by the State Office on Homelessness, in accordance with Section 420.624, F.S.

(17) "Commercial Fishing Worker" means Commercial fishing worker as defined in Section 420.503, F.S.

(18) "Commercial Fishing Worker Household" means a household of one or more persons wherein at least one member of the household is a Commercial Fishing Worker at the time of initial occupancy.

(19) "Contact Person" means the person with whom the Corporation will correspond concerning the Application and the Development. This person cannot be a third-party consultant.

(20) "Corporation" means the Florida Housing Finance Corporation as defined in Section 420.503, F.S.

(21) "Cost of Issuance Fee" means the fee charged by the Corporation to the Applicant for the payment of the costs and expenses associated with the sale of Bonds and the loaning of the proceeds, including a fee for the Corporation.

(22) "Credit Enhancement" means a letter of credit, third party guarantee, insurance contract or other collateral or security pledged to the Corporation or its Trustee for a minimum of ten years by a third party Credit Enhancer or financial institution securing, insuring or guaranteeing the repayment of the Mortgage Loan or Bonds under the MMRB Program.



(23) "Credit Enhancer" means a financial institution, insurer or other third party which provides a Credit Enhancement or Guarantee Instrument acceptable to the Corporation securing repayment of the Mortgage Loan or Bonds issued pursuant to the MMRB Program.

(24) "Credit Underwriter" means the independent contractor under contract with the Corporation having the responsibility for providing Credit Underwriting services.

(25) "Credit Underwriting" means an in-depth analysis by the Credit Underwriter of all documents submitted in connection with an Application.

(26) "Credit Underwriting Report" means the report that is a product of Credit Underwriting.

(27) "Cross-collateralization" means the pledging of the security of one Development to the obligations of another Development.

(28) "DDA" or "Difficult Development Area" means any area designated by the Secretary of Housing and Urban Development as having high construction, land, and utility costs relative to area median gross income in accordance with section 42(d)(5) of the IRC.

(29) "Developer" means the individual, association, corporation, joint venturer or partnership, which possesses the requisite skill, experience, and credit worthiness to successfully produce affordable housing as required in the Application.

(30) "Developer Fee" means the fee earned by the Developer.

(31) "Development" means Project as defined in Section 420.503, F.S.

(32) "Development Cost" means the total of all costs incurred in the completion of a Development excluding developer fee, ~~acquisition cost of existing developments,~~ and total land cost as shown in the Development Cost line item on the development cost pro forma within the Application.

(33) "Disclosure Counsel" means the Special Counsel designated by the Corporation to be responsible for the drafting and delivery of the Corporation's disclosure documents such as preliminary official statements, official statements, re-offering memorandums or private placement memorandums and continuing disclosure agreements.

(34) "Elderly" means Elderly as defined in Section 420.503, F.S.

(35) "Elderly Housing", "Elderly Development", or "Elderly Unit" means housing or a unit being occupied or reserved for qualified persons pursuant to the Federal Fair Housing Act and Section 760.29(4), F.S., provided that such Development meets the requirements for an Elderly Development as set forth in the Universal Application Package.

(36) "Family" describes a household composed of one or more persons.

(37) "Farmworker" means Farmworker as defined in Section 420.503, F.S.

(38) "Farmworker Development" means a Development:

(a) Of not greater than ~~80~~ 60 units, at least 40 ~~percent~~ % of the total residential units of which are occupied or reserved for Farmworker Households;

(b) For which independent market analysis demonstrates a local need for such housing, and;

(39) "Farmworker Household" means a household of one or more persons wherein at least one member of the household is a Farmworker at the time of initial occupancy.

(40) "Financial Advisor" means, with respect to an issue of Bonds, a professional who is either under contract to the Corporation or is engaged by the Applicant who advises on matters pertinent to the issue, such as structure, timing, marketing, fairness of pricing, terms, bond ratings, cash flow, and investment matters.

(41) "Financial Beneficiary" means any Developer and its Principals or the Principals of the Applicant entity who receives or will receive a financial benefit of:

(a) 3 ~~percent~~ % or more of Total Development Cost if Total Development Cost is \$5 million or less; or

(b) 3 ~~percent~~ % of the first \$5 million and 1 ~~percent~~ % of any costs over \$5 million if Total Development Cost is greater than \$5 million.

(42) "Florida Keys Area" means all lands in Monroe County, except:

(a) That portion of Monroe County included within the designated exterior boundaries of the Everglades National Park and areas north of said Park;

(b) All lands more than 250 feet seaward of the mean high water line owned by local, state, or federal governments; and

(c) Federal properties.

(43) "General Contractor" means a person or entity duly licensed in the state of Florida with the requisite skills, experience and credit worthiness to successfully provide the units required in the Application, and which meets the criteria described in Rule 67-21.007, F.A.C.

(44) "Geographic Set-Aside" means the amount of allocation that has been designated by the Corporation to be allocated for Developments located in specific geographical regions within the state of Florida.

(45) "HC" or "Housing Credit Program" means the rental housing program administered by the Corporation in accordance with section 42 of the IRC and Section 420.5099, F.S., under which the Corporation is designated the Housing Credit agency for the state of Florida within the meaning of section 42(h)(7)(A) of the IRC, and Rule Chapter 67-48, F.A.C.

(46) "Homeless" means a Family who lacks a fixed, regular, and adequate nighttime residence or a Family who has a primary nighttime residence that is:

(a) A supervised publicly or privately operated shelter designed to provide temporary living accommodations, including welfare hotels, congregate shelters, and transitional housing;

(b) An institution that provides a temporary residence for individuals intended to be institutionalized; or

(c) A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

The term does not refer to any individual imprisoned or otherwise detained pursuant to state or federal law.

(47) "HUD" means the United States Department of Housing and Urban Development.

(48) "HUD Risk Sharing Program" means the program authorized by section 542(c) of the Housing and Community Development Act of 1992, which is adopted and incorporated herein by reference.

(49) "Identity of Interest" means, for the purpose of the HUD Risk Sharing Program, any person or entity that has a one percent or more financial interest in the Development and in any entity providing services for a fee to the Development.

(50) "IRC" is the Internal Revenue Code of 1986, as in effect on the date of this rule chapter, together with corresponding and applicable final, temporary or proposed regulations and revenue rulings issued or amended with respect thereto by the Treasury Department or Internal Revenue Service of the United States, and is adopted and incorporated herein by reference and available on the Corporation's Website under the 2007 ~~2006~~ Universal Application link labeled Related Information and Links.

(51) "Issuer" means the Florida Housing Finance Corporation.

(52) "Lead Agency" means a Local Government or Non-Profit serving as the point of contact and accountability to the State Office on Homelessness with respect to the Local Homeless Assistance Continuum of Care Plan, in accordance with Section 420.624, F.S.

(53) "Local Government" means Local government as defined in Section 420.503, F.S.

(54) "Local Homeless Assistance Continuum of Care Plan" means a plan for developing and implementing a framework for a comprehensive and seamless array of housing and services to address the needs of homeless persons and persons at risk for homelessness, in accordance with Section 420.624, F.S.

(55) "Local Public Fact Finding Hearing" means a public hearing requested by any person residing in the county or municipality in which the proposed Development is located and which is conducted by the Corporation for the purpose of receiving public comment or input regarding the financing of a proposed Development with Bonds by the Corporation.

(56) "Lower Income Residents" means Families whose annual income does not exceed either 50 percent or 60 percent depending on the minimum set-aside elected of the area

median income as determined by HUD with adjustments for household size. In no event shall occupants of a Development unit be considered to be Lower Income Residents if all the occupants of a unit are students as defined in section 151(c)(4) of the IRC or if the residents do not comply with the provisions of the IRC defining Lower Income Residents. (See section 142 of the IRC.)

(57) "MMRB Funding Cycle" means the period of time established by the Corporation pursuant to this rule chapter and concluding with the issuance of allocations to Applicants who applied during a given Application Period.

(58) "MMRB LURA" or "MMRB Land Use Restriction Agreement" means an agreement among the Corporation, the Bond Trustee and the Applicant which sets forth certain set-aside requirements and other Development requirements under Rule Chapter 67-21, F.A.C.

(59) "MMRB Loan" means the loan made by the Corporation to the Applicant from the proceeds of the Bonds issued by the Corporation.

(60) "MMRB Loan Agreement" means the Program Documents or Loan Documents wherein the Corporation and the Applicant agree to the terms and conditions upon which the proceeds of the Bonds shall be loaned and the terms and conditions for repayment of the Loan.

(61) "MMRB Loan Commitment" means the Program Documents or Loan Documents executed by the Corporation and the Applicant after the issuance of a favorable Credit Underwriting Report that defines the conditions under which the Corporation agrees to lend the proceeds of the Bonds to the Applicant for the purpose of financing a Development.

(62) "MMRB Program" means the Corporation's Multifamily Mortgage Revenue Bond Program.

(63) "MMRB Rehabilitation Development" means a Development, the Rehabilitation Expenditures with respect to which equal or exceed 15 percent % of the portion of the cost of acquiring such Development to be financed with Bond proceeds.

(64) "Mortgage" means Mortgage as defined in Section 420.503, F.S.

(65) "Mortgage Loan" means Mortgage loan as defined in Section 420.503, F.S.

(66) "Note" means a unilateral agreement containing an express and absolute promise to pay to the Corporation a principal sum of money on a specified date, which provides the interest rate and is secured by a Mortgage.

(67) "Principal" means an Applicant, any general partner of an Applicant, and any officer, director, or any shareholder of any Applicant or shareholder of any general partner of an Applicant.

(68) "Private Placement" or "Limited Offering" means the sale of the Corporation Bonds directly or through an underwriter or placement agent to 35 or fewer initial

purchasers who are not purchasing the Bonds with the intent to offer the Bonds for retail sale and who are Qualified Institutional Buyers.

(69) “Program Documents or Loan Documents” means the MMRB Loan Commitment, MMRB Loan Agreement, Note, Mortgage, Credit Enhancement, MMRB Land Use Restriction Agreement, Trust Indenture, Preliminary and Final Official Statements, Intercreditor Agreement, Assignments, Bond Purchase Agreement, Compliance Monitoring Agreement, Mortgage Servicing Agreement and such other ordinary and customary documents necessary to issue and secure repayment of the Bonds and Mortgage sufficient to protect the interests of the Bond owners and the Corporation.

(70) “QCT” or “Qualified Census Tract” means any census tract which is designated by the Secretary of Housing and Urban Development as having either 50 percent % or more of the households at an income which is less than 60 percent % of the area median gross income, or a poverty rate of at least 25 percent %, in accordance with section 42(d)(5)(C) of the IRC.

(71) “Qualified Institutional Buyer” is sometimes called a “sophisticated investor” and specifically includes the following:

(a) Any of the following entities, acting for its own account or the accounts of other Qualified Institutional Buyers that, in the aggregate, own and invest on a discretionary basis at least \$100 million in securities of issuers that are not affiliated with the entity:

1. Any insurance company as defined in section 2(13) of the Securities Exchange Act, which is adopted and incorporated herein by reference;

2. Any investment company registered under the Investment Company Act of 1940 or any business development company as defined in section 80a-2(a)(48) of that Act, which is adopted and incorporated herein by reference;

3. Any Small Business Investment Company licensed by the U.S. Small Business Administration under sections 301(c) or (d) of the Small Business Investment Act of 1958, which is adopted and incorporated herein by reference;

4. Any plan established and maintained by a state or state agency or any of its political subdivisions, on behalf of their employees;

5. Any employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974, which is adopted and incorporated herein by reference;

6. Trust funds of various types, except for trust funds that include participants’ individual retirement accounts or H.R. 10 plans;

7. Any business development company as defined in section 80b-2(a)(22) of the Investment Advisors Act of 1940, which is adopted and incorporated herein by reference;

8. Any organization described in section 501(c)(3) of the IRC, corporation (except a bank or savings and loan defined in section 3(a)(2) or 3(a)(5)(A) of the Securities and Exchange Act, which is adopted and incorporated herein by reference, or a foreign bank or savings and loan or similar institution), partnership, Massachusetts or similar business trust, or any investment adviser registered under the Investment Advisors Act, which is adopted and incorporated herein by reference.

(b) Any dealer registered under section 15 of the Securities Exchange Act, which is adopted and incorporated herein by reference, acting on its own behalf or on the behalf of other Qualified Institutional Buyers who in the aggregate own and invest at least \$10 million of securities of issuers not affiliated with the dealer (not including securities held pending public offering).

(c) Any dealer registered under section 15 of the Securities Exchange Act, which is adopted and incorporated herein by reference, acting in a riskless principal transaction on behalf of a Qualified Institutional Buyer.

(d) Any investment company registered under the Investment Company Act, which is adopted and incorporated herein by reference, that is part of a family of investment companies that together own at least \$100 million in securities of issuers, other than companies with which the investment company or family of investment companies is affiliated.

(e) Any entity, all of whose equity owners are Qualified Institutional Buyers.

(f) Any bank or savings and loan defined in section 3(a)(2) or 3(a)(5)(A) of the Securities Exchange Act, which is adopted and incorporated herein by reference, or foreign bank or savings and loan or similar institution that, in aggregate with the other Qualified Institutional Buyers, owns and invests in at least \$100 million in securities of affiliates that are not affiliated with it and that has an audited net worth of at least \$25 million as demonstrated during the 16 to 18 months prior to the sale.

(72) “Qualified Lending Institution” means any lending institution designated by the Corporation.

(73) “Qualified Project Period” means Qualified Project Period as defined in Section 142(d) of the IRC.

(74) “Received” as it relates to delivery of a document by a specified deadline means, unless otherwise indicated, delivery by hand, U.S. Postal Service, or other courier service, in the office of the Corporation no later than 5:00 p.m., Eastern Time, on the deadline date.

(75) “Rehabilitation Expenditures” has the meaning set forth in section 147(d)(3) of the IRC.

(76) “SBA” or “State Board of Administration” means the State Board of Administration created by and referred to in s. 9, Article XII of the State Constitution.

(77) “Scattered Sites” for a single Development means a Development consisting of real property in the same county (i) any part of which is not contiguous (“non-contiguous parts”) or

(ii) any part of which is divided by a street or easement (“divided parts”) and (iii) it is readily apparent from the proximity of the non-contiguous parts or the divided parts of the real property, chain of title, or other information available to the Corporation that the non-contiguous parts or the divided parts of the real property are part of a common or related scheme of development.

(78) “Single Room Occupancy” or “SRO” means housing consisting of single room dwelling units that is the primary residence of its occupant or occupants. An SRO does not include facilities for students.

(79) “Special Counsel” means any attorney or law firm retained by the Corporation, pursuant to an RFQ, to serve as counsel to the Corporation, including Disclosure Counsel.

(80) “State Bond Allocation” means the allocation of the state private activity bond volume limitation pursuant to Chapter 159, Part VI, F.S., administered by the Division of Bond Finance and allocated to the Corporation for the issuance of Tax-exempt Bonds by either the SFMRB or MMRB Programs.

(81) “State Office on Homelessness” means the office created within the Department of Children and Family Services under Section 420.622, F.S.

(82) “Taxable Bonds” means those Bonds on which the interest earned is included in gross income of the owner for federal income tax purposes pursuant to the IRC.

(83) “Tax Exempt Bond-Financed Development” means a Development which has been financed by the issuance of tax-exempt bonds subject to applicable volume cap pursuant to Section 42(h)(4) of the IRC.

(84) “Tax-exempt Bonds” means those Bonds on which all or part of the interest earned is excluded from gross income of the owner for federal income tax purposes pursuant to the IRC.

(85) “Tie-Breaker Measurement Point” means a single point selected by the Applicant on the proposed Development site that is located within 100 feet of a residential building existing or to be constructed as part of the proposed Development. For a Development which consists of Scattered Sites, this means a single point on one of the Scattered Sites which comprise the Development site that is located within 100 feet of a residential building existing or to be constructed as part of the proposed Development. In addition, the Tie-Breaker Measurement Point must be located on the site with the most units if any of the Scattered Sites has more than 4 units.

(86) “TEFRA Hearing” means a public hearing held pursuant to the requirements of the IRC and in accordance with the Tax Equity and Fiscal Responsibility Act (TEFRA), section 147(f) of the IRC, at which members of the public or interested persons are provided an opportunity to present evidence or written statements or make comments regarding a requested application for Tax-exempt Bond financing of a Development by the Corporation.

(87) “Total Development Cost” means the sum total of all costs incurred in the construction of a Development all of which shall be subject to the review and approval by the Credit Underwriter and the Corporation pursuant to this rule chapter.

(88) “Universal Cycle” means any funding cycle provided for in this or previous versions of this rule chapter.

~~(89)(88)~~ “Urban In-Fill Development” means a Development (i) in a site or area that is targeted for in-fill housing or neighborhood revitalization by the local, county, state or federal government as evidenced by its inclusion in a HUD Empowerment/Enterprise Zone, a HUD-approved Neighborhood Revitalization Strategy, Florida Enterprise Zone, area designated under a Community Development Block Grant (CDBG) or area designated as a HOPE VI or Front Porch Florida Community or a Community Redevelopment Area as described and defined in the Florida Community Redevelopment Act of 1969, or the proposed Development is located in a Qualified Census Tract and the development of which contributes to a concerted community revitalization plan, and (ii) in a site which is located in an area that is already developed and part of an incorporated area or existing urban service area.

~~(90)(89)~~ “Website” means the Florida Housing Finance Corporation’s website, the Universal Resource Locator (URL) of which is [www.floridahousing.org](http://www.floridahousing.org).

Specific Authority 420.507(12), 420.508(3)(a) FS. Law Implemented 420.502, 420.503, 420.503(4), 420.507, 420.508, 420.5099 FS. History—New 12-3-86, Amended 2-22-89, 12-4-90, 11-23-94, 2-6-97, 1-7-98, Formerly 9I-21.002, Amended 1-26-99, 11-14-99, 2-11-01, 3-17-02, 4-6-03, 10-5-03, 3-21-04, 2-7-05, 1-29-06, \_\_\_\_\_.

67-21.003 Application and Selection Process for Developments.

(1) When submitting an Application, Applicants must utilize the Universal Application in effect at the Application Deadline.

(a) The Universal Application Package or UA1016 (Rev. ~~3-07~~ ~~4-06~~) is adopted and incorporated herein by reference and 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 2007 ~~2006~~ Universal Application link labeled Instructions and Application, which shall be completed and submitted to the Corporation in accordance with this rule chapter in order to apply for the MMRB Program.

(b) All Applications must be complete, legible and timely when submitted, except as described below. Corporation staff may not assist any Applicant by copying, collating, or adding documents to an Application nor shall any Applicant be permitted to use the Corporation’s facilities or equipment for purposes of compiling or completing an Application.

(2) Failure to submit an Application completed in accordance with the Application instructions and these rules will result in the failure to meet threshold, rejection of the Application, a score less than the maximum available, or a combination of these results in accordance with the instructions in the Application and this rule chapter.

(3) Each submitted Application shall be evaluated and preliminarily scored using the factors specified in the Universal Application Package and these rules. Preliminary scores shall be transmitted to all Applicants.

(4) Applicants who wish to notify the Corporation of possible scoring errors relative to another Applicant's Application must file with the Corporation, within 8 Calendar Days of the date the preliminary scores are sent by overnight delivery by the Corporation, a written Notice of Possible Scoring Error (NOPSE). Each NOPSE must specify the assigned Application number and the scores in question, as well as describe the alleged deficiencies in detail. Each NOPSE is limited to the review of only one Application's score. Any NOPSE that seeks the review of more than one Application's score will be considered improperly filed and ineligible for review. There is no limit to the number of NOPSEs that may be submitted. The Corporation's staff will review each written NOPSE Received ~~Received~~.

(5) The Corporation shall transmit to each Applicant the NOPSEs submitted by other Applicants with regard to its Application. The notice shall also include the Corporation's decision regarding the NOPSE, along with any other items identified by the Corporation to be addressed by the Applicant.

(6) Within 11 Calendar Days of the date of the notice set forth in subsection (5) above is sent by overnight delivery by the Corporation, each Applicant shall be allowed to cure its Application by submitting additional documentation, revised pages and such other information as the Applicant deems appropriate to address the issues raised pursuant to subsections (3) and (5) above that could result in failure to meet threshold ~~rejection of the Application~~ or a score less than the maximum available. A new form, page or exhibit provided to the Corporation during this period shall be considered a replacement of that form, page or exhibit if such form, page or exhibit was previously submitted in the Applicant's Application. Pages of the Application that are not revised or otherwise changed may not be resubmitted, except that documents executed by third parties must be submitted in their entirety, including all attachments and exhibits referenced therein, even if only a portion of the original document was revised. Where revised or additional information submitted by the Applicant creates an inconsistency with another item in that Application, the Applicant shall also be required in its submittal to make such other changes as necessary to keep the Application consistent as revised. To be considered by the Corporation, the Applicant must ~~shall~~ submit an original and three copies of all additional documentation and revisions, and

~~such.~~ Only revisions, changes and other information must be ~~will be considered~~ Received by the deadline set forth herein ~~will be considered~~. Any subsequent revision submitted prior to the deadline shall include a written request from the Applicant for withdrawal of any previously submitted revision(s).

(7) Within seven (7) Calendar Days of the deadline for receipt by the Corporation of the documentation set forth in subsection (6) above, all Applicants may submit to the Corporation a Notice of Alleged Deficiencies (NOAD) in any other Application. Each NOAD is limited only to issues created by document revisions, additions, or both, by the Applicant submitting the Application pursuant to subsection (6) above. Each NOAD must specify the assigned Application number of the Applicant submitting the NOAD, the assigned Application number of the Application in question, the pages and the documents in question, as well as describe the alleged deficiencies in detail. Each NOAD is limited to the review of only one Applicant's submission. However, there is no limit to the number of NOADs which may be submitted. NOADs which seek the review of more than one Applicant's submission will be considered improperly filed and ineligible for review. The Corporation will only review each written NOAD Received timely.

(8) The Corporation shall transmit a copy of all NOADs to the affected Applicant.

(9) Following the receipt and review by the Corporation of the documentation described in subsections (5), (6) and (7) above, the Corporation shall then prepare final scores. In determining such final scores, no Application shall fail threshold ~~be rejected~~ or receive a point reduction as a result of any issues not previously identified in the notices described in subsections (3), (4) and (5) above. However, inconsistencies created by the Applicant as a result of information provided pursuant to subsections (6) and (7) above will still be justification for rejection of the Application, threshold failure, or reduction of points, as appropriate. Notwithstanding the foregoing, any deficiencies in the mandatory elements set forth in subsection (14) below can be identified at any time prior to sending the final scores to Applicants and will result in rejection of the Application. The Corporation shall then transmit final scores to all Applicants.

(10) Based on the order of the ranked Applications after informal appeals and the availability of State Bond Allocation designated by the Board of Directors for multifamily housing, the Board of Directors shall designate Applications for funding and offer the opportunity to enter Credit Underwriting, and shall designate those that are below the funding line on the MMRB ranked list. Any additional allocation designated by the Board of Directors for MMRB shall be applied to the next unfunded Application(s) on the ranked list, but only to the extent said Application's request can be fully funded. Any remaining allocation designated by the Board of Directors for multifamily housing, which as of December 1 of each year is

insufficient to fully fund the next ranked Application shall be offered to the next ranked Applicant, continuing down the ranked list until sufficient to fully fund a proposed Development. After December 1, Applicants shall be permitted to downsize their allocation request by up to 15 percent % of the original allocation request for the purpose of becoming fully funded but may not reduce the number of units or the unit sizes in the development. Any unused allocation shall, at the option of the Board of Directors, be carried over and applied to the next calendar year allocation or applied to single family housing. The Corporation may, after the cure period and upon a determination that such is necessary to assure timely processing of Applicants, invite Applicants who meet threshold into Credit Underwriting at their own risk. Applicants shall be notified in writing of the opportunity to enter Credit Underwriting. A detailed timeline for submitting required fees and information to the Credit Underwriter shall be included. Failure to meet the deadlines established by such timeline shall result in the immediate termination of Credit Underwriting activities and the Application shall be moved to the bottom of the ranked list. Applicants electing to proceed to Credit Underwriting without designation for funding do so at their own risk, and said opportunity does not ensure that the Application will be funded. Any Applicant that declines invitation to Credit Underwriting, when invited by the Board of Directors, shall be removed from the ranked list.

(12) If the Board of Directors determines that any Applicant or any Affiliate of an Applicant:

(11) Except for Local Government-issued Tax-Exempt Bond-Financed Developments that submit a separate Application for non-competitive Housing Credits, Applications shall be limited to one submission per subject property. Two or more Applications, submitted in the same Funding Cycle, that have the same demographic commitment and one or more of the same Financial Beneficiaries will be considered submissions for the same Development if any of the following is true: (i) any part of any of the property sites is contiguous with any part of any of the other property sites, or (ii) any of the property sites are divided by a street or easement, or (iii) it is readily apparent from the Applications, proximity, chain of title, or other information available to the Corporation that the properties are part of a common or related scheme of development. If two or more Applications are considered to be submissions for the same Development, the Corporation will reject all such Applications except the Application with the highest (worst) lottery number. The Application with the lowest lottery number will still be rejected even if the Applicant withdraws the Application with the highest (worst) lottery number. Financial Beneficiary, as defined in Rule 67-21.002, F.A.C., does not include third party lenders, third party management agents or companies, housing credit syndicators, Credit Enhancers who are regulated by a state or

federal agency and who do not share in the profits of the Development or contractors whose total fees are within the limit described in Rule 67-21.007, F.A.C.

- (a) Has engaged in fraudulent actions;
- (b) Has materially misrepresented information to the Corporation regarding any past or present Application or Development;
- (c) Has been convicted of fraud, theft or misappropriation of funds;
- (d) Has been excluded from federal or Florida procurement programs; or
- (e) Has been convicted of a felony;

And that such action substantially increases the likelihood that the Applicant will not be able to produce quality affordable housing, the Applicant and any of the Applicant's Affiliates will be ineligible for funding or allocation in any program administered by the Corporation for a period of up to two years, which will begin from the date the Board of Directors makes such determination. Such determination shall be either pursuant to a proceeding conducted pursuant to Sections 120.569 and 120.57, F.S., or as a result of a finding by a court of competent jurisdiction.

(13) The Corporation shall reject an Application if, following the submission of the additional documentation, revised pages and other information as the Applicant deems appropriate as described in subsection (6) above:

- (a) The Development is inconsistent with the purpose of the MMRB Program or does not conform to the Application requirements specified in this rule chapter;
- (b) The Applicant fails to achieve the threshold requirements as detailed in these rules, the applicable Application and Application instructions;
- (c) The Applicant fails to file all applicable Application pages and exhibits that are provided by the Corporation and adopted under this rule chapter;
- (d) An Applicant or any Principal, Affiliate or Financial Beneficiary of an Applicant or a Developer is in arrears for any financial obligation it has to the Corporation or any agent or assignee of the Corporation.

(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; notwithstanding the foregoing, the name of the Applicant may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting;

(b) Identity of each Developer, including all co-Developers; notwithstanding the foregoing, the identity of the Developer(s) may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting;

(c) Program(s) applied for;

(d) Applicant applying as a Non-Profit or for-profit organization;

(e) Site for the Development;

(f) Development Category;

(g) Development Type;

(h) Designation selection;

(i) County;

(j) Total number of units;

(k) Funding request, except for Taxable Bonds and as provided in subsection 67-21.003(10), F.A.C.; notwithstanding the foregoing, requested amounts exceeding the Corporation and program funding limits can be reduced by the Applicant to reflect the maximum request amount allowed (and no other changes to this amount will be allowed);

(l) The Total Set-Aside Percentage as stated in the last row of the total set-aside breakdown chart for the program(s) applied for in the Set-Aside Commitment section of the Application;

(m) Submission of one original hard copy with the required number of photocopies of the Application by the Application Deadline;

(n) Payment of the required Application fee and TEFRA fee by the Application Deadline.

All other items may be submitted as cures pursuant to subsection (6) above.

(o) The Application labeled "Original Hard Copy" must include a properly completed Applicant Certification and Acknowledgement form reflecting original signatures.

All other items may be submitted as cures pursuant to subsection (6) above.

With regard to paragraphs (a) and (b) above, 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 change.

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

(16) If an Applicant or any Principal, Affiliate or Financial Beneficiary of an Applicant or a Developer has any existing Developments participating in any Corporation programs that remain in non-compliance with the IRC, this rule chapter, or

applicable loan documents, and any applicable cure period granted for correcting such non-compliance has ended as of the time of submission of the Application or at the time of issuance of a Credit Underwriting Report, the requested allocation will, upon a determination by the Board of Directors that such non-compliance substantially increases the likelihood that such Applicant will not be able to produce quality affordable housing, be denied and the Applicant and the Affiliates of the Applicant or Developer will be prohibited from new participation in any of the Corporation's programs for the subsequent cycle and continuing until such time as all of their existing Developments participating in any Corporation programs are in compliance.

(17) When two or more Applications receive the same numerical score, the Applications will be ranked as outlined in the Application instructions.

(18) At no time during the Application, scoring and appeal process may Applicants or their representatives contact members of the Board of Directors concerning their own Development or any other Applicant's Development. At no time from the Application Deadline until after issuance of the final scores as set forth in subsection (9) above, may Applicants or their representatives verbally contact Corporation staff concerning their own Application or any other Applicant's Application. If an Applicant or its representative does contact a member of the Board of Directors in violation of this section, the Board of Directors shall, upon a determination that such contact was deliberate, disqualify such Applicant's Application.

(19) Applicants may withdraw an Application from consideration only by submitting a written notice of withdrawal to the Corporation Clerk. Applicants may not rescind any notice of withdrawal that was submitted to the Corporation Clerk. For ranking purposes, the Corporation shall disregard any withdrawal that is submitted after 5:00 p.m., Eastern Time, 14 Calendar Days prior to the date the Board of Directors is scheduled to convene to consider approval of the final rankings of the Applications and such Application shall be included in the ranking as if no notice of withdrawal had been submitted. After the Board of Directors has approved the final ranking, any notice of withdrawal submitted during the time period prohibited above and before the Board of Directors approves the final ranking, shall be deemed withdrawn immediately after Board approval of the final ranking. If an Applicant has applied for two or more programs, the withdrawal by the Applicant from any one program will be deemed by the Corporation to be a withdrawal of the Application from all programs.

(20) The name of the Development provided in the Application may not be changed or altered after submission of the Application during the history of the Development with the Corporation unless the change is requested in writing and approved in writing by the Corporation. The Corporation shall

consider the facts and circumstances of each Applicant's request and any credit underwriting report, if available, prior to determining whether to grant such request.

(21) If an Applicant or any Affiliate of an Applicant has offered or given consideration, other than the consideration to provide affordable housing, with respect to a local contribution and this is discovered prior to Board of Directors approval of the ranking, the Corporation shall reject the Application and any other Application submitted by the same Applicant and any Affiliate of the Applicant. If discovered after the Board of Directors approves final ranking, any tentative funding or allocation for the Application and any other Application submitted in the same cycle by the same Applicant and any Affiliate of the Applicant will be withdrawn. Such Applicant and any of such Applicant's Affiliates will be ineligible for funding or allocation in any program administered by the Corporation for a period of up to two years, which will begin the date the Board of Directors issues a final order on such matter in a proceeding conducted pursuant to Sections 120.569 and 120.57, F.S.

(22) The Corporation shall initiate TEFRA Hearings on the proposed Developments whose Applications were Received ~~received~~ by the Application Deadline. Neither the TEFRA Hearing, the invitation into Credit Underwriting, nor the Acknowledgment Resolution obligate the Corporation to finance the proposed Development in any way.

(23) Upon receipt of the Credit Underwriting Report, the Corporation shall submit the Application to its Financial Advisor for a preliminary recommendation of the method of bond sale for each Development pursuant to Rule 67-21.0045, F.A.C.

(24) Proposed Developments that are ranked, but not selected by the Board of Directors to enter Credit Underwriting, shall remain on the ranked list in the event State Bond Allocation becomes available to fund additional Developments. If the current year's State Bond Allocation designated by the Board of Directors for the MMRB Program is insufficient to fully finance a Development, subject to the provisions of subsection 67-21.003(10), F.A.C., permitting reduction of the requested amount, a new Application must be filed to be eligible for a future year's State Bond Allocation.

(25) The Corporation shall notify the Applicant, in writing, of the Board of Directors determination related to approval of the Credit Underwriting Report and require the Applicant to submit one-half of the Good Faith Deposit within 7 Calendar Days from the receipt of such notice.

(26) Upon favorable recommendation of the Credit Underwriting Report and preliminary recommendation of the method of bond sale from the Corporation's Financial Advisor, the Board of Directors shall designate by resolution the method of bond sale considered appropriate for financing. The Board of Directors shall consider authorizing the execution of the Loan Commitment and shall consider final Board of Directors

approval reserving State Bond Allocation for a Development. Requests for Taxable Bonds shall be considered by the Board of Directors in an amount recommended by the Credit Underwriter. The Board of Directors shall also assign a bond underwriter, structuring agent, or Financial Advisor and any other professionals necessary to complete the transaction. Staff shall assign the Corporation Bond Counsel and Special Counsel and Trustee as needed.

(27) Following receipt of one-half of the Good Faith Deposit, the Corporation's assigned Special Counsel shall begin preparation of the Loan Commitment.

(28) Upon execution of a Loan Commitment, Applicant shall pay the balance of the Good Faith Deposit and the Corporation shall authorize Bond Counsel and Special Counsel to prepare the Program Documents.

(29) For computing any period of time allowed by this rule, the day of the event from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday.

Specific Authority 420.507(12), 420.508(3)(a) FS. Law Implemented 420.502, 420.507(4), (13), (14), (18), (19), (20), (21), (24), 420.508 FS. History—New 12-3-86, Amended 12-4-90, 11-23-94, 9-25-96, 1-7-98, Formerly 9I-21.003, Amended 1-26-99, 11-14-99, 2-11-01, 3-17-02, 4-6-03, 3-21-04, 2-7-05, 1-29-06, \_\_\_\_\_.

67-21.0035 Applicant Administrative Appeal Procedures.

(1) At the conclusion of the review and scoring process established by Rule 67-21.003, F.A.C., each Applicant will be provided with its final score and notice of rights, which shall constitute the point of entry to contest any issue related to the Applicant's Application for the MMRB Program.

(2) Each Applicant that wishes to contest its final score must file a petition with the Corporation within 21 Calendar Days after the date the Applicant receives its notice of rights. The petition must conform to subsection 28-106.201(2) or 28-106.301(2), and subsection 67-52.002(3), F.A.C., and specify in detail each issue and score sought to be challenged. If the petition does not raise a disputed issue of material fact, the challenge will be conducted pursuant to Section 120.57(2), F.S. If the petition raises one or more disputed issues of material fact, a formal administrative hearing will be conducted pursuant to Section 120.57(1), F.S. At the conclusion of any administrative hearing, a recommended order shall be entered by the designated hearing officer which will then be considered by the Board of Directors.

(3) Any Applicant who wishes to challenge the findings and conclusions of the recommended order entered pursuant to a Section 120.57(2), F.S., proceeding concerning its own Application shall be allowed the opportunity to submit written arguments to the Board. Any written argument should be typed and double-spaced with margins no less than one inch in either



Times New Roman 14-point or Courier New 12-point font and may not exceed five (5) pages, excluding the caption and certificate of service. Written arguments must be filed with Florida Housing Finance Corporation's Clerk at 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329, no later than 5:00 p.m., Eastern Time, no later than five (5) Calendar Days from the date of issuance of ~~on the date contained in~~ the recommended order. Failure to timely file a written argument shall constitute a waiver of the right to have a written argument considered by the Board. Parties will not be permitted to make oral presentations to the Board in response to recommended orders.

(4) Following the entry of final orders in all petitions filed pursuant to Section 120.57(2), F.S., and in accordance with Rule Chapter 67-21, F.A.C., the Corporation shall issue final rankings. For an Applicant that filed a petition pursuant to Section 120.57(1), F.S., which challenged the scoring of its own Application but has not had a final order entered as of the date the final rankings are approved by the Board of Directors, the Corporation shall, if any such Applicant ultimately obtains a final order that modifies the score so that its Application would have been in the funding range of the applicable final ranking had it been entered prior to the date the final rankings were presented to the Board of Directors, provide the requested allocation from the next available allocation, whether in the current year or a subsequent year. Nothing contained herein shall affect any applicable Credit Underwriting requirements.

(5) Each Applicant will be provided with a final ranking of all Applications and notice of rights, which shall constitute the point of entry to contest any ranking or scoring issue related to any other Applications for the MMRB Program. An Applicant that wishes to contest the final ranking or score of another Applicant may do so only if:

(a) The competing Applicant files a petition on or before the 21st Calendar Days after the receipt of the notice of rights pursuant to this subsection (5). The petition must conform to subsection 28-106.201(2) or 28-106.301(2), and subsection 67-52.002(3), F.A.C., and specify in detail each issue, score or ranking sought to be challenged.

(b) For any Application cycle closing after January 1, 2002, if the contested issue involves an error in scoring, the contested issue must (i) be one that could not have been cured pursuant to subsection 67-21.003(14), F.A.C., or (ii) be one that could have been cured, if the ability to cure was not solely within the Applicant's control. The contested issue cannot be one that was both curable and within the Applicant's sole control to cure. With regard to curable issues, a petitioner must prove that the contested issue was not feasibly curable within the time allowed for cures in subsection 67-21.003(6), F.A.C.

(c) The competing Applicant alleges facts in its petition sufficient to demonstrate that, but for the specifically identified threshold, scoring or ranking errors in the challenged

Application, its Application would have been in the funding range at the time the Corporation provided the Applicant with its final ranking.

(d) If the petition does not raise a disputed issue of material fact, the appeal will be conducted pursuant to Section 120.57(2), F.S. If the petition raises one or more disputed issues of material fact, a formal administrative hearing will be conducted pursuant to Section 120.57(1), F.S. At the conclusion of any administrative hearing, a recommended order shall be entered which will then be considered by the Board of Directors.

(6) Any Applicant who wishes to challenge the findings and conclusions of the recommended order entered pursuant to a Section 120.57(2), F.S., proceeding as described in subsection (5) above concerning the final ranking of another Application, shall be allowed the opportunity to submit written arguments to the Board. Any written arguments should be typed and double-spaced with margins no less than one inch in either Times New Roman 14-point or Courier New 12-point font and may not exceed five (5) pages, excluding the caption and certificate of service. Written arguments must be filed with Florida Housing Finance Corporation's Clerk at 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329, no later than 5:00 p.m., Eastern Time, no later than five (5) Calendar Days from the date of issuance of ~~on the date contained in~~ the recommended order. Failure to timely file a written argument shall constitute a waiver of the right to have a written argument considered by the Board. Parties will not be permitted to make oral presentations to the Board in response to recommended orders.

(7) For those Applicants that have filed a petition pursuant to subsection (5) above, the Corporation shall, if any such Applicant ultimately obtains a final order that demonstrates that its Application would have been in the funding range of the applicable final ranking, provide the requested allocation from the next available allocation, whether in the current year or a subsequent year. Nothing contained herein shall affect any applicable credit underwriting requirements. The filing of a petition pursuant to subsection (5) above shall not stay the Corporation's provision of funding to Applicants per the final rankings referenced in subsection (4) above.

Specific Authority 420.507, 420.508 FS. Law Implemented 120.569(2)(b), 120.57, 420.502, 420.507, 420.508 FS. History—New 11-14-99, Amended 2-11-01, 3-17-02, 10-8-02, 12-4-02, 4-6-03, 3-21-04, 2-7-05, 1-29-06, \_\_\_\_\_.

#### 67-21.004 Federal Set-Aside Requirements.

Each Application shall designate one of the following minimum federal set-aside requirements that the Development shall meet commencing with the first day on which at least 10 percent of the units in the property are occupied:

(1) Twenty percent of the residential units in the Development shall be occupied by or reserved for occupancy by a Family whose Annual Household Income does not exceed 50 percent of the area median income limits adjusted for Family size (the 20/50 set-aside); or

(2) Forty percent of the residential units in the Development shall be occupied by or reserved for occupancy by a Family whose Annual Household Income does not exceed 60 percent of the area median income limits adjusted for Family size (the 40/60 set-aside).

(3) For Developments financed solely through the issuance of Taxable Bonds or refundings of Tax-exempt Bonds originally issued under section 103(b)(4)(A) of the Internal Revenue Code of 1954, as amended, which is adopted and incorporated herein by reference, 20 percent of the residential units in the Development shall be occupied by or reserved for occupancy by a Family whose Annual Household Income does not exceed 80 percent of the area median income limits adjusted for Family size (the 20/80 set-aside).

Specific Authority 420.507(12), 420.508(3)(a) FS. Law Implemented 420.502, 420.507(4), (6), (12), (13), (14), (18), (19), (21), 420.508 FS History–New 12-3-86, Amended 2-22-89, 12-4-90, 11-23-94, 9-25-96, 2-6-97, 1-7-98, Formerly 9I-21.004, Amended 1-26-99, 11-14-99, 2-11-01, 3-17-02, Repromulgated 4-6-03, 3-21-04, 2-7-05, 1-29-06,\_\_\_\_\_.

67-21.0045 Determination of Method of Bond Sale.

(1) The Corporation may sell Bonds for the purpose of financing a proposed Development through a negotiated sale, competitively bid sale or Private Placement. Prior to the sale of Bonds for a Development, the Board of Directors shall authorize a resolution specifying the method of sale.

(2) Following receipt of the Credit Underwriting Report, staff shall provide the Corporation’s Financial Advisor copies of such report for review and preparation of a written recommendation for the method of Bond sale.

(3) In preparing a recommendation for the method of sale to the Board of Directors, the Financial Advisor shall consider the following:

(a) The cost components of the sale, including interest costs and financing costs. The purpose of the analysis is to determine how these costs are affected by the alternative forms of sale.

(b) The anticipated credit and security structure of the transaction.

(c) The proposed financing structure of the transaction.

(d) The financing experience of the Applicant.

(e) The Corporation’s programmatic objectives.

(f) Market stability.

(g) Other factors identified by staff, counsel, or the Applicant.

(4) The written recommendation shall include an identification of the Development, the recommended method of sale, and a summary statement as to why the particular method of sale is being recommended.

(5) For those transactions that the Corporation’s Financial Advisor recommends as candidates for a competitive sale, the Corporation shall engage a structuring agent. The Applicant may, at its sole expense, engage a Financial Advisor for the transaction. Any cost to the Applicant for the Financial Advisor in excess of \$18,000 must be paid out of Developer Fee.

(6) For those transactions that the Corporation’s Financial Advisor recommends for a negotiated sale, the Corporation shall appoint a bond underwriter.

Specific Authority 420.507(12), 420.508(3)(a) FS. Law Implemented 420.507(4), (13), (19), (20), 420.508, 420.509(12) FS. History–New 1-7-98, Formerly 9I-21.0045, Amended 1-26-99, Repromulgated 11-14-99, 2-11-01, Amended 3-17-02, Repromulgated 4-6-03, Amended 3-21-04, 2-7-05, Repromulgated 1-29-06,\_\_\_\_\_.

67-21.006 Development Requirements.

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

(1) Must provide safe, sanitary and decent multifamily residential housing for lower, middle and moderate income persons or families.

(2) Must be owned, managed and operated as a Development to provide multifamily residential rental property comprised of a building or structure or several proximate buildings or structures, each containing five or more dwelling units and functionally related facilities, in accordance with section 142(d) of the IRC.

(3) The Development shall consist of similar units, containing complete facilities for living, sleeping, eating, cooking and sanitation for a Family.

(4) None of the units in the Development shall be used on a transient basis, nor shall they be knowingly leased for a period of less than 180 days unless a determination is made by the Corporation that there is a specific need in that particular area for leasing arrangements of less than 180 days, but in no event shall a lease be for a period less than 30 days, nor shall a Development be used as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, hospital, sanitarium, nursing home or rest home or trailer court or park.

(5) All of the dwelling units shall be rented or shall be available for rent on a continuous basis to members of the general public, and the Applicant shall not give preference to any particular class or group in renting the dwelling units in the Development, except to the extent that dwelling units are required to be occupied in compliance with the IRC or are being held for Elderly Persons, Commercial Fishing Workers, Homeless Persons or Farmworkers.

(6) The Applicant shall have no present plan to convert the Development to any use other than the use as affordable residential rental property.

(7) None of the units shall at any time be occupied by the owner of the Development or an individual related to the owner as such terms are defined by the Code; provided, however, that in Developments containing more than 50 residential units, such owner or related person may occupy up to one unit per each 100 units in a Development and such owner or related person must reside in a unit that is in a building or structure which contains at least five residential units.

(8) Commencing with the date on which at least 10 percent of the units in the Development are occupied:

(a) At least 20 percent or 40 percent, whichever is applicable based on Applicant's selection of the minimum federal set-aside, of the occupied and completed residential units in the Development shall be occupied by Lower Income Residents, prior to the satisfaction of which no additional units shall be rented or leased, except to a Family that is also a Lower Income Resident;

(b) All of the Public Policy Criteria and Qualified Resident Programs selected in the Application must be met; and

(c) After initial rental occupancy of such residential units by Lower Income Residents, at least 20 percent or 40 percent, whichever is applicable based on Applicant's selection of the minimum federal set-aside, of the completed residential units in the Development at all times shall be rented to and occupied by Lower Income Residents as required by section 142(d) of the IRC, if the Development is financed with the proceeds of Tax-exempt Bonds, or as required by the Act, if the Development is financed with the proceeds of Taxable Bonds, or held available for rental if previously rented to and occupied by a Lower Income Resident.

(9) The Applicant shall obtain and maintain on file income certifications from each Lower Income Resident immediately prior to initial occupancy and at least annually thereafter.

(10) The Applicant shall not take, permit, or cause to be taken any action which would adversely affect the exemption from federal income taxation of the interest on Tax-exempt Bonds, nor shall the Applicant fail to take any action which is necessary to preserve the exemption from federal income taxation of the interest on Tax-exempt Bonds.

(11) The Applicant shall take such action or actions as shall be necessary to comply fully with the IRC, Florida Statutes, and the Corporation's Rules.

(12) The Applicant may limit the leasing of units in a Development to Elderly Persons, Commercial Fishing Workers, Homeless Persons or Farmworkers as permitted hereby.

(13) In the event that the Applicant has determined that the market no longer supports the Development as Elderly Housing and desires to rent to younger persons or families, the following criteria must be met:

(a) A viable marketing plan is submitted to and is acceptable to the Corporation showing a good faith effort to market the unit as Elderly Housing.

(b) The Applicant demonstrates that a good faith effort was made to lease the unit as Elderly Housing and that such effort was made for at least six months after the certificate of occupancy for the relevant unit was issued.

(c) The Applicant has requested and received Board of Directors' approval that the Development no longer qualifies as Elderly Housing.

(14) The Applicant and Developer of a proposed Rehabilitation Development shall make every effort to rehabilitate existing housing (i) without displacing existing tenants or (ii) by temporarily moving existing tenants to unaffected units within the Development until the renovation of affected units is completed.

(15) The owner of a Development must notify the Corporation of an intended change in the management company. The Corporation must approve, pursuant to subsection 67-53.003(3), F.A.C., the Applicant's selection of a management agent prior to such company assuming responsibility for the Development. A key management company representative must attend a Corporation-sponsored training workshop on certification and compliance procedures prior to the leasing of any units in the Development.

(16) The Applicant shall use cost certifications with respect to each Development as required by the United States Department of Housing and Urban Development ("HUD") in connection with Developments financed by HUD, including the HUD Risk Sharing Program.

(17) The Applicant shall provide annually to the Trustee not later than 120 days after the end of the Applicant's fiscal year, audited financial statements prepared by an independent certified public accounting firm, consolidated or consolidating, on the Development and any other information required by the Corporation to comply with continuing disclosure requirements imposed by law.

(18) Unless otherwise approved by the Board of Directors, Cross-collateralization shall not be allowed.

Specific Authority 420.507(12), 420.508(3)(a) FS. Law Implemented 420.502, 420.507(9), (11), (14), (18), (19), (20), (21), 420.508 FS. History—New 12-3-86, Amended 2-22-89, 12-4-90, 9-25-96, 1-7-98, Formerly 9I-21.006, Amended 1-26-99, 11-14-99, 2-11-01, 3-17-02, Repromulgated 4-6-03, Amended 3-21-04, 2-7-05, Repromulgated 1-29-06,\_\_\_\_\_.

67-21.007 Fees.

In addition to the fees specified in the Universal Application Package, the Corporation shall collect the following fees and charges in conjunction with the MMRB Program:

(1) TEFRA Fee: Applicants shall submit a non-refundable TEFRA fee to the Corporation in the amount of \$500 by the Application Deadline, or, for refundings or 501(c)(3) Applicants, upon submission of the Application or request for refunding. This fee shall be applied to the actual cost of publishing required newspaper advertisements and Florida Administrative Weekly notices of TEFRA Hearings. If the actual cost of the required publishing exceeds \$500.00, Applicant shall be invoiced for the difference. If a Local Public Fact Finding Hearing is requested, the Applicant shall be responsible for payment of any fees incurred by the Corporation. If the first TEFRA approval period has expired and a second TEFRA notice and hearing are required, Applicant is responsible for all costs associated with the additional TEFRA process.

(2) Credit Underwriting and Appraisal Fee: Applicants shall submit the required non-refundable Credit Underwriting and Appraisal Fee for each Development to the Credit Underwriter designated by the Corporation within seven Calendar Days of the date the Applicant accepts the invitation by the Corporation to enter the Credit Underwriting process and prior to final credit review by the Credit Underwriter. The Credit Underwriting fee shall be determined pursuant to a contract between the Corporation and the Credit Underwriter.

(3) Good Faith Deposit means a total deposit equal to one percent of the Loan amount reflected in the Loan Commitment paid by the Applicant to Florida Housing. The Applicant shall pay a total deposit equal to one percent of the aggregate principal amount of proposed Taxable and Tax-exempt Bonds, or \$75,000, whichever is greater, to the Corporation, which deposit may be applied toward the Cost of Issuance Fee. The maximum Good Faith Deposit required is \$175,000. The Good Faith Deposit is payable in two equal installments: the first installment (one-half of one percent) is due within seven Calendar Days of the date the Board of Directors approves the Credit Underwriting Report. The balance is payable no later than the date when the Applicant executes the Loan Commitment. If the Good Faith Deposit is exhausted, the Applicant shall be required to pay, within three days of notice, an additional deposit to ensure payment of the expenses associated with the processing of the Application, the sale of the Bonds, including document production and the securitization of the Loan. The Good Faith Deposit shall be remitted by certified check or wire transfer. In the event the MMRB Loan does not close, the unused portion of the Good Faith Deposit shall be refunded to the Applicant. Notwithstanding the foregoing, the Applicant is responsible for all expenses incurred in preparation for loan closing. Any and all costs of the Corporation will be deducted from the Good Faith Deposit prior to refunding any unused funds to the Applicant. In the event that additional invoices are received by the Corporation subsequent to a determination that the MMRB Loan will not close and refunding any unused funds to the

Applicant, which invoices related to costs incurred prior to such determination and refunding, Applicant shall be responsible for payment of the balance due as invoiced.

(4) Cost of Issuance Fee: the Corporation shall require Applicants or participating Qualified Lending Institutions selected for participation in the program, to deliver to the Corporation, or, at the request of the Corporation, directly to the Trustee, before the date of delivery of the Bonds, a Cost of Issuance Fee in an amount determined by the Corporation to be sufficient to pay the costs and expenses relating to issuance of the Bonds, which amount shall be deposited into an account to be held by the Trustee. The Corporation shall provide the Applicant with a good faith estimate of the Cost of Issuance Fee prior to closing. The Applicant shall pay all costs and expenses incurred by the Corporation in connection with the issuance of the Bonds, the expenditure of the MMRB Loan proceeds, and provision of Credit Enhancement, if any, even if such costs and expenses exceed the Cost of Issuance Fee. Any amounts remaining in this account at the time the balance is transferred and the account closed pursuant to the Trust Indenture shall be returned to the Applicant.

(5) HUD Risk Sharing Fees: Applicants also using the HUD Risk Sharing Program for the Development shall be responsible for associated fees, as follows:

(a) Format II Environmental Review Fee – The fee the Applicant shall pay will be determined by contract between the Corporation and the environmental professional.

(b) Subsidy Layering Review Fee – The fee the Applicant shall pay will be determined by the contract between the Corporation and the Credit Underwriter.

(6) Compliance Monitoring Fees: The annual monitoring fee the Applicant shall pay will be determined by contract between the Corporation and the monitoring agent.

(7) Permanent Loan Servicing Fees: The annual servicing fee the Applicant shall pay will be determined by contract between the Corporation and the servicer.

(8) Financial Monitoring Fees: The annual financial monitoring fee the Applicant shall pay will be determined by contract between the Corporation and the monitoring agent.

(9) Other Corporation Program Fees:

(a) Housing Credit Fees – If Housing Credits are used for the Development, the Compliance Monitoring Fee for that program shall be collected from the Applicant in conjunction with the Compliance Monitoring Fee for the program.

(b) Florida Affordable Housing Guarantee Program Fees – If the Guarantee Program is used in the Development, the same fee schedule described in Rule Chapter 67-39, F.A.C., shall apply and be paid by the Applicant to the Corporation.

(10) Developer Fee shall be limited to 18 percent of Total Development Cost excluding land and, for rehabilitation, building acquisition costs. A Developer Fee on the building acquisition cost shall be limited to 4 percent % of the cost of the building(s) exclusive of land cost. Consulting fees, if any,

must be paid out of the Developer Fee. Consulting fees include payments for Application consultants, construction management or supervision, or Local Government consultants. Fees of the Applicant's or Developer's attorney(s) awarded in conjunction with litigation against the Corporation with respect to a Development shall also not be included in Total Development Costs. Fees for services provided by architects, accountants, appraisers, engineers or Financial Advisors may be included as part of the Total Development Costs, except that those fees for a Financial Advisor that are in excess of \$18,000 must be paid out of the Developer Fee. In the event of extraordinary circumstances, Applicant may petition the Board for relief from the cap on Financial Advisor fees. The Corporation shall not authorize fees to be paid for duplicative services or duplicative overhead.

(11) General Contractor's Fees are inclusive of general requirements, profit and overhead and shall be limited to 14 percent of hard costs, excluding any hard cost contingencies. For the purpose of the HUD Risk Sharing Program, if there exists an Identity of Interest as defined herein between the Applicant or Developer and the General Contractor, the allowable fees shall in no case exceed the amount allowable pursuant to the HUD subsidy layering review requirements. Additionally, fees shall be allowed to be paid only to the person or entity that actually meets the definitional requirements to be considered a General Contractor. The Corporation shall not allow fees for duplicative services or duplicative overhead. The General Contractor must meet the following conditions:

- (a) Employ a Development superintendent and charge the costs of such employment to the general requirements line item of the General Contractor's budget;
- (b) Charge the costs of the Development construction trailer, if needed, and other overhead to the general requirements line item of the General Contractor's budget;
- (c) Secure building permits, issued in the name of the General Contractor;
- (d) Secure a payment and performance bond (or approved alternate security for General Contractor's performance, such as a letter of credit), issued in the name of the General Contractor, from a company rated at least "A-" by AMBest & Co.;
- (e) Ensure that none of the General Contractor duties to manage and control the construction of the Development are subcontracted; and
- (f) Ensure that not more than 20 percent of the construction cost is subcontracted to any one entity unless otherwise approved by the Board for a specific Development.

Specific Authority 420.507(12), 420.508(3)(a) FS. Law Implemented 420.507(4), (19) FS. History—New 12-3-86, Amended 1-7-98, Formerly 9I-21.007, Amended 1-26-99, 11-14-99, 2-11-01, 3-17-02, 4-6-03, 3-21-04, 2-7-05, 1-29-06, Repromulgated.

67-21.008 Terms and Conditions of MMRB Loans.

(1) Each Mortgage Loan for a Development made by the Corporation shall:

(a) Be evidenced by a properly executed Note or other evidence of indebtedness and be secured by a recorded Mortgage;

(b) Provide for a fully amortized payment of the Mortgage Loan in full beginning on the earlier of 36 months after closing, or stabilized occupancy, or conversion to permanent financing under the loan documents and ending no later than the expiration of the useful life of the property, and in any event, no later than 45 years from the date of the Mortgage Loan;

(c) Not exceed 95 percent of the Total Development Cost;

(d) If the Mortgage Loan is to provide financing for the construction of a Development, have each advance thereof secured, insured, or guaranteed in such manner as the Corporation determines shall protect its interest and those of the Bond holders;

(e) Have the initial review, approval, and origination process accomplished by a Qualified Lending Institution;

(f) Be serviced by such Qualified Lending Institution or other private entity engaged in the business of servicing mortgage loans in Florida as the Corporation shall approve; and

(g) Require the submission to the Corporation of an annual audited financial statement for the Development, and for the Applicant if revenue from multiple projects is being pledged. An annual financial statement compiled or reviewed by a licensed Certified Public Accountant may be submitted in lieu of an audited financial statement for the Development prior to the issuance of a certificate of occupancy for any unit in the Development, provided that the subsequent annual audited financial statement shall include all operations since inception.

(h) If Credit Enhancement is used, a Credit Enhancement instrument of less than ten years must be approved by the Board of Directors.

(2) Upon approval, execution, and satisfaction of the terms of the Program Documents by the Applicant and the Corporation, the Bond sale and the MMRB Loan shall be scheduled for closing.

(3) The Applicant may obtain construction financing from an alternative source with the Bond proceeds being invested in accordance with an investment agreement subject to the requirements of the IRC for Tax-exempt Bonds.

(4) The Applicant shall also establish and maintain escrow deposits sufficient to pay any insurance premiums and applicable taxes.

(5) The Corporation shall charge such program administration fees as are required to pay the cost of administering the program during the life of the Bonds and MMRB Loan.

(6) The interest rate on the MMRB Loan shall be determined by the Corporation at the time of sale of the Bonds based on the financing structure and the interest rate on the Bonds.

(7) Prepayments shall be permitted only in accordance with the terms and conditions of the Program Documents.

(8) The Corporation shall appoint a Trustee and servicing agent when necessary to administer the program and service the MMRB Loan.

(9) All MMRB Loans are contingent upon:

(a) The sale, issuance and delivery of the Bonds and the availability of Bond proceeds.

(b) The Applicant obtaining title insurance on the property.

(c) The Applicant obtaining all governmental approvals for constructing and operating the Development as a multifamily housing Development.

(d) The Applicant providing to the Corporation, Bond Counsel and Special Counsel the Note, Mortgage, financing statements, survey, hazard insurance policies, liability insurance policies, escrow agreement, investment agreements, opinions of counsel including preference opinions, if required, and such other documents as are necessary to ensure that the Corporation has a properly secured Mortgage as required under the Act and to protect the holders of the Bonds.

(e) If required by Bond Counsel in order to deliver their opinion in connection with the issuance of the Bonds or at the request of the Corporation, the Bonds being validated pursuant to Chapter 75, F.S., and a certificate of no appeal issuing.

(f) Receipt of TEFRA approval for Tax-exempt Bonds.

(10) All MMRB Loans shall be reviewed and originated by a servicer designated by the Corporation, in conformance with the Act.

(11) The Applicant shall agree to execute or cause to be executed all of the MMRB Program Loan Documents required by the Corporation to secure the unconditional payment of the MMRB Loan and to retain the tax-exempt status of the Bonds, if Bonds are issued as Tax-exempt Bonds.

(12) The Applicant shall, prior to the requested date for funding, or as requested during Credit Underwriting, supply in draft form to the Corporation the following documents with respect to the Development being financed, together with any other documents required by the MMRB Loan Agreement:

(a) A survey, as described in the Application, dated within 90 days of the date submitted showing the location of all improvements, encroachments, easements and rights-of-way, and a site plan which has been approved by all governmental authorities.

(b) A fully completed, executed and sealed surveyors' certification to the Corporation.

(c) Written evidence of appropriate zoning and governmental approvals.

(d) Plans and specifications bearing the seal of a licensed engineer.

(e) Policies of insurance and evidence of payment of premiums.

(f) Required opinions of counsel necessary for the issuance of the Bonds.

(g) A commitment for mortgagee title insurance in favor of the Corporation or its Trustee or designated servicer, with only standard exceptions and such other exceptions as are usually permitted in Mortgage Loans of this nature and that are acceptable to the Corporation. Such policy shall be in an amount not less than the MMRB Loan amount plus an amount sufficient to cover any debt service reserve required by the Corporation.

(h) A copy of the deed or form of deed conveying the land for the Development to the Applicant or a copy of the lease creating a long-term leasehold in favor of the Applicant acceptable to the Corporation and the Credit Underwriter.

(i) Evidence as to the status of liens, including mechanic's liens, recorded against the property and the permission of the Corporation to allow any liens to remain recorded against the land or the Development.

(j) Such other documents as shall be reasonably required by the Corporation, by the MMRB Loan Commitment, or by the Corporation's respective counsel to protect the interest of the Corporation in the financing.

(13) The Borrower shall not sell, transfer, or otherwise assign any of its interest in the Development without the prior written consent of the Corporation.

(14) The Corporation shall require all MMRB Loans to be secured to the extent necessary to protect the Corporation and Bond holders.

(15) Any MMRB Loan financed with proceeds of Tax-exempt Bonds, except for 501(c)(3) Bonds, shall provide that the portion of any debt service reserve fund associated therewith to be financed with the Tax-exempt Bonds shall not exceed six months of debt service on the Bonds.

Specific Authority 420.507(12), 420.508(3)(c) FS. Law Implemented 420.502, 420.507(4), (6), (9), (11), (21), 420.508 FS. History—New 12-3-86, Amended 12-4-90, 11-23-94, 9-25-96, 1-7-98, Formerly 9I-21.008, Amended 1-26-99, 11-14-99, 2-11-01, 3-17-02, 4-6-03, 3-21-04, 2-7-05, Repromulgated 1-29-06,\_\_\_\_\_.

67-21.009 Interest Rate on Mortgage Loans.

The Corporation shall establish the interest rate on Mortgage Loans at the time of sale of the Bonds. The interest rate shall in no event exceed the arbitrage limit which is legally allowed without jeopardizing the tax exempt status of the Bonds, if Bonds are issued as Tax-exempt Bonds.

Specific Authority 420.507(12), 420.508(3)(c) FS. Law Implemented Chapter 75, 420.507, 420.508 FS. History—New 12-3-86, Amended 1-7-98 Formerly 9I-21.009, Amended 1-26-99, 11-14-99, Repromulgated 2-11-01, 3-17-02, 4-6-03, 3-21-04, Amended 2-7-05, Repromulgated 1-29-06,\_\_\_\_\_.

**67-21.010 Issuance of Revenue Bonds.**

The Corporation shall fund Mortgage Loans with the proceeds from the sale of Bonds. The issuance and sale of the Bonds shall be governed by resolutions adopted by the Corporation and by applicable law and rule. If Bonds cannot be sold or cannot be sold in an amount or at an interest rate or under conditions which satisfy the Credit Underwriting Report, as the same may be amended, the Corporation shall terminate its MMRB Loan Commitment and such other agreements as were executed in conjunction with the proposed MMRB Loan.

Specific Authority 420.507(12), 420.508(3)(c) FS. Law Implemented 420.507(6), 420.508, 420.509 FS. History—New 12-3-86, Amended 1-7-98, Formerly 9I-21.010, Amended 1-26-99, 11-14-99, 2-11-01, 3-17-02, Repromulgated 4-6-03, 3-21-04, Amended 2-7-05, Repromulgated 1-29-06,\_\_\_\_\_.

**67-21.013 Non-Credit Enhanced Multifamily Mortgage Revenue Bonds.**

Any issuance of non-Credit Enhanced revenue Bonds shall be sold only to a Qualified Institutional Buyer. Such non-Credit Enhanced revenue Bonds may only be utilized for financings where the Applicant has demonstrated that the issuance produces a substantial benefit to the Development not otherwise available from Credit Enhancement structures. The analysis of the substantial benefit must be provided in a format acceptable to the Corporation and shall include the initial issuer cost of issuance, underwriter's discount or placement agent fee, annual debt service, total debt service and any other factors necessary and appropriate to demonstrate that the issuance produces a substantial benefit to the Development. This analysis must be provided both prior to the review of the method of Bond sale conducted by the Corporation's Financial Advisor, and again prior to the pricing of the Bonds, showing any changes affecting the original estimated substantial benefit. The Corporation shall designate the bond underwriter or placement agent with respect to such Bonds, who shall be on the Corporation's approved bond underwriters list. The Corporation, in its discretion, will allow only an underwriting discount or a placement agent fee, but not both. Unless such Bonds are rated in one of the four highest rating categories by a nationally recognized rating service, such Bonds shall not be held in a full book-entry system (but may be DTC-Eligible) and shall comply with at least one of the following criteria:

(1) The Bonds shall be issued in minimum denominations of \$100,000 (subject to reduction by means of redemption) and each purchaser of such Bond, including subsequent purchasers unless the requirements of subsection (2) or (3) below are met, shall certify to the Corporation prior to any purchase or transfer of any Bond that such purchaser is a Qualified Institutional Buyer; or

(2) The Bonds shall be issued in minimum denominations of \$250,000 (subject to reduction by means of redemption) and an investment letter satisfactory to the Corporation and its counsel shall be obtained from each initial purchaser of the

Bonds (including any purchaser purchasing such Bonds in an immediate resale from an underwriter), but shall not be required of subsequent purchasers of the Bonds, to the effect that, among other things, such purchaser is a Qualified Institutional Buyer, is purchasing such Bonds for its own account and not for immediate resale to other than another Qualified Institutional Buyer, and has made an independent investment decision as a sophisticated or institutional investor; or

(3) The Bonds shall be issued in minimum denominations of \$250,000 (subject to reduction by means of redemption) and an investment letter satisfactory to the Corporation and its counsel shall be obtained from each initial purchaser of the Bonds and from each subsequent transferee of the Bonds prior to any transfer thereof, to the effect that such purchaser is a Qualified Institutional Buyer.

Specific Authority 420.507(12), 420.508(3)(c) FS. Law Implemented 420.507(4), (5), (6), (9), (11), (14), (16), (18), (19), (20), (21) FS. History—New 11-23-94, Amended 1-7-98, Formerly 9I-21.013, Amended 1-26-99, 11-14-99, 2-11-01, 3-17-02, 4-6-03, 3-21-04, 2-7-05, Repromulgated 1-29-06,\_\_\_\_\_.

**67-21.014 Credit Underwriting Procedures.**

(1) An invitation into Credit Underwriting shall require that the Applicant submit the Credit Underwriting and Appraisal Fee and information required to complete the Credit Underwriting, to the Credit Underwriter in accordance with the schedule established by the Corporation upon the recommendation of the Credit Underwriter. Failure to submit the Credit Underwriting and Appraisal Fee or meet the deadlines as set forth in the schedule shall result in the immediate termination of Credit Underwriting activities and the Application shall be moved to the bottom of the ranked list.

(2) The Credit Underwriter shall in Credit Underwriting analyze and verify all information in the Application, or any proposed changes made subsequent thereto, in order to make a recommendation to the Board of Directors on the feasibility of the Development, without taking into account the willingness of a Credit Enhancer to provide Credit Enhancement. Credit Underwriting services shall include, for example, a comprehensive analysis of the Applicant, the real estate, the economics of the Development, the ability of the Applicant and the Development team to proceed, and the evidence of need for affordable housing in order to determine that the Development meets the MMRB Program requirements. The Credit Underwriter shall determine a recommended Bond amount that should be made to a Development, whether an initial loan or a refunding.

(a) If the Credit Underwriter determines that special expertise is required to review information submitted to the Credit Underwriter which is beyond the scope of normal underwriting procedures, the cost of such expertise shall be borne by the Applicant.

(b) The Credit Underwriter shall review the proposed financing structure to determine whether the MMRB Loan is feasible.

(c) In addition to operating expenses, the Credit Underwriter must include an estimate for replacement reserves when calculating the final net operating income available to service the debt. A minimum amount of \$200 per unit must be deposited annually in the replacement reserve account for all Developments. An Applicant may choose to fund a portion of the replacement reserves at closing from moneys other than the proceeds of the Bonds. This partial funding cannot exceed 50 percent of the required replacement reserves for two years and must be placed in escrow with the Bond Trustee at closing. Applicants with Credit Enhancement may employ a different replacement reserve structure with the Corporation's approval.

(d) The Corporation shall consider the following when determining the need for construction completion guarantees based on the recommendations of the Credit Underwriter:

1. Liquidity of any guarantee provider.

2. Applicant's, Developer's and General Contractor's history in successfully completing Developments of similar type.

3. The past performance of the Applicant, Developer, General Contractor, or management agent, in developing, constructing or managing Developments financed by the Corporation or its predecessor, including, by way of example and not limitation, nonpayment of fees and noncompliance with program requirements.

4. Percentage of the Corporation's funds utilized compared to Total Development Costs. At a minimum, the corporate general partner of the borrowing entity shall provide a personal guarantee for completion of construction. In addition, a letter of credit or payment and performance bond shall be required if the Corporation determines upon recommendation of the Credit Underwriter after evaluation of conditions in subparagraphs 1. through 3., above, that additional surety is needed.

(e) The Credit Underwriter shall review and make a recommendation to the Corporation whether the number of existing loans and construction commitments of the Applicant and its Principals will impede its ability to proceed with the successful development of each proposed Corporation Development.

(f) The Credit Underwriter shall consider the appraisal of the Development and other market study documentation to make a recommendation as to whether the market exists to support both the demographic and income restriction set-asides committed to within the Application. The Credit Underwriter shall consider the market study and other documentation to make a recommendation of whether to approve or disapprove an allocation when the proposed Development would financially impair an existing Development previously funded by the Corporation.

(g) If the Credit Underwriter requires additional clarifying materials in the course of the underwriting process to complete the Credit Underwriting Report, the Credit Underwriter shall notify the Corporation and request the information from the Applicant. Such requested information shall be submitted within ten business days of receipt of the request therefor. Failure for any reason to submit required information on or before the specified deadline shall result in the Application being moved to the bottom of the ranked list.

(h) At a minimum, the Credit Underwriter shall require the following information during Credit Underwriting:

1. For Credit Enhancers, audited financial statements for their most recent fiscal year ended, if published; otherwise the previous year's audited statements will be provided until the current statements are published or Credit Underwriting is complete.

2. For guarantors, audited financial statements or financial statements compiled or reviewed by a licensed Certified Public Accountant for the most recent fiscal year ended, credit check, banking and trade references, and deposit verifications. If audited financial statements are not available, unaudited financial statements prepared within the last 90 days and reviewed by the Credit Underwriter in accordance with Part III, Sections 604 through 607, of the Fannie Mae Multifamily Delegated Underwriting and Servicing (DUS) Guide, effective November 6, 2003, which is incorporated by reference and available on the Corporation's Website under the 2007 2006 Universal Application link labeled Related Information and Links, and the two most recent years tax returns. If the entities are newly formed (less than 18 months in existence as of the date that credit underwriting information is requested), a copy of any and all tax returns with related supporting notes and schedules.

3. For the General Contractor, audited financial statements or financial statements compiled or reviewed by a licensed Certified Public Accountant for the most recent fiscal year ended, credit check, banking and trade references, and deposit verifications. The audited or compiled statements may be waived if a payment and performance bond equal to 100 percent % of the total construction cost is issued in the name of the General Contractor by a company rated at least "A-" by AMBest & Co.

4. For the Applicant and General Partner, audited financial statements or financial statements compiled or reviewed by a licensed Certified Public Accountant for the most recent fiscal year ended, credit check, banking and trade references, and deposit verifications. If the entities are newly formed (less than 18 months in existence as of the date that Credit Underwriting information is requested), a copy of any and all tax returns with related supporting notes and schedules.

(i) The Credit Underwriter shall require an operating deficit guarantee. The operating deficit guarantee will be released when the Development achieves a minimum 1.10 debt



service coverage ratio on the MMRB Loan and 90 percent % occupancy and 90 percent % of the gross potential rental income, all for six consecutive months as certified by an independent Certified Public Accountant, and verified by the Credit Underwriter.

(j) The Credit Underwriter shall also require environmental indemnity and recourse obligation guarantees.

(k) Required appraisals, market studies, pre-construction analyses, physical needs assessments, and environmental studies (other than Phase I Environmental Site Assessments) shall be completed by professionals approved by the Credit Underwriter. Approval of appraisers and contractors to complete market and environmental studies shall be based upon review of qualifications, professional designations held, references and prior experience with similar types of Developments.

(l) A full or self-contained appraisal as defined by the Uniform Standards of Professional Appraisal Practice, which is adopted and incorporated herein by reference, and a separate market study shall be ordered by the Credit Underwriter from an appraiser qualified for the geographic area and product type not later than when an Application enters Credit Underwriting. The Credit Underwriter shall review the appraisals to properly evaluate the MMRB Loan request in relation to the property value.

(m) Appraisals and separate market studies which have been ordered and submitted by third party Credit Enhancers or syndicators and which meet the above requirements and are acceptable to the Credit Underwriter may be used instead of the appraisal or market study referenced above.

(n) The Credit Underwriting Report shall include a thorough analysis of the proposed Development and a statement as to whether a MMRB Loan is recommended, and if so, the amount recommended. The Credit Underwriter or the Corporation may request such additional information as is necessary to properly analyze the credit risk being presented to the Corporation and the Bond holders.

(3) The Applicant shall review and provide written comments on the draft Credit Underwriting Report to the Corporation and the Credit Underwriter within the time frame established by the Corporation. The Corporation shall provide comments on the draft report and, as applicable, on the Applicant's comments to the Credit Underwriter. The Credit Underwriter shall then review and incorporate the Corporation's and, if deemed appropriate, the Applicant's comments and release the revised report to the Corporation and the Applicant. Any additional comments from the Applicant shall be received by the Corporation and the Credit Underwriter within the established time frame. Then, the Credit Underwriter shall provide a final report, which shall address comments made by the Applicant to the Corporation.

(4) After approval by the Board of Directors following presentation of the Credit Underwriting Report and payment of one-half of the Good Faith Deposit, Corporation staff and Special Counsel shall begin negotiations of the MMRB Loan Commitment with the Applicant.

(5) At a minimum, a 10 percent % retainage will be held by the Trustee or the servicer administering the construction loan funds until the Development is 50 percent % complete. At 50 percent % completion, no additional retainage will be held from the remaining draws. The total retainage dollars will be held by the Trustee or the servicer and released pursuant to the terms of the construction loan agreement.

Specific Authority 420.507(12), 420.508(3)(c) FS. Law Implemented 420.507, 420.508, 420.508(3)(b)3., 420.509 FS. History--New 1-7-98, Formerly 9I-21.014, Amended 1-26-99, 11-14-99, 1-26-00, 2-11-01, 3-17-02, 4-6-03, 3-21-04, 2-7-05, 1-29-06,\_\_\_\_\_.

67-21.015 Use of Bonds with Other Affordable Housing Finance Programs.

(1) Applicants may submit one Application for the MMRB Program, SAIL, HOME Rental, competitive housing credits and non-competitive housing credits, subject to the restrictions set forth in the Universal Application Package.

(2) Applicants that receive funding from other programs and the Multifamily Mortgage Revenue Bond Program shall comply with the requirements of the applicable program rule and this rule.

Specific Authority 420.507(12), 420.508(3)(c) FS. Law Implemented 420.507, 420.508 FS. History--New 1-7-98, Formerly 9I-21.015, Amended 1-26-99, 11-14-99, 2-11-01, 3-17-02, Repromulgated 4-6-03, 3-21-04, 2-7-05, 1-29-06,\_\_\_\_\_.

67-21.017 Transfer of Ownership.

(1) Any transfer of ownership of any Development shall be subject to compliance with the provisions of this section, provided that transfers of the limited partnership interest or limited liability company interest in the owner to a tax credit syndicator, or the transfer of ownership to a creditor by means of foreclosure or deed in lieu of foreclosure, need not comply with this provision. The determination of whether a transfer of ownership of a Development shall be deemed to take place for purposes of this rule shall be made in accordance with the provisions of the MMRB Land Use Restriction Agreement and other Program Documents for such Development. Owners shall advise the Corporation in writing of any change of ownership of the owner aggregating 50 percent or more of ownership interests in the owner within any six-month period.

(2) A request for transfer of ownership shall be submitted to the Corporation in writing and include evidence that the current owner has agreed to the proposed sale. A detailed opinion letter from the legal counsel for the current owner or prospective purchaser describing the scope of the proposed transaction must also be provided. The Corporation shall review the letter and, if acceptable, assign a Credit

Underwriter. The Credit Underwriter will notify the current owner and prospective purchaser of any additional information necessary to complete its Credit Underwriting Report.

(3) Upon demonstration of compliance with the provisions of this section, and favorable consideration by the Board of Directors of the Credit Underwriting Report, the Corporation shall assign a Bond Counsel, Special Counsel, and other professionals as needed to effect the transfer.

(4) Prior to the transfer of ownership:

(a) The Credit Underwriter shall conduct a Credit Underwriting of the prospective purchaser upon any transfer of ownership. Additionally, the prospective purchaser shall be notified that any refunding of Bonds associated with such Development shall require a full Credit Underwriting of the Development. The prospective purchaser and the conditions of the assumption of the Program Documents must be approved by the Credit Underwriter as meeting the terms of its Credit Underwriting Report, Bond Counsel and Special Counsel as complying with all applicable legal requirements, and the Corporation as meeting the stated purposes of the Corporation,

(b) All outstanding fees owing to the Corporation or any of its assigned professionals shall be paid,

(c) The Development shall be in compliance with all existing regulatory requirements imposed by the Corporation or its predecessor, and

(d) If the set-aside requirements in the MMRB Land Use Restriction Agreement are expired or have less than 12 months remaining, such agreement shall be extended for a minimum of two years from the date of closing. All transfer of ownership transactions shall be subject to all conditions of the Credit Underwriting Report including the requirements for a guarantee of recourse obligations and an environmental indemnity from the assuming owner.

(5) The prospective purchaser or current owner shall be responsible for payment of all fees for professional services rendered in association with the transfer of ownership.

Specific Authority 420.507(12), 420.508(3)(a) FS. Law Implemented 420.507, 420.508, 420.508(3)(a) FS. History--New 1-7-98, Formerly 9I-21.017, Amended 1-26-99, 11-14-99, 2-11-01, 3-17-02, Repromulgated 4-6-03, Amended 3-21-04, 2-7-05, Repromulgated 1-29-06,\_\_\_\_\_.

67-21.018 Refundings and Troubled Development Review.

(1) Refunding of previously issued Bonds shall in all instances be at the option of the Corporation and not an obligation of the Corporation.

(2) The Corporation shall endeavor where feasible to refund Bonds which are either in default or face a pending default.

(3) Approval by the Corporation for a refunding of an issue of Bonds for reasons related to pending default shall be subject to the following:

(a) Determination of the likelihood of the impending default;

(b) Submission of a sworn certificate of impending default by the owner or Credit Enhancer;

(c) Submission of sworn certificate from the owner or Credit Enhancer that conditions causing default are likely to continue;

(d) Submission of certified information from a certified public accountant concerning cash contributions to the Development, financial condition of the Development, including analysis of tax benefits derived from Development losses, and the financial condition of the owner or Credit Enhancer;

(e) Independent evidence of market conditions in the Development location;

(f) Evidence of effort by the owner or Credit Enhancer to procure other sources of capital infusion;

(g) Statement by the owner or Credit Enhancer of the continued public purpose to be achieved by refunding;

(h) Agreement by the owner or Credit Enhancer to update the MMRB Land Use Restriction Agreement, including retention of state and federal income limits;

(i) New Credit Underwriting by the Corporation, with new Bond amount determined by the Corporation based upon real estate underwriting criteria and equal to the lesser of the amount determined by the Corporation or the Credit Enhancer, to provide assurance that a similar default condition will not present itself in the future;

(j) The full risk of refunding is taken by the Credit Enhancer through full indemnification of the Corporation; with consideration given to personal indemnification from the owner if sufficient financial strength can be demonstrated;

(k) All costs of refunding are paid by the owner or the Credit Enhancer outside of Bond proceeds, including all applicable fees;

(l) Retention of annual fees by the Corporation;

(m) Provision of other evidence of the immediacy of default;

(n) Retention of the Credit Enhancement, or an acceptable non-Credit Enhancement structure; and

(o) Management of the Development is reviewed and approved by the Corporation.

(4) In connection with all refundings, the following shall apply:

(a) All outstanding fees of the Corporation and any of its assigned professionals shall be paid in connection with the refunding;

(b) The set-asides required by the original MMRB Land Use Restriction Agreement shall be increased by an amount and extended for a period determined by the Corporation;

(c) A Credit Underwriting Report shall be required, which may incorporate any Credit Underwriting undertaken within the past twelve months in connection with a transfer of ownership of the same Development;

(d) A guarantee of recourse obligations and an environmental indemnity shall be required;

(e) Additional operating deficit or other guarantees and establishment of replacement reserves or increase in existing reserves may be required as specified in the Credit Underwriting Report;

(f) The MMRB Loan shall immediately, on the earlier of 24 months after closing or stabilized occupancy in the case of major rehabilitation, begin full amortization over the remaining life of the Bonds; and in no event shall it exceed the economic remaining life of the property, provided that, in the case of a refunding relating to a pending financial default, such amortization may be delayed to the extent recommended in the Credit Underwriting Report;

(g) Any material changes to the underlying documents shall be deemed to constitute a refunding for purposes hereof;

(h) Any extension or extensions of maturity cumulatively exceeding 60 months shall be deemed to constitute a refunding for purposes hereof; and

(i) The owner of the Development must provide a written request for the refunding and a detailed opinion from Applicant's counsel describing the scope of the transaction. It shall not be necessary to complete an Application in connection with a refunding request.

Specific Authority 420.507(12), 420.508(3)(a) FS. Law Implemented 420.507, 420.508 FS. History--New 1-7-98, Formerly 9I-21.018, Amended 1-26-99, 11-14-99, 2-11-01, 3-17-02, Repromulgated 4-6-03, 3-21-04, 2-7-05, 1-29-06,\_\_\_\_\_.

67-21.019 Issuance of Bonds for 501(c)(3) Entities.

(1) The Corporation shall entertain requests, on a non-competitive basis, for it to serve as the issuer of Tax-exempt 501(c)(3) Bonds for the acquisition or construction of multifamily housing to be owned by a not-for-profit entity organized under section 501(c)(3) of the IRC.

(2) In connection with all Bonds issued pursuant to this section, Applicants shall be required to comply with the applicable provisions of Rules 67-21.0045 through 67-21.018, F.A.C., Florida Statutes, and the IRC, including all safe harbor provisions.

(3) In addition, Applicant shall submit the following:

(a) An initial Bond Counsel fee of \$1,000 along with IRS Form 1023, which is adopted and incorporated herein by reference, and all attachments and correspondence to and from the IRS relative to section 501(c)(3) status of the Applicant. A copy of IRS Form 1023 is available on the IRS web site at www.irs.gov; and

(b) An opinion from Applicant's counsel at Applicant's sole expense evidencing the Applicant's qualifications as a section 501(c)(3) entity and Applicant's authority to incur bond debt for multifamily housing; and

(c) If a Development to be acquired is intended to be exempt from ad valorem taxes, evidence that it has notified all local ad valorem taxing authorities of the acquisition of the proposed Development by a section 501(c)(3) entity.

(d) The completed Universal Application in effect at the time the Applicant submits the Application. Applicants must meet all threshold requirements of the Application as well as achieve 50 percent % of all points (excluding tie-breaker points) available in the Application.

Specific Authority 420.507(12) FS. Law Implemented 420.502, 420.507(14), (24), 420.508 FS. History--New 11-14-99, Amended 2-11-01, 3-17-02, Repromulgated 4-6-03, 3-21-04, Amended 2-7-05, Repromulgated 1-29-06, Amended\_\_\_\_\_.

NAME OF PERSON ORIGINATING PROPOSED RULE: Wayne Conner, Deputy Development Officer, Florida Housing Finance Corporation, 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32031-1329, (850)488-4197

NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: Stephen P. Auger, Executive Director, Florida Housing Finance Corporation, 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32031-1329, (850)488-4197

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: January 26, 2007

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: Vol. 32, No. 34, August 25, 2006

**FLORIDA HOUSING FINANCE CORPORATION**

RULE NOS.:	RULE TITLES:
67-48.001	Purpose and Intent
67-48.002	Definitions
67-48.004	Application and Selection Procedures for Developments
67-48.005	Applicant Administrative Appeal Procedures
67-48.007	Fees
67-48.0072	Credit Underwriting and Loan Procedures
67-48.0075	Miscellaneous Criteria
67-48.009	SAIL General Program Procedures and Restrictions
67-48.0095	Additional SAIL Application Ranking and Selection Procedures
67-48.010	Terms and Conditions of SAIL Loans
67-48.0105	Sale, Transfer or Refinancing of a SAIL Development
67-48.013	SAIL Construction Disbursements and Permanent Loan Servicing

- 67-48.014 HOME General Program Procedures and Restrictions
- 67-48.015 Match Contribution Requirement for HOME Allocation
- 67-48.017 Eligible HOME Activities
- 67-48.018 Eligible HOME Applicants
- 67-48.019 Eligible and Ineligible HOME Development Costs
- 67-48.020 Terms and Conditions of Loans for HOME Rental Developments
- 67-48.0205 Sale, Transfer or Refinancing of a HOME Development
- 67-48.022 HOME Disbursements Procedures and Loan Servicing
- 67-48.023 Housing Credits General Program Procedures and Requirements
- 67-48.027 Tax-Exempt Bond-Financed Developments
- 67-48.028 Carryover Allocation Provisions
- 67-48.029 Extended Use Agreement
- 67-48.030 Sale or Transfer of a Housing Credit Development
- 67-48.031 Termination of Extended Use Agreement and Disposition of Housing Credit Developments

PURPOSE AND EFFECT: The purpose of this Rule Chapter is to establish the procedures by which the Corporation shall:

- (1) Administer the Application process, determine loan amounts, make and service mortgage loans for new construction or rehabilitation of affordable rental units under the State Apartment Incentive Loan (SAIL) Program authorized by Section 420.5087, Florida Statutes; and the HOME Investment Partnerships (HOME) Program authorized by Section 420.5089, Florida Statutes; and
- (2) Administer the Application process, determine Housing Credit amounts and implement the provisions of the Housing Credit (HC) Program authorized by Section 42 of the IRC and Section 420.5099, Florida Statutes.

The intent of this Rule Chapter is to encourage public-private partnerships to invest in residential housing; to stimulate the construction and rehabilitation of residential housing which in turn will stimulate the job market in the construction and related industries; and to increase and improve the supply of affordable housing in the state of Florida.

SUMMARY: Prior to the opening of an Application Cycle, the Corporation (1) researches the market need for affordable housing throughout the state of Florida and (2) evaluates prior Application Cycles to determine what changes or additions should be added to the Rule, Application and/or QAP. The proposed amendments to the Rule and adopted reference material include changes that will create a formulated process for selecting Developments that will apply in the 2007 Application Cycle.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No Statement of Estimated Regulatory Cost was prepared.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 420.507 FS.

LAW IMPLEMENTED: 420.5087, 420.5089, 420.5099 FS.

A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW:

DATE AND TIME: February 23, 2007, 10:00 a.m.

PLACE: Florida Housing Finance Corporation, 227 North Bronough Street, 6th Floor Seltzer Room, Tallahassee, Florida 32301

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 5 days before the workshop/meeting by contacting: Blake Poston-Carson If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULES IS: Vicki Robinson, Deputy Development Officer, Florida Housing Finance Corporation, 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32031-1329, (850)488-4197

THE FULL TEXT OF THE PROPOSED RULES IS:

PART I ADMINISTRATION

67-48.001 Purpose and Intent.

The purpose of this rule chapter is to establish the procedures by which the Corporation shall:

- (1) Administer the Application process, determine loan amounts, make and service mortgage loans for new construction or Rehabilitation of affordable rental units under the State Apartment Incentive Loan (SAIL) Program authorized by Section 420.5087, F.S., and the HOME Investment Partnerships (HOME) Program authorized by Section 420.5089, F.S.; and
- (2) Administer the Application process, determine Housing Credit amounts and implement the provisions of the Housing Credit (HC) Program authorized by Section 42 of the IRC and Section 420.5099, F.S.

Specific Authority 420.507 FS. Law Implemented 420.5087, 420.5089(2), 420.5099 FS. History—New 7-22-96, Amended 12-23-96, 1-6-98, Formerly 9I-48.001, Amended 11-9-98, Repromulgated 2-24-00, 2-22-01, Amended 3-17-02, Repromulgated 4-6-03, 3-21-04, Amended 2-7-05, Repromulgated 1-29-06,\_\_\_\_\_.

## 67-48.002 Definitions.

(1) “Act” means the Florida Housing Finance Corporation Act as found in Chapter 420, Part V, F.S.

(2) “Address” means the address assigned by the United States Postal Service and must include address number, street name, city, state and zip code. If address has not yet been assigned, include, at a minimum, street name and closest designated intersection, city, state and zip code.

(3) “Adjusted Income” means, with respect to a HOME Development, the gross income from wages, income from assets, regular cash or noncash contributions, and any other resources and benefits determined to be income by HUD, adjusted for family size, minus the deductions allowable under 24 CFR § 5.611, which is adopted and incorporated herein by reference and available on the Corporation’s Website under the 2007 ~~2006~~ Universal Application link labeled Related Information and Links.

(4) “Affiliate” means any person that, (i) directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the Applicant, (ii) serves as an officer or director of the Applicant or of any Affiliate of the Applicant, or (iii) is the spouse, parent, child, sibling, or relative by marriage of a person described in (i) or (ii) above.

(5) “ALF” or “Assisted Living Facility” means a Florida licensed living facility that complies with Sections 429.01 ~~400.401~~ through 429.54 ~~400.454~~, F.S., and Chapter 58A-5, F.A.C.

(6) “Allocation Authority” means the total dollar volume of Competitive Housing Credits available for distribution by the Corporation and authorized pursuant to Section 42 of the IRC.

(7) “Applicable Fraction” means Applicable Fraction as defined in Section 42(c)(1)(B) of the IRC.

(8) “Applicant” means any person or legally formed entity that is seeking a loan or funding from the Corporation by submitting an Application for one or more of the Corporation’s programs.

(9) “Application” means the forms and exhibits created by the Corporation for the purpose of providing the means to apply for one or more Corporation programs. A completed Application may include additional supporting documentation provided by an Applicant.

(10) “Application Deadline” means 5:00 p.m., Eastern Time, on the final day of the Application Period.

(11) “Application Period” means a period during which Applications shall be accepted as posted on the Corporation’s Website and with a deadline no less than thirty days from the beginning of the Application Period.

(12) “Binding Commitment” means, with respect to a Housing Credit Development, an agreement between the Corporation and an Applicant by which the Corporation

allocates and the Applicant accepts Housing Credits from a later year’s Allocation Authority in accordance with Section 42(h)(1)(C) of the IRC.

(13) “Board of Directors” or “Board” means the Board of Directors of the Corporation.

(14) “Building Identification Number” means, with respect to a Housing Credit Development, the number assigned by the Corporation to describe each building in a Housing Credit Development, pursuant to Internal Revenue Service Notice 88-91, which is incorporated by reference and available on the Corporation’s Website under the 2007 ~~2006~~ Universal Application link labeled Related Information and Links.

(15) “Calendar Days” means, the seven (7) days of the week.

(16) “Carryover” means the provision under Section 42 of the IRC and Rule 67-48.028, F.A.C., which allows a Development to receive a Housing Credit Allocation in a given calendar year and be placed in service by the close of the second calendar year following the calendar year in which the allocation is made.

(17) “Catchment Area” means the geographical area covered under a Local Homeless Assistance Continuum of Care Plan, as designated and revised as necessary by the State Office on Homelessness, in accordance with Section 420.624, F.S.

(18) “CHDOs” or “Community Housing Development Organizations” means Community housing development organizations as defined in Section 420.503, F.S., and 24 CFR Part 92.

(19) “Commercial Fishing Worker” means Commercial fishing worker as defined in Section 420.503, F.S.

(20) “Commercial Fishing Worker Household” means a household of one or more persons wherein at least one member of the household is a Commercial Fishing Worker at the time of initial occupancy.

(21) “Competitive Housing Credits” or “Competitive HC” means those Housing Credits which come from the Corporation’s annual Allocation Authority.

(22) “Compliance Period” means a period of time that the Development shall conform to all set-aside requirements as described further in the rule chapter and agreed to by the Applicant in the Application.

(23) “Consolidated Plan” means the plan prepared in accordance with 24 CFR Part 91, which is adopted and incorporated herein by reference and available on the Corporation’s Website under the 2007 ~~2006~~ Universal Application link labeled Related Information and Links, and which describes needs, resources, priorities and proposed activities to be undertaken with respect to certain HUD programs, including the HOME Program.

(24) "Contact Person" means the person with whom the Corporation will correspond concerning the Application and the Development. This person cannot be a third-party consultant.

(25) "Corporation" means the Florida Housing Finance Corporation as defined in Section 420.503, F.S.

(26) "Credit Underwriter" means the independent contractor under contract with the Corporation having the responsibility for providing stated credit underwriting services.

(27) "Department" means the Department of Community Affairs as defined in Section 420.503, F.S.

(28) "Developer" means any individual, association, corporation, joint venturer, or partnership which possesses the requisite skill, experience, and credit worthiness to successfully produce affordable housing as required in the Application.

(29) "Development" means Project as defined in Section 420.503, F.S.

(30) "Development Cash Flow" means, with respect to SAIL Developments, cash flow of a SAIL Development as calculated in the statement of cash flows prepared in accordance with generally accepted accounting principles ("GAAP") and as adjusted for items including any distribution or payment to the Principal(s) or any Affiliate of the Principal(s) or to the Developer or any Affiliate of the Developer, whether paid directly or indirectly, which was not expressly disclosed in determining debt service coverage in the Board approved final credit underwriting report.

(31) "Development Cost" means the total of all costs incurred in the completion of a Development excluding developer fee, ~~acquisition cost of existing developments~~, and total land cost as shown in the Development Cost line item on the development cost pro forma within the Application.

(32) "Development Expenses" means, with respect to SAIL Developments, usual and customary operating and financial costs, such as the compliance monitoring fee, the financial monitoring fee, replacement reserves, the servicing fee and the debt service reserves. As it relates to SAIL Developments and to the application of Development Cash Flow described in subsections 67-48.010~~(5)(3)~~ and ~~(6)(4)~~, F.A.C., the term includes only those expenses disclosed in the operating pro forma included in the final credit underwriting report, as approved by the Board.

(33) "DDA" or "Difficult Development Area" means areas designated by the Secretary of Housing and Urban Development as having high construction, land, and utility costs relative to area median gross income in accordance with Section 42(d)(5), of the IRC.

(34) "Document" means electronic media, written or graphic matter, of any kind whatsoever, however produced or reproduced, including records, reports, memoranda, minutes, notes, graphs, maps, charts, contracts, opinions, studies,

analysis, photographs, financial statements and correspondence as well as any other tangible thing on which information is recorded.

(35) "Draw" means the disbursement of funds to a Development.

(36) "Elderly" means Elderly as defined in Section 420.503, F.S.

(37) "ELI Household" or "Extremely Low Income Household" means a household of one or more persons wherein the annual adjusted gross income for the Family is equal to or below the percentage of area median income for ELI Persons.

(38) "ELI Persons" or "Extremely Low Income Persons" means Extremely low income persons as defined in Section 420.0004(8), F.S., and for the Universal Cycle, will be as outlined in the ELI County Chart included in the Set-Aside Commitments section of the Universal Application instructions.

(39) "ELI Set-Aside" or "Extremely Low Income Set-Aside" means the number of units designated to serve ELI Households.

~~(40)~~(37) "Eligible Persons" means one or more natural persons or a family, irrespective of race, creed, national origin, or sex, determined by the Corporation to be of Low Income or Very Low Income, as further described in Rule 67-48.0075, F.A.C.

~~(41)~~(38) "EUA" or "Extended Use Agreement" means, with respect to the HC Program, an agreement between the Corporation and the Applicant which sets forth the set-aside requirements and other Development requirements under the HC Program.

~~(42)~~(39) "Executive Director" means the Executive Director of the Corporation.

~~(43)~~(40) "Family" describes a household composed of one or more persons.

~~(44)~~(41) "Farmworker" means Farmworker as defined in Section 420.503, F.S.

~~(45)~~(42) "Farmworker Household" means a household of one or more persons wherein at least one member of the household is a Farmworker at the time of initial occupancy.

~~(46)~~(43) "Final Housing Credit Allocation" means, with respect to a Housing Credit Development, the issuance of Housing Credits to an Applicant upon completion of construction or Rehabilitation of a Development and submission to the Corporation by the Applicant of a completed and executed Final Cost Certification Application pursuant to Rule 67-48.023, F.A.C.

~~(47)~~(44) "Financial Beneficiary" means any Developer and its principals or Principals of the Applicant entity who receives or will receive a financial benefit as outlined in paragraphs (a) and (b) below and as further described in Rule 67-48.0075, F.A.C.:

(a) 3 percent % or more of Total Development Cost if Total Development Cost is \$5 million or less; or

(b) 3 percent % of the first \$5 million and 1 percent % of any costs over \$5 million if Total Development Cost is greater than \$5 million.

~~(48)(45)~~ “Financial Institution” means Lending institution as defined in Section 420.503, F.S.

~~(49)(46)~~ “Florida Keys Area” means all lands in Monroe County, except:

(a) That portion of Monroe County included within the designated exterior boundaries of the Everglades National Park and areas north of said Park;

(b) All lands more than 250 feet seaward of the mean high water line owned by local, state, or federal governments; and

(c) Federal properties.

~~(50)(47)~~ “Funding Cycle” means the period of time commencing with the Notice of Funding Availability or Notice of Credit Availability pursuant to this rule chapter and concluding with the issuance of allocations or loans to Applicants who applied during a given Application Period.

~~(51)(48)~~ “General Contractor” means a person or entity duly licensed in the state of Florida with the requisite skills, experience and credit worthiness to successfully provide the units required in the Application, and which meets the criteria described in Rule 67-48.0072, F.A.C.

~~(52)(49)~~ “Geographic Set-Aside” means the amount of Allocation Authority or funding which has been designated by the Corporation to be allocated for Developments located in specific geographical regions within the state of Florida.

~~(53)(50)~~ “HC” or “Housing Credit Program” means the rental housing program administered by the Corporation pursuant to Section 42 of the IRC and Section 420.5099, F.S., under which the Corporation is designated the Housing Credit agency for the state of Florida within the meaning of Section 42(h)(7)(A) of the IRC and Rule Chapter 67-48, F.A.C.

~~(54)(51)~~ “HOME” or “HOME Program” means the HOME Investment Partnerships Program administered by the Corporation pursuant to 24 CFR Part 92, which is adopted and incorporated herein by reference and available on the Corporation’s Website under the 2007 ~~2006~~ Universal Application link labeled Related Information and Links, and Section 420.5089, F.S.

~~(55)(52)~~ “HOME-Assisted Unit” means the specific units that are funded with HOME funds. HOME units shall adhere to rent controls and income targeting requirements pursuant to 24 CFR § 92.252.

~~(56)(53)~~ “HOME Development” means any Development which receives financial assistance from the Corporation under the HOME Program.

~~(57)(54)~~ “HOME Rental Development” means a Development proposed to be constructed or rehabilitated with HOME funds.

~~(58)(55)~~ “HOME Rent-Restricted Unit” means the maximum allowable rents designed to ensure affordability on the HOME-Assisted Units.

~~(59)(56)~~ “Homeless” means a Family who lacks a fixed, regular, and adequate nighttime residence or a Family who has a primary nighttime residence that is:

(a) A supervised publicly or privately operated shelter designed to provide temporary living accommodations, including welfare hotels, congregate shelters, and transitional housing;

(b) An institution that provides a temporary residence for individuals intended to be institutionalized; or

(c) A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

The term does not refer to any individual imprisoned or otherwise detained pursuant to state or federal law.

~~(60)(57)~~ “Housing Credit” means the tax credit issued in exchange for the development of rental housing pursuant to Section 42 of the IRC and the provisions of Rule Chapter 67-48, F.A.C.

~~(61)(58)~~ “Housing Credit Allocation” means the amount of Housing Credits determined by the Corporation as necessary to make a Development financially feasible and viable throughout the Development’s Compliance Period pursuant to Section 42(m)(2)(A) of the IRC.

~~(62)(59)~~ “Housing Credit Development” means the proposed or existing rental housing Development(s) for which Housing Credits have been applied or received.

~~(63)(60)~~ “Housing Credit Extended Use Period” means, with respect to any building that is included in a Housing Credit Development, the period that begins on the first day of the Compliance Period in which such building is part of the Development and ends on the later of: (i) the date specified by the Corporation in the Extended Use Agreement or (ii) the date that is the fifteenth anniversary of the last day of the Compliance Period, unless earlier terminated as provided in Section 42(h)(6) of the IRC.

~~(64)(61)~~ “Housing Credit Period” means with respect to any building that is included in a Housing Credit Development, the period of 10 years beginning with:

(a) The taxable year in which such building is placed in service, or

(b) At the election of the Developer, the succeeding taxable year.

~~(65)(62)~~ “Housing Credit Rent-Restricted Unit” means, with respect to a Housing Credit Development, a unit for which the gross rent does not exceed 30 percent % of the imputed income limitation applicable to such unit as chosen by the Applicant in the Application and in accordance with Section 42 of the IRC.

~~(66)(63)~~ “Housing Credit Set-Aside” means the number of units in a Housing Credit Development necessary to satisfy the percentage of units set-aside at 60 percent % of the Area Median Income (AMI) or less as chosen by the Applicant in the Application.

~~(67)(64)~~ “Housing Credit Syndicator” means a person, partnership, corporation, trust or other entity that regularly engages in the purchase of interests in entities that produce Qualified Low Income Housing Projects [as defined in Section 42(g) of the Internal Revenue Code] and provides at least one written reference in the Application that such person, partnership, corporation, trust or other entity has performed its obligation under the partnership agreements and is not currently in default under those agreements.

~~(68)(65)~~ “Housing Provider” means, with respect to a HOME Development, Local Government, consortia approved by HUD under 24 CFR Part 92, for-profit and Non-profit Developers, and qualified CHDOs, with demonstrated capacity to construct or rehabilitate affordable housing.

~~(69)(66)~~ “HUD” means the United States Department of Housing and Urban Development.

~~(70)(67)~~ “IRC” means Section 42 and subsections 501(c)(3) and 501(c)(4) of the Internal Revenue Code of 1986, as in effect on the date of this rule chapter, together with corresponding and applicable final, temporary or proposed regulations, notices, and revenue rulings issued with respect thereto by the Treasury or the Internal Revenue Service of the United States, which are incorporated by reference and available on the Corporation’s Website under the 2007 2006 Universal Application link labeled Related Information and Links.

~~(71)(68)~~ “Lead Agency” means a Local Government or Non-Profit serving as the point of contact and accountability to the State Office on Homelessness with respect to the Local Homeless Assistance of Continuum of Care Plan, in accordance with Section 420.624, F.S.

~~(72)(69)~~ “Local Government” means Local government as defined in Section 420.503, F.S.

~~(73)(70)~~ “Local Homeless Assistance Continuum of Care Plan” means a plan for developing and implementing a framework for a comprehensive and seamless array of housing and services to address the needs of homeless persons and persons at risk for homelessness, in accordance with Section 420.624, F.S.

~~(74)(71)~~ “Low Income” means the Adjusted Income for a Family which does not exceed 80 percent % of the area median income.

~~(75)(72)~~ “LURA” or “Land Use Restriction Agreement” means an agreement between the Corporation and the Applicant which sets forth the set-aside requirements and other Development requirements under a Corporation program.

~~(76)(73)~~ “Match” means non-federal contributions to a HOME Development eligible pursuant to 24 CFR Part 92.

~~(77)(74)~~ “Mortgage” means Mortgage as defined in Section 420.503, F.S.

~~(78)(75)~~ “Non-Profit” means a qualified non-profit entity as defined in Section 42(h)(5)(C), subsection 501(c)(3) or 501(c)(4) of the IRC and organized under Chapter 617, F.S., if a Florida Corporation, or organized under similar state law if organized in a jurisdiction other than Florida, to provide housing and other services on a not-for-profit basis, which owns at least 51 percent % of the ownership interest in the Development held by the general partner or managing member entity and which entity is acceptable to federal and state agencies and financial institutions as a Sponsor for affordable housing, as further described in Rule 67-48.0075, F.A.C.

~~(79)(76)~~ “Note” means a unilateral agreement containing an express and absolute promise to pay to the Corporation a principal sum of money on a specified date, which provides the interest rate and is secured by a Mortgage.

~~(80)~~ “PBRA” or “Project-Based Rental Assistance” means a rental subsidy through a contract with HUD or RD in a property that is 20 or more years of age.

~~(81)(77)~~ “Portfolio Diversification” means a distribution of SAIL and HOME Program loans to Developments in varying geographic locations with varying design structures and sizes and with different types and identity of Sponsors.

~~(82)(78)~~ “Preliminary Allocation” means a non-binding reservation of Housing Credits issued to a Housing Credit Development which has demonstrated a need for Housing Credits and received a positive recommendation from the Credit Underwriter.

~~(83)(79)~~ “Preliminary Determination” means an initial determination by the Corporation of the amount of Housing Credits outside the Allocation Authority needed from the Treasury to make a Tax-Exempt Bond-Financed Development financially feasible and viable.

~~(84)~~ “Preservation” means, with respect to a Competitive HC Development, Rehabilitation of existing developments receiving PBRA.

~~(85)(80)~~ “Principal” means an Applicant, any general partner of an Applicant, and any officer, director, or any shareholder of any Applicant or shareholder of any general partner of an Applicant.

~~(86)(81)~~ “Progress Report” or “Form Q/M Report” means, with respect to a Housing Credit Development, a report format that is required to be completed and submitted to the Corporation pursuant to Rule 67-48.028, F.A.C., and is adopted and incorporated herein by reference, effective January 2007 2005. A copy of such form is available on the Corporation’s Website under the 2007 2006 Universal Application link labeled Related Information and Links or by contacting the Housing Credit Program at 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329.

~~(87)(82)~~ “Project” or “Property” means Project as defined in Section 420.503, F.S.



~~(88)(83)~~ “QAP” or “Qualified Allocation Plan” means, with respect to the HC Program, the 2007 ~~2006~~ Qualified Allocation Plan which is adopted and incorporated herein by reference, effective upon approval by the Governor of the state of Florida, pursuant to Section 42(m)(1)(B) of the IRC and sets forth the selection criteria and the preferences of the Corporation for Developments which will receive Housing Credits. The QAP is available on the Corporation’s Website under the 2007 ~~2006~~ Universal Application link labeled Related information and Links or by contacting the Housing Credit Program at 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329.

~~(89)(84)~~ “QCT” “Qualified Census Tract” means any census tract which is designated by the Secretary of Housing and Urban Development as having either 50 percent % or more of the households at an income which is less than 60 percent % of the area median gross income, or a poverty rate of at least 25 percent, in accordance with Section 42(d)(5)(C) of the IRC.

~~(90)(85)~~ “RD” or “Rural Development” means Rural Development Services (formerly the “Farmer’s Home Administration” or “FmHA”) of the United States Department of Agriculture.

~~(91)(86)~~ “Received” as it relates to delivery of a document by a specified deadline means, unless otherwise indicated, delivery by hand, U.S. Postal Service or other courier service, in the office of the Corporation no later than 5:00 p.m., Eastern Time, on the deadline date.

~~(92)(87)~~ “Rehabilitation” means, with respect to the HOME and Housing Credit Program(s), the alteration, improvement or modification of an existing structure, as further described in Rule 67-48.0075, F.A.C.

~~(93)(88)~~ “Review Committee” means a committee established pursuant to Sections 420.5087 and 420.5089, F.S.

~~(94)~~ “RRLP” or “RRLP Program” means the Rental Recovery Loan Program which was created pursuant to Section 3, Chapter 2005-92, and Section 31, Chapter 2006-69, L.O.F., to facilitate the allocation of RRLP loans.

~~(95)(89)~~ “SAIL” or “SAIL Program” means the State Apartment Incentive Loan Program created pursuant to Sections 420.507(22) and 420.5087, F.S.

~~(96)(90)~~ “SAIL Development” means a residential development comprised of one or more residential buildings, each containing five or more dwelling units and functionally related facilities, proposed to be constructed or substantially rehabilitated with SAIL funds for Eligible Persons.

~~(97)(91)~~ “SAIL Minimum Set-Aside Requirement” means the least number of set-aside units in a SAIL Development which must be held for Very Low-Income persons or households pursuant to the category (i.e., Family, Elderly, Homeless, or Farmworker and Commercial Fishing Worker) under which the Application has been made, as further described in Rule 67-48.009, F.A.C.

~~(98)(92)~~ “Scattered Sites” for a single Development means a Development consisting of real property in the same county (i) any part of which is not contiguous (“non-contiguous parts”) or (ii) any part of which is divided by a street or easement (“divided parts”) and (iii) it is readily apparent from the proximity of the non-contiguous parts or the divided parts of the real property, chain of title, or other information available to the Corporation that the non-contiguous parts or the divided parts of the real property are part of a common or related scheme of development.

~~(99)(93)~~ “Section 8 Eligible” means a Family with an income which meets the income eligibility requirements of Section 8 of the United States Housing Act of 1937, which is adopted and incorporated herein by reference and available on the Corporation’s Website under the 2007 ~~2006~~ Universal Application link labeled Related Information and Links.

~~(100)(94)~~ “Single Room Occupancy” or “SRO” means housing, consisting of single room dwelling units, that is the primary residence of its occupant or occupants. An SRO does not include facilities for students.

~~(101)(95)~~ “Sponsor” means Sponsor as defined in Section 420.503, F.S.

~~(102)(96)~~ “State Office on Homelessness” means the office created within the Department of Children and Family Services under Section 420.622, F.S.

~~(103)(97)~~ “Substantial Rehabilitation” means, with respect to the SAIL Program, to bring a Development back to its original state with added improvements, where the value of such repairs or improvements (excluding the costs of acquiring or moving a structure) exceeds 40 percent % of the appraised as is value (excluding land) of such Development before repair. For purposes of this definition, the value of the repairs or improvements means the Development Cost. To be considered “Substantial Rehabilitation,” there must be at least the foundations remaining from the previous structures, suitable to support the proposed construction.

~~(104)(98)~~ “Tax Exempt Bond-Financed Development” means a Development which has been financed by the issuance of tax-exempt bonds subject to applicable volume cap pursuant to Section 42(h)(4) of the IRC.

~~(105)(99)~~ “Tie-Breaker Measurement Point” means a single point selected by the Applicant on the proposed Development site that is located within 100 feet of a residential building existing or to be constructed as part of the proposed Development. For a Development which consists of Scattered Sites, this means a single point on one of the Scattered Sites which comprise the Development site that is located within 100 feet of a residential building existing or to be constructed as part of the proposed Development. In addition, the Tie-Breaker Measurement Point must be located on the site with the most units if any of the Scattered Sites has more than 4 units.

~~(106)(400)~~ “Total Development Cost” means the total of all costs incurred in the completion of a Development, all of which shall be subject to the review and approval by the Credit Underwriter and the Corporation pursuant to this rule chapter, and as further described in Rule 67-48.0075, F.A.C.

~~(107)(404)~~ “Treasury” means the United States Department of Treasury or other agency or instrumentality created or chartered by the United States to which the powers of the Department of Treasury have been transferred.

(108) “Universal Cycle” means any funding cycle provided for in this or previous versions of this rule chapter.

~~(109)(402)~~ “Urban In-Fill Development” means a Development (i) in a site or area that is targeted for in-fill housing or neighborhood revitalization by the local, county, state or federal government as evidenced by its inclusion in a HUD Empowerment/Enterprise Zone, a HUD-approved Neighborhood Revitalization Strategy, Florida Enterprise Zone, area designated under a Community Development Block Grant (CDBG), area designated as HOPE VI or Front Porch Florida Community, or a Community Redevelopment Area as described and defined in the Florida Community Redevelopment Act of 1969, or the proposed Development is located in a Qualified Census Tract and the development of which contributes to a concerted community revitalization plan, and (ii) in a site which is located in an area that is already developed and part of an incorporated area or existing urban service area.

~~(110)(403)~~ “Very Low-Income” means

(a) With respect to the SAIL Program,

1. If using tax-exempt bond financing for the first mortgage, income which meets the income eligibility requirements of Section 8 of the United States Housing Act of 1937, as in effect on the date of this rule chapter; or

2. If using taxable financing for the first mortgage, total annual gross household income which does not exceed 50 percent % of the median income adjusted for family size, or 50 percent % of the median income adjusted for family size for households within the metropolitan statistical area (MSA), within the county in which the Family resides, or within the state of Florida, whichever is greater; or

3. If used in a Development using Housing Credits, income which meets the income eligibility requirements of Section 42 of the IRC; or

(b) With respect to the HOME Program, income which does not exceed 50 percent % of the median income for the area, as determined by HUD, with adjustments for family size, except that HUD may establish income ceilings higher or lower than 50 percent % of the median for the area on a basis of HUD findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

~~(111)(404)~~ “Website” means the Florida Housing Finance Corporation’s website, the Universal Resource Locator (URL) for which is [www.floridahousing.org](http://www.floridahousing.org).

Specific Authority 420.507 FS. Law Implemented 420.5087, 420.5089(2) FS. History—New 7-22-96, Amended 12-23-96, 7-10-97, 1-6-98, Formerly 9I-48.002, Amended 11-9-98, 2-24-00, 2-22-01, 3-17-02, 4-6-03, 3-21-04, 2-7-05, 1-29-06, \_\_\_\_\_.

67-48.004 Application and Selection Procedures for Developments.

(1) When submitting an Application, Applicants must utilize the Universal Application in effect at the Application Deadline.

(a) The Universal Application Package or UA1016 (Rev. ~~3-07~~ ~~1-06~~) is adopted and incorporated herein by reference and 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 2007 ~~2006~~ Universal Application link labeled Instructions and Application, which shall be completed and submitted to the Corporation in accordance with this rule chapter in order to apply for the SAIL, HOME, HC, or SAIL and HC Program(s).

(b) All Applications must be complete, legible and timely when submitted, except as described below. Corporation staff may not assist any Applicant by copying, collating, or adding documents to an Application nor shall any Applicant be permitted to use the Corporation’s facilities or equipment for purposes of compiling or completing an Application.

(2) Failure to submit an Application completed in accordance with the Application instructions and these rules will result in the failure to meet threshold, rejection of the Application, a score less than the maximum available, or a combination of these results in accordance with the instructions in the Application and this rule chapter.

(3) Each submitted Application shall be evaluated and preliminarily scored using the factors specified in the Universal Application Package and these rules. Preliminary scores shall be transmitted to all Applicants.

(4) Applicants who wish to notify the Corporation of possible scoring errors relative to another Applicant’s Application must file with the Corporation, within eight (8) Calendar Days of the date of the preliminary scores are sent by overnight delivery by the Corporation, a written Notice of Possible Scoring Error (NOPSE). Each NOPSE must specify the assigned Application number and the scores in question, as well as describe the alleged deficiencies in detail. Each NOPSE is limited to the review of only one Application’s score. Any NOPSE that seeks the review of more than one Application’s score will be considered improperly filed and ineligible for review. There is no limit to the number of NOPSEs that may be submitted. The Corporation’s staff will review each written NOPSE Received ~~Received~~ timely.

(5) The Corporation shall transmit to each Applicant the NOPSEs submitted by other Applicants with regard to its Application. The notice shall also include the Corporation's decision regarding the NOPSE, along with any other items identified by the Corporation to be addressed by the Applicant.

(6) Within 11 Calendar Days of the date of the notice set forth in subsection (5) above is sent by overnight delivery by the Corporation, each Applicant shall be allowed to cure its Application by submitting additional documentation, revised pages and such other information as the Applicant deems appropriate to address the issues raised pursuant to subsections (3) and (5) above that could result in failure to meet threshold rejection of the Application or a score less than the maximum available. A new form, page or exhibit provided to the Corporation during this period shall be considered a replacement of that form, page or exhibit if such form, page or exhibit was previously submitted in the Applicant's Application. Pages of the Application that are not revised or otherwise changed may not be resubmitted, except that documents executed by third parties must be submitted in their entirety, including all attachments and exhibits referenced therein, even if only a portion of the original document was revised. Where revised or additional information submitted by the Applicant creates an inconsistency with another item in that Application, the Applicant shall also be required in its submittal to make such other changes as necessary to keep the Application consistent as revised. To be considered by the Corporation, ~~The Applicant must shall~~ submit an original and three copies of all additional documentation and revisions and such. ~~Only~~ revisions, changes and other information must be Received by the deadline set forth herein ~~will be considered.~~ Any subsequent revision submitted prior to the deadline shall include a written request from the Applicant for withdrawal of any previously submitted revision(s).

(7) Within seven (7) Calendar Days of the deadline for receipt by the Corporation of the documentation set forth in subsection (6) above, all Applicants may submit to the Corporation a Notice of Alleged Deficiencies (NOAD) in any other Application. Each NOAD is limited only to issues created by document revisions, additions, or both, by the Applicant submitting the Application pursuant to subsection (6) above. Each NOAD must specify the assigned Application number of the Applicant submitting the NOAD, the assigned Application number of the Application in question, the pages and the documents in question, as well as describe the alleged deficiencies in detail. Each NOAD is limited to the review of only one Applicant's submission. However, there is no limit to the number of NOADs which may be submitted. NOADs which seek the review of more than one Applicant's submission will be considered improperly filed and ineligible for review. The Corporation will only review each written NOAD Received timely.

(8) The Corporation shall transmit a copy of all NOADs to the affected Applicant.

(9) Following the receipt and review by the Corporation of the documentation described in subsections (5), (6) and (7) above, the Corporation shall then prepare final scores. In determining such final scores, no Application shall fail threshold ~~be rejected~~ or receive a point reduction as a result of any issues not previously identified in the notices described in subsections (3), (4) and (5) above. However, inconsistencies created by the Applicant as a result of information provided pursuant to subsections (6) and (7) above will still be justification for rejection of the Application, threshold failure, or reduction of points, as appropriate. Notwithstanding the foregoing, any deficiencies in the mandatory elements set forth in subsection (14) below can be identified at any time prior to sending the final scores to Applicants and will result in rejection of the Application. The Corporation shall then transmit final scores to all Applicants.

(10) The availability of any remaining funds or Allocation Authority shall be noticed or offered to a Development as approved by the Board of Directors. With respect to the HC Program, in the event there remains Allocation Authority after the Corporation has exhausted its waiting list of Applications during a Funding Cycle and time requirements preclude an Application Period and notice thereof, the Corporation shall allocate any unused Allocation Authority to any eligible Development meeting the requirements of Section 42 of the IRC and in accordance with the Qualified Allocation Plan.

(11) Except for Local Government-issued Tax-Exempt Bond-Financed Developments that submit a separate Application for non-competitive Housing Credits, Applications shall be limited to one submission per subject property. Two or more Applications, submitted in the same Funding Cycle, that have the same demographic commitment and one or more of the same Financial Beneficiaries, will be considered submissions for the same Development if any of the following is true: (i) any part of any of the property sites is contiguous with any part of any of the other property sites, or (ii) any of the property sites are divided by a street or easement, or (iii) it is readily apparent from the Applications, proximity, chain of title, or other information available to the Corporation that the properties are part of a common or related scheme of development. If two or more Application are considered to be submissions for the same Development, the Corporation will reject all such Applications except the Applications with the highest (worst) lottery number. The Application with the lowest lottery number will still be rejected even if the Applicant withdraws the Application with the highest (worst) lottery number.

(12) If the Board determines that any Applicant or any Affiliate of an Applicant:

- (a) Has engaged in fraudulent actions;

(b) Has materially misrepresented information to the Corporation regarding any past or present Application or Development;

(c) Has been convicted of fraud, theft or misappropriation of funds;

(d) Has been excluded from federal or Florida procurement programs; or

(e) Has been convicted of a felony;

And that such action substantially increases the likelihood that the Applicant will not be able to produce quality affordable housing, the Applicant and any of the Applicant's Affiliates will be ineligible for funding or allocation in any program administered by the Corporation for a period of up to two years, which will begin from the date the Board makes such determination. Such determination shall be either pursuant to a proceeding conducted pursuant to Sections 120.569 and 120.57, F.S., or as a result of a finding by a court of competent jurisdiction.

(13) The Corporation shall reject an Application if, following the submission of the additional documentation, revised pages and other information as the Applicant deems appropriate as described in subsection (6) above:

(a) The Development is inconsistent with the purposes of the SAIL, HOME, or HC Program(s) or does not conform to the Application requirements specified in this rule chapter;

(b) The Applicant fails to achieve the threshold requirements as detailed in these rules, the applicable Application, and Application instructions;

(c) The Applicant fails to file all applicable Application pages and exhibits which are provided by the Corporation and adopted under this rule chapter;

(d) An Applicant or any Principal, Affiliate or Financial Beneficiary of an Applicant or a Developer is in arrears for any financial obligation it has to the Corporation or any agent or assignee of the Corporation. For purposes of the SAIL and HOME Programs, this rule subsection does not include permissible deferral of SAIL or HOME interest.

(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; notwithstanding the foregoing, the name of the Applicant may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting;

(b) Identity of each Developer, including all co-Developers; notwithstanding the foregoing, the identity of the Developer(s) may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting;

(c) Program(s) applied for;

(d) Applicant applying as a Non-Profit or for-profit organization;

(e) Site for the Development;

(f) Development Category;

(g) Development Type;

(h) Designation selection;

(i) County;

(j) Total number of units; notwithstanding the foregoing, for Competitive HC only Applications the total number of units may be increased after the Applicant has been invited to enter credit underwriting, subject to written request of an Applicant to Corporation staff and approval of the Corporation;

(k) With regard to the SAIL and HC Programs, the ELI Set-Aside commitment on the total set-aside breakdown chart for the program(s) applied for in the Set-Aside Commitment section of the Application;

~~(l)(4)~~ With regard to the SAIL and HC Programs, the Total Set-Aside Percentage as stated in the last row of the total set-aside breakdown chart for the program(s) applied for in the Set-Aside Commitment section of the Application. With regard to the HOME Program, the Total Set-Aside Percentage as stated in the Set-Aside Commitment section of the Application, unless the change results from the revision allowed under paragraph ~~(n)(m)~~ below;

~~(m)(4)~~ CHDO election for the HOME Program;

~~(n)(m)~~ Funding Request (except for Taxable Bonds) amount; notwithstanding the foregoing, requested amounts can be changed only as follows:

1. Reduced by the Applicant to reflect the maximum request amount allowed in those instances where an Applicant requested more than its request limit, or

2. When the county in which the Development is located is newly designated as a Difficult Development Area (DDA) after the Application Deadline but prior to the end of the cure period outlined in Rule 67-48.004, F.A.C.: (i) an Applicant, who has not failed threshold for exceeding its Competitive HC request limit, may increase its Competitive HC request by an amount equaling 30 percent %, rounded to whole dollars, of the remainder of the Applicant's initial request amount ~~minus the Application's Deep Targeting Incentive Amount~~ or, (ii) an Applicant, that failed threshold during preliminary scoring for requesting more than its Competitive HC request limit because the Development was not then designated as being in a DDA, may increase its Competitive HC request amount to the maximum allowable amount for the Development.

~~(o)(#)~~ Submission of one original hard copy with the required number of photocopies of the Application by the Application Deadline;

~~(p)(#)~~ Payment of the required Application fee by the Application Deadline;-

(q) The Application labeled "Original Hard Copy" must include a properly completed Applicant Certification and Acknowledgement form reflecting original signatures.

All other items may be submitted as cures pursuant to subsection (6) above.

With regard to paragraphs (a) and (b) above, 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 change.

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

(16) If an Applicant or any Principal, Affiliate or Financial Beneficiary of an Applicant or a Developer has any existing Developments participating in any Corporation programs that remain in non-compliance with Section 42 of the IRC, this rule chapter, or applicable loan documents, and any applicable cure period granted for correcting such non-compliance has ended as of the time of submission of the Application or at the time of issuance of a credit underwriting report, the requested allocation will, upon a determination by the Board that such non-compliance substantially increases the likelihood that such Applicant will not be able to produce quality affordable housing, be denied and the Applicant and the Affiliates of the Applicant or Developer will be prohibited from new participation in any of the Corporation's programs for the subsequent cycle and continuing until such time as all of their existing Developments participating in any Corporation programs are in compliance.

(17) With respect to the SAIL, HOME and HC Program Applications, when two or more Applications receive the same numerical score, the Applications will be ranked as outlined in the Application instructions.

(18) At no time during the Application, scoring and appeal process may Applicants or their representatives contact Board members concerning their own Development or any other Applicant's Development. At no time from the Application Deadline until the issuance of the final scores as set forth in subsection (9) above, may Applicants or their representatives verbally contact Corporation staff concerning their own Application or any other Applicant's Application. If an Applicant or its representative does contact a Board member in

violation of this section, the Board shall, upon a determination that such contact was deliberate, disqualify such Applicant's Application.

(19) Applicants may withdraw an Application from consideration only by submitting a written notice of withdrawal to the Corporation Clerk. Applicants may not rescind any notice of withdrawal that was submitted to the Corporation Clerk. For ranking purposes, the Corporation shall disregard any withdrawal that is submitted after 5:00 p.m., Eastern Time, 14 Calendar Days prior to the date the Board is scheduled to convene to consider approval of the final ranking of the Applications and such Application shall be included in the ranking as if no notice of withdrawal had been submitted. After the Board has approved the final ranking, any notice of withdrawal submitted during the time period prohibited above and before the Board approves the final ranking, shall be deemed withdrawn immediately after Board approval of the final ranking. If an Applicant has applied for two or more programs, the withdrawal by the Applicant from any one program will be deemed by the Corporation to be a withdrawal of the Application from all programs.

(20) The name of the Development provided in the Application may not be changed or altered after submission of the Application during the history of the Development with the Corporation unless the change is requested in writing and approved in writing by the Corporation. The Corporation shall consider the facts and circumstances of each Applicant's request and any credit underwriting report, if available, prior to determining whether to grant such request.

(21) If an Applicant or any Affiliate of an Applicant has offered or given consideration, other than the consideration to provide affordable housing, with respect to a local contribution and this is discovered prior to Board approval of the final ranking, the Corporation shall reject the Application and any other Application submitted by the same Applicant and any Affiliate of the Applicant. If discovered after the Board approves final ranking, any tentative funding or allocation for the Application and any other Application submitted in the same cycle by the same Applicant and any Affiliate of the Applicant will be withdrawn. Such Applicant and any of such Applicant's Affiliates will be ineligible for funding or allocation in any program administered by the Corporation for a period of up to two years, which will begin the date the Board issues a final order on such matter, in a proceeding conducted pursuant to Sections 120.569 and 120.57, F.S.

Specific Authority 420.507, 420.507(22)(f) FS. Law Implemented 420.5087, 420.5087(6)(c), 420.5089, 420.5089(6), 420.5099, 420.5099(2) FS. History--New 7-22-96, Amended 12-23-96, 7-10-97, 1-6-98, Formerly 9I-48.004, Amended 4-7-98, 11-9-98, 2-24-00, 2-22-01, 3-17-02, 4-6-03, 3-21-04, 2-7-05, 1-29-06,\_\_\_\_\_.

## 67-48.005 Applicant Administrative Appeal Procedures.

(1) At the conclusion of the review and scoring process established by Rule 67-48.004, F.A.C., each Applicant will be provided with its final score and notice of rights, which shall constitute the point of entry to contest any issue related to the Applicant's Application for the SAIL Program, the HOME Program or the HC Program.

(2) Each Applicant that wishes to contest its final score must file a petition with the Corporation within 21 Calendar Days after the date Applicant receives its notice of rights. The petition must conform to subsection 28-106.201(2) or 28-106.301(2), and subsection 67-52.002(3), F.A.C., and specify in detail each issue and score sought to be challenged. If the petition does not raise a disputed issue of material fact, the challenge will be conducted pursuant to Section 120.57(2), F.S. If the petition raises one or more disputed issues of material fact, a formal administrative hearing will be conducted pursuant to Section 120.57(1), F.S. At the conclusion of any administrative hearing, a recommended order shall be entered by the designated hearing officer which will then be considered by the Board.

(3) Any Applicant who wishes to challenge the findings and conclusions of the recommended order entered pursuant to a Section 120.57(2), F.S., proceeding concerning its own Application shall be allowed the opportunity to submit written arguments to the Board. Any written argument should be typed and double-spaced with margins no less than one inch in either Times New Roman 14-point or Courier New 12-point font and may not exceed five (5) pages, excluding the caption and certificate of service. Written arguments must be filed with Florida Housing Finance Corporation's Clerk at 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329, no later than 5:00 p.m., Eastern Time, no later than five (5) Calendar Days from the date of issuance of ~~on the date contained in~~ the recommended order. Failure to timely file a written argument shall constitute a waiver of the right to have a written argument considered by the Board. Parties will not be permitted to make oral presentations to the Board in response to recommended orders.

(4) Following the entry of final orders in all petitions filed pursuant to Section 120.57(2), F.S., and in accordance with the prioritization of the QAP and Rule Chapter 67-48, F.A.C., the Corporation shall issue final rankings. For an Applicant that filed a petition pursuant to Section 120.57(1), F.S., which challenged the scoring of its own Application but has not had a final order entered as of the date the final rankings are approved by the Board, the Corporation shall, if any such Applicant ultimately obtains a final order that modifies the score so that its Application would have been in the funding range of the applicable final ranking had it been entered prior to the date the final rankings were presented to the Board, provide the requested funding, allocation, or both, from the next available funding, allocation, or both, whether in the

current year or a subsequent year. If the final order is executed on or before the Corporation issues the current year's final scores, the funding, allocation, or both, will come from the current year. If the final order is executed after the Corporation issues the current year's final scores, the funding, allocation, or both, will come from the subsequent year. Funding refers to SAIL or HOME and allocation refers to HC. Nothing contained herein shall affect any applicable credit underwriting requirements.

(5) Each Applicant will be provided with a final ranking of all Applications and notice of rights, which shall constitute the point of entry to contest any ranking or scoring issue related to any other Applications for the SAIL Program, the HOME Program or the HC Program. An Applicant that wishes to contest the final ranking or score of another Applicant may do so only if:

(a) The competing Applicant files a petition on or before the 21st Calendar Day after the receipt of the notice of rights pursuant to this subsection (5). The petition must conform to subsection 28-106.201(2) or 28-106.301(2), and subsection 67-52.002(3), F.A.C., and specify in detail each issue, score or ranking sought to be challenged.

(b) For any Application cycle closing after January 1, 2002, if the contested issue involves an error in scoring, the contested issue must (i) be one that could not have been cured pursuant to subsection 67-48.004(14), F.A.C., or (ii) be one that could have been cured, if the ability to cure was not solely within the Applicant's control. The contested issue cannot be one that was both curable and within the Applicant's sole control to cure. With regard to curable issues, a petitioner must prove that the contested issue was not feasibly curable within the time allowed for cures in subsection 67-48.004(6), F.A.C.

(c) The competing Applicant alleges facts in its petition sufficient to demonstrate that, but for the specifically identified threshold, scoring or ranking errors in the challenged Application, its Application would have been in the funding range at the time the Corporation provided the Applicant with its final ranking.

(d) If the petition does not raise a disputed issue of material fact, the appeal will be conducted pursuant to Section 120.57(2), F.S. If the petition raises one or more disputed issues of material fact, a formal administrative hearing will be conducted pursuant to Section 120.57(1), F.S. At the conclusion of any administrative hearing, a recommended order shall be entered which will then be considered by the Board.

(6) Any Applicant who wishes to challenge the findings and conclusions of the recommended order entered pursuant to a Section 120.57(2), F.S., proceeding as described in subsection (5) above concerning the final ranking of another Application, shall be allowed the opportunity to submit written arguments to the Board. Any written arguments should be typed and double-spaced with margins no less than one inch in

either Times New Roman 14-point or Courier New 12-point font and may not exceed five (5) pages, excluding the caption and certificate of service. Written arguments must be filed with Florida Housing Finance Corporation's Clerk at 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329, no later than 5:00 p.m., Eastern Time, no later than five (5) Calendar Days from the date of issuance of ~~on the date contained in~~ the recommended order. Failure to timely file a written argument shall constitute a waiver of the right to have a written argument considered by the Board. Parties will not be permitted to make oral presentations to the Board in response to recommended orders.

(7) For those Applicants that have filed a petition pursuant to subsection (5) above, the Corporation shall, if any such Applicant ultimately obtains a final order that demonstrates that its Application would have been in the funding range of the applicable final ranking, provide the requested funding, allocation, or both from the next available funding, allocation, or both, whether in the current year or a subsequent year. If the final order is executed on or before the Corporation issues the current year's final scores, the funding, allocation, or both, will come from the current year. If the final order is executed after the Corporation issues the current year's final scores, the funding, allocation, or both, will come from the subsequent year. Funding refers to SAIL or HOME and allocation refers to HC. Nothing contained herein shall affect any applicable credit underwriting requirements. The filing of a petition pursuant to subsection (5) above shall not stay the Corporation's provision of funding to Applicants per the final rankings referenced in subsection (4) above.

Specific Authority 420.507 FS. Law Implemented 120.569, 120.57, 420.5087, 420.5089, 420.5099 FS. History--New 7-22-96, Amended 12-23-96, 1-6-98, Formerly 9I-48.005, Amended 4-7-98, 11-9-98, 2-24-00, 2-22-01, 3-17-02, 10-8-02, 12-4-02, 4-6-03, 3-21-04, 2-7-05, 1-29-06,\_\_\_\_\_.

67-48.007 Fees.

The Corporation, the Credit Underwriter or the environmental provider shall collect via check or money order the following fees and charges in conjunction with the SAIL, HOME and/or HC Program, as outlined in the Universal Application instructions:

- (1) Universal Application Package fee, if applicable.
- (2) Application fee.
- (3) Credit Underwriting fees.
- (4) Administrative fees.
- (5) Commitment fees.
- (6) Compliance monitoring fees.
- (7) Loan servicing fees.
- (8) Construction inspection fees.
- (9) Financial monitoring fees.
- (10) Tax-exempt mortgage financing fees.
- (11) HUD environmental fees.

(12) Qualified Contract Package fees.

(13) Assumption/Renegotiation fees.

(14) Loan Closing Extension fees.

All of the fees set forth above with respect to the SAIL Program are part of Development Cost and can be included in the Development Cost pro forma and paid with SAIL loan proceeds. Failure to pay any fee shall cause the firm loan commitment under any program to be terminated or shall constitute a default on the respective loan documents.

Specific Authority 420.507 FS. Law Implemented 420.5087, 420.5099 FS. History--New 7-22-96, Amended 12-23-96, 1-6-98, Formerly 9I-48.007, Amended 11-9-98, 2-24-00, 2-22-01, 3-17-02, 4-6-03, Repromulgated 3-21-04, Amended 2-7-05, 1-29-06,\_\_\_\_\_.

67-48.0072 Credit Underwriting and Loan Procedures.

The credit underwriting review shall include a comprehensive analysis of the Applicant, the real estate, the economics of the Development, the ability of the Applicant and the Development team to proceed, the evidence of need for affordable housing in order to determine that the Development meets the program requirements and determine a recommended SAIL or HOME loan amount, Housing Credit allocation amount or a combined SAIL loan amount and Housing Credit Allocation amount, if any. Corporation funding will be based on appraisals of comparable developments, cost benefit analysis, and other documents evidencing justification of costs. As part of the credit underwriting review, the Credit Underwriter will consider the applicable provisions of Rule Chapter 67-48, F.A.C.

(1) After the final rankings are approved by the Board, the Corporation shall offer all Applicants within the funding range an invitation to enter credit underwriting. The Corporation shall select the Credit Underwriter for each Development.

(2) For SAIL and HOME Applicants and Applicant's eligible for a supplemental loan, the invitation to enter credit underwriting constitutes a preliminary commitment.

(3) A response to the invitation to enter credit underwriting must be received by the Corporation and the Credit Underwriter not later than seven (7) Calendar Days after the date of the letter of invitation.

(4) If the credit underwriting invitation is accepted:

(a) The Applicant shall submit the credit underwriting fee to the Credit Underwriter within seven (7) Calendar Days of the date of the letter of invitation.

(b) Failure to submit the required credit underwriting fee by the specified deadline shall result in withdrawal of the invitation and issuance of an invitation to the next eligible Applicant as outlined in the Universal Application instructions. For HOME Applicants that apply and qualify as a Non-Profit entity, the Corporation shall bear the cost of the credit underwriting review and environmental review. However, if the HOME commitment is canceled for failure to adhere to rule

deadlines or for reasons within the Applicant's control, the Development will be responsible for reimbursing the Corporation for fees incurred for credit underwriting and environmental review processing.

(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 of 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 deobligated.

(d)(e) A Tax-Exempt Bond-Financed Development that has previously received an allocation of Competitive HC for the proposed Development shall, as part of its acceptance to enter credit underwriting for SAIL (if the proposed Development will be funded with Local Government-issued tax-exempt bonds) or MMRB and SAIL (if the proposed Development will be funded with Corporation-issued tax-exempt bonds and SAIL), also acknowledge to the Corporation that it is returning any previously received allocation of Competitive HC for the proposed Development.

(5) The Credit Underwriter shall verify all information in the Application, including information relative to the Applicant, Developer, Syndicator, General Contractor, and, if an ALF, the service provider(s), as well as other members of the Development team.

(6) If an Applicant or Developer or any Financial Beneficiary of an Applicant or Developer has been a party of any Development which has been or is in the process of being foreclosed upon, the Credit Underwriter will consider this and other past performance issues in determining whether or not to provide a positive recommendation.

(7)(6) The Credit Underwriter shall report any inconsistencies or discrepancies or changes made to the Applicant's Application during credit underwriting.

(8)(7) The Applicant will be responsible for all fees in connection with the documentation submitted to the Credit Underwriter.

(9)(8) If the Credit Underwriter determines that special expertise is required to review information submitted to the Credit Underwriter which is beyond the scope of the Credit Underwriter's expertise, the fee for such services shall be borne by the Applicant.

(10)(9) A full or self-contained appraisal as defined by the Uniform Standards of Professional Appraisal Practice and a separate market study shall be ordered by the Credit Underwriter, at the Applicant's expense, from an appraiser qualified for the geographic area and product type not later than completion of credit underwriting. The Credit Underwriter shall review the appraisal to properly evaluate the proposed property's financial feasibility. Appraisals which have been ordered and submitted by third party credit enhancers, first mortgagors or syndicators and which meet the above requirements and are acceptable to the Credit Underwriter may be used instead of the appraisal referenced above. The market study must be completed by a disinterested party who is approved by the Credit Underwriter. The Credit Underwriter shall consider the market study, the Development's financial impact on Developments in the area previously funded by the Corporation, and other documentation when making its recommendation of whether to approve or disapprove a ~~SAIL or HOME~~ loan, a Housing Credit Allocation, ~~or a combined SAIL loan and Housing Credit Allocation,~~ or a Housing Credit Allocation and supplemental loan. The Credit Underwriter shall also review the appraisal and other market documentation to determine if the market exists to support both the demographic and income restriction set-asides committed to within the Application.

(11)(10) The proposed Development must demonstrate, based on current rates, that it can meet minimum 1.10 debt service coverage (DSC) requirements with all first and second mortgages for Competitive Housing Credits and non-competitive Housing Credits without SAIL. For HOME Applications, the minimum debt service coverage shall be 1.10 for the HOME loan, including all superior mortgages. ~~Developments receiving first mortgage funding from the United States Department of Agriculture Rural Development (RD) are not required to meet the debt service coverage standards if RD is providing rental assistance and has acknowledged that rents will be set at an amount sufficient to pay all operating expenses, replacement reserve requirements and debt service on the first and second mortgages.~~ For SAIL Applications, the minimum debt service coverage shall be 1.10 for the SAIL loan, including all superior mortgages. However, if the Applicant defers at least 35 percent % of its ~~their~~ developer fee for at least 6 months following construction completion, the minimum debt service coverage shall be 1.00 for the SAIL loan, including all superior mortgages. For SAIL and HOME Applications, the maximum debt service coverage shall be 1.50 for the SAIL or HOME loan, including all superior mortgages. In extenuating circumstances, such as when the Development has deep or short term subsidy, the debt



service coverage may exceed 1.50 if the Credit Underwriter's favorable recommendation is supported by the projected cash flow analysis. Developments receiving first mortgage funding from the United States Department of Agriculture Rural Development (RD) are not required to meet the debt service coverage standards if RD is providing rental assistance and has acknowledged that rents will be set at an amount sufficient to pay all operating expenses, replacement reserve requirements and debt service on the first and second mortgages.

~~(12)(44)~~ The Corporation's assigned Credit Underwriter shall require a guaranteed maximum price or stipulated sum construction contract, which may include change orders for changes in cost or changes in the scope of work, or both, if all parties agree, and shall order, at the Applicant's sole expense, and review a pre-construction analysis for all new construction or a physical needs assessment for Rehabilitation or Substantial Rehabilitation and a review ~~of~~ the Development's costs.

~~(13)(42)~~ In addition to operating expenses, the Credit Underwriter must include an estimate for replacement reserves and operating expense reserves deemed appropriate by the Credit Underwriter when calculating the final net operating income available to service the debt. A minimum amount of \$200 per unit must be used for all Developments. However, the amount may be increased based on a physical needs assessment. An Applicant may choose to fund a portion of the replacement reserves at closing. The amount cannot exceed 50 percent % of the required replacement reserves for two (2) years and must be placed in escrow at closing.

~~(14)(43)~~ For SAIL, HOME, and HC Applications, the underwriters may request additional information, but at a minimum for SAIL and HOME, the following will be required during the underwriting process:

(a) For credit enhancers, audited financial statements for their most recent fiscal year ended, if published; otherwise the previous year's audited statements will be provided until the current statements are published or credit underwriting is complete. The audited statements may be waived if the credit enhancer is rated at least "A-" by Moody's, Standard and Poor's or Fitch.

(b) For the Applicant, general partner(s), and guarantors, audited financial statements or financial statements compiled or reviewed by a licensed Certified Public Accountant for the most recent fiscal year ended, credit check, banking and trade references, and deposit verifications. If audited financial statements or financial statements compiled or reviewed by a licensed Certified Public Accountant are not available, unaudited financial statements prepared within the last 90 days and reviewed by the Credit Underwriter in accordance with Part III, Sections 604 through 607, of the Fannie Mae Multifamily Delegated Underwriting and Servicing (DUS) Guide, effective November 6, 2003, which is incorporated by reference and available on the Corporation's Website under the

~~2007~~ ~~2006~~ Universal Application link labeled Related Information and Links, and the two most recent year's tax returns. If the entities are newly formed (less than 18 months in existence as of the date that credit underwriting information is requested), a copy of any and all tax returns with related supporting notes and schedules.

(c) For the General Contractor, audited financial statements or financial statements compiled or reviewed by a licensed Certified Public Accountant for the most recent fiscal year ended, credit check, banking and trade references, and deposit verifications. The audited or compiled statements may be waived if a payment and performance bond equal to 100 percent % of the total construction cost whose terms do not adversely affect the Corporation's interest, and is issued in the name of the General Contractor by a company rated at least "A-" by AMBest & Co.

~~(15)(44)~~ The Credit Underwriter shall consider the following when determining the need for construction completion guarantees:

(a) Liquidity of the guarantor.

(b) Developer and General Contractor's history in successfully completing Developments of similar nature.

(c) Problems encountered previously with Developer or contractor.

(d) Exposure of Corporation funds compared to Total Development Cost.

At a minimum, the Credit Underwriter shall require a personal guarantee for completion of construction from the principal individual or the corporate general partner of the borrowing entity. In addition, a letter of credit or payment and performance bond whose terms do not adversely affect the Corporation's interest will be required if the Credit Underwriter determines after evaluation of paragraphs (a)-(d) in this subsection that additional surety is needed. However, a completion guarantee will not be required if SAIL funds are not drawn until evidence of lien free completion is provided.

~~(16)(45)~~ For all Developments, the Developer fee and General Contractor's fee shall be limited to:

(a) The Developer fee shall be limited to 16 percent % of Development Cost. ~~A Developer fee on the building acquisition cost shall be limited to 4% of the cost of the building exclusive of land.~~ A total Developer fee of 18 percent % of Development Cost shall be allowed if the proposed Development is qualified for Housing Credits pursuant to Rule 67-48.027, F.A.C., pertaining to Tax-Exempt Bond-Financed Developments. However, the Developer fee shall be limited to 10 percent % of Development Cost for those Developments involving Rehabilitation or Substantial Rehabilitation of buildings which have received a Corporation funding commitment or a Final Housing Credit Preliminary Allocation/Determination for other construction work within 14 ~~fourteen~~ years of the Application Deadline.

(b) The General Contractor's fee shall be limited to a maximum of 14 percent % of the actual construction cost.

~~(17)(16)~~ The General Contractor must meet the following conditions:

(a) Employ a Development superintendent and charge the costs of such employment to the general requirements line item of the General Contractor's budget;

(b) Charge the costs of the Development construction trailer, if needed, and other overhead to the general requirements line item of the General Contractor's budget;

(c) Secure building permits, issued in the name of the General Contractor;

(d) Secure a payment and performance bond whose terms do not adversely affect the Corporation's interest (or approved alternate security for General Contractor's performance, such as a letter of credit), issued in the name of the General Contractor, from a company rated at least "A-" by AMBest & Co.;

(e) Ensure that none of the General Contractor duties to manage and control the construction of the Development are subcontracted; and

(f) Ensure that not more than 20 percent of the construction cost is subcontracted to any one entity unless otherwise approved by the Board for a specific Development.

~~(18)(17)~~ For SAIL and HOME Applications, the Credit Underwriter shall require an operating deficit guarantee, to be released upon achievement of 1.10 ~~1.00~~ debt service coverage for a minimum of six (6) consecutive months for the combined permanent first mortgage and SAIL or HOME loan. ~~For HOME Applications, the Credit Underwriter shall require an operating deficit guarantee, to be released upon achievement of 1.10 debt service coverage for a minimum of six (6) consecutive months for the combined permanent first mortgage and HOME loan.~~ An operating deficit guarantee, to be released upon achievement of 1.00 debt service coverage for a minimum of six (6) consecutive months for the combined permanent first mortgage and SAIL or HOME loan will be required for Developments receiving first mortgage funding from the United States Department of Agriculture Rural Development (RD) if RD is providing rental assistance and has acknowledged that rents will be set at an amount sufficient to pay all operating expenses, replacement reserve requirements and debt service on the SAIL or HOME loan and all superior mortgages.

~~(19)(18)~~ Contingency reserves which total no more than 5 percent % of hard and soft costs for new construction and no more than 15 percent % of hard and soft costs for Rehabilitation or Substantial Rehabilitation may be included within the Total Development Cost for Application and underwriting purposes. Contingency reserves shall not be paid from SAIL or HOME funds.

~~(20)(19)~~ The Credit Underwriter will review and determine if the number of loans and construction commitments of the Applicant and its Principals will impede its ability to proceed with the successful development of each proposed Corporation-funded Development.

~~(21)(20)~~ All Applicants must provide the items required by the Credit Underwriter within 10 months of the Applicant's acceptance to enter credit underwriting. For HC Developments, all preliminary items required for by the Credit Underwriter's preliminary HC allocation recommendation must be provided to the Credit Underwriter within 21 35 Calendar Days of ~~notification from the date of the invitation to enter credit underwriting~~ Credit Underwriter. The Applicant will have an additional 25 Calendar Days to submit the appraisal, survey and final plans to the Credit Underwriter. Unless an extension is approved by the Corporation in writing, failure to submit the required credit underwriting information by the specified deadline(s) shall result in withdrawal of the preliminary commitment or, if applicable, the HC invitation to enter credit underwriting, and the funds will be distributed made available to the next eligible Applicant as outlined in the Universal Application instructions. 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.

~~(22)(21)~~ If the Credit Underwriter requires additional clarifying materials in the course of the underwriting process, the Credit Underwriter shall request same from the Applicant and shall specify deadlines for the submission of same. Failure to submit required information by the specified deadline, unless a written extension of time has been approved by the Corporation, shall result in rejection of the Application. If the Application is rejected, the Corporation will select additional Application(s) as outlined in the Universal Application instructions.

~~(23)(22)~~ The Credit Underwriter shall complete its analysis and submit a written draft report and recommendation to the Corporation. Upon receipt, the Corporation shall provide to the Applicant the section of the written draft report consisting of supporting information and schedules. The Applicant shall review and provide written comments to the Corporation and Credit Underwriter within 48 hours of receipt. After the 48 hour period, the Corporation shall provide to the Credit Underwriter comments on the draft report and, as applicable, on the Applicant's comments. Then, the Credit Underwriter shall review and incorporate, if deemed appropriate, the Corporation's and Applicant's comments and release the revised report to the Corporation and the Applicant. Any additional comments from the Applicant shall be received by the Corporation and the Credit Underwriter within 72 hours of receipt of the revised report. Then, the Credit Underwriter will provide a final report, which will address comments made by the Applicant, to the Corporation.

~~(24)(23)~~ For SAIL and HOME Applications and HC Applications eligible for a supplemental loan, the Credit Underwriter's loan recommendations will be sent to the Board for approval.

~~(25)(24)~~ After approval of the Credit Underwriter's recommendation for funding by the Board, the Corporation shall issue a firm ~~SAIL or HOME~~ loan commitment.

~~(26)(25)~~ For SAIL and HOME Applications and HC Applications eligible for a supplemental loan, other mortgage loans related to the construction of the Development and the ~~SAIL or HOME~~ loan(s) must close within 60 Calendar Days of the date of the firm ~~SAIL or HOME~~ loan commitment(s) unless an extension is approved by the Board. 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.~~ For SAIL and HOME Applications, the Corporation shall charge an extension fee of one-half of one percent of the SAIL or HOME loan amount if the Board approves the request to extend the SAIL or HOME commitment beyond the period outlined in this rule chapter.

~~(27)(26)~~ At least five (5) Calendar Days prior to any ~~SAIL or HOME~~ loan closing:

(a) The Applicant must provide evidence of all necessary consents or required signatures from first mortgagees or subordinate mortgagees to the Corporation and its counsel, and

(b) The Credit Underwriter must have received all items necessary to release its letter confirming that all closing contingencies have been met, including the finalized sources and uses of funds and Draw schedule.

~~(28)(27)~~ For Housing Credit Applications, the Credit Underwriter shall use the following procedures during the credit underwriting evaluation:

(a) The Credit Underwriter, in determining the amount of Housing Credits a Development is eligible for when using the qualified basis calculation, shall use a Housing Credit percentage of:

1. Thirty (30) basis points over the percentage as of the date of invitation to credit underwriting up to 2 ~~nine~~ percent (~~9%~~) for 2 ~~nine~~ percent (~~9%~~) credits for new construction and Rehabilitation Developments;

2. Fifteen (15) basis points over the percentage as of the date of invitation to credit underwriting up to 4 ~~four~~ percent (~~4%~~) for 4 ~~four~~ percent (~~4%~~) credits for acquisition and federally subsidized Developments. A percentage of fifteen (~~15~~) basis points over the percentage as of the date of invitation to final credit underwriting up to 4 ~~four~~ percent (~~4%~~) will be used for Developments receiving tax-exempt bonds.

(b) Costs such as syndication fees and brokerage fees cannot be included in eligible basis. All consulting fees ~~and the cost of the independent market study~~ must be paid out of the Developer fee. Consulting fees ~~and the cost of the independent market study~~ cannot cause the Developer fee to exceed the maximum allowable fee as set forth in subsection 67-48.0072(16)(~~15~~), F.A.C.

(c) All contracts for hard or soft Development Costs must be itemized for each cost component.

(d) If the Credit Underwriter is to recommend a Competitive Housing Credit allocation, the recommendation will be the lesser of (i) the qualified basis calculation result, (ii) the gap calculation result, or (iii) the Applicant's request amount. In the event the Credit Underwriter is making a recommendation for non-competitive Housing Credits, the recommendation will be the lesser of the qualified basis calculation result or the gap calculation result.

~~(29)(28)~~ If the Credit Underwriter recommends that Housing Credits be allocated to the Development, the Corporation shall determine the credit amount, if any, necessary to make the Development financially feasible and viable throughout the Housing Credit Extended Use Period and shall issue a Preliminary Allocation certificate or a Preliminary Determination of Housing Credits in the case of Tax-Exempt Bond-Financed Developments. If the Credit Underwriter recommends that no credits be allocated to the Development and the Executive Director accepts the recommendation, the Applicant shall be notified that no Housing Credits will be allocated to the Development. No Preliminary Allocation certificate shall be issued on a RD (formerly FmHA) Development which competed for Housing Credits within the RD set-aside and has not received an Obligation of Funding (~~RD or FmHA Form RD 3560-51, Rev. 02-05~~), an Assumption Agreement (Form RD 3560-21, Rev. 02-05), a Reamortization Agreement (Form RD 3560-16, Rev. 02-05), or a combination of these RD forms by October 1st of the year the Applicant is invited into credit underwriting. The RD Forms 3560-51, 3560-21 and 3560-16 are Obligation of Funding (RD or FmHA Form 3560-51), Rev. 02-05, is adopted and incorporated herein by reference and available on the Corporation's Website under the 2007 ~~2006~~ Universal Application link labeled Related Information and Links. All contingencies required in the Preliminary Allocation shall be met or satisfied by the Applicant within 45 Calendar Days from the date of issuance or as otherwise indicated on the certificate unless an extension of this deadline is requested in writing by the Applicant and is granted by the Corporation in writing for good cause.

Specific Authority 420.507 FS. Law Implemented 420.5087, 420.5089, 420.5099 FS. History—New 2-7-05, Amended 1-29-06,\_\_\_\_\_.

67-48.0075 Miscellaneous Criteria.

(1) In addition to the alteration, improvement or modification of an existing structure, Rehabilitation with respect to the HOME Program and Rehabilitation or Preservation with respect to the Housing Credit Programs also includes:

(a) For HOME Developments, moving an existing structure to a foundation constructed with HOME funds. Rehabilitation may include adding rooms outside the existing walls of a structure, but adding a housing unit is considered new construction.

(b) For Housing Credit Developments, what is stated in Section 42(e) of the IRC, with the exception of Section 42(e)(3)(A)(ii)(II), which, for the purposes of Competitive HC, is changed to read: "II. The requirement of this subclause is met if the qualified basis attributable to such amount, when divided by the number of low-income units, in the building, is \$20,000 or more," and, for the purposes of all other HC, is changed to read: "II. The requirement of this subclause is met if the qualified basis attributable to such amount, when divided by the number of low-income units, in the building, is \$10,000 or more."

(2) For purposes of this rule chapter, in accordance with Section 42 of the IRC, a for-profit entity wholly owned by one or more qualified non-profit organizations will constitute a Non-Profit entity. The purpose of the Non-Profit must be, in part, to foster low-income housing and such purpose must be reflected in the Articles of Incorporation of the Non-Profit entity. To evidence its qualification as a Non-Profit entity, the Applicant must provide within its Application a written opinion from legal counsel. The total cost of securing this written legal opinion will be borne entirely by the Applicant. A Non-Profit entity shall own an interest in the Development, either directly or indirectly; shall not be affiliated with or controlled by a for-profit Corporation; and shall materially participate in the development and operation of the Development throughout the total affordability period as stated in the Land Use Restriction Agreement and the Extended Use Agreement. If an Applicant applies to the Corporation as a Non-Profit entity but does not qualify as such, the Application will fail threshold ~~be rejected~~.

(3) Total Development Cost includes the following:

(a) The cost of acquiring real property and any buildings thereon, including payment for options, deposits, or contracts to purchase properties.

(b) The cost of site preparation, demolition, and development.

(c) Any expenses relating to the issuance of tax-exempt bonds or taxable bonds, if any, related to the particular Development.

(d) Fees in connection with the planning, execution, and financing of the Development, such as those of architects, engineers, attorneys, accountants, Developer fee, and the Corporation.

(e) The cost of studies, surveys, plans, permits, insurance, interest, financing, tax and assessment costs, and other operating and carrying costs during construction, rehabilitation, or reconstruction of the Development.

(f) The cost of the construction, rehabilitation, and equipping of the Development.

(g) The cost of land improvements, such as landscaping and offsite improvements related to the Development, whether such costs are paid in cash, property, or services. However, offsite improvements are not eligible to be paid with HOME funds.

(h) Expenses in connection with initial occupancy of the Development.

(i) Allowances for ~~working capital~~, contingency reserves and; and reserves for any anticipated operating deficits during the first two (2) years after completion of the Development.

(j) The cost of such other items, including relocation costs, indemnity and surety bonds, premiums on insurance, and fees and expenses of trustees, depositories, and paying agents for the Corporation's bonds, for the construction or Rehabilitation/Substantial Rehabilitation of the Development.

(4) In determining the income standards of Eligible Persons for its various programs, the Corporation shall take into account the following factors:

(a) Requirements mandated by federal law.

(b) Variations in circumstances in the different areas of the state.

(c) Whether the determination is for rental housing.

(d) The need for family size adjustments to accomplish the purposes set forth in this rule chapter.

With respect to the HC Program, an Eligible Person shall mean a Family having a combined income which meets the income eligibility requirements of the HC Program and Section 42 of the IRC.

(5) Financial Beneficiary, as defined in Rule 67-48.002, F.A.C., does not include third party lenders, third party management agents or companies, Housing Credit Syndicators, credit enhancers who are regulated by a state or federal agency and who do not share in the profits of the Development or contractors whose total fees are within the limit described in Rule 67-48.0072, F.A.C.

(6) For computing any period of time allowed by this rule chapter, the day of the event from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday.

(7) Supplemental loans will be subject to the credit underwriting provisions outlined in Rule 67-48.0072, F.A.C., and the loan provisions outlined below:

(a) The terms and conditions of the supplemental loan shall be as follows:

1. The supplemental loan shall be (i) based on each ELI Set-Aside unit above the minimum ELI Set-Aside threshold requirement in the Universal Application instructions; and (ii) non-amortizing at 0 percent simple interest per annum over the life of the loan, with the principal forgivable provided the units for which the supplemental loan amount is awarded are targeted to ELI Households for at least 15 years.

2. Any sale, conveyance, assignment, or other transfer of interest or the grant of a security interest in all or any part of the title to the Development other than a superior mortgage shall be subject to the Corporation's prior written approval. 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 such request.

3. The supplemental loan shall be serviced either directly by the Corporation or by the servicer on behalf of the Corporation.

4. The Corporation shall monitor compliance of all terms and conditions of the supplemental loan and shall require that certain terms and conditions be embodied in the Land Use Restriction Agreement and recorded in the public records of the county wherein the Development is located. Violation of any material term or condition of the documents evidencing or securing the supplemental loan shall constitute a default during the term of the supplemental loan. The Corporation shall take appropriate legal action to effect compliance if a violation of any material term or condition relative to the set-aside of units for ELI Households is discovered during the course of compliance monitoring or by any other means.

5. The Corporation shall require adequate insurance to be maintained on the Development as determined by the first mortgage lender or the Corporation's servicer, but which shall, in any case, include fire, hazard and other insurance sufficient to meet the standards established in Part V, Section 106 of the Fannie Mae DUS Guide, effective August 10, 2006, which is adopted and incorporated herein by reference and available on the Corporation's Website under the 2007 Universal Application link labeled Related Information and Links.

6. All supplemental loans shall be in conformance with applicable federal and state statutes, including the Fair Housing Act as implemented by 24 CFR Part 100, which is adopted and incorporated herein by reference, and Titles II and III of the Americans with Disabilities Act of 1990 as implemented by 28 CFR Part 35, which is adopted and incorporated herein by reference. These provisions are available on the Corporation's Website under the 2007 Universal Application link labeled Related Information and Links. The Corporation shall allow units dedicated to occupancy by the Elderly in a Development

designed for occupancy by elderly households pursuant to authorization by HUD under the Fair Housing Amendments of 1988 as implemented by 24 CFR Part 100.

7. Rent controls for the ELI Set-Aside units for which the supplemental loan is issued shall be restricted at the level applicable for federal Housing Credits.

8. The documents creating, evidencing or securing each supplemental loan must provide that any violation of the terms and conditions described in Rule Chapter 67-48, F.A.C., constitutes a default under the supplemental loan documents allowing the Corporation to accelerate its loan and to seek foreclosure as well as any other remedies legally available to it.

(b) The supplemental loan shall be assumable upon sale or transfer of the Development if the following conditions are met:

1. The proposed transferee meets all specific Applicant identity criteria which were required as conditions of the original loan;

2. The proposed transferee agrees to maintain all ELI Set-Asides and other requirements of the supplemental loan for the period originally specified or longer; and

3. The proposed transferee and release of transferor receives a favorable recommendation from the Credit Underwriter and approval by the Board of Directors of the Corporation.

All assumption requests must be submitted in writing to the Director of Special Assets and contain the specific details of the transfer and assumption. In addition to any related professional fees, the Corporation shall charge a non-refundable assumption fee as outlined in the Universal Application instructions.

(c) Supplemental loan construction disbursements and permanent loan servicing shall be based on the following:

1. Supplemental loan proceeds shall be disbursed during the construction phase in an amount per Draw which does not exceed the ratio of the supplemental loan to the Total Development Cost, unless approved by the Credit Underwriter.

2. Ten (10) business days prior to each Draw, the Applicant shall supply the Corporation's servicer, as agent for the Corporation, with a written request executed by the Applicant for a Draw. The request shall set forth the amount to be paid and shall be accompanied by documentation specified by the Corporation's servicer including claims for labor and materials to date of the last inspection.

3. The Corporation and its servicer shall review the request for a Draw, and the servicer shall provide the Corporation with approval of the request or an alternative recommendation, after the title insurer provides an endorsement to the policy of title insurance updating the policy to the date of the current Draw and increasing the insurance coverage to an amount equal to the sum of all prior Draws and the current Draw, without additional exceptions, except those specifically approved in writing by the Corporation.

4. The Corporation shall disburse construction Draws through Automated Clearing House (ACH). The Applicant may request disbursement of construction Draws via a wire transfer. The Applicant will be charged a fee of \$10 for each wire transfer requested. This charge will be netted against the Draw amount.

5. The Corporation shall elect to withhold any Draw or portion of any Draw, notwithstanding any documentation submitted by the Applicant in connection with the request for a Draw, if:

a. The Corporation or the Corporation's servicer determines at any time that the actual cost budget or progress of construction differs from that as shown on the loan documents; or

b. The percentage of progress of construction of the improvements differs from that shown on the request for a Draw.

6. The servicer may request submission of revised construction budgets.

7. Based on the Applicant's progress of construction, if the Corporation determines that further analysis by the Credit Underwriter is required prior to the release of the final Draw, the Applicant shall pay to the Credit Underwriter a fee based on an hourly rate determined pursuant to the contract between the Corporation and the Credit Underwriter.

8. Retainage in the amount of 10 percent per Draw shall be held by the servicer during construction until the Development is 50 percent complete. At 50 percent completion, no additional retainage shall be held from the remaining Draws. Release of funds held by the Corporation's servicer as retainage shall occur pursuant to the supplemental loan agreement.

(8) For purposes of this rule chapter, rent controls for ELI Households shall consist of the Gross Rent Floor, as defined in Section 42(g)(2)(A) of the IRC and in accordance with IRS Revenue Procedure 94-57, minus the lesser of (i) the utility allowance in effect by the applicable local Public Housing Authority (PHA) at the date the last building in the Development is placed-in-service or (ii) the current utility allowance applicable to the building (as outlined in 26 CFR 1.42-10, this may include either the local utility company estimate or the applicable PHA utility allowance). Notwithstanding the preceding sentence, the rent charged to any ELI Household may not exceed the maximum rent level permitted under Section 42(g)(2)(A) IRC for the applicable unit occupied by such household. IRS Revenue Procedure 94-57 and 26 CFR 1.42-10 are incorporated by reference and are available on the Corporation's Website under the 2007 Universal Application link labeled Related Information and Links.

Specific Authority 420.507 FS. Law Implemented 420.5087, 420.5089, 420.5099 FS. History—New 2-7-05, Amended 1-29-06,\_\_\_\_\_.

## PART II STATE APARTMENT INCENTIVE LOAN PROGRAM

67-48.009 SAIL General Program Procedures and Restrictions.

(1) Loans shall be in an amount not to exceed 25 percent % of the Total Development Cost except as described in subsections (2) and (3) below, or the minimum amount required to make the Development economically feasible, whichever is less, as determined by the Credit Underwriter.

(2) The following types of Sponsors are eligible to apply for loans in excess of 25 percent % of Total Development Cost pursuant to Section 420.507(22), F.S.:

(a) Non-Profit and public Sponsors which are able to secure grants, donations of land, or contributions from other sources collectively totaling at least 10 percent % of Total Development Cost; and ~~or~~

(b) Sponsors that ~~set aside at least maintain an~~ 80 percent % of their total units for ~~occupancy~~ of residents qualifying as Farmworkers as defined in Section 420.503(18), F.S., Commercial Fishing Workers as defined in Section 420.503(5), F.S., or the Homeless as defined in Section 420.621(4), F.S., over the life of the loan.

(3) The following types of Sponsors are eligible to apply for loans that do not exceed 35 percent of Total Development Cost:

(a) Applicants requesting both SAIL and Competitive HC that commit to set aside more than 10 percent of the total units for ELI Households; and

(b) Applicants requesting SAIL without Competitive HC that commit to set aside at least 5 percent of the total units for ELI Households.

~~(4)(3)~~ At a minimum, the percentage of set-aside units committed to in the Application must be held for Very Low-Income persons or households for a period of time equal to the greater of the following:

(a) The term of the SAIL loan; or

(b) 12 years; or

(c) Such longer term agreed to by the Applicant in the Application.

~~(5)(4) Unless the Board approves a competitive allocation process outside the Universal Cycle, a~~An Applicant is not eligible to apply for SAIL Program funding if any of the following pertain to the proposed Development:

(a) Construction or construction-permanent financing of the costs associated with construction or Substantial Rehabilitation of the Development, including tax-exempt bonds or conventional financing with conversion clauses, has closed as of January 1, 2005;

(b) The Applicant has received an allocation of Housing Credits or a Competitive Housing Credit commitment for the proposed Development, unless (i) the Applicant is also applying for Corporation-issued tax exempt bonds in the

current Application cycle or provides evidence of a Local Government-issued tax exempt bond commitment as stated in the Universal Application Instructions, or (ii) the Applicant has provided written notice to the Corporation prior to the Application Deadline for the current cycle that it is withdrawing its acceptance and returning its HC funding from the prior cycle; or (iii) the Application was successful in receiving SAIL funding for the proposed Development for the first time in the ~~2006~~ 2005 Universal Application cycle, in which case it may receive additional SAIL funding for the same Development as provided in the End-of-the-Line SAIL section of the Universal Application Instructions;

(c) The Applicant has already accepted a preliminary commitment of funding for the proposed Development through the SAIL Program ~~from a prior Funding Cycle~~, unless the Applicant has provided written notice to the Corporation prior to the Application Deadline for the current cycle that it is withdrawing its acceptance and returning its prior SAIL funding ~~from such prior cycle~~, with one exception. That exception being that a proposed Development that was successful in receiving SAIL funding for the first time in the ~~2006~~ 2005 Universal Application cycle may receive additional SAIL funding for the same Development as provided in the End-of-the-Line SAIL section of the Universal Application Instructions.

(d) The Applicant has already accepted a preliminary commitment of funding for the proposed Development through the 2005 or 2006 RRLP Program, unless the Applicant has provided written notice to the Corporation prior to the Application Deadline for the current cycle that it is withdrawing its acceptance and returning its RRLP funding from such prior cycle.

(e) The proposed Development site or any part thereof is subject to any Land Use Restriction Agreement or Extended Use Agreement, or both, in conjunction with any Corporation affordable housing financing, excluding Predevelopment Loan Program funds, intended to foster the development or maintenance of affordable housing.

~~(6)(5)~~ The SAIL Minimum Set-Aside Requirement is:

(a) 20 percent % of the SAIL Development's units set-aside for residents with annual household incomes at or below 50 percent % of the area, metropolitan statistical area ("MSA") or state or county median income, whichever is higher, adjusted for family size, or

(b) 40 percent % of the SAIL Development's units set-aside for residents with annual household incomes at or below 60 percent % of the area, MSA or state or county median income, whichever is higher, adjusted for family size. Sponsors of SAIL-funded Developments shall have the option of selecting this minimum set-aside only if the SAIL Development is scheduled to be assisted with Housing Credits, in addition to the SAIL loan, or

(c) 100 percent % of the SAIL Development's units set aside for residents with annual household incomes below 120 percent % of the state or local median income, whichever is higher, adjusted for family size. Sponsors of SAIL-funded Developments shall have the option of selecting this minimum set aside only if the SAIL Development is located in the Florida Keys Area.

Specific Authority 420.507 FS. Law Implemented 420.5087 FS. History—New 7-22-96, Amended 12-23-96, 7-10-97, 1-6-98, Formerly 9I-48.009, Amended 11-9-98, 2-24-00, 2-22-01, 3-17-02, 4-6-03, 3-21-04, 2-7-05, 1-29-06, \_\_\_\_\_.

67-48.0095 Additional SAIL Application Ranking and Selection Procedures.

(1) During the first six (6) months following the publication date of the first Notice of Funding Availability published each year within the state of Florida, SAIL funds shall be allocated in accordance with the ranking and selection process set forth in the Universal Application Package and based upon the requirements specified in Section 420.5087(3), F.S., which specifies the required funding within the four demographic categories of:

- (a) Family;
- (b) Elderly;
- (c) Homeless; and
- (d) Commercial Fishing Workers and Farmworkers.

(2) 10 percent % of the funds reserved for Applicants in the Elderly category shall be reserved to provide loans to Sponsors of housing for the Elderly for the purpose of making life-safety or security-related repairs or improvements to such housing which are required by federal, state or local regulation, as further specified in Section 420.5087, F.S.

(3) Program funds designated for Commercial Fishing Workers and Farmworkers will be allocated through a request for proposal (RFP), the Universal Application Package, or both.

(4) The Corporation shall assign, in order of ranking, tentative loan amounts to the Applications in each demographic and geographic category, up to the total amount available. However, the Corporation shall make adjustments to ensure that minimum funding distribution levels by geographic category are met, as required by Section 420.5087(1), F.S., and further described in the SAIL Notice of Funding Availability.

(5) In the event that the 10 percent % of program funds required to be allocated to counties with a population of 100,000 or less remains unallocated at the conclusion of a successive three-year cycle, the unallocated funds shall be equitably distributed pursuant to the instructions included in the Universal Application Package.

(6) Selection for SAIL Program participation is contingent upon fund availability at the conclusion of the appeals process as set forth in Rule 67-48.005, F.A.C.

Specific Authority 420.507 FS. Law Implemented 420.5087 FS. History--New 12-23-96, Amended 1-6-98, Formerly 9I-48.0095, Amended 11-9-98, 2-24-00, 2-22-01, 3-17-02, 4-6-03, 3-21-04, 2-7-05, 1-29-06,\_\_\_\_\_.

67-48.010 Terms and Conditions of SAIL Loans.

(1) The proceeds of all SAIL loans shall be used for new construction or Substantial Rehabilitation of affordable, safe and sanitary multifamily rental housing units.

(2) The SAIL loan may be in a first, second, or other subordinated lien position. For purposes of this rule, mortgages securing a letter of credit as credit enhancement for the bonds financing the first mortgage shall be considered a contingent liability and part of the first mortgage lien, provided that the Applicant's counsel furnishes an opinion regarding the contingent nature of such mortgage satisfactory to the Corporation and its counsel.

(3) The loans shall be non-amortizing and shall have interest rates as follows:

(a) 0 percent ~~1%~~ simple interest per annum on loans to Developments that set aside at least maintain an 80 percent of their units for % occupancy of residents qualifying as Farmworkers, Commercial Fishing Workers or Homeless, over the life of the loan;

(b) 0 percent simple interest per annum on loans based on the pro rata share of units set aside for homeless residents if the total of such units is less than 80 percent of the units and 1 percent simple interest per annum on the remaining units;

(c) ~~(b)~~ 1 percent ~~3%~~ simple interest per annum on loans to Developments other than those identified in paragraphs (a) and (b) above;

(4) ~~(c)~~ Except as provided in Section 420.5087(5), F.S., the amount of any superior mortgages combined with the SAIL mortgage shall be less than the appraised value of the Development. Any debt service reserve requirement associated with a superior mortgage shall be excluded from the amount of the superior mortgage for purposes of this calculation.

(5) ~~(d)~~ Payment on the loans shall be based upon the Development Cash Flow, as determined pursuant to the SAIL Cash Flow Reporting Form SR-1. Any distribution or payment to the Principal(s) or any Affiliate of the Principal or to the Developer or any Affiliate of the Developer, whether paid directly or indirectly, which was not expressly disclosed in determining debt service coverage in the Board approved final credit underwriting report, will be added back to the amount of cash available for the SAIL loan interest payment, as calculated in the SAIL Cash Flow Reporting Form SR-1, for the purpose of determining interest due. Interest may be deferred as set forth in subsection 67-48.010(8)(6), F.A.C., without constituting a default on the loan.

(6) ~~(4)~~ The loans described in subsection paragraphs 67-48.010(3)(a) and (b), F.A.C., above shall be repaid from all Development Cash Flow, and if the SAIL loan is not a first

mortgage loan, each year, subject to the provisions of subsection (8)(6) below, Development Cash Flow shall be applied to pay the following items in order of priority:

- (a) All superior mortgage fees and debt service;
- (b) Development Expenses on the SAIL loan, including up to 20 percent % of total Developer fees per year;
- (c) Interest payment on SAIL loan balance equal to 1 percent % as stated in paragraphs ~~(3)(a) above and equal to 3% as stated in paragraph~~ (3)(b) and (c) above over the life of the SAIL loan;
- (d) Interest payments on the SAIL loan deferred from previous years;
- (e) Mandatory payment on subordinate mortgages.

After the full SAIL loan interest has been paid, the Applicant shall retain all remaining monies, unless the Applicant chooses to prepay a portion of the loan balance.

~~(7)(5)~~ If the SAIL loan is secured by a first mortgage lien, each year, subject to the provisions of subsection (8)(6) below, Development Cash Flow shall be applied to pay the following items in order of priority:

- (a) First mortgage fees and interest payment on the SAIL loan balance equal to the percentages ~~1%~~ as stated in paragraph (3) ~~(a)~~ above and equal to ~~3%~~ as stated in paragraph ~~(3)(b)~~ above over the life of the SAIL loan;
- (b) Development Expenses on the SAIL loan including up to 20 percent % of total Developer fees per year;
- (c) Interest payments on the SAIL loan deferred from previous years;
- (d) Mandatory payment on subordinate mortgages.

After the full SAIL loan interest has been paid, the Applicant shall retain all remaining monies, unless the Applicant chooses to prepay a portion of the loan balance.

(8) ~~(6)~~ The determination of Development Cash Flow, determination of payment priorities, and payment of interest on SAIL loans shall occur annually. Any payments of accrued and unpaid interest due annually on SAIL loans shall be deferred to the extent that Development Cash Flow is insufficient to make said payments pursuant to the payment priority schedule established in this rule chapter. If Development Cash Flow is under-reported and such report causes a deferral of SAIL interest, such under-reporting shall constitute an event of default on the SAIL loan. A penalty of 5 percent % of any required payment shall be assessed.

(a) By May 31 of each year of the SAIL loan term, the Applicant shall provide the Corporation with audited financial statements and a certification detailing the information needed to determine the annual payment to be made. However, this certification requirement will be waived until May 31 following the calendar year within which the first unit is occupied. The certification shall require submission of audited financial statements and the SAIL annual reporting form, Cash Flow Reporting Form SR-1, Rev. 9/05, which is incorporated by reference. Form SR-1 can be obtained from the Credit



Underwriter acting as the assigned servicer or on the Corporation's Website under the 2007 ~~2006~~ Universal Application link labeled Related Information and Links. The audited financial statements are to be prepared in accordance with generally accepted accounting principles for the 12 months ended December 31 and shall include:

1. Comparative Balance Sheet with prior year and current year balances;
2. Statement of revenue and expenses;
3. Statement of changes in fund balances or equity;
4. Statement of cash flows; and
5. Notes.

The financial statements referenced above should also be accompanied by a certification of the Applicant as to the accuracy of such financial statements. A late fee of \$500 will be assessed by the Corporation for failure to submit the required audited financial statements and certification by May 31 of each year of the SAIL loan term. Failure to submit the required audited financial statements and certification by May 31 of each year of the SAIL loan term shall constitute an event of default on the SAIL loan. The Applicant shall furnish to the Corporation or its servicer, unaudited statements, certified by the Applicant's principal financial or accounting officer, covering such financial matters as the Corporation or its servicer may reasonably request, including without limitation, monthly statements with respect to the Development.

For SAIL loans applied for prior to February 22, 2001, the Corporation will extend the annual filing deadline for submission of the audited financial statements and certification detailing the information needed to determine the annual payment to be made, pursuant to subsection 67-48.010(8)(6), F.A.C., to May 31 of each year of the SAIL loan term. The Corporation servicer shall issue a billing for interest due on the SAIL loan for the immediately preceding calendar year by July 31 of each calendar year of the SAIL loan. In addition, for SAIL loans applied for prior to December 23, 1996, so long as the executed loan agreements contain a provision to assess a late fee for failure to provide the audited financial statement and certification detailing the information needed to determine the annual payment due, such fee will be assessed by the Corporation as outlined above.

(b) The Corporation servicer shall issue a billing for interest due on the SAIL loan for the immediately preceding calendar year by July 31 of each calendar year of the SAIL loan.

(c) The Applicant shall remit the interest due to the Corporation servicer no later than August 31 of each year of the SAIL loan term. The first payment of SAIL interest will be due no later than August 31 following the calendar year within which the first unit is occupied. The first payment of interest shall include all interest for the period which begins accruing on the date of the first Draw and ends on December 31 of the calendar year during which the first unit is occupied.

~~(9)(7)~~ After maturity or acceleration, the Note shall bear interest at the Default Interest Rate from the due date until paid. Unless the Corporation has accelerated the SAIL loan, the Applicant shall pay the Corporation a late charge of 5 percent % of any required payment that is not received by the Corporation within 15 days of the due date.

~~(8) Any sale, conveyance, assignment, or other transfer of interest or the grant of a security interest in all or any part of the title to the Development other than a superior mortgage shall be subject to the Corporation's prior written approval.~~

~~(10)(9)~~ The final billing for the purpose of payoff of the SAIL loan shall also include a billing for compliance fees to cover monitoring of SAIL Program requirements beyond the maturity date of the Note. Such fees shall be computed by determining the present value of the annual compliance monitoring fee and multiplying that by the number of years for which the Development will have a set-aside for Very Low-Income persons or households beyond the repayment date. The present value discount rate shall be 2.75 percent % per annum. Such amount shall be reduced by the amount of any compliance monitoring fees for other programs collected by the Corporation for the Development provided:

(a) The compliance monitoring fee covers some or all of the period following the anticipated SAIL loan repayment date; and

(b) The Development has substantially equivalent set-asides for Very Low-Income persons or households mandated through another Corporation program for which the compliance monitoring fee was collected.

~~(11)(10)~~ The SAIL loans shall be serviced either directly by the Corporation or by the servicer on behalf of the Corporation.

~~(12)(11)~~ The Corporation shall monitor compliance of all terms and conditions of the SAIL loan and shall require that certain terms and conditions be embodied in the Land Use Restriction Agreement and recorded in the public records of the county wherein the Development is located. Violation of any material term or condition of the documents evidencing or securing the SAIL loan shall constitute a default during the term of the SAIL loan. The Corporation shall take appropriate legal action to effect compliance if a violation of any material term or condition relative to the set-asides of units for Very Low-Income persons or households is discovered during the course of compliance monitoring or by any other means.

~~(13)(12)~~ The Corporation shall require adequate insurance to be maintained on the Development as determined by the first mortgage lender or the Corporation's servicer, but which shall, in any case, include fire, hazard and other insurance sufficient to meet the standards established in Part V, Section 106 of the Fannie Mae DUS Guide, effective August 10, 2006 ~~November 3, 2003~~, which is adopted and incorporated herein by reference

and available on the Corporation's Website under the 2007 2006 Universal Application link labeled Related Information and Links.

~~(14)(13)~~ The SAIL loan term shall be for a period of not more than 15 years. However, if both a SAIL loan and federal Housing Credits are to be used to assist a Development, the Corporation may set the SAIL loan term for a period commensurate with the investment requirements associated with the Housing Credit syndication. The term of the loan term may also exceed 15 years if the lien of the Corporation's encumbrance is subordinate to the lien of another mortgagee, in which case the term may be made coterminous with the longest term of the superior loan as required by the Federal National Mortgage Association whenever it is participating in the financing of the Development, or if otherwise approved by the Board.

~~(14)~~ Upon maturity of the SAIL loan, the Corporation may renegotiate and extend the loan in order to extend the availability of housing for the target population. Such extensions shall be based upon:

~~(a)~~ Performance of the Applicant during the SAIL loan term;

~~(b)~~ Availability of similar housing stock for the target population in the area;

~~(c)~~ Documentation and certification by the Applicant that funds are not available to repay the Note upon maturity;

~~(d)~~ A plan for the repayment of the loan at the new maturity date; and

~~(e)~~ Assurance that the security interest of the Corporation will not be jeopardized by the extension.

(15) After accepting a preliminary commitment, the Applicant shall not refinance, increase the principal amount, or alter any terms or conditions of any mortgage superior or inferior to the SAIL mortgage without prior approval of the Corporation's Board of Directors. However, an Applicant may reduce the interest rate on any superior or inferior mortgage loan without the Board's permission, provided that no other terms of the loan are changed. The Corporation must be notified in writing of any such change.

~~(a)~~ The Board shall approve requests for mortgage loan refinancing only if Development Cash Flow is improved, the Development's economic viability is maintained, the security interest of the Corporation is not adversely affected, and the Credit Underwriter provides a positive recommendation.

~~(b)~~ Following construction completion, the Board shall deny requests to increase the amount of any superior mortgage, unless the criteria outlined in subsection 67-48.0105(5) paragraph 67-48.010(15)(a), F.A.C., are met, the original combined loan to value ratio for the superior mortgage and the SAIL mortgage is maintained or improved, and a proportionate amount of the increase in the superior mortgage is used to reduce the outstanding SAIL loan balance. To calculate the proportionate amount of the increase in the superior mortgage

which must be paid toward the reduction of the SAIL loan balance, the following calculation shall be used: divide the amount of the original SAIL mortgage by the combined amount of the original SAIL mortgage and the original superior mortgage; then multiply the quotient by the amount of the increase in the superior mortgage from the current balance after deducting refinancing costs. For example, if the amount of the original SAIL mortgage is \$2,000,000, the original superior mortgage is \$4,000,000, with a ~~but~~ the current balance of is \$3,000,000, a ~~the~~ proposed new superior mortgage of is \$5,000,000, and refinancing costs of are \$200,000, then the amount of the increase in the superior mortgage after deducting refinancing costs would be \$1,800,000, and the proportionate amount of the increase in the superior mortgage which must be paid toward the reduction of the SAIL loan balance would be \$594,000. This \$594,000 would be applied first to accrued interest and then to principal.

~~(c)~~ The Board shall deny requests for mortgage loan refinancing which require extension of the SAIL loan term or otherwise adversely affect the security interest of the Corporation unless the criteria outlined in paragraph 67-48.010(15)(a), F.A.C., are met, the Credit Underwriter recommends that the approval of such a request is crucial to the economic survival of the Development or unless the Board determines that public policy will be better served by the extension as a result of the Applicant agreeing to further extend the Compliance Period or provide additional amenities or resident programs suitable for the resident population. Further, the Board shall limit any approved extension to a minimum term which makes the Development feasible and which does not exceed an industry standard term.

(16) All SAIL loans shall be in conformance with applicable federal and state statutes, including the Fair Housing Act as implemented by 24 CFR Part 100, which is adopted and incorporated herein by reference, and Titles II and III of the Americans with Disabilities Act of 1990 as implemented by 28 CFR Part 35, which is adopted and incorporated herein by reference. These provisions are available on the Corporation's Website under the 2007 2006 Universal Application link labeled Related Information and Links. The Corporation shall allow units dedicated to occupancy by the Elderly in a Development designed for occupancy by elderly households pursuant to authorization by HUD under the Fair Housing Amendments of 1988 as implemented by 24 CFR Part 100.

(17) Rent controls shall not be allowed on any Development except (i) as required in conjunction with the issuance of tax-exempt bonds or federal Housing Credits and (ii) when the Sponsor has committed to set aside units for ELI Persons, in which case rents for such units shall be restricted at the level applicable for federal Housing Credits ~~however, rents must be determined to be reasonable by the Credit Underwriter.~~

(18) The documents creating, evidencing or securing each SAIL loan must provide that any violation of the terms and conditions described in Rule Chapter 67-48, F.A.C., constitutes a default under the SAIL loan documents allowing the Corporation to accelerate its loan and to seek foreclosure as well as any other remedies legally available to it.

(19) A failure to pay any principal or interest due under the terms of this section shall constitute a default on the SAIL loan.

(20) If, after a four-month rent-up period commencing after issuance of the last certificate of occupancy on the units, an Applicant is unable to meet the agreed-upon demographic commitment for Elderly, Homeless, Farmworker or Commercial Fishing Worker, the Applicant may request to rent such units to Very Low-Income persons or households without demographic restriction.

(a) The written request must provide documentation of marketing efforts implemented over the past four-month period which demonstrate the inclusion of sources of potential residents, advertising to be used, other means of encouraging residents to rent at the Development, and priority to the original targeted group of residents. If the Corporation determines that prior marketing efforts were insufficient, a revised plan which is satisfactory to the Corporation must be submitted and implemented for a four-month period prior to reconsideration.

(b) The Board will require Applicants to provide additional amenities or resident programs suitable for the proposed resident population.

(c) The Board will require Applicants with 0 percent ~~4%~~ loans, as described in paragraphs 67-48.010(3)(a) and (b), F.A.C., to modify loan documents to conform to the terms and conditions of 1 percent ~~3%~~ loans, as described in paragraphs 67-48.010(3)(b) and (c), F.A.C., or to accelerate payments of SAIL loan principal or interest.

(21) The Applicant shall provide to the Corporation an annual budget of income and expenses for the Development, certified as accurate by an officer of the Development, no later than 30 days prior to the beginning of the Development's fiscal year.

(22) Failure to provide the Corporation and its servicer with the SAIL available Cash Flow Statement detailing the information needed to determine the annual payment to be made pursuant to this rule chapter shall constitute a default on the SAIL loan.

(23) For SAIL loans applied for prior to March 17, 2002, at the borrower's request, the Corporation will include up to 20 percent ~~%~~ of total Developer fees per year as a Development Expense when calculating the interest due on the SAIL loan for the 2003 calendar year for the billing issued in 2004 pursuant to paragraph 67-48.010(8)(6)(b), F.A.C., and for the billing for interest due each calendar year thereafter. Development Expense will not include Developer fees for determination of

payment of interest on SAIL loans applied for prior to March 17, 2002 for the 2002 calendar year or any previous calendar year. For purposes in this paragraph, Development Expense has the same meaning as Project Expense and Eligible Project Expense as those terms are used in SAIL loans applied for prior to March 17, 2002.

(24) The Compliance Period for a SAIL Development shall be, at a minimum, a period of 12 years from the date the first residential unit is occupied. For SAIL Developments which contain occupied units to be Substantially Rehabilitated, the Compliance Period shall begin not later than 60 days from the termination of the last annual lease in effect at the time of closing of the SAIL loan.

Specific Authority 420.507 FS. Law Implemented 420.5087 FS. History--New 7-22-96, Amended 12-23-96, 7-10-97, 1-6-98, Formerly 9I-48.010, Amended 11-9-98, 2-24-00, 2-22-01, 3-17-02, 4-6-03, 3-21-04, 2-7-05, 1-29-06, \_\_\_\_\_.

67-48.0105 Sale, ~~or~~ Transfer or Refinancing of a SAIL Development.

(1) Any sale, conveyance, assignment, or other transfer of interest or the grant of a security interest in all or any part of the title to the Development other than a superior mortgage shall be subject to the Corporation's prior written approval. 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 such request.

~~(2)(1)~~ The SAIL loan shall be assumable upon sale or transfer of the Development if the following conditions are met:

(a) The proposed transferee meets all specific Applicant identity criteria which were required as conditions of the original loan;

(b) The proposed transferee agrees to maintain all set-asides and other requirements of the SAIL loan for the period originally specified or longer; and

(c) The proposed transferee and release of transferor receives a favorable recommendation from the Credit Underwriter and approval by the Board of Directors of the Corporation.

All assumption requests must be submitted in writing to the Director of Special Assets and contain the specific details of the transfer and assumption. In addition to any related professional fees, the Corporation shall charge a non-refundable assumption fee as outlined in the Universal Application instructions.

~~(3)(2)~~ If the SAIL loan is not assumed since the buyer does not meet the criteria for assumption of the SAIL loan, the SAIL loan (principal and any outstanding interest) shall be repaid from the proceeds of the sale in the following order of priority:

- (a) First mortgage debt service, first mortgage fees;
- (b) SAIL compliance and loan servicing fees;

(c) An amount equal to the present value of the compliance monitoring fee, as computed by the Corporation and its servicer, times the number of payment periods for which the Development will have a set-aside for Very Low-Income persons or households beyond the repayment date. The present value discount rate shall be 2.75 percent % per annum. Such amount shall be reduced by the amount of any compliance monitoring fees collected by the Corporation for the Development, provided:

1. The compliance monitoring fee covers some or all of the period following the anticipated SAIL repayment date; and
2. The Development has substantially equivalent set-asides for Very Low-Income persons or households mandated through another program of the Corporation for which the compliance monitoring fee was collected.

(d) Unpaid principal balance of the SAIL loan;

(e) Any interest due on the SAIL loan;

(f) Expenses of the sale;

(g) If there will be insufficient funds available from the proposed sale of the Development to satisfy paragraphs (3)(2)(a)-(f) above, the SAIL loan shall not be satisfied until the Corporation has received:

1. An appraisal prepared by an appraiser selected by the Corporation or the Credit Underwriter indicating that the purchase price for the Development is reasonable and consistent with existing market conditions;

2. A certification from the Applicant that the purchase price reported is the actual price paid for the Development and that no other consideration passed between the parties and that the Development Cash Flow reported to the Corporation during the term of the SAIL loan was true and accurate;

3. A certification from the Applicant that there are no Development funds available to repay the SAIL loan, including any interest due, and the Applicant knows of no source from which funds could or would be forthcoming to pay the SAIL loan; and

4. A certification from the Applicant detailing the information needed to determine the final billing for SAIL loan interest. Such certification shall require submission of financial statements and other documents that may be required by the Corporation and its servicer.

(4) The Corporation may renegotiate and extend the loan in order to extend or retain the availability of housing for the target population. Such renegotiations shall be based upon:

(a) Performance of the Applicant during the SAIL loan term;

(b) Availability of similar housing stock for the target population in the area;

(c) Documentation and certification by the Applicant that funds are not available to repay the Note upon maturity;

(d) A plan for the repayment of the loan at the new maturity date;

(e) Assurance that the security interest of the Corporation will not be jeopardized by the new term(s); and

(f) Industry standard terms which may include amortizing loans requiring regularly scheduled payments of principal and interest.

All loan renegotiation requests, including requests for extension, must be submitted in writing to the Director of Special Assets and contain the specific details of the renegotiation. In addition to any related professional fees, the Corporation shall charge a non-refundable renegotiation fee as outlined in the Universal Application instructions.

(5) The Board shall approve requests for mortgage loan refinancing only if Development Cash Flow is improved, the Development's economic viability is maintained, the security interest of the Corporation is not adversely affected, and the Credit Underwriter provides a positive recommendation.

(6) The Board shall deny requests for mortgage loan refinancing which require extension of the SAIL loan term or otherwise adversely affect the security interest of the Corporation, unless the criteria outlined in subsection 67-48.0105(5), F.A.C., are met, the Credit Underwriter recommends that the approval of such a request is crucial to the economic survival of the Development, or unless the Board determines that public policy will be better served by the extension as a result of the Applicant agreeing to further extend the Compliance Period or provide additional amenities or resident programs suitable for the resident population. Further, the Board shall limit any approved extension to a minimum term which makes the Development feasible and which does not exceed an industry standard term.

The Board shall deny requests to increase the amount of any superior mortgage, unless the criteria outlined in subsection 67-48.010(15), F.A.C., are met, the original combined loan to value ratio for the superior mortgage and the SAIL mortgage is maintained or improved, and a proportionate amount of the increase in the superior mortgage is used to reduce the outstanding SAIL loan balance.

Specific Authority 420.507 FS. Law Implemented 420.5087 FS. History—New 12-23-96, Amended 1-6-98, Formerly 9I-48.0105, Amended 11-9-98, Repromulgated 2-24-00, Amended 2-22-01, 3-17-02, Repromulgated 4-6-03, Amended 3-21-04, Repromulgated 2-7-05, Amended 1-29-06,\_\_\_\_\_.

67-48.013 SAIL Construction Disbursements and Permanent Loan Servicing.

(1) SAIL loan proceeds shall be disbursed during the construction phase in an amount per Draw which does not exceed the ratio of the SAIL loan to the Total Development Cost, unless approved by the Credit Underwriter.

(2) Ten (10) business days prior to each Draw, the Applicant shall supply the Corporation's servicer, as agent for the Corporation, with a written request executed by the Applicant for a Draw. The request shall set forth the amount to

be paid and shall be accompanied by documentation specified by the Corporation's servicer including claims for labor and materials to date of the last inspection.

(3) The Corporation and its servicer shall review the request for a Draw, and the servicer shall provide the Corporation with approval of the request or an alternative recommendation, after the title insurer provides an endorsement to the policy of title insurance updating the policy to the date of the current Draw and increasing the insurance coverage to an amount equal to the sum of all prior Draws and the current Draw, without additional exceptions, except those specifically approved in writing by the Corporation.

(4) The Corporation ~~will~~ shall disburse construction Draws through Automated Clearing House (ACH). The Applicant may request disbursement of construction Draws via a wire transfer. The Applicant will be charged a fee of \$10 for each wire transfer requested. This charge will be netted against the Draw amount.

(5) The Corporation shall elect to withhold any Draw or portion of any Draw, notwithstanding any documentation submitted by the Applicant in connection with the request for a Draw, if

(a) The Corporation or the Corporation's servicer determines at any time that the actual cost budget or progress of construction differs from that as shown on the loan documents; or

(b) The percentage of progress of construction of the improvements differs from that shown on the request for a Draw.

(6) The servicer may request submission of revised construction budgets.

(7) ~~Based on the Applicant's progress of construction, if~~ the Corporation determines that further analysis by the Credit Underwriter is required prior to the release of the final Draw, the Applicant shall pay to the Credit Underwriter a fee based on an hourly rate determined pursuant to the contract between the Corporation and the Credit Underwriter.

(8) Retainage in the amount of 10 percent % per Draw shall be held by the servicer during construction until the Development is 50 percent % complete. At 50 percent % completion, no additional retainage shall be held from the remaining Draws. Release of funds held by the Corporation's servicer as retainage shall occur pursuant to the SAIL loan agreement.

Specific Authority 420.507 FS. Law Implemented 420.5087 FS. History—New 7-22-96, Amended 12-23-96, 7-10-97, 1-6-98, Formerly 9I-48.013, Amended 11-9-98, 2-24-00, 2-22-01, 3-17-02, Repromulgated 4-6-03, 3-21-04, 2-7-05, 1-29-06, Amended

### PART III HOME INVESTMENT PARTNERSHIPS PROGRAM

67-48.014 HOME General Program Procedures and Restrictions.

(1) Unless otherwise provided in the Application instructions, the Corporation shall utilize up to 10 percent % of the HOME allocation for administrative costs pursuant to 24 CFR Part 92.

(2) The Corporation shall utilize at least 15 percent % of the HOME allocation for CHDOs pursuant to 24 CFR Part 92. In order to apply under the CHDO set-aside, the CHDO must have at least 51 percent % ownership interest in the Development held by the General Partner entity and meet all other CHDO requirements as defined by HUD in 24 CFR Part 92 and other Corporation requirements identified in the CHDO Checklist. The CHDO Checklist is adopted and incorporated herein by reference, effective 10-17-2006 ~~4-02~~, and is available on the Corporation's Website under the 2007 ~~2006~~ Universal Application link labeled Related Information and Links or by contacting the HOME-Rental Program at 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329.

(3) Within the rental cycle administered pursuant to Rule Chapter 67-48, F.A.C., the Corporation will distribute funds as provided in the Universal Application instructions, through a competitive request for proposal (RFP) process, or both.

(4) The maximum per-unit subsidy amount of HOME funds that the Corporation shall invest on a per-unit basis in affordable housing shall not exceed the per-unit dollar limits established by the Corporation as identified in the current Application instructions and included on the HOME Rental FHFC HUD Subsidy Limits chart, which is adopted and incorporated by reference, effective 10-16-2006 ~~09-09-2005~~. A copy of such chart is available on the Corporation's Website under the 2007 ~~2006~~ Universal Application link labeled Related Information and Links or by contacting the HOME-Rental Program at 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329.

(5) The minimum amount of HOME funds that must be invested in a Rental Development is \$1,000 times the number of HOME-Assisted Units in the Development.

(6) A Development qualifies as affordable housing and for HOME funds if, with respect to income and occupancy:

(a) 80 percent % of the HOME-Assisted Units are occupied by families whose annual income does not exceed 60 percent % of the median family income for the area, as determined by HUD, with adjustments for family size, and

(b) 20 percent % of the HOME-Assisted Units are occupied by families whose annual income does not exceed 50 percent % of the median family income for the area, as determined by HUD, with adjustments of family size.

(c) When the income of a resident increases above 80 percent % of area median income, the next unit that becomes available in the Development must be rented to a HOME income-eligible resident. If the income of a Very Low-Income household increases above the limits for a Very Low-Income household, then the Developer must rent the next available unit to a Very Low-Income household. The amount of rent the resident whose income has increased must pay is the lesser of the amount payable by resident under state or local law or 30 percent % of the adjusted monthly income for rent and utilities.

(d) High HOME rent means 80 percent % of the HOME-Assisted Units in a Development must have rents set at no more than the lesser of the Section 8 Fair Market Rent (FMRs) or rents that are 30 percent % for a Family at 65 percent % of median income limit, minus resident-paid utilities. Low HOME rent means 20 percent % of the HOME-Assisted Units in a Development must have rents set at no more than the lesser of the Section 8 Fair Market Rent (FMRs), or 30 percent % of the gross income of a Family at 50 percent % of the area median income, minus resident-paid utilities. With respect to rent limits, the HOME Rent Chart at 65 percent % or 50 percent %, or the Fair Market Rent, less the applicable utility allowance, is the maximum rent that can be charged for a HOME Rent-Restricted Unit. HOME-Assisted Units with Section 8 subsidy must compare the Section 8 gross rent (resident rent, subsidy amount, and utility allowance) to the maximum applicable HOME high or low rent limit minus utilities. However, Developments with project-based rental assistance may utilize the project-based rents as compared to the HOME High and Low rents. Compliance with the HOME rent restrictions will take precedence over the Developer's acceptance of a full Section 8 (resident-based) subsidy for the HOME-Assisted Units.

(e) The minimum Compliance Period for Rehabilitation Developments is 15 years from the date the first residential unit is occupied. For Developments that contain occupied units at the time of closing, the Compliance Period shall begin not later than 60 days from the termination of the last annual lease in effect at the time of closing of the HOME loan. The Compliance Period will be extended until the loan is repaid as enumerated in subsection 67-48.020(1), F.A.C.

(f) The minimum Compliance Period for newly-constructed rental housing is 20 years from the date the first residential unit is occupied. The Compliance Period will be extended until the loan is repaid as enumerated in subsection 67-48.020(1), F.A.C.

(g) The minimum percentage of HOME-Assisted Units within a Development must be at least equal to the percentage (ratio) calculated by dividing the HOME loan amount by the Total Development Cost. This percentage will be utilized to determine the minimum number of HOME-Assisted Units required within a Development. HOME-Assisted Units must be identified at the time of Application. For purposes of

meeting affordable housing requirements for a Development, the HOME-Assisted Units counted may be changed over the Compliance Period, so long as the total number of HOME-Assisted Units remains the same, and the substituted units are, at a minimum, comparable in terms of size, features, and number of bedrooms to the original HOME-Assisted Units.

(h) The Development will remain affordable, pursuant to commitments documented within the executed Land Use Restriction Agreement without regard to the term of the mortgage or to transfer of ownership.

(7) The Development must comply with all applicable provisions of 24 CFR Part 92 and Rule Chapter 67-48, F.A.C.

(8) A Development that is under construction may be eligible to apply for HOME funds only if the final building permit is dated no earlier than six (6) months prior to the Application Deadline, the Development is able to provide evidence of compliance with federal labor standards (if 12 or more HOME-Assisted Units are developed under a single contract) for any work already completed, and the Development is able to provide evidence of compliance with HUD environmental requirements as well as all other federal HOME regulations as listed in Rule 67-48.014, F.A.C., and 24 CFR Part 92. The federal requirements may require completion of activities prior to submission of an Application for HOME funding.

(9) Any single contract for the development (rehabilitation or new construction) of affordable housing with 12 or more HOME-Assisted Units under the HOME Program must contain a provision requiring that not less than the wages prevailing in the locality, as predetermined by the United States Secretary of Labor pursuant to the Davis-Bacon Act, 40 U.S.C. §§ 3142 – 3144, 3146 and 3147 (2002), which is adopted and incorporated herein by reference, 24 CFR § 92.354, 24 CFR Part 70 (volunteers), which is adopted and incorporated herein by reference, and 40 U.S.C. § 3145 (2002), which is adopted and incorporated herein by reference, will be paid to all laborers and mechanics employed for the construction or rehabilitation of the Development, and such contracts must also be subject to the overtime provisions of the Contract Work Hours and Safety Standards Act, 40 U.S.C. §§ 3701 – 3706 and 3708 (2002), which is adopted and incorporated herein by reference, the Copeland Act (Anti-Kickback Act), 40 U.S.C. § 3145 (2002), and the Fair Labor Standards Act of 1938, as amended (29 U.S.C. § 201 et seq.), which is adopted and incorporated herein by reference. The foregoing provisions are available on the Corporation's Website under the 2007 2006 Universal Application link labeled Related Information and Links.

(10) All HOME Developments must conform to the following federal requirements which are available on the Corporation's Website under the 2007 2006 Universal Application link labeled Related Information and Links:

(a) Equal Opportunity and Fair Housing as enumerated in 24 CFR § 92.202 and 92.250, Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.), which is adopted and incorporated herein by reference, Fair Housing Act (42 U.S.C. §§ 3601-3620), which is adopted and incorporated herein by reference, Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101), which is adopted and incorporated herein by reference, Executive Order 11063 (amended by Executive Order 12259), which is adopted and incorporated herein by reference, and 24 CFR § 5.105(a), which is adopted and incorporated herein by reference.

(b) Affirmative Marketing as enumerated in 24 CFR § 92.351.

(c) Environmental Review as enumerated in 24 CFR § 92.352, 24 CFR Part 58, which is adopted and incorporated herein by reference, and National Environmental Policy Act of 1969, which is adopted and incorporated herein by reference.

(d) Displacement, Relocation, and Acquisition as enumerated in 24 CFR § 92.353, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. §§ 4201-4655), which is adopted and incorporated herein by reference, 49 CFR Part 24, which is adopted and incorporated herein by reference, 24 CFR Part 42 (Subpart C), which is adopted and incorporated herein by reference, and Section 104(d) "Barney Frank Amendments," which is adopted and incorporated herein by reference.

(e) Lead-based Paint as enumerated in 24 CFR § 92.355, and 24 CFR Part 35, which is adopted and incorporated herein by reference.

(f) Conflict of Interest as enumerated in 24 CFR § 92.356, 24 CFR §§ 85.36 and 84.42, which are adopted and incorporated herein by reference.

(g) Debarment and Suspension as enumerated in 24 CFR Part 24, which is adopted and incorporated herein by reference.

(h) Flood Insurance as enumerated in Section 202 of the Flood Disaster Protection Act of 1973 (42 U.S.C. § 4106), which is adopted and incorporated herein by reference.

(i) Handicapped Accessibility as enumerated in Section 504 of the Rehabilitation Act of 1973 (implemented in 24 CFR Part 8) and 24 CFR § 100.205, which are adopted and incorporated herein by reference.

(j) Americans with Disabilities Act as enumerated in 42 U.S.C. § 12131; and 47 U.S.C. §§ 155, 201, 218 and 225, which are adopted and incorporated herein by reference.

(k) Equal Opportunity Employment as enumerated in Executive Order 11246 (implemented in 41 CFR Part 60), which is adopted and incorporated herein by reference.

(l) Economic Opportunity as implemented in 24 CFR Part 135, which is adopted and incorporated herein by reference.

(m) Minority/Women Employment as enumerated in 24 CFR § 85.36(e) and Executive Orders 11625, 12432, and 12138, which are adopted and incorporated herein by reference.

(n) Site and Neighborhood Standards as enumerated in 24 CFR § 983.6(b), which is adopted and incorporated herein by reference.

Specific Authority 420.507(12) FS. Law Implemented 420.5089(2) FS. History—New 7-22-96, Amended 12-23-96, 1-6-98, Formerly 9I-48.014, Amended 11-9-98, Repromulgated 2-24-00, Amended 2-22-01, 3-17-02, 4-6-03, 3-21-04, 2-7-05, 1-29-06,\_\_\_\_\_.

67-48.015 Match Contribution Requirement for HOME Allocation.

(1) The Corporation is required by HUD to match non-federal funds to the HOME allocation as specified in 24 CFR Part 92.

(2) A Match Credit Fund funded by the state of Florida has been appropriated to the Corporation. The funds are to be used for demonstration Developments, pilot programs, or other Developments selected and approved by the Corporation's Board of Directors. Such pilot programs or Developments shall be counted as the Corporation's required match for HUD purposes and may be any eligible activity acceptable to 24 CFR Part 92 and approved by the Corporation's Board of Directors.

Specific Authority 420.507(12) FS. Law Implemented 420.5089(4) FS. History—New 7-22-96, Amended 12-23-96, 1-6-98, Formerly 9I-48.015, Amended 11-9-98, Repromulgated 2-24-00, Amended 2-22-01, 3-17-02, 4-6-03, Repromulgated 3-21-04, Amended 2-7-05, Repromulgated 1-29-06,\_\_\_\_\_.

67-48.017 Eligible HOME Activities.

HOME funds may be used for acquisition (must include new construction and/or Rehabilitation), new construction, reconstruction, or moderate or substantial rehabilitation of non-luxury housing with suitable amenities or for tenant based rental assistance pursuant to 24 CFR Part 92.

Specific Authority 420.507(12) FS. Law Implemented 420.5089(3) FS. History—New 7-22-96, Repromulgated 12-23-96, 1-6-98, Formerly 9I-48.017, Amended 11-9-98, Repromulgated 2-24-00, 2-22-01, 3-17-02, Amended 4-6-03, Repromulgated 3-21-04, Amended 2-7-05, Repromulgated 1-29-06,\_\_\_\_\_.

67-48.018 Eligible HOME Applicants.

(1) Unless the Board approves a competitive allocation process outside the Universal Cycle, an Applicant is not eligible to apply for HOME Program funding if any of the following pertain to the proposed Development:

(a) The Applicant has received an allocation of Housing Credits or a Competitive Housing Credit commitment for the proposed Development, unless the Applicant has provided written notice to the Corporation prior to the Application Deadline for the current cycle that it is withdrawing its acceptance and returning the HC funding from a prior cycle;

(b) The Applicant has already accepted a preliminary commitment of funding for the proposed Development through the HOME Program, the SAIL Program, or the RRLP Program, unless the Applicant has provided written notice to

the Corporation prior to the Application Deadline for the current cycle that it is withdrawing its acceptance and returning its prior HOME Program, SAIL Program, or RRLP Program funding.

(c) The proposed Development site or any part thereof is subject to any Land Use Restriction Agreement or Extended Use Agreement, or both, in conjunction with any Corporation affordable housing financing, excluding Predevelopment Loan Program funds, intended to foster the development or maintenance of affordable housing.

~~(2)(+) Applicants for HOME loans may include CHDOs, public housing authorities, local governments, Non-Profit organizations, and private for-profit organizations. The Applicant must be a legally-formed, existing entity at the time of Application Deadline. Pursuant to 24 CFR Part 92, Applicants may not request additional HOME funding during the period of affordability. However, additional funds may be committed to a Development up to one year after Development completion provided the amount does not exceed the maximum per-unit subsidy and the additional amount is not used to pay for Developer fees.~~

~~(3)(2) For tenant based rental assistance, eligible public housing authorities shall be limited to those public housing authorities that provide a copy of their most recent Section Eight Management Assessment Program (SEMAP) and can demonstrate compliance with 24 CFR § 982.401, which is incorporated by reference and available on the Corporation's Website under the 2007 2006 Universal Application link labeled Related Information and Links.~~

(a) Eligible public housing authorities shall use the HOME Investment Partnership Program, state of Florida, TBRA Agreement (Rev. 09/06 09/05), which is incorporated herein by reference and available on the Corporation's Website under the 2007 2006 Universal Application link labeled Related Information and Links.

(b) An eligible public housing authority's request for funding shall be based upon demonstration of recipient need.

Specific Authority 420.507(12) FS. Law Implemented 420.5089(3) FS. History—New 7-22-96, Amended 12-23-96, 1-6-98, Formerly 9I-48.018, Amended 11-9-98, Repromulgated 2-24-00, 2-22-01, Amended 3-17-02, 4-6-03, Repromulgated 3-21-04, Amended 2-7-05, 1-29-06,\_\_\_\_\_.

67-48.019 Eligible and Ineligible HOME Development Costs.

(1) HOME funds may be used to pay for the following eligible costs as enumerated in 24 CFR Part 92:

(a) Development hard costs as they directly relate to the identified HOME Assisted Units only for:

1. New construction, the costs necessary to meet local and state of Florida building codes and the Model Energy Code referred to in 24 CFR Part 92;

2. Rehabilitation, the costs necessary to meet local and state of Florida rehabilitation building codes and at a minimum, the Section 8 Housing Quality Standards under 24 CFR Part 92;

3. Both new construction and rehabilitation, costs to demolish existing structures, improvements to the Development site and utility connections;

(b) The cost of acquiring improved or unimproved real property. A HOME Development and HOME loan that involves acquisition must include Rehabilitation or new construction in order to be an eligible Development.

(c) Soft costs as they relate to the identified HOME-Assisted Units. The costs must be reasonable, as determined by the Corporation and the Credit Underwriter, and associated with the financing, development, or both. These costs may include:

1. Architectural, engineering or related professional services required to prepare plans, drawings, specifications or work write-ups;

2. Costs to process and settle the HOME financing for a Development, such as credit reports, fees for evidence of title, recordation, building permits, attorney fees, cost certifications, and estimates;

3. Developer's and General Contractor's fees as described in Rule 67-48.0072, F.A.C.;

4. Impact fees;

5. Costs of Development audits required by the Corporation;

6. Affirmative marketing and fair housing costs;

7. Temporary relocation costs as required under 24 CFR Part 92;

(2) HOME funds shall not be used to pay for the following ineligible costs:

(a) Development reserve accounts for replacements, unanticipated increases in operating costs, or operating subsidies, except as described in 24 CFR § 92.206(d)(5);

(b) Public housing;

(c) Administrative costs;

(d) Developer fees unless the HOME funds include Rehabilitation or new construction; or

(e) Any other expenses not allowed under 24 CFR Part 92.

Specific Authority 420.507(12) FS. Law Implemented 420.5089(3) FS. History—New 7-22-96, Amended 12-23-96, 7-10-97, 1-6-98, Formerly 9I-48.019, Amended 11-9-98, 2-24-00, Repromulgated 2-22-01, Amended 3-17-02, 4-6-03, Repromulgated 3-21-04, Amended 2-7-05, Repromulgated 1-29-06,\_\_\_\_\_.

67-48.020 Terms and Conditions of Loans for HOME Rental Developments.

All HOME Rental Development loans shall be in compliance with the Act, 24 CFR Part 92 and, at a minimum, contain the following terms and conditions:



(1) The HOME loan may be in a first, second, or subordinated lien position. The term of the loan shall be for a minimum period of 15 years for Rehabilitation Developments and 20 years for new construction Developments. The term of the HOME loan may be extended to coterminate with the first mortgage term upon the recommendation of the Credit Underwriter and approval by the Corporation.

(2) The annual interest rate will be determined by the following:

(a) All for-profit Applicants that own 100 percent % of the ownership interest in the Development held by the general partner entity will receive a 1.5 percent % per annum interest rate loan.

(b) All qualified non-profit Applicants that own 100 percent % of the ownership interest in the Development held by the general partner entity will receive a 0 percent % interest rate loan. For purposes of determining the annual HOME interest rate, the definition of Non-Profit found at Rules 67-48.002 and 67-48.0075, F.A.C., shall not apply; instead, qualified non-profit Applicants shall be those entities defined in 24 CFR Part 92, Section 42(h)(5)(c), subsection 501(c)(3) or 501(c)(4) of the IRC and organized under Chapter 617, F.S., if a Florida corporation, or organized under similar state law if organized in a jurisdiction other than Florida.

(c) All Applicants consisting of a non-profit and for-profit partnership will receive a 0 percent % interest rate loan on the portion of the loan amount equal to the qualified non-profit's ownership interest in the Development held by the general partner entity. A 1.5 percent % interest rate shall be charged for loans on the portion of the loan amount equal to the for-profit's interest in the Development held by the general partner entity. After closing, should the Applicant sell any portion of the Development ownership, the loan interest rate ratio will be adjusted to conform to the new percentage of ownership.

(3) The loans shall be non-amortizing and repayment of principal shall be deferred until maturity, unless otherwise recommended by the Credit Underwriter and approved by the Corporation. Interest payments on the loan shall be paid to the Corporation's servicer annually on the date specified in the Note.

(4) As approved by the Board of Directors, loans which finance demonstration Developments or Developments located in a state or federally declared disaster area may be provided with forgivable terms.

(5) The accumulation of all Development financing, including the HOME loan and all existing debt within a Development, may not exceed the Total Development Cost, as determined and certified by the Credit Underwriter.

(6) Before disbursing any HOME funds, there must be a written agreement with the Applicant ensuring compliance with the requirements of the HOME Program pursuant to this rule chapter and 24 CFR Part 92.

(7) A representative of the Applicant and the managing agent of the Development must attend a Corporation-sponsored training session on income certification and compliance procedures.

(8) If the Development has 12 or more HOME-Assisted Units to be developed under a single contract, the General Contractor and all available subcontractors shall attend a Corporation-sponsored preconstruction conference regarding federal labor standards provisions.

(9) The Corporation shall require adequate insurance to be maintained on the Development as determined by the first mortgage lender or the Corporation's servicer, but which shall, in any case, include fire, hazard and other insurance sufficient to meet the standards established in Part V, Section 106 of the Fannie Mae DUS Guide, effective August 10, 2006 ~~November 3, 2003~~, which is adopted and incorporated herein by reference and available on the Corporation's Website under the 2007 ~~2006~~ Universal Application link labeled Related Information and Links.

(10) All loans must provide that any violation of the terms and conditions described in this rule chapter or 24 CFR Part 92 constitute a default under the HOME loan documents allowing the Corporation to accelerate its loan and seek foreclosure as well as any other remedies legally available to it.

(11) If a default on a HOME loan occurs, the Corporation will commence legal action to protect the interest of the Corporation. The Corporation shall acquire real and personal property or any interest in the Development if that acquisition is necessary to protect any HOME loan; sell, transfer, and convey any such property to a buyer without regard to the provisions of Chapters 253 and 270, F.S.; and, if that sale, transfer, or conveyance cannot be consummated within a reasonable time, lease the Development for occupancy by Eligible Persons.

(12) The Corporation or its servicer shall monitor the compliance of each Development with all terms and conditions of the HOME loan and shall require that such terms and conditions be recorded in the public records of the county where the Development is located. Violation of any term or condition shall constitute a default during the term of the HOME loan.

(13) The Applicant shall not refinance, increase the principal amount, or alter any terms or conditions of any mortgage superior or inferior to the HOME mortgage without prior approval of the Corporation's Board of Directors. However, an Applicant may reduce the interest rate on any superior or inferior mortgage loan without the Board's permission, provided that no other terms of the loan are changed. The Corporation must be notified of any such change.

~~(a) The Board shall approve requests for mortgage loan refinancing only if Development cash flow is improved, the Development's economic viability is maintained, the security interest of the Corporation is not adversely affected, and the Credit Underwriter provides a positive recommendation.~~

~~(b) Following construction completion, the Board shall deny requests to increase the amount of any superior mortgage, unless the criteria outlined in subsection 67-48.0205(3) paragraph 67-48.020(13)(a), F.A.C., are met, the original combined loan to value ratio for the superior mortgage and the HOME mortgage is maintained or improved, and a proportionate amount of the increase in the superior mortgage is used to reduce the outstanding HOME loan balance. To calculate the proportionate amount of the increase in the superior mortgage which must be paid toward the reduction of the HOME loan balance, the following calculation shall be used: divide the amount of the original HOME mortgage by the combined amount of the original HOME mortgage and the original superior mortgage; then multiply the quotient by the amount of the increase in the superior mortgage from the current balance after deducting refinancing costs. For example, if the amount of the original HOME mortgage is \$2,000,000, the original superior mortgage is \$4,000,000, with a but the current balance of is \$3,000,000, a the proposed new superior mortgage of is \$5,000,000, and refinancing costs of are \$200,000, then the amount of the increase in the superior mortgage after deducting refinancing costs would be \$1,800,000, and the proportionate amount of the increase in the superior mortgage which must be paid toward the reduction of the HOME loan balance would be \$594,000. This \$594,000 would be applied first to accrued interest and then to principal.~~

~~(c) The Board shall deny requests for mortgage loan refinancing which require extension of the HOME loan term or otherwise adversely affect the security interest of the Corporation unless the criteria outlined in paragraph 67-48.020(13)(a), F.A.C., are met, the Credit Underwriter recommends that the approval of such a request is crucial to the economic survival of the Development or unless the Board determines that public policy will be better served by the extension as a result of the Applicant agreeing to further extend the Compliance Period or provide additional amenities or resident programs suitable for the resident population. Further, the Board shall limit any approved extension to a minimum term which makes the Development feasible and which does not exceed an industry standard term.~~

Specific Authority 420.507(12) FS, Law Implemented 420.5089(7), (8), (9) FS, History-New 7-22-96, Amended 12-23-96, 7-10-97, 1-6-98, Formerly 9I-48.020, Amended 11-9-98, 2-24-00, 2-22-01, 3-17-02, 4-6-03, 3-21-04, 2-7-05, 1-29-06,\_\_\_\_\_.

67-48.0205 Sale, or Transfer or Refinancing of a HOME Development.

(1) The HOME loan shall be assumable upon Development sale, transfer or refinancing if the following conditions are met:

(a) The proposed transferee meets all specific Applicant identity criteria which were required as conditions of the original loan;

(b) The proposed transferee agrees to maintain all set-asides and other requirements of the HOME loan for the period originally specified; and

(c) The proposed transferee and Application receives a favorable recommendation from the Credit Underwriter and approval by the Corporation's Board of Directors.

All assumption requests must be submitted in writing to the Director of Special Assets and contain the specific details of the transfer and assumption. In addition to any related professional fees, the Corporation shall charge a non-refundable assumption fee as outlined in the Universal Application instructions.

(2) If the Development is sold and the proposed transferee does not meet the criteria for assumption of the loan, the HOME loan shall be repaid from the proceeds of the sale. If there will be insufficient funds available from the proposed sale of the Development, the HOME loan shall not be satisfied until the Corporation has received:

(a) An appraisal prepared by an appraiser selected by the Corporation indicating that the purchase price for the Development is reasonable and consistent with existing market conditions;

(b) A certification from the Applicant that the purchase price reported is the actual price paid for the Development and that no other consideration passed between the parties and that the income reported to the Corporation during the term of the loan was true and accurate; and

(c) A certification from the Applicant that there are no Development funds available to repay the loan and the Applicant knows of no source from which funds could or would be forthcoming to pay the loan.

(3) The Board shall approve requests for mortgage loan refinancing only if Development cash flow is improved, the Development's economic viability is maintained, the security interest of the Corporation is not adversely affected, and the Credit Underwriter provides a positive recommendation.

(4) The Board shall deny requests for mortgage loan refinancing which require extension of the HOME loan term or otherwise adversely affect the security interest of the Corporation unless the criteria outlined in subsection 67-48.0205(3), F.A.C., are met, the Credit Underwriter recommends that the approval of such a request is crucial to the economic survival of the Development or unless the Board determines that public policy will be better served by the extension as a result of the Applicant agreeing to further extend

the Compliance Period or provide additional amenities or resident programs suitable for the resident population. Further, the Board shall limit any approved extension to a minimum term which makes the Development feasible and which does not exceed an industry standard term.

Specific Authority 420.507(12) FS. Law Implemented 420.5089(7), (8), (9) FS. History—New 12-23-96, Amended 1-6-98, Formerly 9I-48.0205, Amended 11-9-98, Repromulgated 2-24-00, Amended 2-22-01, Repromulgated 3-17-02, 4-6-03, 3-21-04, 2-7-05, 1-29-06, Amended.

67-48.022 HOME Disbursements Procedures and Loan Servicing.

(1) HOME loan proceeds shall be disbursed during the construction/rehabilitation phase in an amount per Draw on a pro-rata basis with the other financing unless otherwise approved by the Corporation or the Credit Underwriter.

(2) Ten (10) business days prior to each Draw, the Applicant shall supply the Corporation's servicer, as agent for the Corporation, with a written request executed by the Applicant for a Draw in a form and substance acceptable to the Corporation's servicer.

(3) The request shall set forth the amount to be paid and shall be accompanied by documentation as specified by the Corporation's servicer. Such documentation shall include invoices for labor and materials to date of the last inspection.

(4) The Corporation's servicer and the Corporation shall review the request for Draw and the Corporation's servicer shall provide the Corporation with approval of the request or an alternative recommendation of an amount to be paid after the title insurer provides an endorsement to the policy of title insurance updating the policy to the date of the current Draw and increasing the insurance coverage to an amount equal to the sum of all prior Draws and the current Draw, without additional exceptions, except those specifically approved in writing by the Corporation. For all Developments consisting of 12 or more HOME-Assisted Units to be developed under a single contract, the borrower shall submit weekly payrolls of the General Contractor and subcontractors in accordance with Federal Labor Standards as enumerated in 24 CFR § 92.354.

(5) Retainage in the amount of 10 percent % per Draw shall be held by the servicer during construction until the Development is 50 percent % complete. At 50 percent % completion, no additional retainage shall be held from the remaining draws. Release of funds held as retainage shall occur in accordance with the HOME loan documents.

(6) The Corporation or its servicer shall elect to withhold any Draw or portion of any Draw, in addition to the retainage, notwithstanding any documentation submitted by the borrower in connection with a request for a Draw, if:

(a) The Corporation or the servicer determines at any time that the actual cost budget or progress of construction differs from that shown on the loan documents.

(b) The percentage of progress of construction of improvements differs from that shown on the request for a Draw.

(c) Developments subject to and not in compliance with Federal Labor Standards.

(7) To the extent excess HOME funds in the budget remain unused, the Corporation has the right to reduce the HOME loan by that amount.

(8) If 100 percent % of the loan proceeds have not been expended within six (6) months prior to the HUD deadline pursuant to 24 CFR § 92.500, the funds shall be recaptured by the Corporation.

(9) The request for final disbursement of HOME funds, excluding retainage, shall be submitted within 60 days of completion of construction as evidenced by certificates of occupancy.

Specific Authority 420.507(12) FS. Law Implemented 420.5089(1) FS. History—New 7-22-96, Amended 12-23-96, 7-10-97, 1-6-98, Formerly 9I-48.022, Amended 11-9-98, 2-24-00, 2-22-01, 3-17-02, 4-6-03, Repromulgated 3-21-04, 2-7-05, 1-29-06, Amended.

#### PART IV HOUSING CREDIT PROGRAM

67-48.023 Housing Credits General Program Procedures and Requirements.

~~In order for a Development to qualify for Housing Credits it shall, at a minimum, meet or comply with the following:~~

(1) Unless the Board approves a competitive allocation process outside the Universal Cycle, an Applicant is not eligible to apply for Competitive Housing Credits if any of the following pertain to the proposed Development:

(a) The Applicant has received an allocation of Housing Credits or a Competitive Housing Credit commitment for the proposed Development, unless the Applicant has provided written notice to the Corporation prior to the Application Deadline for the current cycle that it is withdrawing its acceptance and returning the HC funding from a prior cycle;

(b) The Applicant has already accepted a preliminary commitment of funding for the proposed Development through the SAIL Program, the HOME Program, or the RRLP Program, unless the Applicant has provided written notice to the Corporation prior to the Application Deadline for the current cycle that it is withdrawing its acceptance and returning the prior SAIL Program, HOME Program, or RRLP Program funding.

(c) The proposed Development site or any part thereof is subject to any Land Use Restriction Agreement or Extended Use Agreement, or both, in conjunction with any Corporation affordable housing financing, excluding Predevelopment Loan Program funds, intended to foster the development or maintenance of affordable housing.

~~(2)(1)~~ Each Applicant shall comply with this rule chapter and with Section 42 of the IRC and federal regulations issued pursuant thereto and in effect at the time of the Funding Cycle. Noncompliance, outside of the compliance cure period, by an Applicant, or any Principal, Affiliate or Financial Beneficiary of an Applicant or Developer shall result in disqualification from participation in the current HC Funding Cycle and for a period of not less than one year. The Applicant and its Principals, Affiliates and Financial Beneficiaries will continue to be ineligible to participate in future HC Funding Cycles until such time as all noncompliance issues are cured.

~~(3)(2)~~ Each Housing Credit Development shall comply with the minimum Housing Credit Set-Aside provisions, as specified in Section 42(g)(1) of the IRC, with respect to the reservation of 20 percent % of the units for occupancy by persons or families whose income does not exceed 50 percent % of the area median income, or the reservation of 40 percent % of the units for occupancy by persons or families whose income does not exceed 60 percent % of the area median income. Further, each Housing Credit Development shall comply with any additional Housing Credit Set-Aside chosen by the Applicant in the Application.

~~(4)(3)~~ The Development shall provide safe, sanitary and decent residential rental housing and shall be developed, constructed and operated in accordance with the commitments made and the facilities and services described in the Application at the time of submission to the Corporation. Applications will not be considered approved to receive an allocation of Housing Credits until the Corporation issues a Preliminary Allocation/Preliminary Determination to the Applicant and all contingencies of such documents are satisfied. Allocations are further contingent on the Applicant complying with its Application commitments, Rule Chapter 67-48, F.A.C., and Section 42 of the IRC.

~~(5)(4)~~ All of the dwelling units within a Development shall be rented or available for rent on a continuous basis to members of the general public. The owner of the Development shall not give preference to any particular class or group in renting the dwelling units in the Development, except to the extent that dwelling units are required to be rented to Eligible Persons. All Developments must comply with the Fair Housing Act as implemented by 24 CFR Part 100, Section 504 of the Rehabilitation Act of 1973 and Titles II and III of the Americans with Disabilities Act of 1990 as implemented by 28 CFR Part 35, which are adopted and incorporated herein by reference and available on the Corporation's Website under the 2007 2006 Universal Application link labeled Related Information and Links.

~~(6)(5)~~ Each Competitive Housing Credit Development that receives a Carryover Allocation Agreement and each HC Development financed with tax-exempt bonds shall complete the Final Cost Certification Application within 75 Calendar Days after all the buildings in the Development have been

placed in service. All other Developments shall complete the Final Cost Certification Application no later than the date that is 30 Calendar Days before the end of the calendar year for which the Final Housing Credit Allocation is requested. The Corporation may grant extensions for good cause upon written request.

~~(7)(6)~~ The Final Cost Certification Application (Form FCCA) shall be used by an Applicant to itemize all expenses incurred in association with construction or Rehabilitation of a Housing Credit Development, including Developer's and General Contractor's fees as described in Rule 67-48.0072, F.A.C. Such form shall be completed, executed and submitted to the Corporation, along with the executed Extended Use Agreement, IRS Forms 8821 for all Financial Beneficiaries, a copy of the syndication agreement disclosing the rate and all terms, the required certified public accountant opinion letter, an unqualified audit report prepared by an independent certified public accountant, photographs of the completed Development, the monitoring fee, and documentation of the placed-in-service date as specified in the Form FCCA instructions. The Final Housing Credit Allocation will not be issued until such time as all required items are received and processed by the Corporation. The Final Cost Certification Application is adopted and incorporated herein by reference, effective January 2007 2005, and is available on the Corporation's Website under the 2007 2006 Universal Application link labeled Related Information and Links or by contacting the Housing Credit Program at 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1321. IRS Form 8821, Rev. April 2004, is adopted and incorporated herein by reference and available on the Corporation's Website under the 2007 2006 Universal Application link labeled Related Information and Links.

~~(8)(7)~~ After the final evaluation and determination of the Housing Credit Allocation amount has been made by the Corporation and the Extended Use Agreement has been executed in accordance with Rule 67-48.029, F.A.C., the Forms 8609 are issued to the Applicant of the Housing Credit Development. IRS Low-Income Housing Credit Allocation Certification Form 8609, Rev. December 2005 11-2003, is adopted and incorporated herein by reference and available on the Corporation's Website under the 2007 2006 Universal Application link labeled Related Information and Links. The Corporation will issue only one complete set of Forms 8609 per Development which will be no earlier than total Development completion and the Corporation's acceptance and approval of the Development's Final Cost Certification Application.

Specific Authority 420.507(12) FS. Law Implemented 420.5099 FS. History—New 7-22-96, Amended 12-23-96, 7-10-97, 1-6-98, Formerly 9I-48.023, Amended 11-9-98, 2-24-00, 2-22-01, 3-17-02, Repromulgated 4-6-03, Amended 3-21-04, 2-7-05, 1-29-06,\_\_\_\_\_.

## 67-48.027 Tax-Exempt Bond-Financed Developments.

(1) Tax-Exempt Bond-Financed Developments, as defined in Section 42(h)(4)(B) of the IRC, which applied for 4 percent % Housing Credits when applying for tax exempt bonds from the Corporation in calendar year 2000 or later shall:

(a) Have 50 percent % or more of the aggregate basis of any building and the land on which the building is located financed by tax-exempt bonds;

(b) Be subject to the monitoring and credit underwriting fees as stated in Chapter 67-21, F.A.C.;

(c) Be deemed to have met all HC Program scoring threshold requirements upon the closing of the bonds with the Corporation;

(d) Receive a Preliminary Determination upon the Corporation's issuance of a loan commitment in reference to the tax-exempt bonds;

(e) Be subject to the provisions of this rule chapter, specifically the applicable provisions of Part I and Part IV, except for Rules 67-48.026 and 67-48.028, F.A.C.;

(f) Receive Building Identification Numbers from the Corporation upon satisfying the requirements of this section and the Final Cost Certification Application requirements of Rule 67-48.023, F.A.C.;

(g) Provide an IRS Form 8821 for each Financial Beneficiary of the Development prior to Final Housing Credit Allocation; and

(h) Pay the assigned Credit Underwriter for a comprehensive market study of the housing needs of Low Income individuals in the area to be served by the Development. The market study must be completed by a disinterested third party and a copy of the completed market study must be on file with the Corporation prior to the Final Housing Credit Allocation.

(2) Tax-Exempt Bond-Financed Developments, as defined in Section 42(h)(4)(B) of the IRC, seeking to obtain Housing Credits from the Treasury receiving the bonds from the Corporation prior to calendar year 2000 or receiving bonds from another source other than the Corporation, and not competing for Housing Credits under the state of Florida Allocation Authority shall:

(a) Have 50 percent % or more of the aggregate basis of any building and the land on which the building is located financed by tax-exempt bonds;

(b) Be subject to the Application fee specified in this rule chapter;

(c) Meet the HC Program threshold requirements pursuant to the Qualified Allocation Plan and shall have completed loan closings on all required financing;

(d) Participate in the credit underwriting process pursuant to this rule chapter, unless such Development has received its tax-exempt bond financing through the Corporation, in which

case the Development must be underwritten to the extent necessary to determine Development feasibility and Housing Credit need;

(e) Be subject to the credit underwriting fees as set forth in this rule chapter;

(f) Be subject to the administrative fee specified in this rule chapter;

(g) Receive a Preliminary Determination from the Corporation upon satisfying the requirements of paragraphs (a) through (f) above. A Development may receive a Preliminary Determination prior to the bonds being issued and the submission of an Application, if the Corporation receives a credit underwriting report prepared by one of the Corporation's contracted Credit Underwriters which recommends a Housing Credit Allocation and the issuance of tax-exempt bonds, and receives evidence of a loan commitment in reference to the tax-exempt bonds. The administrative fee must be paid within seven days of the date of the Preliminary Determination;

(h) Be subject to a Developer fee limitation as specified in this rule chapter;

(i) Be subject to the provisions of this rule chapter, specifically the applicable provisions of Part I and Part IV, except for Rule 67-48.028, F.A.C.;

(j) Provide an IRS Form 8821 for each Financial Beneficiary of the Development prior to Final Housing Credit Allocation;

(k) Be subject to the provisions in this rule chapter, pertaining to the required Extended Use Agreement;

(l) Be subject to the monitoring fee specified in this rule chapter, unless such Development has received tax-exempt bond financing through the Corporation;

(m) After bonds are issued to the Development, make Application to the Corporation as required in Rules 67-48.004 and 67-48.026, F.A.C. Applicant shall submit its Application completed in accordance with the Universal Application Package instructions for receipt by the Corporation no later than July 1 of the year the Development is placed in service; and

(n) Receive Building Identification Numbers from the Corporation upon satisfying the requirements of this section and the Final Cost Certification Application requirements of Rule 67-48.023, F.A.C.

Specific Authority 420.507(12) FS. Law Implemented 420.5099 FS. History—New 7-22-96, Amended 12-23-96, 1-6-98, Formerly 9I-48.027, Amended 11-9-98, 2-24-00, 2-22-01, 3-17-02, Repromulgated 4-6-03, 3-21-04, Amended 2-7-05, Repromulgated 1-29-06, Amended \_\_\_\_\_.

## 67-48.028 Carryover Allocation Provisions.

(1) If an Applicant cannot complete its Development by the end of the year in which the Preliminary Allocation is issued, the Applicant must enter into a Carryover Allocation Agreement with the Corporation by December 29th of the year

in which the Preliminary Allocation is issued. The Carryover Allocation allows the Applicant up to the end of the second year following the Carryover Allocation to have the Development placed-in-service.

(2) An Applicant shall have tax basis in the Housing Credit Development which is greater than 10 percent % of the reasonably expected basis in the Housing Credit Development within six (6) months of the date of the execution of the Carryover Allocation Agreement or the Housing Credits will be deemed to be returned to the Corporation. Certification that the Applicant has met the greater than 10 percent % basis requirement shall be signed by the Applicant's attorney or certified public accountant.

(3) All supporting Carryover documentation and the signed certification evidencing the required basis must be submitted to the Corporation within six (6) months of the date of the execution of the Carryover Allocation Agreement or the Housing Credits will be deemed to be returned.

(4) The Applicant for each Development for which a Carryover Allocation Agreement has been executed shall submit quarterly progress reports to the Corporation using Progress Report Form Q/M Report, which will be provided by the Corporation. If the Form Q/M Report does not demonstrate continuous and adequate development and construction progress, the Corporation will require monthly submission of Form Q/M Report until satisfactory progress is achieved, until the Development is placed in service, or until a determination is made by the Corporation that the Development cannot be placed in service by the Carryover deadline and the Housing Credits are returned to the Corporation in accordance with the terms of the Carryover Allocation Agreement. Form Q/M Report shall include a written statement describing the current status of the Development; the financing, construction and syndication activity since the last report; the reasons for any changes to the anticipated placed-in-service date; and any other information relating to the status of the Development which the Corporation may request. The first report shall be due to the Corporation by the first Monday in April of the calendar year following Carryover qualification.

Specific Authority 420.507(12) FS. Law Implemented 420.5099 FS. History—New 7-22-96, Repromulgated 12-23-96, Amended 1-6-98, Formerly 9I-48.028, Amended 11-9-98, 2-24-00, 2-22-01, 3-17-02, 4-6-03, Repromulgated 3-21-04, Amended 2-7-05, Repromulgated 1-29-06, Amended \_\_\_\_\_.

67-48.029 Extended Use Agreement.

(1) Pursuant to Section 42(h)(6) of the IRC, the Applicant and the Corporation shall enter into an Extended Use Agreement. The purpose of the Extended Use Agreement is to set forth the Housing Credit Extended Use Period, the Compliance Period, and to evidence commitments made by the Applicant in the Application. Such commitments, for example, include the Housing Credit Set-Aside commitment, resident programs, and Development amenities.

(2) The following provisions shall be included in the Extended Use Agreement:

(a) The Applicable Fraction for Housing Credit Set-Aside units for each taxable year in the Housing Credit Extended Use Period shall not be less than the Applicable Fraction;

(b) Eligible Persons occupying set-aside units shall have the right to enforce in any state of Florida court the extended use requirement for set-aside units;

(c) The Extended Use Agreement shall be binding on all successors and assigns of the Applicant; and

(d) The Extended Use Agreement shall be executed prior to the issuance of a Final Housing Credit Allocation to an Applicant. Following execution, the Extended Use Agreement shall be recorded pursuant to Florida law as a restrictive covenant.

Specific Authority 420.507(12) FS. Law Implemented 420.5099 FS. History—New 7-22-96, Repromulgated 12-23-96, 1-6-98, Formerly 9I-48.029, Amended 11-9-98, 2-24-00, Repromulgated 2-22-01, 3-17-02, 4-6-03, Amended 3-21-04, 2-7-05, Repromulgated 1-29-06, \_\_\_\_\_.

67-48.030 Sale or Transfer of a Housing Credit Development.

An owner of a Housing Credit Development, its successor or assigns which has been granted a Final Housing Credit Allocation shall not sell the Housing Credit Development without having first notified the Treasury of the impending sale and complying with the Treasury's procedure or procedures for completing the transfer of ownership and utilizing the Housing Credit Allocation. The owner of a Housing Credit Development shall notify the Corporation in writing of an impending sale and of compliance with any requirements by the Treasury for the transfer of the Housing Credit Development. The owner of a Housing Credit Development shall notify the Corporation in writing of the name and address of the party or parties to whom the Housing Credit Development was sold within 14 Calendar Days of the transfer of the Housing Credit Development.

Specific Authority 420.507(12) FS. Law Implemented 420.5099 FS. History—New 7-22-96, Repromulgated 12-23-96, Amended 1-6-98, Formerly 9I-48.030, Amended 11-9-98, Repromulgated 2-24-00, Amended 2-22-01, Repromulgated 3-17-02, 4-6-03, 3-21-04, 2-7-05, 1-29-06, \_\_\_\_\_.

67-48.031 Termination of Extended Use Agreement and Disposition of Housing Credit Developments.

The Housing Credit Extended Use Period for any building shall terminate upon the date a building is acquired through foreclosure or instrument in lieu of foreclosure or if no buyer can be found who is willing to maintain the Housing Credit Set-Aside of the Development. In the event the applicant is unable to locate a buyer willing to maintain the set-aside

provisions of the Extended Use Agreement, the following steps shall be taken, as set forth in Section 42(h)(6) of the IRC, before a building is converted to market-rate use:

(1) After the fourteenth year of the Compliance Period, unless otherwise obligated under the Extended Use Agreement, a Land Use Restriction Agreement under another Corporation program, or if applicant has already knowingly and voluntarily waived its right to request the Corporation find a buyer to acquire the applicant's interest in the Housing Credit Set-Aside portion of the building, an applicant may submit a written request to the Corporation to find a buyer to acquire the applicant's interest in the Housing Credit Set-Aside portion of the building. When submitting a written request, applicants shall utilize the Qualified Contract Package in effect at the time of the written request and shall remit payment of the required Qualified Contract Package fee. The Qualified Contract Package consists of the forms and instructions, obtained from the Corporation at 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329, or on the Corporation's Website under the 2007 ~~2006~~ Universal Application link labeled Related Information and Links, which shall be completed and submitted to the Corporation in accordance with this rule chapter in order to request the Corporation find a buyer to acquire the applicant's interest in the Housing Credit Set-Aside portion of the building. The Qualified Contract Package, Rev. 09-06 ~~09-05~~, is adopted and incorporated herein by reference.

(2) All information contained in a Qualified Contract Package request is subject to independent review, analysis and verification by the Corporation or its agents. The Corporation shall request additional information to document the qualified contract price calculation or other information submitted, if the submitted documentation does not support the price indicated by the certified public accountant (CPA) hired by the owner. The Corporation shall then engage its own CPA to perform a qualified contract price calculation. Cost of such service shall be paid for by the owner. Following the Corporation's receipt and complete review of the completed Qualified Contract Package, the Corporation shall have one year to present a "qualified contract", as defined in Section 42(h)(6)(F) of the IRC, for the Development. The one year time period shall commence upon the Corporation's receipt and final review of all of the accompanying information required by the Qualified Contract Package and the Corporation and the owner have agreed to the qualified contract price in writing.

(3) At the conclusion of the review process established by Rule 67-48.031, F.A.C., each applicant will be provided with its qualified contract price calculation and notice of rights.

(4) Written arguments to any recommended order entered pursuant to a Section 120.57(2), F.S., proceeding concerning its qualified contract price calculation shall be typed and double-spaced with margins no less than one inch in either Times New Roman 14-point or Courier New 12-point font and

may not exceed five pages. Written arguments must be filed with Florida Housing Finance Corporation's Clerk at 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329, no later than 5:00 p.m., Eastern Time, on the date contained in the recommended order. Failure to timely file a written argument shall constitute a waiver of the right to have a written argument considered by the Board. The one year time period the Corporation has to present a "qualified contract" will toll upon the filing of a petition to contest a qualified contract price calculation and will recommence upon the issuance of the Board's final order.

(5) The applicant shall cooperate with the Corporation and its agents with respect to the Corporation's efforts to present a "qualified contract" for the purchase of the applicant's interest in the Housing Credit Set-Aside portion of the Development and the applicant's failure to cooperate will toll the one year time period the Corporation has to present a "qualified contract". The Corporation shall actively seek to obtain a qualified buyer for acquisition of the Housing Credit Set-Aside portion of the building for an amount not less than the Applicable Fraction as specified in the Extended Use Agreement of:

(a) The sum of the outstanding indebtedness secured by the building;

(b) The adjusted investor equity in the building; and

(c) Other capital contributions not reflected in the amounts above, and reduced by cash distributions from the Development.

(6) If the Corporation presents a "qualified contract" and the applicant fails to enter into a bona fide contract to acquire the Development, as defined in Section 42(h)(6)(F) of the IRC, the applicant shall irrevocably waive any right to further request that the Corporation present a "qualified contract" for the purchase of the applicant's interest in the Housing Credit Set-Aside portion of the Development and the Development will remain subject to the requirements of the Extended Use Agreement.

(7) In the event no buyer is found to acquire the Housing Credit Set-Aside portion of the building within one year as described herein, the Housing Credit Extended Use Period shall be terminated, and the units converted to market-rate.

(8) Pursuant to Section 42(h)(6)(E)(ii) of the IRC, the termination of an Extended Use Agreement shall not be construed to permit the termination of a tenancy, the eviction of any existing resident of any set-aside unit, or any increase in the gross rent with respect to any set-aside unit before the close of the three-year period following such termination. In no case shall any portion of a Housing Credit Development be disposed of prior to the expiration of the Extended Use Agreement.

Specific Authority 420.507(12) FS. Law Implemented 420.5099 FS. History--New 7-22-96, Repromulgated 12-23-96, 1-6-98, Formerly 9I-48.031, Amended 11-9-98, Repromulgated 2-24-00, 2-22-01, 3-17-02, 4-6-03, 3-21-04, Amended 2-7-05, 1-29-06,\_\_\_\_\_.

NAME OF PERSON ORIGINATING PROPOSED RULE: Vicki Robinson, Florida Housing Finance Corporation, 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32031-1329, (850)488-4197

NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: Stephen P. Auger, Executive Director, Florida Housing Finance Corporation, 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32031-1329, (850)488-4197

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: January 26, 2007

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: Vol 32, No. 34, August 25, 2006

Section III
Notices of Changes, Corrections and Withdrawals

DEPARTMENT OF LAW ENFORCEMENT
Division of Criminal Justice Information Systems

RULE NO.: 11C-6.010
RULE TITLE: Retention of Applicant Fingerprints
NOTICE OF WITHDRAWAL

Notice is hereby given that the above rule, as noticed in Vol. 32, No. 50, December 15, 2006 issue of the Florida Administrative Weekly has been withdrawn.

BOARD OF TRUSTEES OF THE INTERNAL IMPROVEMENT TRUST FUND

Notices for the Board of Trustees of the Internal Improvement Trust Fund between December 28, 2001 and June 30, 2006, go to http://www.dep.state.fl.us/ under the link or button titled "Official Notices."

PUBLIC SERVICE COMMISSION

RULE NO.: 25-40.001
RULE TITLE: Exceptions to the Uniform Rules of Procedure
NOTICE OF CORRECTION

Notice is hereby given that the following correction has been made to the proposed rule in Vol. 33, No. 1, January 5, 2007 issue of the Florida Administrative Weekly.

Notice is hereby given that the following correction has been made to Rule 25-40.001, which was noticed as a proposed rule in Vol, 33, No. 1, January 5, 2007, issue of the Florida Administrative Weekly. The Rule Development Notice was published in Vol. 32, No. 50, December 15, 2006, instead of

Vol. 32, No. 44, November 3, 2006, as stated in the Notice of Rule Proposal. The foregoing correction does not affect the substance of the rule.

THE PERSON TO BE CONTACTED REGARDING THE ABOVE CORRECTION IS: Larry D. Harris, Associate General Counsel, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0852, Telephone (850)413-6076. Docket No. 050108-OT.

DEPARTMENT OF MANAGEMENT SERVICES

Division of State Purchasing

RULE NO.: 60A-1.041
RULE TITLE: Solicitation Requirements
NOTICE OF CHANGE

Notice is hereby given that the following changes have been made to the proposed rule in accordance with subparagraph 120.54(3)(d)1., F.S., published in Vol. 32, No. 32, August 11, 2006, issue of the Florida Administrative Weekly. These changes are in response to written material received on or before the date of the final public hearing, comments received by the Department during the final public hearing and comments received from staff of the Joint Administrative Procedures Committee.

The above-mentioned rules are changed as follows:

60A-1.041 Solicitation Requirements.

(1) through (3) No change.

(4) Certification of Contract Negotiators – Persons seeking certification as a contract negotiator shall complete and submit to the Department Form PUR 2011 ##### (0#/07 06), "Application for Certification as Contract Negotiator." Applicants shall either scan the completed form and submit it electronically to PURCertification@dms.state.fl.us, fax the form to the Department as provided in the PUR 2011 or mail the completed form to State Purchasing, Department of Management Services, 4050 Esplanade Way, Ste. 360, Tallahassee, FL 32399-0950. The Department shall certify as a contract negotiator any state or political subdivision employee who satisfies the following criteria:

(a) Any person certified by the Department as a Florida Certified Negotiator prior to the effective date of this administrative rule shall retain their contract negotiator status. The Department will issue to each prior-certified negotiator a new certificate reflecting his or her status as a Certified Contract Negotiator. Submission of Form PUR 2011 ##### will not be required;

(b) Any person who has: (1) completed either the National Institute of Governmental Purchasing ("NIGP") NIGP General Public Procurement seminar or the NIGP Sourcing in the Public Sector seminar or Department-approved equivalent; (2) completed the NIGP Negotiation Strategies seminar offered by the Department or Department-approved equivalent; (3) completed the Department's Negotiation in Florida seminar or