

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
January 23, 2020
Action Items



MULTIFAMILY PROGRAMS – ALLOCATIONS

Action

I. MULTIFAMILY PROGRAMS – ALLOCATIONS

A. Request for Applications (RFA) 2019-112 Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County

1. Background

- a) On August 20, 2019, Florida Housing Finance Corporation (Florida Housing) issued RFA 2019-112 offering \$7,195,917 of Housing Credit Financing for affordable housing Developments located in Miami-Dade County.
- b) The deadline for receipt of Applications was 3:00 p.m., Eastern Time, October 22, 2019.

2. Present Situation

- a) Florida Housing received 63 Applications in response to this RFA. The Review Committee members, designated by the Executive Director, were Lisa Nickerson, Multifamily Programs Administrator (Chair), Melissa Levy, Assistant Director of Multifamily Programs, and Rebecca Sheffield, Multifamily Programs Coordinator. Each member of the Review Committee independently evaluated and scored their assigned portions of the submitted Applications, consulting with non-committee staff and legal counsel as necessary and appropriate.
- b) At its January 9, 2020 Review Committee meeting, the individual committee members presented their scores and the Committee carried out the funding selection process in accordance with Section Five, B. of the RFA. The individual scores are set forth on the RFA webpage and can be accessed [here](#).
- c) The 2019-112 All Applications chart (provided as [Exhibit A](#)) lists the eligible and ineligible Applications. The eligible Applications (i.e., Applications that met all criteria to be eligible to be considered for funding) and the ineligible Applications are listed in assigned Application Number order.
- d) The Review Committee considered the following motions:
 - (1) A motion for the Review Committee to approve the scoring results as set out on Exhibit A and recommendations for funding as set out on [Exhibit B](#);
 - (2) A motion to recommend that the Board approve the scoring results as set out on Exhibit A and recommendations for funding, as set out on Exhibit B.
- e) The motions passed unanimously.
- f) As outlined in the RFA, at the completion of all litigation and approval by the Board of all Recommended Orders with regard to this RFA, Florida Housing shall offer all Applicants within the funding range an invitation to enter credit underwriting.

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3. **Recommendation**

- a) The Review Committee will reconvene regarding the reporting of Applicant financial arrearages on January 21, 2020. The recommendation for funding will be provided in a supplemental item.
- b) If no notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., staff will proceed to issue an invitation to enter credit underwriting to the Applications set out on the supplemental item.
- c) If a notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., then at the completion of all litigation, staff will present all Recommended Orders for Board approval prior to issuing invitations to enter credit underwriting to those Applicants in the funding range.

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B. Request for Applications (RFA) 2019-115 Housing Credit Financing for the Preservation of Existing Affordable Multifamily Housing Developments

1. Background

- a) On September 18, 2019, Florida Housing Finance Corporation (Florida Housing) issued RFA 2019-115 offering \$8,046,000 of Housing Credit financing for the Preservation of existing affordable multifamily housing developments.
- b) The deadline for receipt of Applications was 3:00 p.m., Eastern Time, October 24, 2019.

2. Present Situation

- a) Florida Housing received 14 Applications in response to this RFA. The Review Committee members, designated by the Executive Director, were Jade Grubbs, Multifamily Programs Administrator (Chair), Tammy Bearden, Loan Closing Manager, and Heather Strickland, Multifamily Programs Coordinator. Each member of the Review Committee independently evaluated and scored their assigned portions of the submitted Applications, consulting with non-committee staff and legal counsel as necessary and appropriate.
- b) At its January 8, 2020 Review Committee meeting, the individual committee members presented their scores and the Committee carried out the funding selection process in accordance with Section Five, B. of the RFA. The individual scores are set forth on the RFA webpage and can be accessed [here](#).
- c) The 2019-115 All Applications chart (provided as [Exhibit C](#)) lists the eligible and ineligible Applications. The eligible Applications (i.e., Applications that met all criteria to be eligible to be considered for funding) and the ineligible Applications are listed in assigned Application Number order.
- d) The Review Committee considered the following motions:
 - (1) A motion for the Review Committee to approve the scoring results as set out on Exhibit C and recommendations for funding as set out on [Exhibit D](#);
 - (2) A motion to recommend that the Board approve the scoring results as set out on Exhibit C and recommendations for funding, as set out on Exhibit D.
- e) The motions passed unanimously.
- f) As outlined in the RFA, at the completion of all litigation and approval by the Board of all Recommended Orders with regard to this RFA, Florida Housing shall offer all Applicants within the funding range an invitation to enter credit underwriting.

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3. **Recommendation**

- a) Approve the Committee’s recommendations that the Board adopt the scoring results of the 14 Applications (set out on Exhibit C) and authorize the tentative selection of the 7 Applications (set out on Exhibit D) for funding.
- b) There is an unallocated balance of \$2,638,843 in Development funding remaining. As provided in Section Five, B. of the RFA, any remaining funding will be distributed as approved by the Board. Staff recommends the Board approve the tentative selection of the next highest ranking eligible unfunded Applications, subject to the County Award Tally (Applications from counties that have not previously received an award) and Funding Test (selecting Applications that can be fully funded with the remaining funding). If no notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., the additional Applications would be as follows:
 - (1) 2020-153C Trenton Apartments in Gilchrist County, requesting \$638,482
 - (2) 2020-164C Orangewood Apartments in Bradford County, requesting \$543,040
 - (3) 2020-161C Prairie Oaks Apartments in Levy County, requesting \$671,223
 - (4) 2020-154C Tampa Heights Apartments in Hillsborough County, requesting \$500,000
- c) If no notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., staff will proceed to issue an invitation to enter credit underwriting to the Applications set out on Exhibit D, and if approved by the Board, the above referenced eligible unfunded Applications.
- d) If a notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., then at the completion of all litigation, staff will present all Recommended Orders for Board approval prior to issuing invitations to enter credit underwriting to those Applicants in the funding range.

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C. Request for Applications (RFA) 2019-118 Elderly Housing Community Loan

1. Background

- a) On September 24, 2019, Florida Housing Finance Corporation (Florida Housing) issued RFA 2019-118 offering \$2,524,476 of EHCL financing to be used to provide life-safety, building preservation, health, sanitation, or security-related repairs or improvement to Developments currently serving Elderly residents as defined in 420.503(15), F.S.
- b) The deadline for receipt of Applications was 3:00 p.m., Eastern Time, December 5, 2019.

2. Present Situation

- a) Florida Housing received 2 Applications in response to this RFA. The Review Committee members, designated by the Executive Director, were Heather Strickland, Multifamily Programs Coordinator, Jade Grubbs, Multifamily Programs Administrator, and Charles Jones, Multifamily Programs Manager. Each member of the Review Committee independently evaluated and scored their assigned portions of the submitted Applications, consulting with non-committee staff and legal counsel as necessary and appropriate.
- b) At its January 10, 2020 Review Committee meeting, the individual committee members presented their scores and the Committee carried out the funding selection process in accordance with Section Five, B. of the RFA. The individual scores are set forth on the RFA webpage and can be accessed [here](#).
- c) The 2019-118 All Applications chart (provided as [Exhibit E](#)) lists the Applications. The Applications are listed in assigned Application Number order. There were no ineligible Applications.
- d) The Review Committee considered the following motions:
 - (1) A motion for the Review Committee to approve the scoring results as set out on Exhibit E and recommendations for funding as set out on [Exhibit F](#);
 - (2) A motion to recommend that the Board approve the scoring results as set out on Exhibit E and recommendations for funding, as set out on Exhibit F.
- e) The motions passed unanimously.
- f) As outlined in the RFA, at the completion of all litigation and approval by the Board of all Recommended Orders with regard to this RFA, Florida Housing shall offer all Applicants within the funding range an invitation to enter credit underwriting.

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3. **Recommendation**

- a) Approve the Committee’s recommendations that the Board adopt the scoring results of the 2 Applications (set out on Exhibit E) and authorize the tentative selection of the 2 Applications (set out on Exhibit F) for funding.
- b) There is an unallocated balance of \$1,024,476 in Development funding remaining. As provided in Section Five, B. of the RFA, any remaining funding will be distributed as approved by the Board.
- c) If no notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., staff will proceed to issue an invitation to enter credit underwriting to the Applications set out on Exhibit F.
- d) If a notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., then at the completion of all litigation, staff will present all Recommended Orders for Board approval prior to issuing invitations to enter credit underwriting to those Applicants in the funding range.

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D. Request Approval to Provide Grant Funding for the Purchase and Installation of Permanent, Standby Generators for Supported Living Units that Serve Persons with Intellectual/Developmental Disabilities

1. Background

- a) In 2013, Florida Housing began financing the development of supportive housing options specifically for persons with intellectual and developmental disabilities (I/DD). The housing options were Community Residential Homes (CRH) and Permanent Supportive Housing (PSH). These rental housing options were financed with the use of more than \$50 million in grant funding appropriated by the Legislature to provide safe and decent housing that meets the needs of persons with I/DD. Florida Housing added a third housing option, Supportive Living Units (SLUs), in 2014.
- b) Florida Housing staff worked closely with the Agency for Persons with Disabilities, providers of services and housing for persons with I/DD, disability advocates, as well as intended residents and their families to develop these housing models. The focus of our work was to develop a range of housing options that allow persons a choice of supportive settings that promote optimal self-sufficiency and self-direction, as well as access to and integration in their communities.
- c) Community Residential Homes or CRHs are single-family home-like residences that are licensed by the Agency for Persons with Disabilities. The residences serve up to 6 persons with I/DD and provide services and supervision 24 hours per day. Supportive Living Units or SLUs are rental housing developments of up to six units. SLUs serve persons with I/DD that receive community-based Medicaid services that provide assistance for living independently in the community. The Permanent Supportive Housing or PSH model is a large rental development that sets aside at least 50 percent of its rental units for persons with special needs. These developments assist their residents to identify, access, and retain community-based supportive services that help them live successfully in their community.
- d) After Florida experienced Hurricanes Hermine and Matthew in 2016, staff heard accounts regarding some CRHs financed by the Corporation that were impacted by long-term power outages. The accounts included situations where residents with significant health or behavior issues had to be displaced because the home had no or insufficient generator systems. Because of these accounts, staff conducted due diligence to research and develop a process to fund the purchase and installation of permanent stand-by generators that were appropriate for size and usage needs of the CRHs.
- e) A permanent standby generator is a professionally installed, in-place generator that has the capacity to power the entire building. Each permanent generator contains a stand-alone motor which is connected to a city gas or an external propane gas tank when the electric power is out of service. The generator is connected to an automatic transfer switch which monitors the home's power. When a home experiences a power outage, the generator automatically starts, and subsequently shuts off when power is restored. The costs of purchasing and installing a permanent generator depend on the size of the CRH, the condition of the home's electrical system, and the type of non-electric, external fuel source. In October of 2017, staff proposed, and the Board approved the use of the state

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grant funds for persons with I/DD for the purchase and certified installation of these generators in financed CRHs. As of September 2018, Florida Housing requires the installation and on-going maintenance of permanent standby generators in all financed CRHs.

2. Present Situation

- a) To date, Florida Housing has provided grant funds to purchase and install permanent standby generators in 27 CRHs that were financed before permanent generators were a required feature for receiving funding. Staff continues to process funding requests from eligible CRHs for reserved grant funding for the purchase and installation of generators.
- b) As previously stated, Florida Housing now requires all new CRHs to install permanent standby generators and offers SLU Developments the opportunity to accomplish this as well. Up to \$20,000 is awarded for each Development to achieve this. SLU developments may include single family homes, duplexes, or other small apartment complexes consisting of up to 6 units. Staff has determined that there are sufficient grant funds reserved for generators to fund the four SLU developments that were financed before funding was awarded for this purpose.
- c) Florida Housing would like to offer the four previously funded Supported Living Units the opportunity to request up to \$20,000 each to install permanent standby generators as well.
- d) Staff believes this approach continues to meet the objective of the Legislature's grant funding for persons with I/DD and provides assistance to the non-profit SLU providers in emergencies, such as hurricanes, for I/DD residents who may be in fragile health or have mobility impairments and would be difficult to evacuate. This would also meet Florida Housing's concerns about long term hurricane housing recovery.
- e) Guiding principles regarding this funding will include, but not be limited to:
 - (1) The funding will be made available to nonprofit applicants that have previously received an award of funding from Florida Housing for SLUs for Persons with I/DD;
 - (2) The funding will be eligible for use at SLU developments funded through previously issued RFAs that do not currently have a standby whole house generator;
 - (3) Florida Housing will provide guidance on the type and size of generators, and require professional installation; and
 - (4) The process will include consideration of accessories such as generator pads and batteries.
- f) The staff will workshop this concept to develop the criteria before making funding available.

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3. **Recommendation**

- a) Authorize staff to proceed with offering up to \$80,000 in grant funding to provide permanent, standby generators to Supported Living Units serving persons with I/DD that were funded through previously issued RFAs.

PROFESSIONAL SERVICES SELECTION (PSS)

Action

II. PROFESSIONAL SERVICES SELECTION (PSS)

A. Single Source Procurement for OnBase Licensing

1. Background

- a) Florida Housing uses OnBase as its document management system. Hyland Software, Inc., is the developer of our OnBase software. At the August 2, 2019 meeting, Board members were provided with an information item indicating that staff were renewing our OnBase licenses under the same terms and conditions as the prior year.

2. Present Situation

- a) The Chief Information Officer would like to move forward with an enterprise license for OnBase containing more robust functionality in order to better integrate OnBase with Florida Housing's multifamily line of business software, ProLink. This functionality will also allow direct query to public documents via the Florida Housing website, thus increasing transparency and reducing document replication. This will facilitate several IT strategic goals.
- b) The estimated upgrade cost of these services for a one-year period is \$25,995.56, bringing the total to approximately \$60,000.

3. Recommendation

- a) Staff believes that it is in the best interest of Florida Housing to continue with these upgraded services and proceed with an updated contract. Staff requests authorization to enter into negotiations for a single source contract with Hyland Software, Inc, for this purpose.

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B. Single Source Procurement for the Affordable Housing Locator Subscription Services

1. Background

- a) In August 2005 and May 2008, Florida Housing's Board of Directors authorized staff to carry out a solicitation process to select an entity to develop and maintain a web-based housing Locator to help Floridians conduct searches for available rental housing financed by Florida Housing. The goal was to create an adaptable system to enable the eventual inclusion of any affordable rental unit statewide that met Florida Housing's inclusion standards (for example, units that serve households at or below 140% of area median income).
- b) At the conclusion of both solicitations, the Board authorized staff to enter into contract negotiations with SocialServe.com. The Locator services, including the web-based search engine (www.floridahousingsearch.org) and a staffed call center, launched in October 2006.
- c) At the December 2013 meeting, the Board authorized a single source procurement to purchase housing Locator services directly from Non-Profit Industries d/b/a SocialServe.com, with a contract term of up to three years.
- d) In August 2015, Emphasys Computer Solutions, Inc. acquired the technology assets of Non-Profit Industries d/b/a SocialServe.com. The Locator continues to be managed by the same staff in the same manner as it was before this transition.
- e) In annual meetings since 2016, the Board has authorized a single source procurement to purchase housing Locator services directly from Emphasys Computer Solutions, Inc., for a period of one year.
- f) In the last three years, Florida Housing has also utilized the Locator's on-line and call center services to assist households, displaced by Hurricane Irma, Maria or Michael, find short and long-term rental housing.

2. Present Situation

- a) On March 24, 2020, the term for Florida Housing's current contract with Emphasys Computer Solutions, Inc., will expire.
- b) The Locator service has been very successful. It is well-respected for being a very user-friendly service that allows people to locate available housing that best fits their individual and family needs. Throughout the past decade, Florida Housing has never received a complaint about the Locator or attendant call center services.
- c) Florida Housing staff continues to be very satisfied with the Locator's growth in use by consumers and landlords, as well as the provision of services by Emphasys to consumers who may need help with the site, advocates for consumers, landlords and Florida Housing itself. With the end of the current contract approaching, the staff has been researching prospective vendors that may be qualified and interested in applying to manage the Locator services with the same capacity and quality as the current Locator service.

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- d) The services are widely used by supportive services agencies, homeless coalitions and legislators' staffs in their efforts to assist Floridians find affordable and available rental housing that meets their needs. The on-line and call center services are ADA certified for use by persons with disabilities. Individuals can access the information online, in many languages, 24 hours a day. They can easily search for available rental housing using a wide variety of search criteria with special mapping features and receive apartment listings that provide a variety of important information about each unit. In addition, the site connects people to other housing and community resources through website links and provides helpful tools for renters such as an affordability calculator, rental checklist, and renter rights and responsibilities information.
- e) The toll-free call center is staffed by specialists who are trained to work with both the public and landlords, with bilingual capacity to assist Spanish-speaking persons. The call center vendor is a non-profit organization that strives to train and hire persons with disabilities, formerly homeless individuals, and those with other special needs. Many of the call center specialists have had experiences similar to the consumers they are now assisting to find housing. Florida Housing has not found any other rental housing locator businesses that provide the call center services. These call center services have been instrumental when households need additional assistance searching for a home. The call center's capacity to quickly identify available rental housing for displaced households have also been extremely useful after a disaster.
- f) There are nearly 230,000 units now registered in the Locator's database.
- g) The services listed below that Florida Housing obtains from Emphasys cannot be replicated by any other vendor in the market:
 - (1) Assisting landlords to manage listings by helping to register units, monitoring for accuracy and helping them keep the listings current. It is not an "inventory style" listings like other services; it is real-time availability that is typically not offered through other housing locators and is critical to State disaster response needs as well as for locating available properties in a time-sensitive/time-critical manner. Listings are required to be updated every 10 to 28 business days;
 - (2) Screening properties for listing accuracy and Fair Housing violations and removing those in non-compliance;
 - (3) Backing up its online services with a bilingual toll free call center comprised of housing-specific trained customer service specialists who help tenants locate housing, help landlords initially register and regularly update listings, and support families displaced as a result of natural disasters and economic situations;
 - (4) Conducting rental housing searches for households that do not have access to the internet;
 - (5) In addition to customer specialists at the call center, providing professionally trained case managers who assist households with special needs and/or are in crisis to search for temporary and permanent housing that meets their immediate and/or long term needs;

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- (6) Contacting and working with households directly upon request by staff from Florida Housing, State agencies and Legislators' offices; and
 - (7) Assisting state and local emergency management systems in helping displaced households find housing local, regional and statewide. A component of disaster services is to update available housing stock in its database on a 24/7 basis and conduct ongoing searches for additional housing units and options.
- h) As a result of our research, and after consideration of the standards Florida Housing expects for a Housing Locator service and the available vendor options, Florida Housing's staff believes that Emphasys continues to be the only vendor with the capacity, qualifications and experience to maintain the level of service that Florida Housing and the State of Florida relies on and has come to expect for Locator services.

3. **Recommendation**

- a) Staff believes that it is in the best interest of Florida Housing to continue with these services and proceed with a new one-year contract. Staff requests authorization to enter into negotiations for a single source contract with Emphasys Computer Solutions, Inc, for this purpose.

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C. Request for Qualifications (RFQ) 2019-18, Arbitrage Rebate Analyst Services Award

1. Background

- a) At the October 31, 2019 meeting, the Board authorized Florida Housing staff to issue a solicitation to procure one or more qualified firms to provide Arbitrage Rebate Analyst Services.

2. Present Situation

- a) RFQ 2019-18 was issued on November 5, 2019. The deadline for receipt of responses was 2:00 p.m., December 5, 2019. A copy of the RFQ is provided as [Exhibit A](#).
- b) Two responses were received from BLX Group LLC and Hawkins Delafield & Wood LLP.
- c) Members of the committee were Melanie Weathers, Senior Financial Administrator (Chairperson); Tamara Alford, Financial Manager; and Michelle Connelly, Financial Manager (“Review Committee”).
- d) Each member of the Review Committee individually reviewed the proposals submitted prior to convening for the Review Committee meeting which was held at 10:00 a.m., December 19, 2019.
- e) At the December 19 meeting, the Review Committee members provided their final scores for the responses received. The score sheet is provided as [Exhibit B](#).

3. Recommendation

- a) The Review Committee recommends that the Board authorize Florida Housing to enter into contract negotiations with both BLX Group LLC and Hawkins Delafield & Wood LLP.

STRATEGIC PLAN

Action

III. STRATEGIC PLAN

A. Approval of the Florida Housing Finance Corporation 2020 Strategic Plan

1. Background

- a) The purpose of Florida Housing's strategic plan is to provide a three to five year framework for policy and operational decisions at Florida Housing Finance Corporation. Section 420.511, Florida Statutes, requires Florida Housing to develop a plan for the provision of affordable housing for the state.
- b) Florida Housing staff prepared background information, including a trends and conditions document, to guide the Board's Strategic Planning discussion during the September 2019 Board meeting.
- c) Following the September 2019 Board meeting, staff solicited public input through various venues, including issuing public notices and making announcements at various stakeholder meetings and statewide conferences. Submitted written comments were reviewed and posted to a dedicated page on Florida Housing's website.
- d) A draft of the 2020 Strategic Plan was provided to the Board in advance of the December 2019 meeting for review and comment.

2. Present Situation

- a) The final 2020 plan is provided as [Exhibit A](#). Florida Housing staff has started work on developing the key components and actions for each strategy for implementing the plan. Once the strategies are more developed, we will craft the set of attendant operational performance measures that will be reported on regularly to the Board.
- b) Upon Board approval of the final plan, the performance measures in the plan will be incorporated into a revised affordable housing services contract with the Florida Department of Economic Opportunity (DEO).

3. Recommendation

- a) Staff recommends that the Board approve the proposed Florida Housing Finance Corporation 2020 Strategic Plan.