

**FLORIDA HOUSING FINANCE CORPORATION**  
**Board Meeting**  
**March 12, 2021**  
**Action Items**



## LEGAL

### *Action*

## I. LEGAL

### A. **Hermosa Arcadia, LLC v. Florida Housing Finance Corporation, 2021-009BP (RFA 2020-206)**

#### 1. **Background**

- a) This case regards protests filed against the funding awarded under Request for Applications 2020-206 HOME Financing for the Construction of Small and Rural Developments (the “RFA”). Petitioner Hermosa Arcadia, LLC (“Hermosa” applied for funding through the RFA. The Review Committee determined that Petitioner was eligible for funding but not within the funding range of the RFA.
- b) Petitioner timely filed a notice of intent to protest and a Formal Written Protest and Petition for Administrative Hearing (“Petition”) challenging Florida Housing’s scoring of Ad Meliora Community Development, Inc. (“Ad Meliora”) and Sandcastles Foundation, Inc. (“Sandcastles”) applications. A Notice to Bidders was issued by Florida Housing informing all bidders that their substantial interests might be affected by the Petition. Ad Meliora and Sandcastles filed Notices of Intervention and Appearances as a Specifically-Named Party.

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

- a) During scoring, Florida Housing determined that the Petitioner’s Application met the eligibility requirements in the RFA but was not selected for funding. In reviewing the Application, the Petition, the requirements of the RFA, and the stipulated facts in the Consent Agreement, and in the interest of avoiding the time, expense, and uncertainty of litigation, the parties entered into a Consent Agreement, attached as [Exhibit A](#). The Consent Agreement results in Florida Housing recommending to the Board to add additional HOME funding to the RFA to fully fund Petitioner, subject to the requirements of credit underwriting. Petitioner has agreed to dismiss the Petition with prejudice if the Consent Agreement is adopted by this Board. The Consent Agreement does not displace any other applicants recommended for funding at the January 22, 2021 Board meeting.

#### 3. **Recommendation**

- a) Staff recommends that the Board adopt the Consent Agreement and issue a Final Order in accordance with the Consent Agreement.

## MULTIFAMILY PROGRAMS – ALLOCATIONS

### *Action*

#### I. MULTIFAMILY PROGRAMS – ALLOCATIONS

##### A. RFA 2021-104 SAIL Financing Farmworker And Commercial Fishing Worker Housing

###### 1. Background

- a) On December 14, 2020, Florida Housing Finance Corporation (Florida Housing) issued RFA 2020-104 offering \$5,131,500 in SAIL funding for the construction or rehabilitation of Farmworker or Commercial Fishing Worker Housing.
- b) The deadline for receipt of Applications was 3:00 p.m., Eastern Time, January 14, 2021.

###### 2. Present Situation

- a) Florida Housing received 1 Application in response to this RFA. The Review Committee members, designated by the Executive Director, were Joey Evans, Multifamily Programs Allocations Analyst (Chair), Rachael Grice, Multifamily Programs Coordinator, and Jade Grubbs, Multifamily Programs Administrator. 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 March 3, 2021 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 RFA 2020-104 All Applications chart (provided as Exhibit A) lists the Application received.
- d) The Review Committee considered the following motions:
  - (1) A motion for the Review Committee to approve the scoring results and recommendation for funding as set out on [Exhibit A](#);
  - (2) A motion to recommend that the Board approve the scoring results and recommendation for funding as set out on Exhibit A.
- e) The motions passed unanimously.

###### 3. Recommendation

- a) Approve the Committee's recommendations that the Board adopt the scoring results of the 1 Application and authorize the tentative selection of the 1 Application (set out on Exhibit A) for funding.
- 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 application set out on the Exhibit A.

## MULTIFAMILY PROGRAMS – ALLOCATIONS

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- 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 the Applicant in the funding range.
- d) There is an unallocated balance of \$831,500 of SAIL funding remaining. As provided in Section Five, B. of the RFA, any remaining funding will be distributed as approved by the Board.

## MULTIFAMILY PROGRAMS – ALLOCATIONS

### *Action*

#### **B. 2021 Rule Development**

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

- a) Rule development workshops were held on February 2, 2021 and March 2, 2021 to solicit comments concerning the proposed changes to the 2021 Qualified Allocation Plan (QAP) and Rule Chapters 67-21 (Non-Competitive Affordable Multifamily Rental Housing Programs) and 67-48, F.A.C. (Competitive Affordable Multifamily Rental Housing Programs).
- b) As a result of the workshops, staff has drafted proposed revisions to the existing rules governing the various multifamily programs. Staff would like to proceed with the rule development process for these rules and requests the Board's approval of the proposed Rules and QAP. The Notice of Proposed Rule (NOPR) for rule chapter 67-21, F.A.C. is attached as [Exhibit B](#), the NOPR for rule chapter 67-48, F.A.C. is attached as [Exhibit C](#), and the proposed 2021 QAP is attached as [Exhibit D](#).
- c) If the Board approves the proposed rules and QAP as presented, the NOPRs will be published in the March 16, 2021 edition of the Florida Administrative Register. The NOPRs will announce the Rule Hearings which are scheduled for April 7, 2021. Following review of the public comments received at the Rule Hearings and the comments received from the Joint Administrative Procedures Committee following its review of the NOPRs, staff will proceed as follows:
  - (1) If modification of the proposed rules is not required, staff will file the proposed rules for adoption.
  - (2) If modification of the proposed rules is required, staff will prepare the necessary Notice of Change (NOC) to incorporate all proposed modifications to the proposed rule and, if required, will submit the NOC for Board approval.

##### **2. Recommendation**

- a) Approve the proposed rules and QAP and authorize staff to file the rules for adoption if a NOC is not required and, if a NOC is required, authorize the Board Chair to determine whether a NOC makes material, substantive changes to the rule chapter. If the Chair determines that it does not, staff recommends that the Board approve such NOC without the requirement of another Board meeting. In the alternative, if the Chair determines that any NOC does make material, substantive changes to the rule chapter, staff recommends that a telephonic Board meeting be called to obtain Board approval for any required changes, with such changes to be ratified at the next regularly scheduled Board meeting.

## MULTIFAMILY PROGRAMS – ALLOCATIONS

### *Action*

#### C. Modified Workforce Housing Allocation for 2020/2021 Funding Cycle

##### 1. Background

- a) At its July 2020 meeting, the Board approved the 2020-2021 Tentative Funding Amounts, which included \$15,000,000 for the Community Workforce Housing Loan (“CWHL”) program implemented by the 2020 Legislature pursuant to H.B. 1339. Staff recommended utilizing the CWHL program to issue an RFA similar to previous workforce RFAs that were funded through legislative proviso through the process set forth in section 420.5087, F.S., as well as to explore new workforce housing funding opportunities. Upon further review of the CWHL program, staff determined the program could not be combined with low income housing tax credits.
- b) At its October 2020 meeting, staff requested that the Board approve the redirection of the CWHL funding, applying \$12,000,000 to the SAIL program to issue a traditional workforce housing RFA and the reserving the remaining \$3,000,000 in the CWHL program to workshop alternative approaches to finance workforce housing units through a competitive application process. Any approach regarding the CWHL program would require Board approval prior to staff issuing any competitive application.

##### 2. Present Situation

- a) A workshop regarding the CWHL program was held on February 10, 2021 and a workshop regarding RFA 2021-208 SAIL and Housing Credit Financing for The Construction of Workforce Housing was held on February 11, 2021.
- b) Staff will continue to workshop and develop the CWHL program; however, it is clear based on the recent February 10 workshop that continued development of that program will take time and the \$3 million set aside for that program would be best used to leverage awards for additional workforce units in RFA 2021-208, particularly in Monroe County.
- c) RFA 2021-208 was to be issued on March 2, 2021. However, the issuance has been postponed pending approval of this recommendation. Staff will issue the RFA the week of March 15, 2021, incorporating any changes approved by the Board.

##### 3. Recommendation

- a) Approve the redirection of the \$3,000,000 set aside for the CWHL program to RFA 2021-208 and authorize staff to continue the development of the CWHL program through further public workshops.

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Action*

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

##### A. Competitive Solicitation - Housing Stability for Homeless Schoolchildren

###### 1. Background

- a) At the January 23, 2020 meeting, the Board adopted Florida Housing's current Strategic Plan. Priority III of the Plan is to enhance opportunities for special needs and homeless households to access rental housing paired with supportive services. One of the strategies of Priority III is to continue efforts, such as the Homeless Schoolchildren Pilot in Rural and Small Communities, that evaluate and address the housing-related needs of homeless households with school-age children that facilitate housing stability, continuity in the children's educations and greater self-sufficiency for the family.
- b) Florida Housing's two Homeless Schoolchildren Pilot sites, Santa Rosa County and Hernando County, evaluated the use of HOME funds for short-term tenant-based rental assistance (TBRA) paired with Department of Education homeless education resources and community-based supportive services to help homeless families with school age children regain stability and self-sufficiency, as well as keep the children on track with their education. The Pilot sites are focused on demonstrating the use of short-term rental assistance to assist homeless families with school age children in rural and small communities and have proved to be quite successful.
- c) In May 2020, staff took efforts to replicate the best practices learned from the Homeless Schoolchildren Pilot and expand the Pilot into the Housing Stability for Homeless Schoolchildren Initiative so homeless families and their children in other counties with populations up 400,000 persons. These efforts resulted in the development of a Request for Qualifications (RFQ) titled, "Housing Stability for Homeless Schoolchildren."
- d) The objective of the RFQ was to select a Respondent from up to four eligible counties through a competitive solicitation process. Approved Respondents would receive up to \$500,000 in HOME TBRA for providing short-term rental assistance for homeless families whose children are participating in their school district's Federal Homeless Education Program. The RFQ required each Respondent to be a partnership composed of the County's School District, a Public Housing Authority serving the entire county, a Case Management Organization, and the Homeless Continuum of Care Lead Agency serving the entire county.
- e) The Initiative assists homeless families with children participating in the School District's Homeless Education Program to obtain and keep suitable rental housing through the provision of Federal HOME TBRA for a period of up to 24 months and supportive services. The TBRA is provided by Florida Housing and administered by the local PHA that executes the TBRA agreement with Florida Housing, and support services are provided by awarded Respondents and their partner organizations. Additionally, awarded Respondents are required enter into

## PROFESSIONAL SERVICES SELECTION (PSS)

### *Action*

a formal partnership between each participating entity via a partially executed Memorandum of Agreement (MOA) for coordinated services.

- f) At the August 2020 meeting, the Board authorized Florida Housing to fund the proposed Housing Stability for Homeless Schoolchildren initiatives in Alachua, Bay, and Charlotte counties.

### 2. **Present Situation**

- a) The funded initiatives in existing counties continue to be successful and staff supports the expansion of the program in up to three additional counties, using similar perimeters as those used in the 2020 RFQ.

### 3. **Recommendation**

- a) Staff recommends that the Board authorize Florida Housing to issue a new competitive solicitation to expand the Housing Stability for Homeless Schoolchildren initiative.