

FLORIDA HOUSING FINANCE CORPORATION

Modification of Request for Applications (RFA) 2022-205 SAIL Financing Of Affordable Multifamily Housing Developments To Be Used In Conjunction With Tax-Exempt Bonds And Non-Competitive Housing Credits

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Four, A.4.b.(2)(b)(iii) of the RFA as follows:**

- (iii) Rehabilitation expenses within one 24-month period for the building(s) being rehabilitated must meet the criteria for both items below:
  - (A) The estimated total amount of rehabilitation expenses must be equal to or greater than 20 percent of the adjusted basis of the acquired building; and
  - (B) The qualified basis of the estimated total amount of rehabilitation expenses per low-income unit must be greater than or equal to \$15,000.

~~For scoring purposes, t~~The Corporation performs a calculation to verify these criteria are met and displays the results within Exhibit A using the values within the Development Cost Pro Forma as identified below. The calculations are determined as follows:

Calculation information for (A) above:

To calculate the estimated total amount of rehabilitation expenses: Begin with the eligible Development Cost (Column 1, Item C), subtract eligible Total Acquisition Costs of Existing Development excluding land (Column 1, Item B), add eligible Developer Fee on Non-Acquisition Costs (Column 1, found within Item D, subject to RFA limits).

Note: Regardless of the number buildings in the proposed Development, the calculation at time of application will be based on the Development as a whole. Rehabilitation expenses are amounts chargeable to the capital account related to the rehabilitation of a building which are exclusive of the costs associated with the acquisition of the building.

To calculate the adjusted basis of the acquired building:

Begin with eligible Total Acquisition Costs of Existing Development excluding land (Column 1, Item B), add eligible Developer Fee on Acquisition Costs (Column 1, found within Item D). However, if the first line item in Column 1, Item B (Acquisition Cost of Existing Development, excluding land, Existing Building(s)) is zero, then the adjusted basis of the building shall also be zero.

Calculation information for (B) above:

Calculate the estimated total amount of rehabilitation expenses as described in the above calculation information for (A) above.

*For proposed Developments that qualify for a basis boost:*

The qualified basis is determined by multiplying the estimated total amount of rehabilitation expenses calculated above by 1.3, then multiplying the result by the Total Set-Aside Percentage. The result is divided by the number of Set-Aside Units. The resulting amount is the qualified basis of the estimated rehabilitation expenses per low-income unit.

*For proposed Developments that do not qualify for a basis boost:*

The qualified basis is determined by multiplying the estimated total amount of rehabilitation expenses calculated above by the Total Set-Aside Percentage. The result is divided by the number of Set-Aside Units. The resulting amount is the qualified basis of the estimated rehabilitation expenses per low-income unit.

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Four, A.10.a.(1)(c)(ii) of the RFA as follows:**

(c) Additional adjustments, if applicable

~~During the scoring process, if~~ the Applicant states a SAIL and/or ELI Loan Request Amount that is greater than the amount the Applicant is eligible to request, the Corporation will reduce the amount down to the maximum amount the Applicant is eligible to request. The Applicant's SAIL and ELI Loan Request Amount will be reviewed for compliance with the per unit limit and per Development limit. If the SAIL Request Amount plus the ELI Request Amount exceeds the maximum allowed, the SAIL amount will be reduced so that the maximum of SAIL plus ELI is equal to the maximum allowed.

~~If a reduction in the SAIL and/or ELI Loan Request Amount is needed and a funding shortfall is created in either the Construction/Rehab and/or the Permanent Analysis of the Applicant's Development Cost Pro Forma, the amount of the adjustment(s), to the extent needed and possible, will be offset by increasing the deferred Developer Fee up to the maximum eligible amount as provided below.~~

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Four, A.10.a.(2)(d)(i) of the RFA as follows:**

(i) If the Eligible Housing Credit Request Amount is less than the anticipated amount of credit allocation stated in the equity proposal, the equity proposal will be considered a source of financing and, ~~for scoring purposes,~~ the maximum amount of Housing Credit equity to be permitted in the Development Cost Pro Forma will be adjusted downward from the amount stated in the equity proposal. This adjusted maximum Housing Credit equity will be calculated by taking the total amount of equity to be provided to the proposed Development as stated in the equity proposal letter, dividing it by the credit allocation stated in the equity proposal and multiplying that quotient by the Applicant's Eligible Housing Credit Request Amount. If the Eligible Housing Credit Request Amount is greater than the anticipated amount of credit allocation stated in the equity proposal, the equity proposal will be considered a source of financing and the maximum amount of Housing Credit equity to be permitted ~~for scoring~~ in the Development Cost Pro Forma will be the amount stated in the equity proposal.

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Four, A.10.b.(2)(h) of the RFA as follows:**

- (h) Grant funds are contributions to the Development, other than equity, which carry no repayment provision or interest rate. A commitment for grant funds will be considered a commitment ~~for~~ scoring purposes if the commitment is properly executed and, if applicable, evidence of ability to fund is provided.

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Four, A.10.c. of the RFA as follows:**

- c. Development Cost Pro Forma

All Applicants must complete the Development Cost Pro Forma listing the anticipated expenses or uses, the Detail/Explanation Sheet, if applicable, and the Construction or Rehab Analysis and Permanent Analysis listing the anticipated sources (both Corporation and non-Corporation funding). The sources must equal or exceed the uses. During the scoring process, ~~if~~ if a funding source is not considered and/or if the Applicant's funding Request Amount is adjusted downward, this may result in a funding shortfall. If the Application has a funding shortfall in either the Construction/Rehab and/or the Permanent Analysis of the Applicant's Development Cost Pro Forma, the amount of the adjustment(s), to the extent needed and possible, will be offset by increasing the deferred Developer Fee up to the maximum eligible amount as provided below. ~~if the Application has a funding shortfall, it will be ineligible for funding.~~

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Four, A.11.b.(1) of the RFA as follows:**

- (1) In order for Applicants of proposed Developments located in Miami-Dade County, regardless of Development Category, to receive the maximum of five points, provide evidence of at least \$250,000 in Local Government committed funding (i.e. grants and/or loans and/or fee waivers) that is effective as of the Application Deadline and is in effect at least through June 30, 2023. Fee ~~waivers and fee~~ deferrals cannot be counted towards the \$250,000 requirement. Applicants of proposed Developments located in Miami-Dade County with less than \$250,000 in committed funds from the Local Government will receive zero Local Government contribution points.

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Item 1.f.(2) of the RFA as follows:**

- (2) If there is NHTF Loan pool funding remaining, then each of the Applications with NHTF Funding will be awarded a pro rata amount of the remaining NHTF loan pool, up to the NHTF Set-Aside per unit Maximum Limits, which are dependent upon the county where the proposed Development is located and the construction type of the proposed Development, as outlined in the chart below. If each of those Applications is awarded the NHTF Set-Aside per unit limit and there is NHTF Loan pool funding remaining, the remaining NHTF Loan pool will be distributed as approved by the Board.

NHTF Set-Aside per unit Maximum Limits

Maximum Subsidy Limits– New Construction Only		
Construction Type	Miami-Dade, Broward, Palm Beach Counties	Remainder of Florida
Garden – Non-ESS	N/A	<del>\$185,500</del> 260,000
Garden – Concrete	<del>\$239,300</del> 295,000	\$218275,000
Mid-Rise – Non-ESS	N/A	<del>\$218275</del> ,000
Mid-Rise – Concrete	<del>\$260,300</del> 315,000	<del>\$237,800</del> 290,000
High-Rise	<del>\$309,200</del> 370,000	<del>\$284,000</del> 335,000
Add this factor to the all above limits if a development is subject to the requirements of the Davis-Bacon Act		\$5,000

\*N/A means the Construction Type is not allowed or is inappropriate for the location.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby removes the following language from item 5.e. Exhibit A of the RFA:

~~e. Confirmation that the proposed Development is not located in a known flood zone or wetland area~~

~~All successful Applicants will be awarded NHTF Funding for the Required 22% Units, and therefore will be required to comply with the HUD environmental requirements as provided in 24 CFR 93.301(f)(1) and (2).~~

~~The Development’s location within a flood zone or wetland area is subject to further verification in credit underwriting.~~

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies question 6.c.(2)(b) of Exhibit A of the RFA as follows:

- (b) Applicants committing to the IRS Average Income Test must complete this chart for Housing Credit and SAIL Set-Aside Commitments. The minimum ELI Set-Aside Commitment is 15% of Total Units, or 15 units at 30% AMI or less.

Number of Residential Units	Percentage of Units	AMI Level, at or below:	Types of Units
	0.000%	20%	AIT Housing Credit Units
	0.000%	30%	
	0.000%	40%	
	0.000%	50%	

	0.000%	60%	
	0.000%	70%	AIT Housing Credit Units
	0.000%	80%	
0	0.000%	Above 80%	Market Rate Housing Units
0	0.000%		Total Qualifying HC Units
0	0.000%		Total Units
		0.000%	Average AMI of the Qualifying Units

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies question 6.c.(2)(c) of the Exhibit A of the RFA as follows:

(c) Applicants requesting MMRB Funding along with Housing Credits will have the following minimum MMRB Set-Aside Commitment for Application purposes:

<u>Number of Residential Units</u>	<u>Percentage of Units</u>	<u>AMI Level, at or below:</u>	<u>Types of Units</u>
-	-	<u>25%</u>	<u>MMRB Units</u>
-	-	<u>28%</u>	
-	-	<u>30%</u>	
-	-	<u>33%</u>	
-	-	<u>35%</u>	
-	-	<u>40%</u>	
-	-	<u>45%</u>	
-	-	<u>50%</u>	
-	<u>40%</u>	<u>60%</u>	
<u>0</u>	<u>60%</u>	-	
<u>0</u>	<u>40%</u>	-	<u>Total MMRB Units</u>
<u>0</u>	<u>100%</u>	-	<u>Total Units</u>

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies 6.c.(2)(d) of the Exhibit A of the RFA as follows:

- (d) Applicants requesting SAIL Funding along with Housing Credits [that are not committing to the Average Income Test](#) must complete the following SAIL Set-Aside Commitment: [chart](#).

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies 10.c. of the Exhibit A of the RFA as follows:

- c. Development Cost Pro Forma

To meet the submission requirements, complete the ~~attached~~ Development Cost Pro Forma [in the Pro Forma](#) tab.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies 10.f.(4) of the Exhibit A of the RFA as follows:

(4)	<a href="#">The Applicant (i) has entered into a land lease with a Public Housing Authority on property where the proposed Development is to be located and the property has an existing Declaration of Trust between the Public Housing Authority and HUD; or (ii) has a PHA or an instrumentality of a PHA as a Principal (disclosed in the Principal Disclosure form). Does the Applicant indicate it has a PHA or an instrumentality of a PHA as a Principal?</a>	No
	<a href="#">If the Applicant has a PHA (or instrumentality) as a Principal one of the above-described relationships with a PHA, multiply by 0.93</a>	\$0

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