

Florida Housing Finance Corporation Workshop
RFA 2022-206 HOME Financing to be used for Rental Developments in Certain Hurricane Ian Impacted Counties
November 15, 2022, 2:00 p.m., Eastern Time
Workshop is held via webinar and in-person at Florida Housing at 227 N. Bronough Street, Tallahassee, FL 32301
To attend the workshop via webinar, registration is required. This information is available on RFA Webpage¹

Overview

- A. Introductions
- B. Purpose of RFA

The workshop will be held to solicit comments and suggestions from interested persons relative to Florida Housing's proposed RFA 2022-206 HOME Financing to be used for rental Developments in certain Hurricane Ian impacted counties.

Funding available

Florida Housing Finance Corporation (the Corporation) expects to have an estimated \$35 million in HOME funding available for award.

Outline of RFA

- A. Section One – Introduction
- B. Section Two – Definitions

Exhibit B of the RFA and Rules, which are posted on the RFA Webpage*.

- C. Submission Requirements and Financial Arrears

- 1. Submission Requirements

Florida Housing strongly recommends that the Application Fee be submitted at least 48 hours in advance of the Application Deadline. In the event that the online submission is not received, the payments will be refunded.

- 2. Financial Arrearage Requirement and Insurance Deficiency Requirement

An Application will be deemed ineligible for funding if, as of close of business **two days*** before the Committee meets to make a recommendation to the Board, either of the following occur: (1) there remains any financial obligations for which an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or Developer is in arrears to the Corporation or any agent or assignee of the Corporation as reflected on the most recently published Past Due Report; or (2) an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or Developer has an insurance deficiency for any Development awarded Corporation resources, which are in first lien position, issued during or after September 2016 that is governed by the Insurance Guide posted to the Corporation's Website under the link <https://www.floridahousing.org/data-docs-reports/insurance-guide> (also accessible by clicking [here](#)).

The Past Due Report contains the financial arrearages to the Corporation as well as the Insurance Deficiency Report. The most recently published Past Due Report is posted to the Corporation's Website

¹ References to the RFA Webpage refer to <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2022/2022-206> which can be accessed [here](#).

under the link <https://www.floridahousing.org/data-docs-reports/past-due-reports> (also accessible by clicking [here](#)), but not more recently than seven business days prior to the date the Committee meets to make a recommendation to the Board.

* For example, if a review committee meeting is held on a Wednesday, regardless of the time of the meeting, the arrearages must be paid by Monday close of business.

3. If the Attachment document is bookmarked, the Application will be awarded 5 points.

Instructions for adding bookmarks to pdf documents prior to uploading the Application has been added to each RFA Webpage. Acrobat Standard DC or Acrobat Pro DC are the programs required to create bookmarks.

D. Section Four of the RFA outlines instructions for completing Exhibit A

1. NEW! Review of Application

During the Review Committee scoring process, the Corporation (i) may rely on the answers submitted by the Applicant in Exhibit A, the Development Cost Pro Forma, and the Principal Disclosure Form; and (ii) may, but is not obligated to, review the substance of the documentation that is submitted as Attachments to the Application.

If it is determined that the Attachments do not meet the RFA requirements or the Applicant submitted materially incorrect information in the Application, the Corporation may take any or all of the following actions, even if the Application was not selected for funding, was deemed ineligible, or was withdrawn: deem the Application ineligible, rescind the award, and consider all Principals of the Applicant to have made a material misrepresentation subject to Section 420.518, F.S.

2. Demographic Commitment

The Demographic Commitment may be Family or Elderly, non-Assisted Living Facility.

3. Applicant/Developer/Management Company/Contact Person

- a. Applicant

- (1) State the name of the Applicant.
- (2) Evidence that Applicant is legally formed entity qualified to do business in Florida as of Application Deadline

The Corporation is aware of the May 1st deadline for filing the annual report with the Division of Corporations and will accept a Certificate of Good Standing for the Applicant that reflects an expiration date of December 31 of either the current year or previous year.

- (3) If applying as a Non-Profit, the Applicant must meet the definition of a Non-Profit as set out in Rule 67-48, F.A.C., and provide documents outlined in RFA.

NEW! Demonstration of how the Non-Profit entity is materially and substantially participating in the predevelopment, management, and operation of the proposed Development (throughout the Compliance period, within the meaning of the material participation as defined in 26 USC §469, 26 USC §42), will be demonstrated by submitting the Executive Director Certification of Non-Profit Entity Material Participation form (Rev. 09-22);

The Applicant's Non-Profit status will be verified during credit underwriting. If this cannot be verified, the Applicant will no longer be considered a Non-Profit Applicant.

(4) HOME Community Housing Development Organization (CHDO)

If applying as a CHDO, the Applicant must provide documents outlined in RFA. There is a goal to fund one CHDO Application in a Tier 1 County.

b. Developer Information

(1) Name of Developer (including all co-Developers);

(2) Evidence each Developer is a legally formed entity qualified to do business in Florida as of Application Deadline

The Corporation is aware of the May 1st deadline for filing the annual report with the Division of Corporations and will accept a Certificate of Good Standing for the Developer(s) that reflects an expiration date of December 31 of either the current year or previous year.

(3) Developer Experience

(a) Previous Affordable Housing Experience Funding Preference

To meet this preference, at least one natural person Principal of the Developer entity, or if more than one Developer entity, at least one natural person Principal of at least one of the Developer entities, must demonstrate experience in the completion of at least one affordable rental housing development consisting of a total number of units no less than 50 percent of the total number of units in the proposed Development.

(b) HOME Funding Experience Preference

To meet this preference, at least one development that meets the Previous Affordable Housing Experience Funding Preference must consist of at least 12 total units funded with HOME Funding.

(4) Required General Contractor Experience

The General Contractor or qualifying agent of the General Contractor identified in the Application must have all of the following:

- Must have the requisite skills, experience and credit worthiness to successfully produce the units proposed;
- Must construct the proposed Development in accordance with the design plans and specifications as prepared by the licensed Architect;
- Must not have allowed required insurance to lapse and/or had insurance force-placed by a lender on any Florida Housing Development funded within the past five years;
- Must not have required a construction completion extension of longer than 90 days in order to successfully complete the construction of a Florida Housing Development funded within the past five years; and
- Must have been the General Contractor on the completion* of at least two developments, where each Development consists of a total number of units of no less than 50 percent of the total number of units in the proposed Development, and where at least one of these completed developments must have been subject to Davis-Bacon Requirements.

*Completion means the certificate of occupancy has been issued for at least one building.
New form! - Successful Applicants must submit the Florida Housing Finance Corporation HOME Funding - General Contractor or Qualifying Agent of General Contractor Certification form (Rev. 08-2022) during credit underwriting, as outlined in Exhibit D of this RFA.

c. Principals of the Applicant and Developer(s) Disclosure Form

(1) Eligibility

The Principals Disclosure Form must identify the Principals of the Applicant and each Developer, pursuant to the RFA, as of the Application Deadline. Per subsection 67-48.002(94), F.A.C., any Principal other than a natural person must be a legally formed entity as of the Application Deadline.

(2) Advance Review Process (5 points)

Applicants will receive 5 points if the uploaded Principal Disclosure Form was either (a) stamped "Approved" at least 14 Calendar Days prior to the Application Deadline; or (b) stamped "Received" by the Corporation at least 14 Calendar Days prior to the Application Deadline AND stamped "Approved" prior to the Application Deadline.

The Advance Review Process for Disclosure of Applicant and Developer Principals is available on the RFA Webpage.

d. Management Company Information

(1) Contact information on Management Company

(2) Required General Management Company experience

The Management Company or a principal of the Management Company must have managed at least two affordable rental housing properties, at least one of which consists of a total number of units no less than 50 percent of the total number of units in the proposed Development, for at least two years each.

e. Authorized Principal Representative / Operational Contact Person

The Authorized Principal Representative (a) must be a natural person Principal of the Applicant listed on the Principal Disclosure Form; (b) must have signature authority to bind the Applicant entity; (c) must sign the Applicant Certification and Acknowledgement section of Exhibit A; and (d) if funded, will be the recipient of all future documentation that requires a signature. The Operational Contact Person is optional.

4. General Proposed Development Information

a. Development Name

b. Development Category

Development Category must be new construction, with or without acquisition. All units must consist entirely of new construction units. Rehabilitation of existing units is not allowed. Demolition of current structures is allowed, subject to Davis Bacon regulations and, if occupied, Uniform Relocation Act as described in Section Four, A.11. of this RFA.

c. Characteristics of Development

(1) Development Type (Single Family Homes including modular homes that are installed by certified contractors; Townhouses; Duplexes; Quadraplexes; Garden Apartments (a building comprised of 1, 2 or 3 stories, with or without an elevator).

(2) Enhanced Structural Systems Construction Qualifications

To qualify as "Enhanced Structural Systems Construction" ("ESS Construction") for purposes of the Total Development Cost Limitation calculation, the proposed Development must meet the ESS Construction qualifications outlined in the RFA.

d. Unit Characteristic Chart

Reflect the appropriate breakdown reflecting the number of units within each of Development Types or ESS/non-ESS Construction, for purposes of the Total Development Cost Per Unit Limitation calculation in the chart of Exhibit A of the RFA.

e. Applicants must state whether construction has commenced as of Application Deadline. Note: If "Yes", all rules and regulations in 24 CFR Part 92, which includes cross-cutting Federal Regulations, will apply.

5. Location

a. County

This RFA is open to proposed Developments located in the following that were most impacted by Hurricane Ian:

Tier 1 Counties: Charlotte, DeSoto, and Hardee

Tier 2 Counties: Flagler, Glades, Hendry, Highlands, Monroe, Okeechobee, Putnam, and Saint Johns

In the funding selection process, Tier 1 Applications will receive higher priority than Tier 2 Applications.

b. Provide the address

c. State whether the Development consists of Scattered Sites

d. Provide latitude and longitude coordinates for the Development Location Point and, if applicable, the Scattered Sites, stated in decimal degrees, rounded to at least the sixth decimal place.

6. Number of Buildings and Units

a. Proposed Developments must consist of a minimum of 10 total units. Proposed Development are limited to 50 units.

b. Set-Aside Commitments

(1) Minimum HOME-Assisted Units

The minimum number of HOME-Assisted Units must meet the minimum requirements of 24 CFR Part 92.

(2) Total Number of HOME-Assisted Units Committed for HOME

Low HOME Rent units must be equal to or greater than 20 percent of the total HOME-Assisted units to which the Applicant committed. All remaining HOME-Assisted units will be High HOME Rent units.

High and Low HOME Rent charts are available on the Corporation's Website at <https://www.floridahousing.org/owners-and-managers/compliance/rent-limits> (also accessible by clicking [here](#)).

The Application will include a section that will automate the calculation of the minimum number of HOME-Assisted Units, Low HOME rent units and High HOME Rent Units.

c. Unit Mix

Complete the Unit Mix Chart listing the total number of bedrooms per unit, the total number of bathrooms per unit (including half-baths, if applicable), and the total number of units per bedroom type. Any zero bedroom units must meet the definition of Zero Bedroom Unit.

If Elderly Demographic is selected, at least 50 percent of the total units must be comprised of one-bedroom units and no more than 15 percent of the total units can be larger than two bedroom units.

d. Number of residential buildings must be provided.

e. Compliance Period - All Applicants are required to set aside the units for 50 years.

7. Readiness to Proceed

a. A Site Control form is no longer required. Site control documentation must be submitted with the Application.

Applicants must demonstrate site control as of Application Deadline by providing an eligible contract (effective at least through July 31, 2023), a deed, and/or a lease. For Developments with an existing Declaration of Trust between a Public Housing Authority and HUD, provide an Option to Enter into a Ground Lease Agreement ("eligible agreement") between the Applicant and the owner of the property.

b. Ability to Proceed (zoning, water, sewer, electricity, roads)

Ability to Proceed documentation will not be required during the Application Submission. Ability to Proceed documentation will be required to be submitted within 21 Calendar Days of the invitation to credit underwriting.

8. Construction Features

9. Resident Programs

- a. If the Family Demographic is selected, provide at least two of the resident programs: After School Program, Adult Literacy, Employment Assistance Program, Family Support Coordinator, Financial Management Program.
- b. If the Elderly Demographic is selected, provide at least three of the resident programs, in addition to the required resident programs outlined in the RFA: Adult Literacy, Computer Training, Daily Activities, Assistance with Light Housekeeping/Grocery Shopping/Laundry, Resident Assurance Check-In Program.

10. Funding

- a. HOME Funding Maximum has increased

The maximum HOME Request Amount is limited to the lesser of the Total Maximum Per Unit HOME Rental FHFC Subsidy Limit for the applicable county as calculated using chart below or \$7 million.

Per Unit FHFC Maximum Subsidy Limits					
	0 BR	1BR	2 BR	3 BR	4BR
All Counties	\$143,814.00	\$164,819.00	\$200,424.00	\$259,284.00	\$284,612.00

- b. Developer Fee for this RFA is based on 16% of Development Cost
- c. Total Development Cost Per Unit Limitation
- d. Match Amount

Applicants with a higher percentage of Match compared to the Applicant’s Eligible HOME Request Amount will receive a funding preference in the Funding Selection process described in Section Five, B. below.

Eligible forms of Match are cash contributions from nonfederal external sources (related party Match contributions are not allowed). Cash contributions must be permanently contributed to the HOME project and will be a part of the final Sources and Uses. Cash contributions may include donations made by individuals (except for owners or Developers or prospective owners or Developers of the HOME project), private entities, or other public entities for the express purpose of affordable housing.

11. HOME Uniform Relocation Act

D. Ranking and Funding Selection

- 1. Goal

There is a goal to fund one CHDO Application in a Tier 1 County.

- 2. County Award Tally

As each Application is selected for tentative funding, the county where the proposed Development will be located will have one Application credited toward the County Award Tally.

Within each Tier, the Corporation will prioritize eligible unfunded Applications that meet the Funding Test and are located in counties that have the lowest County Award Tally above other eligible unfunded Applications in counties with a higher County Award Tally that also meet the Funding Test, even if the Applications with a higher County Award Tally are higher ranked.

3. Sorting Order

- a. HOME Funding Experience Preference
- b. Previous Affordable Housing Experience
- c. Percentage resulting from the Applicant's Eligible HOME Request Amount divided by the maximum award amount the Applicant is eligible to request
- d. Percentage of Match compared to the Applicant's Eligible HOME Request Amount
- e. Florida Job Creation Funding Preference
- f. Lottery number

3. Selection Process

- a. First, the highest ranking eligible CHDO Application in a Tier 1 County will be selected for funding.
- b. Then, the highest-ranking eligible Application in each of the Tier 1 Counties will be selected for funding, subject to the County Award Tally and Funding Test.
- c. If funding remains, Tier 1 Applications will continue to be selected, subject to the County Award Tally and the Funding Test.
- d. If funding remains and no eligible unfunded Tier 1 Applications can be fully funded, then the highest-ranking Tier 2 Applications will continue to be selected, subject to the County Award Tally and the Funding Test.
- e. If funding remains and no eligible unfunded Applications can be fully funded, no further Applications will be considered for funding and any remaining funding will be distributed as approved by the Board.

E. Credit Underwriting Process

F. Exhibits to RFA

1. Exhibit A – Application
2. Exhibit B – Definitions used in RFA that are not defined in Rule
3. Exhibit C – Additional Information
 - a. Total Development Cost Per Unit Limitation methodology used in credit underwriting
 - b. Florida Job Creation Funding Preference
 - c. Fees
 - d. Additional Requirements
4. Exhibit D – Timeline

5. Exhibit E and F – intentionally omitted
6. Exhibit G - Tenant Application and Selection Requirements

G. Other Important Information

1. Public comment link on each RFA Webpage for viewing and submitting public comments
2. Question and Answers process outlined in Section Three, D. of the RFA
3. Expected Timeline

Issue RFA:	December 15, 2022
RFA Due Date:	January 25, 2023
Review Committee Meeting (make recommendations to Board)	February 28, 2023
Request Board Approval of Recommendations	March 10, 2023

H. Other Discussion Topics

For Discussion – Should Florida Housing make MMRB and 4% Housing Credits available to Charlotte County?

Allowing Charlotte County Applicants to request 4% Housing Credits, regardless of whether the Applicant is requesting MMRB or local bonds, would affect the following:

1. The investor limited partner of an Applicant limited partnership or the investor member of an Applicant limited liability company would be required to be identified on the Principal Disclosure Form.
2. The minimum number of units would be increased to 30 and the maximum number of units would be increased to 300 for Charlotte County.
3. In addition to the HOME Set-Aside commitments, Applicant’s in Charlotte County that also request bonds and 4% Housing Credits would be required to select one of the following minimum set-aside commitments, per Section 42 of the IRC:
 - 20 percent of the total units set-aside at or below 50 percent AMI
 - 40 percent of the total units set-aside at or below 60 percent AMI
 - Average Income Test
4. Documentation
 - (a) If County HFA-issued Tax-Exempt Bonds, confirmation that the Applicant has submitted an application for Tax-Exempt Bonds for the Development proposed in this RFA with the amount of the Applicant’s Bond request, and confirmation that the closing on the Bonds has not occurred and will not occur prior to the Application Deadline for this RFA will be required to be submitted with the Application.
 - (b) Housing Credit Equity Proposal will be required to be submitted with the Application
5. The Developer Fee would be 18%.
6. The Total Development Cost Per Unit Limitation would include an Add-On of \$7,500 per unit for Applicants due to known expenses related to tax-exempt bond transactions.