

Florida Housing Finance Corporation
RFA 2021-204 Preservation Of Existing Affordable Multifamily Housing Developments Workshop Agenda
Workshop is held via webinar. Registration is required.
Registration information is available on RFA Webpage¹

Overview

- A. Introductions
- B. Purpose of RFA

Under this RFA, Florida Housing Finance Corporation (the Corporation) expects to offer an estimated \$4,075,000 of Housing Credits to qualified Applicants that commit to preserve existing affordable multifamily housing developments located in Medium and Large Counties for the demographic categories of Families, the Elderly, and Persons with a Disability in accordance with the terms and conditions of this RFA inclusive of the Exhibits, applicable laws, rules and regulations, and the Corporation’s generally applicable construction and financial standards.

A draft of the RFA can be found on the RFA Webpage.

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.

Rule 67-48, F.A.C. defines Preservation as “Rehabilitation of an existing development that is at least 20 years old as of an Application Deadline in a competitive solicitation and has an active contract through one or more of the following HUD or RD programs: Sections 202 of the Housing Act of 1959 (12 U.S.C. §1701q), 236 of the National Housing Act (12 U.S.C. §1701), 514, 515, or 516 of the U.S. Housing Act of 1949 (42 U.S.C. §1484), 811 of the U.S. Housing Act of 1937 (42 U.S.C. §1437), or either has PBRA or is public housing assisted through ACC. If funded through the Corporation, the Development must maintain at least the same number of PBRA or ACC units. Such developments must not have closed on funding from HUD or RD within the 20 years prior to an Application Deadline in a competitive solicitation where the budget was at least \$10,000 per unit for rehabilitation in any year.”

Exhibit B definitions for Proximity Services have been revised. The language “been in existence and available for use by the general public as of March 1, 2020 but not available as of the Application Deadline because of temporary closures or service suspensions due to COVID-19 or other emergency suspension based on an official emergency declaration” has been removed.

- C. Submission Requirements and Financial Arrears

- 1. Submission Requirements

It is expected that Florida Housing will continue receiving Applications through online submission only, and no longer receive hard copies of the Application package. Application Fees will continue to be submitted via check, ACH or wire payments, although Florida Housing **strongly recommends** providing the

¹ The RFA Webpage is <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2021/2021-204> or by clicking [here](#).

Federal Reference Number and wire confirmation number for wire payments, and trace number for ACH, in addition to the RFA Number/Development Name. Additionally, Florida Housing **strongly recommends** that payments 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. New! - 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 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.

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

1. Include the Applicant Certification and Acknowledgement form, executed by the Authorized Principal Representative, to indicate the Applicant's certification and acknowledgement of the provisions and requirements of the RFA. A draft of the Applicant Certification and Acknowledgement form can be found at the end of the RFA draft.

2. Demographic Commitment

The Demographic Commitment may be Family, Elderly (ALF or non-ALF), or Persons with a Disability.

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

(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.

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
- (3) Developer Experience

(a) Required Developer Experience

A natural person Principal of at least one experienced Developer entity, which must be disclosed on the Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 05-2019) outlined below, must have, since January 1, 2001 completed at least three affordable rental housing developments, at least one of which was a Housing Credit development completed since January 1, 2011. At least one of the three completed developments must consist of a total number of units no less than 50 percent of the total number of units in the proposed Development.

(b) Developer Experience Withdrawal Disincentive (5 points)

(c) Prior Development Experience a Point Item in Future RFAs

The Corporation will award points for Development Experience in certain RFAs beginning with the 2022/2023 RFA Cycle if criteria described in the RFA is met.

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.

The investor limited partner of an Applicant limited partnership, or the investor member of an Applicant limited liability company must be identified.

(2) Advance Review Process (5 points)

Applicants will receive 5 points if the uploaded Principal Disclosure Form was either (a) stamped "Approved" at 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 Corporation's Website.

d. Management Company Information

- (1) Contact Information of the Management Company

(2) Required General Management Company experience

The Management Company or a principal of the Management Company must have completed 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 identified in the Application MUST be a Principal of the Applicant and MUST sign the Applicant Certification and Acknowledgement form and the Site Control Certification form. The Operational Contact Person is optional.

4. General Proposed Development Information

a. Development Name

b. Development Category of Preservation, or Acquisition and Preservation requirements

(1) Less than 50 percent of the total units must be new construction;

(2) The proposed Development must meet the definitions of Preservation and Rehabilitation in Rule 67-48.002, F.A.C.;

(3) New! - 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 \$25,000*.

(4) The existing affordable development must be at least 75 percent occupied as of the Application Deadline; and

(5) a Development Category Qualification Letter from HUD or RD must be provided and must meet the criteria outlined in the RFA. The Development Category Qualification Letter is also used for the following:

(a) Calculating the RA Level

The total number of units that will receive rental assistance (i.e., PBRA and/or ACC), as stated in the Development Category Qualification Letter will be considered to be the proposed Development's RA Units and will be the basis of the Applicant's RA Level Classification. Methodology for RA Level calculations are outlined in RFA.

(b) Year Built

The Development must have been built at least 20 years prior to the Application Deadline to meet the definition of Preservation and must be built in 1991 or earlier to receive the Age of Development funding selection preference.

- c. Development Type (i.e., Garden, Townhouses, Duplex, Quadraplex, Mid-Rise (4, 5 or 6 stories), or High Rise (7 or more stories).
- d. Enhanced Structural Systems Construction Qualifications

To qualify as “Enhanced Structural Systems Construction” (“ESS Construction”) for purposes of the Total Development Cost Limitation calculation, the ESS Construction Funding Preference, and Leveraging calculation multiplier, the proposed Development must meet the ESS Construction qualifications outlined in the RFA.

- e. New! - Combination of Development Categories, Development Types, or ESS/non-ESS Construction

If the Development utilizes a combination of Development Categories, Development Types, or ESS/non-ESS Construction, for purposes of the Leveraging Classification calculation and Total Development Cost Per Unit Limitation calculation, complete the chart in Exhibit A of the RFA reflecting the appropriate breakdown. An example of the chart is below:

Measure	New Construction Units					Rehabilitation Units	
	Garden Non-ESS*	Garden ESS*	Mid-Rise-Non-ESS*	Mid-Rise-ESS*	High-Rise*	Garden*	Non-Garden*
Enter the applicable number of units	<u>Enter the number of units</u>	<u>Enter the number of units</u>	<u>Enter the number of units</u>	<u>Enter the number of units</u>	<u>Enter the number of units</u>	<u>Enter the number of units</u>	<u>Enter the number of units</u>

* Garden includes all Development Types other than Mid-Rise and High-Rise; Non-Garden includes Development Types of Mid-Rise with elevator (4 stories, 5 stories, or 6 stories) and High-Rise (7 or more stories); Mid-Rise includes Development Types of Mid-Rise with elevator (4 stories, 5 stories, or 6 stories); and High-Rise includes Development Type of High-Rise (7 or more stories). ESS means Enhanced Structural Systems Construction.

5. Location

- a. State the county. New! – This RFA is only open to Medium and Large Counties. County sizes are defined in RFA
- b. State 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.
- e. New! - Proximity Eligibility Requirements and Proximity Preferences
 - Elimination of Grocery Store Preference and Community Service Preference used in the 2020 RFA
 - Continued use of the Proximity Funding Preference
 - The Community Services that are available to all Demographics are Grocery Store, Medical Facility, Pharmacy, and Public School; however, **only three of the four Community Services may be selected for each Application**, for a maximum 4 Points for each service.

Proximity Eligibility Requirements

All Large County Applications must achieve a minimum number of points for Transit Services. All Applications must achieve a minimum number of total proximity points to be eligible for funding.

Proximity Funding Preference Qualifications

All Applications may also qualify for the Proximity Funding Preference.

Application Qualifications	If Eligible for PHA or RD Proximity Point Boost, Required Minimum Transit Service Points that Must be Achieved to be Eligible for Funding	If NOT Eligible for PHA or RD Proximity Point Boost, Required Minimum Transit Service Points that Must be Achieved to be Eligible for Funding	Required Minimum Total Proximity Points that Must be Achieved to be Eligible for Funding	Minimum Total Proximity Points that Must be Achieved to Receive the Proximity Funding Preference
Large County Applications	1.5	2.0	10.5	12.5 or more
Medium County Applications	N/A	N/A	7.0	9.0 or more

6. Number of Buildings and Units

a. Number of Units

Minimum number of units

All proposed Developments must consist of a minimum of 30 total units.

Maximum number of units

Proposed Developments with a Demographic Commitment of Family, Elderly Non-ALF, or Person with a Disability cannot exceed 250 total units. Proposed Developments with a Demographic Commitment of Elderly ALF cannot exceed 125 total units. Note: Elderly (ALF or Non-ALF) Demographic Developments also have unit mix restrictions, as outlined in e. below.

b. Breakdown of number of units that are new construction or rehabilitation

c. The existing affordable development must be at least 75 percent occupied as of the Application Deadline. Applicant will be required to provide to the Credit Underwriter a plan for relocation of existing tenants, as outlined in Exhibit D.

d. Set-Aside Commitments

(1) Total Income Set-Aside Units

(i) Proposed Developments with a Demographic Commitment of Family, Elderly Non-ALF, or Person with a Disability

If the Average Income Test is not selected, set aside a total of at least 80 percent of the Development’s total units at 60 percent AMI or less.

If the Average Income Test is selected, set aside a total of at least 80 percent of the Development’s total units at 80 percent AMI or less, but the Average AMI of the Qualifying Housing Credit Units* cannot exceed 60 percent.

(ii) Proposed Developments with a Demographic Commitment of Elderly ALF

If the Average Income Test is not selected, set aside a total of at least 50 percent of the Development's total units at 60 percent AMI or less.

If the Average Income Test is selected, set aside a total of at least 50 percent of the Development's total units at 80 percent AMI or less, but the Average AMI of the Qualifying Housing Credit Units* cannot exceed 60 percent.

*The Average AMI of the Qualifying Housing Credit Units is further described in (3)(b) below.

(2) Extremely Low Income (ELI) Set-Aside Units

If the Average Income Test is not selected, 20 percent of the total units must be set aside as ELI Set-Aside units. The AMI for each county will be provided in the RFA.

If the Average Income Test is selected, 25 percent of the total units must be set aside as ELI Set-Aside units. The ELI units must be set aside at 30 percent AMI and below.

(3) Link units for Persons with Special Needs

With the exception of Developments financed with HUD Section 811, a United States Department of Agriculture RD program, and Applicants that select the Persons with a Disability Demographic Commitment or Elderly ALF Demographic Commitment, all Developments must commit to set-aside 25 percent of the ELI Set-Aside units, (calculated by multiplying the required number of ELI Set-Aside units by 0.25, rounded up), as Link Units for Persons with Special Needs.

Note: The Tenant Selection Plan information has been clarified.

With the exception of Developments financed with HUD Section 811, a United States Department of Agriculture RD program, and Applicants that select the Elderly ALF Demographic Commitment, the Tenant Selection Plan, as explained in Exhibit G, shall be submitted by the owner to the Corporation for approval within 21 Calendar Days of the date of the invitation to enter credit underwriting. The waiting list section of the Tenant Selection Plan shall establish selection preferences or a section for special admissions specifically for individuals or families who are referred by a designated Referral Agency.

If a Development has a Housing Assistance Payment and/or an Annual Contributions Contract with HUD, the Tenant Selection Plan must be sent to the Corporation for preliminary approval before sending to HUD. Note: HUD approval may take several months. HUD approval shall be demonstrated to the Corporation prior to the completion of the final credit underwriting report.

e. Unit Mix requirements outlined in RFA are based on Demographic Commitment

(a) If the Elderly Non-ALF Demographic Commitment is selected, at least 40 percent of the total units must be comprised of one bedroom or Zero Bedroom Units, and no more than 20 percent of the total units can be larger than two-bedroom units.

(b) If the Elderly ALF Demographic Commitment is selected, at least 90 percent of the total units must be comprised of units no larger than one bedroom and the sharing of a unit by two or more unaffiliated residents cannot be a condition of occupancy.

f. Number of residential buildings must be provided.

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

7. Readiness to Proceed

a. A Site Control form must be submitted with site control documentation and executed by the Authorized Principal Representative.

Applicants must demonstrate site control as of Application Deadline by providing an eligible contract (effective at least through June 30, 2022), a deed, and/or a lease.

b. The 06-20 Ability to Proceed forms (zoning, water, sewer/package treatment/septic tank) are provided on the RFA Webpage. These must be submitted with the Application and dated within 12 months of the Application Deadline. The 08-20 Ability to Proceed forms (electricity and roads) must be submitted during credit underwriting.

Note: The 08-18 Ability to Proceed forms will not be accepted.

8. Construction Features

In addition to the required features outlined in the RFA, select enough additional Green Building features in Exhibit A so that the total point value of the features selected equals at least 10 points.

All Developments that are awarded funding will be required to do the Capital Needs Assessment process (Exhibit F).

9. Resident Programs

a. If the Family Demographic is selected, provide at least three of the resident programs: After School Program, Adult Literacy, Employment Assistance Program, Family Support Coordinator, Financial Management Program, Homeownership Opportunity Program.

b. If the Elderly Demographic (ALF or Non-ALF) 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.

c. If the Person with a Disability Demographic is selected, provide at least one of the resident programs, in addition to the required resident programs outlined in the RFA: 24 Hour Support to Assist Residents in Handling Urgent Issues, Employment Services, Resident Health Care coordination program

10. Funding

a. Maximum HC Request Amounts

County Category	Maximum Request Amounts
Applications in any Large County	\$2,375,000
All Applications in any Medium County	\$1,700,000

b. Basis Boost Qualifications

- Subsequent Phase of a Multiphase Development
- HUD-designated Small Area DDA (SADDA)

- HUD-designated Non-Metropolitan DDA
- HUD-designated QCT
- Public Housing Authority Areas of Opportunity

c. Developer Fee for this RFA is based on 16% of Development Cost

d. Per Unit Construction Funding Preference

D. Ranking and Funding Selection

1. Goals

a. A goal to fund one Application that selected and qualified as a Non-Profit Application

b. A goal to fund one Application that qualifies as an RD 515 Development.

c. A goal to fund one Application that qualifies as a non-RD 515 Development.

d. A goal to fund one Application located in a Medium County.

e. A goal to fund one Application located in a Large County.

An Application that is selected for funding may meet more than one goal. For instance, if a Non-Profit Application for a proposed RD 515 Development in Leon County is selected for funding, it may meet the goal to fund a Non-Profit Application, the goal to fund an RD 515 Development, and also a goal to fund one Application located in a Medium County.

2. Sorting Order

a. Proximity Funding Preference

b. Age of Development Funding Preference

c. RA Level 1, 2 or 3 Preference

d. ESS Construction Funding Preference

e. Per Unit Construction Funding Preference

f. Leveraging Classification

g. The actual RA Level

h. Florida Job Creation Funding Preference

i. Lottery number

3. New! - Funding Selection Process

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 and final cost certification. Note: The Total Development Cost numbers have been revised in the RFA.

- b. Transit and Community Service Scoring Charts
 - c. A/B Leveraging Classification Methodology will be applied to all eligible Applications. Note: The A/B Leveraging Classification Methodology has been revised in the RFA.
 - d. Florida Job Creation Funding Preference
 - e. Fees
 - f. Additional Requirements
4. Exhibit D – Timeline
 5. Exhibit E – Additional requirements for the Link Units for Persons with Special Needs
 6. Exhibit F – Rehabilitation Scoping Process with a Capital Needs Assessment
 7. Exhibit G - Tenant Selection Plan Requirements
- G. Other Important Information
1. Question and Answers process outlined in Section Three, D. of the RFA
 2. Expected Timeline

Issue RFA:	November 4, 2021
RFA Due Date:	December 7, 2021
Review Committee Meeting (make recommendations to Board)	early Spring 2022
Request Board Approval of Recommendations (at scheduled Board Meeting)	early Spring 2022
 3. Public comment link on the RFA Webpage for viewing and submitting public comments
- H. Other Discussion Topics